

**Question for written answer E-002040/2016
to the Commission**

Rule 130

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Subject: Merger of two Chinese rail manufacturing companies

The merger of the two largest Chinese rail manufacturers, CNR Corporation and CSR Corporation was finalised in June 2015. The merger received no objections from the European competition authorities. The new state-owned company, 'CRRC Corporation' has a turnover of over USD 30 billion and is now by far the world's largest train builder, more than twice the size of its nearest competitor. This new industrial giant aims at global expansion and is challenging the European rail supply industry for leadership on the global market. In this context, I would like to pose the following questions:

1. Why did the Commission approve the merger of these two Chinese rail manufacturers, given the magnitude of the merger and the state support the company enjoys?
2. What is the Commission's opinion concerning a re-evaluation of the notification thresholds and of market definitions with regard to mergers, bearing in mind the global nature of the rail supply market?