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## **EU ProSun: Fair competition does not endanger jobs**

*European solar industry foresees anti-dumping measures will promote European jobs and growth despite China's diktat on what is good for Europe*

The European solar industry expects that anti-dumping measures against Chinese manufacturers will increase European employment. "Fair competition benefits everybody. We need anti-dumping measures in the EU as soon as possible", said Milan Nitzschke, President of EU ProSun.

Nitzschke dismissed the Prognos study, which was published earlier today by Prognos and a Chinese funded organisation AFASE. "It is quite cynical to use the jobs argument on a day when two major European solar manufacturers had to declare insolvency. Chinese dumping harms the entire solar industry, and has already caused thousands of Europeans to lose their jobs, many factory closures and over 30 major bankruptcies."

"The US case already disproves the claims made by AFASE and Prognos. None of the negative effects predicted by China took place. In the middle of 2012 the US government introduced anti-dumping tariffs on Chinese solar products ranging from 30 to 250 percent. Contrary to a very pessimistic prognosis similar to the Prognos study, the number of solar installations has increased substantially, and consumer prices have remained stable or even decreased even though Chinese imports have drastically declined. It is a win-win situation. Today in the USA there are no more unfair trade practices, the domestic industry has survived, consumers do not have to pay more, and the solar market is growing!"

From a methodological point of view, the Prognos study has to be regarded very skeptically. Nitzschke said: "According to the Prognos analysis, solar jobs in Europe depend mostly on Chinese dumping. This is ridiculous and is like saying that the Tour de France depends mostly on Lance Armstrong and doping. The study doesn't mention the fact that dumping is illegal under international trade law and massively undermines competition, as well as killing jobs and investment".

In order to justify the alleged effect on the labour market, the study applies mathematical trickery. For example, Prognos foresees that Chinese prices would rise even without anti-dumping duties, in direct contradiction to current trends, which would then result in a drop in demand. In addition the study includes jobs in European suppliers that export products to China, while ignoring the fact that China's Five-year plan aims to take over the entire solar value-added chain. We saw a recent example with solar glass. But other industries are also affected, for example, Chinese inverters are now offered at half the price of their European equivalents. European machines are copied, and the Chinese government is currently expanding the silicon industry in order to become completely independent from European exports in a few years.

Nitzschke concluded, "It is ridiculous for China to dictate what is in Europe's interest. Only fair competition will keep jobs in Europe and lead to the sustainable development of solar energy in the EU."

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