



## **Market Development Prospects and International Corporate Investment Strategies**

**South East Renewable Energy Conference and Exhibition  
The River Centre, Tonbridge  
10<sup>th</sup> November 2005**

Michel L.R.Lemagnen BA DESEM AMRS

Research Director

Oxford Intelligence

Tel: +44 (0)1553 828 174

[Michel.lemagnen@oxint.com](mailto:Michel.lemagnen@oxint.com)

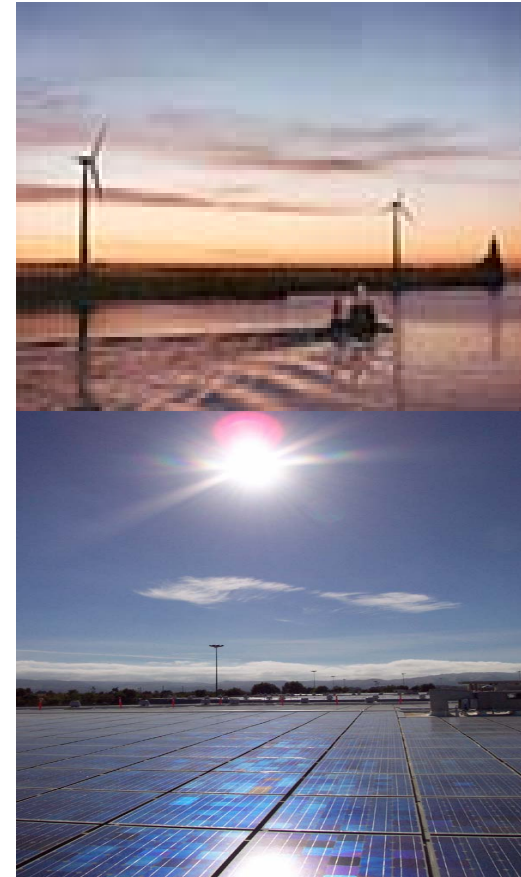
[www.oxint.com](http://www.oxint.com)

[www.ipaworld.com](http://www.ipaworld.com)

[www.corptracker.com](http://www.corptracker.com)

# Presentation Overview

- Background to the study
- European market development
- Key issues & trends
- International corporate investment strategies
- How development agencies can help companies

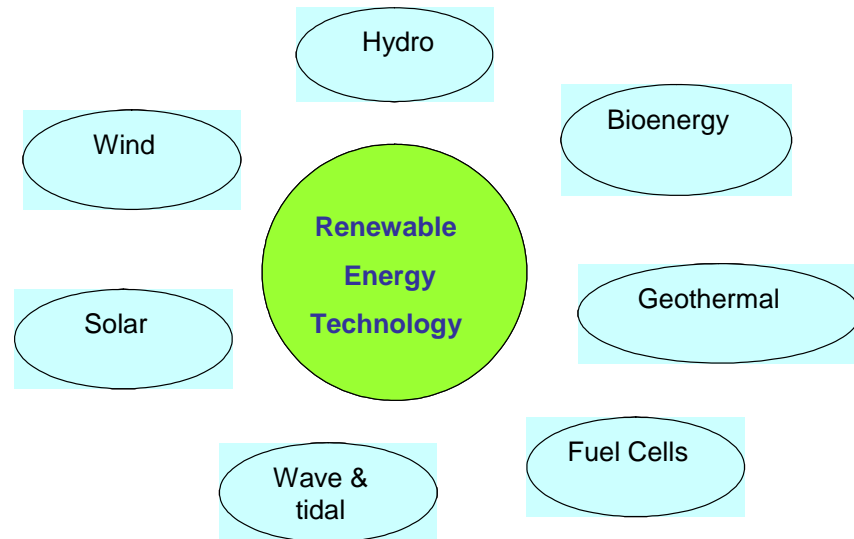




# Study Scope

- Scope
  - International investment strategies of renewable energy technology companies,
  - Focus was on business operations that were not solely energy generation projects

- Industry sectors





# ***Core Objectives***

- Sector overview in terms of internationalisation, industry trends and future direction
- Appraise future trends in international corporate investment
- Determine the key drivers and mechanisms for international operations development
- Assess the role of economic development agencies in assisting international companies

