

# MBIPV Industry News Q4/2008

## PV Industry Development and Enhancement Program

### Editorial

Dear MBIPV and industry stakeholders

2008 comes soon to an end and with it our year's theme 'SURIA1000 in Bloom'. The SURIA1000 program is blooming and creating many business opportunities for the local industry. To ensure high quality service to the clients we have established the ISP certified grid-connected PV training course, which was very successfully held four times in 2008. The next course in 2009 is soon fully booked and you need to register fast to become part of the exciting PV business. To provide service is one of many business opportunities along the value chain. The local industry is well established and capable to supply different components for the international PV manufacturers, and three leading global players (First Solar, Sunpower and Q-Cells) are even in Malaysia producing, offering huge business opportunities just in front of your door. Our team continues in 2009 to collaborate with you to support your vision and interest to enter the PV business. MBIPV's theme for 2009 is 'Attractive returns from PV', and hopefully this applies for industry stakeholders as well as end-users.

For further information regarding the activities in MBIPV or the industry enhancement activities, please send an email to [nazri@mbipv.net.my](mailto:nazri@mbipv.net.my). Please visit also our website [www.mbipv.net.my](http://www.mbipv.net.my) for further information on events and facts & figures.

### MBIPV C4 News

#### National PV Conference and Thin Film Round-Table Discussions

14<sup>th</sup> August 2008 was the NPVC 2008 with presentations from international PV policy and industry experts from SEMI, Q-Cells, Sunpower and First Solar. The NPVC 2008 registered more than 700 participants and was a big success.

In June/July 2008 we organized four RTDs on thin film technologies presenting globally leading thin film equipment suppliers. For those who missed these events, we have uploaded all presentations on our website at [www.mbipv.net.my/past\\_events.htm](http://www.mbipv.net.my/past_events.htm).

### SEA PV News

#### Singapore: Phoenix Solar Pte Ltd to Build PV System in Singapore

In 2009, Phoenix Solar will plan and build a 181 kWp PV system for the biotech company Lonza Biologics Pte Ltd. Upon its completion in June of next year, the power plant will be the largest photovoltaic system in Singapore. Phoenix Solar completed in Sept 2008 a special solar PV canopy for the three-day Formula 1 event in Singapore. The canopy will now be taken down and donated to a government organization, and used for training purposes.



#### Brunei: Mitsubishi Corporation installs a 1.2 MWp PV Project at Seria Power Station

In this demonstration project, a PV system with nominal capacity of 1.2 MW, will be installed at Seria Power Station in Belait District. Brunei Darussalam is aiming to diversify energy supply sources by introducing renewable energy, of which PV is regarded as one of the most promising sources. This demonstration project is one of many other activities to follow, to help the facilitation of PV in Brunei Darussalam.

### Asia PV News

#### LG Electronics partners with Conergy for PV module production



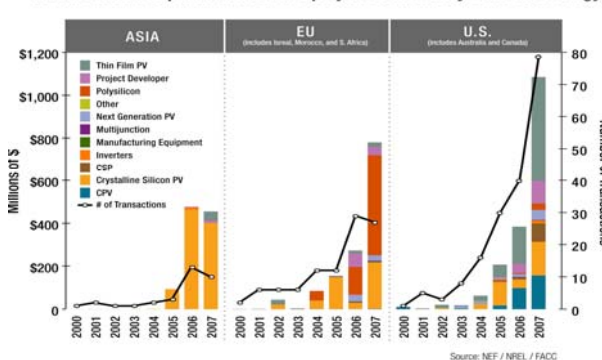
Korean electronics conglomerate LG Electronics wants a piece of the solar pie, too, and maybe a leg up on domestic rival Samsung. The company entered into a 75% stake JV with German company Conergy AG, for a price tag of RM600 million. The partnership will focus on the solar module plant in Frankfurt (Oder). The facility is the world's most modern manufacturing plant and capable to produce up to 300 MW per year. "This is an opportunity for us to take the lead in the solar technology market right from the start," said Kwan Shik Cho, head of LG's solar cell business unit.

**How the recent Credit Crisis is affecting Solar Energy**

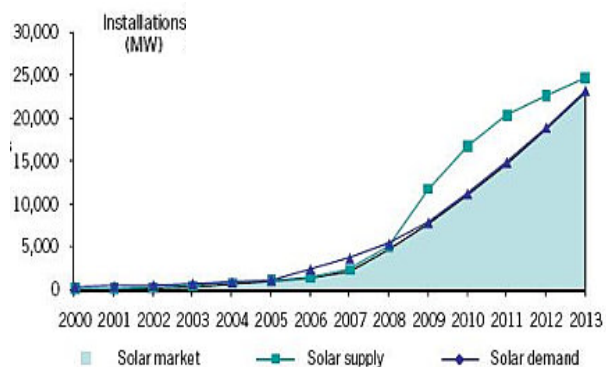
A wave of solar-energy companies are scrambling to adjust to the lingering credit crisis in capital markets. While investors and analysts are still bullish on the sector's long term prospects, the next year or two could see a major shake up in the crowded solar energy space. The looming threat of global warming and soaring energy prices have attracted vast amounts of capital into clean energy companies in the past few years – see graph 1. And now the party came crashing to a halt, courtesy of the credit crisis. The collapse of the investment-bank Lehman Brothers has become a liability for many solar energy companies. In recent years, Lehman had become a principal underwriter for solar energy companies raising money or financing debt to build factories and solar farms.

