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The Week in Clean Energy

US IMPOSES ANTI-DUMPING DUTIES ON CHINESE SOLAR PV PANELS

The trade tensions between the world's largest and second-largest economies jumped another level last week when the US Department of Commerce imposed anti-dumping duties on solar PV panels from China.

The duty of about 31% – retroactively imposed from the third week of February – was higher than the industry had expected. Combined with the countervailing duties imposed in March, they would make some Chinese modules 27% more expensive in the US than those from comparable international manufacturers, according to Bloomberg New Energy Finance analysts.

The case began in October 2011 with a petition from SolarWorld Industries America. It argued that Chinese companies such as Suntech Power and Trina Solar were unfairly benefitting from government subsidies. In a statement after the duties were announced, Gordon Brinser, president of the US unit of SolarWorld, said: “Commerce today put importers and purchasers on notice about the consequences of importing illegally subsidised and dumped products from China.”

The share price of SolarWorld jumped as much as 18% in Frankfurt on 18 May after the tariff imposition was announced on 17 May.

The dumping probe could soon embrace Europe too, with SolarWorld chief executive officer Frank Asbeck saying the company would bring an anti-dumping complaint across the Atlantic.

The Chinese government has officially expressed dissatisfaction with the new tariffs and there is a possibility that retaliation could go beyond the clean energy sector.

There were other opponents of the punitive tariffs too, such as the Washington-based Coalition for Affordable Solar Energy, which includes Westinghouse Solar and more than 100 other companies. They claimed that the new levies would cost jobs. “These duties do not reflect the reality of a highly competitive global solar industry,” Andrew Beebe, Suntech’s chief commercial

officer, said in an emailed statement.

This is an issue which still has to play itself out. For now, the countervailing and anti-dumping duties are preliminary and could decrease, increase or even be eliminated when a final decision is taken in October. Separately, the US International Trade Commission is investigating whether dumping of PV cells and panels by China injures the domestic industry. The deadline for the final determination is 19 November.

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The Wilderhill New Energy Global Innovation Index – which tracks 98 clean energy stocks – touched a low of 111 last week, eroding more than 75% of its all-time high value of 468.75 reached on 8 November 2007.