Press release

Frankfurt, July 2, 2020 - Arguments that photovoltaic products "Made in Europe" do not pay off economically are no facts set in stone. On the contrary: the joint study by VDMA Photovoltaic Equipment and Fraunhofer ISE shows that the production of photovoltaic in Europe is ecologically and above all economically feasible without subsidies. The study focused on the case of a fully integrated PV production in Europe.

Attractive market volume in Europe
Photovoltaics can benefit from the drastically increasing demand for energy from renewable sources, whether for electricity, transport, or heat, as well as the storage facilities required for this, such as hydrogen. In Europe alone, this requires an annual installation of photovoltaic capacity of around 100 GW. The market volume for the modules required for this, which cost between 0.20€ and 0.24€ per watt of module output for large-scale applications, amounts to €25 billion and is currently served almost exclusively from Asia. This market size, the still available know-how in Europe in the field of research and mechanical engineering, and the dependency of the supply chain problems that have just become apparent in the current corona crisis, make Europe attractive as a production location.

Supporting the resettlement of PV production in Europe
With this background, numerous initiatives can currently be observed in Europe. The activities are aimed at resettlement of PV production in Europe and its further development. Among others, the "Solar act now" campaign from the IPVF Institute in France and the "Solar Manufacturing Accelerator" initiative are...
worth mentioning. An initiative that emerged from the VDMA study and
describes a "5GW+ Green Fab" is also participating in this “Solar Manufacturing
Accelerator” Initiative. The VDMA and its members support the resettlement of
photovoltaic production if it is competitive without subsidies. From the VDMA's
point of view, three strategic axes are necessary to achieve this goal:

1. the success of an ambitious European R&D program that focuses on the
   markets
2. the development of collaborative technology platforms and
3. the development of framework conditions that ensure fair competition,
   financial stability, and sustainability of the emerging ecosystem,
   integrated into the European circular economy.

For classification
The costs per kWh of electricity generated with photovoltaics are already well
below 4 € cent/kWh in tenders in Germany, and in sunny countries even in the
1.5 $ cent/kWh range. This makes photovoltaics the cheapest way of
generating electricity worldwide.

Do you still have questions? Dr. Jutta Trube, VDMA Photovoltaic Equipment,
Phone +49 (0) 69 6603 1879, jutta.trube@vdma.org, is happy to answer your questions.

The VDMA represents around 3300 German and European companies in the mechanical engineering
industry. The industry represents innovation, export orientation, medium-sized companies and employs
around four million people in Europe, more than one million of them.