

High-level Talking Points

Background: A trade case governing the import of solar panels soon will go to President Trump for consideration. If Chinese-owned Suniva and German-owned SolarWorld get their wish, they will risk more than 80,000 American jobs, in an attempt to recoup bad investments.

- The companies are trying to exploit US trade law after failing to take advantage of opportunities in multiple U.S. solar markets, most notably the booming utility-scale segment where they did not offer adequate quality products to developers. In the retail segment, they did not qualify their products with major rooftop purchasers.
- As a result, they both are bankrupt, and now their creditors are looking for a bailout. Their end game is to gain high tariffs to pump up the value of their assets in hopes of selling out and recouping their bad investment.
- They have no defined plan for competing in the U.S. solar cell and panel manufacturing market, and on the contrary could cost Americans thousands of manufacturing jobs, in addition to the tens of thousands of jobs across the entire solar supply chain.
- We would strongly advise President Trump that this is not the right case to build his trade agenda off of because as soon as restrictions are imposed, it will be obvious that it will not create real American competitiveness in this market.
- It's hard to see a scenario where these companies could get legally permissible trade relief that would help them compete in any market. The tariffs and quotas they propose are blunt instruments that would punish trading partners and cost jobs and not provide enough support for them to compete in the required three to four years.
- A legally defensible maximum tariff of 50% ad valorem would still result in the loss of 38,000 jobs in the first year alone. That would result in 64 jobs lost for every one gained.
- More creative solutions and longer term thinking must be applied in order to build a healthy U.S. solar cell and panel manufacturing market.
- The Wall Street Journal Editorial Board said "Solar tariffs would be another destructive exercise that benefits a handful of Suniva and SolarWorld investors at the expense of everyone else."
- Today, solar is one of the least expensive energy sources in America and the largest source of new electricity capacity last year.
- American-made CSPV cells and modules do not merely compete against foreign cells and modules; they compete for space on the grid with other energy sources, including natural gas, the cost of which has declined dramatically. If solar equipment is made substantially more costly through import relief, the solar success story will end.