
Breaking News

Bonn, January 31, 2012

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Bonn. Not yet in full swing, the year 2012 has already hit the PV industry with several unpleasant reports. The discussion about a tough cap on Germany, the most important sales market, or a temporary suspension of renewable energy incentives in Spain are only two of the news items now posing challenges to the international PV branch. Read the latest news and developments in our current breaking news.

[Germany: Federal Environment Ministry and Federal Ministry of Economics debate about PV incentives](#)

Since the Federal Network Agency announced the preliminary figures for PV installations in 2011, political discussions about PV incentives have resurfaced. In particular, Germany's Federal Minister for Economics, Philipp Rösler, reignited the discussion by suggesting an annual cap of 1,000 MW. But it now seems as if Rösler has moved away from this position. A proposal that was developed by his ministry foresees annual installations of about 3,500 MW. That could be reached by cuts to feed-in-tariffs of 21 percent.

Environmental Minister Norbert Röttgen suggested an annual degression of 24 percent. This should be achieved in several smaller cuts spread throughout the year. As one can see, both suggestions bear similarities. Nevertheless, a meeting of the Environment Minister Norbert Röttgen and Minister of Economics Philipp Rösler did not result in an agreement last Wednesday. Negotiations are still ongoing and the agreement that both parties come to is eagerly awaited.

EuPD Research recently published an article on the impacts of the preliminary data published by the Federal Network Agency. If you would like to read more, please click here:

[http://www.eupd-research.com/de/news/index.php?id=49&tx_ttnews\[tt_news\]=916&tx_ttnews\[backPid\]=50&cHash=35349d1f39](http://www.eupd-research.com/de/news/index.php?id=49&tx_ttnews[tt_news]=916&tx_ttnews[backPid]=50&cHash=35349d1f39)

[Italy: Planned direct cut of incentives for agricultural areas retrospectively](#)

Currently, photovoltaic plants on agricultural areas should receive feed-in-tariffs until the end of March; insofar as they are connected to the grid by then. But the new decree "Decreto-Legge" plans to cut incentives for plants on agricultural areas directly as well as retrospectively. Although not yet agreed on, the new law leads to further uncertainties in the Italian photovoltaic branch. Only recently, the energy agency GSE (Gestore dei Servizi Energetici) announced that incentives will not be available for rooftop PV plants with a capacity of more than 1 MW as well as open space plants, not constructed on public buildings or estates in the second half of 2012. This is due to an exceeding of the volume entitled to incentives in 2011.

Market experts at EuPD Research assume that this will lead to shifts in market segments and strengthen the position of locally active installers. The latest figures regarding agricultural areas reinforce this trend and the importance of installers, already at the beginning of the year.

If you would like to read more about the opinions of European installers on their domestic markets, please (welcome@eupd-research.com) about the "Installer's Point of View".

[USA: Termination of Treasury Grant Program: The Effects on the US Market](#)

The U.S. Congress has decided not to extend the 1603 Treasury Program which was created under the American Recovery and Reinvestment Act of 2009. According to the U.S. Department of the Treasury (DOT), between September 2009 and the end of 2011 TGP funding of 1,428 million USD poured in for projects in the field of solar electricity.

The recent termination of the TGP has a negative effect in two ways. On the one hand the cancellation of the TGP will significantly lower the attractiveness of PV investments. As the main focus of the TGP funding was on PV systems with a size of over 50 kW, especially the number of larger systems will experience a decrease. On the other hand due to the development of the world market on the supply and the demand side, in the manufacturing sector the competition is tightening in 2012. The expected downturn of Germany and Italy in 2012, important sales markets for the US, will affect the demand for PV products from the USA.

EuPD Research has published a new White Paper on the effects of the termination of Treasury Grant Program. If you would like to read the full paper, please click here: http://www.eupd-research.com/en/download/EuPD_Whitepaper_TGP_310112.pdf

[Spain: Temporary suspension of renewable energy incentives](#)

The Spanish government under the new Prime Minister Mariano Rajoy, announced per Royal Decree, a temporary suspension of incentives for renewable energy installations. The decree has been effective since January 28, 2012. How long the suspension will be in place was not been published yet. Excluded are plants that already registered for feed-in-tariffs which can still be built. But plants that are in waiting loops already and have submitted an aval (endorsement) as security will get it back. The measures are a result of the current economic and financial crisis and the efforts of the new Spanish government to consolidate the public budget by also reviewing investments in renewable energies.

[France: Freeze of feed-in-tariffs](#)

As announced by the French regulator Commission de Regulation de l'Energie (CRE), feed-in-tariffs for photovoltaic plants will be reduced by between four and ten percent during the first quarter 2012.

To further support the French PV branch, the industry organization Enerplan has demanded a freeze to feed-in-tariffs in 2012 as well as a different tendering procedure for plants of more than 100 KW, where no further installations have been made since the procedure was changed.

In markets like Germany also small rooftop applications built the foundation for strong growth in the past. As recent developments show, tendencies in other markets such as Italy are going in the same direction and small as well as decentralized plants are gaining importance. This strengthens the role of local installers as important market intermediaries.

EuPD Research has been analyzing the important downstream part of the photovoltaic value added chain for over a decade. Our analysts consistently provide the industry and media with reliable market data based on the findings of well-established market analyses such as the "PV InstallerMonitor" as well as "PV BrandMonitor". If you would like to know more about these comprehensive downstream services, please follow this links.

The Installer's Point of View 2011

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQFcGgIGWQIOA1YHVIU%3D>

End customer Monitor Germany – An analysis of the buying decision

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQJVGgIGWQIOA1YHVIU%3D>

PV BrandMonitor© 2011/12 – Europe

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQJUGgIGWQIOA1YHVIU%3D>

US PV BrandMonitor© 2011 (East)

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQJXGgIGWQIOA1YHVIU%3D>

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PV MarketMonitor© – Germany

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EU PV ModulePriceMonitor©

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US PV ModulePriceMonitor©

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQJSGgIGWQIOA1YHVIU%3D>

Analysis of Federal Network Agency Data on PV Installations in Germany between January and September 2011

<http://news.eupd-research.com/lt.php?id=fh8ABQUFDQJdGgIGWQIOA1YHVIU%3D>

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