

# PRESS RELEASE

## STEEL INDUSTRY WELCOMES PARLIAMENT REJECTION OF MES CHINA; CALLS ON MEMBER STATES TO END EU TRADE DEFENCE MODERNISATION BLOCKAGE

**Brussels, 12 May 2016 – The European Parliament today voted through a Resolution on Market Economy Status (MES) for China, highlighting the institution’s firm reservations on granting China MES. The European Steel Association (EUROFER) welcomes the Resolution of the European Parliament, and asks the European Commission to consider more seriously the wider implications of MES on the steel industry, as well as to motivate member states to overcome the blockage in the Council on the modernisation of Europe’s Trade Defence Instruments (TDI).**

“The message from the European Parliament has been abundantly clear”, said EUROFER Director General Axel Eggert. “A significant majority of MEPs do not believe it is the right time to grant China Market Economy Status. China is not a market economy, and thus cannot be treated as such for the purpose of anti-dumping investigations.”

China is, by some margin, the largest dumper of steel onto the EU market. Of the 37 anti-dumping measures currently in force on steel, 16 involve China<sup>1</sup> in some way. Were MES to be granted the EU’s trade defence measures would be rendered ineffective, with no other enforcement tool available.

The European Parliament Resolution also urges the Council to agree on the modernisation of the EU’s TDIs. The Commission proposal has been at an impasse in the Council since 2013 as member states such as the UK and the Netherlands continue to block the lifting of the Lesser Duty Rule.

“The inability of the Council to come to an agreement is a disaster for the steel industry, as we are regularly targeted by unfair trade from third countries. We call on the Dutch EU Presidency, as well as the UK, to take responsibility now and lift the obstruction blocking the creation of more effective Trade Defence Instruments”, added Mr Eggert.

EUROFER’s call comes ahead of the Foreign Affairs Council on 13 May which, among other things, will be discussing trade aspects of the recent *Communication on Steel*, in which the Commission urges the modernisation of the EU’s TDI.

Mr Eggert emphasised, “Member states are reopening the TDI discussion. The Commission is undertaking efforts to try to upgrade the existing TDI system using the means currently available to it. However, the wholesale TDI modernisation that is actually needed is firmly in the hands of the member states. The Council urgently needs to make progress on the dossier, and EUROFER hopes the European Parliament Resolution will spur further development.”

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## Notes for Editors

### Contact

Charles de Lusignan, Communications Manager, +32 2 738 79 35, ([charles@eurofer.be](mailto:charles@eurofer.be))

### About the European Steel Association (EUROFER)

EUROFER is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in Switzerland and Turkey are associate members.

### About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €170 billion and directly employs 320,000 highly-skilled people, producing on average 170 million tonnes of steel per year. More than 500 steel production sites across 24 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.

### European Parliament Resolution on Market Economy Status

The European Parliament resolution can be found: [here](#)

### European Commission Communication

The European Commission's recent Communication on steel can be found: [here](#)

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<sup>i</sup> Figure of 37 anti-dumping measures in force on steel which 16 involving China is from the EU Communication on Steel