New American

Written by <u>Angeline Tan</u> on January 22, 2023



EU Must Work With China, von der Leyen Claims at WEF

SINGAPORE — The European Union (EU) needs to cooperate and trade with China on clean tech and lobby for a level playing field instead of decoupling from the world's second-largest economy, European Commission President and climate alarmist Ursula von der Leyen said in a speech at the World Economic Forum (WEF) annual meeting in Davos.

Von der Leyen claimed that China had prioritized clean tech innovation and manufacturing in its five-year plan, dominating in sectors such as electric vehicles and solar panels.



AP Images Ursula von der Leyen

"But competition on net-zero must be based on a level playing field," she said, noting that Beijing had been luring energy-intensive companies to China with pledges of cheap energy, low labor costs, and lenient regulations. China, von der Leyen claimed, greatly subsidizes its industry and limits access to its market for EU companies.

"We will still need to work and trade with China, especially when it comes to this transition. So we need to focus on de-risking rather than decoupling," she elaborated.

Her remarks indicate that the EU needs to rely more on the bloc's trade and domestic defense tools, such as the recently enforced foreign-subsidies regulation.

"We will not hesitate to open investigations if we consider that our procurement or other markets are being distorted by such subsidies," von der Leyen said.

Moreover, she stated that the EU will prepare a law to facilitate the implementation of "green" efforts within its bounds, and support it with state help and a European Sovereignty Fund to discourage firms from relocating to the United States and China.

Von der Leyen claimed that these attempts would form part of the EU's Green Deal industrial plan to ensure Europe is the home of clean technology and industrial innovation in order to achieve its goal of net-zero carbon dioxide emissions by 2050.

"To help make this happen, we will put forward a new Net-Zero Industry Act," she asserted.

"The aim will be to focus investment on strategic projects along the entire supply chain. We will especially look at how to simplify and fast-track permitting for new clean tech production sites."

Apparently, the climate alarmist EU is worried that European companies will relocate to the United States, which has a hefty US\$369 billion scheme to subsidize green production. Hence, the EU will supply money for its industry too, von der Leyen said.

"To keep European industry attractive, there is a need to be competitive with the offers and incentives that are currently available outside the EU," she said.

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calculations. Simpler procedures. Accelerated approvals. For example, with simple tax-break models. And with targeted aid for production facilities in strategic cleantech value chains, to counter relocation risks from foreign subsidies," she said.

However, von der Leyen pointed out that, since not all countries in the 27-nation EU can back their companies with the same capacities, only using state aid could lead to unfair competition — "fragmentation" that would undermine the EU single market.

"To avoid a fragmenting effect on the single market and to support the clean tech transition across the whole Union, we must also step up EU funding. For the medium term, we will prepare a European Sovereignty Fund as part of the mid-term review of our budget later this year," the globalist von der Leyen said.

Nonetheless, she failed to provide more information about the fund. Von der Leyen's idea was first broached last September, and does not have the backing of all EU governments, especially Germany.

Additionally, von der Leyen said that she was in favor of classifying Iran's Revolutionary Guards (IRGC) as a terrorist group in response to the "trampling" of "fundamental human rights" in the country.

Relations between the EU member states and Tehran have plummeted in recent months amid abortive efforts to reboot nuclear talks. Also, Tehran has detained several European nationals and the bloc has stepped up its criticism of the Iranian regime's brutal clampdown and execution of protesters.

"The reaction of Iran's regime is atrocious and horrible, and they are trampling over fundamental human rights," von der Leyen said to reporters, despite her own freedom-restricting suggestion that the EU mandate the Covid-19 shots in 2021, regardless of people's willingness to take the shots.

Diplomatic sources have divulged that members of the IRGC will be included in the sanctions list next week in light of EU sanctions on Tehran.

Nonetheless, some member states have urged the bloc to go beyond and list the IRGC as a terrorist group.

To boot, the socialist-leaning von der Leyen lauded globalist leaders for their efforts in reducing carbon emissions, before subjecting the EU to even more industrial green agenda goals.

Her actions come in spite of the current energy crisis beleaguering the EU — which mainly arose from the union's climate policy — and which has made the bloc vulnerable to having industries move overseas to procure cheaper gas and electricity prices.

Instead of trying to backtrack on these aims to reduce energy costs, von der Leyen announced last Tuesday that the bloc will ramp up its "green" efforts to somehow rescue its ailing industrial sector.

In an apparent disconnect with reality, von der Leyen declared that she will campaign for the passing of a "Net-Zero Industry Act," which she prematurely claimed will attract green investment to key parts of European industry.

"The new Net-Zero Industry Act will identify clear goals for European cleantech by 2030," she told globalists gathered at the WEF.

"The aim will be to focus investment on strategic projects along the entire supply chain," the commission president went on. "We will especially look at how to simplify and fast-track permitting for new clean-tech production sites."

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Von der Leyen added that she wished the EU to temporarily "adapt" some of its state-aid rules deterring countries from transferring money to businesses.

"To keep European industry attractive, there is a need to be competitive with the offers and incentives that are currently available outside the EU," she said. "This is why we will propose to temporarily adapt our state aid rules to speed up and simplify."

That being said, with such funds linked so closely with the bloc's green agenda craze, it is not clear if the funds would be sufficient to resuscitate the crippled industrial sector of the union.

Over the past year, the EU has witnessed stratospheric prices of both gas and electricity.

Such high prices have undermined the feasibility of many businesses on the continent, with one heavy industry group warning von der Leyen last year that the union faces "permanent deindustrialisation".

"We are deeply concerned that the winter ahead could deliver a decisive blow to many of our operations, and we call on EU and Member State leaders to take emergency action to preserve their strategic electricity-intensive industries and prevent permanent job losses," the letter signed by businesses throughout the metals sector stated.

"Producers face electricity and gas costs over ten times higher than last year, far exceeding the sales price for their products," it continued. "We know from experience that once a plant is closed it very often becomes a permanent situation, as re-opening implies significant uncertainty and cost."



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