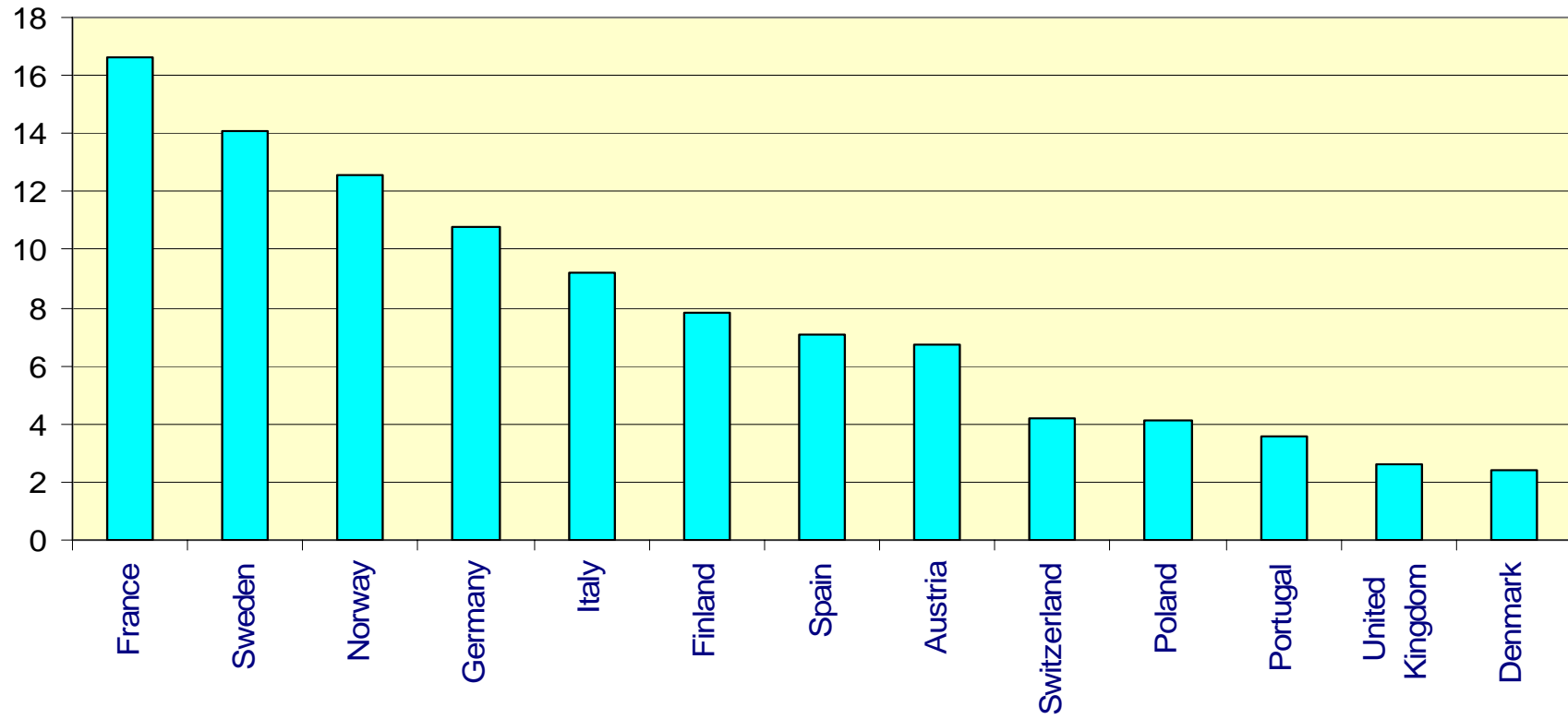


# *European Market Development*



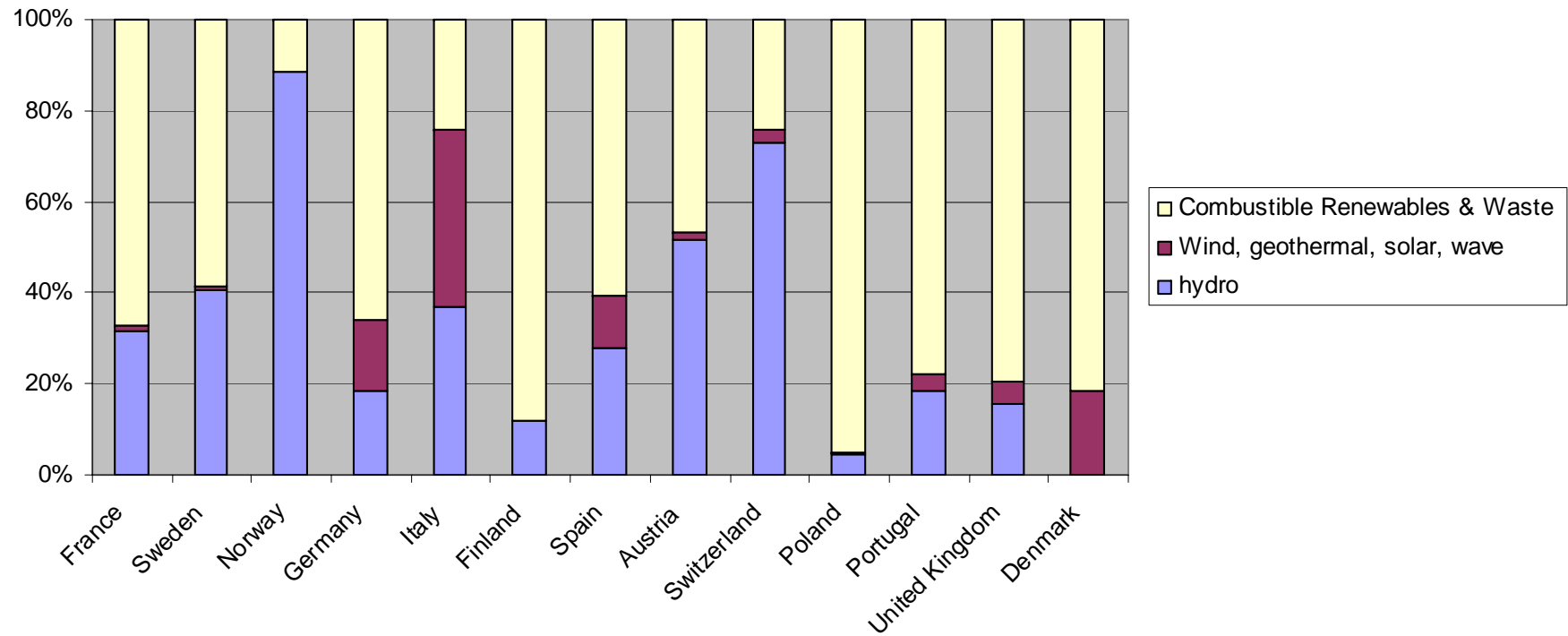
# European RE Supply

**Primary Supply From Renewable Energy Sources  
by Country (Mtoe) 2002**



