Question for written answer E-000722/2021 to the Commission Rule 138

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Subject: Chinese investment in the Balkans imperilling the EU's climate objectives

According to the study by the Center for the Study of Democracy in Sofia entitled 'The Chinese Economic Footprint in Central and Eastern Europe: Impact on Energy Transition and Climate', China's growing presence in the energy sector in that region could undermine the EU Member States' 2030 and 2050 targets for reducing carbon emissions and implementing the energy acquis of the six Western Balkan countries aspiring to join the European Union.

Over the last decade, USD 14 billion of Chinese funding has been injected into the region in the form of grants, development loans, mergers, acquisitions of domestic assets and franchise agreements. Chinese loans relating to energy and infrastructure projects account for around 5.6 % of the region's GDP.

Although the Chinese Government has stated that it wants to cut its own emissions to zero by 2060, it continues to finance motorways and coal-fired power stations in countries like Serbia and Montenegro.

Chinese investment has become increasingly attractive to CEEC governments, since – unlike the EU – China does not insist on structural reforms when providing financial support for initiatives.

Will the Commission therefore:

- 1. Develop clear governance guidelines for the implementation of projects supported by China;
- 2. Make respect for the rule of law and the EU's climate objectives preconditions for the disbursement of EU funding to the Western Balkans.