



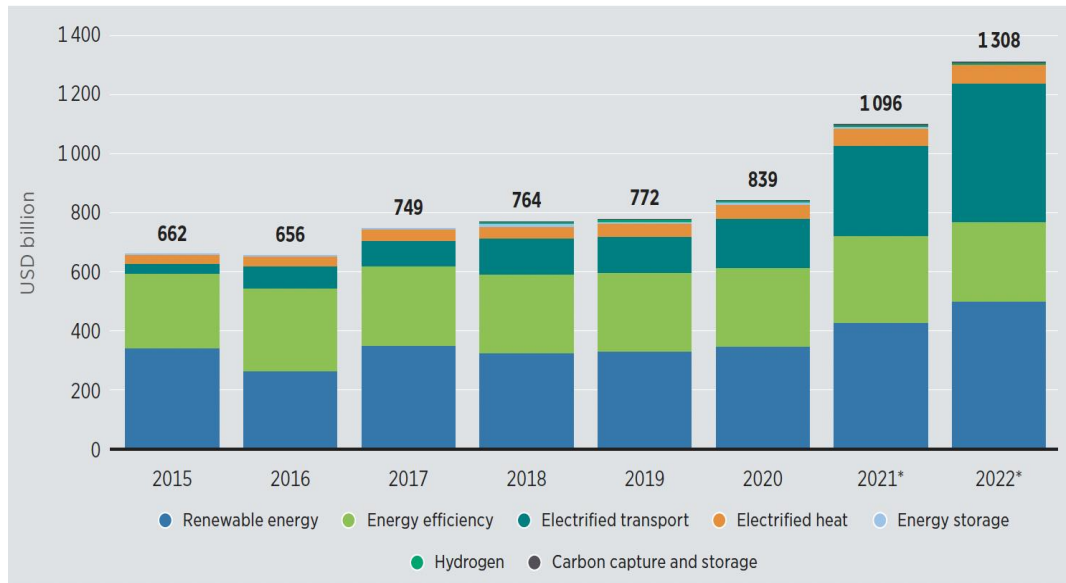
Global Cooperation & Investment in RE Sector

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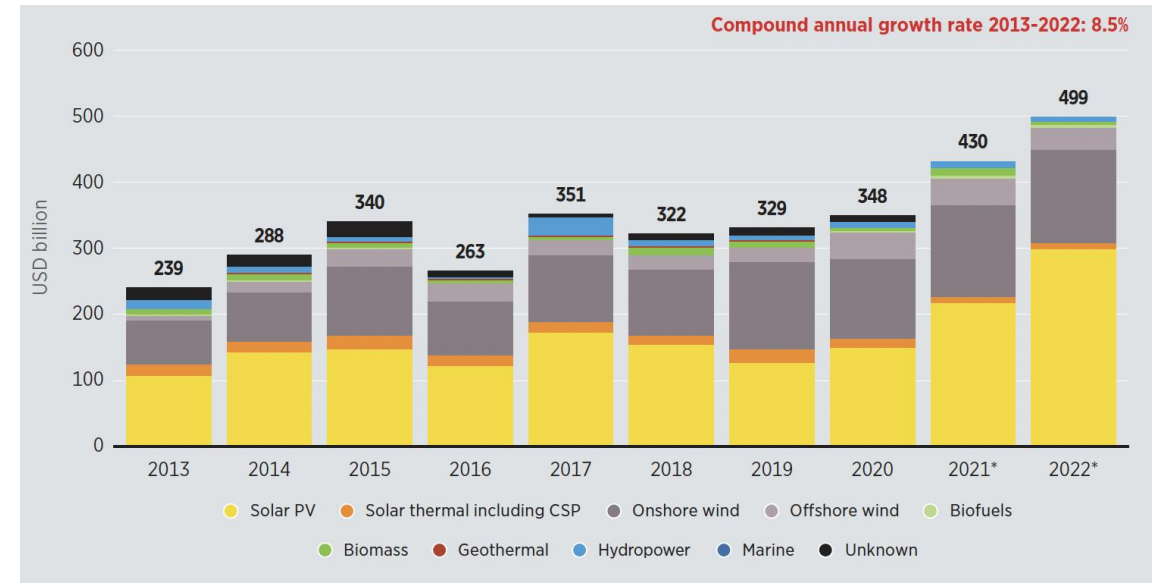
Global Investment In Renewable Energy

