

Noah and I negate, Resolved: The European Union should join the Belt and Road Initiative.

The BRI is headed towards failure.

Scissors '18 of the AEI finds that China funds over 95% of the BRI.

Unfortunately, **Chandran '19 of CNBC** that the BRI is facing a funding gap of 500 billion dollars every year which has been created by a lack of private investors.

Indeed, **Scissors in '19** reports that, there's a shortage of hard currency used to make investments and finance construction, confirmed by the fact that new BRI projects dropped sharply by over 50 percent in the first half of 2019 when compared to the first half of the previous year.

Ciurtin '17 of the ERI concludes that the only way for projects to continue is with the addition of the European Union and their financial contributions. They conclude that without the EU it is improbable that any other nation would fill the gap due to their willingness to cooperate or inability to provide sufficient funding.

Contention 1: Fueling Fossil Fuels

The current political climate is stifling coal companies in China, as **Hilton '19 of Yale University** writes that with the closing down of coal plants, environmental regulations, and the boom of green technologies, coal was set on a downward spiral.

This allows for the renewable energy sector to grow, setting them on track to be the financially preferable option in the near future. **Dudley '19 of Forbes** notes that renewable energy is projected to become consistently cheaper than fossil fuels by 2020.

However, revitalizing the BRI creates opportunities for coal companies to export their plants elsewhere. **Tabuchi '17 of the New York Times** reports that a strong infrastructure demand in developing countries and a sharp fall in coal financing by the World Bank and Asian Development Bank had opened up the field for Chinese involvement.

These companies are noticeably on their last gasp, as **Hilton**, furthers that these enterprises saw their best hopes of survival overseas, where they are involved in over 240 coal projects in 25 BRI countries, and **La Shier '18 of the Environmental and Energy Study Institute** finds that Chinese companies cheaply sell their low-efficiency coal technology abroad.

More Chinese funding would be even more damaging as **Yu of The Diplomat 19'** finds that, thanks to concerns, 100 financial institutions around the world have introduced policies restricting coal funding.

Sharing such unsustainable technologies could foster dependence on fossil fuels among a developing and increasingly energy-hungry world.

Zadek '19 of the Brookings Institute finds that carbon emissions are usually *locked in* at the contractual stage of an investment. Infrastructure development planning involves long lead times that predetermine technology choices, which in turn shape institutions, behavioral norms, and outcomes. That's why **Zadek** concludes that BRI projects could be the single largest source of growing carbon emissions over the next two decades.

There are two impacts.

First, global hunger

In a 70 study meta-analysis, **Aton '17 of The Scientific American** quantifies that each degree Celsius of warming will decrease world food yields by "7.4 percent."

Berrens of the GCG in 2018 concludes that any global temperature increase past the two degrees will force billions into starvation.

The Institute of Ecolonomics 14' furthers that, hunger is the number one cause of death in the world.

Second, poverty

The World Bank 16' finds that, in a pessimistic development scenario, climate change could drag more than 100 million people into poverty by 2030. This number can be reduced to fewer than 20 million, if climate-informed development occurs. The impacts of climate change on poverty by 2030 mostly depend on development choices.

Contention 2: Dumping

China has historically participated in unfair market practices known as dumping

Christian of the AAEP 16' explains, China has demonstrated past willingness to engage in massive dumping at prices below cost. A company is 'dumping' if it is exporting a product to the EU at prices lower than the normal value of the product. The purpose of dumping is usually to drive out competition.

Because of dumping,

Christian 16' finds, the European industry has lost millions of manufacturing jobs to China. The list of vulnerable industries include steel, ceramics, glass, aluminium, bicycles and parts, solar panels and many others.

However, Europe has taken steps to make sure the problem doesn't get worse

Christian furthers, current anti-dumping measures safeguard tens of thousands of direct and indirect jobs in Europe.

But, if the EU were to join the BRI, many of these measures would no longer exist.

Xu of Deloitte 19' continues, The removal of protectionist measures is one of the core aims of the BRI.

The impact is losing jobs

Christian concludes, without the anti-dumping instruments currently available, up to 3.5 million jobs would be at risk from China's unfair trading practices.

Thus we negate

Cut Cards in case:

Funding

Scissors 18 — 95% China funded

Scissors, March 2018, AEI, <http://www.aei.org/wp-content/uploads/2018/03/BRI.pdf>

China can afford that. What it cannot afford is the multiple trillions being bandied about by some. Nearly 70 percent of investment under the BRI has come from SOES, and **SOES have done more than 95 percent of the construction.** To put it bluntly, if BRI activity was consistently profitable, someone other than Chinese SOES would engage in it. Chinese SOES can sustain the unprofitable activities only due state support.

