Rhodium Group

Clean Investment Monitor: Global H1 2026 Update

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Executive summary

Global clean technology investment reached record levels in 2025, after years of sustained growth in the manufacture and deployment of technologies needed to accelerate the transition to a clean energy economy. Investment in clean power, transportation, manufacturing, and low-carbon industry totaled nearly $2 trillion last year, three times the amount recorded in 2018. That momentum weakened in the first half of 2026, however. Global clean investment was 17% below the same period in 2025 and roughly in line with levels recorded in the first half of 2024.

Investment fell sharply in Q1 of 2026, declining by $151.1 billion, or 28%, from the elevated levels recorded at the end of 2025 and back to levels comparable to Q1 2024. Investment rose 5% in Q2 to $395.4 billion, partially offsetting that decline, but was still 25% below Q4 2025. We find:

- **Total clean investment in the deployment of electric power and transport technologies—the two largest components of global clean investment—fell in the first half of 2026 relative to both the previous six months and the same period in 2025.** Electric-power investment dropped 31% in Q1 from the elevated levels recorded in Q4 2025, then rose 5% in Q2. Transport investment fell 29% in Q1 from the previous quarter, then rose 8% in Q2. Clean power and transport spending in Q2 2026 remained at 39% and 6% below Q2 2025 levels, respectively.
- **China accounted for most of the decline**. China's transition toward market-based pricing for new renewable generation in 2025 drove a rush of installations ahead of the deadline, followed by an uneven pullback. Beijing also phased out consumer EV purchase-tax exemptions starting January 2026. As a result, clean investment in China fell by $133 billion, or 49%, between Q4 2025 and Q1 2026, following a Q4 surge in solar, wind, and EV deployment ahead of the changes to government support. As a result, China's investment accounted for 88% of the global decline in Q1.
- **Investment increased across several major markets in Q2 2026.** It rose 23% in India, 11% in the United States, 9% in China, and 4% in Europe from Q1. Investment in India and Europe also exceeded Q2 2025 levels, while investment in China and the United States remained lower. China's share of global clean investment fell from 52% in Q4 2025 to 39% in Q2. These increases made the quarterly uptick more geographically distributed, but were not large enough to offset the first-quarter decline or indicate a fundamental change in the global distribution of clean investment.

Clean technology manufacturing and industry investment

Clean tech manufacturing investment followed a more persistent downward trajectory. The decline follows several years of rapid capacity expansion, which left existing solar and battery manufacturing capacity well above current demand and placed pressure on prices and manufacturer margins.

- **Despite the rise in total clean investment in 2026, driven by investment in clean power and transportation deployment, investment in the construction and expansion of clean manufacturing and industrial facilities declined for two consecutive quarters in 2026**, falling 14% in Q1 and another 7% in Q2 to $27.9 billion.

This continues the downward trend in clean tech manufacturing investment underway since late 2023.

- **For the first time, China's share of global clean tech manufacturing and industry investment dipped below one-third—a significant decline from its high of over 71% at its peak in 2023**. While this slowdown follows years of heavy investments that have left China dominant across all major clean tech supply chains, it also raises the relative importance of other regions in driving new investment going forward.
- **While actual capital spent on manufacturing and industrial facilities has slowed, announced investment tells a different story**. Its value rose 10% ($4.2 billion) in Q1 2026 versus Q4 2025, then held steady in Q2. That breaks a four-quarter streak of consecutive declines in announced investment, offering a forward-looking signal that actual investment may pick up in the quarters ahead.
- **Solar accounted for a large share of the decline in manufacturing investment, falling 39% in the first half of 2026 compared to the last six months of 2025**. This continues consecutive quarterly declines after solar investment peaked in Q4 2023, falling by $21.6 billion, or 83%, to $4.2 billion by Q2 2026. China accounted for 94% of the decline, while India's share of global investment rose from 5% to 48%, making it the single largest contributor for the last four quarters. Announced solar investments more than doubled in the first half of 2026 relative to H2 2025, but remained 32% lower than the same period in 2025.
- **Battery manufacturing investment also declined, falling 13% in Q1 2026 from the previous quarter, and another 6% in Q2 2026**. Meanwhile, announced battery investments stabilized at levels similar to the last half of 2025. Projects announced in India, Southeast Asia, the Middle East, and other emerging markets could broaden the industry's manufacturing footprint, and newly announced electroactive battery materials facilities in Europe could help diversify global upstream supply.
- **New critical-mineral investment continued its third consecutive quarter of growth, rising 50% since its mid-2025 low, and major new announced investments in the first half of 2026 were concentrated in lithium and graphite**. The largest lithium announcements were located in Argentina, France, China, and the United States, while graphite investment included projects in Canada, China, Malaysia, and Malawi. The announcements point to continued efforts to diversify mineral supply chains, though project maturity varies.
- **Investment in sustainable aviation fuel (SAF) facilities declined roughly 5% quarter-on-quarter in both Q1 and Q2 2026, reaching less than half its early 2024 peak by Q2—yet SAF was the single largest contributor to announced manufacturing and industry investments in the first half of 2026**. The newly announced project pipeline spans multiple markets and production pathways, signaling an expanded and diversified global SAF supply if projects move forward.

These developments are unfolding as governments reassess clean technology support, trade policies, and supply chain strategies. Distinguishing short-term volatility from long-term changes requires timely information on investments as they occur, as well as the location, status, and expected capacity of newly announced projects. The Clean Investment Monitor (CIM) provides methodologically consistent tracking of actual and

announced investment in clean technology manufacturing, low-carbon industry, electric power, and clean transportation across countries and regions.

This report summarizes our update to our global clean technology investment dataset through Q2 2026. We first examine recent changes in clean technology deployment, then turn to the continued slowdown in manufacturing and industry, with a closer look at batteries, critical minerals, solar manufacturing, and sustainable aviation fuel.

Global clean investment in 2026

The pace of global clean technology investment growth is leveling off after years of relatively steady expansion. From 2018 through the end of 2025, investment experienced a relatively steady upward trend. That momentum may be flagging somewhat as investment in Q1 and Q2 2026 crept back to levels last seen in the first half of 2024. Investment in the first half of 2026 was 17% below the same period in 2025 but roughly in line with the first half of 2024 (Figure 1). Within the first half of the year, investment fell 28% in Q1 relative to the last quarter of 2025 before recovering modestly in Q2, rising 5% from Q1 to $395.4 billion.

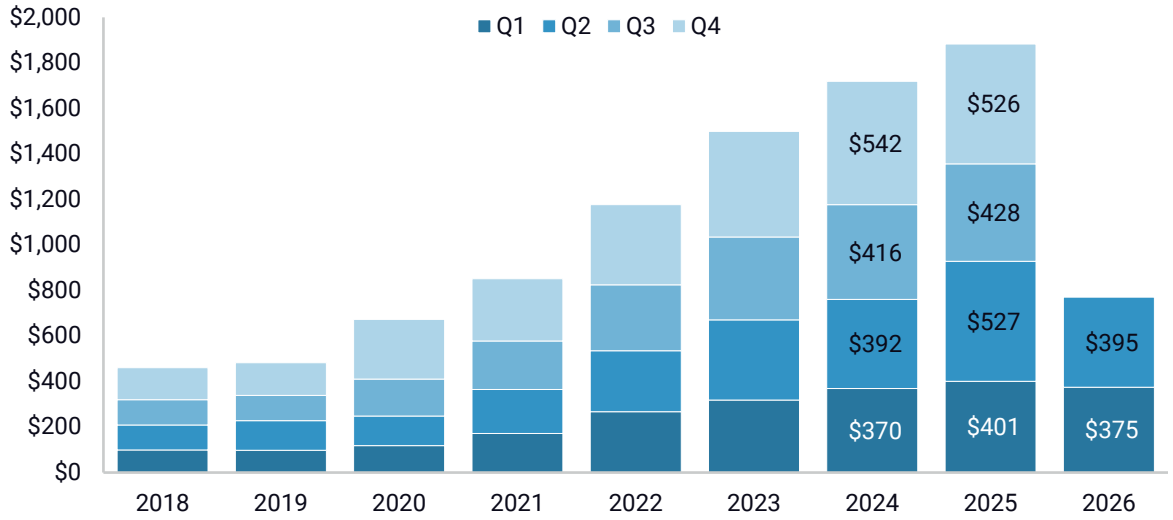
Clean investments in electric power and transport both fell in the first half of 2026 relative to the previous six months and the first half of 2025. Transport investment, which has typically followed a seasonal pattern with each year's trend sitting higher than the last, broke that pattern in the first half of 2026, with Q1 investment essentially flat relative to Q1 2025, and Q2 falling 6% below Q2 2025 levels (Figure 2). Investment in electric power also tends to follow seasonal patterns, but recently the global picture has been increasingly shaped by rushes to build solar and wind ahead of policy expirations and reforms in China. Global investment in clean power declined by $70.3 billion, or 31%, in Q1 2026 relative to Q4 2025, driven by these reforms in China, but regained ground in Q2 2026, rising by $7.4 billion, or 5%, quarter-on-quarter.

Manufacturing of clean energy technologies continued to trend downward. Investment fell by $5.1 billion, or 14%, in Q1 2026 quarter-on-quarter and by another $2.3 billion, or 7%, in Q2 2026 to reach $27.9 billion, extending the decline underway since late 2023. Industry investment (including production of clean steel, cement, and SAF) remained comparatively small and broadly flat, reaching $5.6 billion in Q2 2026.

