

# Small Hydropower Market In 2029

*The Business Research Company's Small Hydropower Global Market Report 2025 – Market Size, Trends, And Global Forecast 2025-2034*

LONDON, GREATER LONDON, UNITED KINGDOM, December 5, 2025 /EINPresswire.com/ -- [Small Hydropower Market](#) to Surpass \$4 billion in 2029. In comparison, the electrical equipment market, which is considered as its parent market, is expected to be approximately \$2,201 billion by 2029, with small hydropower to represent around 0.2% of the parent market. Within the electrical and electronics industry, which is expected to be \$5,240 billion by 2029, the small hydropower market is estimated to account for nearly 0.1% of the total market value.

Which Will Be the Biggest Region in the Small Hydropower Market in 2029? Asia Pacific will be the largest region in the small hydropower market in 2029,

valued at \$1,689 million. The market is expected to grow from \$1,509 million in 2024 at a compound annual growth rate (CAGR) of 2%. The steady growth is supported by the favorable government initiative and growing cross-border green energy trade initiatives.

Which Will Be The Largest Country In The Global Small Hydropower Market In 2029?

China will be the largest country in the small hydropower market in 2029, valued at \$979 million. The market is expected to grow from \$868 million in 2024 at a compound annual growth rate (CAGR) of 2%. The steady growth can be attributed to the growing cross-border green energy trade initiatives and focus on reducing carbon emissions.



Request a free sample of the Small Hydropower Market report:  
[https://www.thebusinessresearchcompany.com/sample\\_request?id=13732&type=smp](https://www.thebusinessresearchcompany.com/sample_request?id=13732&type=smp)

What will be Largest Segment in the Small Hydropower Market in 2029? The small hydropower market is segmented by type into micro hydropower and mini hydropower. The mini hydropower market will be the largest segment of the [small](#)

[hydropower market segmented](#) by type, accounting for 71% or \$2,832 million of the total in 2029. The mini hydropower market will be supported by moderate capacity suitable for small communities, relatively low operational and maintenance costs, ability to integrate with existing power grids, enhanced turbine efficiency, growing government incentives for renewable energy, increasing focus on clean energy for local industries and supportive regulatory frameworks.

“

The expected CAGR for the small hydropower market leading up to 2029 is 3%.”

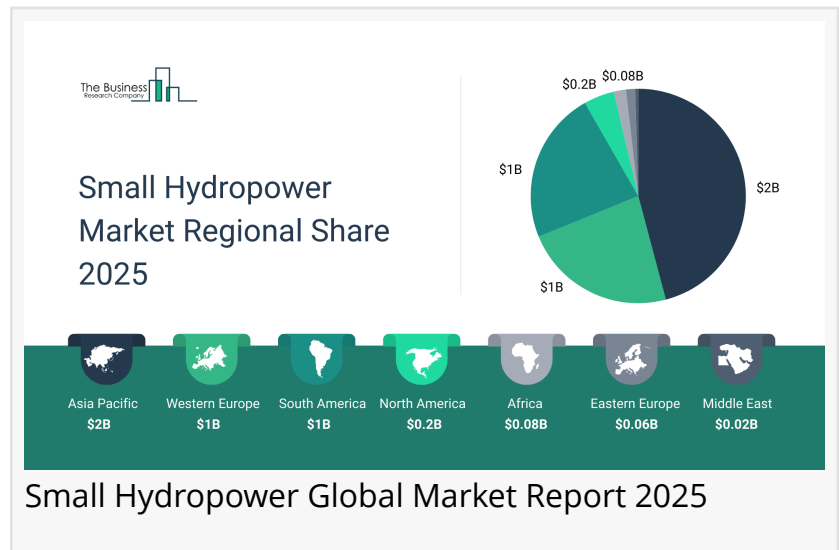
*The Business Research Company*

The small hydropower market is segmented by capacity into up to 1 MW and 1–10 MW. The up to 1 MW market will be the largest segment of the small hydropower market segmented by capacity, accounting for 52% or \$2,097 million of the total in 2029. The up to 1 MW market will be

supported by potential for supplying small towns or industrial clusters, scalability with river flow variations, government incentives for renewable energy projects, proven technology reliability, integration into regional grids, moderate environmental footprint and growing demand for decentralized yet sizable energy generation.

The small hydropower market is segmented by application into civil construction, power infrastructure and other applications. The power infrastructure market will be the largest segment of the small hydropower market segmented by application, accounting for 43% or \$1,737 million of the total in 2029. The power infrastructure market will be supported by rising electricity demand in rural and semi-urban areas, government focus on renewable energy expansion, integration into local and regional grids, enhanced turbine and generator technology, availability of financing options, increasing energy efficiency standards and growing interest from private power developers.

The small hydropower market is segmented by end-user into commercial and utility-scale. The utility-scale market will be the largest segment of the small hydropower market segmented by end-user, accounting for 58% or \$2,337 million of the total in 2029. The utility-scale market will



be supported by capacity to supply larger communities, stable long-term revenue streams, grid stability support, access to government subsidies and financing, advanced turbine and generator technology, environmental compliance advantages and growing focus on expanding renewable energy capacity.

What is the expected CAGR for the Small Hydropower Market leading up to 2029?

The expected CAGR for the small hydropower market leading up to 2029 is 3%.

What Will Be The Growth Driving Factors In The Global Small Hydropower Market In The Forecast Period?

The rapid growth of the global small hydropower market leading up to 2029 will be driven by the following key factors that are expected to reshape renewable energy generation and rural electrification infrastructure worldwide.