Chandran 19 — \$500 billion funding gap

Nyshka Chandran, JAN 17 2019, CNBC, Fears of excessive debt drive more countries to cut down their Belt and Road investments,

<https://www.cnbc.com/2019/01/18/countries-are-reducing-belt-and-road-investments-over-financing-fears.html>

Private investment remains limited and even with capital from international institutions such as the Asian Infrastructure Investment Bank, **the BRI faces a funding gap of up to \$500 billion a year**, Wang Yiming, deputy head of the Development Research Centre of China's State Council, said in April.

Ciurtin 17 — EU Funding

Horia Ciurtin, legal adviser in the field of international investment law and international arbitration; He is also an Expert for New Strategy Center (Bucharest) - a prominent Romanian think-tank in the field of strategy and international relations, European Institute of Romania, December 2017 ["A PIVOT TO EUROPE: CHINA'S BELT-AND-ROAD BALANCING ACT"]

http://ier.gov.ro/wp-content/uploads/publicatii/Final_Policy-Brief-5_Horia-Ciurtin-A-Pivot-to-Europe_web.pdf 7-14-2019]

However impressive the sums might appear at a first glance, they fall short of the needed amount. *The first stages of developing the Belt-and-Road require no less than \$3 trillion* (according to some accounts, even more). *And this is a task that China – despite its constant growth and increasing economic power – cannot accomplish alone. It really needs co-interested parties. And that is where the European Union (with its unbearable economic force) comes into the spotlight:* it is not supposed to be just a “passive” destination at the end of the road, but also a co-owner in this joint venture. **Without European cash – from public and private sources – it is highly improbable that other actors could feasibly join China in funding the initiative**. Russia, Iran, Turkey or Kazakhstan (or even Japan and India³⁷) are in an entirely different economic league than what is needed for such a massive project. For a path to Europe to emerge, *Europe itself is needed along the way. In reality, EU-based institutions already are the largest lenders in the region* (see Figure 3 below). And Europe is highly interested in developing infrastructure and connectivity with its marginal areas.... However, as shown before, *China cannot financially and logistically manage such an ambitious project on its own. And, this time, prominent regional actors such as Russia, Iran and Turkey (who are unable) or India and Japan (who are unwilling) cannot be counted upon to build the Belt and Road. The only possible – and the truly necessary – partner is the European Union. The path to Europe can open up only with Europe’s support and financial participation.*

Contention 1 cards

Hilton 19 — Chinese coal companies alienated rn bc of current political climate

Isabel Hilton, Yale E360, 01-03-2019 ["How China’s Big Overseas Initiative Threatens Global Climate Progress"]

<https://e360.yale.edu/features/how-chinas-big-overseas-initiative-threatens-climate-progress> 7-1-2019]

Over the last decade, in an effort to reverse coal’s impacts, the government instituted a program of closure of smaller, older plants and investment in new, advanced power stations. The share of coal in the mix began to drop, giving rise to the hope that consumption in a country that has swallowed half the world’s coal each year since 2011 was on a downward path. Today, China’s leadership has embedded “eco-civilization” in the Communist Party’s constitution, as the clean, green principle on which it is planning the next phase of China’s economic development. China’s planned shift away from heavy industry toward a more service-based economy, coupled with big investments in renewables, enabled China to achieve substantial reductions in energy intensity and to envisage the moment when the country’s coal use and carbon emissions would peak and begin to fall. In 2014 alone, China added 20 gigawatts (GW) of wind capacity, 11 GW of solar and 22 GW of hydropower capacity, but much of the country’s renewable output was wasted because of the structure of China’s electricity market. China’s coal-fired power plants had traditionally enjoyed fixed annual supply contracts that guaranteed them against operating losses, contracts that denied grid access to much of the output of the growing renewables sector. *In 2015, reforms to the electricity market removed coal’s guaranteed hours and grid operators were encouraged to give priority to renewable energy over coal. It was welcome news for the global climate community as well as for China’s smog-weary urban population, but China’s giant coal and energy companies found themselves looking at a bleak*