FIGURE 1

Global clean investment loses momentum in the first half of 2026 after several years of steady growth

Actual capital investment in clean manufacturing and deployment by quarter, billion 2024 USD

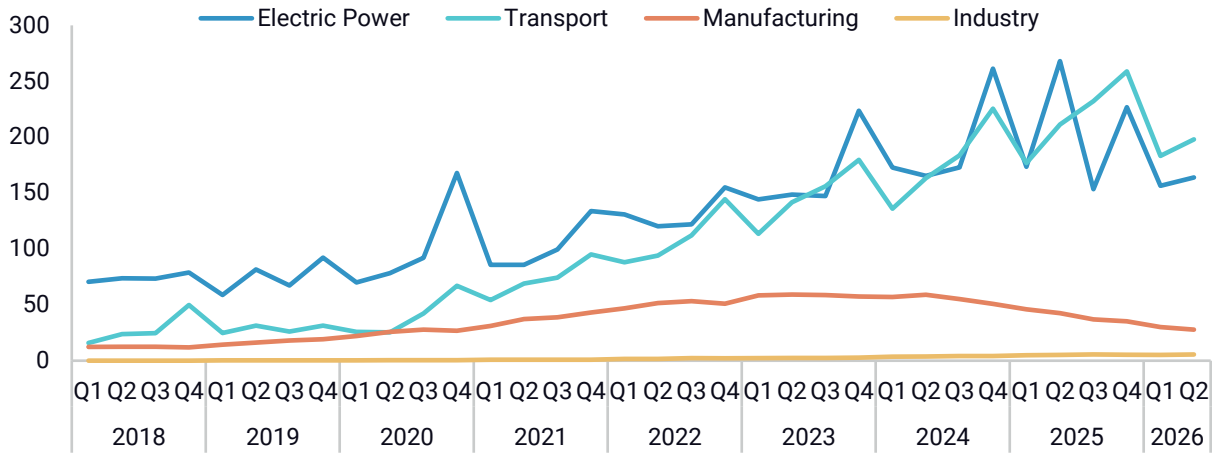


Source: Rhodium Group, Clean Investment Monitor

FIGURE 2

Electric power and transport drive partial rebound in global clean investment in Q2 2026 after sharp Q1 decline

Actual capital investment in clean manufacturing and deployment by segment, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

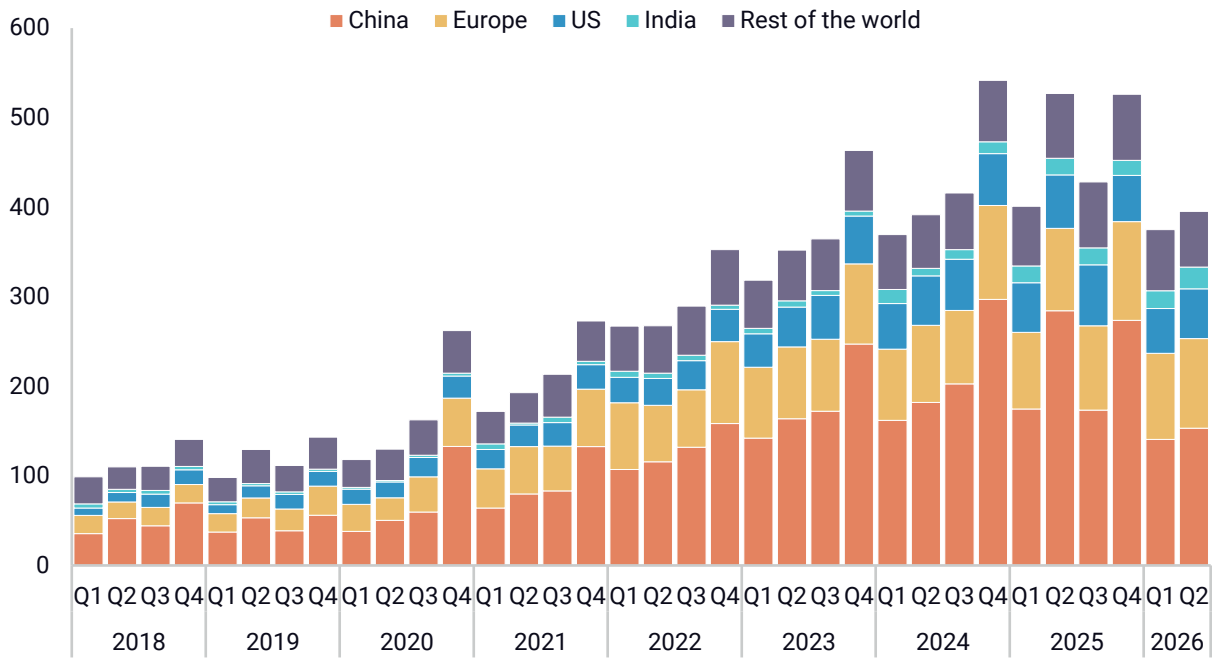
The regional picture shifted alongside these sectoral movements. China accounted for 88% of the global investment decline in Q1 2026, with investment down by half from Q4 2025 and 19% below Q1 2025. This came after a surge in Q4 2025 investment ahead of reduced subsidies and incentives supporting renewables and EVs. China's share of the global total consequently dropped from 52% in Q4 2025 to 39% in Q2 2026.

The Q2 2026 uptick was more broadly distributed. Investment rose 9% in China and 11% in the US from the previous quarter, although both remained below their Q2 2025 levels. India recorded the fastest growth, rising by 23%, while Europe increased 4%. India and Europe also exceeded their year-earlier levels by 31% and 9%, respectively. Meanwhile, investment in the rest of the world declined by $6 billion, or 9%, to $62.3 billion. These changes produced a somewhat broader geographic distribution of investment in Q2. Still, the increases were not large enough to offset the first-quarter decline or signal a broader shift in the global investment landscape.

FIGURE 3

Clean investment growth across other regions only partially offsets China's decline

Actual capital investment in clean manufacturing and deployment by region, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

Electric power and transport

Despite recent news of the rapid rise of solar and EV deployment as a result of the closure of the Strait of Hormuz, our analysis shows that there has been a more limited regional dynamic rather than a global trend. That doesn't mean its impact won't be seen in future quarters as petroleum prices look set to remain high, giving more incentives for demand destruction driven by further electrification of transport and new build-out of renewables.

Electric power

On an annual basis, global investment in installing new clean electric power capacity continued to grow through 2025, even as the quarterly pattern became increasingly uneven due to policy shifts in China. Investment totaled $441.5 billion in the first half of 2025 before falling by $61.3 billion, or 14%, to $380.2 billion in the second half.

That slowdown carried into early 2026. Investment totaled $320.5 billion in the first half of 2026, down by $59.7 billion, or 16%, from the second half of 2025. Within the first half of 2026, investment fell by $70.3 billion, or 31%, from $226.8 billion in Q4 2025 to $156.5 billion in Q1 2026. It then increased by $7.4 billion, or 5%, to $164.0 billion in Q2 2026, but remained 28% below its Q4 2025 level.

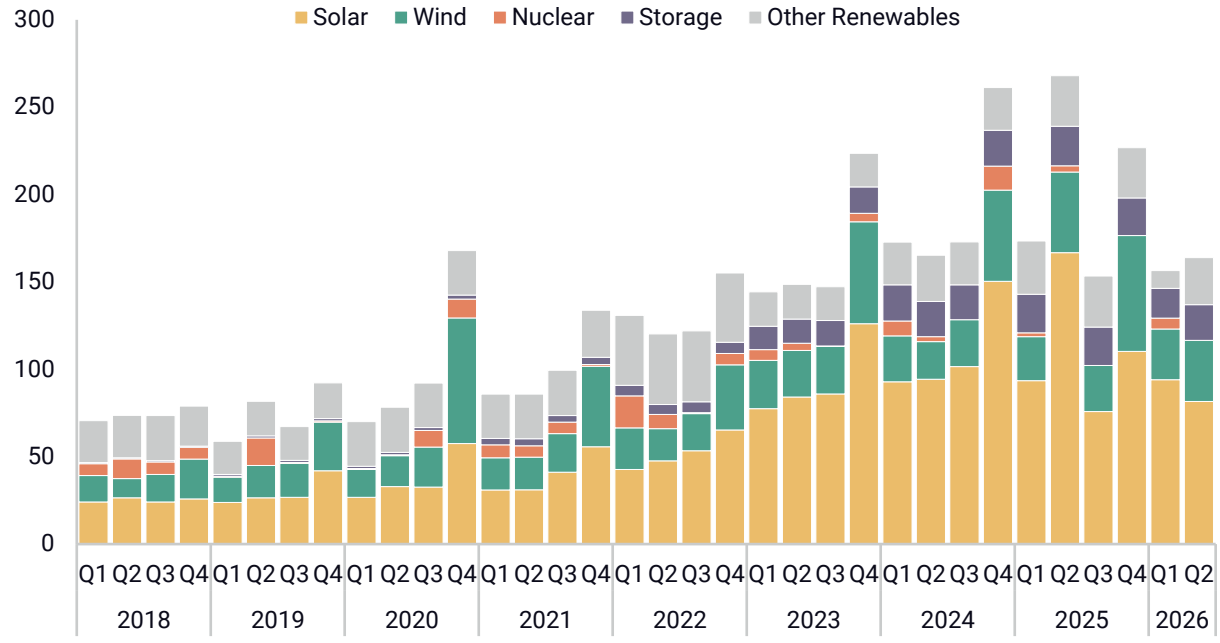
Solar and wind remained the largest segments, accounting for 62% and 23% of global electric power investment in the first half of 2026, respectively. Investment in new solar and wind installations fell in H1 2026 relative to the previous six months and H1 2025, despite renewed attention on renewables as an alternative to volatile fossil fuel markets following the start of the US-Iran war. Solar investment was down 6% from H2 2025 and 33% from H1 2025, while wind investment was down 31% from H2 2025 and 10% from H1 2025. The global trend was primarily driven by China, as new wind and solar investments responded to exposure to more market-based pricing (Figure 5). In the US, Europe, India, and other parts of the world, investment in new intermittent renewables stayed stable or grew in H1 2026 relative to H1 2025.

Utility-scale storage and other renewables (which includes hydroelectric, geothermal, and bio-based power) both declined in the first half of 2026. Utility-scale storage fell 14% from H2 2025 and 16% from H1 2025, while other renewables fell 36% from H2 2025 and 38% from H1 2025. Investments in nuclear reached $6.3 billion in the first half of 2026 as two large reactors came online in China, up from zero in the second half of 2025 when no new reactors connected, and rising 8% from the first half of 2025.

