

# MISSION

## Developing economies move away from fossil fuels in clean energy surge — but lack of cash hinders goal to triple renewables globally

- *With investment, developing countries can catch up with rich nations' renewables deployment within five years*

[New analysis](#) from RMI finds that renewable energy deployment is growing faster in developing and emerging economies than in advanced economies, with some developing countries overtaking Western counterparts.

The research shows that three quarters of developing economies' energy demand is in the 'sweet spot' of change based on their level of fossil fuel imports, income and available renewable resource. The research finds these developing economies\* - across Latin America, Africa, South Asia and Southeast Asia - display key traits and trends:

- **Investment pivot:** 87% of power investment is flowing into cleantech in 2024 already, up from around half 10 years ago.
- **Exponential renewable growth:** Solar and wind generation is rising at an average rate of 23% a year for the past five years, while by 2030 they could be adding as much renewable capacity as developed economies.
- **Cost tipping point:** Cost parity has opened the door to faster change with the halving of solar and battery costs in 2023, meaning the upfront cost of solar has fallen to the same level as fossil generation - even without counting the cost of supplying the fossil fuels.
- **Lowest fossil fuel reserves and production per person in the world:** Energy security is a key concern for four fifths of developing nations who lack domestic oil & gas resources, while 70% of the world's renewable resources sits with developing economies.
- **Fossil fuel peak:** Demand for fossil fuels has peaked already in a third of developing economies, while it's set to peak in electricity by 2030.

As a result, these developing and emerging economies are currently only five years behind the clean energy transition underway across advanced economies in aggregate, with solar and wind already accounting for 9% of the power mix. However, there are key regional differences: Latin America has reached over 13% solar and wind share - with Brazil seeing the world's second largest annual increase in wind and solar generation in 2023 behind only China\*\* - while Africa and Southeast Asia are at 5% or less.

The findings come only weeks ahead of crucial climate finance talks at COP29 in Baku. At COP29, countries are set to negotiate a new collective quantified goal (NCQG) for climate finance to support developing countries, including for clean energy solutions.

**Vikram Singh, Sr. Principal Global South, RMI said:** *“Ramping up large-scale clean energy investment in developing countries will super-charge economic growth, increase energy security and drive greater energy access. It’s also a critical part of meeting the global COP28 goal of tripling renewables and doubling energy efficiency. Now the world faces a clear choice - either support developing nations to seize the opportunity of exponential clean energy growth or risk missing our last chance to keep 1.5C within reach.”*

[Mission 2025](#), the global coalition of real economy leaders, formally asks governments in developed countries to help power up emerging economies at COP29 by massively scaling finance to achieve the global goal to triple renewables by 2030 - particularly in lower-income countries.

- *According to the IEA, achieving the global goal to triple renewables by 2030 requires quadrupling investment in EMDEs outside China, across clean power, clean fuels and end use\*\*\*. This figure is even higher - a sixfold increase - by the early 2030s under the IEA's Net Zero scenario\*\*\*\*.*

**Vera Songwe, Co-Chair of the Independent High Level Expert Panel on Climate Finance, said:** *“A massive increase in renewable energy, energy efficiency measures, and grid infrastructure is the cornerstone of an energy transition strategy for emerging and developing economies that delivers on both Paris and development goals. It’s in everybody’s interest that developing and emerging economies succeed: there is otherwise no viable route to achieving the Paris Agreement. We now need to urgently focus on mobilizing investment at scale, and crucially making this finance accessible, available, and affordable where it is needed most.”*

**Nigar Arpadarai, UN Climate Change High-Level Champion for COP29, said:** *“At COP29 in Azerbaijan, there is a real opportunity to collectively seize the growing momentum of the clean energy transition, by ensuring emerging economies are fully supported in their efforts to develop renewable capacity, along with grid upgrades and battery storage. To support these efforts, the Breakthrough Agenda convenes initiatives and countries to strengthen international collaboration and enhance collaborative action. As the world seeks to deliver on the COP28 goals of tripling renewable energy capacity and*

doubling energy efficiency, we must ensure the transition is fair and equitable, so no country is left behind.”

**Ed Milliband, Secretary of State for Energy Security and Net Zero, said:** “We are at a turning point in this critical decade to make progress on the global clean energy transition. With too many lower-income countries at risk of getting left behind, now is the time to ramp up our collective efforts to unlock finance and ensure that all countries can benefit from the huge opportunities that clean energy brings. At home, we are on a mission to make Britain a clean energy superpower – but through the Breakthrough Agenda and our new Global Clean Power Alliance, we will also drive international progress on the roll out of clean power, helping us all move away from fossil fuels and towards a more sustainable and more secure future.”

**Adair Turner, Chair of the Energy Transitions Commission, said:** “Adequate flows of finance are the key to delivering a net-zero future and limiting the impact of climate change. Private investment, government and philanthropic money are needed to deliver the large-scale funding and international financial flows to ensure we move from targets to action and deliver a low-carbon global economy. Investors and governments can take confidence from the momentum that’s already underway and work to unleash investment at the scale required in clean energy projects across developing economies. In some middle and low income-countries, private finance flows alone cannot ensure adequate investment so this requires a major increase in the scale of finance provided by Multilateral Development Banks (MDBs), together with changes in MDB strategy and approach, which can help mobilize greatly increased private investment.”

**Woochong Um, CEO of Global Energy Alliance for People and Planet (GEAPP), said:** “Emerging economies around the world are embracing renewables as the backbone to sustainable and inclusive growth. There is huge progress underway and that’s bringing widespread benefits including energy security, jobs and resilience. But there are still too many countries shut out of the opportunities renewable energy can bring. That’s why it’s critical we support universal energy access in emerging economies and communities that often face additional challenges of more extreme weather and conflict. By working together, we can secure a just energy transition for every country.”

**Julia Skorupska, Head of the Powering Past Coal Alliance secretariat said:** “Countries across the world increasingly recognise the benefits the transition to clean energy brings. We need to urgently scale up finance to help them move even faster. More and

more financial institutions are willing to invest in the transition but are looking for clear, long-term commitments to replace coal with clean energy. This is why we are calling on all countries to commit to No New Coal and coal phase-out when drafting their NDCs (Nationally Determined Contributions)."

#### **NOTES TO EDITORS -**

\*The term 'emerging economies' is defined as including countries in the regions of Latin America, Africa, South Asia and Southeast Asia, thus excluding China, Eurasia and the Middle East.

\*\*Ember (July, 2024) Brazil rises as G20 renewables powerhouse ([link](#))

\*\*\*IEA World Energy Investment 2024 report (P22 [link](#))

\*\*\*\*'Reducing the Cost of Capital: Strategies to unlock clean energy investment in emerging and developing economies' (P15. Figure 1.3 [link](#))

#### **Mission 2025**

Mission 2025 is a coalition of businesses, mayors, investors, cultural leaders, health leaders, scientists and youth activists inviting governments to ratchet upcoming national climate plans in line with the Paris Agreement target of limiting global warming to 1.5°C.