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\$1 billion boost for Australian solar PV manufacturing

The Australian Renewable Energy Agency (ARENA) has today welcomed \$1 billion in new funding to help unlock domestic solar photovoltaic (PV) manufacturing across the entire supply chain.

The Australian Government announced the establishment of the Solar Sunshot program to grow solar PV manufacturing in Australia and provide a pathway for the rich history of local solar PV innovation to be commercialised.

The program will be delivered by ARENA, with development and design to be done in collaboration with the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

“ARENA has been at the forefront of building Australia’s solar PV industry through its support for research, innovation and large-scale deployment. This has helped solar to become our cheapest form of energy,” ARENA CEO Darren Miller said.

“We’re pleased to see the Australian Government recognise ARENA’s wealth of experience and close relationships with industry by calling on us to deliver the Solar Sunshot program.”

“To date, ARENA has invested more than \$830 million towards 233 solar PV projects. We are ready to take on the next step alongside others in the solar industry to create a domestic solar manufacturing industry.”

Solar Sunshot is intended to provide support across the solar PV supply chain, including the scaling up of module manufacturing capabilities and exploration of other areas of the supply chain where grant funding can help kickstart the industry. This could include polysilicon, ingots and wafers, cells, module assembly, and other parts of the solar supply chain, including solar glass, advanced deployment technology, or other aspects identified through industry consultation.

ARENA funded the Australian Photovoltaic Institute’s (APVI) [Silicon to Solar Report](#) to investigate solar manufacturing capability and potential in Australia. The report outlined a credible pathway for a domestic supply chain that could result in benefits such as securing access to solar PV components as Australia significantly scales up deployment of solar PV, creating local jobs, attracting significant private investment and unlocking potential export opportunities.

ARENA and DCCEEW will publish a consultation paper outlining proposed specifications for the program, including objectives, funding mechanisms, timings, and draft eligibility and merit criteria.

“Australia has the opportunity to build high quality products across the solar PV supply chain. Although we have a very small production capability today, we have the skills and the partnerships to establish a strong base that can be built on over the next decade,” Mr Miller said.

To unlock our renewable energy superpower vision, we need to be able to play a part in the whole supply chain, while also working with international partners and leveraging learnings as we build our own capability to complement the global market.”

“We’ll be consulting widely with industry and other stakeholders to hear their views and inform what will be a transformative scale up of Australia’s solar PV manufacturing capacity.”

Following the consultation period, ARENA and DCCEEW will develop the final program design.

Interested stakeholders can register their interest in participating in the consultation process at <https://arena.gov.au/funding/solar-sunshot/>

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For more information
arena.gov.au

ARENA's support for solar PV

Since ARENA was established, the Agency has materially shifted the renewable energy landscape in Australia, from driving down the cost of renewable electricity to commercialising new and novel technologies.

When ARENA funded the first generation of large-scale solar farms in 2016, the cost of electricity from solar farms was between AUD \$140 and 178/MWh. Today, as a direct result of that investment and the lessons we learnt, today that price is as low as AUD \$50 to \$80/MWh.

While solar PV and wind are recognised as the lowest cost form of generation in Australia today, further cost reductions are required to optimise Australia's transition to renewable electricity and to enable future industries such as renewable hydrogen and low emissions metals.

Given Australia's superior solar irradiance resources and world-leading solar PV R&D capabilities, ultra low-cost solar has the potential to unlock significant long term economic potential.

Last year ARENA released its white paper on the incredible potential of ultra low-cost solar for Australia and the world. At the forefront of the white paper is ARENA's 30-30-30 vision for ultra low-cost solar in Australia, which represents 30 per cent solar module efficiency and an installed cost of 30 cents per watt by 2030.

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**For more
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