

Normalized Index

June 2023 | 61 edition



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) we can see which markets are performing above 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	Greece	2	▲	16	21	Canada	36	▲	12
2	Morocco	1	▼	23	22	Belgium	20	▼	24
3	Denmark	3	●	11	23	Honduras	21	▼	60
4	Jordan	4	●	40	24	Philippines	19	▼	33
5	Chile	5	●	14	25	Norway	43	▲	31
6	Australia	7	▲	07	26	Austria	34	▲	29
7	Ireland	6	▼	13	27	Kenya	28	▲	46
8	Germany	10	▲	02	28	Taiwan	38	▲	26
9	Finland	9	●	21	29	Tunisia	23	▼	59
10	Portugal	8	▼	22	30	United States	31	▲	01
11	France	13	▲	05	31	Italy	24	▼	15
12	UK	12	●	04	32	South Africa	41	▲	37
13	Spain	14	▲	08	33	Argentina	25	▼	30
14	Netherlands	11	▼	09	34	China Mainland	29	▼	03
15	Israel	16	▲	19	35	Dominican Republic	26	▼	48
16	India	15	▼	06	36	Vietnam	39	▲	36
17	Poland	17	●	17	37	Japan	32	▼	10
18	Kazakhstan	22	▲	32	38	Brazil	30	▼	18
19	Sweden	18	▼	20	39	Panama	33	▼	56
20	Egypt	27	▲	28	40	Peru	49	▲	41

+1 Greece

The government continues to implement policy to support the growth of renewable energy. With the announcement of its new solar-plus-storage scheme, residential and agricultural consumers will be able to claim subsidies to cover up to 65% of the installation cost of rooftop panels and batteries. Policy has also emerged to allow old operating wind turbines to be moved to isolated islands, to boost renewables production at these locations and extend the useful life of the turbines.¹⁵

0 Chile

Chile continues to establish itself as a leader in the renewable energy industry. Driven by strong government buy-in, natural resource and the use of global partnerships, it has become an attractive destination for foreign investment. Targets of 80% renewable energy by 2030 and carbon neutrality by 2050 are ambitious, and will require the market to build upon its existing infrastructure investment commitment to ensure the renewable energy produced can be distributed appropriately across the country.¹⁶

0 Finland

Finnish onshore wind capacity grew by 75% last year (2.4GW of new installed turbines), driven by domestic and foreign investment. Wind is now Finland's single largest driver of foreign investment, which will be core to the government's target of carbon neutrality by 2030. The market has also entered into a cross-border tender for renewable energy as part of the EU renewable energy financing mechanism, which will allow for up to 400MW of solar PV projects to be built in Finland.¹⁷

+4 Kazakhstan

To create a more attractive environment for investors and install 6.5GW of renewables capacity by 2035, Kazakhstan has announced that it intends to improve its regulatory framework. Furthermore, it has identified the potential of green hydrogen and set its sights on becoming a net exporter of the fuel by the start of the 2030s. The government has signed an agreement to begin the development of a 20GW green hydrogen plant, which is expected to produce up to two million tonnes per year.¹⁸

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 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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EYG no. 005518-23Gbl

BMC Agency
GA 174030779

ED None



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