

EU ProSun: Anti-dumping measures promote EU solar jobs and growth New PwC study on the impact of duties on EU solar market

European solar manufactures, represented by EU ProSun, expect EU anti-dumping duties on Chinese solar imports to have a clear positive effect on solar jobs and growth.

"The European solar industry is the global leader in technology and new innovations. If the European Commission acts now against illegal dumping by Chinese solar manufacturers, this industry can survive and prosper. If the EU does not act, EU ProSun predicts a Chinese solar monopoly with disastrous consequences for European manufacturers, suppliers and customers, " said Milan Nitzschke, President of EU ProSun. EU ProSun refers in this context, among others, to a new study by Pricewaterhousecoopers (PwC).

The PwC analysis utterly refutes the claims made by the Prognos study on the supposed impact of trade measures in the EU solar market. Chinese solar manufacturers, and a European front group of installers who use their products called AFASE, commissioned a study by Prognos which made a number of scientifically unsupported claims, for instance, estimating potential job losses exceeding the actual total number of direct and indirect solar jobs in some countries.

Author of the PwC study, Dr Wolfgang Nothhelfer said 'The Prognos study contains major flaws in methodology and content, as well as contradictory evidence. The US imposed tariffs on photovoltaic products in 2012. As in Europe, a study commissioned on the possible effects of tariffs forecast an alarming crash of demand and job losses in the US. However, after the introduction of tariffs, demand increased and 14,000 new solar jobs were created. We should not believe alarming studies which are based on vague data and questionable assumptions. Indeed it is reasonable to conclude that the introduction of tariffs will have a net positive effect on employment in Europe.'

EU ProSun fully endorses the PwC analysis of the implausibility of the Prognos study. For instance, Prognos themselves co-authored a study which estimated a total of 87,800 direct and indirect solar jobs in Germany in 2012. However, their new 2013 study argues that duties may result in the loss of up to 98,000 jobs, thus over 10,000 more jobs that actually exist in Germany. Furthermore, Prognos predicts net job losses of 38,600 in 2015 in the UK, however, according to published data there were only 10,000 people directly or indirectly employed in the PV industry in 2011.

Prognos even claims that duties on Chinese solar products would lead to a loss of 242,000 jobs from a total of 265,000 solar jobs in Europe, according to the European Solar Industry Association (EPIA). EU ProSun utterly rejects such false claims and, in line with the US experience and PwC analysis, expects jobs and growth to increase in the EU solar sector when trade measures are imposed. Currently, due to disastrous effects of Chinese dumping on European support schemes, the number of new installations is heavily dropping, which already cost 15,000 jobs in solar manufacturing as well as thousands of jobs in installation and supply. When fair competition is restored, this destructive process will be stopped leading again to creation of new employment opportunities in the solar industry.

'EU solar production and transport costs are lower than in China. We have the most advanced solar industry in the world here in Europe. Chinese prices are low because of illegal state subsidies and massive dumping as shown by the US government investigation. Only anti-dumping measures can prevent the creation of a Chinese monopoly, which would lead to higher prices, less innovation and even further job losses in Europe. With measures, EU ProSun predicts restoration of fair competition and renewed sustainable growth of the European solar market', commented Milan Nitzschke, President of EU ProSun.

PwC report 1 page summary:

<http://prosun.org/en/component/downloads/downloads/86.html>

The full PwC report can be found here:

<http://prosun.org/en/component/downloads/downloads/84.html>

An EU ProSun briefing paper on anti-dumping duties:

<http://prosun.org/en/component/downloads/downloads/85.html>

PricewaterhouseCoopers (PwC) was engaged in April 2013 by Dober Partners, a consultant to EU ProSun to analyse misleading claims made in the Prognos Study.

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