

Mr Frans Timmermans
Executive Vice-President for the
European Green Deal, European Commission

Ms Kadri Simson
Commissioner for Energy, European Commission

05 May 2022

Subject: A European Solar Act for a sustainable and resilient Europe
Joint Letter by Austria, Belgium, Lithuania, Luxembourg, Spain

Dear Executive Vice-President, dear Commissioner,

As a consequence of the unprovoked military aggression of Russia against Ukraine, the EU should be providing support to Ukraine and speeding up the energy transition in Europe to phase-out our energy dependency from Russia as soon as possible. Solar energy holds a huge potential for the EU. As already pointed out in the REPowerEU communication, every photovoltaic panel reduces immediately and directly our energy dependence from Russia. Beyond this, its accelerated rollout reduces exposure to high energy prices and creates local jobs, all while reducing greenhouse gas emissions and reaching our climate goals.

The amount of solar power to be deployed in the EU over the coming years according to the targets set in the National Energy and Climate Plans and the newly announced energy transition plans is already significant. As analysis shows, the EU solar market will be actually twice as high as in the NECPs in a “business as usual” scenario. We believe there is still potential to increase these objectives in light of the changed geopolitical situation and to unlock solar energy's potential as a major renewable energy source on roofs or facades of buildings - comprising solar photovoltaics and solar thermal and a combination of both as well as building integrated photovoltaics. By the year 2030, the goal is to have at least 1 TW photovoltaics installed in the EU.

The EU still hosts the world's best research and development on PV production and considering the new technology, we can re-establish a competitive solar PV manufacturing industry in Europe. Without properly addressing current challenges and market failures of European PV manufacturing, the EU is at risk of turning dependence on Russian oil and gas into an increasing long-term dependence on raw materials and PV hardware imports from China, or other emerging global PV suppliers.

The EU can deploy at least 70 million solar rooftops by 2030 in Europe. This will generate 1100 TWh of electricity and create millions of local jobs. The European Renovation Wave should be combined with a Solar Wave. We therefore ask you to include a European Solar Act in your upcoming REPower-EU plan. The European Solar Act should consist at least of the following items:

- Solar rooftops should be the norm for newly built houses and for houses going through a major renovation, or a renovation touching the roof. Mandatory solar rooftops should be required through EU legislation, notably on flat roofs, public buildings, supermarkets and retail outlets as well as industrial and brownfield areas. Member states should be able to define the specific modalities.
- In order to incentivize a more rapid rollout, we need to make the best and cost-efficient use of all financial instruments to finance the deployment of renewable energy and in particular solar energy, including state credit guarantees to unlock the financial capital for the PV manufacturing. The European Renewable Energy Financing Mechanism must be strengthened. It is ready to receive EU funds. Part of the money allocated to other instruments under the current MFF but which are not spent could be redirected towards it.
- Commission should provide with enhanced assistance to Member States to fully exploit the potential of involving citizens' in the energy system as self-consumers, collective self-consumers and renewable energy communities.
- In order to take actions immediately in the upstream part of the PV value chain, we call for the launch of a dedicated support mechanism aimed at scaling up existing solar manufacturing capacities and promote innovation. This could be through different means, e.g. a dedicated call under the Innovation Fund or other relevant EU instruments, a mandate to the EIB to provide financing support to factories, exploring the feasibility to set up an IPCEI for solar PV production in Europe. This approach would provide the necessary investment security, ease the notification procedure under the CEEAG, promote research, development and innovation across the whole value chain and create thousands of sustainable jobs in Europe. Commission should set the objective that 75% of deployed or installed PV capacities are produced within the EU by 2030.
- The Commission should adopt an accompanying analysis on the corresponding EU industrial manufacturing and investment needs as well as the research and innovation capacities for solar rooftops within the EU, having in mind the need to ensure resource efficiency and a circular economy.
- Measures to facilitate the fast development of skills and availability of future-oriented work force along the solar value chain are necessary.

We kindly invite you to consider these elements related to the establishment of a European Solar Act in the finalization of the REPowerEU plan.

Sincerely yours,



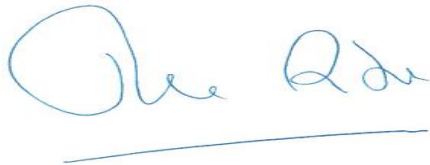
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