- In 2022, global investment in energy transition technologies reached USD 1.3 trillion with CAGR of 8.5% but below USD 4.4 trillion per year to achieve the Paris Agreement 1.5°C temperature goal



Notes: Renewable energy investments for 2021 and 2022 represent preliminary estimates based on data from Bloomberg New Energy Finance (BNEF). As BNEF does not include large hydropower investments, these were estimated at USD 7 billion per year, the annual average investment in 2019 and 2020. Energy efficiency data are from IEA (2022a). These values are in constant 2019 dollars, while all other values are at current prices and exchange rates. Due to the lack of more granular data, the units could not be harmonised across the databases. For this reason, these numbers are presented together for indicative purposes only and should not be used to make comparisons between data sources. Data for other energy transition technologies come from BNEF (2023a).

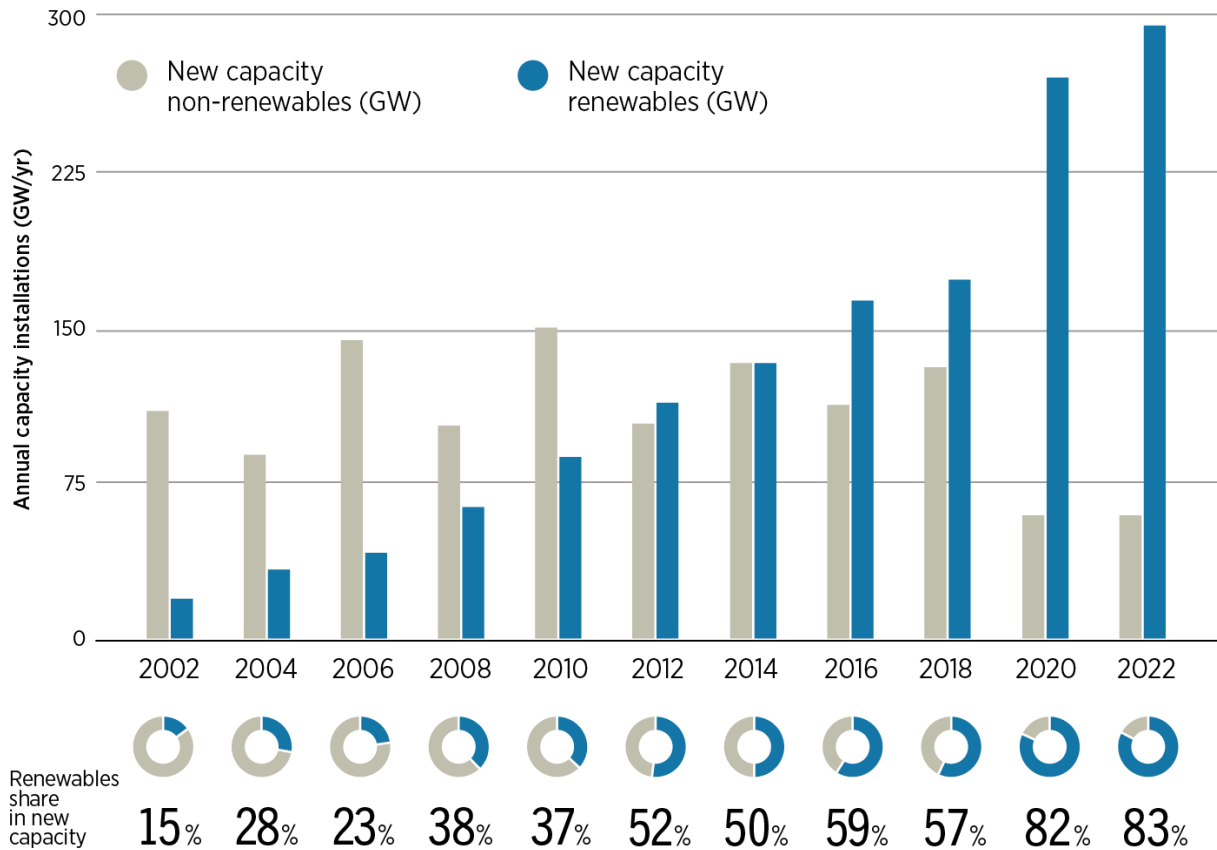
Based on: IEA (2022a) and BNEF (2023a).



