



GWEC
GLOBAL WIND
ENERGY COUNCIL

RUE D'ARLON 63-65
B-1040 BRUSSELS
BELGIUM

TEL: +32 2 5025502
FAX: +32 2 5461944

Email: info@gwec.net
Web: www.gwec.net

CONTACT:

Angelika Pullen
+32 2 502 55 02
+32 473 947 966

PRESS RELEASE

Record year for wind energy: Global wind power market increased by 40.5% in 2005

Continued political efforts can give even stronger impetus for 2006

Brussels, 17 February 2006. The global wind energy sector experienced another record year in 2005. According to the figures released today by the Global Wind Energy Council (GWEC), the year saw the installation of 11,531 megawatts (MW), which represents a 40.5% increase in annual additions to the global market, up from 8,207 MW in the previous year. The total value of new generating equipment installed was over €12 billion, or US\$14 billion.

The total installed wind power capacity now stands at 59,084 MW worldwide, an increase of 24% compared to 2004.

"The overall picture confirms that the right political framework is crucial to sustain the growth of wind power around the world and to open new markets. Some 48 governments have already introduced laws and regulations to support the development of renewable energies, but this effort needs to be increased if the benefits of wind energy are to be reaped around the world," said Arthouros Zervos, Chairman of GWEC.

The countries with the highest total installed capacity are Germany (18,428 MW), Spain (10,027 MW), the USA (9,149 MW), India (4,430 MW) and Denmark (3,122). India has thereby overtaken Denmark as the fourth largest wind market in the world. A number of other countries, including Italy, the UK, the Netherlands, China, Japan and Portugal have reached the 1,000 MW mark of installed capacity.

In terms of new installed capacity in 2005, the US was clearly leading with 2,431 MW, followed by Germany (1,808 MW), Spain (1,764 MW), India (1,430 MW), Portugal (500 MW) and China (498 MW). This development shows that new players such as Portugal and China are gaining ground.

Europe is still leading the market with over 40,500 MW of installed capacity at the end of 2005 in the EU, representing 69% of the global total. In 2005, the European wind capacity grew by 18%, providing nearly 3% of the EU's electricity consumption in an average wind year.

"The European market has already reached the 2010 target set by the European Commission of 40,000 MW five years ahead of time," said Christian Kjaer, the European Wind Energy Association's (EWEA) Policy Director. "Moreover, growth is now happening in a greater number of countries, including new markets such as Portugal and France. By 2010, wind energy alone will save enough greenhouse gas emissions to meet one third of the European Union's Kyoto obligation."



Despite the continuing growth in Europe, the general trend shows that the sector is gradually becoming less reliant on a few key markets, and other regions are starting to catch up with Europe. The growth in the European market in 2005 only accounted for about half of the total new capacity, down from nearly three quarters in 2004.

Nearly a quarter of new capacity was installed in North America, where the total capacity increased by 37% in 2005, gaining momentum in both the US and Canada. The US wind energy industry broke earlier annual records of installed capacity with installing nearly 2,500 MW, which makes it the country with the most new wind power.

According to the American Wind Energy Association (AWEA), this is largely due to the current three-year window of stability in the federal incentive for wind energy, the production tax credit (PCT). "Thanks to the Congress's extending the wind energy production credit before it expired for the first time in the credit's history, the wind industry is looking forward to several record-breaking years in a row," said AWEA's Executive Director Randall Swisher. Previous years had seen a constant up and down of the market, depending on whether the PTC had been renewed in time to create investor confidence.

The Canadian wind capacity increased by a staggering 53%. "Canada's wind energy industry is growing by leaps and bounds – and that's great news for Canadians who research shows are strongly in favour of wind energy," said Robert Hornung, President of the Canadian Wind Energy Association (CanWEA). "2005 will be remembered as the year Canada first started to seriously exploit its massive wind energy potential."

Asia has also experienced strong growth of over 46% of installed capacity, bringing the continent up to a total nearly 7,000 MW. In 2005, the continent accounted for 19% of new installations. The strongest market here remains India with over 1,430 MW of new installed capacity, which takes its total figure up to 4,430 MW.