FIGURE 4

Solar and wind deployment investment was down in the first half of 2026

Actual capital investment in covered electric-power technologies, billion 2024 USD

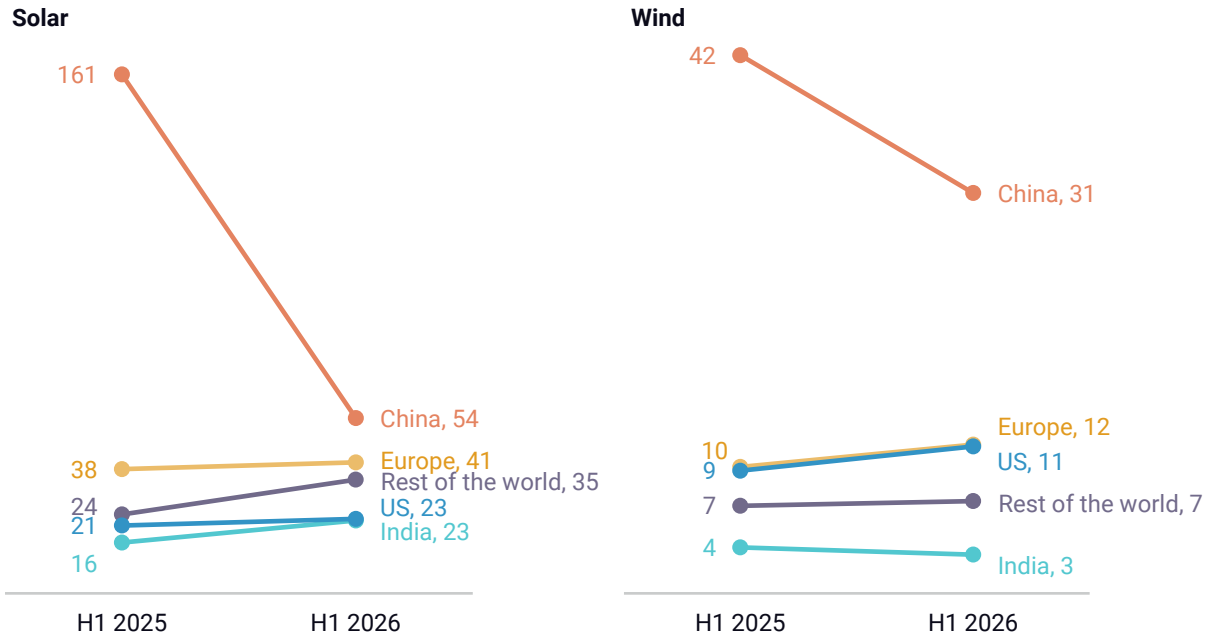


Source: Rhodium Group, Clean Investment Monitor

FIGURE 5

China drove global solar and wind decline in the first half of 2026, investments stable or grew elsewhere

Actual capital investment in solar and wind deployment, H1 2025 vs H1 2026, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

Electric transportation

New investment in electric vehicle purchases—both light-duty and medium/heavy-duty—shows a consistent seasonal pattern of investments rising steadily over the year, with Q4 typically the strongest quarter each year. Over the past three years, each quarter has grown larger than the same quarter the year before, reflecting overall rising investment levels year over year. To account for this seasonality, we compare investment to the same period in the previous year. The first two quarters of 2026 departed from the rising investment trend of past years, with investment reaching $183.2 billion in Q1 2026, only 4% higher than Q1 2025, far lower than the 20+% year-on-year growth seen in the first quarters of 2025, 2024, and 2023. In Q2 2026, investment was 6% below Q2 2025 levels at $198.0 billion.

Light-duty vehicles drove most of the weak investment in the first half of 2026. Whereas Q1 investment in past years has come in higher than Q1 the year before, investment in Q1 2026 was largely comparable to Q1 2025 levels at $170.8 billion. Q2 2026 purchases grew by only $4.0 billion, or 2%, to $174.8 billion, putting investment 12% below Q2 2025. Light-duty vehicles still accounted for 91% of total electric transport investment in the first half of 2026.

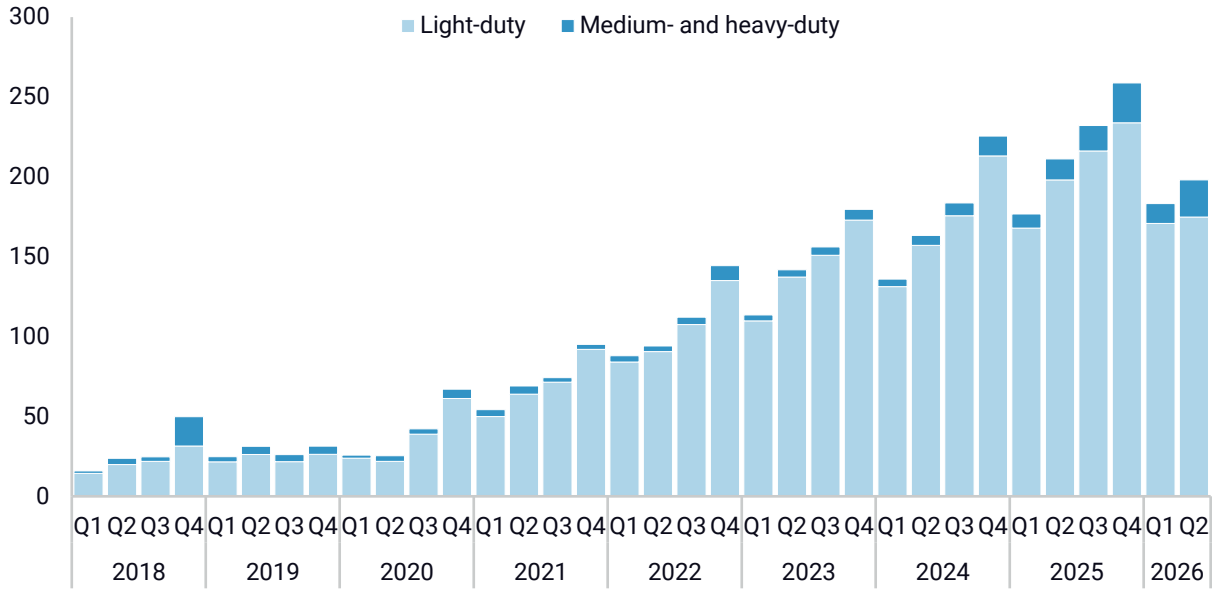
Medium- and heavy-duty vehicles fared better. Investment in Q1 and Q2 2026 was 41% and 76% above the same quarters in 2025, respectively. The segment accounted for nearly three-quarters of the quarter-on-quarter growth in Q2 2026, and almost hit Q4 2025 levels, maintaining the annual growth trends seen in recent years.

The global downturn in passenger EVs was overwhelmingly driven by slowing investment in China, which came as EV purchase subsidies were phased out, combined with weakening overall consumer demand. The US saw meaningful contraction in EV markets as well, with more moderate falls in Europe, while EV purchases in the rest of the world saw continued quarter-on-quarter growth through Q1 2026, leveling off in Q2 2026 at peak levels. Meanwhile, China drove all of the growth in medium- and heavy-duty EV markets, as sales shares in those segments surpassed 84% of the global market in the second half of 2026.

FIGURE 6

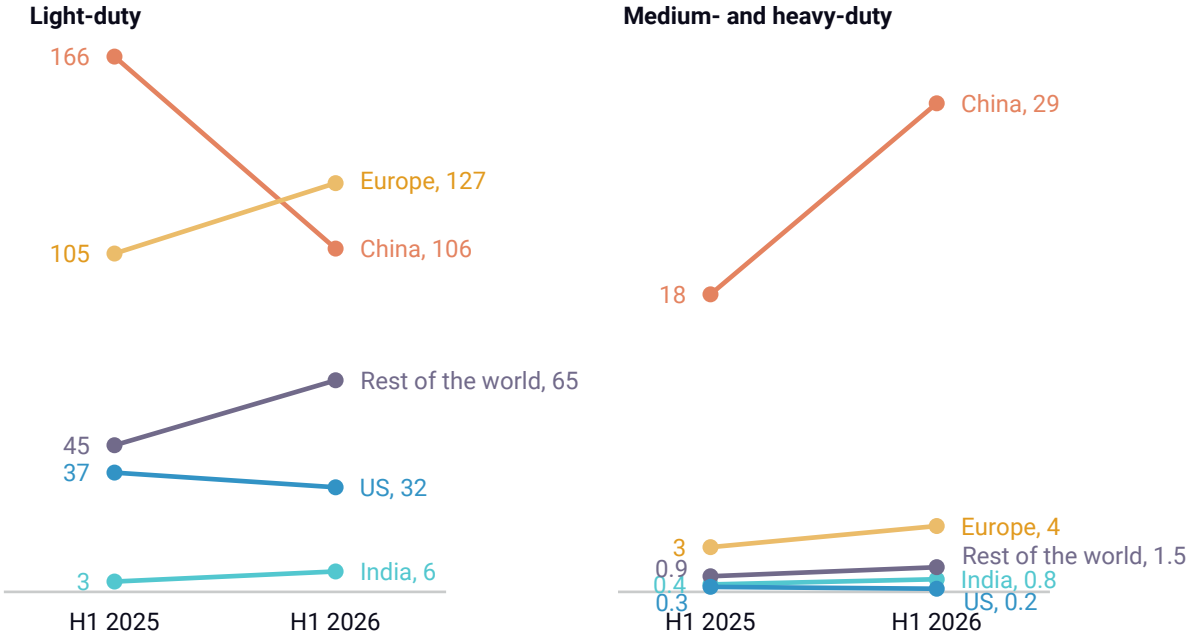
The first half of 2026 saw unseasonably weak light-duty EV sales

Actual capital investment in electric-transport technologies, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

FIGURE 7
China's light-duty EV slowdown offset by growth elsewhere, while China drives electric truck boom
Actual capital investment in electric-transport technologies, H1 2025 vs H1 2026, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

