2016/0351(COD)


DRAFT OPINION

of the Committee on Legal Affairs

for the Committee on International Trade


Rapporteur: Gilles Lebreton
SHORT JUSTIFICATION

The Commission proposal covers targeted amendments to Regulation (EU) 2016/1036 on protection against dumped imports from countries that are not members of the European Union (the Basic Anti-Dumping Regulation) and to Regulation (EU) 2016/1037 on protection against subsidised imports from countries that are not members of the European Union (the Basic Anti-Subsidy Regulation).

These amendments relate to Section 15(a)(ii) of the WTO Accession Protocol for China which concerns ‘price comparability in determining subsidies and dumping’ and which expires in December 2016. The legal consequences of such expiry are not clear.

Dumping is a form of unfair competition. WTO members, including the EU, use trade defence instruments to re-establish a level playing field when faced with dumping.

The EU has committed to using only the minimum trade defence instruments necessary to offset any injury inflicted on EU industry.

The EU has evaluated China on the basis of five criteria for the granting of Market Economy Status; this evaluation has led the EU to apply the ‘analogue country methodology’ when ruling on instances of dumping.

In view of the legal ambiguity of the Commission’s proposal and the lack of a recent evaluation of China by the EU on the basis of the five technical criteria under EU law for the granting of Market Economy Status, the rapporteur proposes rejection of the Commission proposal.

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The Committee on Legal Affairs calls on the Committee on International Trade, as the committee responsible, to propose rejection of the Commission proposal.