

U.S. Solar Cell Manufacturers Respond to Chinese Commerce Ministry Statement

Following is a statement by the Coalition for American Solar Manufacturing (CASM), led by SolarWorld Industries America Inc., the largest domestic crystalline silicon solar cell and panel producer. The statement responds to what CASM characterized as [misleading and unfounded statements](#) by China's Ministry of Commerce regarding the antidumping and countervailing petitions filed by SolarWorld Industries America Inc. against China's trade practices. The statement is authorized by coalition spokesman Gordon Brinser, who also is president of SolarWorld.

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"The Chinese government's claims that our actions are improper and protectionist, and that its illegal subsidies and massive dumping of solar product are helping the global economy and the environment, are absurd. China is one of the biggest trade protectionists in the world. In the solar industry, China is gutting manufacturing and jobs here in America and abroad while China's solar industry pollutes its own people. The accusations have no basis in fact.

"Regarding trade issues, the use of antidumping and countervailing duty laws is a WTO-legal and quasi-judicial process. The determinations that will be made by the U.S. government will be based on fact and reviewable under U.S. and WTO law. For China to label the actions of a U.S. industry 'protectionist' when China is seeking to defend itself against egregiously unfair trade practices is baseless. China is a heavy user of the antidumping and countervailing trade laws to 'protect' its own industries. It is no coincidence that China has been named in the most antidumping and countervailing duty cases from countries all around the world: It is the worst violator of global trade laws.

"Regarding economic considerations, it is widely known that China's economic growth model is causing huge disruptions in the global economy. Its policies of restricting exports of rare earth minerals, forcing companies to hand over their technology as a condition of doing business, ineffectual intellectual property enforcement, and massive industry subsidies are flat-out protectionist. Worst of all, China's manipulation of its currency severely distorts global markets.

"China has for years been engaging in economic protectionism and a quiet economic war affecting all of its trading partners. Its record is clear and there is ample evidence.

"The actions of China with regards to its solar industry are a prime example of the combined impact of its destabilizing economic policies. The aggressive dumping as well as massive illegal subsidies from the Chinese government have cost the U.S. industry thousands of jobs in Arizona, California, Massachusetts, Maryland, New York and Pennsylvania and have forced more than seven companies to close or downsize in the past 18 months.

"Exports of Chinese solar cells and panels to the United States rose more than 350 percent from 2008 to 2010. In July 2011 alone, imports of Chinese crystalline silicon photovoltaic panels and modules exceeded the volume imported in all of 2010. This surge has been the primary cause of a 40 percent decline in world prices over the past year.

"China's predatory and illegal aggression is crippling the U.S. industry. CASM is holding China accountable for its disregard of the very trade rules it has agreed to follow. Rather than handing over the keys to the industry, CASM has decided to take a stand and defend U.S. innovation, industry, and jobs.

"Finally, regarding environmental issues, China's record is equally troubling. For example, only last month, China temporarily suspended the operations of Zhejiang Jinko Solar Co. after hundreds of protesters, some of whom overturned vehicles and ransacked offices, complained about 'toxic smokestack emissions,' large fish kills, and an unusual number of cancer deaths.^[1]

"Beyond this one case, China's solar-industry's significant abuse of China's environmental landscape has been well-documented since at least early 2008. If the government of China and its state-sponsored solar industry are concerned about the environment, they should develop a solar market in their own country, stiffen their environmental rules to match western standards and produce solar products using the same high environmental standards followed in the United States.

"U.S. producers comply with some of the most stringent environmental standards in the world.

"The U.S. solar industry and workers can compete with any solar producers in the world. They should not, however, be forced to compete against the massive shipments of illegally dumped and subsidized imports supported by the entire Chinese government."

[1] Andrew Jacobs, New York Times, *China Shuts Solar Panel Factory after Antipollution Protests*, September 19, 2011

The Coalition for American Solar Manufacturing is made up of seven companies that manufacture solar cells and modules in the United States. These member companies have plants in nearly every region in the United States, including the Northwest and California, the Southwest, Midwest, Northeast and South and support several thousand U.S. manufacturing jobs. For more information, please visit www.americansolarmanufacturing.org. The coalition email address is contact@americansolarmanufacturing.org.