



**Press release**  
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## **Photovoltaic industry prepares to steady growth**

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Brussels, 22 December 2006 – During its 2006 end-of-year gathering on 21 December, the EPIA members (European Photovoltaic Industry Association) assessed short-term projections (2010) of solar electricity markets in Europe and globally as well as required up-scale of production capacities to answer an expected growing demand.

In the short term, with favourable policy conditions, an average increase of the global photovoltaic market of 37% until 2010 is expected. In 2010, EPIA estimates that the global annual market of solar electricity will be close to 6 GWp. The photovoltaic industry is going to remain for some years one of the most dynamic economic sectors globally.

### **2006 : progression in transition year**

The first market estimations for 2006 show an annual global market growth between 10 and 15%, « The sector is currently going through a transitional phase with a necessary upscale of production capacity especially in the poly Si sector and new thin film plants to answer a growing demand » explained Dr. Winfried Hoffmann, EPIA President.

Germany remains the clear driver, whilst the European market keeps on diversifying with Spain, Italy, France and Greece which recently adopted support programmes to promote solar electricity. Indeed effective support programmes will be necessary for the next five to ten years to initiate new markets and guaranty a stable development of the sector.

### **Overcoming the shortage of silicon to generate steady market and production growth**

In terms of raw material availability, the European Photovoltaic Industry realistically expects an up-scale of silicon production volumes to over 40000 tons per year in 2010 for the solar sector. This will be sufficient to provide the necessary raw material for the production of 6 GWp silicon-based products and thus answering the expected growth in demand by that time. Today 5 companies are dominating the market for solar grade silicon. « New players will arise but it is questionable how many will succeed in managing the technical and regulatory requirements » said Winfried Hoffmann.

The photovoltaic industry depends for 90% on silicon. Heavy investments in new technologies such as thin-film and organic cells are realised. By 2010, silicon wafer based products will represent 80% of the market, while thin-film will represent the main alternative to silicon.

### **Solar electricity: competitive in the middle term**

EPIA believes that solar electricity could compete with peak electricity prices within the next ten years, in a liberalised electricity market, especially in southern European and United States countries. To reach competitiveness the industry is constantly working to reduce production costs of photovoltaic products.

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### **About the European Photovoltaic Industry Association:**

With over 100 Members drawn from across the entire solar electricity sector, the European Photovoltaic Industry Association represents over 95% of the European photovoltaic industry. EPIA represents the whole value-chain of the photovoltaic industry from silicon producers, cells and module manufacturers to system providers.

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