future. Struggling to make a profit, they saw their best hopes of survival overseas. The result is that while China is making commendable efforts to clean up at home and to reduce its carbon emissions, **the Belt and Road Initiative threatens to lock China's partners into the same high-emission development that China is now trying to exit.** As a spokesman for the China Huaneng Group, China's national state-owned power company, told China Energy News in July 2015, the company **was actively seeking development opportunities along the "Belt and Road."** It had a particular eye on the coal resources of South Asia, Southeast Asia, **Central and Eastern Europe**, the Middle East, and the Russian Far East. **Other energy companies followed suit**, supported by the third key element in the strategy – China's state-owned banks. Later that year, 190 countries agreed under the Paris climate accord to try to keep the global average temperature rise below 2 degrees Celsius (C) and as close to 1.5 degrees C as possible.

Dudley 19 — renewables cheaper by 2020

Dominic **Dudley**, **Forbes**, 5-29-2019, "Renewable Energy Costs Take Another Tumble, Making Fossil Fuels Look More Expensive Than Ever"

<https://www.forbes.com/sites/dominicdudley/2019/05/29/renewable-energy-costs-tumble/>, accessed 7-15-2019

It also points out that new solar PV projects in countries such as Chile, Mexico, Peru, Saudi Arabia and the UAE have seen a leveled cost of electricity of as low as \$0.03/kWh – helped by the fact that governments have been holding competitive bidding processes when launching contracts to develop new power plants. **All this suggests IRENA was on the right track when it predicted early last year that renewable energy should be consistently cheaper than traditional fossil fuels by 2020.** Even the most expensive renewable energy technology, concentrated solar power (CSP), is competitive against fossil fuels in some circumstances. The cost of developing a CSP plant ranges from around \$0.10/kWh to \$0.27/kWh, with an average price of around \$0.18/kWh. The ability of renewable energy to compete effectively against the older fossil fuel technologies is coming as a result of consistent falls in the cost of new plants. Last year alone, the global weighted-average cost of electricity from bioenergy fell by 14%, while solar PV and onshore wind costs dropped by 13% and hydropower fell by 11%. The sharpest fall came in the cost of CSP plants, which dropped by 26%. The cost of geothermal and offshore wind appeared to plateau though, with costs edging down by just 1%. **IRENA says these trends are likely to continue over the next decade, particularly for solar and wind power technologies. According to the organization's database, over 75% of the onshore wind and 80% of the solar PV capacity due to be commissioned next year will produce power at lower prices than the cheapest new coal, oil or natural gas options. "Crucially, they are set to do so without financial assistance," it noted.**

Hilton 19 – Chinese 240 coal projects

Isabel Hilton, Yale E360, 01-03-2019 ["How China's Big Overseas Initiative Threatens Global Climate Progress"]

<https://e360.yale.edu/features/how-chinas-big-overseas-initiative-threatens-climate-progress> 7-1-2019]

Just building the land-based Silk Road Economic Belt and the 21st Century Maritime Silk Road will absorb massive amounts of concrete, steel, and chemicals, creating new power stations, mines, roads, railways, airports, and container ports, many in countries [with poor environmental oversight](#). But more worrying still is the vision of industrial development to follow, and the energy that is

planned to fuel it. **While China has imposed a cap on coal consumption at home, its coal and energy companies are on a building spree overseas.** Chinese companies are involved in [at least 240 coal projects](#) in 25 of the Belt and Road countries, including in Bangladesh, Pakistan, Serbia, Kenya, Ghana, Malawi, and Zimbabwe. China is [also financing](#) about half of proposed new coal capacity in Egypt, Tanzania, and Zambia. While a few of these new plants will use the latest technology — in Bangladesh, for example, China is building the country's first "clean coal" plant — many are less advanced and [are not being planned](#) with the carbon capture technology that would make them less threatening to efforts to control climate change.

Tabuchi 17 — developing nations infra demand

Hiroko Tabuchi, New York Times, 7-1-2017 ["As Beijing Joins Climate Fight, Chinese Companies Build Coal Plants"]

<https://www.nytimes.com/2017/07/01/climate/china-energy-companies-coal-plants-climate-change.html> 7-1-2019]

