

**Question for oral answer O-000144/2015
to the Commission**

Rule 128

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on behalf of the PPE Group

Subject: Unfair competition from third countries in the steel sector

The steel sector is still suffering from major global overcapacity in production, which pushes down prices and encourages trade-distorting behaviour by competing regions. This is particularly the case for China, which has approximately 340 million tonnes of excess steel capacity. This amount represents more than double the EU's annual steel demand (155 million tonnes). Moreover, as most Chinese companies receive subsidies and support, massive imports of Chinese basic steel products into the EU are not fair. Granting China Market Economy Status (MES) in 2016 would consequently be disastrous for the EU steel industry.

China is not the only threat, however: Belarus has recently emerged as a major risk alongside Turkey and other third countries. Accordingly, the EU needs strong Trade Defence Instruments (TDIs) in order to tackle unfair competition. Within the framework of TDIs, anti-dumping measures establish the necessary conditions to prevent dumped imports from further undercutting and underselling EU domestic prices. However, lengthy procedures often mean that these instruments are relatively ineffective, if not seldom used. Lastly, given that the steel products market changes from month to month, anti-dumping and anti-subsidy investigations should in some cases be opened on the basis of a 'threat of injury', without waiting for a 'material injury'.

1. In light of the above, can the Commission explain what it intends to do as regards granting China MES in 2016?
2. How does it intend to reduce the duration of investigations and ensure the timely imposition of provisional measures, which usually take between 9 and 15 months to be put in place, with a view to defending EU steel companies?
3. Given the continuing crisis in the steel sector, is the Commission going to present an annual report on the implementation of the Steel Action Plan?

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Deadline for reply: 26.11.2015