

# China PV & BESS Daily Intelligence Report

Date: 2026-01-02

## 📌 Price Impact Analysis

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\*\*Intelligence Brief: China PV & BESS Supply Chain Pricing\*\* \* \*\*1. Key Price Trends:\*\* \* \*\*PV Module Prices:\*\* Polysilicon prices have stabilized at a low level, driving continued declines in PV module costs. Tier-1 mono PERC module prices are at historic lows, with intense competition suppressing margins across the manufacturing chain. \* \*\*Lithium Carbonate Volatility:\*\* Lithium carbonate prices remain volatile but are significantly lower than 2022-2023 peaks. This has led to a substantial and sustained reduction in BESS cell and system costs. \* \*\*Inverter Price Pressure:\*\* String inverter prices are under downward pressure due to oversupply and competition, though high-quality hybrid inverters command a premium. \* \*\*Overall Deflation:\*\* The entire PV and BESS supply chain is experiencing a deflationary cycle, making this a favorable period for CAPEX-intensive projects. \*\*2. Impact on PV/BESS Supply Chain\*\* \* \*\*Manufacturer Squeeze:\*\* Low prices are squeezing manufacturer profitability, particularly for mid- and lower-tier companies, potentially accelerating industry consolidation. \* \*\*Technology Shift Acceleration:\*\* The low-price environment makes next-generation technologies (e.g., TOPCon, advanced BESS chemistries) more attractive for new capacity, as they offer better efficiency/performance at a narrowing cost premium. \* \*\*Supply Security:\*\* High competition ensures abundant supply and reduces lead times for standard products, improving procurement flexibility. \*\*3. Impact on Nigeria Microgrid Projects\*\* \* \*\*Improved Project Economics:\*\* Dramatically lower equipment costs significantly improve the Levelized Cost of Energy (LCOE) and internal rate of return (IRR) for new solar-hybrid microgrid projects. \* \*\*Feasibility Expansion:\*\* Lower upfront CAPEX makes larger storage capacities and higher PV penetration ratios more financially feasible, enhancing system reliability and reducing diesel dependency. \* \*\*Supplier Selection Critical:\*\* The wide price dispersion requires rigorous technical due diligence to

avoid low-quality components that could compromise long-term project performance and increase O&M costs. \*\*4. Procurement Recommendations\*\* \*

\*\*Lock in Medium-Term Contracts:\*\* Consider forward procurement or frame agreements to lock in current low prices for key components (modules, cells) for 2024/2025 project pipelines, hedging against potential short-term commodity rebounds. \* \*\*Prioritize Total Cost of Ownership (TCO):\*\* Do not select suppliers on price alone. Emphasize bankable Tier-1 manufacturers with proven performance warranties, reliable aftersales service, and compliance with international standards (IEC, UL). \* \*\*Bundle Procurement:\*\* Explore sourcing PV modules, inverters, and BESS racks/containers from a single integrated supplier or alliance to streamline logistics, improve compatibility, and potentially secure better commercial terms. \* \*\*Plan for Technology Refresh:\*\* Design systems with flexibility to integrate future, higher-efficiency PV modules or BESS technology at lower expected future costs, protecting long-term asset value.

## Supply Chain Price Trends

Item	Price	Change	Source
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## Industry News

### Policy

#### 科技

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\*\* 【中文摘要 (50字)】 \*\* 中国光伏储能产能过剩，价格战加剧，出口竞争激烈，利好海外项目成本控制。 \*\* 【English Summary (50 words)\*\* China's PV and BESS sectors face severe overcapacity and intense price competition, driving module and battery prices to historic lows. Export competition is fierce, creating a buyer's market. This presents a significant opportunity for overseas projects to reduce capital costs. \*\* 【中文核心洞察 (3要点)\*\* \* 产能严重过剩导致光伏组件和储能电池价格持续探底。 \* 国内激烈竞争促使企业加速出海，出口渠道多样且竞争白热化。 \* 技术迭代（如N

型电池、大容量储能) 加速, 性价比产品供应充足。 \*\* 【English Key Insights (3 bullet points)\*\* \* Severe overcapacity is driving PV module and BESS cell prices to record lows, with no immediate rebound in sight. \* Fierce domestic competition is forcing Chinese manufacturers to aggressively expand exports, intensifying global market competition. \* Rapid technology iteration (e.g., N-type TOPCon, large-capacity BESS) ensures ample supply of cost-effective, advanced products. \*\* 【Supply Chain Impact – English Only】 \*\* \*\*5. Impact on PV/BESS supply chain\*\* \*

\*\*Price:\*\* Steep declines across the board. Tier-1 module prices are exceptionally competitive, and BESS cell/system costs have dropped significantly. \* \*\*Lead Time:\*\* Very short for standard products due to high inventory and overcapacity. Customized solutions may require slightly longer lead times. \* \*\*Capacity:\*\* Massive manufacturing overcapacity exists. Suppliers are eager for orders, especially large-volume projects. \*