Manufacturing and industry

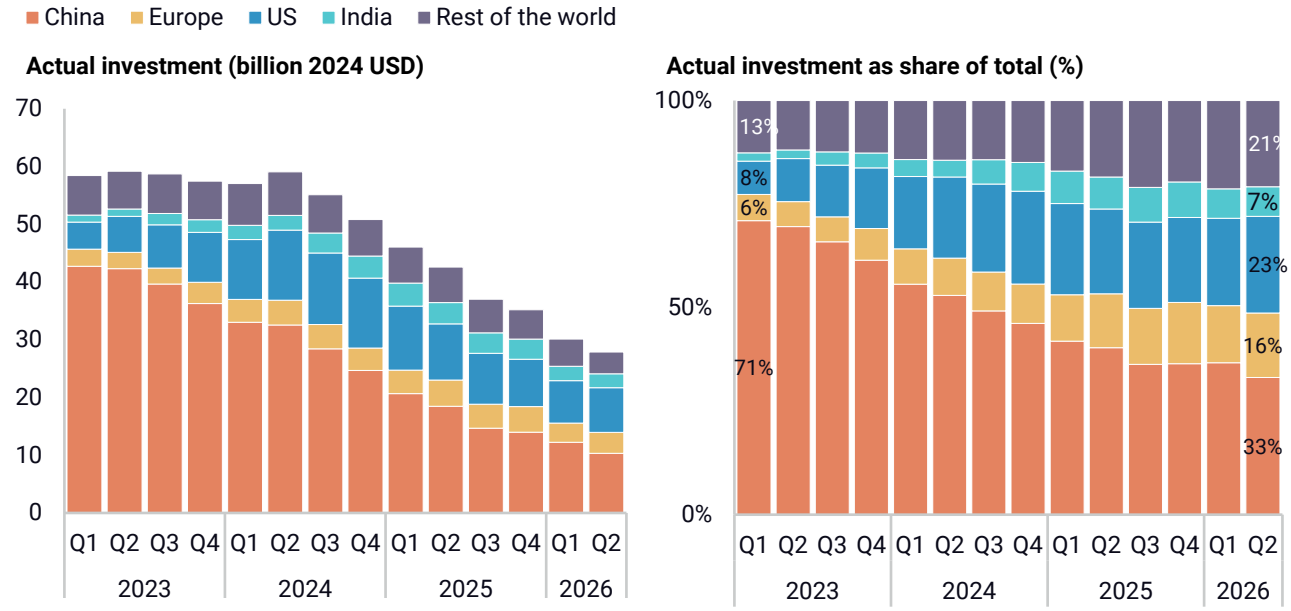
Actual investment

At the peak of China's clean manufacturing push, in Q1 2023, the country accounted for $43 billion—or 71% of global investment in new clean manufacturing and industrial facilities (Figure 8). That figure has fallen steadily since, hitting a record low of $11 billion, or 33% of the global total in Q2 2026. While this slowdown follows years of heavy investment that have left China dominant across all major clean tech supply chains, it also raises the relative importance of other regions in driving new investment going forward.

In the first two quarters of the year, manufacturing and industry investment declined quarter-on-quarter in both China and India. For China, this was the continuation of a long-running decline since investment peaked in Q1 2023, with investment levels in Q2 2026 falling to three-quarters of the peak. In India, this marks a more recent turnaround after a ramp-up in investment through Q1 2025, led by growth in solar manufacturing. India saw the largest contraction in Q1 2026, with investment falling 28% from the previous quarter, after the US Commerce Department levied preliminary countervailing duties on Indian solar exports, effectively closing the US market to Indian manufacturers. Investment leveled off in Q2 2026, with a more modest 4% drop. The US and Europe also saw investment decline in Q1 2026 (11% and 25% from Q4 2025, respectively), followed by modest rebounds in Q2 2026 (up 5% and 9% from Q1 2026). While both remained below Q4 2025 levels, this broke a six-quarter streak of consecutive declines for the US, while for Europe it signaled a partial recovery toward the higher levels seen throughout 2025.

FIGURE 8

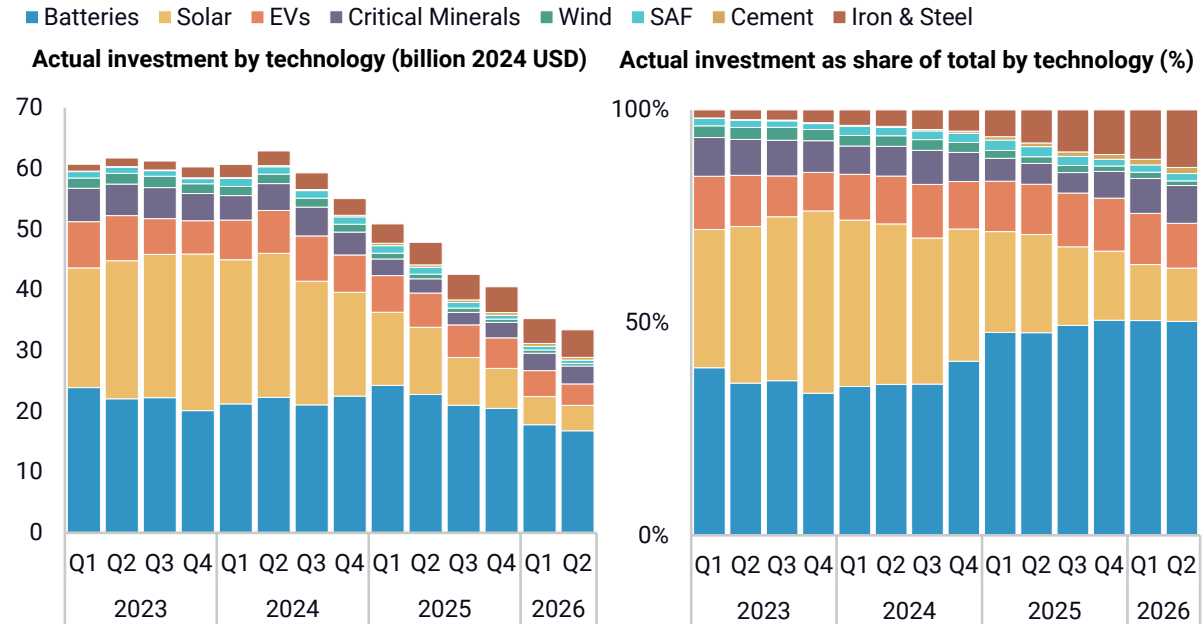
China's clean manufacturing and industry investment fell to a third of the global total from 71% at peak



Source: Rhodium Group, Clean Investment Monitor

FIGURE 9

Contraction of new solar investment drove the bulk of global clean manufacturing decline



Source: Rhodium Group, Clean Investment Monitor

Looking by technology, the global decline in new manufacturing investment in the first half of 2026 was driven by solar, where quarter-on-quarter investment fell 29% in Q1 2026 and then 10% in Q2 2026, landing at $4.2 billion (Figure 9). This continues a longstanding

downward trajectory with investment now 84% below its peak in Q4 2023, driven by Chinese overcapacity, policy headwinds in the US, and a US Commerce Department crackdown on solar imports from Southeast Asia and India that has dampened activity in the region.

Battery manufacturing investment was down about 13% in Q1 2026 relative to Q4 2025 before falling modestly in the second quarter of 2026, putting investment 26% below Q2 2025 levels. This comes as China is also facing overcapacity, and EV sales in major markets around the world have cooled, putting increasing focus on battery storage and novel chemistries.

Quarter-on-quarter investment in new critical mineral mining, refining, and processing facilities was up 13% in Q1 2026 relative to Q4 2025 before leveling off in Q2 2026, continuing a rising trend since a low point in Q3 2025. Quarter-on-quarter SAF investment fell by around 5% in both Q1 and Q2 2026, with overall H1 2026 levels at 50% below the first half of 2025. Iron and steel and cement saw investments largely level in the first half of the year.

Announced investments

While actual capital expended on the construction of new manufacturing and industry facilities has slowed, the value of announced investments rose 10%, or $4.2 billion, in Q1 2026 relative to Q4 2025 and held steady in Q2. This breaks a four-quarter streak of consecutive declines in announced investment, and a forward-looking signal that actual investment could pick up in the coming quarters (Figure 10).

Battery manufacturing announcements held largely steady at roughly $23 billion in both Q1 and Q2 2026, staying at roughly the same level as Q4 2025 and above Q1 and Q2 2025 (Figure 11). Falling announced investment in new mobile battery manufacturing capacity was offset by expanding activity in the stationary storage sector. Batteries accounted for the largest share of announced investment in manufacturing and industry in the first half of the year—50% of the global total—a position they've held since Q3 2025, when they surpassed solar.

