



Press release

N°303- 10/11/2003 – Brussels

Solar energy: The Netherlands to lose top position in world, European industry organisation warns.

Earlier reports about a parliamentary majority to preserve the present Dutch subsidy scheme for solar energy (EPR) have not yet been backed up by adequate budget commitments to further boost the solar energy market. If the drastic cutbacks are carried through, the Netherlands will lose its top position in the area of solar energy, the European branch organisation EPIA¹ fears. Solar energy represents an excellent platform for knowledge-intensive businesses and innovation.

Innovation and expertise

Europe needs the expertise and the innovative qualities that have been developed by Dutch companies and research centres in the field of Photovoltaic (PV). No money to preserve the EPR, the only effective incentives tool for solar energy in Netherlands, will have devastating effects on the solar energy sector. Hundreds of high-quality jobs and dozens of businesses are directly dependent on this support scheme. The risk to lose high-quality know-how and invested capital is very high.

The Netherlands a major actor on the Global level

The EPR has permitted to create a decisive market in the Netherlands as **the 2nd one in Europe** after Germany and **the 5th one in the World**. The Netherlands have developed valuable expertise. To preserve this position, investors need long-term security on government support schemes. Capacity to innovate is one of the main strengths of the Dutch PV actors. A good example of the Netherlands' top position in the area of research and the implementation of this technology is the recently won motor race in Australia (with the Netherlands beating both the US and Japan)! Innovation and research cannot do without a home market for solar energy.

The European PV industry: dynamic even during hard times

The past 5 years the global rate of growth in the solar electricity sector has been 30 to 40% a year. In 2002 the PV sector registered a 33% growth in Europe. The Netherlands largely contributed to this growth!

PV creates jobs: in 2002, 10000 people were working in the sector in Europe, compared to 7000 employees in 2001; the growth was over 40%!

Price of PV is decreasing: due to scale and cost savings, the number of commercial applications is rising rapidly. We need not to wait until 2020 for profitable solar energy projects. Continuous innovation guarantees continuous reductions in costs, as the PV industry has shown in the past (50% price drop in the past 7 years). When the market doubles, the price drops by 20%. In order to continue promoting reductions in costs, appealing market prospects must continue to exist. Before reaching a self-sustainable market, support from the governments is necessary in order to develop the market and to develop high-level expertise. This support requires budget commitments.

Contact: EPIA – Marie Latour - +32 2 465 38 84 – epia@epia.org

¹ European Photovoltaic Industry Association