



Between April 3rd and 5th, the Parc des Expositions de la Porte de Versailles in Paris opened its doors to the visitors of the trade fair Salon des Energies Renouvelables (EnR).

Photos (2): GL events exhibitions

It can only get better

Following the moratorium and the lowering of the feed-in tariffs, the solar sector in France has been fighting for survival throughout the last year. In 2012, the industry will still have to wait and see and show a healthy dose of calculated optimism.

The sun is bright above the Parc des Expositions de la Porte de Versailles in Paris. Yet it has remained cold around the exhibition centre, which might be because the stands fill only half of the hall. In 2012, the Salon des Energies Renouvelables (EnR), whose venue alternates annually between Paris and Lyon, was not able to attract as many companies to the French capital as in the past years. Only 400 exhibitors attended the trade show on the exhibition grounds in Porte de Versailles during April 3 to 5. Many of the major France-based manufacturers, among them Auversun, Fonroche Energie and Photowatt, did not make the effort to come to Paris. But there has also been a positive trend. On April 5, the French Renewable Energies Syndicate (Syndicats des Energies Renouvelables, SER) organized the 1st National PV Symposium to help the battered sector get back on its feet. Its declared target: rebuilding the French PV industry. In January, the SER had issued a White Book including twelve proposals for the development of renewable energies in France. "With this, the Syndicat des Energies Renouvelables aims at contributing to France's energy policy until 2030", says Jean-Louis Bal, President of SER. Bal stressed the need to define clear targets: "By 2020, 25 % of the energy production in France are expected to come from renewable energies. And the sector has the po-

tential to create 125,000 jobs in addition to the 100,000 already existing", says Bal.

Lack of trust

More than anything, the industry representatives had brought a lot of patience to the Salon des EnR. And patience will be needed by the PV sector until the results of the next presidential elections and their effects will become clear – it is going to be more than a year. But this way or the other, a major change of direction is not expected: "It is difficult to induce a change in France where the political landscape is much more influenced by lobbyists than in other countries", says Sylvain Kotlowski who is responsible for marketing at Eurosol Energy Solutions France. "Then again, it can really only get better." If François Hollande comes out as winner of the elections, the PV sector would be in a much better position: Hollande wants to cut the share of nuclear power in the electricity production down to 50 % by the year 2025 and raise the share of renewable energy accordingly. Besides this, the French solar market would also benefit from a government participation of the French Green Party EELV around Eva Joly. The Greens have proposed fixed and predictable feed-in tariffs and additional support based on public contracts. The party

is also in favour of social and environmental standards at the European borders to protect the industry against Chinese competitors.

The other scenario would be that things stay as they are with Nikolas Sarkozy in office. Many market participants have serious doubts towards his campaign promises: "In 2009, Nicolas Sarkozy had promised that for each euro spent for nuclear power another would be invested into clean energies and environmental protection", says Pierre-Laurent Faugeras, Sales Manager at Sillia Energie. "This is clearly not the case today; the French PV sector has been deliberately slowed down."

The local content rule is a recent example. It has shown that the election promises are just promises, says Faugeras. On February 7, the President of the French Republic had visited the insolvent solar cell and module manufacturer Photowatt and, on that occasion, announced plans to impose a local content rule in France. Similar to Italy, PV systems with modules that contain at least 60 % EU content would become eligible for a premium feed-in tariff. So far, the implementation has made little progress. At least, it has already entered the period of consolidation and is expected to come into effect at the beginning of 2013. However, according to Karine Boistelle, Global Marketing and Communications Director at Tenesol, the idea is still on the table. Tenesol welcomes the promotion of local content, says Boistelle. It underlines France's know-how and might lead to the creation of additional jobs in the country. Faugeras agrees that such a regulation would be a step into the right direction. However, he also warns against the "fake Europeans", i.e. companies based in Europe whose production locations are maintained in Asia. "The problem is not only that these companies prevent the creation of jobs in Europe. The poor processing quality of their products, which eventually causes a delamination of the modules, damages the reputation of the PV sector in the long term", he says.

Quality made in France – around the world

In an effort to stand out from the low-cost products offered by the Asian competitors, the European companies often refer to the quality of their products. "Banks and insurance companies in France require quality standards such as certificates, which makes certification particularly important", says Christelle Janod, Marketing, HaWi Energies Renouvelables. Faugeras explains that the requirements made by the banks and insurance companies lead many projects to fail in France: "For insurance companies, the risk involved, for example, with a roof integrated PV system is often too high, as they face the problem of having to quantify their risks. This is why the Alliance Qualité Photovoltaïque (AQPV) introduced a quality label as standard in the last year." Since quality certificates have significantly gained in importance in the French PV sector, the majority of the module manufacturers are already in the process of obtaining the

