Photovoltaic Equipment still in trend

- Sales in the 1st quarter of 2019 are 14 percent above the expectations of mechanical engineers
- Vietnam replaces Taiwan as 2nd largest market behind China
- Export ratio reaches almost 100 percent

Frankfurt, July 9, 2019 – Solar energy remains in demand around the globe and therefore the need for machinery to produce photovoltaic goods stays unchanged high. In the 1st quarter of this year, sales were 14 percent higher than expected by mechanical engineers, but did not reach the level of the prior-year quarter (minus 14 percent). Incoming orders increased by 21 percent compared to the previous quarter. This shows that the so-called “5-31 shock” has now been overcome. On 31 May 2018, the Chinese government unexpectedly announced to reduce subsidies for photovoltaic power generation significantly. “Incoming orders in the photovoltaic segment are good. Although the orders include replacement investments or retrofits, investment in new equipment is also on the rise again”, says Dr. Jutta Trube, head of VDMA Photovoltaic Equipment.

When considering the entire value chain of photovoltaic equipment, systems represent the largest share of sales again with 56 percent, while components and machinery account for 19 and 25 percent, respectively. In the 1st quarter of 2019, thin-film photovoltaic technology was once again the segment with the highest sales (62 percent), followed by equipment for cell production (37 percent). Both segments, equipment for modules and wafer, show sales below one percent in each case. “Besides the significant growth in thin-film photovoltaics as the segment with the highest sales, the PERC and heterojunction technologies are particularly important,” says Peter Fath, Managing Director of RCT Solutions GmbH and Chairman of Board of VDMA Photovoltaic Equipment.
Vietnam replaces Taiwan as 2nd largest market behind China

With 80 percent of all sales, the overall Asian market continues to be the core business of the German photovoltaic equipment companies. However, the Asian market is much wider than a few years ago. Vietnam replaced Taiwan as the second-largest market with a 31 percent share of sales. China continues to play the leading role with a share of 43 percent.

In the first quarter of this year, manufacturers of photovoltaic equipment recorded a 2.7 percent drop in sales in America and a 19 percent drop in orders, both related to the previous quarter. In whole Europe, sales rose by 9.2 percent and could grow by a further 6.3 percent according to the expectations of the mechanical engineers. The overall European trend was countered by lower domestic sales and a decline in domestic orders. The export ratio of photovoltaic equipment is at a record level of almost 99 percent and thus 13 percentage points higher than at the beginning of last year.

"Companies lack sales in their important home market. This could be remedied by cell and module production in Germany. According to a study commissioned by the VDMA, this is economically possible in Germany under certain circumstances," says Trube.

For additional information, please visit the website https://pv.vdma.org/.

Do you still have questions? Dr. Susanne Herritsch, VDMA Photovoltaic Equipment, Phone +49 (0) 69 6603 1879, susanne.herritsch@vdma.org, is happy to answer your questions.

The VDMA represents more than 3200 companies in the medium-sized mechanical and plant engineering sector. With 1.3 million employees in Germany and a turnover of 232 billion euros (2018), the sector is the largest industrial employer and one of the leading German branches of industry overall.