Electrifying growth of renewables despite pandemic

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Growth in renewable power from wind turbines and solar PV cells has continued apace despite the coronavirus pandemic

The coronavirus pandemic may have dealt a blow to energy demand but growth of renewables in the electric power sector has continued at a record pace, an IEA report said Tuesday.

Moreover, wind and solar photovoltaic (PV) panels are on course to become the top source of electricity in a few years, first surpassing natural gas and then coal.

"In 2025, renewables are set to become the largest source of electricity generation worldwide, ending coal's five decades as the top power provider," said the head of the International Energy Agency, Fatih Birol.

"By that time, renewables are expected to supply one-third of the world's electricity—and their total capacity will be twice the size of the entire power capacity of China today," he added.

The IEA's annual report on renewable energy put new capacity of renewable electricity generation on track for a record of almost 200 gigawatts this year despite the disruptions caused by the coronavirus.

The electricity generated by renewables will increase by 7 percent globally in 2020 despite a 5 percent annual drop in global energy demand, the largest since World War II, the IEA estimates.

Furthermore, the Paris-based agency which advises advanced nations on energy policy expects growth in renewable power to set another record in 2021.

The blistering pace of growth is due in part to strong appetite by investors. The IEA pointed out that shares in publicly-listed renewables manufacturers and project developers have outperformed the overall energy sector and most major stock market indices.

Subsidies have also played a role and the IEA report said policymakers need to take steps to maintain the momentum as the expiration of incentives could lead to a decline in 2022.

"Renewables are resilient to the COVID crisis but not to policy uncertainties," said Birol.

If incentives are maintained, however, the IEA expects growth of solar PV and wind could accelerate to 25 percent growth in 2022.

"Governments can tackle these issues to help bring about a sustainable recovery and accelerate clean energy transitions," added Birol.

But renewables outside the electricity sector are suffering from the impact of the coronavirus pandemic, the IEA found.

Biofuels have been hit by the drop in transport and industrial activity as countries have put in place restrictions to stem the spread of the coronavirus.