

Reports claim government will delay unveiling of incentive regime for the second time this month



The Italian government yesterday revealed that it had delayed the unveiling of a much-anticipated solar incentive scheme for a second time, stoking fears that the uncertainty could derail the country's booming solar industry.

Officials told news agency Reuters that the plan would not be presented today, as had been widely anticipated. They added that a new date had not yet been set for the launch of the scheme.

The announcement had originally been expected on 11 February, but was delayed amid speculation that the government had yet to finalise the scale of proposed cuts to solar industry incentives.

Italy currently operates one of the most generous feed-in tariffs for solar power in the world and the government is widely expected to reduce the payments that solar panel installers receive in line with the falling cost of panels.

Gianni Chianetta, chief executive of BP Solar Italia, told Reuters that the delays were undermining confidence in the market.

"We have made investment plans... for the next few years hoping that there will be a new incentive plan and that it will be sustainable," he said in a statement to the news agency.

"But many of the planned initiatives in terms of investments and new job creation have been put on hold awaiting clarity. Further delays would create distrust in Italy and divert the group's investments to other countries."

However, there was some good news for the industry after media reports suggested the scale of the cuts in the feed-in tariff being considered by the government were lower than originally expected.