But overseas, the Chinese are playing a different game. [Shanghai Electric Group](#), one of the country's largest electrical equipment makers, has announced plans to build coal power plants in Egypt, Pakistan and Iran with a total capacity of 6,285 megawatts — almost 10 times the 660 megawatts of coal power it has planned in China. The China Energy Engineering Corporation, which has no public plans to develop coal power in China, is building 2,200 megawatts' worth of coal-fired power capacity in Vietnam and Malawi. Neither company responded to requests for comment. Of the world's 20 biggest coal plant developers, 11 are Chinese, according to [a database](#) published by Urgewald. **Over all, Chinese companies are behind 340,000 to 386,000 megawatts of planned coal power expansion worldwide.** Urgewald estimated. **A typical coal plant has** a capacity of about 500 megawatts and burns 1.4 million tons of coal each year, **enough to power almost 300,000 homes.** Kevin P. Gallagher, a professor of global development policy at Boston University and an expert in Chinese energy investment overseas, said **a strong infrastructure demand in developing countries and a sharp fall in coal financing by the World Bank and Asian Development Bank had opened up the field for Chinese involvement.** "In China, you have lots of very competitive and politically influential companies — but all of a sudden there's no demand," Professor Gallagher said, referring to China's slowing economic growth. "So China is helping these companies go overseas to help make the adjustment at home less painful." **Much of China's overseas push has come under a state initiative called "One Belt, One Road,"** announced in 2013, which calls for up to \$900 billion in infrastructure investments overseas, including high-speed railroads, ports, gas pipelines and power plants. China's two global policy banks, the China Development Bank and the Export-Import Bank of China, have already provided more than \$43 billion in overseas coal financing since 2000, according to [a separate database](#) of Chinese energy investments published this year by Boston University.

La Shier 18 – China exporting fossil fuel energy to developing world bc its cheaper due to domestic envir. regulations

Brian La Shier, Environmental and Energy Study Institute, 10-30-2018 ["Exploring the Environmental Repercussions of China's Belt and Road Initiative"]

<https://www.eesi.org/articles/view/exploring-the-environmental-repercussions-of-chinas-belt-and-road-initiative> 7-13-2019]

Despite China's growing domestic affinity for renewable energy, some observers fear that **China will use BRI to export its fossil fuel-based economy to the developing world.** As China tries to reposition itself in the global economic order by focusing on higher-value goods and services, **high-emission manufacturing industries may migrate to**

developing BRI host nations. City dwellers in China [unhappy with their air quality](#) may provide political motivation to support this shift: President Xi could rid China of its polluting industries and appease large, urban constituencies most affected by poor air quality. **Chinese companies now obligated to follow stricter emissions standards at home could cheaply sell their low-efficiency coal technology abroad. Sharing such unsustainable technologies could foster dependence on fossil fuels among a developing and increasingly energy-hungry world.** The diversity of Chinese energy investments abroad, however, shows that BRI might not have a single, discernable direction. *Several coal-fired power plant projects backed by China are already in the pipeline in many of the BRI host nations—and many more built over the past several years have already begun to generate electricity. As of late 2016, Chinese banks and companies were involved in [240 coal projects](#) in BRI host nations, 106 of which were still under construction or in the pipeline (i.e., planned or signed). It is likely that many of these projects contributed to the one percent increase in global coal consumption in 2017, the first rise in coal consumption in three years, which was driven mainly by coal-fired electricity generation in Asia.* Construction in Pakistan along the China-Pakistan economic corridor, a centerpiece of BRI, will feature new coal-burning power plants.

[Yu of The Diplomat](#) in 2019

“In addition, coal is a major contributor to outdoor air pollution, which recent studies estimate cause 4.2 million to 5.6 million premature deaths every year. Coal is also very water-intensive, using up crucial and dwindling freshwater resources. **Thanks to these and other concerns, 100 financial institutions around the world have introduced policies restricting coal funding.** In their place, state-owned financial agencies in China, Japan, and South Korea have emerged as the largest sources of funding for coal plants outside their borders. However, funding for future coal plants is dominated by Chinese financial institutions. Chinese financing is behind an estimated one-quarter of all coal power capacity under development outside China. The biggest lenders are China Development Bank and China Export-Import Bank, while the corporations most involved are large state-owned entities, including State Grid Corporation of China, China Energy Engineering Corporation, State Power Investment Corporation, and China Huadian.”

