



Plenary sitting

B8-0605/2016

10.5.2016

MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 123(2) of the Rules of Procedure

on China's market economy status
(2016/2667(RSP))

**Marine Le Pen, Matteo Salvini, Franz Obermayr, Edouard Ferrand,
Barbara Kappel**
on behalf of the ENF Group

**European Parliament resolution on China's market economy status
(2016/2667(RSP))**

The European Parliament,

- having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community¹,
 - having regard to China's Protocol of Accession to the World Trade Organisation (WTO),
 - having regard to the statements by the Council and the Commission of 10 May 2016 on China's market economy status (MES),
 - having regard to Rule 123(2) of its Rules of Procedure,
- A. whereas the European Union and China are two of the largest traders in the world, China being the EU's second trading partner and the EU China's leading trading partner, with a trade exchange standing at well over EUR 1 billion a day;
- B. whereas any decision on how to deal with imports from China after December 2016 should ensure the compliance of EU law with WTO provisions;
- C. whereas China is still, despite its accession to the WTO almost 15 years ago, not considered a market economy by any of its major trading partners, and whereas the lack of free play of supply and demand led to the introduction of Section 15 of the accession protocol, which provided a basis for treating Chinese imports differently in order to protect against dumping prices;
- D. whereas the automatic expiry of Section 15 (a)(ii) of China's Protocol of Accession to the WTO will not automatically grant MES to the Chinese economy as a whole; whereas the remaining Section 15 (a)(i) will continue to provide a legal basis for the application of a non-standard methodology to imports from China after 2016;
- E. whereas given the current level of influence of the state on the Chinese economy, firms' decisions involving prices, costs, outputs and inputs do not respond to market signals reflecting supply and demand;
- F. whereas China's overcapacity of production is already having strong social, economic and environmental consequences in the EU, as has been demonstrated by the recent detrimental impact on the EU steel sector, and whereas the social impact of granting MES in terms of EU jobs could be substantial and might, according to a study carried out by the Economic Policy Institute, lead to more than 3.5 million jobs being put at stake;

¹ OJ L 343, 22.12.2009, p. 51.

- G. whereas the recently launched public consultation on the possible granting of MES to China could provide additional information which may be useful in addressing the issue;
1. Reiterates the importance of cooperation between the EU Member States and China; notes China's choice, as a sovereign state, of interventionism in economics and trade;
 2. Stresses that China is not a market economy and that it has not fulfilled the five criteria established by the EU to define such countries;
 3. Calls on the Commission to duly take into account the concerns expressed by EU industry and different stakeholders on the consequences for EU jobs and sustainable economic growth in all the affected manufacturing sectors and for EU industry as a whole, and to ensure the EU's competitiveness in a global context;
 4. Calls on the Commission to strengthen an effective trade defence;
 5. Consequently urges the Commission not to grant market economy status to China;
 6. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.