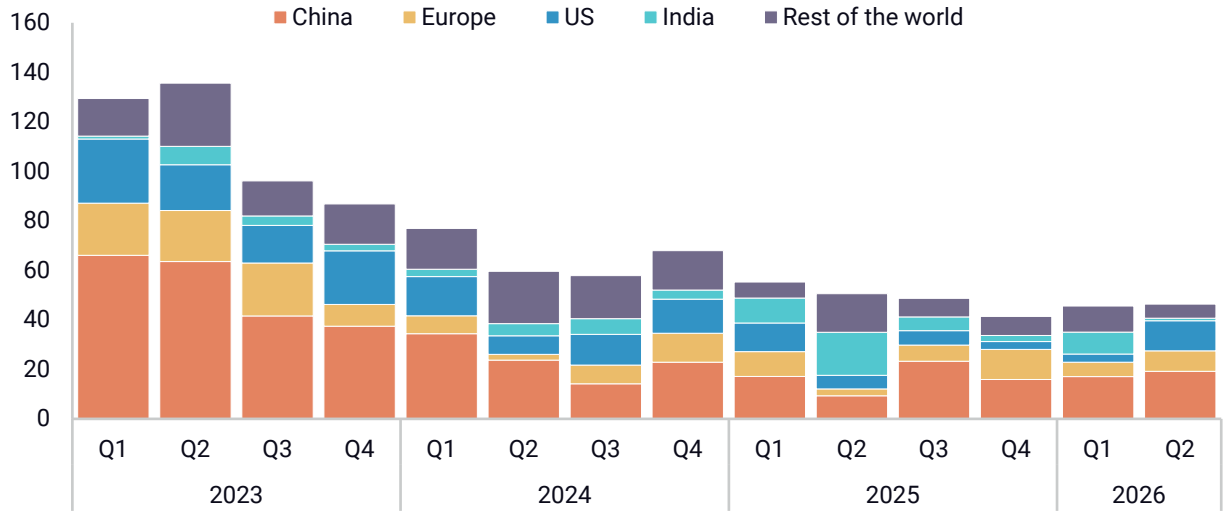
Sustainable aviation fuel announcements contributed the most to the growth in announcements in H1 2026, rising 3.5 times to $6.4 billion and accounting for 7% of H1 announcements. This was driven by substantial new announcements across Brazil, the US, and Europe, of which 50% are expected to produce alcohol-to-jet fuels. Together, batteries and SAF accounted for 57% of new investment announced in the first half of the year, up from 45% during the same period in 2025.

Critical mineral announcements rose by 8% in H1 2026 relative to H2 2025, driven by new lithium and graphite projects. By contrast, solar manufacturing announcements fell 32% year-on-year, and EV announcements declined 39%, while clean iron and steel announcements dropped sharply from the unusually high levels after a major announcement in India in H1 2025. The result is a prospective investment pipeline that remains sizeable but is becoming increasingly concentrated in a smaller set of technologies.

FIGURE 10

Announced manufacturing and industry investments stabilized in the first half of 2026, breaking four quarters of consecutive decline

Billion 2024 USD

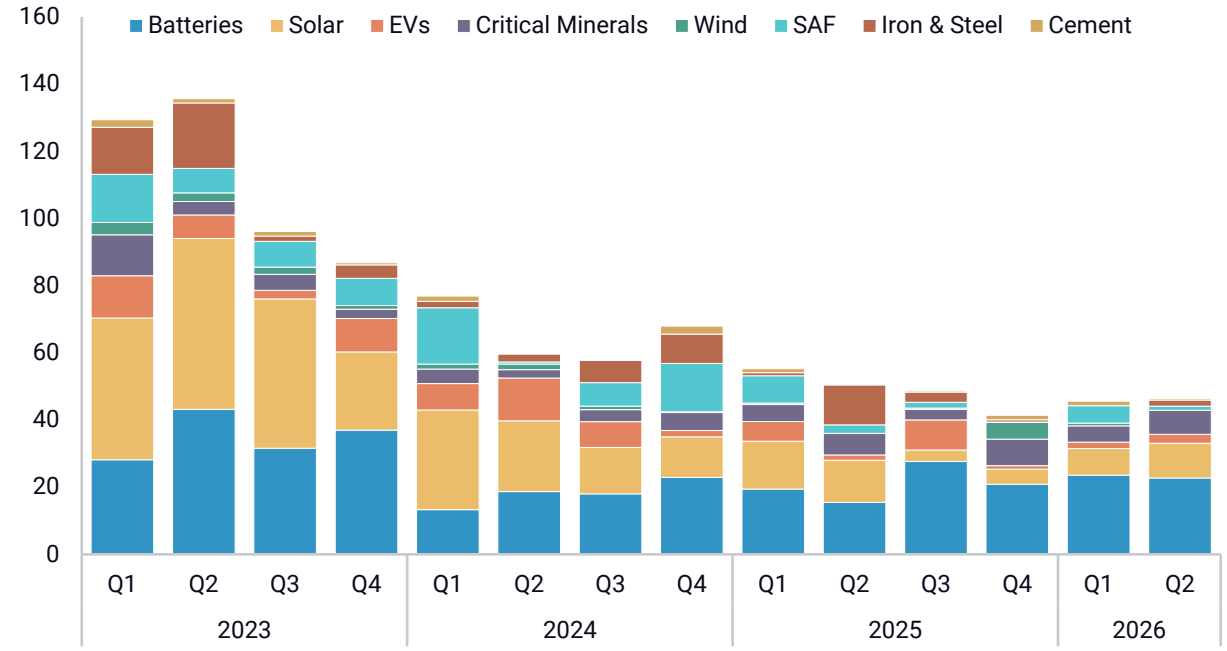


Source: Rhodium Group, Clean Investment Monitor

FIGURE 11

Announced global manufacturing investments held steady or grew across batteries, solar, critical minerals, and SAF in the first half of 2026

Announced investment in clean technology manufacturing and industry by technology, billion 2024 USD



Source: Rhodium Group, Clean Investment Monitor

Manufacturing and industry sector deep dives

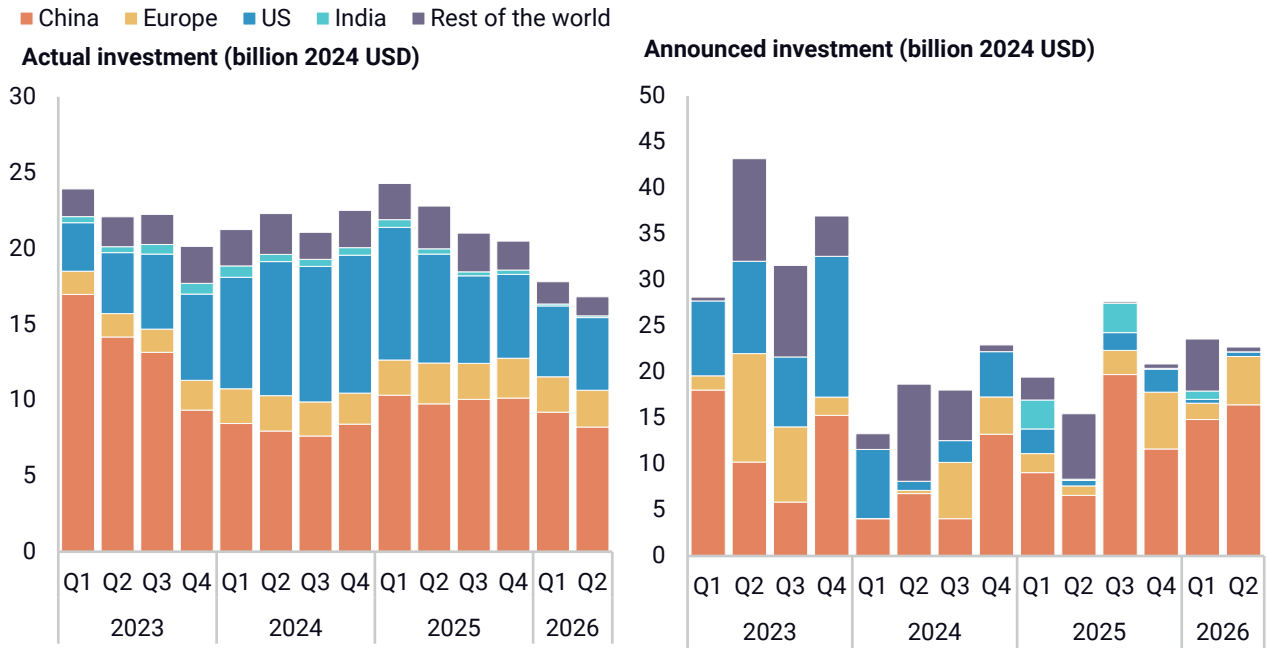
At the global level, investment in manufacturing and industry continues to slow, while announced investment ticked up in recent quarters. In the sections below, we unpack the market, policy, and technology drivers of these trends in the first half of 2026 for four key technology industries.

Battery investment fell for the sixth consecutive quarter, while new announcements held steady

Actual investment in new battery manufacturing fell in the first half of 2026, continuing the previous year's downward trend (Figure 12). The US and China continued to contribute the most to quarterly global investment and also drove most of the global decline. Quarter-on-quarter investment in China fell 9% in Q1 2026 and 11% in Q2 2026 relative to the previous quarter, and investment declined 15% in the US in Q1 2026 before leveling off in Q2 2026. The underlying drivers of these declines differ by market: in the US, a more challenging clean manufacturing environment; in China, a leveling off following years of overinvestment and the price wars that followed. Europe, India, and other parts of the world also saw quarterly investment down in the first half of the year.

FIGURE 12

Battery manufacturing investment fell across major regions in H1 2026, while announcements held steady at H2 2025 levels



Source: Rhodium Group, Clean Investment Monitor

Although actual investment fell, China, Europe, and other parts of the world saw meaningful new announced investments in battery manufacturing in Q1 and Q2 of 2026. Despite the lumpiness of quarterly announcements, this puts aggregate H1 2026 announced investment on par with H2 2025 and double H1 2025 levels. Announcements in China were buoyed by a shift from mobile to stationary battery applications, with 41%

