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Solar Manufacturers Coalition Statement on Domestic Content Guidance Issued by the U.S. Treasury Department

Washington, D.C. - In response to the Biden Administration's guidance on the domestic content bonus under the Inflation Reduction Act for clean energy projects and facilities that meet American manufacturing and sourcing requirements, the [Solar Energy Manufacturing for America \(SEMA\) Coalition](#) issued the following statement from **Executive Director Mike Carr**:

"While we appreciate the work that went into trying to address a wide variety of interests across a number of technologies, today's domestic content bonus guidance is, on balance, a missed opportunity to build a domestic solar manufacturing supply chain and advance our climate goals.

Though it is great to see the bonus designed to unlock future U.S. cell production, a number of core components of the solar value chain were excluded. The simple fact is today's announcement will likely result in the scaling back of planned investments in the critical areas of solar wafer, ingot, and polysilicon production.

Read as a whole, the Inflation Reduction Act provided sufficient discretion to Treasury to recognize existing U.S. solar manufacturing investments and phase in other core components of the supply chain. Unfortunately, this reading of the Inflation Reduction Act misses the forest for the trees and, most importantly, misses Congress' intent in the Inflation Reduction Act to reshore the entire solar supply chain.

China is producing 97 percent of the world's solar wafers – giving them substantial control over both polysilicon and cell production. We fear that this guidance will cement their dominance over these critical pieces of the solar supply chain.

As long as the U.S. does not have an end-to-end solar manufacturing supply chain of all the core components of a solar panel, there is more work to be done. Our members look forward to working with the Administration and Congress to implement policies that can finish the job of fully reshoring the manufacturing of the solar supply chain and creating good-paying American jobs and strengthening our energy and national security."

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