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Global Trends

Facts from the *Renewables in Cities 2021 Global Status Report*

Key Global Renewable Energy Takeaways in 2020

- More than 1 billion people – about 25% of the urban population – lived in a city with a renewable energy target and/or policy in 2020.
- Most city-level renewable energy targets/policies remain concentrated in Europe and North America, but examples exist of cities worldwide pursuing efforts towards a renewables-based system, with policy portfolios expanding beyond the power sector despite varying challenges.
- Renewable energy uptake in 2020 has been driven by images of blue skies and clearer air during COVID-19 lockdowns, which has increased societal pressure to stop burning fossil fuels.
- Financial, regulatory and legislative hurdles hinder a faster uptake of renewables in cities. There is a strategic opportunity to build on cities to meet national and global goals, especially in heating and cooling and transport where local solutions for decarbonisation are key.

Brand new data shows

- **More than 1,300 city governments had a renewable energy target and/or policy by the end of in 2020.** More than 260 city governments passed new targets or set new policies in 2020.
- City governments in around **830 cities in 72 countries** had set **renewable energy targets** in at least one sector (power, heating and cooling, and/or transport).
- Around **800 municipal governments** had implemented regulatory policies, financial and fiscal incentives and indirect support policies to enable the uptake of renewables in **buildings and transport** city-wide.
 - **Bans and restrictions on fossil fuels** in buildings exist in more than 50 cities worldwide and have contributed to rising electrification and the use of renewables in buildings.
 - To support the decarbonisation of transport, 67 cities have adopted EV targets, 249 cities have established or planned **low-emission vehicle zones** and at least 14 cities have implemented or planned **bans** on certain fossil fuels/vehicles.
- More than 10,500 cities globally had adopted **CO₂ emission reduction targets**, and around 800 cities have committed to net-zero emissions in 2020 – an **eightfold increase**, compared to the 100 cities with such commitments in 2019.
- Citizen pressure on city governments to act on climate change has grown. 1,852 cities in 29 countries had declared **climate emergencies** by 2020 (up from around 1,400 by the end of 2019). At least 231 municipal governments had submitted a climate action plan.

2020 Renewable Energy Developments in Cities

- **Cities are high-impact areas:** cities account for around **three-quarters** of global final energy consumption and **three-quarters** of global human-made CO₂ emissions; home to more than **55%** of the global population (a share that is constantly growing).

- **City governments are essential to address urban inequality and improve energy access:** 176 million people in urban areas did not have access to electricity in 2019; 1 billion urban and peri-urban dwellers are living in slums and informal settlements.
- **Drivers for renewables are broad and vary** according to national and local contexts, motivated by economic, social and environmental perspectives. The **COVID-19** pandemic has been a driver for renewables, with **public health and well-being** being pushed up the policy agenda; some recovery packages (both national and municipal) focus on a **green recovery** based on increased renewable energy deployment and energy efficiency improvements.

Scaling up renewables in buildings and transport

- Renewable energy broke another record in 2019, with the **total installed power capacity of renewables** increasing more than **200 GW**; the share of renewables in the power sector stands at around **25%** but the sector only accounts for 17% of the total global final energy demand.
 - Municipal governments' actions are essential to accelerating renewable energy in all sectors, in particular **sectors that have historically lagged behind: heating and cooling and transport** are responsible for **83%** of final energy demand but the uptake of renewables in these sectors **remains low** – around 10% and 3% respectively.
- **District energy systems have also become widespread:** District energy systems supplied around 6% of global heat consumption in 2018. Fossil fuels were the dominant energy source for district heating and cooling networks that year, with renewables accounting for only an estimated 8%. However, the renewable contribution is growing.
- Markets for heat pumps and EVs have expanded rapidly in cities, enabling the use of higher shares of renewable electricity in heating and transport respectively.
 - **Heat pumps:** Markets for heat pumps have expanded rapidly, meeting an estimated 5% of the global heating demand for commercial and residential buildings in 2019.
 - **Electric vehicles:** As of 2019, around 7.2 million electric cars were in circulation globally along with 350 million electric two- and three-wheelers and 514,300 electric buses.

Financing renewables in cities

- As of 2020, more than 160 city governments and pension funds had divested from fossil fuels, including 12 city members of C40 that pledged, as part of their **COVID-19 economic recovery**, to divest city assets from fossil fuel companies and re-invest the funds in climate solutions.
- Although the exact share of **investment in renewable energy projects within urban boundaries** is unknown, a combined **171 renewable energy projects** were reported in the pipeline in cities worldwide in 2019, with total project costs of **USD 31.2 billion**.¹
- Global investment in new renewable energy capacity, including power and fuels (but excluding hydropower projects >50 MW) totalled USD 282.2 billion in 2019, up 1% over 2018. In the first half of 2020, global investment in new renewable energy capacity rose 5% relative to the first half of 2019, despite facing challenges associated with the COVID-19 pandemic.

¹ In 2019, global investment in renewable power and fuel capacity was of USD 282 billion.

Selected countries with renewable energy targets, net zero targets and/or policies in cities

Country	Cities with renewable energy targets		Cities with net-zero targets		Cities with renewable energy polices		Cities with renewable energy targets and/or policies		Share of urban population with renewable energy targets and/or policy (%)
	(#)	(% of global total)	(#)	(% of global total)	(#)	(% of global total)	(#)	(% of global total)	
United States of America	337	40.4%	112	14.1%	357	44.7%	479	36.17%	28%
Italy	59	7.1%	47	5.9%	97	12.1%	150	11.30%	47%
Germany	61	7.3%	13	1.6%	90	11.3%	140	10.55%	40%
United Kingdom	94	11.3%	45	5.7%	24	3%	106	7.99%	73%
Spain	15	1.8%	17	2.1%	62	7.8%	72	5.43%	34%
South Africa	7	0.8%	5	0.6%	31	3.9%	34	2.56%	40%
China	6	0.7%	8	1%	21	2.6%	25	1.88%	38%
Sweden	24	2.9%	24	3%	8	1%	25	1.88%	46%
Netherlands, The	8	1%	8	1%	20	2.5%	22	1.66%	43%
Canada	15	1.8%	25	3.1%	2	0.3%	16	1.21%	36%
Japan	10	1.2%	103	12.9%	3	0.4%	11	0.8%	40%
Republic of Korea	5	0.6%	2	0.3%	1	0.1%	5	0.4%	55%
GLOBAL TOTAL	834		796		799		1327		25%

Questions? Please contact press@ren21.net or +33 1 44 37 50 99.

All report materials, figures, case studies and the full data pack can be downloaded here:
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