The Chinese market has been boosted in anticipation of the country's new Renewable Energy Law, which entered into force on 1 January 2006. As a result, nearly 500 MW of new capacity was installed in 2005, more than double the 2004 figure. This brings China up to 1,260 MW of capacity, thereby passing the 1,000 MW mark which is often deemed critical for sustained market growth.

"Thanks to the Renewable Energy law, the Chinese market has grown substantially in 2005. According to the list of approved projects and those under construction, 2,000 MW of wind capacity could be installed by the end of 2006. The goal for wind power in China by the end of 2010 is 5,000 MW," said Li Junfeng of the Chinese Renewable Energy Industry Association (CREIA).

The Australian market nearly doubled in 2005 with 328 MW of new installed capacity, bringing the total up to 708 MW. "The 2007 implementation of a state based market mechanism and a commitment by state governments to establish an emissions trading scheme will provide financial incentives to continue this growth," said Dominique Lafontaine, CEO of AusWind.

The relatively young African market saw slow growth in 2005, but is showing promising signs for future developments. The main countries experiencing growth are Morocco (64 MW, up from 54 MW) and Egypt, which is planning to install 850 MW of wind power by 2010.

"Wind energy offers more than just power: it has the potential to support economic development, improve the security of energy supply, mitigate hydrocarbon price volatility, create jobs and contribute to substantial CO₂ reductions. Without political support, however, wind energy remains at a competitive disadvantage due to distortions in the world's electricity markets created by decades of massive financial, political and structural support to conventional technologies," said Arthouros Zervos.

NOTES TO THE EDITOR:

(1) Global Wind Energy Council (GWEC) – www.gwec.net

GWEC is the global forum for the wind energy sector, uniting the wind industry and its representative associations.

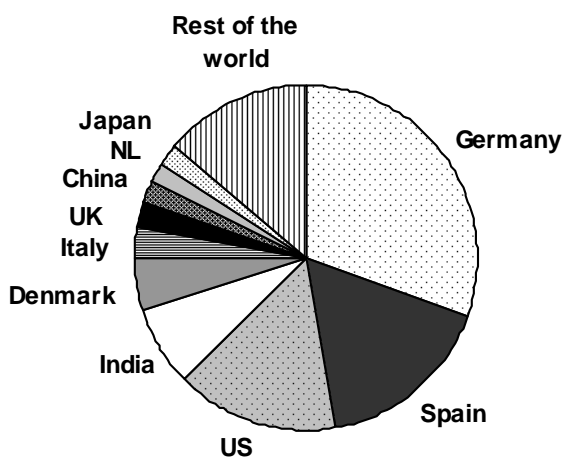
The member associations of GWEC operate in more than fifty countries and represent:

- Over 1,500 companies, organisations and institutions
- All the world’s major wind turbine manufacturers
- 99% of the world’s more than 50,000 MW of installed wind power capacity

The GWEC association members are AWEA, Auswind; CanWEA; CREIA; EWEA; IWTMA; JWEA and JWPA. The corporate members include Airtricity, Acciona, Gamesa, Garrad Hassan, GE Energy, Hansen Transmissions, LM Glasfiber, Nordex, RES, Shell WindEnergy, Siemens, Suzlon and Vestas.

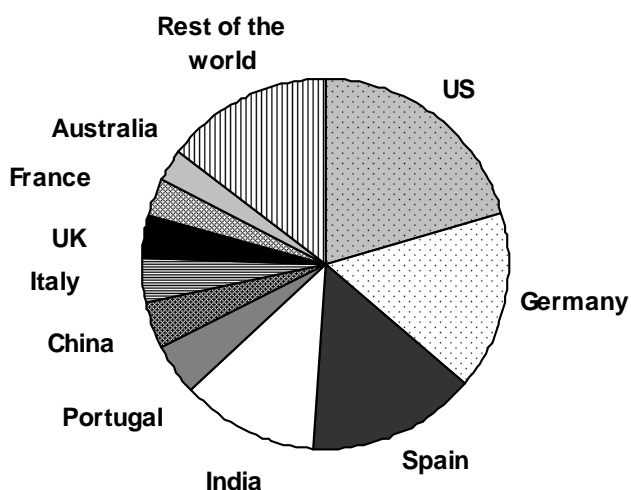
ANNEX

Top 10 cumulative installed capacity (Dec. 2005)

