

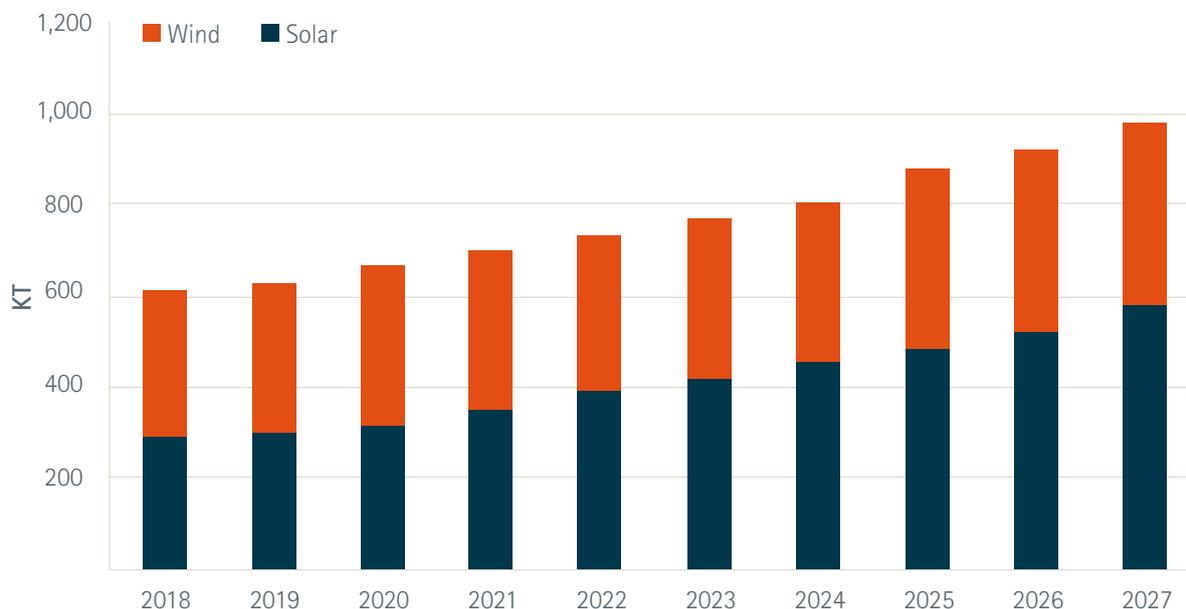


Renewables to Significantly Increase Copper Demand by 2027

Study Name: Is There a Threat to Copper in Renewables?
Study Author: Navigant Research
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According to research commissioned by the International Copper Association (ICA), global copper demand is increasing, with renewable energy sources such as wind and solar key contributors to this trend, particularly in Asia. The study—conducted by Navigant Research—predicts increases in solar and wind energy will raise copper demand by 813 thousand tonnes annually by 2027, a 56% increase on 2018 levels.

Copper Annual Capacity Forecast By Technology 2018–2027



Overview

The work suggests this increase will be brought about by higher demand for renewable energy sources, driven by policy developments in both solar and wind energy. In the Asia Pacific region alone, copper usage in solar energy will grow to 578 thousand tonnes annually by 2027, a 95% increase compared with 2018.

Around 54% of the cumulative demand for copper in solar by 2027 will likely be attributed to distributed energy, with utility-scale installations (32%) and residential solar installations (14%) following suit.

Key Findings

- The solar industry in Asia Pacific is expected to use over 195 thousand tonnes of copper in 2018, growing to around 378 thousand tonnes by 2027.
- China is the world's largest copper consumer in wind energy, accounting for 42.5% of global demand in 2018.
- Combined, the wind and solar energy investment in Asia is projected to account for 3.8 million tonnes of copper demand between 2023 and 2027.

Rise of Renewables

China will overwhelmingly maintain its leadership in terms of new annual installations for wind turbines over the next five years, followed by Europe as a region and the United States for second-largest country market. Conversely, policy developments will have a mixed effect on the growth of solar globally over the forecast period. The Section 201 tariffs could affect US growth in particular if the global market for solar modules tightens.