

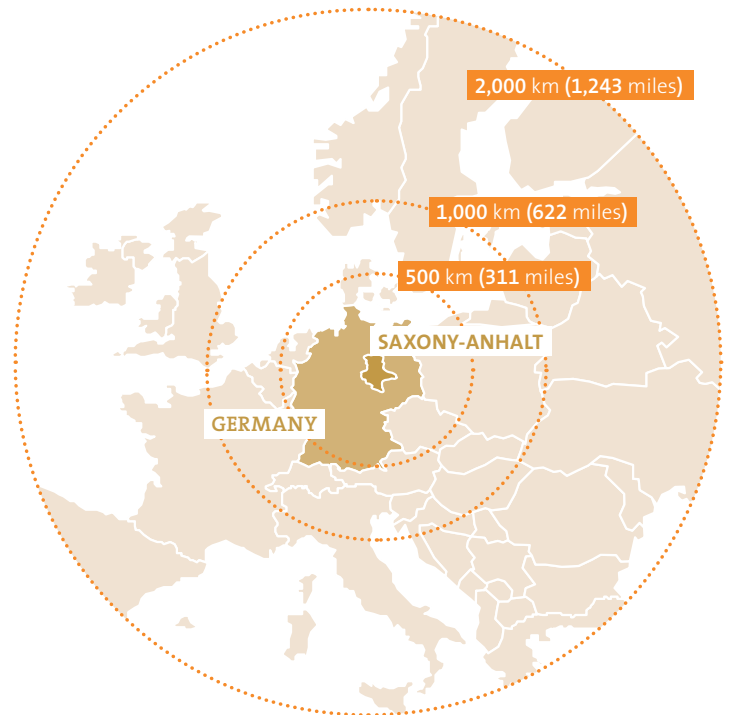
# SAXONY-ANHALT THE GERMAN STATE OF RENEWABLE ENERGY



SAXONY-ANHALT

Investment and Marketing Corporation

- ▶ **Germany** is the **biggest market** in field of renewable energy investment projects.
- ▶ The Renewable Energy Act (EEG) is **attracting new investments** from all over the world to Germany.
- ▶ **German labels and quality** levels are well-known worldwide.
- ▶ The **risk** for large investments is the **lowest worldwide**.
- ▶ **Generous investment incentives** cover up to 50 percent of CAPEX.



## SAXONY-ANHALT – THE WORLD’S LARGEST SOLAR CLUSTER “SOLAR VALLEY”

### Germany The World’s largest solar market – Germany

- ▶ Accounting for 50 percent of global sales in PV
- ▶ Expected growth rates of 20–30 percent during next years

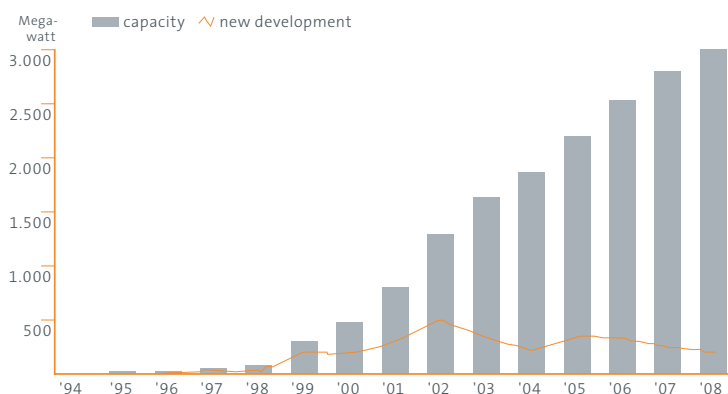
### Solar Valley – Highest density of PV value chain activities worldwide

