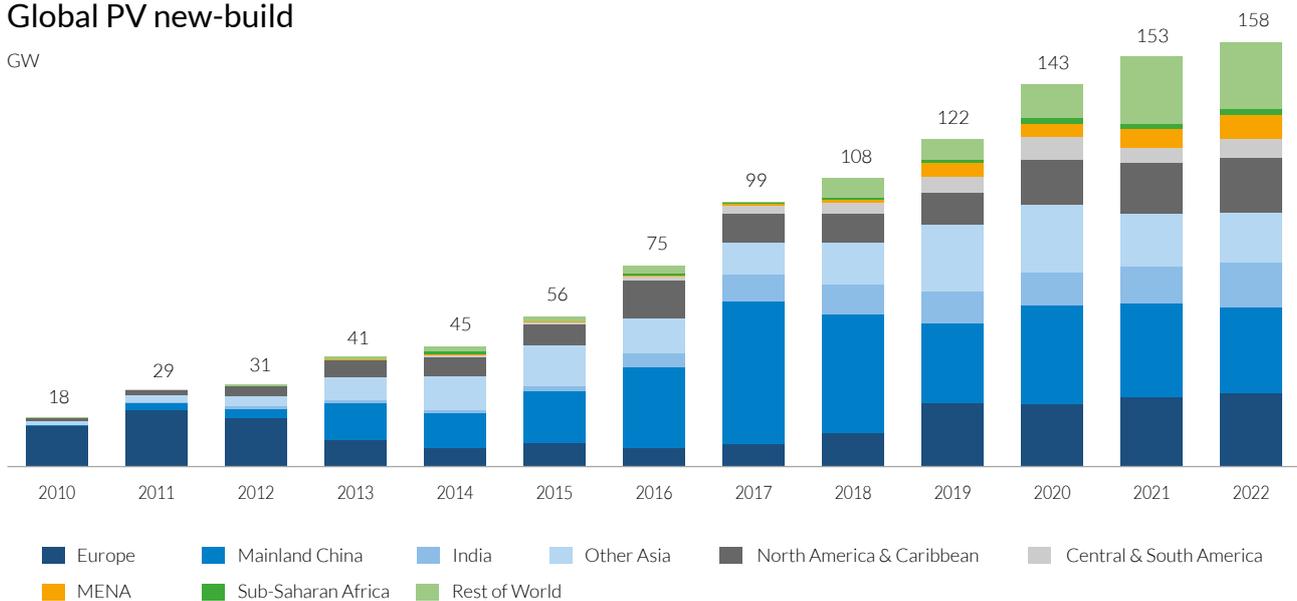


# Market development

Market analysts are forecasting continued strong growth rates for solar installations in the years to come even though there might be a slowdown in 2020 due to the coronavirus outbreak. Increased demand for renewable energy and further technology improvements and cost reductions are driving this growth.

## Global PV new-build

GW



Sources: Bloomberg New Energy Finance: Q1 2020 PV Market Outlook, New Energy Outlook 2019 and Covid-19 Impact on Clean Energy, Transport and Materials (12 March 2020).

The renewable energy market is expected to see continued strong long-term growth with solar and wind providing 50% of all power globally by 2050. Investments in renewables are expected to reach about USD 300 billion in 2020 according to Bloomberg New Energy Finance (BNEF). Battery costs also continue to decline and are expected to be reduced by almost 60% by 2030. Renewable projects in combination with storage is expected to see agreements worth about USD 5 billion in 2020 as clean energy is growing and energy storage costs are falling.

According to BNEF, about 118 GW of solar was installed globally in 2019. In the short term, the solar market volume is expected to grow by more than 30% to 158 GW in 2022, while the low estimate might see a decline to 108 GW, mainly due to Chinese policy changes that will push some 2020 demand to 2021. 17 countries are expected to install more than 1 GW during the year and the highest growth is forecasted to come from new markets in Latin America, the Middle East and Southeast Asia. The investments required to realise a typical utility-scale solar plant is expected reach 75 cents per Watt in 2020, a decline of almost 40% from 2016.

Solar power has seen exponential growth over the last decade and the costs continues to decline. Policy makers around the world are increasingly adapting renewable energy and solar is an efficient solution to cover power needs and support growth. In emerging economies, governments continue to see private/public partnerships as an attractive model where multilateral development banks and private players provide funding to realise new solar projects at a fast pace. Several development banks have long-standing presence and experience in emerging markets and are mandated to provide non-recourse project financing.

In addition to the public sector, private companies and the power intensive industries across emerging markets are seeking to source solar power. This is a new and growing market for Scatec Solar, and our new container based concept, Release is developed to address this market segment.

These markets represent interesting opportunities for Scatec Solar and continue to be a solid fundament for growth in the coming years.

# Introduction to Release – Making solar simple

In 2019, Scatec Solar launched a service that offers industrial players in emerging markets access to flexible, reliable and low-cost power through solar plant leasing.



Photo: Cambridge Energy Partners

The new service, called Release - by Scatec Solar, offers companies flexible leasing agreements of pre-assembled solar and battery equipment, from 1 to 20 MW capacity. The solution is particularly attractive for companies in remote locations that rely on diesel driven power generators and would like access to cost efficient and clean energy. Today, approximately 600 GW of large-scale diesel is installed globally. This represents a significant market opportunity for smaller scale solar power.

The company has partnered with UK-based Cambridge Energy Partners to deliver the container-based tracker solution. The bifacial solar panels are pre-assembled and are shipped in containers, delivered and installed at customers' sites. The modular system enables scalability, quick installation and redeployment.

A battery storage solution is an integral part of the Release offering. The batteries can either be utilised to optimise diesel and solar uptake by reducing spinning reserve and optimising load, or to shift solar PV production from day to night.

Given the ease of redeploying the solar plants, Release offers a flexible contract duration for customers. The combination of a leasing agreement and flexible contract length greatly reduces the customer's financial liabilities. Furthermore, using the customers own site for the solar plant means that

less permits and licenses are required, which combined with our pre-assembled product results in shorter preparation and installation time.

The typical Release-customer is an industry player operating in remote locations, for example off-grid mining operations powered by diesel. However, the solution is also applicable for small utilities with diesel or thermal generation, or on-grid users with high cost of electricity and unreliable power supply. The UN or NGO's can also benefit from such solar power plants.

Initially, Release is targeting the African market with its new container based solar plant solution. A broad pipeline of projects is already under development with a diversified range of customers. Scatec Solar will operate and manage the operations with a dedicated team based on proven capabilities. Release is currently also developing opportunities in Asia and Latin America.

**release**  
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To learn more about Release,  
visit [www.releasesolar.com](http://www.releasesolar.com)