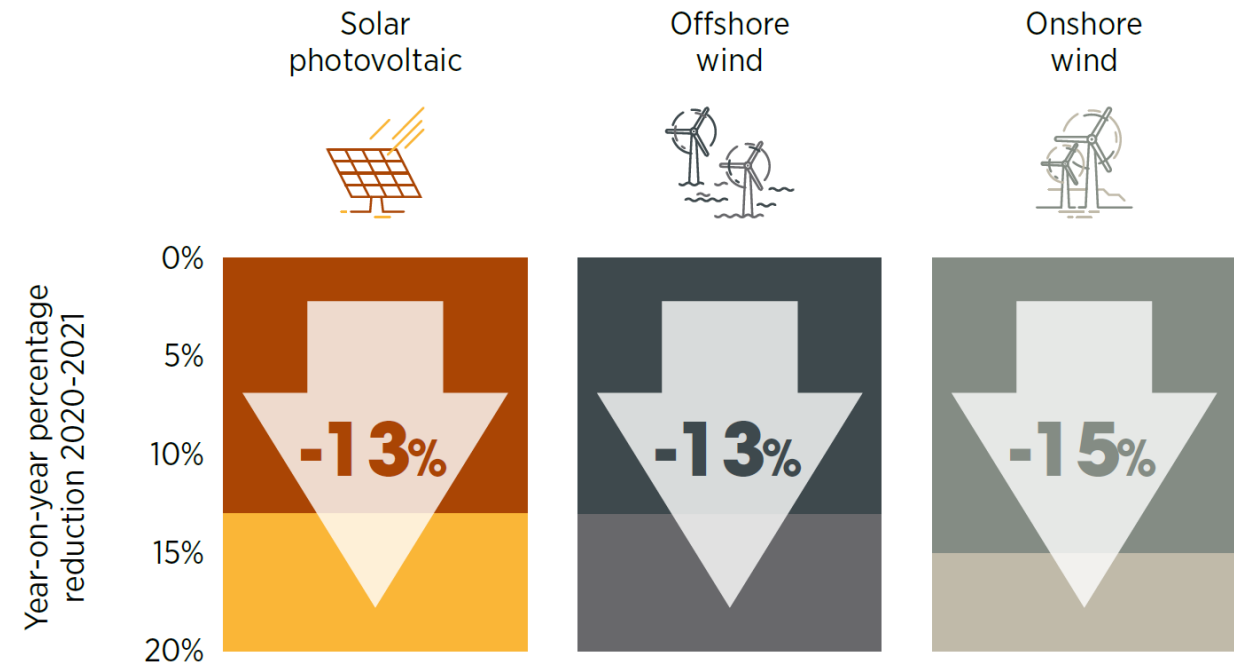
Note: CAGR = compound annual growth rate; CSP = concentrated solar power; PV = photovoltaic.

Source: CPI (2022a). Investments for 2021 and 2022 are preliminary estimates based on data from BNEF (2023b). As BNEF data has limited coverage of large hydropower investments, these were assumed to be USD 7 billion per year, equivalent to the annual average investment for the preceding two years.

