

Upside for wind energy worldwide – but financial crisis is slowing growth

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- Wind power can compete with thermal power plants
- Capacities doubled worldwide in past three years
- Regional dissemination of wind power will increase globally



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"The costs of wind power have dropped since the 1980s by around 80% to approximately EUR 70/MWh and even managed at times to reach market levels in 2008. At this price, wind power can compete with thermal power plants and by 2015 it is expected that electricity from gas and coal will remain constantly more expensive than wind power," states Stephan Lingnau, analyst at Erste Group.

Overall, the global capacity built up has doubled in the past three years. This covers around 1.4% of the global electricity consumption of the year 2006. The expansion of wind energy is expected to continue and to rise fivefold by 2020 to around 600GW. At this expected growth rate and at erection costs of EUR

1.4m/MW we estimate that around EUR 40bn revenues per year will be generated by the wind power industry in the coming years. Already in 2007, the investments in wind power equaled investments in solar power and agro-fuels together.

In the coming years, further growth is expected in the onshore segment especially in the US and China. Furthermore, the offshore segment will gradually become established and repowering, i.e., the replacement of older turbines by newer ones with higher capacity, is expected to increase capacities further. In the short term, the wind power market will also be affected by slower growth in 2009 due to the economic crisis.

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