

Brussels, 30 March 2010

A bright future shines on the solar photovoltaic electricity market

The global solar photovoltaic electricity (PV) market counted an additional increase in installed capacity of about 6.4 GW in 2009, reaching a total capacity of over 20 GW world-wide. This has been the most important annual capacity increase ever and is particularly impressive in light of the difficult financial and economical circumstances during the past year. In 2010, global cumulative installed PV capacity is expected to grow by at least 40%, while the annual growth is expected to increase by more than 15%. During 2009, Germany remained the largest market, with Italy ranking second and Japan and the U.S. markets to follow. Germany most probably will remain the largest market in 2010, while new markets in particular from Southern Europe, Asia and the U.S. will grow significantly.

Gathered together in Rome on the occasion of the 5th Workshop on Market Potential and Production Capacity on 19 March 2010, the Members of the European Photovoltaic Industry Association (EPIA) have discussed PV results for 2009 and forecasts until 2014.

Europe maintains market leadership

With a cumulative installed capacity of almost 9 GW, including around 3 GW installed in 2009, Germany remains the world's largest PV market although the recently announced Feed-in Tariff cuts are expected to significantly affect the development of the national industry in the longer run. In the mid-term, Italy appears as one of the most promising markets with an additional capacity of some 700 MW already in 2009. Besides high sun irradiation, the new Conto Energia, which should be announced in Spring, would continue to support the strong momentum of the Italian market. Czech Republic shows an important growth in 2009 with 411 MW installed but, due to overly generous support schemes, the market is expected to shrink importantly in 2011 after another year of strong growth in 2010. *"This underlines the imperative need for support mechanisms to be designed in a way to ensure a long term, predictable and sustainable development of the market and avoid instability and discontinuity in market evolution"* explains Adel El Gammal, Secretary General of EPIA. Thanks to a strong political will, Belgium made its entry into the TOP 10 markets with 292 MW installed in 2009. Due to a revision of the financial support scheme early 2010, the market is, however, expected to slow down slightly in 2010. France follows with 185 MW installed in 2009, with an additional 100 MW installed but not connected to the grid yet. In spite of a huge potential, this clearly demonstrates the importance for France to solve grid connection issues in order to allow the market to develop. In Spain, the set-up of a market cap in 2008, combined with the effects of the financial crisis, constrained the market to only about 60 MW installed in 2009. However, PV accounted for about 3% of the electricity production in the country in 2009 and clearly appears as a privileged source of electricity in the fight against Climate Change. Finally, Greece, Portugal and the U.K. are showing interesting potential for growth in 2010 and beyond.

Japan and USA as leading markets outside Europe

Outside Europe, Japan positions itself as the third largest market with 484 MW and shows an important growth potential thanks to favourable political support. The U.S. market finally took off significantly with around 475 MW installed in 2009 and appears as a potential leading market for the coming years. China and India are also expected to boom in the next five years with an impressive amount of PV projects in the pipeline. Canada and Australia showed significant market development in 2009 and are expected to open the way to the development of new markets. Brazil, Mexico, Morocco and South Africa are also seen as promising countries.

A bright future for PV

The global PV market could reach between 8.2 and 12.7 GW of new installations assuming a moderate scenario and a policy driven scenario, respectively, and would represent a growth of 40% and 60 % of the overall cumulative installed capacity compared to 2009 for the two scenarios.

In a policy-driven scenario, the global annual PV market could reach up to 30 GW in 2014 based of course on favourable conditions established by policy makers, regulators and the energy sector at large. The announced world-wide PV production capacity would also be sufficient to cover the expected evolution of the market in the coming five years.

“In addition to the ramp-up of many markets in Europe, the development and opening of new markets in Asia, the Americas and Africa is paving the way to a strong and sustainable momentum of PV powered supply solutions all around the world” concludes Ingmar Wilhelm, President of EPIA.

The EPIA Global Market Outlook for Photovoltaics until 2014 will be published during April 2010.

Note to editors

With over 200 Members drawn from across the entire solar PV sector, the European Photovoltaic Industry Association is the world's largest photovoltaic industry association and represents about 95% of the European photovoltaic industry. EPIA members are present throughout the whole value-chain: from silicon, cells and module production to systems development and PV electricity generation as well as marketing and sales. EPIA's mission is to deliver a distinct and valuable service driven from the strength of a single voice in photovoltaics.

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