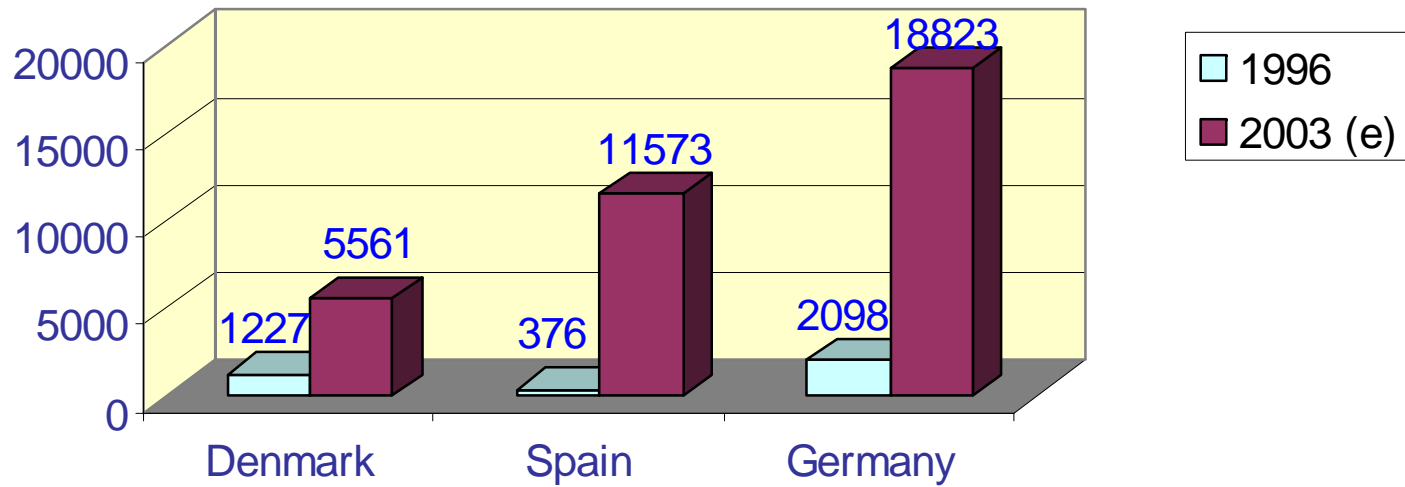
# Technology Mix by Country

Renewable Energy Supply by Country by Technology Type 2002  
% Contributions to National Mtoe Totals





