

EU-China Summit: Industry demands EU be resolute

China violates WTO and EU rules

Brussels, 5 April 2019 - Ahead of the EU China Summit due to take place on 9 April, European manufacturers have sent a strong message to policy makers, deploring massive violations of WTO and EU trade law by the Chinese government and companies.

AEGIS Europe, a group representing 20 EU industry associations representing €500bn annual turnover, calls on the EU to take a resolute stand against unfair trade and competition at the upcoming EU-China Summit. The manufacturers associations demand not only the strict application of EU law against dumping, illegal subsidies and IP theft, but also an ambitious EU approach to the reform of substantive WTO rules in order to increase the effectiveness and enforceability of actions to promote a level playing field.

Inés Van Lierde, chair of AEGIS Europe: "Since its accession to the WTO, China has been deliberately and increasingly violating basic trade laws. This has already cost hundreds of thousands of industrial jobs in Europe and billions of euros in investments. In the past the EU has often appeared as the metaphorical tail-wagging dog, grateful to receive some crumbs from the broad economic table of China's economy. This has to change fundamentally. The EU must stand united against unfair trade and state-subsidized overcapacities and strategic takeovers."

In the 17 years following China joining the WTO, the country has flaunted the general WTO obligation to notify state subsidies. In addition, China violates WTO rules with its widespread support for Chinese producers which build up massive overcapacities and conduct strategic foreign investments. At the same time, China restricts the participation of non-Chinese companies in many market segments, while exploiting all legal loopholes to gain influence and even dominance in external markets.

To challenge those irregular practices, AEGIS Europe stresses the need for the EU to align with trade partners, such as the U.S., Japan, Canada, Australia and India, in order to achieve a swift and deep reform of existing WTO rules. "Existing tools must be modified and enforced more quickly to be more effective," declared Ms Van Lierde, adding: "Plus, we need to add instruments to tackle overcapacities, state-led foreign investments and further market distortions. The EU manufacturing industry strongly promotes free trade. But there's no free trade without clear rules and enforcement," she concluded.

Media contact:

Contact: Natalia Kurop | +32 (0) 488 945 579 | natalia@doberpartners.com

ABOUT AEGIS EUROPE

AEGIS Europe brings together more than 20 European associations representing a broad variety of industries including traditional industries, consumer branches, SMEs and renewable energy sectors, accounting for more than €500 billion in annual turnover and millions of jobs across the EU. This industry alliance, made up of leaders in sustainable manufacturing and social and environmental responsibility, is committed to European manufacturing as the fundamental driver of innovation, growth and jobs in Europe.

AEGIS EUROPE

GlassFibreEurope
APFE - European Glass Fibre Producers Association (ANBF)

EM | **Eurometaux**
European Association of Metals

EUROFER
The European Steel Association



Cerame-
unie The European Ceramic Industry Association



EDG EUROPEAN DOMESTIC GLASS



FEVE
The European Container Glass Federation



EUROPEAN BICYCLE MANUFACTURERS ASSOCIATION

Euro Alliances
COMITE DE L'UNION DES INDUSTRIES DE PLOMB ALLIAGES

CCC
EUROPEAN ALUMINIUM

EUROCORD

EIFI
European Industrial Fasteners Institute

EU ProSun



SEA Europe
Seaport & Maritime Equipment Association

unife
THE EUROPEAN RAIL INDUSTRY

