

Survey: Companies in China feel pressure to give up tech

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In this July 11, 2016, file photo, EU Trade Commissioner Cecilia Malmstrom speaks at the University of International Business and Economics in Beijing. One in five foreign companies in China feels compelled to hand over technology for market access, a business group said Wednesday, June 20, 2018, highlighting a key irritant in an escalating U.S.-Chinese trade dispute. The European Union Chamber of Commerce in China's report follows President Donald Trump's order for tariffs on additional Chinese goods in response to complaints Beijing steals or pressures companies to hand over technology. (AP Photo/Ng Han Guan, File)

One in five foreign companies in China feels compelled to hand over technology for market access, a business group said Wednesday, highlighting a key irritant in an escalating U.S.-Chinese trade dispute.

The European Union Chamber of Commerce in China's report follows President Donald Trump's order for tariffs on additional Chinese goods in response to complaints Beijing steals or pressures companies to hand over [technology](#).

Out of 532 European companies that responded to a survey, 19 percent "felt compelled to transfer technology in exchange for [market](#) access" despite Chinese assurances that it isn't required, the chamber said.

"China has pursued an implicit strategy of trading domestic market share for new foreign technology," the report said.

Trump is pressing Beijing to scrap or roll back technology development strategies its trading partners say include stealing or pressuring companies to give up know-how in violation of its market-opening commitments.

European companies have been bystanders to the U.S.-Chinese dispute but share the complaints of their American counterparts about market barriers and unfair regulation.

Some industries had higher rates of companies reporting they felt compelled to hand over technology, according to the European chamber. That included 36 percent in aerospace and 27 percent in autos—both industries cited in Chinese plans to develop global competitors.

The survey was conducted in February and March, before the latest escalation in U.S.-Chinese trade tensions.

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