

*** For Immediate Release ***

Renewables Global Status Report: Energy Transformation Continues Despite Economic Slowdown

Paris, 13 May 2009: The *REN21 Renewables Global Status Report* released today shows that the fundamental transition of the world's energy markets continues (www.ren21.net).

“This fourth edition of REN21’s renewable energy report comes in the midst of an historic and global economic crisis,” says Mohamed El-Ashry, chairman of REN21. Although the future is unclear, he says, “there is much in the report for optimism.”

Global power capacity from new renewable energy sources (excluding large hydro) reached 280,000 megawatts (MW) in 2008 – a 16 percent rise from the 240,000 MW in 2007 and nearly three times the capacity of the U.S. nuclear sector.

Solar heating capacity increased by 15 percent to 145 gigawatts-thermal (GWth), while biodiesel and ethanol production both increased by 34 percent. More renewable energy than conventional power capacity was added in both the European Union and United States for the first time ever.

“The recent growth of the sector has surpassed all predictions, even those made by the industry itself,” says El-Ashry, adding that much of this growth was due to more favourable policies amidst increasing concerns about climate change and energy security.

During 2008, a number of governments enacted new policies, and many countries set ambitious targets. Today, at least 73 countries have renewable energy policy targets, up from 66 at the end of 2007. In response to the financial crisis, several governments have directed economic stimulus funding towards the new green jobs the renewable energy sector can provide, including the U.S. package that will invest \$150 billion over ten years in renewable energy.

Developing countries – particularly China and India – are increasingly playing major roles in both the manufacture and installation of RE. For example, China’s total wind power capacity doubled in 2008 for the fourth year running.

For several previous years, the modern renewable energy industry has been viewed as a “guaranteed-growth” sector, and even “crisis-proof” due to the global trends underlying its formidable growth throughout the past decade. In 2008, renewable energy resisted the credit crunch more successfully than many other sectors for much of the year and new investment reached USD120 billion, up 16 percent over 2007. However, by the end of the year, the impact of the crisis was beginning to show.

El-Ashry stresses that “now is not the time to relax policies that support a global, expanding renewable energy sector. By maintaining – and expanding – these policies, governments, industry and society will reap substantial economic and environmental rewards when the economic rebound requires energy markets to meet rapidly increasing demand”.

Climate change and energy security, two of the main drivers of the renewable energy sector, are still at work. As the REN21 report shows, the renewable energy sector offers an essential path for growth that can stimulate economic recovery and job creation without the burden of increasing carbon emissions.

Find the report on the REN21 website at www.ren21.net/globalstatusreport

Further highlights from the Report:

Markets and Industry

Wind

- Existing wind power capacity grew by 29 percent in 2008 to reach 121 GW, or more than double the 59 GW of capacity in place at the end of 2005.
- China doubled its wind power capacity for the fifth year in a row, ending 2008 at 12 GW, and breaching China’s 2010 development target of 10 GW two years early.

Solar

- Grid-connected solar PV continued to be the fastest growing power generation technology, with a 70 percent increase in existing capacity to reach 13 GW.
- Spain became the PV market leader, with 2.6 GW of new grid-tied installations,
- The concentrating solar power industry saw many new entrants and new manufacturing facilities in 2008
- Solar hot water in Germany set record growth in 2008, with over 200,000 systems installed.

Geothermal

- Geothermal power capacity surpassed 10 GW in 2008, led by the United States.
- Direct geothermal energy (ground source heat pumps) is now used in at least 76 countries.

Companies

- By August 2008, at least 160 publicly traded renewable energy companies worldwide had a market capitalization greater than \$100 million.
- India emerged in 2008 as a major producer of solar PV, with new policies leading to \$18 billion in new manufacturing investment plans or proposals by a number of companies.

Policy

- Among the many new renewable energy targets set in 2008, Australia targetted 45 terawatt-hours (TWh) of electricity by 2020. Brazil’s energy plan sought to slightly increase through 2030 its existing share of primary energy from renewable energy (46 percent in 2007), and its electricity share (87 percent in 2007). India increased its

target to 14 GW of new renewables capacity by 2012. Japan set new targets for 14 GW of solar PV by 2020 and 53 GW by 2030. The EU formally adopted its target to reach a 20 share of renewable energy in final consumption by 2020, setting also country-specific targets for all member states.

- At least 64 countries now have some type of policy to promote renewable power generation.
- Feed-in tariffs were adopted at the national level in at least five countries for the first time in 2008/early 2009, including Kenya, the Philippines, Poland, South Africa, and Ukraine.
- Several hundred cities and local governments around the world are actively planning or implementing renewable energy policies and planning frameworks linked to carbon dioxide emissions reduction.

About REN21

REN21 convenes international multi-stakeholder leadership to enable a rapid global transition to renewable energy. It promotes appropriate policies that increase the wise use of renewable energies in developing and industrialized economies. Open to a wide variety of dedicated stakeholders, REN21 connects governments, international institutions, nongovernmental organizations, industry associations, and other partnerships and initiatives. REN21 leverages their successes and strengthens their influence for the rapid expansion of renewable energy worldwide.

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