Zadek 19 — Carbon lock in due to the stipulations and contracting within BRI negotiations + 2 degree

Simon **Zadek**, **Brookings**, 4-25-2019, "The critical frontier: Reducing emissions from China's Belt and Road"

<https://www.brookings.edu/blog/future-development/2019/04/25/the-critical-frontier-reducing-emissions-from-chinas-belt-and-road/>, accessed 7-15-2019

While every energy-saving bulb makes a difference, there are only a small number of existential frontiers in our efforts to deal with climate change. Of these, China's Belt and Road Initiative (BRI), involving over 70 countries from Central Asia to Latin America, has been dangerously ignored. New infrastructure will be a major contributor to global carbon emissions over the coming decades, accounting for over half of new sources according to the World Economic Forum. Such investments in countries involved in the BRI could make up as much as 60 percent of global infrastructure investments over the coming two decades. That is, BRI-involved countries could be the single largest source of growing carbon emissions over this critical period. A forthcoming report by Tsinghua University and partners has, for the first time, aggregated growth and carbon scenarios for BRI countries. Notwithstanding data weaknesses and uncertainties, the results indicate that these countries are currently on track to generate emissions well above 2-Degree Scenario (2DS) levels based on current infrastructure investment patterns and growth projections. BRI-involved countries could exceed their 2DS carbon budget by as much as 11 gigatons by 2030 and 85 gigatons by 2050. In this scenario, these countries would account for 50 percent of global emissions by 2050, up from 15 percent in 2015, if all other countries

succeeded in following a 2DS pathway. More optimistically, emissions would be 39 percent lower if BRI-involved countries achieved “historical best practices.” However, they would still fall short by 77 percent of the reduction required to align with a 2DS, resulting in their carbon emissions still exceeding the 2DS budget by a huge margin (38 percent) by 2050. Making things harder, carbon emissions are usually locked in at the contractual stage of an investment. Indeed, infrastructure development planning involves long lead times that predetermine technology choices, which in turn shape institutions, behavioral norms, and outcomes, including carbon emissions for decades to come. This means that carbon emissions in BRI-involved countries could become largely locked in over the coming one or two decades.

IMPACT

Anton 17 — 7.4% decline

Adam Aton, E&E News, 17, 8-16-2017, Scientific American, For Crop Harvests, Every Degree of Warming Counts,

<https://www.scientificamerican.com/article/for-crop-harvests-every-degree-of-warming-counts/>,

Wheat, corn, rice and soybeans make up two-thirds of humans' caloric intake. Each crop reacts differently to rising temperatures, and the effects vary from place to place. On average, though, the world can expect 3.1 to 7.4 percent less yield per degree Celsius of warming, according to the research. The findings draw from a meta-analysis of more than 70 studies of models, statistical regressions and experiments. Twenty-nine researchers published the paper this week in

Proceedings of the National Academy of Sciences. It bolsters other predictions about degraded food supply by the

Intergovernmental Panel on Climate Change. The United Nations predicts the world's population will grow to 9.8

billion by 2050 from 7.6 billion today. Warmer conditions could make it harder to grow enough food for so many mouths, and the crops that do grow could offer fewer nutrients (Climatewire, Aug. 2). The Paris

climate agreement has committed the international community to less than 2 degrees Celsius of warming by the end of the century.

The United States plans to quit the accord. But American agriculture could suffer disproportionately from warmer conditions, especially when it comes to corn, according to the study. Corn proved most sensitive to rising temperatures. Evidence suggests global corn harvests could decline 7.4 percent per degree Celsius of warming.

Degree Explanation, 19, 7-17-2019, No Publication, A degree by degree explanation of what will happen when the earth warms, <http://globalwarming.berrens.nl/globalwarming.htm> // EJ

Up to this point, assuming that governments have planned carefully and farmers have converted to more appropriate crops, not too many people outside subtropical Africa need have starved. Beyond two degrees, however, preventing mass

starvation will be as easy as halting the cycles of the moon. First millions, then billions, of people will face an increasingly tough battle to survive.

To find anything comparable we have to go back to the Pliocene last epoch of the Tertiary period, 3m years ago. There were no continental glaciers in the northern hemisphere (trees grew in the Arctic), and sea levels were 25 metres higher than today's. In this kind of heat, the death of the Amazon is as inevitable as the melting of Greenland. The paper spelling it out is the very one whose apocalyptic message so shocked in 2000. Scientists at the Hadley centre feared that earlier climate models, which showed global warming as a straightforward linear progression, were too simplistic in their assumption that land and the oceans would remain inert as their temperatures rose. Correctly as it would turn out, they predicted positive feedback.

