

## Germany will not be cutting the feed-in tariff for solar projects

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This decision was announced by a junior minister in an interview with the Financial Times Germany. Originally, it was thought that Germany would cut the generous tariff in July, and expectations ranged from 3% to as much as 24%.

The decision is the result of the slowed down growth of the German PV market. Had the market grown as expected, the government would have cut the tariffs to cool the market down. However, the latest figures show that up to May this year only 700MWp have been installed. On an annual basis this would be 2,800MWp, and thus a lot less than the 3,500MWp which would have triggered a cut.

Now, the current tariff will stay in place until the end of the year. The tariff, depending on the type of project varies between 21.11 and 28.74 cent/kWh. At the end of this year, the next step of the planned reduction, already prescribed by law, will come into effect. This should be 9% but if, following the decision not to cut the tariff now, the market grows significantly and exceeds the mark of 3,500 MWp, the cut may also be higher.

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