

# MBIPV Industry News Nov 2006

## BIPV Industry Development and Enhancement Program

### Editorial

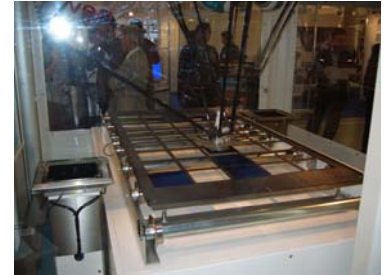
Dear MBIPV and industry stakeholders

Welcome to our first industry news bulletin from MBIPV project. One of the aims in MBIPV project is the development of the local BIPV industry and optimization of imported and local manufactured BIPV technology for local conditions in Malaysia. Two product quality control centres, one inverter and the other on mounting structures, will be established to ensure the quality and reliability of the local manufactured and imported products.

Within this component, international and local collaborations will be promoted to establish manufacturing of BIPV products or other business opportunities in PV. Today several market opportunities are at our door step waiting to enter and to be explored. This year alone, worldwide revenues only in PV business exceeded RM40 billion and the future looks bright. New PV programmes are implemented in Europe, USA and Australia to complement the already big market drivers in Germany, Japan, Spain and South Korea. Estimates are coming up with RM280 billion in 2010 only from PV business. It's time for the Malaysian players to get a share of this fantastic growing market. Assistance will be given to any local industry player willing to enter this new market or to diversify the business towards PV.

Component 4 is facilitating match-making and trade missions, round-table discussions with invited international PV companies, seminars, workshops, and many more. This **quarterly newsletter** will inform on the upcoming events and presents local and international news with **focus on the industry sector**.

Please feel free to send us your feedback on the newsletter or the PV industry development programme by email to [nazri@ptm.org.my](mailto:nazri@ptm.org.my). We are looking forward to work with you closely and introduce the Malaysian industry players to this exiting RE technology. For further information regarding the activities in MBIPV and its components, or the industry enhancement activities send an email to [nazri@ptm.org.my](mailto:nazri@ptm.org.my) or call Mr Nazri (03 8943 4300 ext 508).



### MBIPV News



**SURIA1000:** A national MBIPV programme 'SURIA 1000', targeting the residential and commercial sector will provide direct opportunities to the public and industry to be involved in this unique photovoltaic (PV) initiative. Bidding for the

SURIA 1000 programme begins on 1<sup>st</sup> December 2006. Every year starting from 2007, an allocated number of grid-connected solar PV systems (in total 1,000 kWp) will be offered to the public on a bidding (auction) concept, through local mass media and administered by the project team. Successful bidders would then install the PV system supplied by the participated PV service providers as Building Integrated PV (BIPV) at their premises. Premises can be existing or new buildings. The costs of the PV systems would be borne by the successful bidders at the bidding price and supplemented by the project. Selection of successful bidders will be based on lowest contribution from the MBIPV Project. Minimum BIPV capacity for bidding is 3kWp per application. For more information on SURIA1000, please visit [www.ptm.org.my/bipv/suria.htm](http://www.ptm.org.my/bipv/suria.htm).

### Malaysia News

In view of the rapid development in the PV business, there is a need for the industry stakeholders to be cohesive under one umbrella to work collectively to further develop and expand the PV market. As such, the Malaysian PV industry association (MPIA) has been officially registered in May 2006. MPIA is open for all companies, who can join either as full member or as associate member. Cost for full member is RM1,000 per year and the associate membership is RM 500 per year. For inquiries or registration please contact Mr Shamshudin Khalid (H/P: 019 3165920) or download from [www.ptm.org.my/bipv](http://www.ptm.org.my/bipv). On 17<sup>th</sup> Nov 2006 the 1<sup>st</sup> AGM was held and the new committee elected.