**Rising Demand for Renewable Energy** - The rising demand for renewable energy will become a key driver of growth in the small hydropower market by 2029. As countries strive to meet increasing electricity needs, driven by industrial expansion, electrification of transport, higher cooling demand and growth in data centres, they are turning more and more toward clean, reliable sources of power. Small hydropower plants, with their ability to supply continuous and low-emission electricity in mountainous and rural regions, offer an ideal match for this shift. Small hydropower stands to benefit from policies and investment flows favoring renewable generation options. The steady increase in renewables' share in electricity mix encourages investment in small and medium scale projects, modernization of existing plants and integration of small hydropower into regional power systems. As a result, the rising demand for renewable energy is anticipated to contributing to a 2.0% annual growth in the market.

**Focus on Reducing Carbon Emissions** - The focus on reducing carbon emissions will emerge as a major factor driving the expansion of the small hydropower market by 2029. Governments, industries and international organizations are increasingly prioritizing low-carbon energy solutions to combat climate change and align with sustainability targets. Small hydropower projects, with their renewable, clean and reliable generation capacity, are well positioned to support this transition by offering a consistent alternative to fossil fuel-based power. Efforts to reduce carbon footprints across sectors are driving a shift toward renewable energy investments, with hydropower playing a key role in ensuring grid stability and balancing variable sources like wind and solar. As policies and initiatives aimed at lowering emissions intensify, small hydropower is gaining importance as a dependable option that delivers both environmental and economic benefits. Consequently, the focus on reducing carbon emissions is projected to contributing to a 1.5% annual growth in the market.

**Favorable Government Initiatives** - The favorable government initiatives within digital manufacturing processes will serve as a key growth catalyst for the small hydropower market by 2029, policies that provide financial support, incentives and regulatory backing encourage investment in small hydro projects by reducing barriers related to project development and implementation. These initiatives make it easier for developers to undertake projects in remote

or hilly regions, where small hydropower plants are most effective. By supporting environmentally sustainable and decentralized energy generation, such initiatives also promote the adoption of clean energy solutions in rural and semi-urban areas. As governments continue to prioritize renewable energy and create conducive frameworks for project development, the small hydropower sector is expected to attract increased investment and expansion. Therefore, this favorable government initiatives is projected to supporting to a 1.0% annual growth in the market.

**Growing Cross-Border Green Energy Trade Initiatives** - The growing cross-border green energy trade initiatives will become a significant driver contributing to the growth of the small hydropower market by 2029. Cross-border electricity trade requires clean, reliable and regulation-compliant sources of power and small hydropower projects are well positioned to meet these needs. Small hydropower projects (SHP) plants provide stable renewable generation, support grid balancing and can be easily integrated into regional energy exchanges, making them ideal for international power trade. Moreover, their location in border states and hilly regions enhances their potential for export to neighbouring countries. As emerging countries around the world, such as Nepal, Bhutan and Bangladesh, increasingly participate in cross-border electricity trade to diversify energy sources and meet climate targets, the demand for flexible and dependable renewable energy from small hydro projects is expected to rise. Consequently, the growing cross-border green energy trade initiatives is projected to contributing to a 0.8% annual growth in the market.

Access the detailed Small Hydropower Market report here:

<https://www.thebusinessresearchcompany.com/report/small-hydropower-global-market-report>

**What Are The Key Growth Opportunities In Small Hydropower Market in 2029?**

The most significant growth opportunities are anticipated in the small and mini hydropower market, the utility-scale hydropower market, the hydropower infrastructure market, and the up to 1MW hydropower market. Collectively, these segments are projected to contribute over \$1 billion in market value by 2029, driven by increasing investments in decentralized energy systems, modernization of rural electrification networks, and government incentives supporting low-impact renewable power generation. This surge reflects the global shift toward sustainable and distributed clean energy infrastructure, enabling improved grid stability, reduced carbon emissions, and enhanced energy security across emerging and developed regions fuelling transformative growth within the broader small and mini hydropower industry.

The small and mini hydropower market is projected to grow by \$468 million, the utility-scale hydropower market by \$350 million, the hydropower infrastructure market by \$298 million, and the up to 1MW hydropower market by \$292 million over the next five years from 2024 to 2029.

Learn More About [The Business Research Company](https://www.thebusinessresearchcompany.com)

The Business Research Company ([www.thebusinessresearchcompany.com](https://www.thebusinessresearchcompany.com)) is a leading market

intelligence firm renowned for its expertise in company, market, and consumer research. We have published over 17,500 reports across 27 industries and 60+ geographies. Our research is powered by 1,500,000 datasets, extensive secondary research, and exclusive insights from interviews with industry leaders.

We provide continuous and custom research services, offering a range of specialized packages tailored to your needs, including Market Entry Research Package, Competitor Tracking Package, Supplier & Distributor Package and much more.

Disclaimer: Please note that the findings, conclusions and recommendations that TBRC Business Research Pvt Ltd delivers are based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such TBRC Business Research Pvt Ltd can accept no liability whatever for actions taken based on any information that may subsequently prove to be incorrect. Analysis and findings included in TBRC reports and presentations are our estimates, opinions and are not intended as statements of fact or investment guidance.

Contact Us:

The Business Research Company

Americas +1 310-496-7795

Europe +44 7882 955267

Asia & Others +44 7882 955267 & +91 8897263534

Email: [info@tbrc.info](mailto:info@tbrc.info)

Follow Us On:

LinkedIn: <https://in.linkedin.com/company/the-business-research-company>

Oliver Guirdham

The Business Research Company

+44 7882 955267

[info@tbrc.info](mailto:info@tbrc.info)

Visit us on social media:

[LinkedIn](#)

[Facebook](#)

[X](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/872503630>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.