

[EU secures another important win in the WTO Boeing Dispute](#)

The WTO ruling confirms that the United States has taken no appropriate action to comply with its obligation to withdraw subsidies declared illegal by the WTO's Appellate Body in 2012, or to remove their adverse effects.

Today's ruling backs the EU position, finding that the US has not only failed to remove the existing subsidies but has extended them and added significant new distorting subsidies, including incentives from South Carolina and a US Federal Aviation Administration R&D programme. The panel also found that US subsidies to Boeing continue to cause severe damage to Airbus in lost sales and market opportunities.

'Today's ruling is another victory for the EU, its industry and EU workers in this strategic sector. The panel agrees that the US has simply ignored existing WTO rulings and has continued to subsidise Boeing,' said EU Trade Commissioner Cecilia Malmström. 'We will continue to firmly defend our industry to ensure we have a level-playing-field. EU companies must be able to compete on fair and equal terms. Today's panel report is an important step in that direction.'

In 2012, the WTO ruled that the United States had granted massive subsidies to Boeing in violation of WTO rules. Between 1989 and 2006 Boeing benefited from NASA, US Department of Defense and Washington State/Kansas subsidies totalling over \$5 billion. The subsidies allowed Boeing to sell its aircraft more cheaply, to the detriment of Airbus. The illegal subsidies include export support, direct grants, free access to facilities, technology transfer at no cost, and tax abatements.

Today's findings add to another [WTO ruling of November 2016](#) in which – for the first time in the aircraft disputes – the WTO found the US guilty of providing prohibited subsidies to Boeing of around \$5.7 billion. These subsidies by Washington State were conditional on the use of domestic over imported goods. Under WTO rules, these are the worst kind of subsidies and they caused further severe harm to Airbus' market position.

For More Information

[History of the Boeing WTO case](#)

[WTO dispute resolution](#)