

High oil prices set to trigger a \$4 trillion surge in renewable energy investment.

Renewables emerge as the **marginal source of power.**



The renewables turning point

The global energy landscape has reached a pivotal turning point — renewables now serve as the marginal source of power

In 2024, clean energy technologies met approximately two-thirds of the growth in global demand, driven by a record addition of 741 GW of new capacity. Projections from the IEA indicate that the pace of these additions through 2030 will roughly double the levels seen between 2019 and 2024.

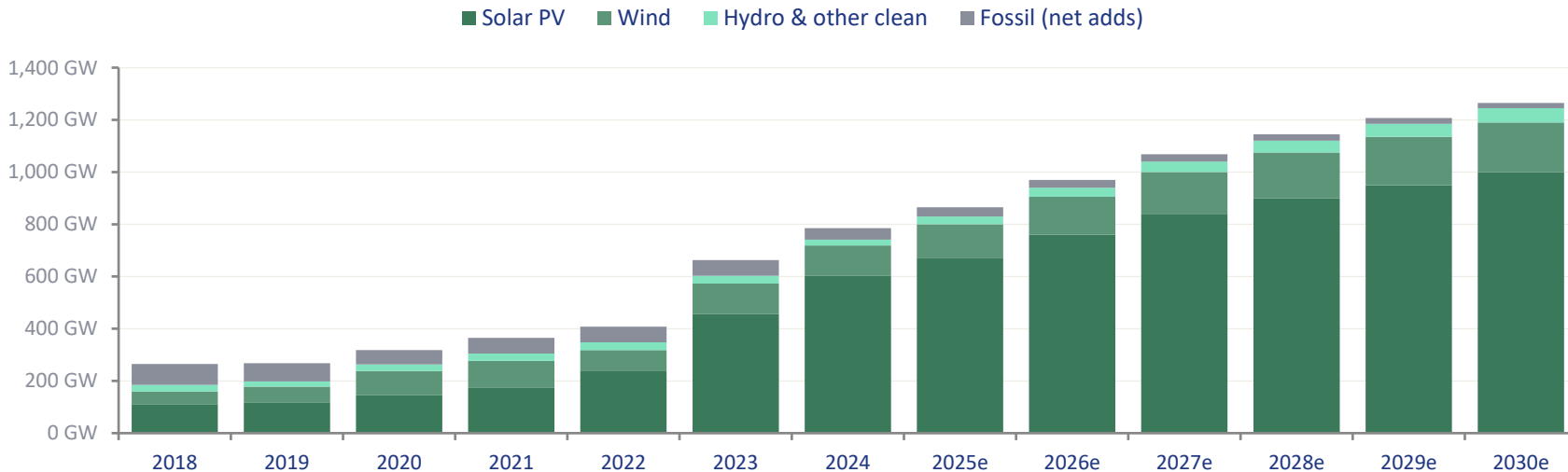
The report highlights a strong correlation between sustained high oil prices and the acceleration of the energy transition. If Brent crude remains at or above \$100 per barrel, it could unlock a \$4 trillion cumulative uplift in renewable investment between 2025 and 2030.

This scenario would raise global transition capital expenditures to approximately \$20.5 trillion — a 25% increase over the base case. Both energy importers and exporters are expected to respond vigorously: importers driven by energy security and rising import bills, exporters by the need to diversify resource rents and protect fiscal health.



Renewables are capturing energy demand growth

Global power capacity additions, GW per year — renewables now lead, with solar dominating



2024 RECORD (REN21)

741 GW

renewables added, all-time high

DEMAND CAPTURE (IEA)

≈ 2/3

of 2024 demand growth from renewables

2025–30 ADDITION (IEA)

+4,600 GW

doubles 2019–24 build

US 2025–2050 (EIA)

4×

1,000 → 4,000 TWh renewables

Regional leaders and economic drivers

From China to the GCC, India, and the US – where the transition capital is flowing

