

Überschrift/Titel:	Renewable energies - for an economical and ecological future for Europe and the MENA countries
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Prime Minister,

Minister Al Ali,

NN UNEP

NN UNDP

NN ESWA

Gerhard,

Ladies and Gentlemen,

This year's meeting is taking place at a wonderful location: **Damascus** - a jewel of the Arab world - with the Omayyad mosque, the wonderful markets and ancient palaces, is one of the most beautiful cities in the Mediterranean region and a well-established centre of science and research.

We Europeans and our neighbours in the MENA region are also closely linked by a millennia-old friendship and an exchange of culture, science and technology. For example, not only did algebra, major foundations of medicine, architecture and philosophy come from the Arab culture and

the MENA region, so did the first **windmills** (an invention of the Arabs in southern Spain!). Technology transfer is therefore not a new idea.

Ladies and Gentlemen,

MENAREC 4 is taking place at a critical time. It is becoming more and more apparent that an environmentally sound, secure and affordable energy supply is becoming the decisive issue of this century. Why is this so?

Anthropogenic climate change is advancing more rapidly and with a greater impact that was previously assumed. Today we can only guess at the consequences, but they will be immense: floods in the Nile Delta, increased droughts on the Arab peninsula, in the Middle East and North Africa.

Climate policy is a matter of taking decisions that will only bear fruit in the decades to come. Everything we do right today will pay off for our children. However, our children and grandchildren will suffer the dire consequences of everything that we do wrong today. We cannot say that we didn't know enough or didn't have the technology to act and decide differently. We know all the facts. We have all the technology and we also have enough money for climate protection. In fact: failing to protect the climate will ultimately cost us a lot more than protecting it.

Worldwide we are wealthy enough to afford climate protection. But we are too poor to neglect it.

So there can be no excuses. For the first time it really is a question of sustainability. In other words, ensuring that we pass on this planet in as good a condition – if not a better condition- as we received it.

The longer we all wait and watch this development, the greater the damage will be. This is why we have to make huge efforts over the next 10 to 15 years to steer a different course. We have to prevent an increase in the global temperate of more than 2 degrees Celsius.

Up to now, a simple formula has been applied to climate protection issues: **greater climate protection = greater costs = economic decline** has been the traditional view.

Wrong! – (Even our rather sceptical colleagues from the US administration do not doubt this anymore.) - The expansion of renewable energies and further efforts towards energy saving and efficient energy use pay off in the long term. In Germany we have now created a strong economic sector. With 214,000 jobs and an annual turnover of over 21 billion euro, renewable energies have long since become an important driving force for industry and economy.

Secure access to energy is required for economic development; to supply schools and hospitals with electricity and for agriculture, industry and trade. The issue of energy security is therefore a central issue of economic development and the fight against poverty, particularly for developing and newly industrialising countries. Even today more than 1.5 billion people worldwide still have no access to energy.

Climate protection and energy security are no longer only an ecological issue - they also have economic and geopolitical security dimensions.

Regrettably, the conflicts in the Middle East, Iraq and in Sudan are worsening. The reasons for this are not least economic and energy policy challenges. Attempts are being made to secure access to resources through military means rather than only political ones.

What are the consequences of this development? Should we walk into this climate and energy disaster with our eyes wide open? Should dykes be built higher and coastal towns be moved inland, should more wars be waged over energy supply? No, ladies and gentlemen, that cannot be the answer. Wealthy countries such as those in Europe can perhaps still afford this. But what about the poorest countries, newly industrialising and developing countries? We have to find answers for these countries too!

Ladies and Gentlemen,

We in Germany and the European Union want to lay the foundations for an alternative energy future that is climate friendly and ensures a secure energy supply.

The climate and energy action plan adopted by the European heads of state and government in March this year and the G8 summit in Heiligendamm have proven that there is the **political will** for such a change of course. In Europe we have committed ourselves to a 30% reduction in our greenhouse gas emissions by 2020 as our contribution

to an international agreement. Independent of this agreement, a reduction of at least 20% will be striven for. We have also agreed a binding target of 20% renewables and at least 10% biofuels, plus a 20% increase in energy efficiency by 2020. Together with the European Commission we now have to work to implement these targets.

Ladies and Gentlemen,

The **expansion of renewable energies must take place in the three sectors of electricity, heat/cooling and transport**. In the electricity sector, major progress has been made in recent years, especially in the wind energy sector.

Our experience shows that what is needed is first the **political will** to set ambitious **targets** and then the **policy instruments** to implement them. In this context I am very pleased that Egypt, Morocco, Jordan and Syria have now set expansion targets for renewable energies.

**Solar energy** offers huge potential, which is currently going all but unused. Studies on potential carried out by the German Aerospace Center conclude that solar thermal power plants in southern Europe and North Africa can make a significant contribution to sustainable energy supply in Europe. I am very pleased about the power plant projects in Morocco, Algeria and Egypt, and the planned projects in Libya and Jordan.

Ladies and Gentlemen,

This vision is groundbreaking: it means that in 20 to 30 years we will be able to obtain some of our energy from solar thermal power plants.

To achieve this we need adaptation of the political framework conditions in your countries and dismantling of subsidies for fossil energies; at the same time we need to strengthen regional cooperation and provide joint investments for the expansion of a stable electricity grid. An electricity grid that crosses borders and the Mediterranean poses no technical problems at all. There are already electricity grids between Spain and Morocco and hopefully there will soon be a first connection from Tunisia to Italy.

