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UN reports strong surge in investments in green energy



7 July 2011 – Global investment in green energy rose by 32 per cent last year, driven largely by wind farms in China and small-scale solar panels on rooftops in Europe, the United Nations Environment Programme ([UNEP](#)) said in a new report on renewable energy trends [released](#) today.

Investors put a record \$211 billion into renewable energy projects last year, about a third more than the \$160 billion invested in 2009, and a 540 per cent rise since 2004, according to the report, entitled "Global Trends in Renewable Energy Investment 2011," prepared for UNEP by the London-based Bloomberg New Energy Finance.

For the first time, developing economies overtook developed countries in terms of new investments, spending on utility-scale renewable energy projects and the provision of equity capital for renewable energy companies.

Some \$72 billion was invested in developing countries, compared \$70 billion in developed economies, which contrasts with 2004, when new financial investments in developing countries were about a quarter of those in developed countries, according to the report, which was launched by UNEP Executive Director Achim Steiner and Udo Steffens, President and chief executive officer of the Frankfurt School of Finance & Management.

China, with \$48.9 billion in new investments in renewable energy, up by 28 per cent, was the world leader last year, but other emerging economies also showed strong growth.

Investments in South and Central America rose by 39 per cent to \$13.1 billion, while in the Middle East and Africa they were up by 104 per cent to \$5 billion. India's investment rose by 25 per cent to \$3.8 billion, while other developing countries in Asia saw a 31 per cent increase to \$4 billion.

Another positive development highlighted in the report, with implications for long-term clean energy developments, was government research and development. That category of investment rose by 120 per cent to well over \$5 billion.

"The continuing growth in this core segment of the Green Economy is not happening by chance," said Mr. Steiner. "The combination of government target-setting, policy support and stimulus funds is underpinning the renewable industry's rise and bringing the much-needed transformation of our global energy system within reach," he added.

He said the UN climate change conference in Durban, South Africa, later this year, and the UN Conference on Sustainable Development (Rio+20) in Brazil next year offered key opportunities to accelerate the positive transition to a low-carbon, resource-efficient green economy.

"The finance industry is still recovering from the recent financial crisis," said Mr. Steffens. "The fact that the industry remains heavily committed to renewables demonstrates its strong belief in the prospects of sustainable energy investments," he added.

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