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Successfully Clearing the Hurdles on the Italian Photovoltaic Market

Practical Analysis of the Potential and Risks of this Promising Market

All roads lead to Rome – but not only there! Italy can see them coming, the hopeful players of the photovoltaic business. Coming from successful business activities in Germany and Spain, they are very self-confident: the things that were accomplished in the other two countries will certainly not be too difficult in Italy.

The Italian photovoltaic market is growing visibly. The feed-in tariff is secure up to the end of 2010 and the installation of small and medium-sized photovoltaic plants in particular is proceeding rapidly. Italian and international players are very motivated. As the domestic photovoltaic industry is still very young, international companies play a determining role: around 90 percent of modules are presently being imported, mainly from Asia and Germany. However, many of the international companies that do not only sell their products to Italy but instead also want to undertake their own projects in the country have come to the realization that this is not as easy as it seems.

Understanding and exploiting particularities of the market

Problems with the implementation of PV plants such as severely delayed grid connection or regional authorization procedures which are at a standstill are only one small part of many possible hurdles, which 80 market participants and experts reported during the survey for the study “The Italian Photovoltaic Market 2008 – Overcoming Obstacles”. “Many companies run to Italy in the same fashion as the Alaska Gold Rush. They think that they can set up lucrative projects with the minimum of expense. But this is very naive. Many are absolutely not prepared for the Italian market and its particularities”. This is one of the significant comments made in detailed qualitative interviews with experienced players from the Italian photovoltaic market that EuPD Research conducted in the course of the study. “It is important not to ignore aspects such as mentality and unwritten rules, because it is exactly those things which have a significant influence on the market. An example: Many experts pointed out that before starting a project of a certain size, key local persons should be involved in order to create a good attitude towards the project. Simply going the correct bureaucratic route can be much more difficult. The recipe for success in Italy is a comprehensive understanding not only of the written, but also of the unwritten laws, especially local peculiarities”, states Anne Gassen, project manager of the market study, which is published by EuPD Research with the support of the Italian photovoltaic association Assosolare.

Citations

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“The business myopia of one interview partner is thus revealed by the different point of view given by another – it is only in this way that a 360 degree analysis of the market is possible and factors that were not noticed before can be taken into consideration” says Gassen.

“With the comprehensive overview given in our new study, the entrepreneur can overcome difficulties by developing a systematic individual market strategy” states Sarah Endres, Head Product Management of EuPD Research.