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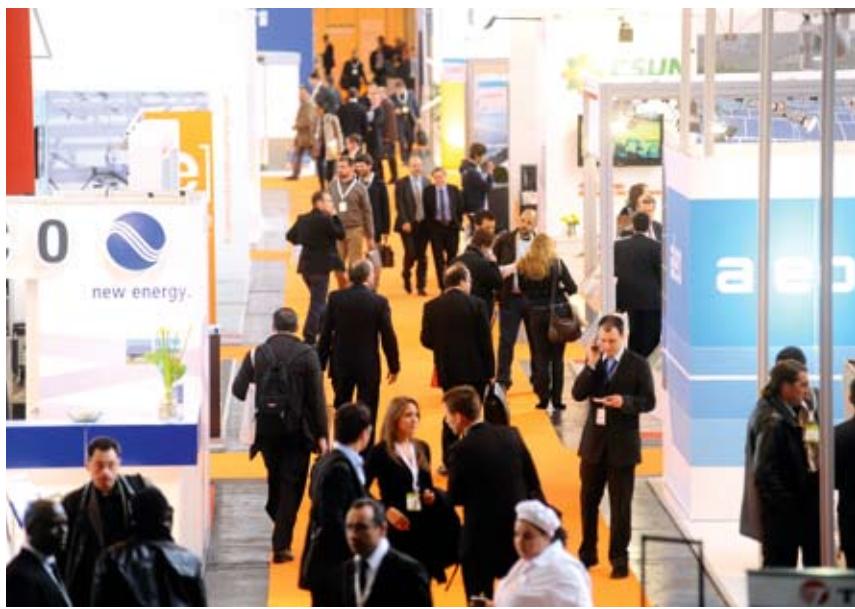


Jean-Louis Bal, President of the Syndicats des Energies Renouvelables, came to Paris to attend the 1st National PV Symposium for the rebuilding of the PV sector.

Photo: Syndicats des Energies Renouvelables

new AQPV seal. "We are a member of AQPV. And our modules are expected to receive the four star label by the end of April", says Boistelle of Tenesol. Janod holds a similar perspective: "The demand for AQPV certified brands has been increasing." One of the companies that are already advertising their modules on the basis of the seal is Sillia Energy. "The label allows us to strengthen our most important sales argument, which is quality. And this strategy has proven to be successful", says Faugeras.

Customer acquisition based merely on quality – in the end it's not that easy. When asked about their strategies to tackle the crisis, the companies active in France usually respond with the same answer. Most of them try to internationalize. Distributing the risk to different countries means reducing the effects of unexpected and unwanted political change. It's now important for the companies to be at the forefront of new and emerging markets. "We benefit from our international team and our mobility worldwide", summarizes Pedro Lavareda de Carvalho, Marketing Manager of Martifer Solar. Tenesol is another example.



It took until the second day until the exhibition halls of the Salon des EnR really filled up with visitors.

The company distributes its systems with the help of 18 global subsidiaries. Markets such as South America, but also Africa and the Middle East continue to offer a lot of potential, says Boistelle. "There are still many invitations for tenders." The export strategies focus increasingly on the African market. Eurosol's next step, for example, will be to strengthen its activities in North Africa, explains Kotlowski. The company will therefore also attend the second Salon des Energies Renouvelables, which will take place in Morocco from November 20 to 22. "It's important to know the right people. We are now beginning to establish our first contacts in North Africa", comments Kotlowski. "It's a bit of an experiment. But if it works out, we will be one of the first movers there." Sillia Energie is another company looking towards Maghreb to strengthen its export activities. Another example is the team of HaWi Energies Renouvelables, which is beginning to establish its first contacts in North Africa as well. "We have already realized a range of off-grid projects in North Africa and we are receiving more and more requests from North and Central Africa. The demand is particularly high for turnkey off-grid solutions", says Janod. Besides contacts in Tunisia and Morocco, Algeria is slowly becoming interesting as well. "The governments have begun to politically support renewable energies, even though they are still at the very beginning", says Janod.

Public rethinking

Optimism is slowly growing. This is not only due to the commitment of the industry associations and the prospects of the new markets. It is also the result of a rethinking in environmental issues and energy policy. Sylvain Guyot, Marketing Responsible of Armorgreen, explains his optimism: "We are now seeing a rethinking in the public. People are beginning to realize that renewable energies are indispensable and that sustainability is important." The Brittany-based company will be involved in the development of a large-scale rooftop PV plant on Halle Pajol in Paris. The system is scheduled for completion by the end of 2012 and will have a capacity of 500 kW. The refurbishment of the building is part of the establishment of an "eco quartier" in Paris, an eco-village, which will address all forms of renewable energy. Boistelle of Tenesol agrees that the public perception of renewable energy has changed: "We are selling significantly more products for small-scale PV plants. Private customers as well as professionals show a lot more interest. We are on the right track." This level of awareness is helping the companies and their sales activities. Caroline Coulaud, Project Manager at Belectric, explains what it is all about: "The environmental philosophy is central. We want to demonstrate the potential of solar power to the public. And we want to pass on our optimism."

Ines Bresler

Further information:

Alliance Qualité Photovoltaïque (AQPV): www.aqpv.fr

Salon des Energies Renouvelables (EnR): www.energie-ren.com

Syndicats des Energies Renouvelables (SER): www.enr.fr

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