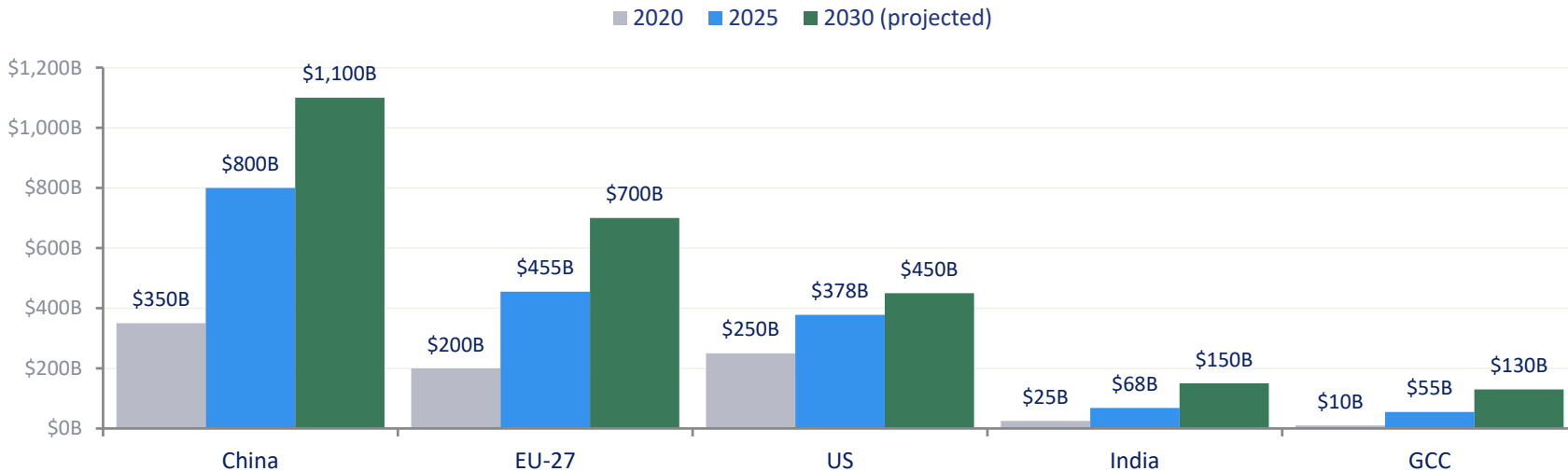


China remains a dominant force in this shift, expected to account for **35% to 40% of global capital expenditures** through 2030. Meanwhile, the GCC region is projected to see a **13-fold increase** in investment as windfall profits from sovereign wealth funds are redirected into new capacity, such as **green hydrogen** and domestic industrial cooling. Meanwhile in India, the transition is expected to ramp up **six-fold** as solar energy increasingly replaces older coal and diesel generation. Even in the US, renewable generation is forecast to **quadruple by 2050** as demand for **EVs and AI** continues to climb.



Regional capex trajectories, 2020 → 2030

Annual energy-transition investment by major economy, \$ billions — actual through 2025, BNEF ETS projection for 2030



CHINA SHARE

35–40%

of global capex through 2030

GCC GROWTH

13×

2020 → 2030 (\$10B → \$130B)

EU TARGET

\$1.0T/yr

to meet 2030 NDCs (BNEF)

INDIA RAMP

6×

2020 → 2030 (\$25B → \$150B)

Sources: BloombergNEF Energy Transition Investment Trends 2024–2026; New Energy Outlook 2025; EIA Annual Energy Outlook 2026 (US); IEA WEI 2024 Middle East; IRENA. GCC = Saudi, UAE, Qatar, Oman, Kuwait, Bahrain. 2030 figures are author projections under the BNEF ETS pathway.



