

Latin America and Caribbean PV Demand Growing 45% Annually Out To 2017, According to NPD Solarbuzz

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Santa Clara, Calif., January 2, 2013 Demand for solar photovoltaic (PV) energy across Latin America and the Caribbean is poised for explosive growth through 2017, with a forecasted compound annual growth rate (CAGR) of 45%, according to the new NPD Solarbuzz [Emerging PV Markets Report: Latin America & Caribbean](#) [1].

According to [Chris Sunsong](#) [2], Analyst at NPD Solarbuzz, "Historically, PV demand was confined to rural off-grid and niche applications, but new renewable energy policies and incentive programs are now opening up the region for strong PV deployment. Set against a backdrop of strong economic growth, expanding energy demand, and increasing electricity prices, the conditions for PV adoption appear particularly attractive."

Mexico, Chile, and Brazil are emerging as market leaders within the region, driven by a combination of net-metering, Renewable Portfolio Standards (RPS), and other policies. These three countries are forecast to have almost 70% of PV demand within the region by 2017.

By the end of 2012, energy regulators across the region will have received PV project applications in excess of 6 gigawatts (GW), stimulating a healthy pipeline of new opportunities for PV component suppliers, developers and installers.

The dominant ground-mount segment is forecast to provide 60% of PV demand by 2017. However, commercial and residential segments will see increased PV adoption from 2015 onwards, as PV prices continue to decline and local installers target new revenue opportunities. The off-grid sector will continue to benefit from increased demand from rural electrification and development initiatives.

Figure 1: Existing PV Applications in Latin America and the Caribbean (6 GW)

Source: Q4'12 NPD Solarbuzz [Emerging PV Markets Report: Latin America & Caribbean](#) [1]

While the fundamentals for PV adoption remain particularly strong and the long-term prospects are highly appealing, a variety of technical, economic, and political obstacles still exist that must be overcome. PV connection and integration procedures are not yet clearly defined, and there are concerns about grid stability as PV contributions come online," noted Sunsong. "Electricity subsidies in Mexico and low natural gas prices in Peru are also delaying the onset of PV grid-parity for some end-user categories, while import tariffs across the region are keeping PV system costs on the high side."

With PV demand softening across established European countries and growing uncertainty regarding access to PV markets in the US, China and India, emerging PV regions are essential to sustain revenue growth targets. "Having a successful market-entry strategy for Latin America is now essential for leading PV suppliers before key markets develop in the region and supply-chains and purchasing channels are established," concluded Sunsong.

The NPD Solarbuzz [Emerging PV Markets Report: Latin America & Caribbean](#) [1] provides an essential guide to PV growth opportunities across the Latin America and Caribbean region and is part of the new [Emerging PV Market Report](#) [3] series available from NPD Solarbuzz. The report identifies the leading PV opportunities across the region, as well as any barriers to PV adoption that are necessary to understand. The report also features key project developers, market segmentation and trends, grid parity analyses, and prospective PV customers.

For more information or to order the NPD Solarbuzz [Emerging PV Markets Report: Latin America & Caribbean](#) [1], contact us at one of our [seven global locations](#) [4], email us at contact@solarbuzz.com [5], or call Charles Camaroto at 1.516.625.2452 for more information.

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