

# China shifting its BRI spending to renewables

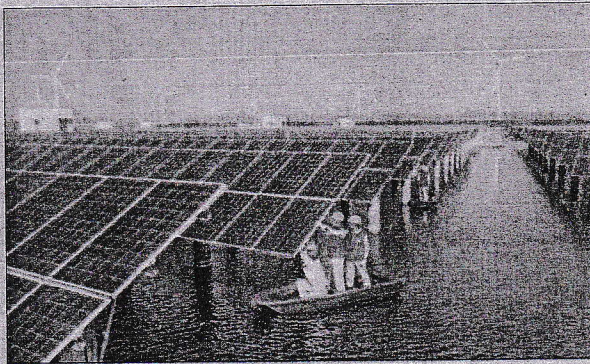
**BLOOMBERG**  
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**AFTER 10 YEARS** of helping other countries develop massive amounts of power generation, China's Belt and Road initiative (BRI) is pivoting more toward renewable energy, according to a new study from Wood Mackenzie.

Renewables account for 57% of overseas development projects that are currently planned or in construction, compared to 37% of the capacity built over the last decade, the report said. The shift has come as the price of wind turbines and solar panels has fallen, and as governments amp up pressure to move away from polluting fossil fuels.

"China is changing its overall strategy, so we expect to see more focus on renewables, and more direct investment than the bilateral lending that was more common in the early years of the BRI," said Alex Whitworth, the consultancy's head of Asia-Pacific power and renewables research.

Beijing's domestic ramp-up of clean energy continues apace, and installations of solar,



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wind, nuclear and hydro this year should generate enough electricity to power all of France, according to a report last week from the Centre for Research on Energy and Clean Air.

Wood Mackenzie identified 128 gigawatts of generating capacity, accounting for about \$200 billion of investment, that had been completed by 2023 through the BRI, which was announced by President Xi Jinping in 2013. A further 80 gigawatts of projects are currently planned or being built, according to the firm, mostly in Asia.

Another 54 gigawatts have been suspended or canceled, either because of policy changes or commercial risks like cost inflation or over-optimistic financial assumptions. About 61% of the canceled projects involved coal, after Xi in 2021 announced a ban on new overseas projects using the fossil fuel.

Still, Xi didn't force companies or banks to cancel existing projects, and there are 21 coal and 12 natural gas developments in planning or construction phases, according to Wood Mackenzie.