PRESS RELEASE

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Renewables Are Growing Faster Than Economies Are Adapting, New Report Finds

Renewables are scaling rapidly, but the wider economy is not changing at the same pace. The first edition of REN21's Renewables-Based Economy Tracker finds growing gaps in infrastructure, policy, investment and energy system readiness that are slowing progress towards a renewables-based economy and a more secure world.

Paris, [18 June 2026] — **Renewable energy is growing at record speed and has the potential to reshape global economies around energy security, resilience and prosperity.**

Yet the policies, financial frameworks and infrastructure needed to support a renewables-based economy are not keeping pace.

According to the first edition of the REN21 **Renewables-Based Economy (RBE) Tracker**, released today, renewable energy technologies are scaling rapidly with wide social and economic benefits, but investments, policy and infrastructure remain largely organised around fossil fuels.

The findings come as a new energy crisis, affecting markets and shipping routes around the Strait of Hormuz, continues to expose the economic and geopolitical risks of fossil fuel dependence. Against this backdrop, the report argues that **renewable energy should be viewed as a strategic asset for energy security and economic resilience, and not only as a climate solution.**

Developed as part of REN21's new **Renewables-Based Economy Hub**, the RBE Tracker is the **first global tool designed to measure how renewable energy is reshaping economies through its impacts on energy security, industry, investment, infrastructure, resilience and broader socio-economic outcomes. This tool provides strategic guidance on the energy transition for policymakers.**

The *RBE Tracker* highlights that renewables now account for **85-90% of new global power capacity additions**. Yet modern renewables still make up only around **15% of all energy use globally**, while fossil fuels continue to supply around **80%**.

The result is a widening gap between renewable energy deployment and the frameworks needed to support it. REN21 warns that these gaps make it difficult for governments, investors and businesses to assess progress and design effective policies.

*"The world is entering a new energy era, but the economy has not caught up with the technology," said **Rana Adib, Executive Director of REN21.** "Renewables are now the*

dominant source of new power generation. The next challenge is ensuring the infrastructure, finance and policy evolve quickly enough to unlock their full economic potential."

The RBE Tracker identifies four dimensions of the energy transition – energy systems, economy, society, and environment. Key findings include:

Economic systems remain organised around fossil fuels

Global investment in renewable energy fell by **USD 70 billion (9%) in 2025**, while renewable energy manufacturing continues to expand globally but remains heavily concentrated in China.

Fossil fuels continue to receive around **three times more direct subsidies** than renewable energy worldwide.

At the same time, comprehensive data on how renewable energy contributes to GDP, value creation and broader economic development remains largely unavailable, making it difficult for governments and investors to fully assess the economic benefits of the transition.

Renewable energy growth is not yet transforming the whole energy system

Renewables account for only around **4-5% of transport energy globally** and around **10% of heat demand.**

Despite record growth in renewable energy generation capacity, renewables accounted for only around **33.7% of electricity generation in 2025.**

Electricity itself still represents only around **one-fifth of total final energy consumption globally**, meaning progress in the power sector and electrification alone are not enough to deliver a renewables-based economy.

Policy systems also remain fragmented. **Only a few countries** currently have renewable energy policies specifically targeting all major demand sectors: agriculture, buildings, industry and transport.

Integrated planning and infrastructure are big bottlenecks

More than **2,300 GW** of renewable energy and battery storage projects are waiting for grid connection worldwide.

At the same time, investment in electrified transport is growing almost twice as fast as investment in power grids, risking a widening gap between electricity demand and the deployment of infrastructure needed to support it.

To remain on a 1.5°C pathway, the world must invest **USD 5.5 trillion** in grids and energy flexibility by 2030, far beyond current investment levels.

"This is not a technology problem," said Adib. "The technologies exist and are scaling rapidly. The real challenge is that investment decisions, planning processes, market rules and policy frameworks have not evolved at the same pace to unlock the benefits of renewables. The pace of the transition will be determined less by technology and more by the decisions societies make around it."

"The transition can no longer be measured in gigawatts alone," said Adib. "The real test is whether economies are becoming more resilient, more secure and less dependent on fossil fuels."

The report also identifies major blind spots in global energy data, including limited information on, the contribution of renewables to economic growth, supply chains, flexibility, ownership structures and circularity.

"We cannot manage what we do not measure," said Adib. "Some of the biggest barriers and opportunities in the transition are still largely invisible in global data systems."

REN21 is calling for stronger global tracking of how renewable energy contributes to economic and industrial development, resilience and energy security, arguing that better evidence is essential for better policy decisions, accelerating and scaling the energy transition.

The *RBE Tracker* was developed through collaboration with policy makers, researchers, industry representatives and civil society across the REN21 network.

It is the first flagship publication of REN21's new Renewables-Based Economy Hub, a global initiative designed to measure how renewable energy is transforming economies worldwide.

Link: https://rbe.ren21.net/

About REN21

REN21 is a global network bringing together diverse stakeholders — governments, industry, NGOs, academia, and more — to drive the systemic transformation necessary for a renewable-based world through data, dialogue and strategic communications.

Our vision is a world where renewable energy is the foundation for strong, equitable and resilient economies. Renewables are the undeniable choice for people, nature and prosperity.

Founded in 2004, we've built a powerful and diverse network of +130 institutions and a community of more than 4,000 players, from the energy ecosystem and other key sectors. Our inclusive governance structure and collaborative culture enable us to build on the insights and intelligence of our global community to drive the solutions needed for economic prosperity and societal well-being.

Building on 20 years of the Renewables Global Status Report, the RBE Tracker and Hub move beyond tracking renewable deployment in isolation – recognising the urgent need to evolve its approach to effectively tackle the systemic barriers stalling the energy transition. The Hub explores how renewables shape economies, societies and energy systems by bringing together data, insights and visual tools in one place, through a more accessible, interactive and collaborative way to understand the transition to renewables-based economies.

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