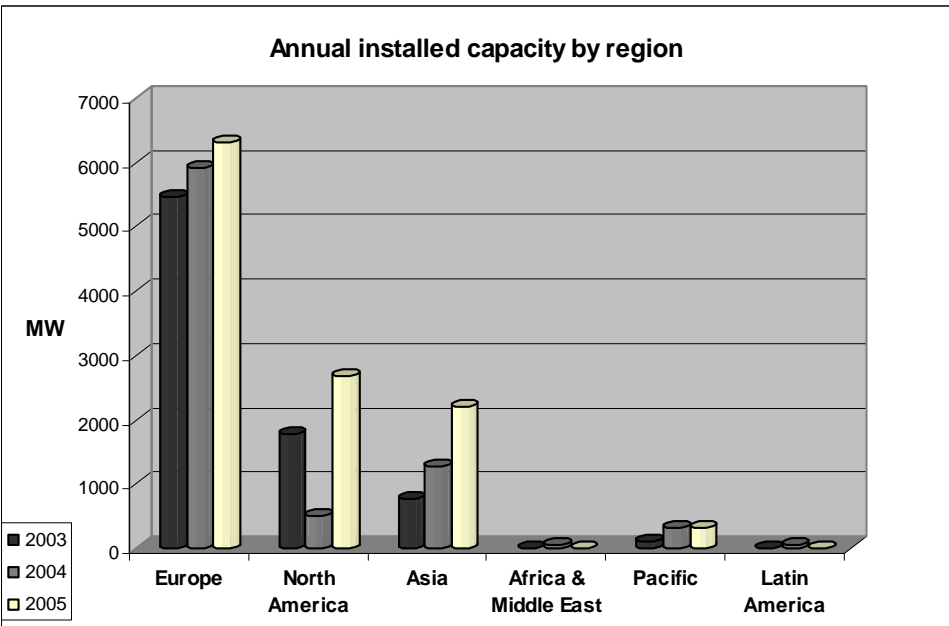
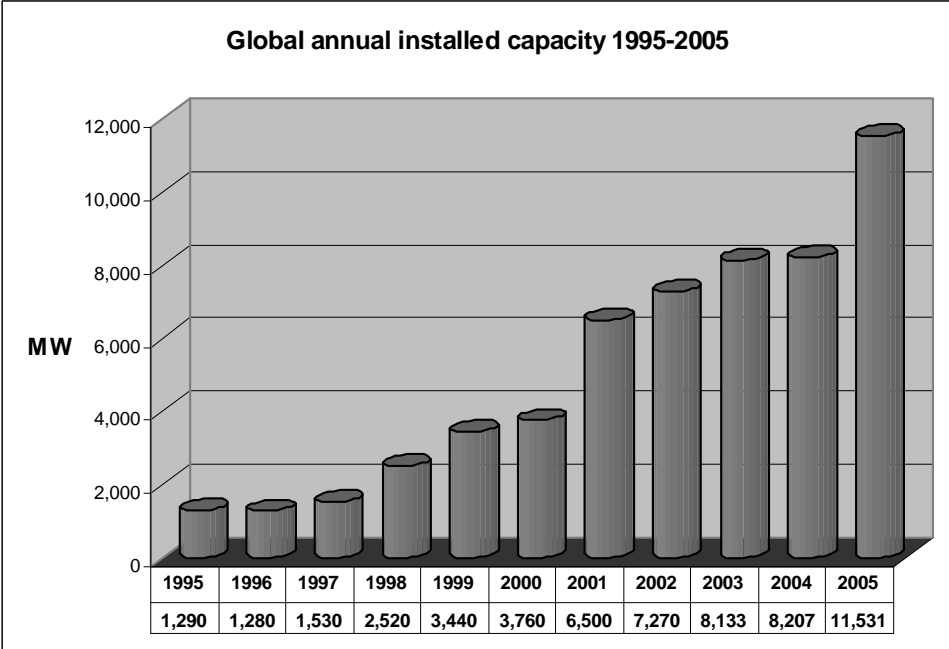
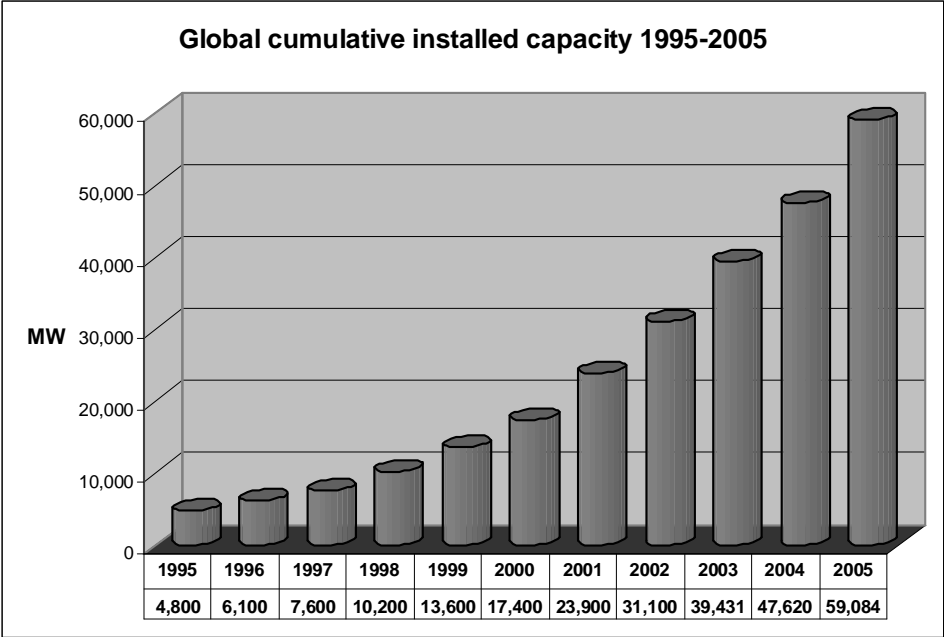