Both sides add renewable capacity

Demand growth and energy security on one side; resource-rent diversification on the other

OIL PRICE REGIME

Low (\$60–80)

High (\$100+)

IMPORTER

Demand-growth channel

Moderate response

- Renewables still cheapest new build (LCOE)
- Lower urgency premium
- Gas competes harder for new load

Strong response

- Demand growing 3.3–3.7%/yr (AI, EVs, AC)
- Renewables: cheapest, fastest new build
- Solar PV took ~80% of 2024 additions

EXPORTER

Diversification channel

Moderate response

- Slower Hartwick-rule reinvestment
- Tighter fiscal headroom
- Long-cycle diversification (Vision 2030)

Strong response

- Domestic demand: cooling, industry, water
- SWF windfall funds new capacity
- Frees crude to export; adds green H₂

Both sides add renewable capacity to capture demand growth — not to replace existing supply.



The urgency of the current window

Geopolitics, narrow deployment windows, and the case for acting now

01 — TIMING

Window for deployment

The window for strategic deployment is **narrow**. Solar modules are at their cheapest point in history at **\$0.10 per watt**, but the industry faces logistical hurdles — lead times for grid components and transformers have stretched to between **three and five years**. Every year of delay locks in fossil capacity: see the **44 GW of coal commissioned in 2024**.

02 — ECONOMICS

The cost of inaction

At sustained oil prices of **\$100 per barrel**, these nations face an extra **\$900 billion per year** in energy costs — a burden each new gigawatt of renewables reduces for over **25 years**. Acting now is not just environmental necessity but a vital **strategic hedge** against volatile fossil markets.

03 — GEOPOLITICS

Risk premium on crude

Heightened Middle East volatility — particularly disruptions at the **Strait of Hormuz** — places a significant **geopolitical risk premium** on global crude. This instability forces importer nations to **accelerate their transition** toward renewables, reducing reliance on vulnerable maritime supply chains.

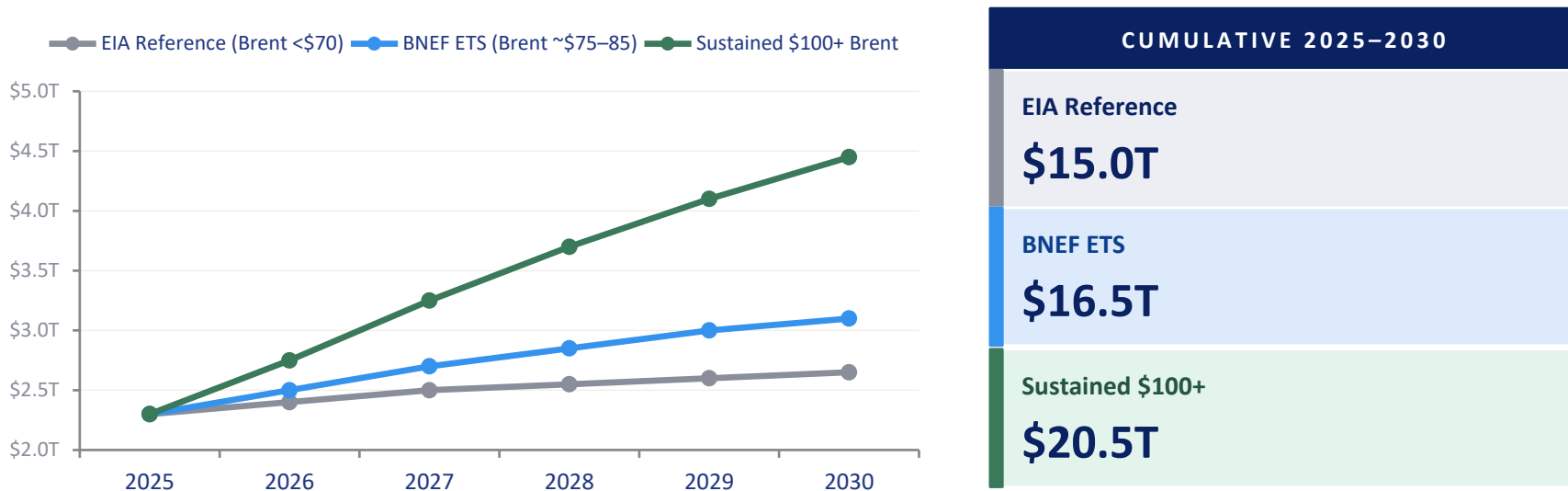
THE BOTTOM LINE

The economic argument for front-loading investment is substantial — importer economies could save approximately **\$1.5 trillion** in cumulative oil and gas bills by 2030.



