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Munich Re and VDE Renewables cooperate on PV Performance

PV panels marked with 'VDE Quality Tested' qualify for Munich Re's Performance

Cover

Munich Re's Green Tech Solutions has developed specialized insurance solutions for the PV market, in which PV manufacturers as well as PV projects can cover the financial impact of technical risks resulting from the breach of manufacturer's warranties. PV panels which are certified by VDE with its "VDE Quality Tested Mark for PV Modules" will be eligible for being covered by Munich Re's insurance solutions for performance warranties. As an effect of this cooperation, Munich Re and VDE expect that the willingness to invest in PV projects will increase. The collaboration includes knowledge exchange about PV quality as well as the development of new services for the PV market.

PV panels have a performance warranty with a duration much longer than that of electrical products for outdoor usage. A main obstacle to the large-scale introduction and acceptance of PV installations is the high upfront investment which is linked to technology risks, the lack of confidence in warranty providers, and the uncertainty about reliability and durability.

Munich Re and VDE aim to remove these barriers and to stimulate the PV market by offering quality guarantees and covering risks.

The VDE Quality Tested Mark for PV Modules is intended to support manufacturers of high-quality PV panels. It covers safety and robustness against simulated weather conditions as specified in international and local standards. Products are tested extensively, their production is audited, and the products are monitored in the market. "The VDE Quality Tested Mark stands for premium quality that goes beyond the standards, and is tailored to fulfil the stringent requirements of investors, financiers and insurers. VDE is proud to work with an innovative risk-transfer solutions provider such as Munich Re to bring more sustainability and certainty to the PV sector," said Burkhard Holder, Managing Director of VDE Renewables.

Munich Re has developed innovative insurance solutions which complement VDE's certification. These insurance solutions cover performance risks associated with the warranted power output of PV panels. "While the PV market is developing, we see an increasing need for tailor-made risk-transfer solutions. Our clients confirm that insurance of warranty based liabilities can have a number of positive effects leading to an improved capital allocation in a consolidating market: from securing the balance sheet of a manufacturer, protecting the assets of solar investments, to enabling and optimizing financing setups – just to name a few", says Michael Schrempp, Head of Green Tech Solutions at Munich Re.

The VDE Quality Tested mark:



About VDE:

VDE, the Association for Electrical, Electronic and Information Technology is one of the largest technical and scientific associations in Europe with more than 35,000 members. VDE is headquartered in Frankfurt am Main and is represented in Berlin as well as Brussels. www.vde.com.

About VDE Renewables GmbH:

VDE Renewables is 100% owned by VDE. It conducts the marketing, business development, and project management activities for certification and non-certification activities in the area of quality assurance for the global renewable energy sector. VDE Renewables is partnered with the VDE Testing and Certification Institute, which is also a significant part of the VDE Association. VDE Renewables works closely with leading institutions around the world such as Fraunhofer ISE to carry out testing of components and systems according to the highest levels of quality.

About Munich Re:

Munich Re stands for exceptional solution-based expertise, consistent risk management, financial stability and client proximity. In the financial year 2015, the Munich Re Group achieved a profit of €3.1bn on premium income of €50bn. It operates in all lines of insurance, with almost 43,000 employees throughout the world.

About Munich Re's Corporate Insurance Partner:

Corporate Insurance Partner is a description of a number of business units across different legal entities of Munich Re that provide individual solutions for medium-sized and large industrial clients. The legal entities include Munich Reinsurance Company in Munich (and its branches in London, Paris, Singapore, and Hong Kong), Munich Reinsurance America, Inc., Münchener Rück do Brasil Resseguradora S.A., and Great Lakes Reinsurance (UK) SE and its branch in Sydney. Through our ongoing cooperation with other international units of Munich Re, we are always close to our clients.

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