### Ocean, Wind & Solar Total Electricity Output (GWh)



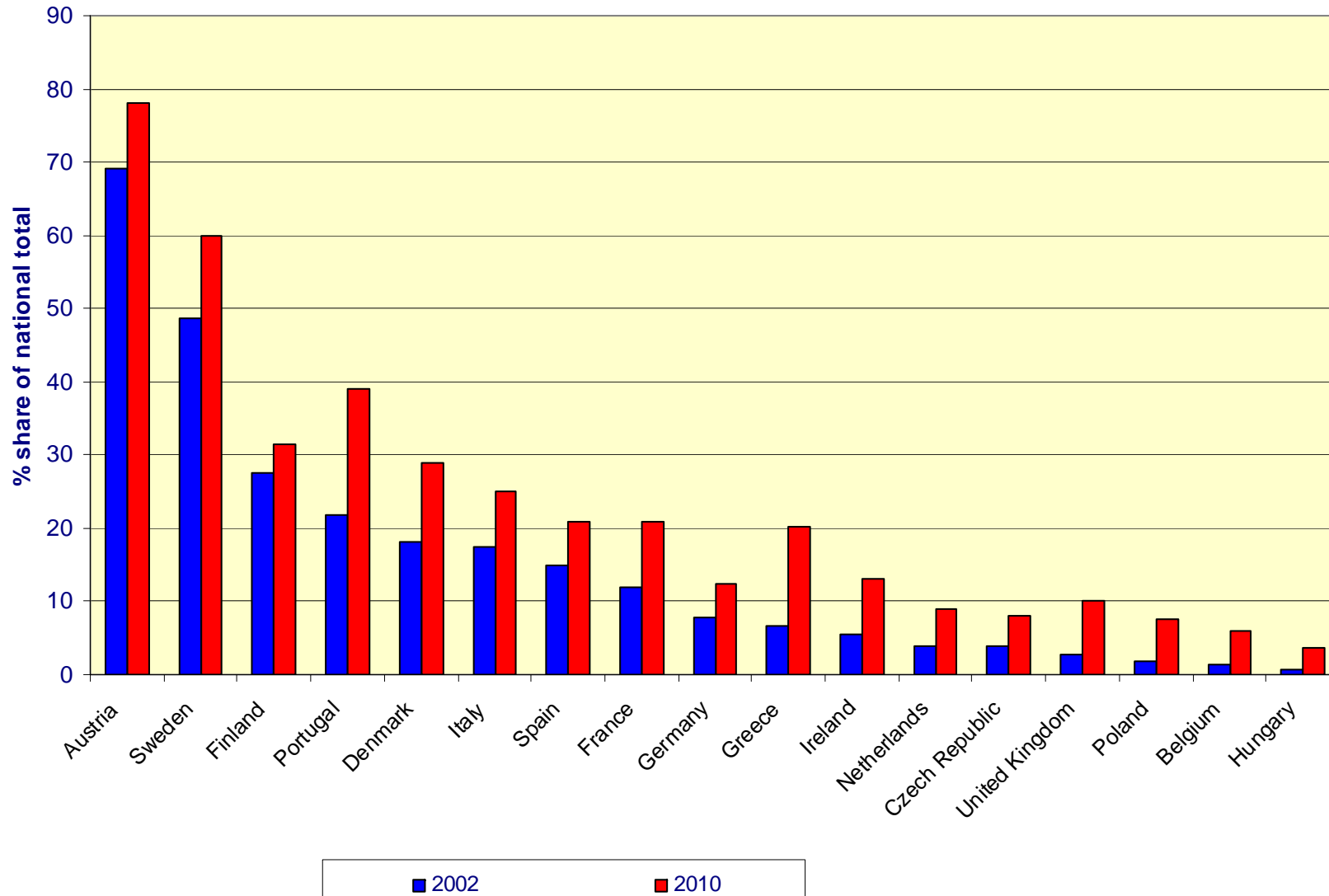
Source: Oxford Intelligence based on IEA



# RE Electricity in EU-15 to 2020

Renewable Energy Electricity Generation Projections (GWe) in the EU-15 1995-2020				
Type of Energy	1995 Eurostat	2001 Eurostat	Projection 2010	Projection 2020
Biomass	6.1	8.7	27	54
Wind	2.5	17.2	75	180
Hydro	97.1	91.7	100	109
Geothermal	0.5	0.65	1	2
Solar	0.04	0.36	3	35
<b>Total capacity GW</b>	<b>106</b>	<b>119</b>	<b>206</b>	<b>380</b>
<b>Total output TWh</b>	<b>320</b>	<b>388</b>	<b>675</b>	<b>1,166</b>
<b>Share of total electricity output%</b>	<b>14</b>	<b>15</b>	<b>22</b>	<b>33.8</b>

### Renewables Contribution to Electricity Production, 2002-2010





<b>Installed Wind Power Capacity by EU-15 Member State 1996-2010</b>				
<b>Country</b>	<b>1996</b>	<b>2003</b>	<b>2010 (Target)</b>	<b>% Of Target met in 2003</b>
Germany	1552	14609	28000	52%
Spain	249	6202	15000	41%
Denmark	842	3,110	5000	62%
Italy	70	912	3700	25%
Netherlands	299	904	2500	36%
United Kingdom	273	649	6000	11%
Sweden	103	399	2500	16%
Greece	29	375	2000	19%
Portugal	19	299	1500	20%
France	6	239	6000	4%
Austria	10	415	500	83%
Ireland	11	186	1500	12%
Finland	7	68	500	14%
Belgium	4	51	250	20%
Luxembourg	2	22	50	44%
European Union (15)	3476	28440	75000	38%

