

# Record amount of renewables capacity added in 2016: UN

The world added a record 138.5-gigawatts of renewable power capacity in 2016 despite a 23% drop in investment, reflecting the falling cost of clean energy, the UN announced on Thursday, 6 April.



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The new energy - mainly from wind and solar installations, but not including large hydro projects - was up 8% from the previous year, on global investment of \$242bn.

Investment in fossil fuel-based energy was approximately half that amount in 2016, according to a report jointly published by UN Environment and Bloomberg New Energy Finance (BNEF).

"Ever-cheaper clean tech provides a real opportunity for investors to get more for less," said Erik Solheim, executive director of UN Environment.

The renewables capacity brought online in 2016 is equivalent to that of the world's 16 largest power producing facilities combined.

The new figures come a day after Europe's energy utilities dealt a body blow to the coal industry by pledging that no new coal-fired power plants would be built after 2020.

National energy companies from 26 of the European Union's 28-nations -- with the exception of Poland and Greece - joined the initiative, announced in Brussels.

"With power supply becoming increasingly clean, electric technologies are an obvious choice for replacing fossil fuel-based systems ... to reduce greenhouse gases," said EURELECTRIC president and CEO of the Portuguese energy group EDP, Antonio Mexia.

In a statement, the consortium of 3,500 electricity generating companies renewed its commitment to the Paris Agreement, the 196-nation climate pact that vows to cap global warming at under two degrees Celsius (3.6 degrees Fahrenheit).

The UN report, *Global Trends in Renewable Energy Investment*, said that the added clean energy in 2016 accounted for 55% of all new capacity last year - the highest share to date.

The proportion of electricity worldwide coming from renewables, excluding large hydro, rose from 10.3% in 2015 to 11.3%, the report said.

The rapidly falling cost of wind and especially solar photovoltaic energy is driving a global shift from dirty to clean energy.

The average expenditure per megawatt for both types of renewables dropped by about 10% compared to a year earlier.

Investment in 2016 was evenly divided between solar and wind.

Not all of the drop in renewables financing last year was due to falling prices, the report said, noting a slowdown in China, Japan and some emerging markets.

China saw investment tumble 32% to \$78.3bn, breaking an 11-year rising trend.

Mexico, Chile, Uruguay, South Africa and Morocco all saw falls of 60% or more, due to in part to slower than expected growth in electricity demand. Japan slumped 56%.

"After the dramatic cost reductions of the past few years, unsubsidised wind and solar can provide the lowest cost new electrical power in an increasing number of countries," said Michael Liebreich, chairman of the advisory board of BNEF.

That is true "even in the developing world - sometimes by a factor of two," he added in a statement.

Recent figures from the International Energy Agency cited the switch to renewables as one of the main reasons for greenhouse gas emissions staying flat in 2016, for the third year running, despite robust growth in the global economy.

*Source: AFP*

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