Berrens 18 — billions starve

Degree Explanation, 19, 7-17-2019, No Publication, A degree by degree explanation of what will happen when the earth warms, <http://globalwarming.berrens.nl/globalwarming.htm>

Up to this point, assuming that governments have planned carefully and farmers have converted to more appropriate crops, not too many people outside subtropical Africa need have starved. Beyond two degrees, however, preventing mass

starvation will be as easy as halting the cycles of the moon. First millions, then billions, of people will face an increasingly tough battle to survive. To find anything comparable we have to go back to the Pliocene last epoch of the Tertiary period, 3m years ago. There were no continental glaciers in the northern hemisphere (trees grew in the Arctic), and sea levels were 25 metres higher than today's. In this kind of heat, the death of the Amazon is as inevitable as the melting of Greenland. The paper spelling it out is the very one whose apocalyptic message so shocked in 2000. Scientists at the Hadley centre feared that earlier climate models, which showed global warming as a straightforward linear progression, were too simplistic in their assumption that land and the oceans would remain inert as their temperatures rose. Correctly as it would turn out, they predicted positive feedback.

The Institute of Ecconomics in 2014

"Hunger is the number one cause of death in the world" Between 2010 and 2012 an estimated 868 million people were undernourished and more than 100 million children under age five were undernourished and underweight (United Nations Millennium Development Goals). According to the United Nations World Food Programme, one in every eight people in the world does not get sufficient food to live an active life and to be healthy. Hunger is the number one cause of death killing more than HIV/AIDS, malaria, and tuberculosis combined (DoSomething.org)."

The World Bank in 2016,

"In a pessimistic development scenario, climate change could drag more than 100 million people into poverty by 2030. This number can be reduced to fewer than 20 million, if rapid, inclusive, and climate-informed development is combined with targeted adaptation actions. • The impacts of climate change on poverty by 2030 mostly depend on development policy choices. • Immediate emissions-reduction policies are needed to reduce the longer-term threat of climate change to poverty and avoid the post-2030 impacts on poverty that development policy alone cannot manage."

Yu impacts that,

"Coal is the biggest contributor to climate change, the effects of which are growing more severe by the day. According to the Intergovernmental Panel on Climate Change (IPCC), meeting Paris climate goals requires coal power generation be radically reduced in just 12 years, by 2030, and phased out by 2050. New coal plants, which could have a lifespan of over 30 years or more, are impossible to reconcile with these requirements. In addition, **coal is a major contributor to outdoor air pollution, which** recent studies estimate **cause[s] 4.2 million to 5.6 million premature deaths every year.** Coal is also very water-intensive, using up crucial and dwindling freshwater resources. Thanks to these and other concerns, 100 financial institutions around the world have introduced policies restricting coal funding."

Contention 2 cards:

China is able to undercut local manufacturers due to dumping

Economic Times 19' writes, imports by other Asian [Emerging Markets] from China grew 20% in 2018 [due to] Chinese manufacturers' ability to undercut domestic manufacturers in these markets

China has historically participated in unfair market practices known as dumping

Christian, 2-16-2016 of the AALEP, "THE CHINESE DUMPING REALITY," No Publication, <http://www.aalep.eu/chinese-dumping-reality>

Dumping from China is wiping out European jobs. European industry has already lost millions of manufacturing jobs to China. For instance, when China joined the WTO in 2001, millions of EU workers were employed in the textile sector. Now, China has an estimated 65 percent of the world's total textile production and European production has

been decimated. Overall, China now makes and sells more manufactured goods than any other country, particularly steel. Driven by massive excess capacity more than twice the size of total EU steel demand, China has been dumping unprecedented volumes of steel into Europe. The EU steel sector has lost at least 85,000 jobs since 2008, over 20% of its workforce. Import volumes of steel from China into the EU have doubled in the past two years, with prices collapsing by about 40%. Steel is the backbone of many of Europe's manufacturing and construction industries, providing direct and indirect employment to millions more European citizens. The list of vulnerable industries include steel, ceramics, glass, aluminium, bicycles and parts, solar panels and many others besides. These industries are at high risk due to the potential for large import surges in sectors where China has, or is developing, substantial excess production capacity. The country has demonstrated past willingness to engage in subsidies and the massive dumping of excess domestic production at prices below cost. China's dumping undermines free and fair trade. A company is 'dumping' if it is exporting a product to the EU at prices lower than the normal value of the product (the domestic prices of the product or the cost of production) on its own domestic market. The purpose of dumping is usually to increase market share in a foreign market or to drive out competition. Chinese enterprises dump more products into Europe's open market than any other country in the world. Indeed, 75% of all the EU's anti-dumping measures in force involve China. The European Commission has found China guilty of dumping 54 important products on the EU market at predatory prices. Furthermore, the EU is currently experiencing a rise in anti-circumvention proceedings where Chinese producers try to avoid anti-dumping measures illegally by exporting to Europe, via third countries such as Taiwan and Malaysia. The enormous EU-China trade deficit grows every year. China has dramatically increased exports to Europe by an average of 11% per year over the past fifteen years, rising from €75 billion in value in 2000 to €360 billion in 2015. Europe's trade relationship with China is not balanced and is made worse by dumping. The trade deficit between the EU and China reached an all-time record high of €180 billion in 2015.