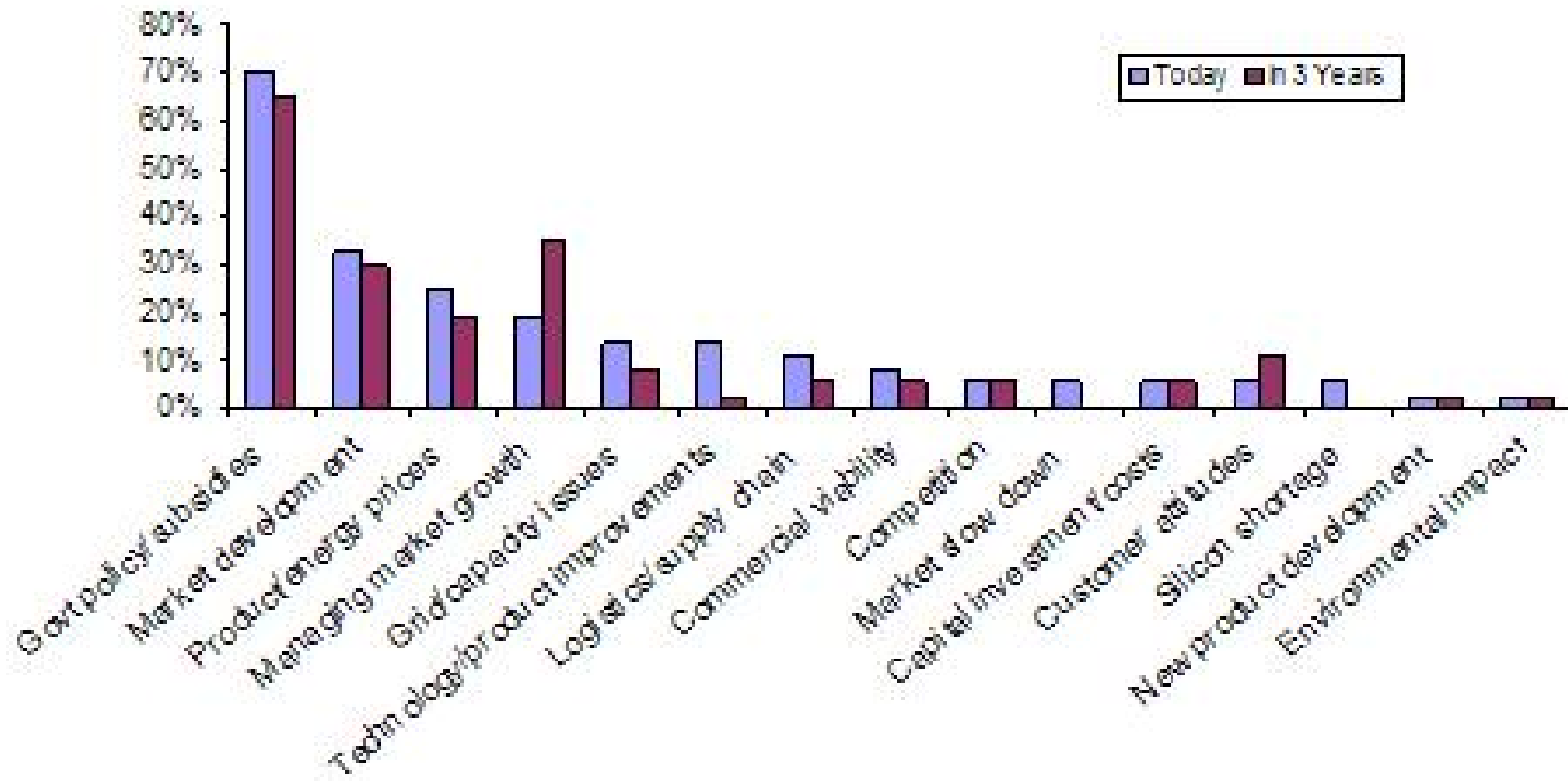
**Source: Oxford Intelligence, based on EWEA**



