

## **China condemns EU for new steel anti-dumping duties**

China has condemned the European Commission for imposing new anti-dumping duties on its steel products, accusing the EU's executive of making China an industrial scapegoat. The 28-nation bloc said on Friday that it would levy duties of up to 35.9 percent on Chinese hot-rolled flat steel in an attempt to create a level playing field with China as it broadens its campaign to protect Europe's struggling steel manufacturers.

The EU alleged China, which makes more than half the world's steel, has flooded global markets in violation of international trade agreements. According to the EC, Chinese producers benefit from preferential lending, tax rebates and other financial help that allow exports to the EU at artificially-low prices. But China said the bloc's action stemmed from a misunderstanding of China's financial loan system and trade trends.

"The European Commission ignores the fact that China's steel exports to Europe clearly declined in 2016, using China's steel overcapacity as an excuse to claim that China's hot-rolled flat steel products threaten to damage industry in the EU when that is mere speculation with little bearing on reality," Chinese commerce ministry official Wang Hejun said in a statement Friday.

"China strongly questions the legitimacy and legality of the European Commission's ruling." The EU has had a series of trade disputes with China, its second-largest trading partner, but is also seeking to resolve the stand-off over steel with Beijing through the OECD, the Paris-based group of developed economies. In January, the Commission imposed anti-dumping duties on China's stainless steel tube and pipe butt-welding fittings. Like hot-rolled flat steel, the products are commonly used in shipbuilding as well as energy and construction.

Wang noted that China has not only refrained from subsidising steel exports, but also adopted several measures to control them. "It is biased and unfair for Europe to blame China for its own industrial issues," he said. "Unjustified accusations and reckless trade rescue measures will not help to solve the problem."

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