China Launches WTO Case Against EU Solar Subsidies

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BEIJING (AP) — China has filed a World Trade Organization case challenging subsidies provided by some European Union members to help promote the solar panel industry, adding to a flurry of trade disputes that Beijing is locked in with Europe and the United States.

Commerce Ministry spokesman Shen Danyang said in a statement Monday that China brought the case against EU members that have provided subsidies for solar projects in which the main components are manufactured in European countries.

Shen said such subsidies "seriously damaged China's photovoltaic exports."

The case follows an anti-dumping probe Beijing announced Thursday into European exports of polysilicon used in making solar panels. Before that, the EU launched an investigation in September into whether Beijing was improperly subsidizing exports of solar panels.

China and its trading partners pledged after the 2008 global financial crisis to avoid taking actions that would hamper trade but have launched a series of anti-subsidy investigations and imposed punitive tariffs on some goods.

Solar and other renewable energy technology is especially sensitive because governments that are under pressure to cut high unemployment see it as a growth industry and source of well-paid jobs.

Washington imposed tariffs of up to 250 percent on imports of Chinese-made solar panels this year to counter what it said was improper subsidies to the industry.

The disputes have added to financial pressure on Chinese and other solar equipment producers that are suffering heavy losses due to lower sales and a price-cutting war.

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