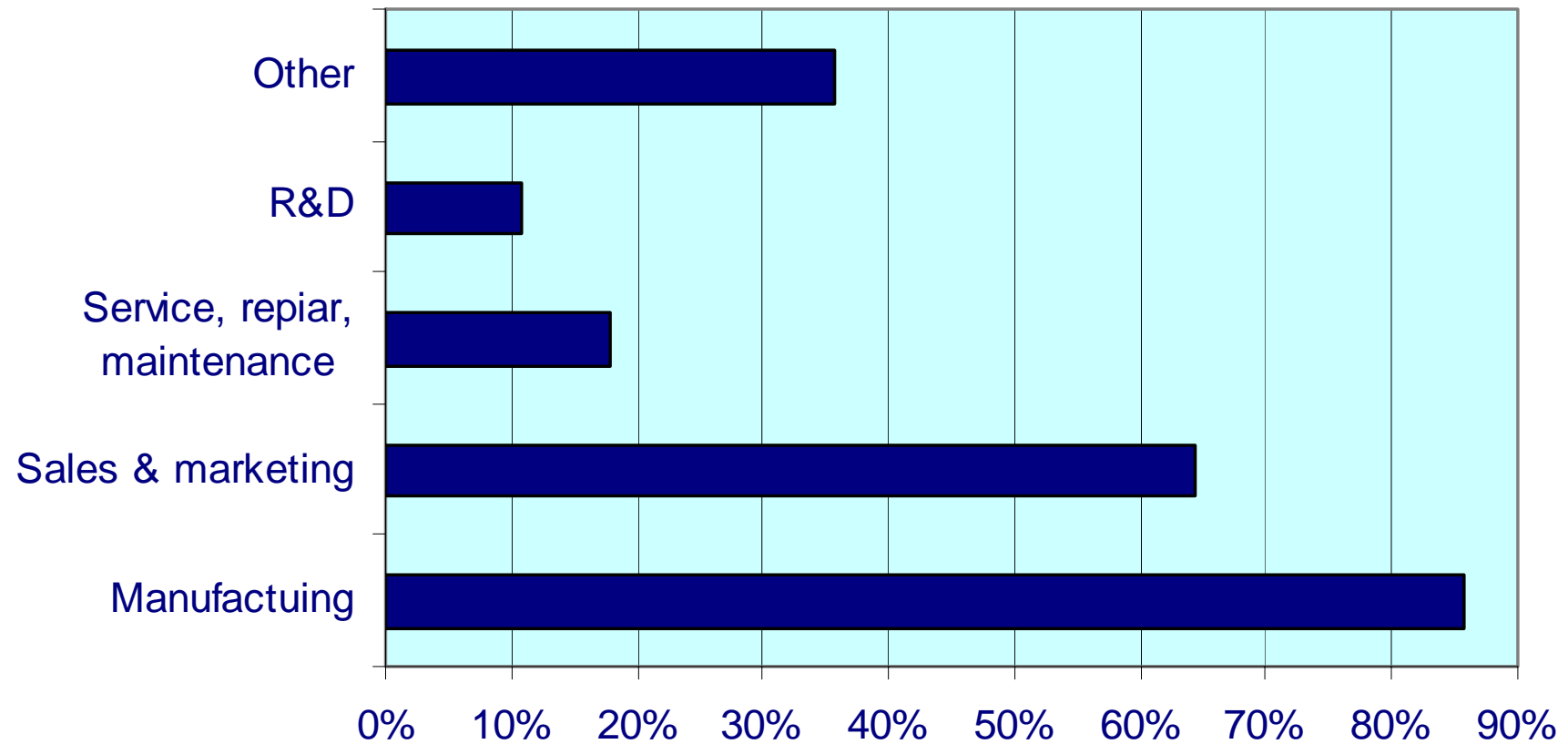
# ***Key Issues and Trends***

# ***Future Expansion Plans***

## Business Issues & Challenges Facing the Industry Today and in 3 Years' Time

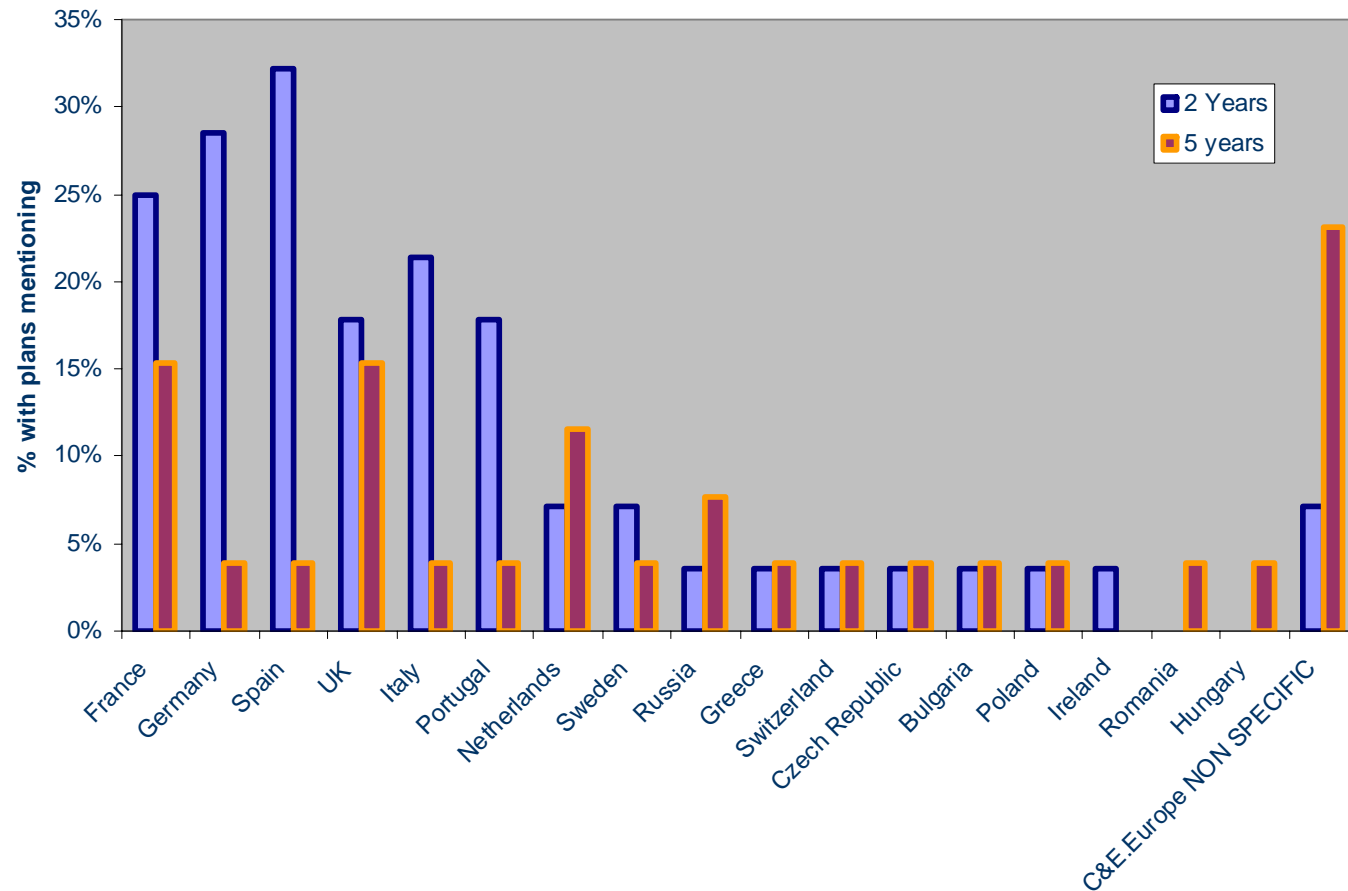


## Type of Operations Planned Over the Next Two Years



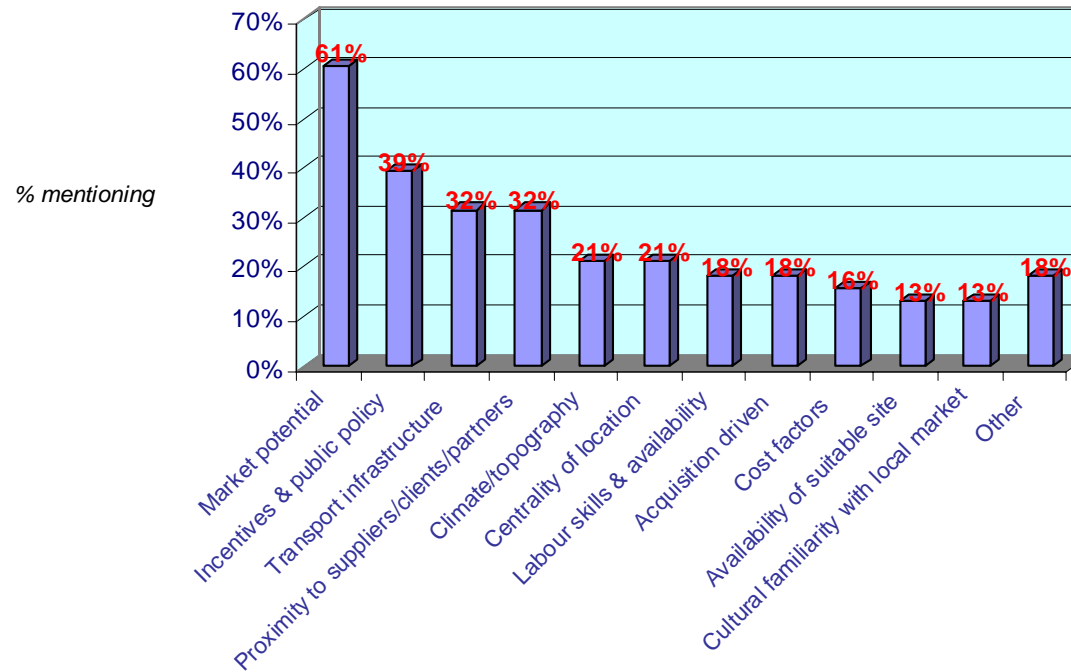


### Country Investment Plans Investing in over the next 2-5 years?





### Drivers For Location Selection



### Two Really Key Drivers:

- Market size and growth potential
- Favourability of the public policy regime and financial support instruments



