

China Rules U.S. Clean Energy Support Improper

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BEIJING (AP) — China's Commerce Ministry issued a ruling Thursday that U.S. government support for six renewable energy projects violated free-trade rules, the latest volley in a widening conflict over clean power.

The United States and China, the world's two biggest energy users, have pledged to work together to develop renewable sources. But they accuse each other of improperly subsidizing or protecting their manufacturers.

The Commerce Ministry's announcement of the results of an investigation launched in November gave no indication whether Beijing might try to impose punitive measures. Ministry spokespeople did not respond to requests by phone and fax for more details.

The investigation was launched two weeks after Washington announced an antidumping probe of Chinese solar power equipment. The ruling came after the U.S. Commerce Department concluded last week that Chinese manufacturers were selling solar cells and panels at improperly low prices and proposed raising tariffs.

Both governments see renewable energy as a promising source of high-tech jobs, a sensitive issue at a time of weak global demand. The United States is trying to boost technology exports to revive economic growth and cut high unemployment.

The three-sentence Commerce Ministry statement said its investigation concluded U.S. government support for six projects violated WTO subsidy regulations.

It gave no details but the ministry said earlier the investigation would cover wind, solar, hydro and other renewable energy policies and include six projects in Washington, Massachusetts, Ohio, New Jersey and California.

The earlier announcement said the investigation was launched at the request of Chinese manufacturers.

Business groups complain Beijing appears to be trying to limit foreign access to its fast-growing renewable energy market with proposals to limit ownership or require companies to transfer technology to Chinese partners.

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