



PRESS RELEASE: FOREIGN DIRECT INVESTMENT SCREENING: AN OVERDUE, ESSENTIAL TOOL FOR THE EU

Brussels, 19 March 2018 – It is vital that the EU’s openness to Foreign Direct Investment (FDI) remains high – EU industry relies on straightforward access to capital in order to innovate and grow. However, there is lack of transparency as regards inward FDI into EU. In order to remedy this situation, the European Commission has proposed an FDI screening mechanism, which AEGIS Europe supports.

“A European framework for FDI screening is essential in light of growing concerns related to acquisitions in Europe facilitated, organised and financed by foreign states”, said Ines Van Lierde, Chair and spokesperson for AEGIS Europe. “EU-based industries are increasingly faced with third country government-led acquisitions that erode the integrity of European manufacturing capacity.”

“These acquisitions can, under certain circumstance, give rise to serious security and public order concerns”, emphasised Ms Van Lierde.

AEGIS Europe is an alliance of 25 EU manufacturing sectors that focuses on trade issues – highlighting that free international trade must also be fair and rules-based.

AEGIS Europe supports the Commission proposal and suggests it be based on a number of considerations. These include the evaluation of the supply of critical inputs, a focus on investments from foreign investors controlled or subsidised by foreign governments, and the systematic assessment by the Commission of the market compatibility of FDI operations with EU state aid rules and security.

“The proper functioning of the Internal Market relies on there being effective and non-distorted competition, guaranteed by competition rules and fair and free trade and investment policies. The Commission initiative is a start in correcting the current discrepancy”, concluded Ms Van Lierde.

AEGIS EUROPE

AEGIS Europe is a grouping of 25 industrial associations dedicated to ensuring that EU policymakers work towards free and fair international trade. AEGIS members are leaders in sustainable manufacturing and account for more than €500 billion in annual turnover and millions of jobs across the EU. To find out more about AEGIS Europe please visit www.aegiseurope.eu.