

Renewable Energy Country Attractiveness Index

recal

May 2020

Methodology

The Index was recalibrated in April 2020, with all underlying datasets fully refreshed. To see a description of our methodology, visit ey.com/recal.

LEGEND

- ▲ Increased attractiveness compared with previous Index
 - ▼ Decreased attractiveness compared with previous Index
 - No change in attractiveness since previous Index
- Current ranking is in bold**
(Previous ranking is shown in brackets)



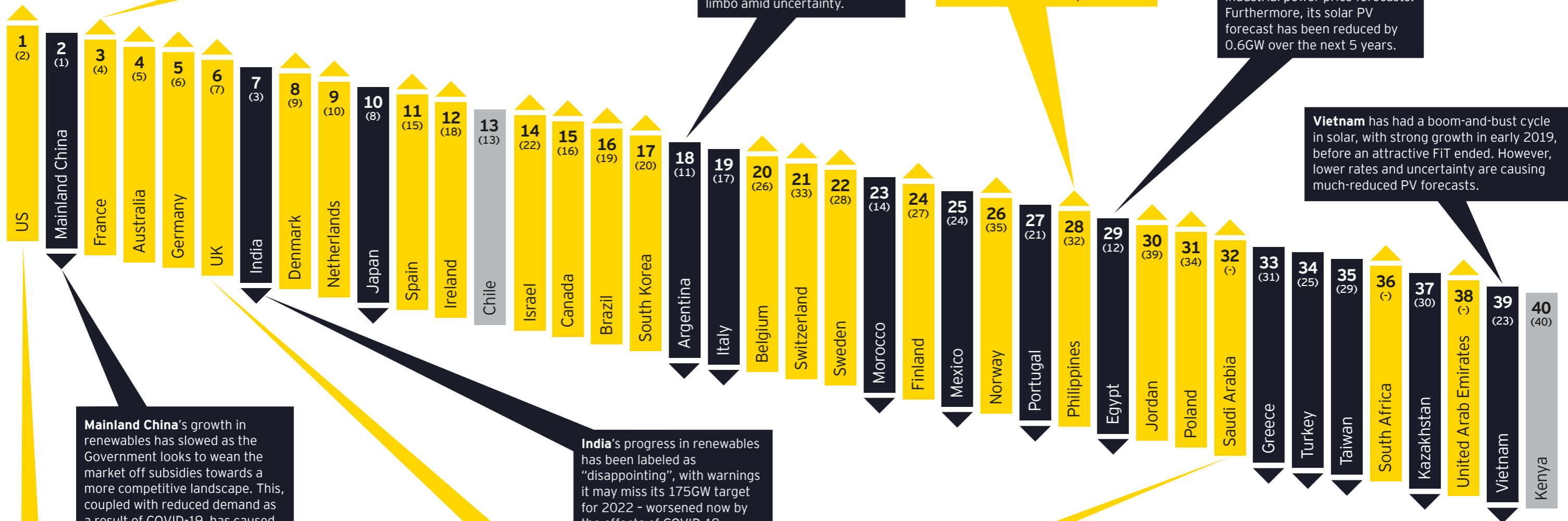
France has moved from fourth to third, securing strong power prices and awards of 1.4GW for wind and solar developers in its latest auction, as it gradually weans its grid off nuclear power.

Argentina's political turmoil has caused its renewables agenda to suffer, with pipeline projects in limbo amid uncertainty.

In February, the **Philippines** Government announced plans for a 2GW auction under a green energy tariff program to attract more than US\$2b of initial investment, progressing towards 15GW of renewables by 2030.

In addition to COVID-19, **Egypt** has been hit hard by low industrial power price forecasts. Furthermore, its solar PV forecast has been reduced by 0.6GW over the next 5 years.

Vietnam has had a boom-and-bust cycle in solar, with strong growth in early 2019, before an attractive FIT ended. However, lower rates and uncertainty are causing much-reduced PV forecasts.



Mainland China's growth in renewables has slowed as the Government looks to wean the market off subsidies towards a more competitive landscape. This, coupled with reduced demand as a result of COVID-19, has caused mainland China to drop to second in our index, but forecasts remain optimistic for long-term growth.

India's progress in renewables has been labeled as "disappointing", with warnings it may miss its 175GW target for 2022 - worsened now by the effects of COVID-19.

The **UK** made a milestone proposal to re-include onshore wind and solar projects in the next contracts-for-difference auction, encouraging greater and more diverse renewable energy development.

For the first time since 2016, the **US** has secured top position. This is largely because of a short-term extension to the PTC and long-term growth in offshore wind, with plans to invest \$57b to install up to 30GW by 2030.

Despite being an oil-centric nation, **Saudi** is placing increasing importance on renewable energy, with plans to generate 25GW in the next five years and 60GW in the next decade - 40GW of which will be in solar.

COVID-19 correction parameter
A new COVID-19 correction parameter has been added to the RECAI to reflect the impact of the pandemic, which we believe will have a short-term dampening effect on the renewable energy transition. The intention is to gradually reduce the weight of the parameter in future RECAI issues as the data feeding into the RECAI begins to reflect the impact of COVID-19.
The new COVID-19 correction parameter is centered on three criteria, for which the market is given a score. The criteria are:
1) the strength of the market's healthcare system
2) the size of the population at risk based on demographics
3) economic vulnerability
At this time, the parameter does not incorporate COVID-19 data (i.e., tests performed, cases and deaths reported). The inconsistent approaches to testing and reporting on the pandemic across different markets impairs direct comparability.