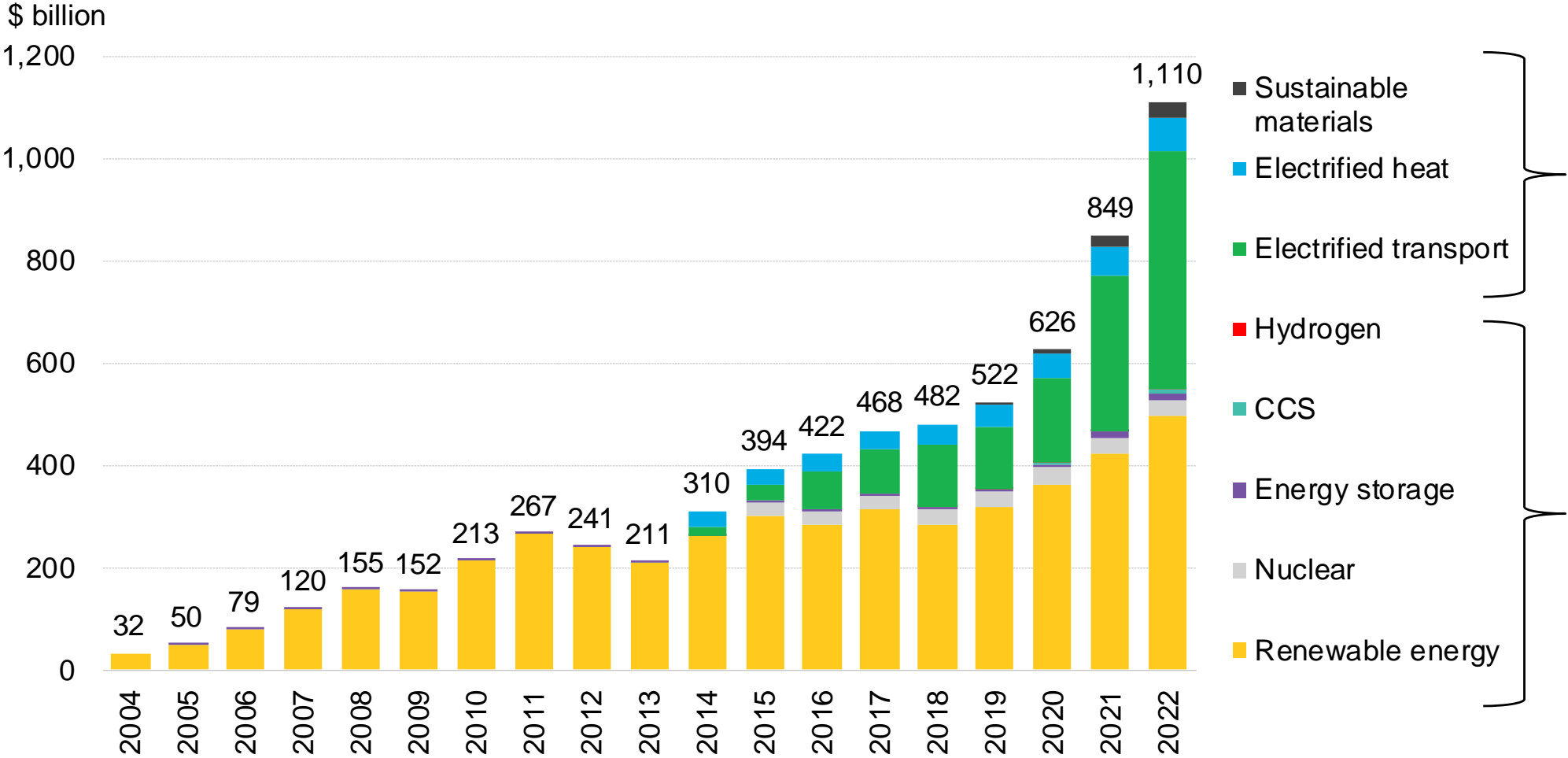
Increased Uptake and Cost Reductions



Change in global weighted levelised cost of electricity by