

Brussels, 18 November 2016

Subject: Commission proposal of 9 November 2016 to amend the Basic AD and AS Regulations¹

Dear Member of the European Parliament,

Considering

- the unique and critical role of the EU's trade defence instruments in addressing competitive distortions in world trade, and ensuring a level playing field for EU producers from key manufacturing sectors which are major sources of investments, innovation and growth in the EU
- the crucial impact for the future of EU manufacturing of the changes set out in the Commission's proposal of 9 November 2016 to amend the Basic AD and AS Regulations
- and the substantial uncertainty created by that proposal

it is imperative that the EU co-legislators – the European Parliament and the Council of Ministers – take the time necessary to review carefully that proposal and consider input from stakeholders.

Accordingly, we urge you to oppose attempts to prevent a meaningful review and consideration of changes to the Commission's proposal of 9 November.

A fast track for the Commission's 9 November proposal would be particularly inappropriate considering that

- 1) The proposal is not consistent with the 12 May 2016 resolution of the European Parliament and**
- 2) The proposal does not, contrary to the Commission's claim on 20 July 2016, align the EU anti-dumping legislation with that of the US with regard to imports from China².**

Overall, the vagueness of the text of the Commission's 9 November proposal raises many questions and we have a strong concern that the proposal does not provide legal certainty, but rather undermines it.

Hundreds of thousands of EU jobs are at risk here, and this undermining of legal certainty will only discourage investments by industry in the EU, and in fact will lead manufacturers to produce outside the EU. It also makes it highly questionable whether SME's would still be able to lodge complaints in the future, while the EU itself recognises that SME's provide more than 70% of jobs within the EU.

In these circumstances, it is imperative that the co-legislators take the time necessary to review the Commission's proposal of 9 November and propose the appropriate changes.

For the same reasons, no link should be made between the proposal which replaces the AD provisions for non-market economy WTO Members such as China, and the proposal concerning Trade Defence Instrument (TDI) Modernisation, for example through calls for a rapid discussion and adoption of a

¹ [COM\(2016\) 721 final](#).

² These two comments are further detailed in the [Annex](#).



single overall package. There is in any event no necessary link to the extent they deal with entirely separate issues.

The risk of having a link made between the two files is that they will be presented to the EP (following the adoption of a Council compromise on TDI Modernisation) as a single package which is the only possible compromise in a difficult dossier, and thus needs to be passed quickly and with no amendments (i.e. a "fast track" procedure). This would be highly irregular and entirely inappropriate with regard to the proposal adopted by the Commission only a few weeks earlier on a very complex and sensitive matter. The co-legislators must have and make use of sufficient time to examine the Commission's 9 November proposal and to put forward amendments.

We therefore urge you to make sure that appropriate time is given to discuss the 9 November proposal of the Commission. In particular, we urge you to insist, in contacts both within the Parliament and with the European Commission and with Member States, that there not be a link with the TDI modernization file that would reduce the time and ability of the co-legislators to examine the Commission's 9 November proposal critically and to propose appropriate amendments.

AEGIS Europe itself is in the process of examining the Commission proposal, and it is drafting text for possible amendments that will be forwarded to you in the near future.

We thank you in advance for your kind consideration of this urgent matter and remain at your disposal to discuss it further.

Sincerely,

Inès Van Lierde

Chair of AEGIS Europe

Encl.