\*\*Export:\*\* Export channels are robust, but increased scrutiny on quality compliance and documentation is common. Competition among exporters is intense. \*\*6. Impact on our Nigeria microgrid projects\*\* \* \*\*CAPEX:\*\* Major opportunity for reduction. Budgets should be revised to reflect current market prices, potentially allowing for system expansion within original cost envelopes. \* \*\*Delivery:\*\* Favorable conditions. Suppliers can commit to shorter delivery schedules. However, project planning must account for longer international logistics to Nigeria. \* \*\*Risk:\*\* \*\*Quality risk increases\*\* as some suppliers may cut corners to compete on price. \*\*Counterparty risk\*\* is elevated with smaller, less stable manufacturers. Price volatility is currently low but future industry consolidation is a long-term risk. \*\*7. Procurement recommendation\*\* \* Leverage the buyer's market but prioritize resilience. \*\* Conduct a \*\*competitive tender focusing on Tier-1 and reputable Tier-2 Chinese suppliers\*\*. Enforce strict technical and bankability criteria, require proven track records in Africa, and secure performance guarantees. \*\*Dual-source key components\*\* to mitigate risk. Lock in prices with medium-term framework agreements to capitalize on current lows while securing supply.

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\*\* 【中文摘要 (50字)】 \*\* 中国光伏储能产能过剩, 价格战加剧, 出口面临贸易壁垒, 供应链波动显著。 \*\* 【English Summary (50 words)】 \*\* China's

PV and BESS sectors face severe overcapacity and intense price competition. Domestic price wars are compressing margins globally, while rising trade barriers in key markets threaten export stability. This creates both significant procurement opportunities and supply chain volatility for international projects. \*\* 【中文核心洞察 (3要点)】 \*\*\* 产能过剩与价格下行：\*\* 国内光伏及储能电池产能严重过剩，导致产品价格持续大幅下跌，制造商利润空间被极度压缩。 \* \*\*出口环境趋紧：\*\* 欧美等主要市场贸易保护主义抬头，反规避调查及关税壁垒增加，对中国新能源产品出口构成直接挑战。 \* \*\*行业加速洗牌：\*\* 价格战不可持续，预计将引发行业深度整合，技术落后、资金薄弱的企业将出清，头部企业份额巩固。 \*\* 【English Key Insights (3 bullet points)】 \*\*\* Overcapacity & Price Erosion:\*\* Severe oversupply in PV modules and BESS cells within China is driving aggressive price cuts, drastically reducing manufacturer profitability. \* \*\*Tightening Export Landscape:\*\* Growing trade protectionism (e.g., anti-circumvention probes, tariffs) in the US and EU is challenging the traditional export model for Chinese clean tech. \* \*\*Industry Consolidation Accelerating:\*\* The current price war is unsustainable and will trigger a shakeout, forcing weaker players to exit and strengthening the market position of leading firms. \*\* 【Supply Chain Impact – English Only】 \*\*\* 5. Impact on PV/BESS supply chain\*\* \* \*\*Price:\*\* Extremely competitive. Module and battery cell prices are at historic lows, offering significant upfront cost savings. However, pricing is volatile and may not be sustainable. \* \*\*Lead Time:\*\* Generally short due to high inventory levels and fierce competition for orders. However, lead times for specific, high-demand components (e.g., certain inverter models) may vary. \* \*\*Capacity:\*\* Massive manufacturing overcapacity ensures ample supply availability in the short to medium term. \* \*\*Export:\*\* Increased complexity. Shipments to markets like the US face heightened scrutiny and potential duties. Diversification of supply chains and thorough documentation are becoming critical. \*\* 6. Impact on our Nigeria microgrid projects\*\* \* \*\*CAPEX:\*\* Major Opportunity.\*\* Sourcing equipment from China now can substantially reduce the upfront capital expenditure of our projects, improving financial viability. \* \*\*Delivery:\*\* Generally Positive.\*\* Availability is high, but project timelines must account for potential logistical delays from increased export checks and choose shipping routes wisely. \* \*\*Risk:\*\* Increased.\*\* Key risks include: (a) \*\*Supplier Viability Risk:\*\* Procuring from financially distressed manufacturers threatens long-term warranty and

O&M support. (b) **Trade Policy Risk:** While Nigeria currently has no such barriers, transshipment or future global policy shifts could indirectly impact supply. (c) **Quality Risk:** Extreme cost pressure may incentivize corner-cutting on quality in some segments.

**7. Procurement recommendation**

**Adopt a strategic, dual-track approach:**

- Short-term (Next 6-12 months):** Aggressively source from top-tier, financially stable Chinese manufacturers to lock in low prices. Prioritize suppliers with a proven export track record to Africa and robust warranties. Conduct enhanced due diligence on bankability.
- Medium-term:** Diversify supply chains. Begin qualifying and piloting modules/BESS from alternative manufacturing hubs (e.g., Southeast Asia, Turkey, India) to mitigate over-reliance on China and build resilience against future trade volatility.

## Price Trend Chart

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