## Asia News

The PV sector is global and Asian economies have very well understood how they can take a large lion's share by entering this sector. Asian economies have put a high priority to the development of the photovoltaic industry. This is not only a short term strategy to develop new dynamic and export-intensive industries but also it corresponds to their objective to become energy independent on a long term perspective. Today we see economies such as China or South Korea putting tremendous efforts to challenge the European industry and catch up their Japanese cousins.

The Chinese market has been developing irregularly until now, according to temporary support programmes, such as the "Township programme" until 2002. The installed capacity by the end of 2005 reached 70 MWp. A new law for renewable energy promotion was adopted in January 2006 and a long term target of 2 GWp installed capacity by 2020 was set.

The main producers in China are Ying Li, CEEG, Suntech and LDK. In terms of production capacity China is challenging, today it accounts for over 200 tons/annum solar grade silicon production capacity, 400 MWp wafer and nearly 1 GWp cells production capacity.

In South Korea, the feed-in system is the best which exists today globally, and the cherry on the cake is that it is completed with a tax credit support. The objective from the government is to reach 1,3 GWp cumulative installed capacity by 2012. The main producers of cells in South Korea are electronic and car industry leaders such as Samsung, Hyundai, KPE and LG Electronics. DC Chemical, is also an important company based upper on the value chain with a production capacity which has been announced to be 3000 tons by 2008.



The Chinese Dragon and the Korean Tiger are showing their claws, they have a huge ambition. On a long term perspective solar electricity can represent a substantial part of the energy supply in all regions of the world.

## International News

The Italian PV market is still in its infancy but is likely to grow rapidly from 2006 onwards. The national government launched a feed-in tariff for solar energy systems in July 2005 with a 20 year payment guarantee. The attractive financial incentives (national and regional), the good climatic conditions and the availability of free land create excellent conditions for rapid growth. The current market situation (Q3 2006) is slightly chaotic due to the enormous over subscription of the feed-in tariff incentives during the early part of 2006 and the yearly limit. The government, advised by the solar industry association GIFI, is currently assessing this system.

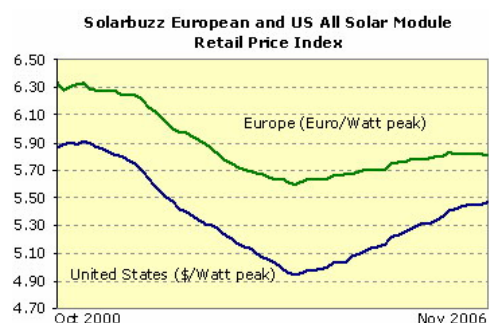
The Spanish PV market is growing, but will it grow like the German market did up to last year? The new government plan for Renewable Energy (PER) aims for another 363 MW of PV to be installed by the year 2010. Recently, the new Royal Decree (7/2006) has caused some rumours in the PV market. International publications even mentioned that the growth of the Spanish market might even stop. Power plant projects are generating a good profit and an IRR of 10% that is guaranteed for 25 years with this feed-in tariff PV.

## Further Information

Following links provide further information on industry and country news:

- [www.solarbuzz.com](http://www.solarbuzz.com)
- [www.epia.org](http://www.epia.org)
- [www.iea-pvps.org](http://www.iea-pvps.org)
- [www.solarplaza.org](http://www.solarplaza.org)
- [www.photon-magazine.com](http://www.photon-magazine.com)
- [www.renewableenergy.com](http://www.renewableenergy.com)
- <http://en.china-solarenergy.com>
- [www.enf.com.cn](http://www.enf.com.cn)

Price index (per Nov 2006):



The MBIPV project is a national project initiated by the Government of Malaysia with co-financing from Global Environment Facility whose fund is disbursed through the United Nations Development Programme:

The MBIPV project objective is to reduce the long term cost of the BIPV technology in Malaysia. This is achieved through the widespread implementation of BIPV applications and creation of enabling environments on policy and industrial side in Malaysia. To have further information on MBIPV, please visit [www.ptm.org.my/bipv](http://www.ptm.org.my/bipv).