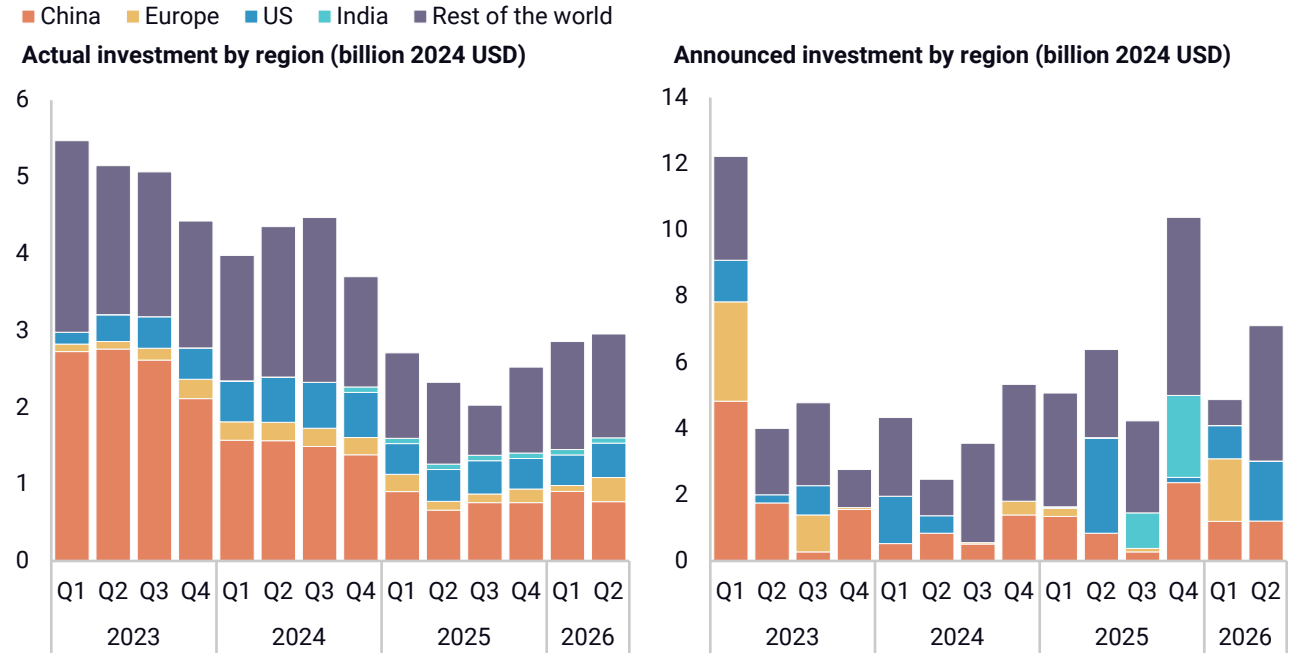
of announced investment from dedicated stationary storage or mixed application facilities in the first half of 2026, up from 30% in the previous six months.

Europe also saw meaningful new announcements in battery manufacturing in H1 2026, although they were down 20% from the second half of 2025. These included major new upstream battery material facilities planned in Spain and France. In the rest of the world, new announcements were up eight-fold in H1 2026 compared to modest H2 2025 levels, with major announcements from Indonesia, Japan, South Korea, and Vietnam. Meanwhile, US battery announcements hit a record low in the first half of 2026—just $915 million, the lowest levels since the passage of the Inflation Reduction Act in 2022.

Critical minerals investment rebounds beyond China, led by lithium and graphite

Actual capital investment in critical minerals has rebounded from its mid-2025 low, with growth increasingly centered outside China. Quarterly investment declined from $2.7 billion in Q1 2025 to $2.0 billion in Q3 2025 before steadily rising to $3.0 billion by Q2 2026, representing a 50% increase from the 2025 low point (Figure 13). Unlike in other technology sectors, countries outside the big four regions (the US, China, India, and Europe) accounted for 44% of the $10.4 billion in cumulative actual investment recorded from Q3 2025 through Q2 2026. Europe provided the main source of growth in Q2 2026, offsetting declines in China and the rest of the world.

FIGURE 13
Critical minerals investment recovery broadens beyond China while announcements shift across regions



Source: Rhodium Group, Clean Investment Monitor

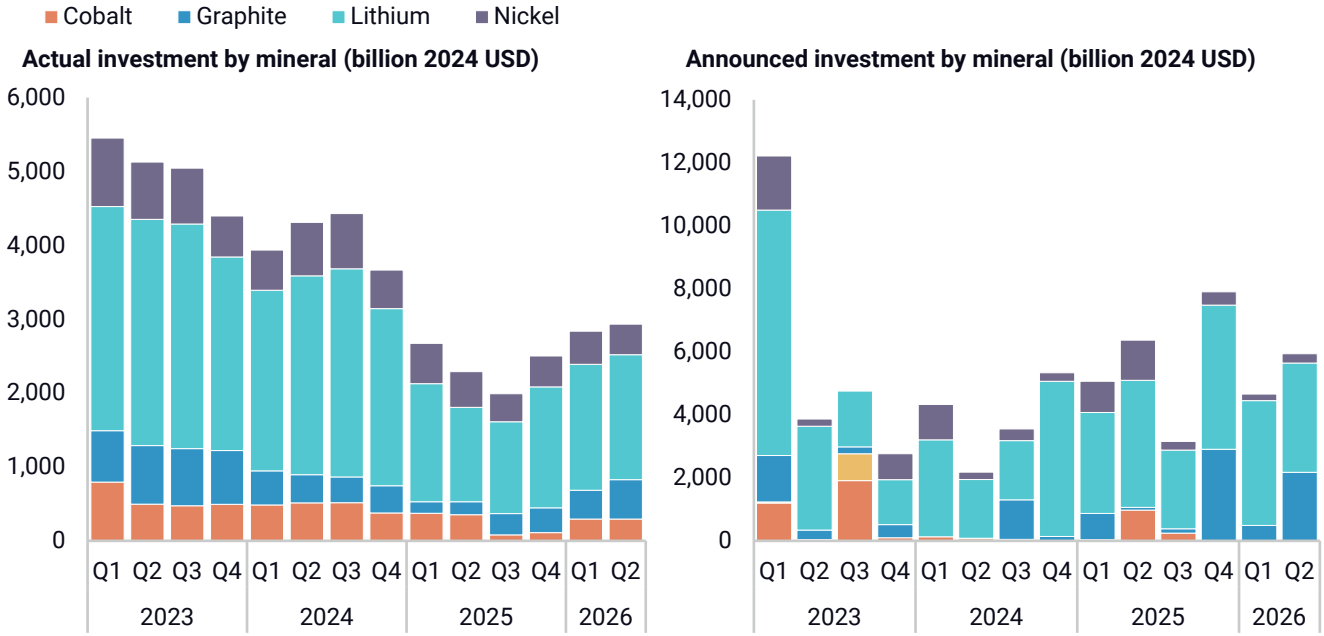
New announcements have followed no consistent regional pattern and instead reflect the timing of a few large projects. Europe accounted for 41% of Q1 2026 announcements,

almost entirely because of Imerys's $1.9 billion announced lithium project in France. In Q2 2026, projects outside of China, Europe, India, and the US accounted for 46% of the global announced total, led by $3.2 billion of projects in Argentina and Canada. The new pipeline of projects in these countries is also further along, with more than half of H1 2026 investment announced in the rest of the world already under construction, compared with none in Europe—where investment in local mineral supply chains has been ramping up—and roughly one-third in China.

The breakdown by mineral type shows that the uptick in actual investment has also changed its composition. Lithium continued to account for most spending in the first half of 2026, but graphite investment more than tripled from $156 million in Q1 2025 to $532 million in Q2 2026, raising its share of the total from 6% to 18%. Cobalt and nickel investment remained below early-2025 levels, leaving the recovery increasingly dependent on lithium and graphite projects (Figure 14).

FIGURE 14

Lithium anchors actual investment, while graphite drives the latest announcement rebound



Source: Rhodium Group, Clean Investment Monitor

H1 2026 critical minerals announcements combined broad-based activity in China with a few large lithium projects elsewhere (Figure 15). China recorded $2.4 billion across more than 20 graphite, lithium, and nickel projects, with no single project accounting for more than 12% of the total. Two-thirds of that investment has yet to break ground, and one-third is under construction.

By contrast, Argentina's $1.9 billion and France's $1.9 billion were concentrated in a handful of large lithium projects, led by Ganfeng Lithium's $1.2 billion announced project, POSCO's $633 million under construction project, and Imerys's $1.9 billion announced project. The US recorded another $1.4 billion across eight lithium-refining facilities, although 85% remains announced.

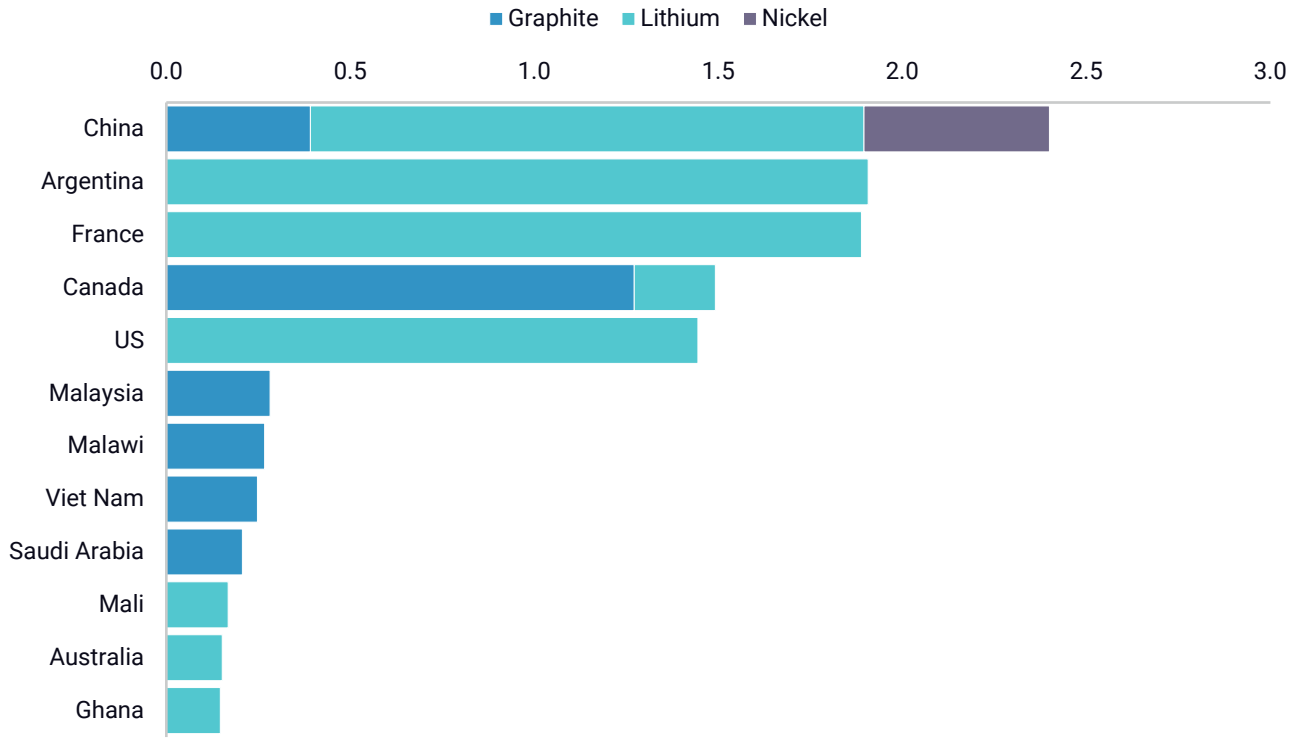
Graphite investment was more geographically dispersed and further along in development. Canada recorded $1.3 billion in graphite investment through Nouveau Monde Graphite's mine and anode-material facilities, both under construction.