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[RECAI Issue 55: index scores]

					Technology-specific scores							
Rank	Previous rank	Movement on previous index	Country/Market	RECAI score	Onshore wind	Offshore wind	Solar PV	Solar CSP	Biomass	Geothermal	Small hydro	Marine
1	(2)	▲	US	65.8	50.9	57.4	52.2	30.1	40.5	36.8	37.3	19.0
2	(1)	▼	China Mainland	62.4	46.8	50.6	54.0	30.0	43.7	17.1	48.1	15.2
3	(4)	▲	France	60.8	46.9	49.6	48.0	19.7	46.1	30.0	39.8	33.9
4	(5)	▲	Australia	60.7	46.3	27.1	51.2	32.5	31.8	18.5	36.5	28.4
5	(6)	▲	Germany	59.5	41.9	48.2	47.2	15.2	42.9	32.1	39.8	17.5
6	(7)	▲	United Kingdom	59.0	48.8	56.7	40.0	11.4	46.3	24.9	31.1	30.8
7	(3)	▼	India	58.6	43.9	14.1	54.7	29.4	39.8	20.3	39.0	16.4
8	(9)	▲	Denmark	55.0	43.8	46.6	39.7	13.7	41.7	15.0	16.4	22.3
9	(10)	▲	Netherlands	54.9	40.7	43.6	41.8	12.4	33.3	19.5	20.4	12.6
10	(8)	▼	Japan	54.8	41.4	45.9	39.9	14.7	47.7	43.1	41.2	19.7
11	(15)	▲	Spain	53.5	39.9	24.0	44.1	23.2	32.2	14.2	19.0	13.0
12	(18)	▲	Ireland	52.7	40.0	30.3	40.4	16.0	29.2	18.0	25.0	22.2
13	(13)	●	Chile	51.9	42.1	16.9	41.4	29.1	34.2	38.0	37.2	24.7
14	(22)	▲	Israel	51.3	34.8	11.5	47.9	30.6	22.2	12.1	23.1	11.8
15	(16)	▲	Canada	51.2	44.5	23.1	38.5	15.8	38.3	16.5	42.2	22.2
16	(19)	▲	Brazil	50.7	43.5	17.4	44.1	17.4	43.1	11.9	43.4	14.8

17	(20)	▲	South Korea	50.7	31.3	34.8	44.1	15.1	26.8	13.5	20.4	29.3
18	(11)	▼	Argentina	50.4	40.9	16.1	45.6	27.6	34.0	26.4	31.7	15.1
19	(17)	▼	Italy	50.4	36.2	25.4	41.3	23.6	40.2	28.8	38.1	16.3
20	(26)	▲	Belgium	50.3	41.1	36.8	36.0	15.2	20.6	17.5	24.8	12.0
21	(33)	▲	Switzerland	49.8	35.4	16.3	38.8	16.3	35.4	17.9	40.3	13.2
22	(28)	▲	Sweden	49.8	41.8	25.1	35.8	12.3	40.6	17.1	33.5	24.9
23	(14)	▼	Morocco	49.6	36.4	12.2	45.1	29.0	10.6	5.1	11.9	8.7
24	(27)	▲	Finland	49.3	47.3	27.9	29.6	11.9	47.3	14.3	29.4	11.9
25	(24)	▼	Mexico	49.1	35.5	15.9	44.7	21.2	40.1	37.0	30.5	15.7
26	(35)	▲	Norway	49.1	44.7	37.3	33.2	11.7	18.8	15.7	37.6	26.5
27	(21)	▼	Portugal	48.9	34.5	20.4	40.2	20.6	34.8	16.9	35.1	20.6
28	(32)	▲	Philippines	47.9	33.4	13.0	40.9	16.5	34.9	38.2	40.0	18.7
29	(12)	▼	Egypt	47.7	38.6	9.3	48.0	29.6	7.1	5.9	18.4	5.9
30	(39)	▲	Jordan	47.5	34.9	10.7	41.7	27.2	15.0	10.6	20.1	10.1
31	(34)	▲	Poland	47.3	35.0	20.2	40.1	8.7	34.6	17.2	27.2	8.7
32	(-)	▲	Saudi Arabia	46.6	37.7	12.9	42.9	21.5	13.2	12.7	9.0	8.7
33	(31)	▼	Greece	46.4	36.4	19.2	37.5	21.9	34.3	17.5	36.2	8.8
34	(25)	▼	Turkey	45.8	36.8	15.2	40.1	19.3	38.3	35.9	36.7	9.0
35	(29)	▼	Taiwan	45.7	32.2	41.1	37.2	12.3	16.3	17.1	16.6	14.2
36	(-)	▲	South Africa	45.6	37.4	14.2	40.6	28.6	22.6	10.4	16.0	17.4
37	(30)	▼	Kazakhstan	45.3	35.8	9.6	40.5	13.4	3.6	10.4	28.7	9.1
38	(-)	▲	UAE	45.1	25.7	9.2	45.6	26.4	14.4	10.9	9.9	9.6
39	(23)	▼	Vietnam	44.7	32.7	34.4	38.9	11.2	32.1	9.5	36.7	11.6
40	(40)	●	Kenya	44.0	33.9	10.5	38.4	16.7	24.3	42.0	27.9	8.5

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