

P R E S S R E L E A S E

EU Foreign Subsidies proposal: a good basis to tackle unfair competition in the metals sector

- **Europe’s metals industry welcomes today’s EU legislative proposal on foreign subsidies and the proposed tools to level the playing field and address distortions in the EU internal market**
- **The effective implementation of the measures proposed will be now crucial to tackle the impacts of foreign subsidies & safeguard European industry’s global competitiveness**

Brussels, 5 May 2021: “The Commission’s legislative proposal on levelling the playing field on Foreign Subsidies provides a legal framework for the EU to fill existing gaps and effectively address the distortive effects of foreign state subsidisation and state ownership in the internal market. With the World Trade Organisation still to be reformed, Europe’s metals industry needs prompt EU action to rigorously enforce its tools and establish fair competition alongside our economic recovery from the COVID-19 pandemic”, Guy Thiran, Director General of Eurometaux (European metals association) stated in response to today’s proposal.

The World Trade Organisation is currently in deep crisis, unable to effectively tackling the growing issues of state intervention and excess capacities at the global level. While we urge the EU to push for improvements to the updated rules-based multilateral trade system, we believe the EU must combine global action with strengthened own mechanisms. Thus, the new EU instrument on foreign subsidies is essential for the European Union to tackle the issue of industrial subsidies in third countries without relying on a global response in the framework within the World Trade Organisation.

The Europe’s metals producers are gradually recovering from the economic impacts caused by the COVID-19 pandemic. These include depressed demand from automotive and construction sectors, surpluses of several metals, and low global prices. Europe should provide a guarantee of global level playing field to support a full and sustainable recovery of the metals industry – avoiding that Europe loses further industrial capacity as it did after the 2008 financial crisis.

Guy Thiran continued: “As also highlighted in today’s updated industrial strategy, several strategic sectors in Europe are largely dependent from external imports, both from China as well as other parts of the world. This weakens Europe’s manufacturing base and industrial competitiveness. We see wider issues from EU companies being acquired by foreign subsidised entities, sales below production costs, and abnormally low tenders in public procurement. It’s crucial that the European Commission’s new measures and tools in today’s legislative proposal as regards foreign subsidies are implemented in an effective manner to deliver real results. Our industry will always support and defend fair competition and rules-based trade.”

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About Eurometaux: Eurometaux is a trade association representing the collective European non-ferrous metals industry, including smelters, refiners, transformers and recyclers of all non-ferrous metals produced industrially in Europe. In total the industry employs 500,000 people across over 900 facilities, with an annual turnover of €120bn. Our [2050 Blueprint](#) outlines the framework conditions required for transitioning towards climate-neutrality

