

Methodology

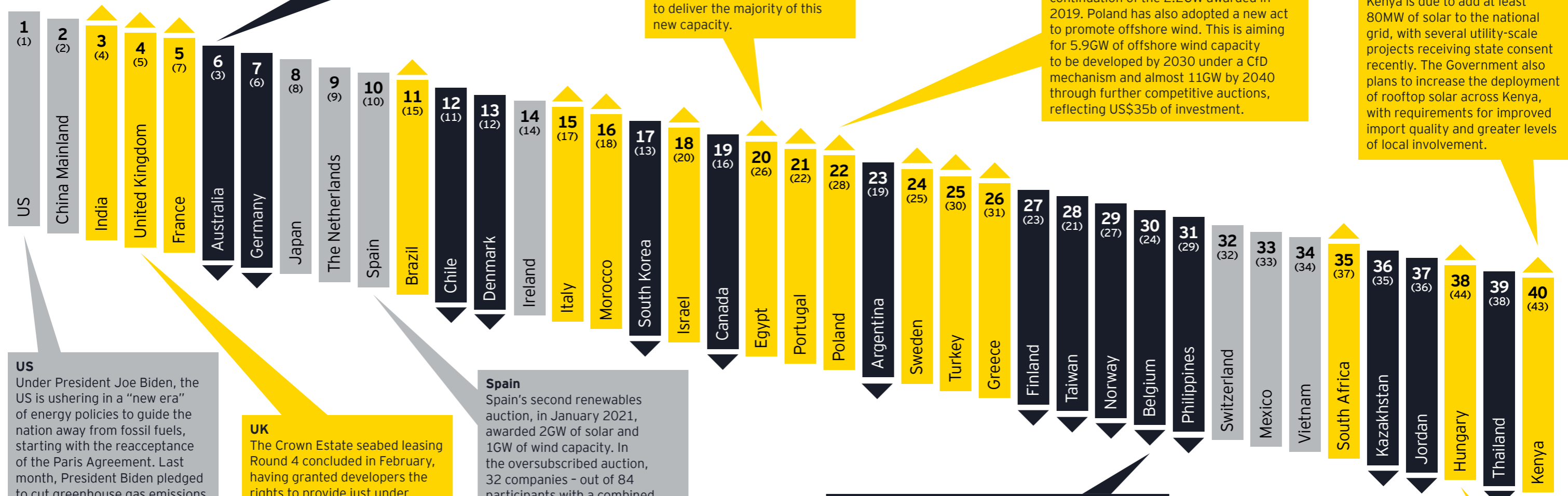
The index was recalibrated in April 2021, with all underlying datasets fully refreshed. To see a description of our methodology, including how we are accounting for COVID-19, visit ey.com/recai.

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)



Australia
The Australian Minister for Energy and Emissions Reduction published a discussion paper outlining the Government's push for hybrid vehicles, while ruling out state support for an electric vehicle rollout. This is expected to negatively impact future demand for renewable electricity.

Egypt
Egypt has announced it intends to increase the supply of energy generated from renewable sources to 42% by 2035, with solar PV providing approximately 25%, onshore wind 14% and hydro power 2%. Private developers are expected to deliver the majority of this new capacity.

Poland
The Government awarded 1.7GW of onshore wind and solar capacity to 96 developers through contract for difference (CfD) auctions in 2020, in a continuation of the 2.2GW awarded in 2019. Poland has also adopted a new act to promote offshore wind. This is aiming for 5.9GW of offshore wind capacity to be developed by 2030 under a CfD mechanism and almost 11GW by 2040 through further competitive auctions, reflecting US\$35b of investment.

Kenya
Kenya is due to add at least 80MW of solar to the national grid, with several utility-scale projects receiving state consent recently. The Government also plans to increase the deployment of rooftop solar across Kenya, with requirements for improved import quality and greater levels of local involvement.

US
Under President Joe Biden, the US is ushering in a "new era" of energy policies to guide the nation away from fossil fuels, starting with the reacceptance of the Paris Agreement. Last month, President Biden pledged to cut greenhouse gas emissions by up to 52% by 2030, based on 2005 levels. In 2020, the US installed 19GW of solar, a 43% annual increase, as well as energizing a record-setting 2.2GW of energy storage systems. The offshore wind sector continues to grow rapidly, with the state of Oregon, on the west coast, announcing a target 3GW of floating wind by 2030.

UK
The Crown Estate seabed leasing Round 4 concluded in February, having granted developers the rights to provide just under 8GW of new offshore wind capacity across six projects. This process drew record prices and unprecedented interest from incumbents and newcomers alike. The UK Government has also given consent for the development of the largest battery-storage project, and pledged £92m in funding for innovative green technologies.

Spain
Spain's second renewables auction, in January 2021, awarded 2GW of solar and 1GW of wind capacity. In the oversubscribed auction, 32 companies - out of 84 participants with a combined project capacity of 9.7GW - were successful. However, record-low prices could affect future project delivery. Average prices of €24.47 (US\$29.44)/MWh for PV and €25.31 (US\$30.45)/MWh for wind were 43% lower than current long-term price estimates, according to the Spanish Government.

Belgium
Operational wind farms in the Flanders region of Belgium are facing reduced subsidy payments following the Government's decision to alter the support regime. Turbines of 2.5MW or greater will now fall into a lower payment band. The change is intended to reduce the burden on state financing in preparation for the planned 2024 phase-out of renewables subsidies.