New graphite-anode facilities in Malaysia and Vietnam are also under construction, while projects in Malawi and Saudi Arabia remain in the announced stage. Across all countries, 73% of H1 graphite investment is already under construction, compared with 18% of lithium investment. The shift toward graphite therefore reflects not only new project announcements but also projects that have already moved into construction.

FIGURE 15

Large lithium projects lead H1 2026 announcements, while graphite is more geographically dispersed

Announced investments in Q1 and Q2 2026 by country and mineral, billion 2024 US



Source: Rhodium Group, Clean Investment Monitor

Solar manufacturing spending keeps falling, even as announcements rise in the US and India

Global actual solar manufacturing investment declined in every quarter after its peak in Q4 2023, falling by $21.6 billion, or 83%, from $25.7 billion in Q4 2023 to $4.2 billion in Q2 2026 (Figure 16). Investment dropped from $23.1 billion in the first half of 2025 to $14.4 billion in the second half, then fell another 39% to $8.8 billion in the first half of 2026. The decline slowed in the latest quarter, with investment falling by $464 million, or 10%, from Q1 to Q2 2026.

Between Q4 2023 and Q2 2026, the global decline reshaped the regional distribution of actual solar manufacturing investment: China's share of global investment contracted from 77% to 31%, while the US share increased from 5% to 16% and India's rose from 5% to 48%. China accounted for 94% of the global decline, as actual investment fell by $20.4 billion, or 92%, from Q4 2023 to Q2 2026. Investment continued to fall in 2026, with quarter-on-quarter declines of over 30% in both Q1 and Q2. The contraction of new solar investment in China comes after substantial manufacturing buildout and domestic price pressure.

India's investment in solar, meanwhile, grew rapidly from late 2023 to mid 2025, before falling by more than a third in the two quarters from Q3 2025 to Q1 2026. The slowdown in India comes as US tariffs have effectively shut off the US market, compounding the challenges facing an industry already grappling with domestic overcapacity in downstream solar manufacturing. Quarterly investment in the US—which also peaked in Q4 2023—fell by $950 million, or 50% over the same timeframe. The contraction continued into 2026, with investment falling by a quarter in Q1 2026 before recovering to levels recorded in Q4 of 2025. The Q2 increase in the US was driven by construction activity at a newly announced, capital-intensive solar cell project. Investment across the rest of the world also grew through the end of 2023 before plateauing and falling, hitting quarterly values of less than half of their peak.

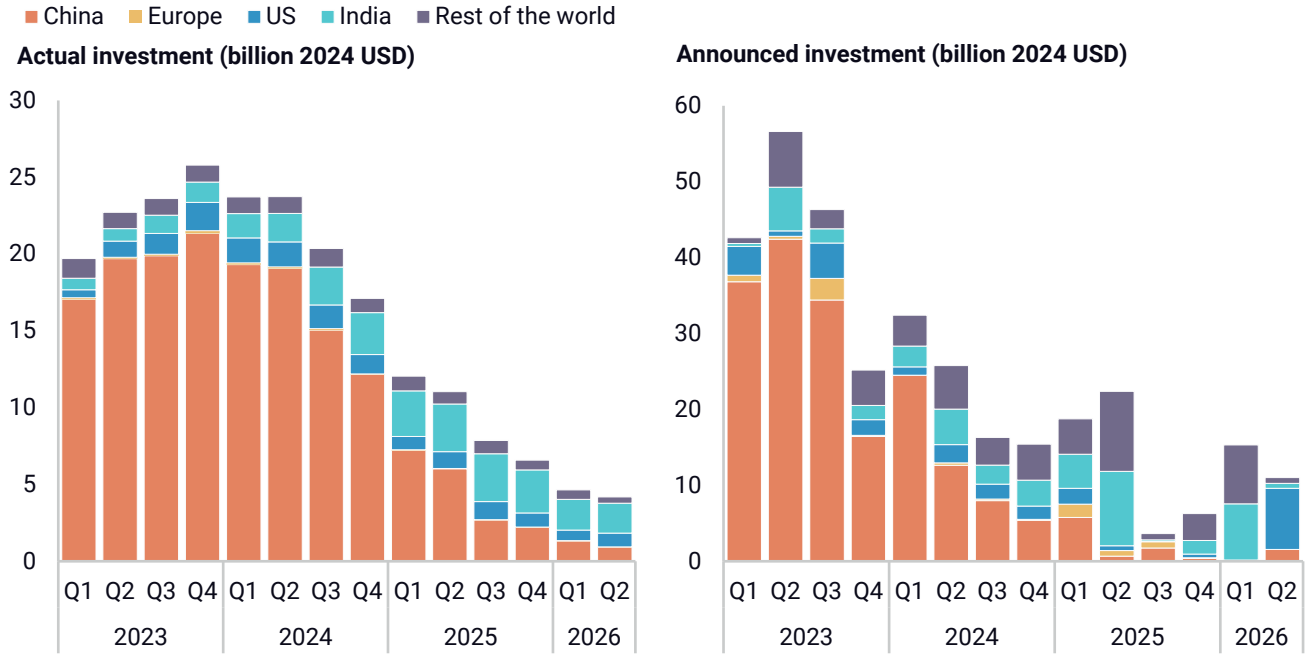
New announcements in solar manufacturing recovered from their weak second half of 2025 but remained below the pace set early that year. Announced investment more than doubled from $7.9 billion in the second half of 2025 to $18.3 billion in the first half of 2026, but remained $8.5 billion, or 32%, below the first half of 2025. Momentum strengthened within 2026, with announcements rising by $2.4 billion, or 31%, from $7.9 billion in Q1 to $10.4 billion in Q2. These announcements are forward-looking signals but have not yet reversed the downward trend in global quarterly announcements since their peak in mid-2023.

The geography of announcements has shifted over time, mirroring the trends seen in actual investment, with China's contribution to quarterly announced investment falling from 85% in the first half of 2023 to 6% in the same period of 2026, while the US, Europe, and India's shares rose. In the first quarter of 2026, India accounted for $7.3 billion of the $15.7 billion announced globally, driven by a handful of large cell and integrated cell-and-module investments. Outside India, rest-of-world announcements totaled $458 million and were even more concentrated. Kemet's $370 million cell-and-module project in Egypt accounted for 81% of that total, followed by smaller module projects in the United Arab Emirates and the Philippines.

The US dominated Q2 announcements, accounting for $8.0 billion of the $10.4 billion global total, while China contributed $1.6 billion and India contributed $667 million. US activity was concentrated in two projects: a $2.9 billion under-construction solar-cell project in Texas and a $2.9 billion announced cell-and-module project in New Mexico. Together, the two projects represented $5.8 billion, or 56%, of global Q2 announcements. These announcements point to potential future investment, but actual spending has yet to reflect a turnaround.

FIGURE 16

Solar manufacturing spending continues to fall, but new announcements edge up



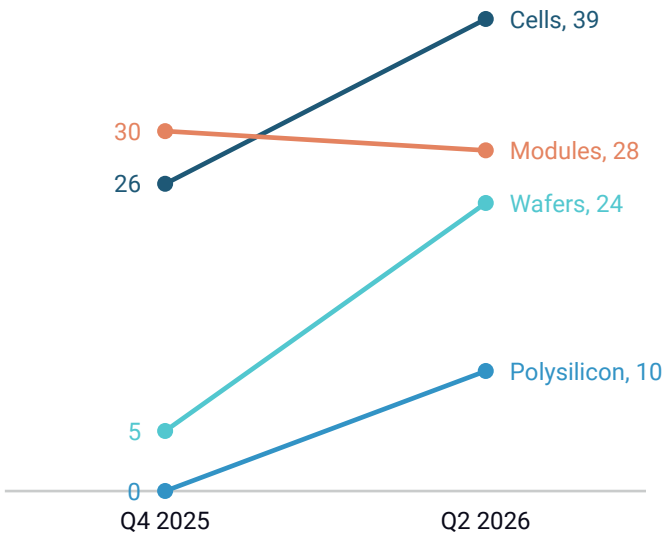
Source: Rhodium Group, Clean Investment Monitor

India's solar manufacturing base remains heavily concentrated downstream, but developments in the first half of 2026 point to an early move upstream. By Q2 2026, India had 242.7 GW of operating module capacity, six times its 40.5 GW of cell capacity and nearly 100 times its 2.5 GW of wafer capacity, with no operating polysilicon capacity (Figure 17). This concentration in operating capacity contrasts with a shift in announced investments: between Q4 2025 and Q2 2026, announced wafer capacity increased from 5 GW to 24 GW, announced polysilicon capacity rose from zero to 10 GW, and announced cell capacity increased from 25.6 GW to 39.3 GW. Announced module capacity, by contrast, edged down from 30.0 GW to 28.4 GW. These changes suggest that India's pipeline is beginning to fill upstream gaps in its manufacturing supply chain, even as its operating base remains dominated by modules.

