

Dods EU Alert

Source: Althesys

Subject: IREX report reveals renewable energy boom moving to emerging countries but Europe still leads in investment

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The clean energy industry is increasingly global: Europe leads the market with 45.1% of investment, but China, India, South America and South Africa are enjoying a boom. Althesys International Report, presented today in Brussels, reveals that the industry's top 50 players made 572 deals around the world last year, of which almost 20% are in emerging countries

From China to India and from South America to South Africa, the geography of the renewable energy industry is changing, with **emerging countries** in 2011 attracting **19.4%** of deals by the **top 50 players** in the sector worldwide.

Europe continues to play a leading role with 45.1% of investment, followed by the United States. However, the chinese market – already No. 1 in wind – has begun to be a trendsetter in the photovoltaic sector: in terms of revenue, two of the first three positions in renewables internationally are held by chinese companies.

What about Italian players?

Italian companies are demonstrating that they are **able to seize new opportunities**, with Enel Green Power making the ranks of the "Top 50" at world level and smaller companies aiming to acquire market share in foreign markets.

These findings emerge from the **Althesys Irex International Report**. The study – "The strategies of the 50 leading companies in the global renewables industry" – was presented today in Brussels at the headquarters of the **European Commission**.

GREEN GIGAWATT IN THE WORLD: SUN AND WIND GO HEAD-TO-HEAD

In 2011 the Top 50 players in the renewable energy sector made **572 deals around the world**, for a total of 63.2 gigawatts of capacity and **\$69.3 billion of investment**.

Wind remains the leading technology with 46.3% of operations followed by solar PV with 40.2%. However, if the entire arena of the world players is taken into account – and not only the "Top 50" – solar energy beats wind for the second consecutive year.

By looking at the "Top 50" in more detail, the Irex International Report identifies offshore wind (6.7% of deals) and concentrated solar power (4.6%) as the most promising new technologies. Biomass and energy from waste (0.9%), tidal energy (0.9%) and geothermal (0.4%) remain marginal.

The main deals concern construction of new plants (37.9%), followed by financial transactions – such as mergers, acquisitions, joint ventures and partnerships (16.9%). The analysed companies employ more than 350,000 people all over the world, almost 15.4% of the total.

Alessandro Marangoni, ceo of Althesys and head of research team, stated: **"The renewable energy sector, even in Italy, is more and more international**, with some top players acting as ice breakers. In 2011 even some smaller companies achieved a massive part of their own turnover abroad.

"Among the various trends of our analysis, two emerge most strongly," continues Marangoni "The sector remains profitable for utilities while technology manufacturers pay the price of the financial crisis and price wars".

In fact, taking a sample of five companies active both in renewables and traditional energy sources (Abengoa, Dong, Eon, Rwe and Vattenfall) the average Ebitda margin of the renewables business was 62.7% compared with 19.4% for the entire group.

For further information and interviews

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