technology 2020-2021



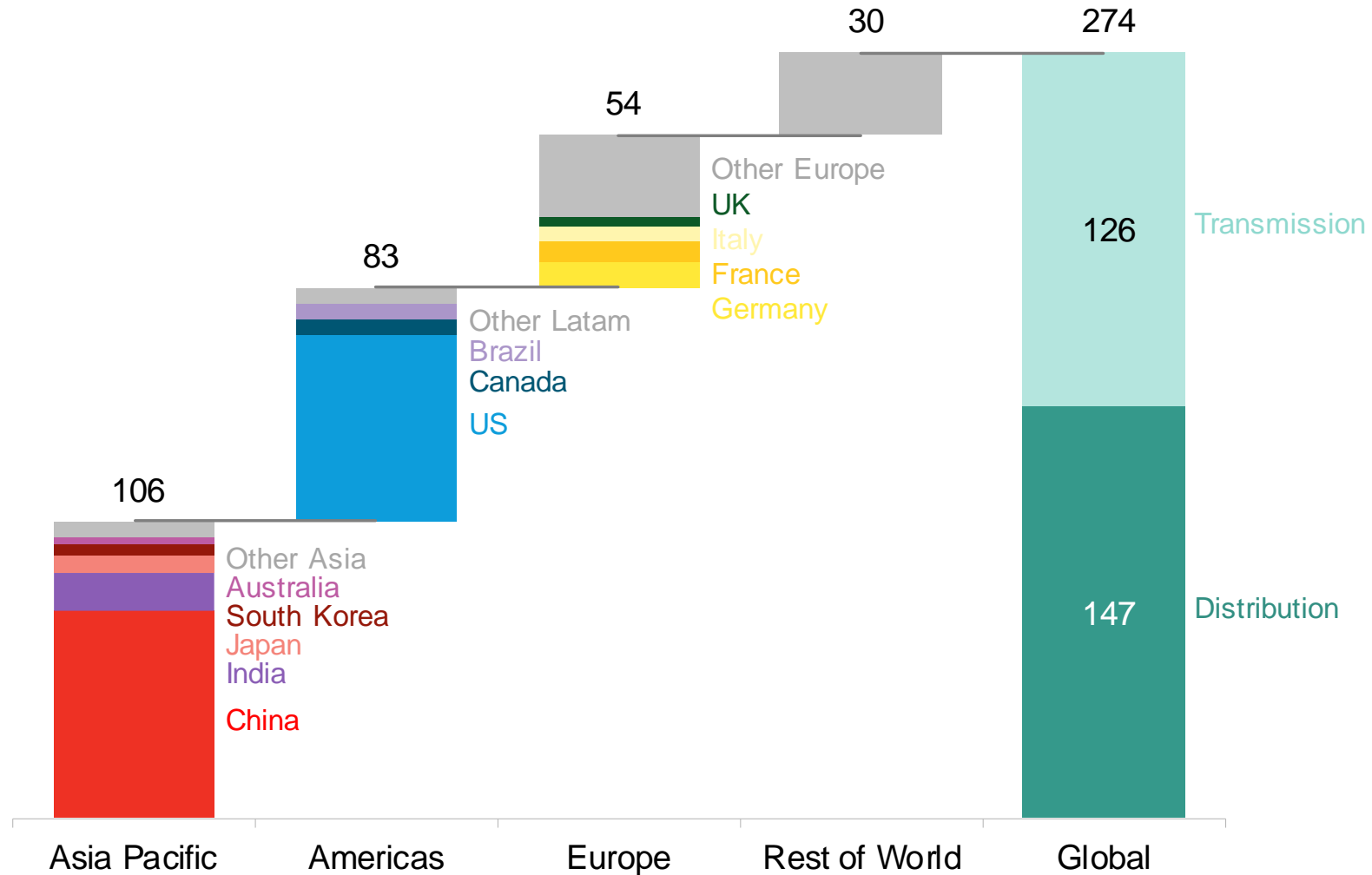
Energy Transition Investments go beyond RE Power



Source: BloombergNEF.