Sensitivity: investment at sustained \$100+ Brent

Three scenarios for global energy-transition capex 2025–2030, \$ trillions per year



INVESTMENT UPLIFT

+\$4.0T

vs BNEF ETS, 2025–30 cumulative

ADDITIONAL CAPACITY

+1,800 GW

renewables build vs base case

ELASTICITY (LR)

+0.4 to +0.6

renew. capex to oil price

DEMAND DESTRUCTION

-1.5 mb/d

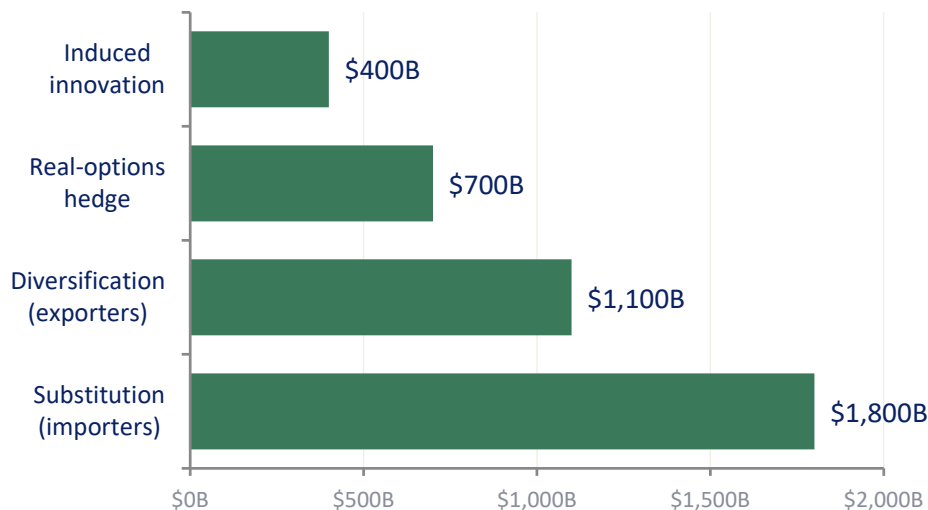
oil demand by 2030 vs base

Sources: EIA Annual Energy Outlook 2026 reference case ($\$ < 70 / b$ through 2030); BNEF Economic Transition Scenario; Enverus Intelligence Research Mar 2026 ($\$ 95 / b$ 2026, $\$ 100 / b$ 2027). $\$ 100 +$ scenario assumes 40–50% capex uplift consistent with Hamilton (2009), Sadorsky (2012), IEA energy-security elasticity range.



Where the \$4T uplift flows

Decomposition of incremental capex by economic channel and recipient region, 2025–2030 cumulative



REGIONAL CAPTURE OF UPLIFT

China <i>Electrification + manufacturing</i>	\$1.4T · 35%
EU-27 <i>Accelerate EU policy ratchet</i>	\$0.9T · 23%
GCC <i>SWF windfall + green H₂</i>	\$0.5T · 13%
India + EM <i>Solar replacing diesel, coal</i>	\$0.7T · 18%
US + others <i>EV demand, distributed solar</i>	\$0.5T · 13%

