

Boeing Releases Statement in Advance of WTO Interim Decision

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CHICAGO, Sept. 15 /[PRNewswire](#)/ -- Boeing today released the following statement regarding the impending interim decision by a World Trade Organization (WTO) panel in DS 353, the formal complaint the European Union brought in 2006 against alleged U.S. government subsidies to Boeing:

"We expect the WTO later today to issue a preliminary ruling on charges the EU has made against various U.S. practices at the state, local and federal levels. This ruling follows an earlier final WTO ruling by a separate panel in June that unequivocally condemned European assistance to Airbus – notably the product-development subsidies known as launch aid – as illegal and harmful to U.S. aerospace interests.

"We look forward to learning how the WTO has ruled in today's preliminary decision on U.S. practices, none of which have the market-distorting impact of launch aid nor even approach the sheer scale of European subsidy practices. In June, the WTO held in a case against the EU that Airbus had received illegal subsidies totaling more than \$20 billion in principle. Launch aid, which represented the lion's share of the involved illegal aid (roughly \$15 billion), is unique to Airbus, unparalleled within U.S. industry, and – as the WTO has confirmed – harmful to U.S. aerospace interests and the American worker.

"To date, Airbus and its government sponsors have defiantly resisted abandoning launch aid. Media reports indicate that plans remain in place to provide billions of Euros of launch aid for the A350, a product that will compete with the Boeing 777 and 787. Unless that money is provided on full commercial terms, that would be an incomprehensible step in light of the recent ruling against launch aid and the outstanding obligation under WTO rules that Airbus repay the \$4 billion in illegal launch aid it received for the A380, or restructure the A380's financing to proven commercial terms.

"We have full confidence in WTO processes and its dispute-resolution procedures. The U.S. government's actions in remedying European concerns with FSC/ETI last decade demonstrate its approach to obligations under WTO findings. Likewise, we fully expect Airbus/EADS and the EU to act in the same way, making good on their end of the WTO bargain."

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