Investments in Electrical Grids

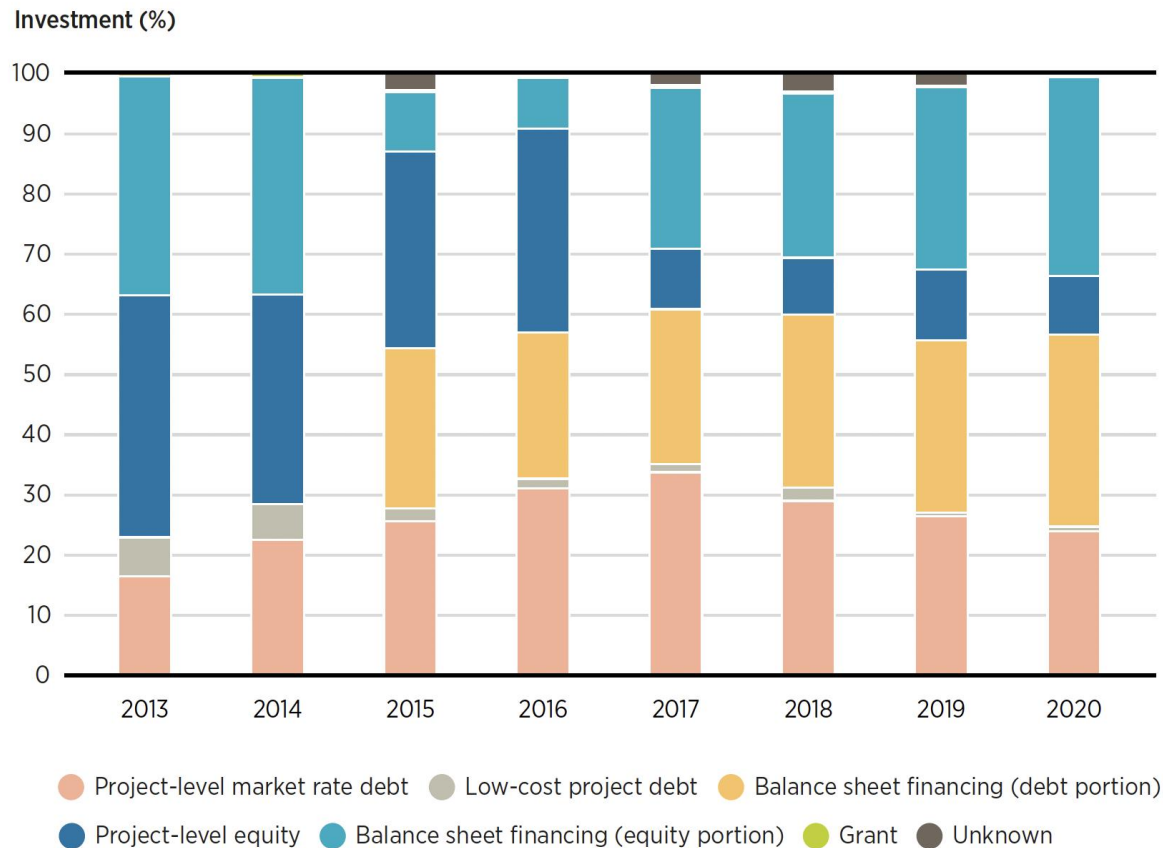
\$ billions



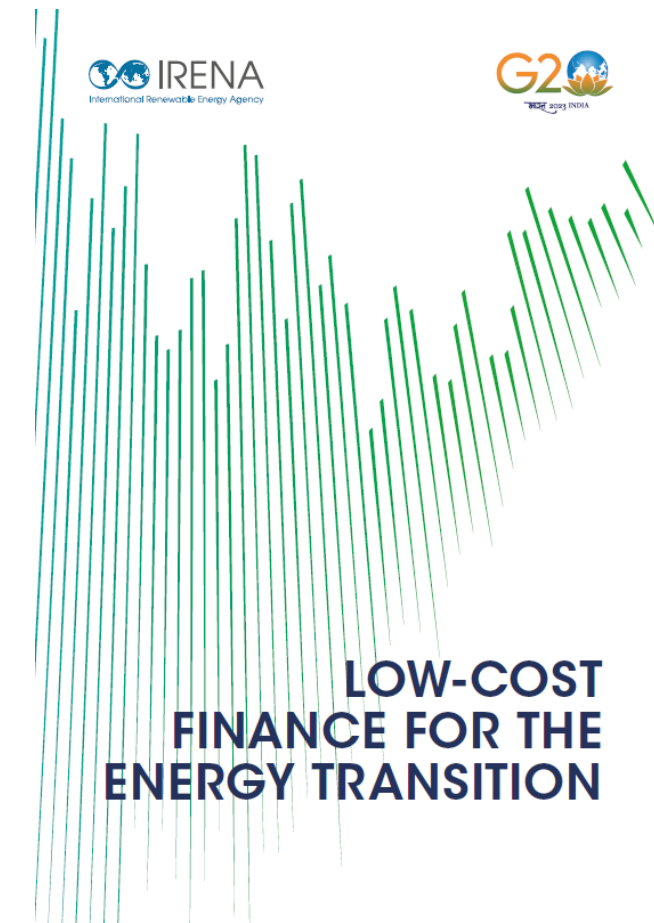
Source: BloombergNEF.

