

Indonesian solar panels exempt from US tariffs

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THE TRADE Ministry's international trade director general, Oke Nurwan, said that Indonesian solar panel exports to the United States would not be subject to a 30 per cent import tariff that the country recently imposed.

"The US government has exempted Indonesia's solar panel products from trade safeguards. It was made because the market share of solar panel imports from Indonesia is still below the ceiling to apply safeguards," he said in a statement.

Earlier this year, the administration of US President Donald Trump had announced it would impose a 30 per cent tariff on crystalline silicon photovoltaic (CSPV) cells and modules in an effort to protect American solar panel manufacturers.

Oke explained that the World Trade Organisation agreement on safeguards stipulated that developing countries with an import market share of less than 3 per cent must be exempted from trade safeguards. Indonesia falls into that category.

Indonesian solar panel exports to the US peaked in 2012 with a total value of US\$182 million, but it declined to a mere US\$69.6 million in 2016.

Oke said the US government's decision provided an opportunity for Indonesia to stay competitive in the US solar panel market.

Pradnyawati, the Trade Ministry's director for trade security, said Indonesia was appreciative of the US government's compliance with the WTO agreement.