



EUROPEAN COMMISSION

MEMO

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Commissioner De Gucht: “We found an amicable solution in the EU-China solar panels case that will lead to a new market equilibrium at sustainable prices”

EU Trade Commissioner Karel De Gucht stated today:

“After weeks of intensive talks, I can announce today that I am satisfied with the offer of a price undertaking submitted by China’s solar panel exporters, as foreseen by the EU’s trade defence legislation. This is the amicable solution that both the EU and China were looking for.

We are confident that this price undertaking will stabilise the European solar panel market and will remove the injury that the dumping practices have caused to the European industry. We have found an amicable solution that will result in a new equilibrium on the European solar panel market at a sustainable price level.

Upon consultation of the advisory committee composed of Member States, I intend to table this offer for approval by the European Commission.”

Background

The presentation of the offer by the Chinese exporters results from weeks of intensive talks following the imposition of provisional anti-dumping duties on EU imports of solar panels from China on 6 June. The duties were foreseen to be imposed in two steps, starting with 11.8% on 6 June and 47.6% on average on 6 August ([IP/13/501](#)).

Price undertakings are a form of an amicable solution in trade defence proceedings permitted by the WTO and EU laws. It is an alternative form of a measure: a duty is replaced by a price undertaking based on a minimum import price. Those exporting Chinese companies participating in the price-undertaking will be subject to its terms. Hence, their exports will be exempted from the anti-dumping duties.

The terms of the undertaking have been offered by Chinese exporting companies of solar panels, represented by the Chinese Chamber of Commerce in the talks.

The terms of the undertaking take account of the particular and unique circumstances of the solar panel market, including its evolution over the last years. The settlement is intended to strike a balance between two key elements: it permits to remove the injurious dumping found and allows at the same time for a stable solar panel supply to the EU market.

Further details of the legal acts concerning the undertaking arrangement can only be released following their adoption by the European Commission.

What is a price-undertaking?

The European Commission has from the outset been open to find a negotiated solution in the solar panels case. The form of this type of solution, as set out in WTO and EU law, is a price undertaking with the following conditions:

- A commitment made by exporters to respect minimum import prices. This commitment is not meant to fix prices at specific levels, rather to prevent them from falling below a certain floor price.
- This alternative measure must remove the effects of injurious dumping.
- The European Commission must be able to monitor the undertaking.
- General policy considerations can play a role, including stability of supplies.

For further information

[IP/13/501](#): Press release: EU imposes provisional anti-dumping tariffs on Chinese solar panels, 4 June 2013

[MEMO/13/499](#): Remarks by EU Trade Commissioner Karel De Gucht on the decision to impose provisional anti-dumping duties on solar panel imports for China and on the objective to find a negotiated solution with China, Brussels, 4 June 2013

[MEMO/13/498](#): Questions and answers on the EU's decision to impose provisional anti-dumping tariffs on Chinese solar panels, 4 June 2013