

Renewable energy investment heats up worldwide

April 1 2015, by Samantha Masunaga, Los Angeles Times

From China to Mexico, renewable energy investments are hot.

Global investment in [renewable power](#) and fuels reached \$270.2 billion last year, nearly 17 percent higher than in 2013, according to a new study on renewable [energy investment](#) from the United Nations Environment Programme.

This figure marks the first increase in three years. Together, wind, solar, biomass and waste-to-power, geothermal, small hydro and marine power are estimated to have generated 9.1 percent of the world's electricity in 2014, compared to 8.5 percent in 2013.

China led the pack as the location of the biggest renewable energy investments last year, with \$83.3 billion, followed by the U.S. at \$38.3 billion and then Japan with \$35.7 billion.

While solar installation boomed in China and Japan, and offshore wind projects in Europe garnered \$18.6 billion, some of the most notable renewable investment increases came from developing countries.

The total investment in these markets was \$131.3 billion in 2014, up 36 percent from the previous year. Indonesia, Chile, Mexico, Kenya, South Africa and Turkey were in the "billion-dollar-plus club" in renewables investments, according to the study. Countries like Jordan, Uruguay, Panama, the Philippines and Myanmar were in the \$500 million to \$1 billion range.

Solar and wind technology are king among [renewable energy sources](#), with solar investment up 29 percent to \$149.6 billion and [wind](#) advancing 11 percent to a record \$99.5 billion.

In contrast, biofuels slipped 8 percent to \$5.1 billion, marking a 10-year low, and despite geothermal managing a 23 percent increase, the total is only \$2.7 billion.

The study was a joint project with the Frankfurt School-UNEP Collaborating Centre for Climate & Sustainable Energy Finance and Bloomberg New Energy Finance.

Looking ahead, the study said the oil price collapse in the second half of 2014 initially seemed to be the greatest challenge to the [renewable energy](#) industry.

But though the oil price was "likely to dampen" investor confidence in some areas, like solar in oil-exporting countries, "oil and renewables do not compete for power [investment](#) dollars," the study said.

"Wind and solar sectors should be able to carry on flourishing, particularly if they continue to cut costs" per megawatt-hour, the study said.

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