

THURSDAY 23 JANUARY 2014

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CHINA'S 12GW SOLAR MARKET OUTSTRIPPED ALL EXPECTATIONS IN 2013

Last year was a record year for PV installation worldwide, with a rush of activity in China on the back of a national feed-in tariff one of the main drivers

Beijing and Zurich, 23 January 2014 – China's solar developers installed a record 12GW of photovoltaic projects in 2013, and a booming market at the very end of the year may even have pushed installations up to 14GW. No country has ever added more than 8GW of solar power in a single year prior to 2013, and China's record outstripped even the most optimistic forecasts of 12 months ago.

A CNY 1 (16 US cents) per kWh feed-in tariff for large PV projects connecting to the transmission grid ended on 1 January, creating the year-end rush. China's National Energy Administration announced earlier this month that there were 12GW of 2013 installations, but this preliminary estimate may be exceeded.

The Bloomberg New Energy Finance Industry Intelligence database, which tracks projects individually, identifying developer, owner, location and often equipment supplier or financier, already records 9.5GW of projects built in China in 2013. Bloomberg New Energy Finance's research team continues to add projects, and will have nearly complete data by March.

China's solar projects are heavily concentrated in its sunny and empty western provinces of Gansu (with 24% of all installations last year), Xinjiang (18%) and Qinghai (17%). Thanks to this activity in 2013, China's state-owned power generators China Power Investment Corporation, China Three Gorges and China Huadian Corporation have become the world's largest owners of solar assets.

The Chinese government is targeting 14GW of additional PV capacity in 2014. Transmission grid-connected projects were the vast majority of China's solar market last year, but the government is aiming for at least 60% of this year's installations to be rooftop capacity, which is connected to the distribution grid rather than the transmission grid. A shift to rooftops rather than remote deserts will bring additional legal and financial complications for developers and so Bloomberg New Energy Finance expects the target to be slightly undershot in 2014 – but with higher growth in 2015.

"The 2013 figures show the astonishing scale of the Chinese market, now the sleeping dragon has awoken" said Jenny Chase, head of solar analysis at Bloomberg New Energy Finance. "PV is becoming ever cheaper and simpler to install, and China's government has been as surprised as European governments by how quickly it can be deployed in response to incentives."

Bloomberg New Energy Finance estimates the global PV market in 2013 to have been 39GW, up 28% from 2012, and expects a further 20% global volume growth in 2014. This year, the world will install as much PV in 12 months as the cumulative total installed solar from the invention of the photovoltaic

module until 2010.

The world's three largest markets for PV in terms of new GW capacity in 2013 were China, Japan and the US, with Germany – for many years the heaviest investor in solar – a distant fourth.

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