However, to ensure that electricity, for example from solar thermal power plants, can be conducted to Central Europe in the coming 20 years, we need greater political will in particular. From the economic ministers as well as the environment ministers. At present, the investment required for this is not being promoted to an equal extent as the expansion of oil and gas pipelines either in national development strategies or in regional cooperation.

But I can see that a new way of thinking has emerged, both in Europe and the Arab states. I want to actively support this, which is why I happily accepted your invitations.

Ladies and Gentlemen,

The second pillar of a sustainable energy policy is increasing **energy efficiency** in energy consumption, on the supply and particularly on the demand side.

If we want to cover more than 20% of EU-wide electricity consumption in 2020 with renewable energies, this is an important step. However, the energy saved is most valuable because it does not even have to be produced in the first place. For this reason, efficiency and renewable energies are intrinsically linked.

Combined heat and power (CHP) also has an important role to play because in conventional power plants, most of the energy is simply lost in the form of heat. We should be using this energy to heat or cool homes and greenhouses, not the surrounding environment. This energy can also be used for industrial processes, and in this way we can get the most of out every tonne of coal, every barrel of oil and every cubic metre of gas.

The buildings sector has a particularly high energy-saving potential. By improving insulation - in our countries in the north, to keep out the cold and in your countries, to keep out the heat - efficient heating and cooling systems can help to save up to 90% of energy in some cases. If renewable energies are used wisely, the use of fossil fuels can even become obsolete.

I am therefore particularly pleased that with the MEDENEC project (EU project on energy efficiency in the construction sector in the

Mediterranean) the issue of energy efficiency will also be addressed at this MENAREC conference.

There is also significant potential for saving electricity, for example through the use of high efficiency drives or the avoidance of unnecessary losses from standby mode.

Ladies and Gentlemen,

Over the coming days we will hear a lot about the opportunities renewable energies can offer in the MENA region. In particular the increased use of solar and wind power potential can make important contributions to a viable, sustainable energy supply.

Now that we know what huge potential lies in the expansion of renewable energies and in energy efficiency, the crucial question is: how can we tackle this Herculean task?

The answer is: there is no Hercules. We all have to work together; everybody has a role to play:

1. **Governments:** have to create innovation-friendly and market-based conditions. Subsidies for fossil fuels hinder the competitiveness of renewables and lead to energy wasting.
  - Suitable framework conditions, e.g. feed-in laws with realistic tariffs, will automatically bring about technology transfer and investments in competitive products and services. Research and

development into suitable technologies and processes will increase as a result.

- Feed-in laws have led to a boom in the renewables sector in Germany, Denmark and Spain. With our “feed-in cooperation” we have a platform for a further exchange of experience. I would like to invite all interested countries to participate in this cooperation.
- Furthermore, we have a range of innovative financing instruments. Germany already makes an active contribution in this area. The Federal Environment Ministry contributes 24 million euro to the Global Energy Efficiency and Renewable Energy Fund (GEEREF) established by the European Commission. This fund promotes private investments in developing and newly industrialised countries as venture capital security. Worldwide, Germany supports the expansion of renewables and energy efficiency in the framework of development cooperation with over 1.6 billion euro.
- However, national and regional funds such as the Arab Fund, Kuwait and OPEC Fund should also be used to finance renewable energy projects.

2. **Industry** should not let the opportunity of investing in the MENA region go to waste. With its proximity to European production locations, this region has many advantages. I would very much

welcome it if German companies would go into production with local partners.

3. The **scientific sector** should not only carry out research, it should also cooperate more closely at regional level and develop solutions for MENA countries that have been adapted together with industry. In this context I welcome the cooperation in the MEDER network and the SOLARTHERM project, in which 18 energy and research agencies cooperate on the deployment of solar thermal power plants. The Centre of Excellence planned in Egypt can perform important work in spreading knowledge and know-how.
4. **Multipliers** (NGOs, media..) must be incorporated. They play an important role in awareness-raising and can provide significant support for the use of renewable energies.
5. The **European Commission** and the **regional UN organisations**, especially the UN-ESCWA and UNEP, should further promote MENAREC and regional cooperation. Concrete projects should be developed in addition to high-level exchanges of experience.

At their spring summit the European heads of state and government showed us the necessary political will to steer a new course in energy policy. On 19 April in Berlin, a number of European neighbouring countries stressed their interest in joint cooperation. Today I would like to call on all our Arab friends and colleagues to show good judgement and foresight and take up this offer. We have the opportunity to lay the foundations for the future and jointly implement our energy policy goals

via bilateral cooperation, EuroMed and the European neighbourhood policy.

Today, windmills from Germany stand at the Suez Canal. I hope that there will soon be more Arab or joint innovations that will also be an enrichment for Europe. For example, jointly developing cost-effective and adapted solar thermal power plants.

**Renewable energies can build a new bridge here.**

I would like to once again thank you, Minister Al Ali, and your colleagues from the UN-ESCWA for organising this conference. I wish the conference every success and hope it will result in strong, guiding recommendations for the future of EuroMed and the European neighbourhood policy, and also concrete, realistic and financeable project proposals.

Thank you for your attention.