



THE SUSTAINABLE SOLAR ENERGY INITIATIVE

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Chinese dumping claims biggest solar industry victim

EU ProSun: SolarWorld insolvency terrible blow for European solar sector

The recently announced insolvency of Europe's largest solar manufacturer, SolarWorld, has been described by EU ProSun as a heavy blow to both the German and European solar industries. EU ProSun represents 30 manufacturers and hundreds of installers of solar cells and modules in Europe and advocates for expanding the production of this key technology in the EU.

Milan Nitzschke, President of EU ProSun: "For the past five years, we have highlighted the massive dumping by Chinese solar producers in the EU. We have seen more than 100 insolvencies and factory closures in the European solar manufacturing industry. Anti-dumping measures introduced in 2013 have only been half-heartedly enforced for a long time, allowing further damage to the domestic industry. This situation is due to massive overcapacity in China and state-funded price dumping. Chinese state-owned banks have invested more than 100 billion Euros in manufacturing capacities -- more than 1.3 times the world's total demand. In a market economy, this would be irrational. But, China is focused on winning dominance in one of the world's most important future-oriented industries, at any cost. Since the middle of last year, the Chinese government again increased its pressure by curbing the demand for solar products in its own country. As a result, Chinese overproduction was once again shipped en-masse to international markets at dumped prices. This has resulted in profit losses and the destruction of tens of thousands of jobs worldwide."

According to EU ProSun, the European manufacturing industry is still one of the most technologically advanced. Higher labor costs are compensated for by a significantly higher degree of automation, industry 4.0, and thus by higher quality. "In a market economy, nobody can compete with prices below manufacturing costs, financed by billions of euros in state bank loans. Unfortunately, more and more industries are experiencing this reality," Nitzschke says. "In principle, dumping is like doping, except dumping causes massive damage to the economy, destroys jobs and, ultimately, enables those who dump to establish monopoly structures."

EU ProSun continues to stand and fight for fair trade conditions in the European solar market and the preservation of the technical know-how in Europe. Benjamin Trinkerl, Managing Director of the German solar manufacturer Heckert Solar: "We must not allow China to monopolize solar technology. Eliminating unfair competition is still the goal of Europe's solar industry."

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