FIGURE 17

India's solar manufacturing base remains concentrated in downstream production as its new announcements signal a move towards upstream components like polysilicon, wafers, and cells

Announced solar manufacturing capacity by component, Q4 2025 and Q2 2026, GW



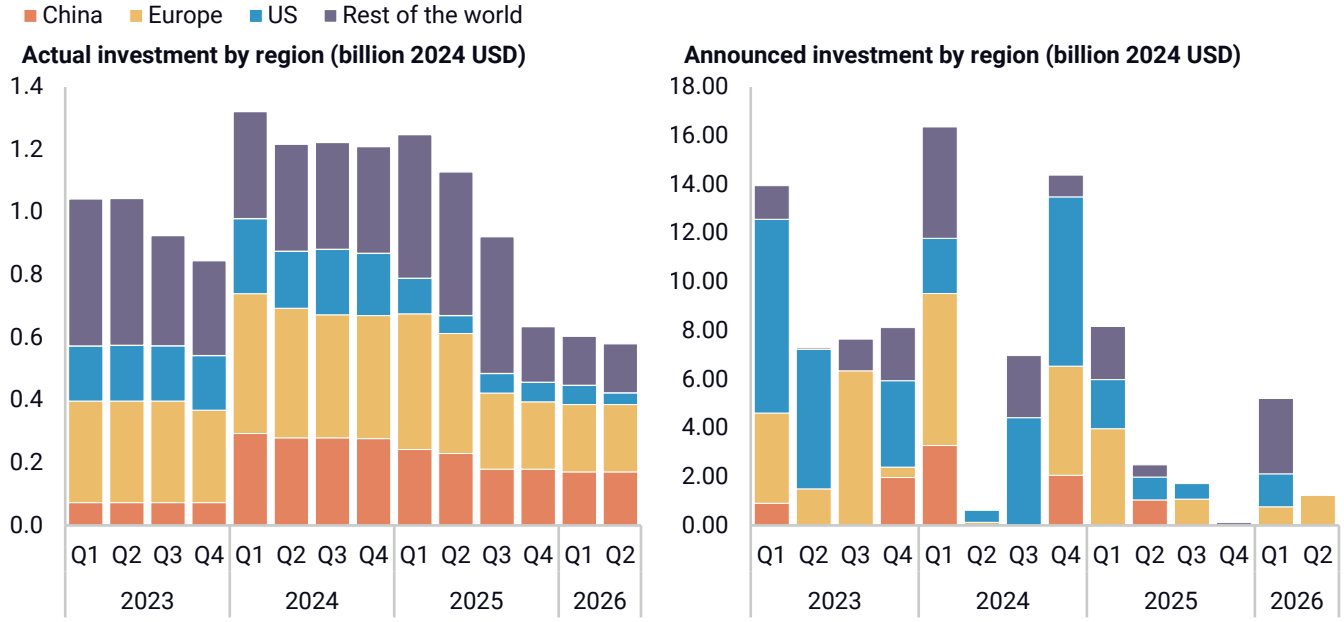
Source: Rhodium Group, Clean Investment Monitor

SAF investment declines while the project pipeline expands and diversifies

Actual investment in SAF production facilities has fallen by more than half since its peak in Q1 2024, with declines leveling off in the first half of this year. Unlike investment in solar and battery manufacturing, which have been heavily concentrated in China, investments in SAF have been more geographically diverse, with more than 80% of investment since Q1 2023 coming from Europe, the US, and other parts of the world (Figure 18). Quarterly actual investments were down in Q2 2025 and fell further into the first half of 2026 as new facilities—including major plants in Panama, the Netherlands, the US, Italy, and Indonesia—completed construction. Over the same period, only a handful of new facilities broke ground.

FIGURE 18

Investment in SAF is trending downward even as announcements are up



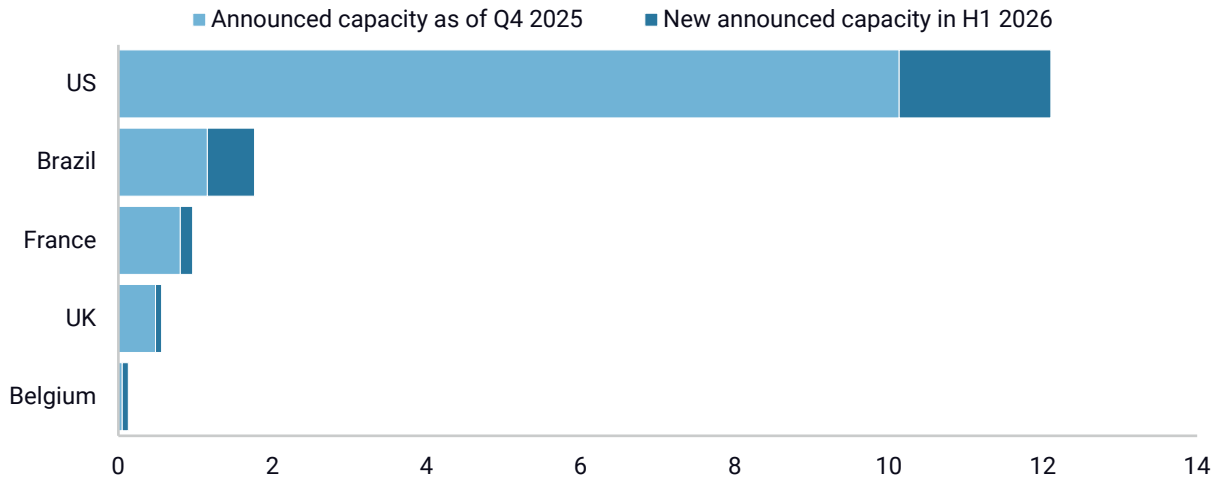
Source: Rhodium Group, Clean Investment Monitor

While actual investment continues to fall, new SAF announcements were up substantially in the first half of 2026. In countries with new announced capacity, the anticipated new builds are meaningful relative to the existing pipeline of announced projects—a roughly 20% increase in the US, France, and the UK, and more than doubling in Brazil and Belgium, with Belgium starting from a small baseline (Figure 19). Announced projects in 2026 also represent a shift in SAF pathways, from a pipeline that's been primarily HEFA-based SAF to a more diverse mix of technologies that includes Fischer-Tropsch, Alcohol-to-Jet (AtJ), and power-to-liquid fuels across geographies. This includes a new Fischer-Tropsch plant in the US and PtL plant in the UK—each of which would double the existing project pipeline for its respective technology—and for the AtJ pathway, first-of-their kind facilities in Brazil and Belgium, and a major new plant in France.

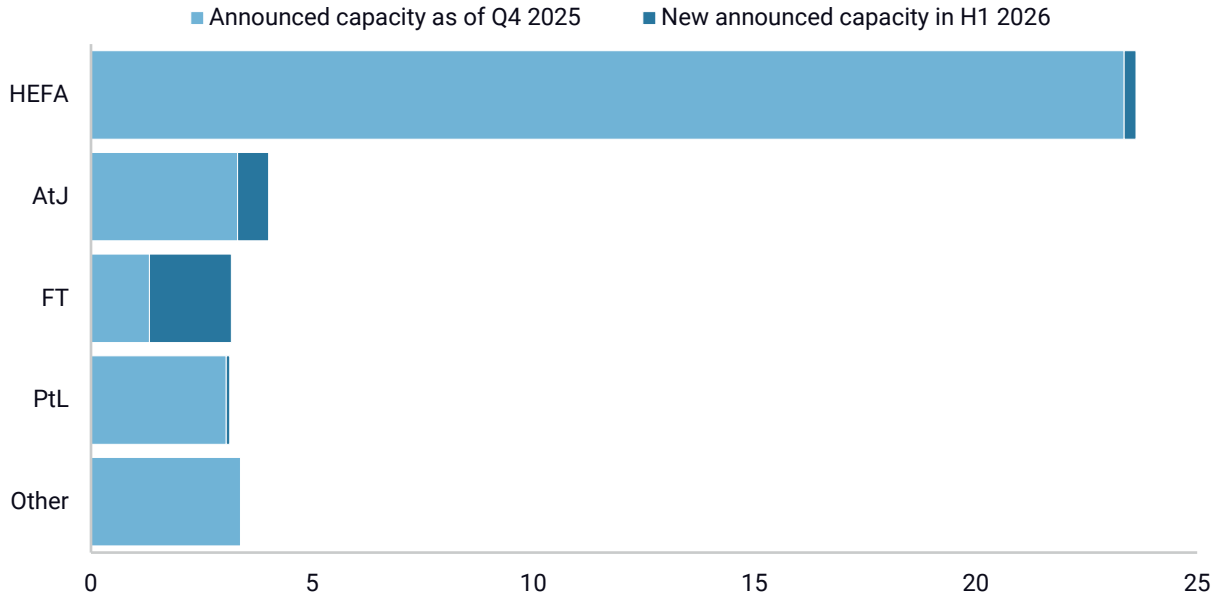
FIGURE 19

The SAF project pipeline expanded and diversified in the first half of 2026

(a) Announced capacity as of Q4 2025 and during H1 2026, for countries with new H1 2026 announcements, million metric tons per year



(b) Global announced capacity by technology as of Q4 2025 and new announced capacity in H1 2026, million metric tons per year



Source: Rhodium Group, Clean Investment Monitor

Tracking the next phase of global clean investment

The first half of 2026 marked a slowdown in global clean technology investment after several years of sustained growth. Investment increased modestly in Q2 but remained well below the elevated levels recorded at the end of 2025. Manufacturing investment continued to decline, even as new announcements stabilized and the geographic and technological composition of the project pipeline evolved.

The coming quarters will show whether the Q2 uptick develops into more sustained growth and whether announced projects move into construction. Policy changes, shifting demand, trade measures, and continued pressure from excess manufacturing capacity will shape where new investment occurs and which projects ultimately advance.

Beginning with Q3 2026, the Clean Investment Monitor will publish updates on a quarterly cadence covering all sectors and technologies tracked in this report. By following actual investment, project announcements, construction progress, and cancellations, CIM provides a timely view of how the global clean technology landscape is evolving. Additional data and visualizations, including detailed country and technology level breakdowns, are available through Rhodium Group's free ClimateDeck platform.

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