

European Commission Executive Vice-President for the European Green Deal Frans TIMMERMANS  
European Commissioner for Energy Kadri SIMSON  
European Commissioner for the Internal Market Thierry BRETON

30 April 2021

Dear Executive Vice-President TIMMERMANS,  
Dear Commissioner SIMSON,  
Dear Commissioner BRETON,

The EU currently faces enormous challenges and huge opportunities with the implementation of the ambitious European Green Deal. The green transformation will decisively impact a variety of sectors, and will to a large extent restructure the European economy and industry. **The combination of the Green Deal, a post-Covid-19 environment and the Recovery and Resilience Facility (RRF) creates unique opportunities for the EU to restore and strengthen key value chains and industries.**


Power generation from wind and solar has been extensively included in Member States' national Recovery and Resilience Plans (RRP), which will be on the agendas of the European Commission and the European Council for the next months, and drive Member States' policies for the coming years. **The European Solar Manufacturing Council (ESMC), which represents the interests of the European PV manufacturing industry, delivers in attachment to this letter a Policy Statement, which calls for better PV manufacturing representation in the European RRF and national RRP.**

In 2020 new wind power installations in the EU accounted for 14.7 GW, and new solar PV installations reached 20.6 GW additional capacities. According to many forecasts, the annual solar PV installations will double very soon – reaching 40-45 GW already in 2023-2024. **The current PV manufacturing capacities in the EU are critically low, representing only 0.4% of global cells and 4% of modules global production. Thus, the EU is about to enter a new type of energy dependency, by importing critical components for the PV installations.** The ESMC strongly advocates the EU to avoid such a critical dependency and appeals for dedicated, strong and urgent actions to improve the EU's strategic resilience.

**ESMC believes that at least 75% of European PV installations should be manufactured in Europe, and two thirds of the production exported outside Europe. This would amount to about 60 GW of manufacturing capacity, and a full production utilization in Europe by the end of the RRF cycle in 2026. As a consequence, the current € 7.4 billion trade deficit of PV cells and modules would be transformed into a local PV manufacturing value of about € 50 billion, and around 178 000 additional jobs by 2026. PV is a clean and powerful solution to provide jobs, economic growth, and European energy security, as well as to address climate change. Thus, € 20 billion (or 3% of RRF financing) would catalyze a real chance for the PV manufacturing industry in Europe for accelerated growth, leading to a PV manufacturing renaissance, and long-term benefits on the way to a carbon neutral economy by 2050.**

As the benefits of PV manufacturing are horizontal, involving various sectors, we would like to ask for your leadership in creating and managing suitable incentives for the PV manufacturing industry in the EU. By this letter, **ESMC is kindly requesting a meeting to discuss the proposals included in the Policy Statement, and to open a dialogue on the future of the PV manufacturing industry in Europe.** The comprehensive launch of the Green Deal is the perfect moment for the sectorial strategies to be proposed and implemented. **In parallel to the Offshore renewable energy strategy presented by the Commission last year, we would like to see a similar comprehensive European solar strategy adopted including upstream and downstream dimensions, the guidance for an IPCEI for PV manufacturing and other initiatives which would be instrumental for the Green Deal implementation.** ESMC is convinced that implementing urgent, horizontal steps concerning PV manufacturing in Europe could ensure the best available synergy of the Green Deal implementation and European economy growth for the forthcoming decades.

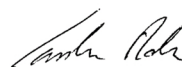
On behalf of the European Solar Manufacturing Council,



Co-President  
Eicke Weber



Co-President  
Gaëtan Masson



Vice-President  
Carsten Rohr



Secretary General  
Johan Lindahl