

According to a report published by the Hungarian Energy and Public Utilities Regulatory Authority (MEKH), in 2021, the share of solar power plants in total electricity production reached 11.1 %, the highest rate in the whole European Union.

In 2021, COVID restrictions had less impact on electricity demand, thus the overall electricity consumption of the 27 EU Member states increased by 4.3 % compared to the previous year. In Hungary, electricity demand increased by 6 %.

Electricity production in the EU-27 also increased at a similar rate. In the EU, record-high gas prices changed the trend of fuel switching, from coal to natural gas. As a result, coal-based production increased from 12.3 to 14.2 %, exceeding the 13.9 % contribution of gas-fired power plants. All in all, coal-based power production increased by about 20 % in the EU, while the production of gas-fired power plants was 6.3 % lower compared to the previous year.

As the trend of coal phase-out reversed, the role of fossil fuels in electricity production strengthened, while the role of carbon-neutral technologies decreased from 62.9 to 62.2 %. Weather-dependent renewables decreased from 33.4 to 33.1 %. This was exacerbated by unfavorable weather conditions, despite the rising installed capacity, the weather-dependent renewable-based production increased only marginally, by 4.2 TWh. However, the expansion of wind and solar capacities continued in 2021, with more than 20 GW of installed capacity added in the EU-27 countries.

In Hungary, the share of solar power plants in total electricity production increased to 11.1 per cent, the highest among the EU-27 countries, which put Hungary ahead of Mediterranean countries such as Spain or Greece. As a comparison, the production of solar power plants never exceeded coal-based electricity production in 2019. However, in 2021, from March to October, solar-based electricity production exceeded lignite-based power generation every month, and also on an annual basis.

In 2021, the production of Hungary's lignite-fired thermal power plant Matra continued to decrease, but it was still the second-largest producer on the domestic market. At the same time, the EU-wide trend of increased coal-based electricity generation was not perceptible in Hungarian production.