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Fjellner letter is another senseless assault on EU manufacturing

EU ProSun: Predatory dumping must be stopped, not encouraged.

A recent letter of MEPs led by Swedish liberal Christoph Fjellner is attracting a strong and well-deserved protest from European solar manufacturers. Milan Nitzschke, president of EU ProSun, a group representing about 30 manufacturing companies in Europe: "MEP Fjellner's request to allow Chinese dumping in the solar sector again is another senseless assault on companies which manufacture in the EU, invest in R&D and keep jobs in Europe." Fjellner and 21 other MEPs this week sent a letter to Commissioner Malmström lobbying in favor of a termination of measures on dumped and subsidized solar cells and modules from China. This conflicts with the unanimous support of the EU solar manufacturing industry expressed at the beginning of 2016 in response to a questionnaire of the European Commission about an extension of tariffs and minimum import prices for unfairly traded solar modules and cells from China.

The letter on only 2 pages contains not less than 11 inaccuracies as EU ProSun proves in a separate analysis.*

Nitzschke: "Fjellner and colleagues state that the current anti-dumping and anti-subsidy measures would increase prices for solar installations and delay so-called grid parity. The opposite is true: today we have attained an all-time low of prices for solar installations, 30% lower than before the imposition of the measures on unfairly traded imports from China which is due to 2.000 € saving per average household installation. Grid parity has almost been reached in most EU member states. Recent German solar tender results dropped to a level below 7ct/kWh, which is only ¼ of household electricity prices and already at the level of generation costs of gas fired power plants. If EU demand is not increasing, it is because it is mainly restricted e.g. by low public tender volumes and fees for solar self-consumption."

EU ProSun urges the European Commission to conclude that anti-dumping and anti-subsidy measures must be continued and enforcement improved. Nitzschke: "Only fair competition and clear rules enable sustainable market growth. To have the renewable part of the Energy Union rely only on illegal Chinese dumping and the export subsidy politics of the Communist Party in Beijing – as the 22 MEPs implicitly suggest – would be a terrible mistake and put in jeopardy the leading position of the EU in renewable energy technologies such as solar."

Indeed, the PV industry report of the Commission's Joint Research Center – which the MEPs cite selectively and out of context – affirms that "Europe still has an excellent PV R&D infrastructure along the value chain, but it will only be possible to maintain this in the long run if industry players along this value chain, including PV manufacturing, are operating in Europe." To ensure the continued operation of PV manufacturing in Europe, EU authorities must show a determination to counter illegally dumped and subsidized imports from China, and that requires the maintenance of the current measures in place.

*Analysis on the MEP letter: <http://www.prosun.org/de/component/downloads/downloads/295.html>

More information: www.prosun.org

Email: info@prosun.org