China is able to undercut local manufacturers due to dumping

Economic Times. "US-China trade spat could lead to dumping of Chinese goods in emerging markets: India Ratings." **2019.**

<https://economictimes.indiatimes.com/small-biz/trade/exports/insights/us-china-trade-spat-could-lead-to-dumping-of-chinese-goods-in-emerging-markets-india-ratings/articleshow/69370835.cms> //

Hence, imports by other Asian [Emerging Markets] EMs from China grew 20.7% in 2018 versus 12.75% in 2010. This has been catalysed by the [due to] Chinese manufacturers' ability to undercut domestic manufacturers in these markets, resulting in lower market share for the domestic players in the EMs, India Ratings observed.

Because of dumping,

Christian, 2-16-**2016**, "THE CHINESE DUMPING REALITY," No Publication, <http://www.aalep.eu/chinese-dumping-reality>

Dumping from China-is wiping out European jobs. European industry has already lost millions of manufacturing jobs to China.

For instance, when China joined the WTO in 2001, millions of EU workers were employed in the textile sector. Now, China has an estimated 65 percent of the world's total textile production and European production has been decimated. Overall, China now makes and sells more manufactured goods than any other country, particularly steel.

Driven by massive excess capacity more than twice the size of total EU steel demand, China has been dumping unprecedented volumes of steel into Europe. The EU steel sector has lost at least 85,000 jobs since 2008, over 20% of its workforce. Import volumes of steel from China into the EU have doubled in the past two years, with prices collapsing by about 40%. Steel is the backbone of many of Europe's manufacturing and construction industries, providing direct and indirect employment to millions more European citizens. The list of vulnerable industries include steel, ceramics, glass, aluminium, bicycles and parts, solar panels and many others besides.

These industries are at high risk due to the potential for large import surges in sectors where China has, or is developing, substantial excess production capacity. The country has demonstrated past willingness to engage in subsidies and the massive dumping of excess domestic production at prices below cost.

However, Europe has taken steps to make sure the problem doesn't get worse

Christian, 2-16-**2016**, "THE CHINESE DUMPING REALITY," No Publication, <http://www.aalep.eu/chinese-dumping-reality>

Current anti-dumping measures safeguard tens of thousands of direct and indirect jobs in Europe, with thousands more in sectors or product types still undefended. Without the anti-dumping instruments currently available, up to 3.5 million jobs would be at risk from China's

unfair trading practices. Without effective anti-dumping measures the EU is only left with the anti-subsidy instrument, which has never been effective in the face of the distortions of the Chinese economy: it only allows action against specific subsidies and not against the subsidies which are generally available in China. To make things worse, in addition to the opaqueness of Chinese subsidy regimes, the Chinese government has never complied with the WTO obligation to report subsidies, nor has it ever cooperated with the European Commission in anti-subsidy investigations. Accordingly, the average subsidy rate found in Chinese cases is negligible, and entirely inadequate in redressing injuries to EU industry and easily absorbable by Chinese producers.

But, if the EU were to join the BRI, many of these measures would no longer exist

[Xu 19 of Deloitte](#) continues

Although Beijing's capital controls and China's mounting debt load crimped Chinese foreign investment last year, heightened scrutiny by regulators of Chinese acquisitions—a move that has been criticized as antithetical to free market principles—was a major factor behind the drop in investment, with a large number of deals cancelled or blocked.¹⁵

The removal of such protectionist measures is one of the core aims of the BRI. It is therefore imperative that the Initiative [if the BRI were to] extend deeper into the more advanced countries of Europe, as this should reverse the short-lived dip in Chinese investment into the continent,¹⁶ especially as Chinese companies tighten their focus on choosing investments more judiciously.