Total capacity	MW	%
Germany	18,428	31.2
Spain	10,027	17.0
US	9,149	15.5
India	4,430	7.5
Denmark	3,122	5.3
Italy	1,717	2.9
UK	1,353	2.3
China	1,260	2.1
NL	1,219	2.1
Japan	1,078	1.8
Top 10 – Total	51,936	85.8
Rest of the world	7,368	14.2
World total	59,322	100

Top 10 new installed capacity (Jan.-Dec. 2005)



New capacity	MW	%
US	2,431	21.1
Germany	1,808	15.7
Spain	1,764	15.3
India	1,430	12.4
Portugal	500	4.3
China	498	4.3
Italy	452	3.9
UK	446	3.9
France	367	3.2
Australia	328	2.8
Total top 10	1,507	13.1
Rest of the world	10,024	86.9
World total	11,531	100



GLOBAL INSTALLED WIND POWER CAPACITY (MW) – Regional Distribution

	Total end 2004	During 2005	Total end 2005
Africa & Middle East			
Egypt	145	0	145
Morocco	54	10	64
Tunisia	20	0	20
Other (1)	33	2	35
Total	252	97	349
Asia			
India	3,000	1,430	4,430
China	764	498	1,260
Japan	936	142	1,078
South Korea	69	29	98
Taiwan	13	74	87
Philippines	0	25	25
Other (2)	3	2	5
Total	4,785	2,199	6,982
Europe			
EU-25 (3)	34,371	6,183	40,504
EFTA (4)	169	110	279
Ukraine	72	10	81
EU accession countries (5)	28	8	28
Other (6)	7	5	12
Total	34,647	6,316	40,904
Latin America & Caribbean			
Costa Rica	71	0	71
Caribbean	55	0	55
Brazil	29	0	29
Argentina	26	1	27
Colombia	20	0	20
Other (7)	6	5	11
Total	207	6	213
North America			
USA	6,725	2,431	9,149
Canada	444	239	683
Total	7,169	2,670	9,832
Pacific Region			
Australia	380	328	708
New Zealand	169	0	169
Pacific Islands	12	0	12
Total	561	328	889
World total	47,720	11,531	59,084

Source: GWEC

(1) Cape Verde, Iran, Israel, Jordan, Nigeria, South Africa; (2) Bangladesh, Indonesia, Sri Lanka; (3) Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom; (4) Iceland, Liechtenstein, Norway, Switzerland; (5) Bulgaria, Croatia, Romania, Turkey; (6) Faroe Islands, Russia; (7) Chile, Cuba, Mexico. Please note: project decommissioning of 69 MW and rounding affect the final sums.