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))

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on behalf of the PPE Group
The European Parliament,

– having regard to the EU’s anti-dumping legislation (Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community),

– having regard to China’s Protocol of Accession to the World Trade Organisation (WTO),

– having regard to its previous resolutions on EU-China commercial relations,

– having regard to Rule 123(2) of its Rules of Procedure,

A. whereas the European Union and China are two of the biggest traders in the world, China being the EU’s second-largest trading partner and the EU being China’s largest trading partner with trade exchanges amounting to 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 norms;

C. whereas the provisions of Section 15 of China’s Protocol of Accession to the WTO that remain in force after 2016 provide a legal basis for the application of a non-standard methodology to imports from China after 2016;

D. whereas, given the current level of State influence on the Chinese economy, decisions taken by companies on prices, costs, output and inputs do not respond to market signals reflecting supply and demand;

E. whereas China’s production overcapacity is already having strong social, economic and environmental consequences in the EU, as demonstrated by the recent detrimental impact on the EU steel sector; whereas the social impact of granting market economy status (MES) may be substantial in terms of EU jobs;

F. whereas the recently launched public consultation on the possible granting of market economy status (MES) to China could provide additional information which may be useful in addressing the issue;

G. whereas the Commission Communication of 10 October 2012 entitled ‘A stronger European industry for growth and economic recovery’ sets the objective of raising industry’s share of EU GDP to 20 % by 2020;

1. Reiterates the importance of an EU strategic partnership with China in which trade and investment play an important role and which should be based on reciprocity and mutual

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2. Stresses that China is not a market economy and that the five criteria established by the EU to define such countries have not yet been fulfilled;

3. Urges the Commission to coordinate with its major trading partners, including in the context of the upcoming G7 summit, on how best to ensure that all provisions of Section 15 of China’s Protocol of Accession to the WTO that remain in force after 2016 are given full legal meaning under their domestic laws, and to oppose any unilateral concession of MES or methodology changes to China;

4. Calls on the Commission to take all due account of the concerns expressed by EU industry and different stakeholders on the consequences for EU jobs and sustainable economic growth in all the manufacturing sectors affected and for EU industry as a whole, and to ensure the EU’s competitiveness in a global context;

5. Is convinced that, for as long as China does not meet the five EU criteria required to qualify as a market economy, the EU should use a non-standard methodology in anti-dumping and anti-subsidy investigations into Chinese imports when determining price comparability, in full respect of those parts of Section 15 of China’s Accession Protocol which leave sufficient room for the application of a non-standard methodology;

6. Calls on the Commission to strengthen an effective trade defence instrument in order to guarantee EU industry a level playing field with China in full respect of WTO rules, and to ensure that any methodology adopted will effectively protect EU industry against dumped imports from China;

7. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.