

## Speech of Ambassador Angelina Eichhorst, Head of the Delegation of the European Union to Lebanon

**5<sup>th</sup> Beirut Energy Forum** Le Royal Hotel, Dbayeh – Wednesday, 17 September 2014

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CHECK AGAINST DELIVERY

H.E. Minister of Energy and Water, Arthur Nazarian,

H.E. Minister of Industry, Hussein Hajj Hassan,

United Nations Development Programme Resident Representative in Lebanon, Ross Mountain,

President of the Order of Engineers and Architects, Khaled Chehab,

Head of the Energy Department of the League of Arab States, Jamila Matar,

President of the Association of Lebanese Industrialists, Fadi Gemayel,

Vice-President of the Board of the Lebanese Centre for Energy Conservation

(LCEC), Ziad El Zein,

Distinguished participants,

I am impressed to see that, year after year, the Beirut Energy Forum is attracting more distinguished participants and institutions from Lebanon and abroad. This testifies to the increasing importance that energy efficiency, renewable energy and green buildings are acquiring in this country.

The high number of initiatives funded by the European Union is also impressive: our programmes contribute to reaching the ambitious targets of the Lebanese National Energy Efficiency Action Plan. I warmly invite you to visit the programmes' booths after the opening ceremony and to discover their complementary aims and objectives.

Our programmes yield concrete results. In the framework of the National Energy Efficiency scheme managed by the Central Bank of Lebanon for example more than 80 Lebanese SMEs have recently initiated energy savings actions thanks to the EU's financial support (EUR 5.3 million grants have already been awarded). Any other SMEs and NGOs interested to benefit from these opportunities are welcome!

The upcoming session chaired by the Ministry of Energy and Water and the SISSAF Team will officialise an important milestone: the launch of the Energy Sector Coordination Group. This platform of exchange will undoubtedly contribute to an improved and more efficient governance of the sector, and we look forward to playing an active role in this dynamic process.

Within the European Union, our Member States are used to the "coordination principle". The "EU energy security strategy" released by the European Commission in May 2014 is a good example. It proposes measures to better secure a stable and abundant supply of energy for the EU's citizens and economy. The political crisis in Ukraine has for sure accelerated this coordination and decision-making process, considering that the EU highly depends on energy from abroad amounting to more than EUR 1 billion per day.

Here in Lebanon we are in another context with tremendous challenges too, in particular in view of the impact of the crisis in Syria on the country. Energy supply represents one of these daily challenges, and as an already scarce commodity it has come under increased strain. This is why initiatives contributing to energy savings and the generation of electricity from renewable energy sources are so important. They help to reduce the burden and must be embraced.

Let us be even more creative and innovative! Why not setting up "eco-villages" (autonomous in energy) and using biomass as sources of energy? The CEDRO programme financed by the EU is working hard on it, and I hereby encourage all creative spirits to give birth to new efficient solutions for the benefit of all.

In parallel, adjustments to the legislative framework and a solid institutional setting are also needed to increase investments and upgrade of existing infrastructures. These improvements will foster the private sector's interest and attract national and international investors, for example through innovative financing schemes including public-private partnerships. As you know, European development institutions are ready to expand their activities in Lebanon, like for instance the joint initiative involving the European Investment Bank and the Agence Française de Développement to contribute to the "National Energy Efficiency and Renewable Energy Action" with a total credit of  $\notin$ 70 million.

Here again the European Commission is present through what we call a "blending montage", in which a EUR 4 million grant will provide technical assistance to accompany the EIB and Agence Française de Développement loans. This contribution expresses a sincere interest in the development of the sustainable energy sector in Lebanon. I seize this occasion to encourage the Lebanese Parliament to promptly ratify these loans in order to launch this operation.

The priority for Lebanon lies in addressing the structural and budgetary issues of its energy sector and also in lifting the current legal obstacles delaying the development of the Oil and Gas sector: these elements undoubtedly hamper the economic development and social welfare of the country.

I am, however, convinced that when offshore operations of exploration and, hopefully, extraction materialise, they will be performed with the highest standards of transparency and will not happen at the expense of promoting green energy sources and energy efficiency actions.

Lebanon is well placed to play a key role in the regional cooperation, in particular within the Euro-Med partnership. I encourage the Lebanese Authorities to adopt a steering attitude during the coming High Level Conference<sup>1</sup> in Rome on "building a "Euro-Mediterranean energy bridge for energy security", in November 2014.

Ladies and gentlemen,

Lebanon and the European Union maintain a very strong partnership, and the EU is keen on providing the most appropriate support to contribute to Lebanon's energy autonomy, and an uninterrupted energy supply for all citizens at an affordable price.

The new European Commission says to want Europe's Energy Union to become the world number one in renewable energies, and intends to significantly enhance energy efficiency beyond the 2020 objective, notably when it comes to buildings.

I am convinced that the European Energy Strategy, better known as "20-20-20" strategy<sup>2</sup>, could serve as a "benchmark" for the energy sector perspectives here

<sup>&</sup>lt;sup>1</sup> "Building an Euro-Mediterranean energy bridge: the strategic importance of Euromed gas and electricity networks in the context of energy security" conference

 $<sup>^2</sup>$  By 2020, reduction of the greenhouse gases by 20%, increase of the share of renewable energy sources in energy consumption to 20%, 20% increase in energy efficiency.

in Lebanon. Just like many EU Member States, Lebanon could even envisage improving its own targets for 2020 as regards renewable energy, energy efficiency and the fight against greenhouse gas emissions.

By doing so, future generations will profit from the level of ambition and "energy" that we yield in bringing forward the responsible and sustainable usage of natural resources.

Let me finally wish you all a very fruitful Forum and I hope that this event will be another stepping-stone to reach our ambitious goal of a more sustainable energy policy in Lebanon and in the region.

Thank you.