IMPACT

Christian ²⁻¹⁶⁻2016, "THE CHINESE DUMPING REALITY," No Publication, <http://www.aalep.eu/chinese-dumping-reality>

Current anti-dumping measures safeguard tens of thousands of direct and indirect jobs in Europe, with thousands more in sectors or product types still undefended.

Without the anti-dumping instruments currently available, up to 3.5 million jobs would be at risk from China's unfair trading practices.

Without effective anti-dumping measures the EU is only left with the anti-subsidy instrument, which has never been effective in the face of the distortions of the Chinese economy: it only allows action against specific subsidies and not against the subsidies which are generally available in China. To make things worse, in addition to the opaqueness of Chinese subsidy regimes, the Chinese government has never complied with the WTO obligation to report subsidies, nor has it ever cooperated with the European Commission in anti-subsidy investigations. Accordingly, the average subsidy rate found in Chinese cases is negligible, and entirely inadequate in redressing injuries to EU industry and easily absorbable by Chinese producers.

Extra Cards:

Countries that China is planning on building Coal plants in

[Inskeep of NPR in 2019](#)

"Yet China's overseas ventures include hundreds of electric power plants that burn coal, which is a significant emitter of the carbon scientifically linked to climate change. **Edward Cunningham, a specialist on China and its energy markets at**

Harvard University, tells NPR that China is building or planning more than 300 coal plants in places as widely spread as Turkey, Vietnam, Indonesia, Bangladesh, Egypt and the Philippines."

[Inskeep of NPR in 2019](#)

"Days before the forum with its "clean and green" theme, the latest Chinese-built coal plant opened in Pakistan. The plants are significant investments at a time when most nations of the world, including China, have committed to fighting climate change. "When you put money down and put steel into the ground for a coal-fired power plant," says Cunningham, "it's a 40- or 50-year commitment."

[Goodwin of SB 18'](#) writes that,

"In 2016, renewable energy investments in poorer countries eclipsed investments in wealthier countries for the first time ever. Since then, the upward trajectories of their growth have held steady or increased.

China was the prime mover in 2017 and has been a reliable leader in the pack in recent years. According to the Renewables 2016 report from the Renewable Energy Policy Network for the 21st Century, China has played a "dominant role" in the industry, increasing its investment by 17 percent and contributing a staggering 36 percent of total global investment. From 2016 to 2017, China ramped up investments by 31 percent, imbuing a record \$126.6 billion. Thanks to its commitment, China is home to half of the world's solar energy capacity. In the 2018 Global Trends In Renewable Energy Investment Report from Bloomberg New Energy Finance and the United Nations Environment Programme (UNEP), nations in Africa, Southwest Asia and Latin America blew their 2016 contributions out of the water. In Latin America, Mexico increased investments by 810 percent, Argentina by 777 percent, Chile by 55 percent, Peru by 66 percent, and Costa Rica by 31 percent. Looking at the other side of the world, Egypt grew renewables investments by 495 percent, the UAE by 2,815 percent, Rwanda by 8,665 percent, and Jordan by 26 percent. By comparison, the wealthiest economies invested significantly smaller amounts into their renewable sectors. The UK's dropped by 65 percent to \$7.6 billion, Germany's was down 35 percent at \$10.4 billion, Japan's fell by 28 percent to \$13.4 billion, while US investment slipped 6 percent to \$40.5 billion.

With the most developed economies faltering in their renewables commitments, they're losing their leadership position to poorer countries. Way back in 2006, Kenya led the world in solar panels installed per capita. As recently as 2015, Costa Rica subsisted on total renewable energy for 75 days, and the newly elected president declared the country would become the first carbon-neutral country by 2021."

[Yu of The Diplomat](#) concludes that,

"If China continues to loosen its policies on coal, the world is destined to see increasing carbon emissions for some years to come, at a time when the science has told us so clearly that we must cut emissions rapidly. Similarly, if Chinese financial institutions continue to back coal power overseas, the world is destined to see more countries take the dirty and polluting path to development, at a time when the technology and the economics allow for a cleaner path to be discovered and followed. Despite its heavy investments in coal, China was also the top global investor in clean energy investments in 2017, accompanying a record-setting year for renewable installations in the country. **Competitiveness for new, clean energy technology is only increasing as renewables continue to fall in cost and market-moving climate risks unfold in real time.** It makes sense for China to continue to build on its position as the global leader in renewable energy development, both at home and abroad."