



European
Commission

THE EUROPEAN UNION'S MEASURES AGAINST DUMPED AND SUBSIDISED IMPORTS OF SOLAR PANELS FROM CHINA

Last updated: 1 July 2015

Trade

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BACKGROUND

1. WHAT TRADE DEFENCE MEASURES DOES THE EU HAVE IN FORCE AGAINST SOLAR PANELS FROM CHINA?

On 5 December 2013 the European Union imposed **anti-dumping and anti-subsidy duties** on imports of solar cells and solar panels from China.

These duties were imposed following investigations that showed that solar cells and solar panels were being imported into the EU at dumped prices and were being subsidised. These imports were causing injury to the European producers of solar cells and solar panels. The duties were therefore imposed to increase the price of these imports to a level where European manufacturers could compete on price.

The duties have been imposed for a period of 2 years and will therefore normally expire on 7 December 2015.

Click [here](#) to read the Regulation imposing the anti-dumping duties.

Click [here](#) to read the Regulation imposing the anti-subsidy duties.

All documents on the original anti-dumping case (AD560) are available [here](#).

And all documents on the original anti-subsidy case (AS594) are available [here](#).

[Further background](#) information on the original case can be found on our website.

2. WHY DO YOU HAVE TWO REGULATIONS FOR THE SAME PRODUCT?

The Commission has to deal with dumping and subsidy differently because the law regarding dumping is different to the law regarding subsidy. When the Commission receives a complaint against both dumping of a product, and subsidy of that product, it has to open two investigations and publish two regulations.

For more information on dumping, click [here](#).

For more information on subsidy, click [here](#).

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THE UNDERTAKING

3. WHAT IS THE UNDERTAKING THAT HAS BEEN AGREED?

The European Commission has accepted an undertaking, that is to say an agreement or commitment from some Chinese producers, whereby the Chinese producers have agreed to sell solar cells and solar panels to the European Union at a price above a Minimum Import Price ('MIP').

In return for selling at or above the MIP, the anti-dumping and anti-subsidy duties are not charged.

The European Commission is constantly monitoring the implementation of the undertaking. The European Commission also adapts the MIP from time to time to take account of market price developments.

The Decision accepting this undertaking is available [here](#).

4. WHAT ARE THE BENEFITS OF THE UNDERTAKING?

This is an amicable solution that has restored stability to the European solar panel market at a sustainable price level. This price undertaking works towards removing the injury that the dumping and subsidies has caused to the European industry.

CURRENT ISSUES

5. WHAT IS THE EUROPEAN COMMISSION DOING NOW?

5.1. Monitoring the undertaking

As a result of our monitoring, the Commission has withdrawn the undertaking from three Chinese exporting producers, because the terms of the undertaking were not complied with. For these companies, their exports to the EU will be now subject to the anti-dumping and anti-subsidy duties in force.

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The [Regulation withdrawing the undertaking](#) from these companies is available online.

The Commission will continue to monitor the undertaking to ensure that companies breaking the terms of the agreement do not benefit from the arrangement.

The companies breaching their commitments act against both the EU and Chinese interests. They also act against interest of companies that follow the rules. This requires swift and targeted action by the authorities.

Overall the undertaking is working well and it benefits companies who comply with it.

5.2. Looking at how the MIP is adapted to take account of market price trends

On 15 March 2015 the Commission opened an investigation into how it should adapt the Minimum Import Price to take account of price changes in the market for photovoltaic modules ('PV modules'). This is a technical procedure requested by some European producers.

This review is strictly limited to an examination of the price series used to adapt the MIP. It will not look at the MIP itself and the review cannot retrospectively change the MIP.

The Notice opening this review is [here](#).

You can track the progress of this review from the [investigations page of the TRADE website](#) (reference number R615).

5.3. Ensuring that the measures are not being circumvented

On 29 May 2015 the Commission opened two investigations into claims that the duties in force are being circumvented via Taiwan and Malaysia.

