Question for written answer E-013231/2015 to the Commission Rule 130 Franck Proust (PPE)

Subject: China - market economy status

Australia granted China market economy status, the condition required to open negotiations on a free trade agreement between the two countries, in 2005. While this ought to have facilitated negotiations, the free trade agreement itself was not signed until 17 June 2015.

Today the European Union finds itself in a complicated situation in regard to whether or not China should be recognised as having market economy status.

Article 15 of the protocol on the accession of China to the WTO states that China's economy shall not be recognised as a market economy before 11 December 2016. However legal uncertainty surrounds this notion.

With the date of 11 December 2016 approaching, the European Union, the Member States and the United States have begun to reopen the debate.

What lessons could the Commission draw from Australia's experience in order to anticipate what impact the EU's decision might have on:

- the ongoing negotiations on the EU-China investment agreement?
- the EU-China trade balance?
- EU-China diplomatic relations?

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