

International insights February 2018

Summary:

The beginning of 2018 sees China firmly set itself at the helm of global investment in clean energy, both at home and abroad.

The World Economic Forum met in Davos, and climate change remained prominent on the agenda.

Meanwhile, as President Trump reaches his first 100 days in office, deregulation and support for oil and gas are energy policy cornerstones.

The Trends:

Asia Pacific

- [China leads on global clean investment](#), in line with domestic and international commitments. Beijing also unveils an [ambitious forestation plan](#), set to cover an area this size of Ireland.
- As ice melt creates new shipping routes, [China sits poised to exploit trading opportunities](#), creating some international concern.
- The [Asian Infrastructure Investment Bank](#) will issue US Dollar bonds for the first time, following top notch credit ratings
- A new deal is reached on the [Trans Pacific Partnership](#) trade agreement, despite US withdrawal.

Europe

- [Climate change sits high on the agenda](#) at Davos, with Indian Prime Minister Narendra Modi particularly vocal on the issue.
- The [EU beats its renewables record](#) to date and Berlin [considers further onshore wind auctions](#). However, Merkel's [coalition talks](#) show signs of coming to an end while [German car manufacturers come under fire](#) for knowingly exposing humans and animals to toxins.

Middle East and Africa

- South Africa struggles under [drought conditions](#) while [solar investment booms](#) in the region.
- NGO Human Rights Watch weighs in on [Lebanon's worsening waste crisis](#) which is posing a significant health risk for residents.

Latin America and the Caribbean

- There is concern that the economic and humanitarian crisis in Venezuela will worsen as [oil output continues to fall](#) in January.
- Chile's solar sector meanwhile [continues to grow](#).

US & Canada

- Trump presses on with his energy agenda, [favouring oil and gas](#) in his [first 100 days in office](#). While [employment figures for the US rise](#) healthily, experts ask whether [energy de-regulation risks losing the public's trust](#). Some states and businesses [continue to support clean energy](#) despite Washington's policy agenda.
- In contrast, the Canadian federal government has launched a [new fund for less-established renewable technologies](#), including tidal power and offshore wind.

Closer to Home

- [BP announced two new North Sea discoveries](#) and hopes to double oil production by 2020.
- David Attenborough's Blue Planet 2, and its focus on [the impact of plastic in our oceans](#), stirred the public consciousness, giving much needed airtime to the problem of plastic pollution. [#Plexit](#) (as coined by the Guardian), has captured the attention of several UK politicians, culminating in [Teresa May gifting the box set to Chinese President Xi Jinping](#). The government is [due to announce a 25-year plan](#) to improve the UK's environmental record this year.

Commodity tracker

Average commodity prices rose across January. Energy commodities led the way with growth of 9.2%.

Crude oil average \$/bbl	66.2
Natural Gas, index \$/mmbtu	84.5
Aluminium \$/mt	2210
Copper \$/mt	7066
Iron Ore \$/dmt	76.3
Lead \$/mt	2584

Monthly averages. Source Data, World Bank

Contact us:

[Hannah Smith](#)

Senior Policy Manager

Scottish Renewables

T: 0141 353 4980