

Normalized index

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The RECAI uses various criteria to compare the attractiveness of renewables markets, such as the magnitude of the development pipeline, that reflect the absolute size of the renewable investment opportunity. Hence, the index naturally benefits large economies. However, by normalizing with the gross domestic product (GDP) — that is, dividing the “raw” RECAI scores by the log of GDP — we can see which markets are performing above the expectations for their economic size.

In this way, the normalized index helps reveal ambitious plans for energy transition in smaller economies, creating some attractive alternatives for potential investors.

Normalized ranking	Market	Previous ranking	Movement vs. previous	RECAI ranking	Normalized ranking	Market	Previous ranking	Movement vs. previous	RECAI ranking
1	Denmark	1	●	8	21	Canada	16	▼	9
2	Greece	3	▲	16	22	Honduras	22	●	56
3	Chile	5	▲	15	23	US	27	▲	1
4	Australia	4	●	5	24	Italy	30	▲	13
5	Ireland	6	▲	14	25	China Mainland	34	▲	2
6	Morocco	2	▼	27	26	Kazakhstan	19	▼	35
7	Finland	10	▲	21	27	Argentina	24	▼	26
8	Germany	9	▲	3	28	Taiwan	33	▲	24
9	France	7	▼	4	29	Austria	25	▼	28
10	Portugal	13	▲	25	30	Dominican Republic	38	▲	45
11	Netherlands	8	▼	11	31	Philippines	43	▲	32
12	UK	17	▲	6	32	Japan	32	●	10
13	Belgium	20	▲	17	33	Panama	26	▼	52
14	Spain	11	▼	12	34	Romania	29	▼	36
15	Sweden	14	▼	19	35	Egypt	35	●	34
16	Israel	18	▲	22	36	Brazil	37	▲	20
17	Poland	15	▼	18	37	Bulgaria	41	▲	53
18	Norway	21	▲	23	38	Peru	46	▲	40
19	India	23	▲	7	39	New Zealand	36	▼	42
20	Jordan	12	▼	48	40	Switzerland	42	▲	29

0 Denmark

Denmark has published its biggest-ever offshore wind tender, with at least 6GW of capacity to be auctioned across six areas. The Viking Link interconnector with the UK has commenced operations, improving energy security.

+1 Greece

Renewable energy capacity has doubled in the last four years, with green electricity now accounting for 50% of generation. High energy prices and government support are driving the establishment of localized energy generation communities.

+2 Chile

Chile's renewables sector continues to grow, with more than 16GW capacity installed to date. This is forecast to double over the next decade, driven by President Gabriel Boric's proposed measures to reduce red tape for onshore wind investment.

+3 Finland

Finland has set ambitious targets of becoming Europe's first carbon negative economy. A key driver will be the growth of its offshore wind sector, with the domestic TSO having announced five new areas to house large projects due to come online prior to 2030.

See page 2 for normalized RECAI methodology.

Normalized RECAI methodology

With the largest global markets tending to top the core RECAI, there are many smaller markets where renewable energy is growing rapidly and becoming highly attractive. By dividing a market's RECAI score by logarithm of the average of the three preceding years' GDP to produce a "normalized score," the index identifies those smaller renewable energy markets that perform best on the core RECAI pillars of energy mix, government support, project delivery and natural resource. Removing a market's economic size showcases those that are efficient in terms of their size and the most attractive for investors. The normalized index also highlights larger markets that score well in the core RECAI but could be doing more to support the green transition.



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