



POSTAL ADDRESS Renewable Energy Policy Network
for the 21st Century
Tour Mirabeau, 39-43, quai André Citroën,
75739 Paris cedex 15, France

TEL (33-1) 44 37 14 65
FAX (33-1) 44 37 14 74
E-MAIL info@ren21.net
INTERNET www.ren21.net

DATE 18.07.2006
PAGE 1 of 2
NUMBER 1/2006

2005: Record year for investments in renewable energy

New REN21 Global Status Report

PARIS, 18 July 2006 – Up from USD 30 billion in 2004 to USD 38 billion last year, 2005 was a record year for investment in the renewable energy sector.

According to REN21, the Renewable Energy Policy Network, wind power capacity grew by 24% in 2005 to reach 59 GW, and ten countries added over 300 MW of wind power, up from five countries that had done so in 2004.

These findings and more are contained in REN21's 2006 update to its *Global Status Report* showing trends in renewable investment and policies worldwide.

The 2006 update is, like the first *Global Status Report* of 2005, a collaborative effort involving more than 100 researchers worldwide in a REN21 issue group with Eric Martinot as leading author, who presented the results in New Zealand today. The definitive version will be available on www.ren21.net soon.

Other findings in the 2006 update include:

- Biomass power production has increased by 50-100% in several countries.
- The US produced record amounts of ethanol fuel for cars, and three new EU countries became ethanol producers.
- Biodiesel production grew by 85% in 2005 and nine new EU countries became producers.
- Grid-tied solar power grew by 55%, led by Germany, now with more than 200,000 solar rooftops.
- Solar hot water capacity grew by 23% in China and reached record levels across Europe.

The renewable industry has captured investors' attention in the past year more than ever before.

"Renewables are capturing increased attention of businesses and policy-makers around the world" said Mohamed El-Ashry, chairman of the REN21 Steering Committee.

DATE 18.07.2006
PAGE 2 of 2
NUMBER 1/2006

The REN21 report estimates that at least 85 renewable energy companies or divisions have market valuations greater than USD 40 million, up from 60 companies or divisions in 2004. The estimated total market valuation of companies in this category is USD 50 billion, double the 2004 estimate, as several high-profile initial public offerings have recently taken place. The solar PV industry invested record amounts in new plant and equipment (about USD 6 billion), as did the biofuels industry (more than USD 1 billion).

Many new policies to support renewable energy were adopted over the past year, and many more were extended, revised, or discussed. Not only the EU and US were active, but more than 16 developing countries as well, including Brazil, China, Egypt, India, Mexico, Thailand, and Uganda. Most notable was that a number of countries dramatically stepped up targets and mandates for biofuels – ethanol and biodiesel mixed with conventional fuels. The number of countries with so-called “feed-in” policies for the purchase of power from renewable sources increased to 41, and the number of countries with future targets for the share of energy from renewables increased to at least 49. Initiatives for grid-tied solar power multiplied, including new initiatives in the EU, California and other US states, Australia, and China.

Note to Editors

REN21 is a global policy network in which ideas are shared and action is encouraged to promote renewable energy. It provides a forum for leadership and exchange in international policy processes. It bolsters 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. Linking actors from the energy, development and environment communities, REN21 leverages their successes and strengthens their influence for the rapid expansion of renewable energy worldwide. Background and further at www.ren21.net.

The *REN21 Global Status Reports* can be found at www.ren21.net

For more information please contact

Paul Suding, REN21 Secretariat, at Tel: +33 1 44371465, E-mail: paul.suding@ren21.net **or**
Eric Martinot, Worldwatch Institute/Tsinghua University, at Tel: +86 10 6279 6170, E-mail: martinot@tsinghua.edu.cn

REN21 Press Release