The Commission must complete these reviews within 9 months. If circumvention is confirmed, the Commission can extend the duties now in force against China to Malaysia and Taiwan.

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However producers from these countries that come forward and can show that they are genuine producers will be exempted and will not have to pay any duties.

The [notice opening this investigation for the anti-dumping duties](#) and the [notice opening this investigation for the anti-subsidy duties](#) are available on our website.

You can track the progress of these reviews from the [investigations page of the TRADE website](#) (reference numbers R620 and R622).

See also below for more information on circumvention.

CIRCUMVENTION

6. WHAT IS CIRCUMVENTION?

Circumventing means doing something that is actively designed to avoid paying the duties in force. Because duties are imposed on a particular product coming from a particular country, the most common methods involve either trying to change the product or by pretending the product was made somewhere else.

You can find out more about circumvention by clicking [here](#).

7. I AM A MANUFACTURER OF SOLAR PANELS OR CELLS IN TAIWAN OR MALAYSIA. IS THERE ANY SPECIFIC I SHOULD DO?

You should contact the case team dealing with the circumvention investigations immediately. Contact details are in the [notices of initiation](#).

8. I AM AN IMPORTER OF SOLAR PANELS OR CELLS FROM TAIWAN OR MALAYSIA. IS THERE ANYTHING I SHOULD DO?

The purpose of the investigations is to ensure that solar modules and cells made in China are subject to the measures in force, whether they are consigned from China, Taiwan or Malaysia.

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We know that there are genuine producers in Taiwan and Malaysia and provided they come forward and request exemption, the extended duties, if any, will NOT apply to them.

At the moment your imports from Taiwan and Malaysia are being registered by customs authorities. This is being done so that if circumvention is found, duties can be imposed on the imports.

You should therefore check carefully with your supplier that a) these imports are not circumventing the duty on imports from China and b) that the supplier is cooperating with the Commission on the investigation.

The European Commission cannot however assist importers in finding out whether their suppliers are circumventing the duties in force or not. This is the responsibility of the importer and the importer alone.

EXPIRY OF THE MEASURES

9. WHEN WILL THE MEASURES ON SOLAR PANELS EXPIRE?

The European Union imposed duties on solar cells and solar panels from China for two years. The duties, and the undertaking, including the MIP, will therefore all expire, that is to say they, will stop, on 7 December 2015.

However the European industry has the right to request Expiry Reviews for both measures. This request has to contain evidence that the expiry of measures would be likely to result in a continuation or recurrence of dumping and injury (for the anti-dumping measures) and continuation or recurrence of subsidy and injury (for the anti-subsidy measures).

The Commission published Notices of Impending Expiry on 25 April 2015.

The [notice for the anti-dumping](#) measures and the [notice for the anti-subsidy measures](#) are available online.

10. WHAT IS AN EXPIRY REVIEW?

Information on expiry reviews can be found [here](#).

Should the Commission open an expiry review, then the duties, the undertaking and the Minimum Import Price will remain in force until the review has finished.

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11. HOW LONG DOES IT TAKE TO FINISH AN EXPIRY REVIEW?

Normally the Commission will finish its work within 12 months, but an expiry review can take up to 15 months.

12. WHAT CAN THE EXPIRY REVIEW DO?

Expiry reviews can only do two things: keep the measures in force exactly as they are (including the MIP and the undertaking) or remove the measures altogether.

However an expiry review can be combined with an 'interim review' which can look at changes in circumstances regarding dumping, subsidy, and/or injury. If an interim review is opened the Commission can look at changing the measures in force.

13. WHEN WILL I KNOW WHETHER THERE WILL BE AN EXPIRY REVIEW OR NOT?

The Commission will inform everyone if an expiry review is opened by publishing a Notice of Initiation in the Official Journal of the European Union. If there is no expiry review then the Commission will publish a Notice of Expiry of the measures in the Official Journal instead.

The expiry review would also be announced on the website of DG Trade at [this address](#).

You can read the latest Official Journal in all European languages [here](#).