ADVANCING EUROPE'S MACHINERY INDUSTRY

Press release
Photovoltaics Equipment

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Maintain Research Funding for the European Photovoltaics Equipment Industry

- **VDMA and FVEE call for the planned cuts to the energy research program to be reversed**
- **Global investment in photovoltaic production facilities is projected to rise to as much as $300 billion by 2035**
- **Research funding for photovoltaic technologies is a strategic investment**

Frankfurt, 13 October 2026 – The global expansion of photovoltaic production offers significant growth opportunities for the German and European machinery and equipment manufacturers sectors. By 2035, global cumulative investment in photovoltaic machinery and equipment is expected to reach USD 250–300 billion, while the annual market volume is projected to grow from approximately USD 16.6 billion today to USD 43.8 billion. VDMA Photovoltaics Equipment and the Renewable Energy Research Network (FVEE) are therefore calling for continued funding of applied energy research as a strategic driver of industrial growth. A position paper (https://www.vdma.eu/de/viewer/-/v2article/render/166370196) outlining these demands has been drafted.

The draft 2027 federal budget calls for reducing the Federal Ministry for Economic Affairs and Energy's (BMWE) commitment appropriations for applied energy research in the Climate and Transformation Fund from approximately 577 million euros to 386 million euros. This reduction of about one-third would affect the launch and funding of multi-year research and technology transfer projects planned for the period from 2027 to 2033. VDMA Photovoltaics Equipment and the FVEE are therefore calling for the planned cut to be reversed during the parliamentary budget process and for the commitment appropriations for applied energy research for 2027 to

be maintained at the current level of approximately 577 million euros. In addition, they are calling for improvements to the existing funding procedures in order to reduce the administrative burden associated with research, boost the momentum of innovation, and enhance the impact of public research funding.

"The global photovoltaics market is entering a phase of exceptionally high investment. Europe possesses world-class expertise in production equipment, automation, measurement technology, digitalization, and factory planning. Applied research translates this know-how into competitive products, international contracts, and industrial value creation in Germany and Europe. Cuts to funding would have an immediate negative impact on the further development of the mechanical engineering sector. Therefore, this detrimental decision must be reversed," says Prof. Dr. Peter Fath, Chairperson of the Board of VDMA Photovoltaics Equipment and CEO of RCT Solutions GmbH.

The position paper clearly emphasizes that what matters now is translating these capabilities into a strong competitive position for companies in the rapidly growing global market. A cut in BMWE research funding would undermine this goal.

From Research to International Business

Technologies and manufacturing processes developed in Germany and Europe are already being brought to industrial maturity in collaboration with companies and transferred to production facilities worldwide, including in growth markets such as India and the United States. Applied research projects do more than just transfer technologies. They also train highly qualified professionals with expertise in technology, production engineering, automation, digitalization, and artificial intelligence. These professionals bring their knowledge to companies and strengthen the industrial knowledge base far beyond the photovoltaics sector. Research funding is therefore also a tool for innovation, technology transfer, and the development of skilled workers. Prof. Dr. Andreas Bett, a member of the FVEE Executive Board and director of the Fraunhofer Institute for Solar Energy Systems ISE, explains: "Excellent research creates direct economic value when it is combined with industrial testing, demonstration, and market introduction. Reliable research funding provides the continuity needed to translate promising results from the laboratory into production and ultimately into the market. Applied research gives rise to the production solutions of tomorrow and the technical expertise that enable mechanical engineering companies and production technology firms to strengthen German and European industry in the face of international competition." Applied research programs enable research institutions and industrial companies to jointly develop new technologies, test them on production facilities, and bring them closer to commercial application. This is particularly important for mechanical engineering companies, which can achieve significant technological advances through government-funded research projects and access to research institute laboratories. "Funding for research into photovoltaic production is not some abstract support

mechanism. It leads to the development of production facilities that European and German companies can offer to customers worldwide. Cutting this funding would weaken, of all things, the very supply chains that enable our companies to access domestic and international markets with competitive, innovative high-tech products. That is why we are clearly calling for a reversal of the planned budget cuts," says Dennis Seibert, Deputy Chairperson of the Board of VDMA Photovoltaics Equipment and Managing Director of PVA TePla Crystal Growing Systems GmbH.

A Manageable Investment with Significant Economic Leverage

The latest 17th edition of the VDMA's International Technology Roadmap for Photovoltaics (ITRPV) highlights continuous progress across the entire PV production chain—from ingots, wafers, cells, and modules to equipment for automation, characterization, and digitalization. German and European manufacturers of production equipment are key technology providers in these sectors and require ongoing research efforts to develop innovative products. "Securing research funding is therefore not a cost factor, but rather a strategic investment in a growing global market, high-quality jobs, and industrial value creation in Germany and Europe—for both the domestic market and exports," says Dr. Puzant Baliozian, head of the VDMA Photovoltaics Equipment sector group.

Do you have any questions? VDMA Photovoltaics Equipment Dr. Puzant Baliozian, will be available to answer them: +49 151 46564096, puzant.baliozian@vdma.eu

The VDMA represents 3600 German and European mechanical and plant engineering companies. The industry stands for innovation, export orientation and SMEs. The companies employ around 3 million people in the EU-27, more than 1.2 million of them in Germany alone. This makes mechanical and plant engineering the largest employer among the capital goods industries, both in the EU-27 and in Germany. In the European Union, it represents a turnover volume of an estimated 870 billion euros. Around 80 percent of the machinery sold in the EU comes from a manufacturing plant in the domestic market.