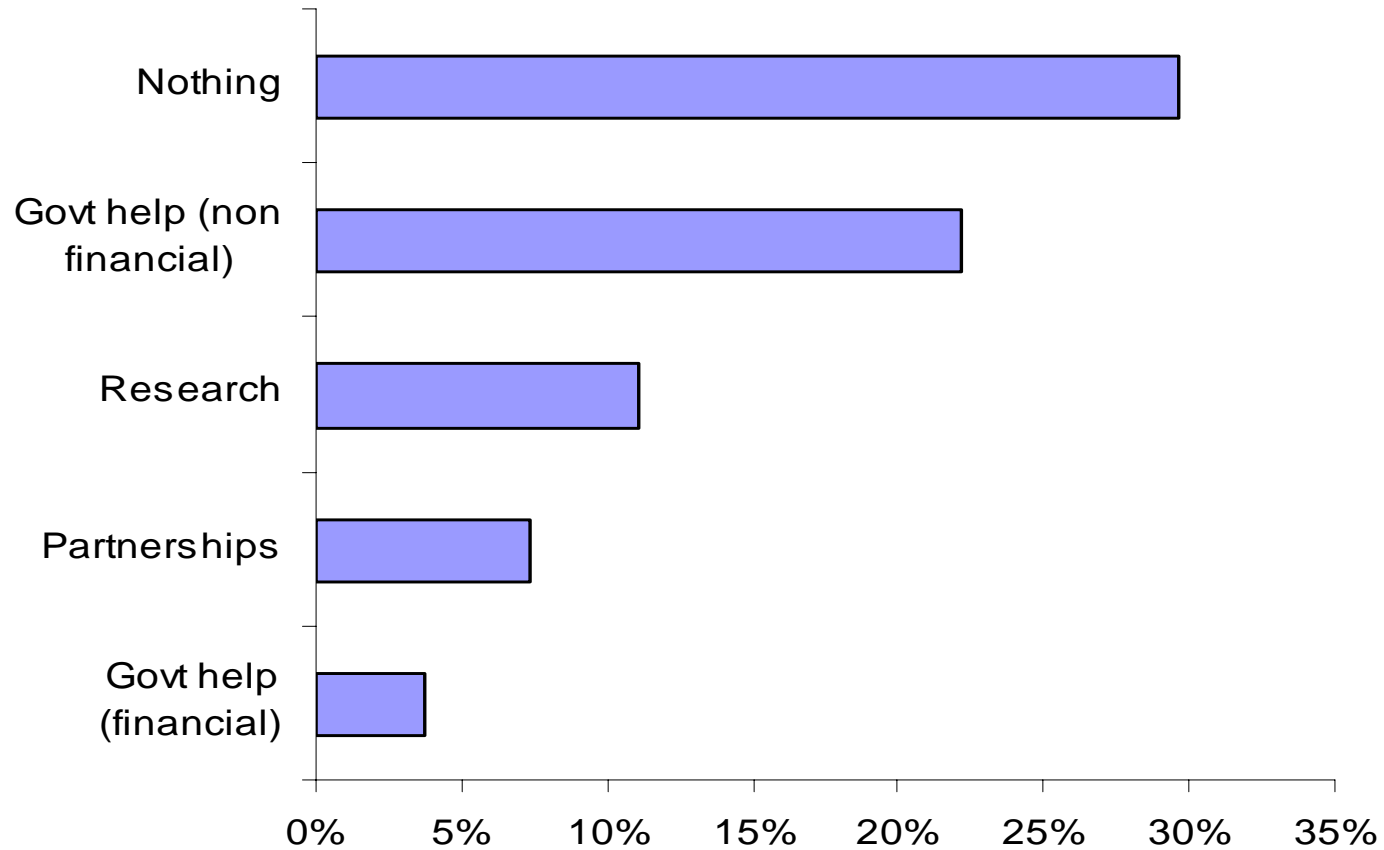


# *How Economic Development and Other Government Agencies can Help International RE Companies*

# Things that would have made life easier...



## Who or What Could Have Made the Process Easier for Respondents





# ***How can inward investment agencies help companies?***

*“Most importantly, these agencies transmit a real and precise idea of the potential in their zone, and answer quickly simple questions on the basics of the local economy. We also appreciated obtaining good contacts with deciders in the energy and environment sectors. At this point, our teams took over to carry out a detailed analysis before deciding to set up an office”*

**Director of Development, Wind Energy Company**

*“There are many, but for us the main one is that we do not know the country – an economic development agency can help us understand the local legal situation and the bureaucracy”*

**Communications Director, Solar Energy Company**

*“Most important role is to help establish the structure needed for manufacturing activities and also to keep abreast of regulations and be able to supply all relevant information in this area that companies might need.*

*Also help with grants and incentives”*

**Managing Director, Fuel Cell Company**



# THANK YOU!



Michel Lemagnen  
Oxford Intelligence  
Tel: +44 1908 521 477  
E: [michel.lemagnen@oxint.com](mailto:michel.lemagnen@oxint.com)  
[www.oxint.com](http://www.oxint.com)