

Press Release: ESMC Welcomes the Inclusion of PV Manufacturing into the EU Solar Strategy – Concrete Actions Should be Taken Without Delay

The European Solar Manufacturing Council (ESMC) congratulates the European Commission on adopting the EU Solar Energy Strategy earlier than expected. We note that most of the ESMC proposals have been included into the Strategy; However, more concrete targeted actions are necessary to be launched without delay in order to re-establish solar PV manufacturing capacities in Europe in competitive scale and to reduce the increasing solar PV trade deficit.

The ESMC appreciates the Commission's clear expression of support for an 'Important Project of Common European Interest' (IPCEI) for PV manufacturing in the new strategy and in the REPowerEU Plan. IPCEIs are already an existing measure in line with the EU competition rules, and ESMC has been making efforts for the support of an EU PV manufacturing industry through the PV IPCEI initiative. This measure could be implemented within months, creating the foundation for an innovative, sustainable and long-term competitive European PV manufacturing industry along the whole value chain. The PV IPCEI initiative was initiated last year and is now consolidating more than 50 European PV manufacturing companies and research institutes. On 20th May, ESMC is organizing the [PV-IPCEI launching event](#) in Brussels. The objective of this event is to consolidate the efforts of the European PV manufacturing industry, as well as to stimulate broader involvement of the EU Member States into the PV-IPCEI framework.

ESMC also supports the Commission's plan to work on guidance with regard to permitting procedures for new manufacturing plants. The ESMC proposes that the establishment of PV manufacturing facilities should be aligned with the most preferred planning and permitting status (e.g. free economic zones, tax exemptions, etc.), including the creation of a preferential treatment systems, like they were created for other IPCEI topics in the EU.

Furthermore, the ESMC is looking forward to inclusion of PV modules, inverters and systems into the two mandatory internal market instruments; the Ecodesign Regulation and the Energy Labelling Regulation, during the first half of 2023. With regards to these regulations, the ESMC hopes that the Commission's assessment process on including quality of the manufacturing process and carbon footprint of PV modules will materialize in concrete legislative proposals.

The proposal of ESMC to create a financial vehicle to de-risk the investments into PV manufacturing along the value chain has been recognized by the European Commission proposal, in reference to the establishment of a EU Solar PV Industry Alliance, which will map the availability of financial support, attract private investment and facilitate dialogue and match-making between producers and off-takers. ESMC expresses strong support for such a dedicated framework. We would like to emphasize the need for the Solar PV Industry Alliance to start the work as quickly as possible towards establishing a concrete € 3 billion support program for its implementation, already in 2022. Every day of delay in launching competitive support instruments is a postponing European PV manufacturing investment. Transparency, involvement of the PV manufacturing industry, fast actions supporting the PV manufacturing industry and de-risking investments should be absolute priorities in implementing the strategy. We also urge the new Solar PV Industry Alliance to set up concrete long-term goals for PV manufacturing capacities along the full value chain in Europe.