







Commissioner Cecilia Malmström European Commissioner for Trade European Commission Rue de la Loi 200 B-1049 Brussels

Brussels, 13 October 2016.

The time is right to remove trade barriers on solar panels

Dear Commissioner Malmström,

A few days ago, the European Union ratified the Paris Agreement, paving the way for the global climate agreement to enter into force next month, less than one year after the deal was agreed. This is a fast and promising achievement.

The Paris Agreement sets out the objective of limiting global temperature rise to well below 2°C compared to pre-industrial temperatures and to pursue efforts not to exceed 1.5°C. This requires deep cuts in global carbon emissions, particularly in the energy sector through a rapid move to 100% renewable energy and the full exploitation of energy efficiency.

Solar power is one of the key technologies that the European Union needs to effectively decarbonise and meet its Paris Agreement commitments. We are therefore concerned that the current tariffs on imported solar panels are making solar power more expensive and slowing down the deployment of solar power in Europe.

The European Council has backed a target of ensuring at least 27% of Europe's energy comes from renewable sources by 2030. The implication of this target is that around 50% of Europe's electricity will come from renewable sources by 2030, which implies a high double-digit annual growth rate of solar PV. While NGOs consider the 27% target to be far below what is necessary to deliver on Europe's Paris Agreement commitments, and far below what is technically and economically feasible, the presence of trade restrictions could make the achievement of even this inadequate target more difficult.

Instead of putting citizens at the heart of the Energy Union, the present trade measures negatively impact consumers and make their participation in the energy transition costlier. This is because many of the micro- and small-scale renewables projects in Europe are solar power projects. Removing the measures would help more Europeans to become active energy citizens or 'prosumers' - an objective that all members of the College of Commissioners should support.

It is estimated that about 120,000 people are currently employed in the European solar power sector. This number could be significantly higher if the trade measures were removed. It has for example been calculated in a recent economic study by Ernst & Young that about 55,000 new jobs could be generated by 2020 in the entire EU solar PV supply chain¹.

Europe needs these jobs urgently to facilitate a socially just transition away from carbon intensive technologies and towards a zero-carbon economy.

It is vital that there be consistency between the EU's climate policy and trade policy. We therefore urge you, Commissioner Malmström, to end the trade measures on imported solar panels immediately through the Expiry Review. This is the type of act that will show the world that Europe is serious about tackling climate change and wants to be the world's number one in renewable energy.

Yours sincerely,

Wendel Trio

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Jorgo Riss

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Mr. Frans Timmermans, Vice-President of the Commission, Better Regulation

Mr. Maroš Šefčovič, Vice-President of the Commission, Energy Union

Mr. Miguel Arias Cañete, Commissioner for Energy and Climate Action

Ms. Elżbieta Bieńkowska, Commissioner for Internal Market, Industry, Entrepreneurship and SMEs

Mr. Telmo Baltazar, Senior Political Adviser to President Juncker

Ms. Maria Åsenius, Head of Cabinet to Commissioner Malmström

Ms. Nele Eichhorn, Member of Cabinet of Cecilia Malmström

Mr. Dominique Ristori, Director-General for Energy

Mr. Jean-Luc Demarty, Director-General for Trade

¹ http://gramwzielone.pl/uploads/files/Solar Photovoltaics Jobs Value Added in Europe.pdf