Globally, the share of equity financing decreased, while debt financing increased

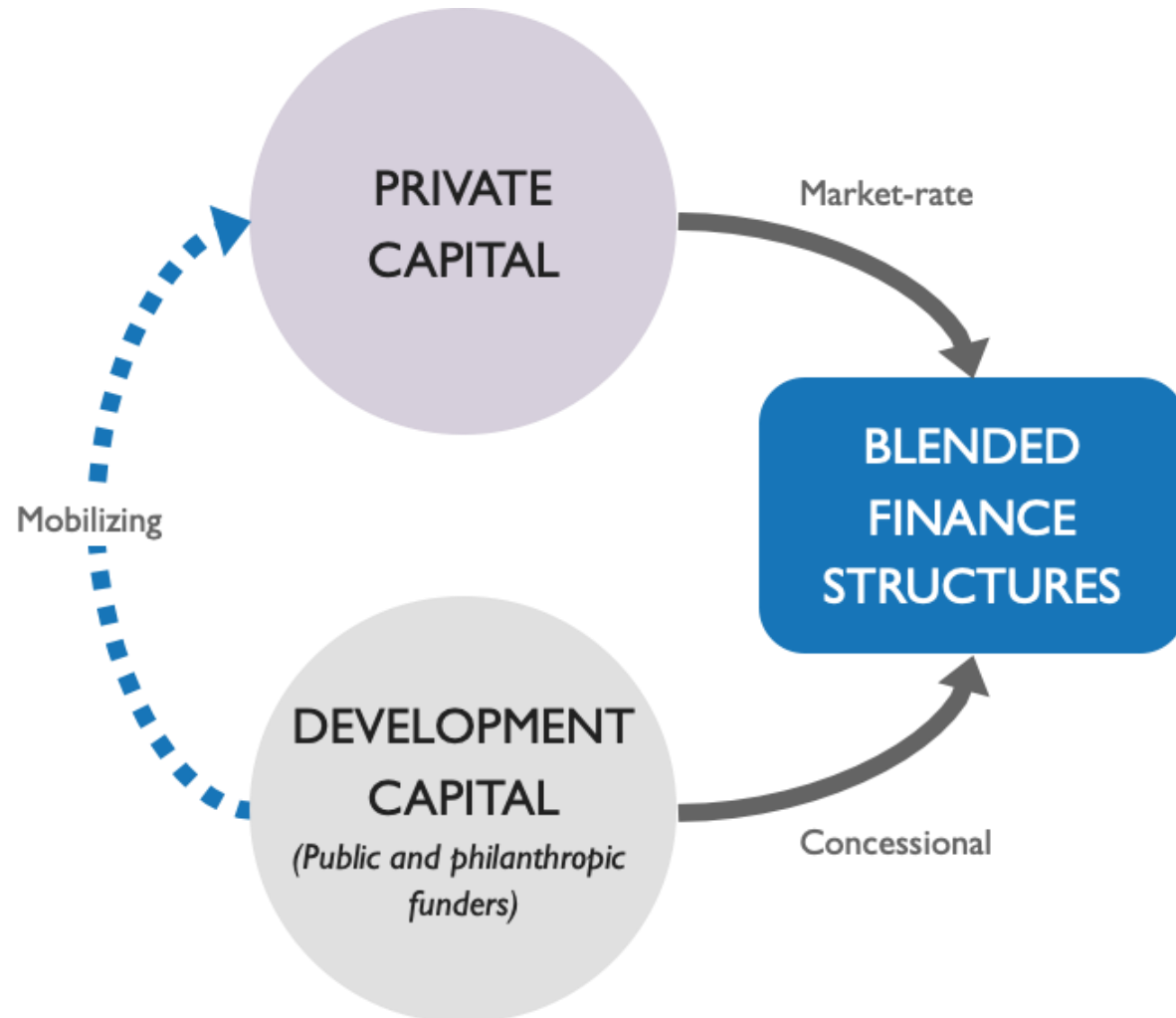
- The share of equity financing decreased from 77% in 2013 to 43% by 2020, while share of debt financing increased from 23% in 2013 to 56% in 2020. Low-cost and long-term debt will be critical for deployment of capital-intensive renewable energy projects.



Source: (IRENA and CPI, 2023).



Low-cost Capital for the Energy Transition



- Domestic and International Private sector capital - significant portion
- Partnerships between public, private and philanthropic to incentivize private sector
- Development banks will have a unique role to play in creating blended financing structures

Outlook for Energy Transition Financing

- Generational opportunity to accelerate transition;
- Energy technologies mature, economically attractive;
- Look beyond power – grid, electrification, fuels;
- Private capital at scale, incentivized by public capital – key to acceleration & net-zero





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