Further, a number of solar energy companies have major projects in the pipeline that seek to scale up their operations to commercial size. In other words, they need to find a sizable chunk of change in the tightest credit conditions seen in decades. Energy projects depend on scale and scale depends on capital. A generation of promising start-ups are trying to scale up operations at the very moment it has become difficult to find the money to do so. Credit is tight and cash is still more so.

**Global Venture Capital and Private Equity Investments by Solar Technology**



Graph 1: VC and PE into Solar Technology



Graph 2: Solar Module Market Trend (Lux Research, Oct 2008)

We will see a wave of consolidation and the credit crisis will likely claim several casualties in the PV sector. To make matters worse, according to several consultancy firms, the market is sliding towards an oversupply in 2009 (see graph 2) and increasing the pressure on revenues. The good news is for the end-users as the prices will fall and the market will shift to a buyers-market, and for the companies, that those who can stick out the downturn will likely do better than originally expected in a few years from now.

**Important Events**

<p><b>November 8-10, 2008</b> 4<sup>th</sup> International Solar Energy &amp; PV Project Exhibition Shenzhen, China <a href="http://www.solarexpo.com.cn">www.solarexpo.com.cn</a></p>	<p><b>December 2, 2008</b> 1<sup>st</sup> PHOTON PV Start-up Conference San Francisco, California, USA <a href="http://www.photon-expo.com">www.photon-expo.com</a></p>	<p><b>December 11-13, 2008</b> Renewable Energy Asia - 2008 New Delhi, India <a href="http://web.iitd.ac.in/~rea2008">web.iitd.ac.in/~rea2008</a></p>	<p><b>February 9, 2009</b> 2009 European Renewable Energy Policy Conference Brussels, Belgium <a href="http://www.erec.org">www.erec.org</a></p>
<p><b>November 20-23, 2008</b> Exhibition: Photovoltaic 2008 Athens, Greece <a href="http://www.leaderexpo.gr">www.leaderexpo.gr</a></p>	<p><b>December 3, 2008</b> 1<sup>st</sup> PHOTON PV Thin-film Conference San Francisco, California, USA <a href="http://www.photon-expo.com">www.photon-expo.com</a></p>	<p><b>January 19-21, 2009</b> Conference &amp; Exhibition: World Future Energy Summit 2009 Abu Dhabi, United Arab Emirates <a href="http://www.wfes08.com">www.wfes08.com</a></p>	<p><b>February 25-27, 2009</b> PV Expo 2009: 2nd International Photovoltaic Power Generation Expo Tokyo, Japan <a href="http://www.pvexpo.jp">www.pvexpo.jp</a></p>
<p><b>November 25-28, 2008</b> PVTech Milan 2008 - 5<sup>th</sup> International Exhibition on Photovoltaic Industry &amp; Technologies Milan, Italy <a href="http://www.artenergy.it">www.artenergy.it</a></p>	<p><b>December 4, 2008</b> PHOTON's 1<sup>st</sup> TECAF Conference San Francisco, California, USA <a href="http://www.photon-expo.com">www.photon-expo.com</a></p>	<p><b>January 19-23, 2009</b> 18<sup>th</sup> International Photovoltaic Science &amp; Engineering Conference &amp; Exhibition (PVSEC) Calcutta, India <a href="http://www.pvsec18.in">www.pvsec18.in</a></p>	<p><b>February 25-27, 2009</b> Conference: World Sustainable Energy Days 2009 Wels, Austria <a href="http://www.wsed.at">www.wsed.at</a></p>
<p><b>November 26-28, 2008</b> ISES 3<sup>rd</sup> Asia Pacific Congress Sydney, Australia <a href="http://www.ises.org">www.ises.org</a></p>	<p><b>December 8-9, 2008</b> Solar Conference 2008 Toronto, Ontario, Canada <a href="http://www.cansia.ca">www.cansia.ca</a></p>	<p><b>January 20-22, 2009</b> Trade fair: Semicon Korea 2009 Seoul, Korea <a href="http://www.semiconkorea.org">www.semiconkorea.org</a></p>	<p><b>February 25-27, 2009</b> International Solar Energy Expo &amp; Conference (EXPO Solar) Seoul, Korea <a href="http://www.exposolar.org">www.exposolar.org</a></p>

**Further Information**

Following links provide further information on industry and country news:

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

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.mbipv.net.my](http://www.mbipv.net.my).

