

PV trends in the ME region

- Increasing demand : Mainly utility scale driven, but also increasing C&I.
- Supply – supply still driven by the Chinese market. Prices for PV components dropped in 2018. Margins for many manufacturers are negative, so no projections of drastic price declines in 2019. However, many new factories are planned, which will maintain pressure on prices, particularly for multi-and mono-crystalline.
- Technology evolution: High efficiency i.e. Bi-facial and Mono-facial.
- Energy storage: declining Li-ion battery costs, promising future for Renewable integration.
- Utility scale:
 - Competitive tariffs achieved in the region thanks to the large scale of the projects, and flexibility to optimize using new technologies (Bi-facials / string inverters).
 - Some off-takers are proposing longer PPA tenors which helps achieve competitive tariffs.
- C&I: The C&I segment is slowly growing though financing options for corporate PPAs are still largely unavailable. In KSA, NADEC 30 MW solar achieved a low bid of 2.42 US\$ cent/kWh, proving potential in the C&I segment, as subsidies are expected to be gradually phased out.