- ▶ About 30 PV manufacturers
- ▶ Fully established supply chains
- ▶ Skilled and flexible workforce at moderate labour costs
- ▶ Investment incentives covering up to 50 percent of CAPEX
- ▶ First class infrastructure e.g.
- ▶ Industrial background, such as chemical industry
- ▶ Close R&D cooperation with 7 R&D institutes focussing on PV research
- ▶ Supportive authorities experienced in FDI



**Solar Valley is the global winner of the Cell Award 2009**  
*In the final round “Solar Valley” came out on top of the “Silicon of Mexico” and State of Oregon.*

## SAXONY-ANHALT – THE GERMAN STATE FOR WIND POWER



- ▶ In Saxony- Anhalt **44.1 percent share** of net energy consumption comes from wind power.
- ▶ The **biggest German windmill producer ENERCON** as a technological leader is producing the complete value chain of wind machines.
- ▶ **VESTAS** also produces components of windmills in Saxony-Anhalt successfully. They profit especially from **long industrial tradition of heavy machinery** and mechanical engineering in the region.
- ▶ **Saxony-Anhalt ranks first** within Germany in terms of share on net energy consumption and power from installed machines.
- ▶ **Wind power has the biggest share** on renewable energy power-mix in Germany – just before water power.



## SAXONY-ANHALT: EFFICIENT-ECOLOGICAL-SUSTAINED

- ▶ **Saxony-Anhalt** is the German state with the **highest number** of plant treatment facilities
- ▶ The **high quality of soils** and the good climatic conditions are appreciated internationally.
- ▶ **70 % of the German bioethanol production** is located in Saxony-Anhalt
- ▶ **Most effective cost structure** promotes biomass process industry projects also for industrial biotech processes

## SAXONY-ANHALT OFFERS AN EXTENSIVE SUPPLIER INFRASTRUCTURE

- ▶ **Chemical and plastics industry** with 220 companies, EUR 8.7 bn turnover and 25,000 employees
- ▶ **Industrial gas suppliers** supporting PV industry offering full service
- ▶ **Glass industry** with 4 leading companies and an output of 975,000 t/a float-glass
- ▶ **Mechanical engineering industry** with 176 companies, EUR 1.3 bn turnover and 11,000 employees

### PUBLIC GRANTS AND SUBSIDIES SUPPORT YOUR INVESTMENT PROJECT IN SOLAR VALLEY

Reduction of capital expenditure			Reduction of operating costs	
Non-repayable grants	Loans / financing equity capital	Public guarantees	Labor-Related Incentives	Promotion of R & D
Investment grants	KfW Loans	Federal state	Recruitment	Grants
Investment allowance	State Development Bank Loans	Combined State / Federal state Saxony-Anhalt	Training	Loans
	Silent / Direct Partnership		Wage subsidies	Silent / Direct Partnership

## INVESTMENT SUBSIDIES

### Conditions for funding

- ▶ Construction, extension of business premises
- ▶ Creation of new permanent jobs or safe-guarding of existing jobs
- ▶ Eligible investments of € 500,000/newly created job (€ 250,000/safeguarded job)
- ▶ National sales market > 50 km
- ▶ Start of project after receipt of proof of eligibility for subsidies
- ▶ Funding free of any public support min. 25 % of the investment total

### Sample Medium-sized companies:

MEDIUM-SIZED COMPANY WITH INVESTMENT INTENTION	
<i>Assumptions</i>	
investment budget entitled to non-repayable grants (without property)	€ 25m
newly created permanent jobs	50
<i>Investment allowance</i>	
20 % x €23m (equipment, machinery)	€ 4.6m
10 % x €2m (buildings)	€ 0.2m
<i>Investment grant</i>	
20 % x €23m	€ 4.6m
30 % x €2m	€ 0.6m
<b>Total: allowance and grant</b>	<b>€ 10.00m</b>

### YOUR PARTNER

- ▶ for site selection
- ▶ for subsidy and financing issues
- ▶ for dealing with authorities
- ▶ for full line project management

*All inquiries are kept strictly confidential.  
Our services are free of charge!*

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