



By: TA | AP Insight

Asia is turning to solar power due to rising fuel costs



Soaring costs for fuel due to the Iran war are leading panicked consumers in **hard-hit Asia** toward rooftop solar power, a likely windfall for China as the **world's largest provider** of solar technology.

In the Philippines, which is in a **national energy emergency**, a survey of 20 local solar companies found a 70% increase in weekly installations and a six-fold jump in customer inquiries since the conflict began.

“This crisis is a driving force for solar,” said Brenda Valerio of the nonprofit New Energy Nexus, which ran the survey. “People want solar and people want solar now.”

China is poised to profit from demand caused by the war. Chinese clean technology equipment exports hit a record high in March, according to energy think tank Ember, and worldwide interest in solar is increasing.

“China really is, by far, leading this race,” said Li Shuo, director of the Asia Society Policy Institute’s China Climate Hub, who called the renewable industry “a one-man show.”

Iran war drives solar sales

The Philippines, which relies heavily on Middle Eastern crude oil and liquefied natural gas, is among the most impacted Southeast Asian nations by the closure of the **Strait of Hormuz**.

Local airlines are weighing fuel rationing. Public transport workers are receiving cash handouts. **Gas and diesel prices** also have shot up.

To conserve energy, government offices have shifted to a four-day work week and been told to keep air conditioning no lower than 24 degrees Celsius (75 degrees Fahrenheit).

Oil and gas spikes during the first 60 days of the Iran war cost Filipino consumers, businesses and public institutions more than \$600 million, the climate nonprofit 350.org estimates.

“When we got our energy bill after the Iran war broke out, we were very shocked. It was wow. It was a significant increase,” said Jaime Quemado, who recently bought a rooftop solar system in Manila.

The war has helped the solar industry really get its footing - Richmond Reyes

There also have been growing concerns about potential power outages, Quemado said, which led him to look for an alternative energy source like “solar, which is very abundant here in the Philippines.”

Customer interest in rooftop solar jumped from around 115 inquiries in February, before the start of the Iran war on Feb. 28, to more than 450 by mid-April, according to the New Energy Nexus survey.

Solar groups must “ride this wave and take advantage of this momentum,” Valerio said.

On two blisteringly hot days in Manila, EcoSolutions installers sweated through the set up of an 18-kilowatt rooftop solar system, which included 28 panels from major Chinese manufacturer LONGi and four batteries from Suzhou-based battery group Dyness.

The war has “helped the solar industry really get its footing,” EcoSolutions president Richmond Reyes said.

Joel Remegio of the Association of Solar Installers of the Philippines said the energy crisis is a “game changer” for the nation’s nascent solar industry.

Clean technology, like rooftop solar, is quickly scalable because it is “accessible to all of us,” according to Marissa Cerezo of the Department of Energy’s Renewable Energy Management Bureau.

This “gives us the power to choose them,” she said.

Solar interest rises globally

Solar is being embraced across Southeast Asia.

Indonesia set an ambitious target to install 100 gigawatts of rooftop solar by 2034, a leap from its current 1.3 gigawatts. Vietnam wants to install rooftop solar on at least 10% of public offices and homes nationwide by 2030.

Thailand is considering new policies to give rooftop solar users a bigger bang for their buck by increasing the amount of surplus energy the national grid can buy.

The energy crisis is incentivizing these decisions, according to Yu Sun Chin of the research group Zero Carbon Analytics.

It totally makes sense for policymakers to take another look at rooftop solar and see ways that they can save costs - Yu Sun Chin

“It totally makes sense for policymakers to take another look at rooftop solar and see ways that they can save costs,” she said.

Online marketplaces and utility companies in the U.S. and across Europe also have recorded jumps in solar sales and inquiries since the Iran war began.

“Solar is definitely one of the easiest things people can do” to cut monthly electricity bills, said Jan Rosenow, a professor of energy and climate policy at Oxford University.

The availability and affordability of rooftop solar make it the easiest clean technology solution given the higher expense for buying an electric vehicle or installing a heat pump, Rosenow said.

China supplies solar demand

Ember, the energy think tank, noted China exported 68 gigawatts worth of clean technology products in March, equivalent to

Spain’s entire solar capacity and double its February output. The Iran war is accelerating the world’s **energy transition**, Ember found.



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Exports to **Africa** hit 10 gigawatts, a 176% jump from February, with rapid growth in Nigeria, Kenya and Ethiopia. Exports to other Asian nations doubled to 39 gigawatts, including major increases to India, Malaysia and Laos.

Ramnath Iyer of the U.S.-based Institute for Energy Economics and Financial Analysis said the speed of the transition depends on if world leaders “decide to go ahead with electrification and move away from fossil fuels.”

Li of the China Climate Hub said Chinese companies had an oversupply of solar panels and other equipment before the war, putting them in a prime position to capitalize on current demand.

“When it comes to the clean tech sector, China at this point in time is already so far ahead,” Li said. “The current situation in Iran will help China cement its dominance.”