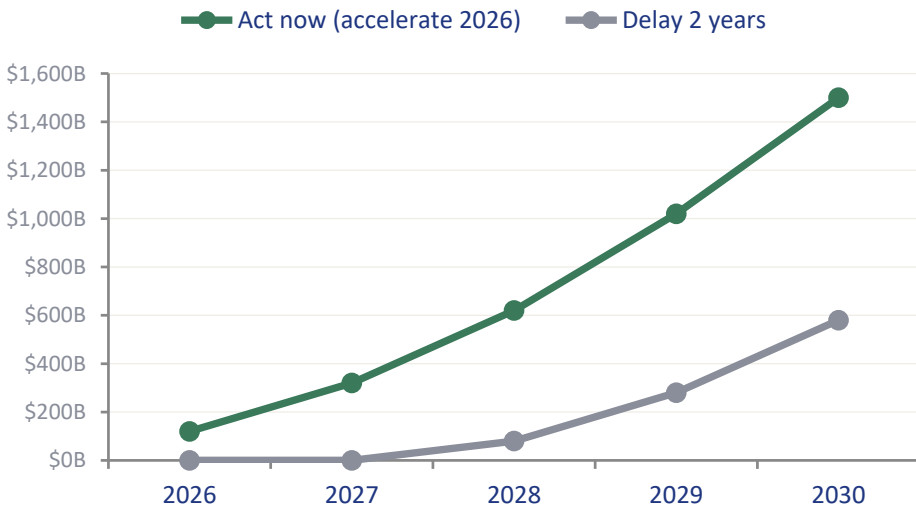
PHASING — capex response is asymmetric across the curve

Year 1 (2026): policy + emergency tenders (~10% of uplift) · **Year 2–3:** project finance close, equipment orders (~30%) · **Year 4–5:** construction & commissioning (~60% of uplift visible in capex flow)



Every year of delay carries a measurable cost

At \$100+ Brent, the case for accelerating renewable investment hardens — economically and strategically



Cumulative avoided oil & gas import costs (\$B) for importer economies

WHY THE WINDOW IS NOW

1 · IMPORT BILL

\$100+ Brent: ~\$900B/yr extra

Each renewable GW added cuts this for 25+ years

2 · FOSSIL LOCK-IN

44 GW coal added in 2024 vs 25 retired

Each year of delay locks in 30+ years of emissions

3 · SUPPLY CHAIN WINDOW

Solar modules: \$0.10/W, -45% YoY

Cheapest equipment in history; window may close

4 · LEAD TIMES

Grid & transformer: 3–5 year lead

2026 orders commission 2028–30 — last call

THE INVESTMENT CASE

Front-loading **\$4T of renewable capex** 2026–30 saves importers **~\$1.5T in oil & gas bills**, locks in **cheapest-ever equipment**, and avoids 4–6 years of fossil capacity ratcheting up. **The cost of delay is rising — the window to act is now.**



Closing perspective

Industry voice on the strategic crossroads ahead

*“The global oil market is increasingly defined by the tension between **immediate supply security** and the **long-term strategic shift** toward **domestic energy independence**.”*

— Dr. Waseem Hoeneini, Managing Partner WMSJ



From the Managing Partner

Who We are

Founded by a team of [high-impact executives](#) from global Fortune 500 companies, [WMSJ](#) brings together internationally accredited senior leaders, with expertise across Strategy, Corporate Finance, Marketing, Operations, Technology, Human Capital, GRC, and QHSE, serving businesses across industries with a [global perspective](#).

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Waseem Hoeneini

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Dr. Waseem Hoeneini is a Global Fortune 500 executive with over 25 years of international leadership experience. He holds a Ph.D. in Financial Management, is a CPA (AUS), and possesses globally recognized sustainability credentials, including IFRS, CFA and GRI certifications.

A leading authority and global speaker on sustainability strategy, transition planning, climate-change governance, sustainable finance and capacity building, Dr. Hoeneini is recognized for integrating sustainability strategy with governance rigor and financial acumen.

He has advised policymakers, boards and organizations on complex transition planning, restructuring, and alignment with global sustainability and reporting frameworks. His expertise spans digital finance, enterprise transformation, risk management, internal controls, and governance - enabling organizations to navigate dynamic business conditions, strengthen resilience, and achieve sustainable growth.

Dedicated to advancing professional excellence, Dr. Hoeneini contributes to global thought leadership and actively engages with leading professional bodies including AICPA, CPA(AUS) IMA, IIA, ISACA and ACFE.