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## Renewable Energy: Unaccounted Wealth of Nations

[Seminar Recording](#) | [Presentation](#)



*Solar panels with wind turbines | Photo credit: Geniusksy/Shutterstock*

Renewable energy represents an increasingly significant yet unaccounted for component of national wealth in many countries. According to the pilot accounts published in the [2021 edition of the Changing Wealth of Nations](#) (CWON), the value of renewable energy assets already matches the value of fossil fuel energy in some countries, especially because of hydroelectricity. Solar and wind energy also increasingly create, not just profits to plant operators, but also economic rents to society. Policies and market regulations applied in a country's energy system determine whether renewable energy will have value as a national asset. For example, subsidies to renewable and fossil fuel energy boost operators' profits without creating resource rents. Competitive electricity markets and carbon pricing can unlock wealth creation from solar and wind energy, eventually increasing their value relative to fossil fuel assets.

Countries should assign explicit value to renewable energy assets in national balance sheets as they currently do for fossil fuels. Being recognized as a key element in the wealth of nations, the renewable energy would no longer be just a matter of energy and climate policies but also a job of the whole government as the asset base of the future prosperity and income. As part of the ongoing revision of the UN System of National Accounts ([SNA](#)), the World Bank was asked lead the work on the [guidance note on renewable energy as economic asset](#), which is currently subject to international consultations.

**Speakers:**

**Rob Smith**, Principal, Midsummer Analytics

**Grzegorz Peszko**, Lead Economist, World Bank

**Co-Chairs:**

**Vivien Foster**, Chief Economist, World Bank

**Christian Peter**, Practice Manager, World Bank

**Discussant:**

**Karen Wilson**, SNA expert Statistics Canada (retired)