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Update

Energy



Photovoltaic energy production: the new commitments of the European Solar Charter

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The European Solar Charter has been signed on 15 April 2024, setting out a series of voluntary actions to be undertaken to support the EU photovoltaic sector. It is another step towards the promotion of renewable energies, in particular photovoltaic energies, given the challenges and difficulties that European solar module manufacturers have recently faced due to the combination of import dependency and a sharp drop in the prices of imported panels.

According to the text, China is the main supplier to cover a large part of the demand for solar modules in the EU, which creates short and long-term risks for the EU's economic interests.

Access to affordable solar modules from a diverse range of sources, as well as a resilient, sustainable, and competitive European solar value chain, are necessary to achieve a deployment rate in line with targets such as achieving at least 42.5% energy renewable until 2030, says the statement.

The document establishes a series of voluntary actions, including accelerated licensing for solar energy deployment and photovoltaic production projects, as well as “ambitious non-price criteria” in public contracts, renewable energy auctions and other support schemes.

The Charter was signed by representatives of the 23 EU Member States, the European Commission and several industry bodies, including the European Solar Manufacturing Council (ESMC) and SolarPower Europe (SPE). Key companies supporting the initiative include EIT Innoenergy, European Solar Manufacturing Council, Solar Power Europe, Amarenco, Belga Solar, Carbon Solar, Enel, Engie, IBC Solar, MCPV, SMA and Solarwatt.

Among the commitments made by signatory Member States and representatives of the solar industry, we highlight the following actions:

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- Promote resilient supply of high-quality sustainable solar PV products in Europe, including through:
 - In the framework of renewable energy auctions or other relevant support schemes and in public procurement of solar energy products, the application of, in addition to price criteria, ambitious non-price criteria, including resilience, sustainability, responsible business conduct, ‘ability to deliver”, innovation and cybersecurity criteria.
 - The promotion of innovative forms of solar energy deployment, such as agri-PV, floating solar, infrastructure-integrated PV, vehicle-integrated PV or building-integrated PV with a specific focus on innovative business models such as turnkey projects for PV integration in buildings.
 - Create favourable framework conditions for manufacturing facilities of PV products and for additional investments, including through rapid early implementation of permitting and net-zero acceleration areas.
 - The removal of possible regulatory and permitting barriers as well as the adaptation of existing public support schemes or the creation of specific public support schemes.
- Consider using all available EU funding opportunities as well as flexibilities under the State aid Temporary Crisis and Transition Framework (TCTF) to provide support for new investments in the solar energy supply chain.
- Engage in the Member States Task Force under the European Solar Industry Alliance to exchange best practices on the application of non-price criteria, provide support to the industry and to strategic projects, and on the promotion of innovative forms of solar energy deployment.
- Include therefore in the portfolios of the relevant market players, such as wholesalers, distributors and installers custom-made and innovative solar PV products as well as products for innovative forms of deployment and provide specific visibility to key qualities and origin of these products and gradually increase their volume.
- Maintain and, where possible, expand the current production capacity, based on the public and private commitments adopted in this Charter.

The European Commission undertakes, for its side, among other measures, to facilitate access to EU funding for solar PV manufacturing projects under the Recovery and Resilience Facility, structural funds, the Innovation Fund, the Modernisation Fund, and Horizon Europe, including through the Strategic Technologies European Platform (STEP) and to work with the European Investment Bank to reinforce its support to investments in the solar manufacturing value chain, including through InvestEU.

In short, concrete results will depend on three essential steps, to be taken without delay:

1. Member States commit to quantitative EU resilient PV module procurement targets.

2. Dialogue with buyers, followed by concrete commitments to define percentages of EU resilient PV modules in their portfolios.
3. Interim financing to secure final investment decisions.

Access to EU funding is intended to enable European PV production projects to achieve at least 10 GW of additional final investment decisions by 2025.