



Press release

For Immediate Release

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Photovoltaics: a potential 5 GWp annual market in 2010

For the European Photovoltaic Industry Association (EPIA) a global photovoltaic market of 5,4 GWp in 2010 could potentially be reached.

Brussels, 09.01.2006/ A major workshop which gathered 100 participants representing a large part of the European and global photovoltaic industry, confirmed the projections of EPIA, which anticipate, in an accelerated scenario, that **the annual global photovoltaic market could reach 5,4 GWp in 2010**. In a Business As Usual (BAU) scenario the market in 2010 would only reach 3,2 GWp. The projections of the accelerated scenario are ambitious. It relies on the development of markets at a global level: In Europe with the effectiveness of appropriate feed-in tariff programs (E.g.: with removal of market caps); In Japan with intensified efforts to reach planned targets (5 GWp cumulated installed capacity by 2010); In the US with clearer policies in favour of PV and in South Asia following their ambitious targets. These projections represent, in average, a market growth of more than 35% per year until 2010.

In terms of **production capacity**, the BAU scenario considers a conservative growth of production facilities as they have been forecasted in the past by the industry. If the sector is to achieve the ambitious target of the accelerated scenario this requires strong investment efforts on a global level and all along the value chain. A 5,4 GWp market would require on the supply side additional investment in solar silicon, reaching a production capacity of 30000 Tn/year and 1 GWp production of thin film PV. **Technological developments** will represent a major challenge and are indispensable. Wafer thickness reduction around 150 µm should be achieved (compared to 300 µm in 2004) to optimize the use of raw material and meet cost reduction projections. Alongside with silicon-based PV, other emerging technologies, namely thin film, by investing in appropriate production facilities can play a larger role and obtain a substantial market share. Experts estimate that in 2010 thin film technology could provide 1 GWp of PV modules: almost 20% of the market. In both cases, BAU or accelerated scenario, due to the current silicon shortage, which is restricting the market growth, it is expected that product availability will remain very tight in 2006 and 2007 and limit market growth for these two years to approximately 20%.

In terms of **prices**, it is expected that after a stabilisation in 2006 and 2007 the learning curve which was observed in the previous years (until 2004) with a reduction of 5% per year of PV products' price (cells, modules, systems) will be met in 2010, enabling progressively PV to become competitive, in liberalised markets, with peak power conventional energy in the course of the next decade.

The presentation and results of the workshop are available on www.epia.org.

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About the European Photovoltaic Industry Association:

With 76 Members drawn from across the entire solar electricity sector, EPIA represents over 95% of the European photovoltaic industry. The Association's mission is to deliver to its Members a distinct and valuable service driven from the strength of a single European photovoltaic (PV) voice.

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