



**UNIVERSITAS ANDALAS**

**POWERING TOMORROW: FINANCIAL DEVELOPMENT AND  
THE CLEAN ENERGY TRANSITION IN BRICS+ NATIONS**



**Thesis Advisor:**

**Abdul Khaliq, SE, MA**

**FACULTY OF ECONOMICS AND BUSINESS**

**DEPARTMENT OF ECONOMICS**

**PADANG**

**2025**

**Powering Tomorrow: Financial Development and The Clean Energy Transition  
in BRICS+ Nations**

By

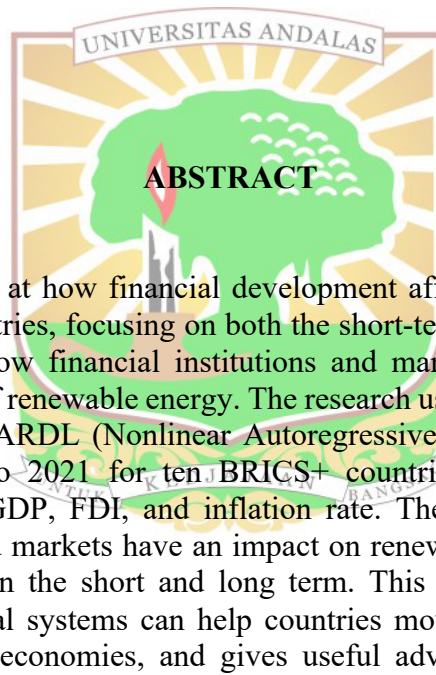
Firlana Abidin

2110512036

Submitted to The Department of Economics,

on June 2, 2025, in partial fulfilment of requirements for the degree of

Bachelor of Economics



This study looks at how financial development affects the use of renewable energy in BRICS+ countries, focusing on both the short-term and long-term impacts. It tries to understand how financial institutions and markets, in a nonlinear way, influence the adoption of renewable energy. The research uses ARDL (Autoregressive Distributed Lag) and NARDL (Nonlinear Autoregressive Distributed Lag) models, with data from 1992 to 2021 for ten BRICS+ countries, considering important economic factors like GDP, FDI, and inflation rate. The findings show that both financial institutions and markets have an impact on renewable energy adoption, but the significancy differ in the short and long term. This research gives insights to understand how financial systems can help countries move toward cleaner energy, especially in emerging economies, and gives useful advice for policymakers and investors in the BRICS+ countries.

*Keywords:* Financial Development, Renewable Energy Consumption, BRICS+

Thesis Advisor: Abdul Khaliq, SE, MA