Hungary
Hungary continues to grow as a market for solar PV, having met its targeted 14% of generation via renewables in 2020. The latest state-run solar PV auction was significantly oversubscribed, resulting in the contracting of 390GWh per year of generation.

RECAI 57 incorporates a reduction to the COVID-19 scoring parameter:
▲ The COVID-19 scoring parameter's impact has been reduced to one-half on account of the impacts beginning to be reflected in other datasets. Furthermore, the COVID-19 scoring parameter now reflects the real-world impacts of the pandemic from both a health and economic perspective.





Building a better working world

[RECAI Issue 57: index scores]

Rank	Previous rank	Movement on previous index	Country/region	RECAI score
1	1	●	US	70.7
2	2	●	China Mainland	68.7
3	4	▲	India	66.2
4	5	▲	United Kingdom	65.0
5	7	▲	France	64.8
6	3	▼	Australia	64.6
7	6	▼	Germany	63.8
8	8	●	Japan	61.7
9	9	●	The Netherlands	58.9
10	10	●	Spain	58.6
11	15	▲	Brazil	58.3
12	11	▼	Chile	58.2
13	12	▼	Denmark	58.2
14	14	●	Ireland	58.0
15	17	▲	Italy	56.7
16	18	▲	Morocco	56.6

Technology-specific scores						
Onshore wind	Offshore wind	Solar PV	Solar CSP	Biomass	Geothermal	Hydro
58.1	60.6	57.6	46.2	45.3	46.0	40.8
55.7	55.6	60.3	54.3	52.8	31.7	54.5
54.2	28.6	62.7	49.2	47.4	23.2	46.4
57.5	61.9	46.9	11.2	56.8	30.0	36.9
55.1	53.5	53.3	22.4	48.4	37.3	43.9
53.9	30.6	56.1	35.8	40.8	17.9	42.1
49.0	51.5	53.0	11.5	51.2	37.2	42.9
50.8	52.4	47.8	19.5	56.6	50.2	47.5
49.7	45.4	46.3	10.7	46.3	18.6	21.4
48.7	27.5	50.7	28.0	38.2	14.6	32.7
53.8	32.1	51.8	25.9	49.8	12.7	45.7
49.9	20.4	48.2	54.0	40.9	47.5	43.6
50.1	49.7	43.8	11.1	41.2	14.6	18.4
48.7	42.0	44.2	10.9	44.1	18.5	32.6
45.1	30.2	48.7	36.3	50.3	42.2	44.5
45.8	17.5	50.8	49.7	26.9	14.1	34.1

17	13	▼	South Korea	56.4	40.7	41.0	50.1	18.3	50.0	14.2	32.2
18	20	▲	Israel	55.8	40.6	14.3	53.9	39.8	30.6	13.8	34.2
19	16	▼	Canada	55.4	52.1	26.8	43.9	13.9	38.7	18.0	46.9
20	26	▲	Egypt	54.5	48.6	15.2	54.4	49.9	28.6	11.9	18.1
21	22	▲	Portugal	54.4	42.7	22.6	46.7	36.5	40.5	23.1	41.8
22	28	▲	Poland	54.3	44.0	35.0	47.8	9.3	44.1	17.0	33.2
23	19	▼	Argentina	54.3	49.8	20.8	49.1	32.3	38.0	18.3	36.8
24	25	▲	Sweden	54.0	49.2	37.4	40.1	10.1	42.4	17.1	36.0
25	30	▲	Turkey	53.5	47.1	21.3	47.6	28.3	39.8	46.0	44.0
26	31	▲	Greece	53.2	46.4	22.6	45.4	40.6	40.3	24.6	41.9
27	23	▼	Finland	53.2	55.6	30.6	33.2	10.3	52.6	14.8	32.4
28	21	▼	Taiwan	53.0	41.0	46.0	45.6	17.7	35.8	26.6	29.6
29	27	▼	Norway	52.8	50.4	40.1	37.5	9.2	28.1	16.2	43.4
30	24	▼	Belgium	52.7	46.9	27.9	40.6	13.4	42.4	20.9	26.3
31	29	▼	Philippines	51.9	41.8	17.8	46.4	20.1	41.0	43.6	42.2
32	32	●	Switzerland	51.8	41.5	18.1	42.5	13.5	40.2	18.9	42.0
33	33	●	Mexico	50.9	42.7	19.0	47.6	23.8	38.4	42.6	34.4
34	34	●	Vietnam	50.9	42.7	42.6	46.1	16.5	38.5	12.8	44.8
35	37	▲	South Africa	50.6	45.9	17.4	47.4	43.9	32.4	11.8	24.6
36	35	▼	Kazakhstan	49.6	43.5	13.7	44.9	17.5	27.1	14.5	36.6
37	36	▼	Jordan	49.1	41.6	14.0	44.2	30.5	20.1	13.5	24.2
38	44	▲	Hungary	48.4	41.2	10.9	42.1	18.0	35.3	30.2	20.3
39	38	▼	Thailand	48.0	36.5	15.0	45.9	19.5	42.2	13.4	27.5
40	43	▲	Kenya	47.9	40.7	14.7	44.1	20.9	30.4	53.1	34.8

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ED None

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