

RENEWABLE ENERGY

Energy Security and Fiscal Stimulus

The recent increase in the price of oil over 2007 and 2008 has put the issue of security of energy supply at the top of the energy policy agenda. Key drivers for these price increases include the rising scarcity in supplies of fossil fuels such as oil, gas and coal, and the costs associated with production. Furthermore, the ongoing impact of a decline in reserves will continue to hinder economic growth over the medium term. By contrast, the reserves of renewable energy that are technically accessible globally are more than adequate to satisfy the world energy demand at an increasingly affordable price.

As the world grapples with the effects of a sluggish global economy, many governments are also turning their attention to investment in renewable energy as a catalyst to stimulate economic growth.

Composition of American Recovery and Reinvestment Act of 2009

