

China launches probe of European solar silicon

November 1 2012

China announced an anti-dumping probe Thursday of European exports of polysilicon used in making solar panels, adding to a flurry of trade disputes with the European Union and the United States.

Beijing's latest probe follows the EU's launch of an investigation in September into whether Beijing was improperly subsidizing exports of solar panels. The Ministry of Commerce announcement gave no indication when a verdict might be issued.

China and its trading partners pledged after the 2008 global crisis to avoid taking action that would hamper trade but have launched a series of anti-subsidy investigations and imposed punitive tariffs on some goods.

The Ministry of Commerce said it would look into whether European producers of silicon were improperly being subsidized or were dumping their goods, or selling them at unfairly low prices, in foreign markets.

Solar and other <u>renewable energy technology</u> is especially sensitive because governments that are under pressure to cut high unemployment see it as a growth industry and source of well-paid jobs.

Washington imposed tariffs of up to 250 percent on imports of Chinese-made solar panels this year to counter what it said was improper subsidies to the industry.



The disputes have added to financial pressure on Chinese and other solar equipment producers that are suffering heavy losses due to lower sales and a price-cutting war.

Last month, Germany's <u>Siemens AG</u> announced it will give up its moneylosing solar business due to "strong price pressure." The company said it was in talks with possible buyers.

Other Chinese disputes with the 27-nation EU, its biggest trading partner, and the United States involve market access, possible subsidies or other trade conditions for steel, auto parts, <u>rare earths</u> and other goods.

China's Ministry of Commerce demanded in August that Washington stop support for six wind, solar and other renewable energy projects in the United States that it said violated free trade rules. It gave no indication of possible penalties.

Copyright 2012 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: China launches probe of European solar silicon (2012, November 1) retrieved 25 April 2024 from https://phys.org/news/2012-11-china-probe-european-solar-silicon.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.