

## Renewable Energy: Inc Impact of COVID-19 - UK - December 2020

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“The renewables sector has proved generally resilient, despite the impact of COVID-19 on new build activity in 2020. Industry players continue to show robust commitments to invest in renewables as costs decline and on the back of some positive policy announcements.”  
– **Claudia Preedy, Senior B2B analyst**

This report looks at the following areas:

- The impact of COVID-19 on the renewable energy sector.
- Future potential energy mix and demand.
- The UK's progress to move to a cleaner energy system.
- Key developments in the renewables sector.

In the first half of 2020, renewables' share of UK power generation reached a record 46%. While overall electricity demand was lower in H1 2020 due to the effects of COVID-19, renewables generation increased and non-renewable generation decreased during this period. The electricity mix has shifted towards renewable sources due to depressed electricity demand, low operating costs and seasonal effects.

Some renewable energy projects were delayed by COVID-19. For example, construction of new wind farms fell short on what the sector expected in H1 2020, with COVID-19 disrupting supply chains, production and assembly.

Despite the impact of COVID-19 on new build activity, the renewables sector is generally resilient. Industry players continue to show robust commitments to invest in renewables as costs decline and on the back of some positive policy announcements as part of economic recovery plans.

The renewable energy sector could also play a central role in driving the post-COVID-19 economic recovery. The CCC, the government's official advisors on climate change, proposes the following areas for post-COVID-19 investment: offshore wind, carbon capture and storage (CCS), transition of the oil and gas industry to clean energy production as well as close-to-market green technologies, such as floating offshore wind. This requires robust government support and the right policy framework to unlock further private investment in a flexible, low-carbon energy system. So far the government has committed to new ambitious targets and investment into offshore wind power as part of a green recovery, which will help build investor confidence.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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