



EUROPEAN COMMISSION

PRESS RELEASE

Brussels, 4 June 2013

EU imposes provisional anti-dumping tariffs on Chinese solar panels

The European Commission has today issued the following statement:

“Today the European Commission has decided to impose provisional anti-dumping duties on imports of solar panels, cells and wafers from China.

This decision follows a thorough and serious investigation and extended contacts with market players. As the market for and imports of solar panels in the EU is very large, it is important for this duty not to disrupt it. Therefore, a phased approach will be followed with the duty set at 11.8% until 6 August 2013. From August on the duty will be set at the level of 47.6% which is the level required to remove the harm caused by the dumping to the European industry.

The European Commission reiterates its readiness to pursue discussions with Chinese exporters and with the Chinese Chamber of Commerce in order to find a solution in line with [Article 8 of the Basic Anti-Dumping Regulation](#) so that provisional duties can be suspended and a negotiated solution achieved.

The European Commission reaffirms its readiness to have the EU-China Joint Committee in the next weeks at a mutually agreeable date to discuss in a constructive manner all topics of our trade relations in line with our common WTO commitments and in the spirit of our strategic partnership.”

Background

The decision came after a nine month investigation, launched in September 2012 ([MEMO/12/647](#)), during which the Commission found that Chinese companies are selling solar panels to Europe at far below their normal market value, which causes significant harm to EU solar panel producers. The fair value of a Chinese solar panel sold to Europe should be 88% higher than the price to which it is actually sold. The dumped Chinese exports exerted undue price pressure on the EU market, which had a significant negative effect on the financial and operational performance of European producers.

The duties will be imposed in two stages, starting with 11.8% for the first two months and followed by 47.6% for another four months to alleviate the harm that is caused to the European industry by this unfair trade practice, dumping. In total, this provisional duty will be in place for a maximum of 6 months. The provisional duties are far lower than the 88% rate at which the panels are being dumped because the EU applies the so-called 'lesser duty rule', imposing only enough duty needed to restore a level playing field. The provisional duty, in addition to restoring fair competition, will ensure the continued development of an innovative green energy sector in the EU.

The Commission will now continue its investigation and hear the views of all interested parties. It remains ready to intensify talks with China to find alternative satisfactory solutions through a negotiation. On 5 December at the latest, the EU will have to decide if definitive anti-dumping duties will be imposed for a duration of five years.

On the solar panel market

Highly innovative EU companies are currently being exposed to immediate threats of bankruptcy because of unfair competition from Chinese exporters, who have taken over more than 80% of the EU market and whose production capacity currently amounts to 150% of global consumption. In 2012, China's excess capacity was almost double total EU demand. The Commission's assessment indicates that imposing provisional measures will not only secure the existing 25,000 jobs in EU solar production, but also create new jobs in the sector.

In the short term, some jobs could be lost among companies installing solar panels. However, as the situation of EU producers improves and imports from other countries increase, these jobs could be recreated. Any job losses would in any case be substantially less than the **25,000 jobs in the EU solar production industry that are likely to be lost forever if measures are not imposed.**

Today's decision should also contribute to creating a level playing field for Europe's renewable energy industry, which is essential to the EU's renewable energy targets. Unfair trade in solar panels does not help the environment and is not compatible with a healthy global solar industry. The Commission believes that a market that faces dumped imports will drive local producers out of business and discourages EU producers from developing cutting-edge technologies in the renewable energy sector.

On the investigation

During the investigation, the Commission assessed the level of duty needed to counteract the injurious effects of dumping. This means the level of the duty is never punitive in nature: it was fixed at the strict minimum necessary to restore a level playing field for the EU industry concerned. **By systematically applying the 'lesser duty rule', the EU goes beyond its WTO obligations. This is in contrast to other WTO members like China and the US which always apply the full dumping found.**

The interest of all parties concerned was thoroughly evaluated in the investigation. The Commission sent out questionnaires to various interested parties, such as exporting producers, Union producers, importers, upstream and downstream operators and their representative associations.

As in every other investigation, the Commission carried out the so-called "**Union interest test**". **The EU is the only WTO Member to systematically carry out such tests.** The Commission provisionally considered that any potential negative effects of the measures would be outweighed by the economic gains for the Union producers.

The investigation will continue and definitive measures, if any, would have to be imposed within 15 months of initiation, i.e. 5 December 2013. In parallel, the Commission is open to discuss alternative forms of measures which would be equivalent to the 47% duty. Both WTO and EU law offer this possibility in the form of a price undertaking – a commitment not to sell below an agreed price.

A parallel anti-subsidy investigation on the same product is on-going, following a complaint lodged by the same complainant. It was initiated on 8 November 2012. Provisional anti-subsidy measures, if any, should be imposed by 7 August 2013. The decision on definitive anti-subsidy measures will be due in December 2013 ([MEMO/12/844](#)).

For further information

[MEMO/13/499](#): Remarks by EU Trade Commissioner Karel De Gucht on the decision

[MEMO/13/497](#): Memo on the decision

[MEMO/13/498](#): Questions and answers on the EU's decision to impose provisional anti-dumping tariffs on Chinese solar panels

[MEMO/12/647](#): EU initiates anti-dumping investigation on solar panel imports from China, 6 September 2012

Further documents on the EU's anti-dumping investigation on imports of solar panels from China

http://trade.ec.europa.eu/tdi/case_details.cfm?ref=onq&id=1895&sta=21&en=31&page=2&c_order=date&c_order_dir=Down

More on EU-China trade relations

<http://ec.europa.eu/trade/policy/countries-and-regions/countries/china/>

Questions and answers on anti-dumping proceedings

<http://ec.europa.eu/trade/tackling-unfair-trade/trade-defence/anti-dumping/>

Contacts :

[John Clancy](#) (+32 2 295 37 73)

[Helene Banner](#) (+32 2 295 24 07)