EUROPEAN COMMISSION



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Ms Regina BASTOS Chair of the European Affairs Committee Palácio de S. Bento P – 1249-068 LISBOA

cc Mr Eduardo FERRO RODRIGUES President of the Assembleia da República Palácio de S. Bento P – 1249-068 LISBOA

Dear Chair,

The Commission would like to thank the Assembleia da República for its Opinion on the Communication from the Commission to the European Parliament, the European Council and the Council "Towards a robust trade policy for the EU in the interest of jobs and growth" {COM(2016) 690 final}.

The Commission would like to take this opportunity to confirm its continued commitment to maintaining a robust trade defence policy that will shield European Union industry against unfair trade practices.

In the Opinion, the Assembleia da República refers to legislative amendments aimed at strengthening the Union's trade defence instruments, including by introducing a new dumping calculation methodology. The Commission is pleased to inform the Assembleia da República that the legislative amendments on the new methodology entered into force on 20 December 2017, thereby concluding the legislative procedure initiated by the Commission proposal of 9 November 2016.

The core element of the proposal consists of introducing a new, country neutral, dumping calculation methodology which would allow the Commission to discard domestic prices and costs when it is not appropriate to use them, due to the existence of significant, in particular state-induced, distortions in the exporting country. By introducing this new methodology, the European Union will be able to tackle one of the root causes of unfair trading practices. This new legislation will ensure that the Union will be equipped with

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¹ Regulation (EU) 2017/2321 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union; OJ L 338, 19.12.2017, p. 1–7.

² Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union {COM(2016) 721 final}.

modern and effective trade defence tools to provide adequate protection for its industry and citizens.

Similarly, with respect to the legislative proposal for modernisation of the trade defence instruments³ to which the Assembleia da República makes reference in its Opinion, the Commission can confirm that the co-legislators found in December a welcome compromise. This outcome found broad support among representatives of the Member States as well as in the European Parliament and the entire modernisation package entered into force on 8 June 2018. The changes to the Union's anti-dumping and antisubsidy regulations agreed by the co-legislators represent a balanced result, taking into account the interests of European Union producers, users and importers alike. The new legislation will deliver concrete solutions to practical problems raised by businesses and, in particular, meet the needs of small and medium-sized enterprises. In addition, trade unions that represent workers whose jobs are at stake due to unfair competition will now be able to fully participate in these investigations. Overall, the Union's trade defence instruments will become more effective, transparent and tailor-made to face the challenges of today's global economy.

The Commission hopes that these clarifications address the issues raised by the Assembleia da República and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President Cecilia Malmström Member of the Commission

Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1225/2009 on protection against dumped imports from countries not members of the European Community and Council Regulation (EC) No 597/2009 on protection against subsidised imports from countries not members of the European Community {COM(2013) 192 final}.