

European Bicycle Manufacturers Association applauds new EU disclosure on maintaining trade defence measures against bicycles from China

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Moreno Fioravanti, Secretary General of the European Bicycle Manufacturers Association (EBMA) said: "The EBMA applauds the recent European Commission disclosure of its intent to maintain definitive anti-dumping measures on bicycles imported from China. The Commission's investigation has now proven the need to prevent further dumping and injury to European bicycle manufacturers."

Fioravanti continued: "The EU currently imposes 48.5% EU anti-dumping duties on imported Chinese bicycles. On 4 June 2018 the European Commission launched an expiry review of the anti-dumping measures applicable to imports of bicycles from China. The Commission has seen that even with the measures, EU imports from China have increased in recent years. Without a level playing field, Chinese exporting producers would flood the EU market with dumped bicycles and rapidly drive the EU industry out of the market, which already happened in the USA and Japan. The EU must extend anti-dumping measures on Chinese bicycles to ensure fair competition, benchmark innovations like the pedal-assist e-bikes developed by the EU Industry, green jobs and growth in Europe."

Bicycles form a strategic innovative industry for Europe's green future. The EU bicycle, e-bike and components industry generates annually over €1 billion in EU investments and approximately €12 billion growth in industrial output. The bicycle/e-bike industry is one of the largest employers of the "green industries" in the EU. Overall, the European bicycle industry maintains more than 100,000 direct and indirect jobs in the Union market, with over 900 SMEs working in 24 of the 28 Member States directly in bicycle, pedal-assist e-bikes & cycle components production. Thanks to recent EU trade defence measures on e-bikes, thousands of jobs are being re-shored to Europe.

Fioravanti said: "Fuelled by illegal subsidies and massive overcapacity, China wants to take over the EU bicycle market through dumping and circumvention, including massive volumes of low-quality bike-sharing bicycles. The 13th 5-Year Plan mandates a consolidation in the Chinese bicycle industry to create national and international champions. The annual Chinese bicycle and e-bike production capacities are around 200 million units compared with total worldwide demand of 120 million. The Chinese bike-sharing disaster not only involved a rapid and major expansion of production overcapacities, but also a strong contraction of 50% in domestic bicycle sales in their home market. China's ever-expanding bicycle and e-bike manufacturing overcapacity is now almost five times larger than the total EU market of 22 million bicycles and e-bikes per year!"

Furthermore, Section 301 tariffs imposed by the US on many Chinese products, including bicycles, is leading many US buyers to seek supplies in other Asian countries and to drastically reduce the order book of Chinese exporters in 2019. Hence, Chinese exporters are focussed on dumping their overproduction in the EU market.

Fioravanti concluded: "The European Commission's latest disclosure is the next critical step to maintaining measures against China dumping of bicycles in the EU. European bicycles are the right green choice for European consumers. European trade unions, bicycle manufacturers, small businesses and cyclists have all made clear to the European Commission that the EU must maintain the measures against the dumping of Chinese bicycles. The European Cyclists' Federation, which represents EU consumers, points out that the extension of EU anti-dumping measures is essential to ensure the continued availability of quality products from a large variety of EU and non-EU supply sources. Without EU action, China's unfair trade practices would destroy the European bicycle industry and also prevent producers in countries like Bangladesh, Tunisia, Taiwan, India, Vietnam and Turkey, from selling non-dumped bicycles to the EU market."

Notes for editors and further information:

EU Official Journal and Case History Website Hyperlinks: http://trade.ec.europa.eu/tdi/case_details.cfm?id=2339

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