

EDITORIAL

# Now is the time to innovate

Political leaders are struggling to find a way out of the huge hole the world seems to have dug for itself. Whole sectors, from finance to cars, are clamouring for support from already overstretched government budgets.

As they rush to the rescue, politicians are sending an increasingly stern message that this is no time for a free ride. Help will be offered, but it must be used to reshape the way things are done.

Several member states have put in place financial packages to aid Europe's car industry. In a policy paper released in late February, the European commission said the industry must use the money to green its practices and "implement radical technological change".

The US car industry is in even worse shape. For decades it has clung to the gas-guzzling model. But the combined effect of the economic crisis and rising

concerns over climate change are pushing even Americans to shun large, inefficient cars. If they are to survive, US carmakers know they must embrace the green revolution.

**“ Europe would be foolish to ignore the chance to reinvent itself and lead the move towards the new**

The energy sector is not immune to the dash for cash. Supply concerns have added weight to the EU's policy drive towards greater renewables generation. If public funds are spent wisely, they will boost technologies, including solar photovoltaics, that until recently were seen as hopeless also-rans.

After fighting the Reach reform, the chemicals industry is also waking up to the allure of innovation. In mid-February, an EU high-level group on the sector's future said Europe will fall behind its competitors unless it focuses on eco-innovation.

It is often the case in history that the simultaneous effect of economic, political and regulatory drives tips countries over the edge of business-as-usual complacency into exploring new opportunities.

Europe, on the back of its widely acknowledged leadership in all things environmental, would be foolish to ignore the chance afforded by severe economic hardship to reinvent itself and lead the move towards the new. If it does not act forcefully and quickly, a newly enthused US may well pip it to the goal.

 [editor@endeuropereport.com](mailto:editor@endeuropereport.com)

VIEWPOINT

# Clean and cheap energy from photovoltaics



**by Mario Pagliaro, CNR Palermo, Italy**  
Commenting on the feed-in tariff schemes used by some EU countries to encourage solar power, 'Skeptical

Environmentalist' Bjorn Lomborg would say it is a case of the poor, through energy taxes, financing the rich who buy solar panels. But Bjorn would be wrong.

Member states set up these schemes to modernise the photovoltaic industry. The profits fuelled by the incentives would finance innovation and lower the price of solar power. How right they were!

New technologies have flourished. In January, US firm First Solar announced

its production costs had fallen to \$1 per watt. Its modules based on a non-toxic inorganic salt cost \$5/W when the firm started in 2005. This year it plans to produce 1 gigawatt of electricity, similar to a nuclear plant.

Threatened by this revolution, the silicon-based solar cell sector has accelerated innovation. Enhanced supply of polysilicon, the raw material for the cells, means these modules will cost \$2.60/W by the end of 2009.

Cost reductions are matched by burgeoning possibilities. Thanks to new technologies, we can now generate power from any surface. New solar cells based on cheap semiconductors are generally light and semi-transparent,

available in different colours, flexible or rigid, and perform well under low light. They are here to transform the building industry, for which solar energy and sustainability will provide an escape route from its deepest post-war crisis.

French president Nicolas Sarkozy and German chancellor Angela Merkel have got the message. Through the new Mediterranean Union they will finance solar power generation in Africa to supply Europe and the Middle East.

Meanwhile, the 2bn people in poor countries who lack access to the power grid will self-generate energy using cheap dye-based solar cells made in Israel.

In politics as in management, never trust the sceptics too much.



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**EDITORIAL CONTACTS**  
**Editor-in-chief** Nick Rowcliffe  
**Editor** Nadia Weekes  
+44 (0)20 8267 8113  
**Reporters** Charlie Dunmore, François Le Goff, Sonja Van Renssen  
To email staff: firstname.surname@haymarket.com

**Production** Carolyn Avery, Iain Green, Hannah Coomber  
**Information** Dr Catherine Wilson, Andrew Skotnicki  
**Admin** Edyta Wierzbowska  
**Group art director** Kate Harkus  
**Publishing director** Phil Manley  
**Managing director** Stephen Farish

**SUBSCRIPTIONS**  
+44 (0)20 8267 8123  
subs@endseurope.com  
**ENDS EUROPE**  
11-17 Wolverton Gardens  
London W6 7DY  
[www.endseurope.com](http://www.endseurope.com)  
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