

US urged to drop India WTO case on solar

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An Indian worker sprays water onto panels of India's first 1MW canal-top solar power plant at Chandrasan village of Mehsana district, some 45 kms from Ahmedabad, April 22, 2012

Environmentalists Wednesday urged the United States to drop plans to haul India to the WTO to open its solar market, saying the action would hurt the fight against climate change.

The World Trade Organization's dispute settlement body in Geneva has scheduled Friday to hear the US case for a panel against India, which has some of the world's most ambitious plans for expanding solar power.



US Trade Representative Michael Froman, announcing the move in February, said President Barack Obama's administration would "stand up for US workers and businesses" to break barriers to the Indian market.

He said the United States wanted to work with India on fighting climate change but that New Delhi's requirements that only locally made products be used in its solar industry had impeded cooperation.

Under the WTO process, the two countries had 30 days to work out their dispute through consultations before the United States could seek a panel to settle the dispute.

In a letter to Froman, a coalition of US environmentalists voiced "grave concerns" over the decision to move forward on the case.

They noted that it came after a UN scientific panel warned of catastrophic consequences from <u>climate change</u> without immediate action to reduce carbon emissions.

"To avert climate disaster, countries must significantly scale up renewable energy development and deployment, just as India is currently doing," the letter said.

"The US should not compromise the long-term growth of the solar market just so that it can achieve limited near-term gain," said the letter, signed by 15 groups including the Sierra Club, 350.org and the US branches of Greenpeace and Friends of the Earth.

India's <u>solar industry</u> has grown rapidly in the past few years as the government looks to ease reliance on imported fossil fuels and coal. India is planning what would be the world's first solar plant at Sambhar in the desert state of Rajasthan.



India has defended its solar policies as compliant with the WTO and said that a number of US states have similar rules.

The United States and China have also battled at the WTO over solar energy, with Washington accusing Beijing of unfair subsidies and the Asian power protesting against tariffs.

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