

**For immediate release**

# **Utilities Announce Joint Intent to Invest more than US\$116bn Annually in Grids and Renewables**

*Utilities for Net Zero Alliance members signal deepening commitment to power system transformation towards 2030 targets, at New York Climate Week*

*Partners publish supply chain recommendations to policy makers as demand for key equipment and materials intensifies*

**New York, United States of America, 24 September 2024** – The world’s leading utility companies have today announced a joint intent to invest more than US\$116 billion per year in clean power generation and power system grid infrastructure globally in the coming years. Partners within the Utilities for Net Zero Alliance (UNEZA) launched at COP28, under the guidance of the International Renewable Energy Agency (IRENA) and the UN Climate Change High-level Champions, are stepping up efforts to accelerate the electrification agenda and power system transformation as the world moves towards the midway point in a crucial decade of decarbonization.

The 39 partners of UNEZA, including 32 of the largest utilities and energy companies in the world serving more than 327 million customers globally and with ambitions to scale renewables portfolios by 2.6 times by 2030, will step up efforts to expand and modernize grid infrastructure. 48% per cent of the total investment planned and committed in the coming years targets transmission and distribution infrastructure.

The announcement was made during New York Climate Week at a high-level roundtable in partnership with the World Trade Organization. It forms part of ongoing efforts by the Alliance and its members to signal increased demand for the equipment and materials that are essential to an expanding a cleaner power system, ultimately helping to underpin investments by supply chain companies in the additional manufacturing capacity that will be needed. Alongside investment commitments, UNEZA members published a [high-level statement](#) with recommendations to policymakers designed to alleviate supply chain constraints.

The high-level statement includes calls from industry for policymakers to harmonise standards of equipment across regions and jurisdictions creating a bigger market for common goods, promote free flow of supplies, establish forward-looking, integrated and long-term system planning including multi-project approvals and permitting, promote policy and regulatory business model innovation and maintain a healthy skills supply chain.

H.E. Razan Al Mubarak, UN Climate Change High-Level Champion for COP28, said “As we advance toward our net zero goals, UNEZA demonstrates the power of collaborative efforts to

deliver on the 2030 Climate Solutions and the UAE Consensus to triple renewables and double efficiency by 2030. Today's commitments reflect both the scale and the ambition of our collective endeavors. This partnership sets **both a powerful and practical** foundation for a sustainable future, guided by innovation and shared commitment from utilities, which are at the heart of energy transitions".

In April at the 14<sup>th</sup> IRENA Assembly, UNEZA members adopted the [UNEZA Roadmap](#) to 2030, which targets a total increase of renewable energy capacity within their portfolios. The target is 849GW by 2030, an increase of 2.6 times relative to 2023. The joint renewables ambition was announced alongside a grid infrastructure action plan that will see utilities work to address the barriers to scaling investment in grids – including supply chain constraints.

Francesco La Camera, Director-General of IRENA and host the UNEZA Secretariat said:

"Our top priority is to build and upgrade the grids needed to meet the global target of tripling renewable power capacity by 2030. IRENA estimates the world's investment needs for infrastructure at USD 720 billion every year by 2030, the bulk will need to come from the private sector. Today's commitment to invest in renewables and in power grids is a significant step towards closing the finance gap, showcasing the central role that utilities play in transforming our energy systems and realising net zero targets."

Co-chair and founder of UNEZA, Jasim Husain Thabet, Group Chief Executive Officer of TAQA said: "This announcement shows that the utilities community is serious about the energy transition and serious about its commitment to addressing bottlenecks through cooperation and dialogue. If we are to collectively triple renewables capacity by 2030 in line with the COP28 outcome and achieve net zero by 2050, we need robust and resilient supply chains across the full power system value chain. Lead times for key power system equipment such as transformers, for instance, can take years – presenting a threat our ambition. The message to suppliers and policy makers is that we need partnership and farsighted strategies in this critical element of the transition."

Alistair Phillips Davies, CEO of SSE and co-Chair of the Alliance said: "A significant increase in supply chain capacity is needed if we are to deliver the clean energy transition. Historically, however, in many regions disjointed, short-term policy making and a narrow focus on competition have made it challenging for supply chain companies to have the long-term certainty they need to invest in building capacity. The tide is beginning to turn on this, with innovative approaches emerging. But we need to do more. It is therefore important for utilities to provide what certainty we can about our investment plans, while helping to inform policymakers' journey towards a more strategic, collaborative and anticipatory approach that ensures we scale up in time to meet future demands. We are therefore delighted to be collectively sharing these important contributions in New York today."

Andreas Schierenbeck, CEO of Hitachi Energy said: "As the energy transition gathers pace with growth in electrification and integration of renewables, power grids are becoming increasingly significant both from a capacity and complexity perspective. This has been an overlooked sector in the past few decades and many countries are experiencing grid bottlenecks as seen from connection queues, curtailment and other indicators. To alleviate

pressure on grid technology supply chains, including HVDC, transformers and switchgear, we need more long-term planning, innovative business models and the right incentives. Above all, while we invest in additional capacity build up across markets, we must continue to leverage global supply chains to meet growing demand and deliver on our net-zero targets."

Bruce Douglas, CEO of the Global Renewables Alliance: "A massive and rapid increase in investments for new and existing electricity grids are crucial to meet the global 3xRenewables commitment by 2030 and the Paris Agreement goals. This is not just a technical necessity; it is a defining moment for our collective future. To stay on track to the 1.5°C target, immediate action is essential, including committing to global grids targets and action on supply chains for grids, but also the wider renewables and clean energy sectors. These recommendations highlight the steps that must be taken by governments, finance institutions and the private sector to accelerate towards a clean, secure and just energy future."

Welcoming the announcements Marcus Stewart, Head of Secretariat Green Grids Initiative said "There is no transition without transmission, and there is no transmission without the supply chain. This requires a rapid expansion of the supply chain to build the infrastructure we desperately need, but the supply chain needs clear commitments from policy makers to do that. Today's high-level statement is an important first step to unlock these commitments, and the start of an ongoing dialogue bringing industry and policy makers together to step up and scale up."

"Accelerating the green energy transition requires significant investment in robust and efficient grid systems," said Mr Sagar Adani, Executive Director, Adani Green Energy Ltd. "To achieve this, we must address challenges such as access to finance and high capital costs, particularly in emerging markets that are home to over half the world's population. Policies that harmonize Right of Way and environmental clearances will also play a crucial role."

According to IRENA ([2024](#)), annual investment in renewable capacity must more than double grid investment between now and 2030, reaching USD 1550 billion per year – compared to the USD 720 billion needed annually for grid infrastructure. This increase is vital to achieve the ambitious target of tripling renewable energy capacity by 2030, marking a crucial step toward a sustainable, net-zero future.

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Learn more about UNEZA at <https://www.utilitiesfornetzero.org/>

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