



(Brussels, 12 May 2016)

Important signal: No automatic China Market Economy

Status

BUSINESSEUROPE welcomes the resolution of the European Parliament with about 80 per cent of votes against an automatically conceded “Market Economy Status” (MES) to China.

BUSINESSEUROPE Director General Markus J. Beyrer said after the vote:

“The resolution comes at a time when the EU’s decision-making process on this issue is in full swing and when full engagement in the debate from all EU Institutions involved is critical. China should also be engaged. This question is not just *about* China, this question *involves* China.”

The vote, supported by the EPP, S&D, ECR, ALDE and Greens/EFA groups reflects the same concerns BUSINESSEUROPE published in its position in December 2015 <https://www.businessseurope.eu/publications/china-get-market-economy-status>

“For European business, it is important that the EU strives for a sound and balanced economic relationship with China. The EU should reach a decision that is in line with WTO and EU law and takes into account the remainder of Section 15 of China’s WTO accession protocol. In this context it is important that the EU maintains effective trade defence instruments that take into account the real market situation in China today and in the future.”

BUSINESSEUROPE also believes that international engagement is key in resolving this question. This is not a bilateral issue and the European Union is not alone in taking this decision. Europe should coordinate with other major WTO members in order to avoid trade diversion as a consequence of differing views.

“The EP resolution recognises the importance of international coordination in this issue within G7 and G20 as European business has been asking for. This resolution also shows that the EU needs clear policy signals from China that it remains committed to comply with its obligations under the WTO, and that it



PRESS RELEASE

effectively addresses the issues that give such rise for concern, in particular overcapacity.”

BUSINESSEUROPE defends there is no requirement to automatically grant MES as a direct consequence of the expiry of Section 15 subparagraph (a)(ii) of China's WTO Accession Protocol as it has been amply recognised by today's EP resolution.

ENDS

BUSINESSEUROPE

Contact:

Peter Sennekamp
Director of Communications
168 Avenue de Cortenbergh
1000 Brussels - Belgium
GSM : +32 496 919 315
p.sennekamp@businessseurope.eu

Peter Vertessy
Senior adviser, Press and media
168 Avenue de Cortenbergh
1000 Brussels - Belgium
Tel : +32 (0) 2 237 65 03
p.vertessy@businessseurope.eu