

Speech of
H.E. Dr. Hassan Younes
Minister of Electricity and Energy
Arab Republic of Egypt

Opening of the
“EU-Mediterranean-Gulf Renewable
energy Co-operation” Conference

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**Mrs. chairperson Benita Ferrero - Waldner European
Commissioner for External Relations**

Excellencies

Ladies and Gentlemen

I would like to express my sincere gratitude to the European Union for hosting and organizing this important event, which aims to reinforce strategic dialogues on energy policies, contributing to achieve energy security, and come up with a common vision to face challenges of climate change, sustainability and economic development.

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Ladies and Gentlemen

While energy is an integral component of a sound and viable sustainable development agenda. Climate change is one of the greatest threats facing the world today on social, economic and environmental levels.

With this threat in mind the world today is facing energy challenges. Energy demands are growing rapidly, requiring more reliable and affordable energy supplies which should be competitive in the global energy market.

Green energies are anticipated to play a significant role in the global portfolio to secure energy supplies, reduce Green House Gas emissions, avoid global warming and use energy resources efficiently. Increasing the renewable energy share in the global energy mix requires dedicated efforts within each country all over the World on the technical, economical and legal levels.

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Ladies and Gentlemen

Regional policies are needed to provide broad and attractive prospects for local and foreign direct investment (FDI), and expanded trade. **The Mediterranean and Gulf energy markets** should play a pivotal role to achieve energy security and sustained economic growth. The European Union active participation in the Mediterranean and Gulf energy cooperation programs is an important element for regional energy markets.

We feel technically qualified for a more active share in the Mediterranean and Gulf energy cooperation markets, particularly that Egypt has a significant role as a regional hub for grid interconnection of Arab Mashreq countries with the Arab Maghreb towards a future Mediterranean Power Pool. More over the ongoing project to interconnect both national grids of Egypt and Saudi Arabia and beyond with the other Gulf States which should be a benefit for all parties. This complements the Gulf Grid Interconnection with a great opportunity for **future Mediterranean – Gulf cooperation.**

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Ladies and Gentlemen

Egypt has a strong and diversified cooperation with EU in the field of energy in general and in renewable energy in particular within the Association Agreement,

the ENP Action Plan and lately within the framework of the MOU on strategic partnership on Energy,

However, Egypt's Electricity Sector is keen to extend a stronger collaboration with the EU in the energy field at the bilateral and regional level.

The Barcelona Process created a viable dialogue and regional cooperation with both sides of the Mediterranean. **The Union for the Mediterranean** is the most recently launched initiative, responsible for identifying and promoting projects of regional, sub regional and national benefits among different sectors.

In this context, Egypt's Electricity Sector is supporting the ambitious **Mediterranean Solar Plan** which will upgrade the South – South cooperation on one hand and the North – South cooperation on the other.

In addition, Egypt is a founding member of the **International Renewable Energy Agency (IRENA)**.

Within all these efforts I would to emphasize that we are keen to meet sustainable development objectives on the regional level, in full cooperation with our GCC partners.

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Egypt has a great potential both for Wind and Solar resources proven by many detailed assessment studies and Egypt's Wind and Solar Atlases. Land resources are available in Egypt with the advantage of an extended electrical grid. Egypt's plan is to reach 20% renewable energy share of the total generated energy market by the year 2020 of which 12% will be Energy generated from Wind. This figure conforms with international targets.

Presently, Egypt's energy mix includes around 10.3% from renewable energy mostly from hydro energy. 430 MW Wind Farms are now in operation, 120 MW wind energy projects are in different phases of implementation, while 920 MW are being financed for implementation. This is a part of our plan to add 58 Th. MW by the year 2027 with estimated total investment of 110 Billion US Dollars.

Moreover, five wind and hydro power plants under CDM are in different implementation phases. An international competitive bidding prequalification document for the establishment of a 250 MW wind farm by private sector is currently in the phase of evaluation.

The Localization Program is one of Egypt's Electricity Sector policies to support projects infrastructure for energy generation, transmission and

distribution. Localization program for the wind farms components has reached 30% and our target is to reach 70%.

Additionally, 140 MW Solar Thermal Power Plant is in the phase of construction to be in full operation by 2010. Several solar pilot projects including solar industrial heating and photovoltaic systems are in operation in different applications. The Egyptian Academy of Science and Technology has already signed a joint Egypt / Italy initiative on technology transfer of Concentrating Solar Power Technologies including enhancing research capabilities of Egyptian Side as a base for technology transfer and local manufacturing of such equipment. A similar program for Photovoltaics is under negotiation.

With the cooperation of German and Danish Governments and the European Union, Egypt is currently hosting the Regional Center for Renewable Energy and Energy Efficiency (RCREEE) to serve 10 countries from the Middle East and North Africa regions focusing on three core activities:

- RE &EE policies and strategies
- Policies of R & D and Technology Transfer
- Public / Private partnership

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Ladies and Gentlemen

Egypt's Electricity Sector is dedicated to achieve sustainable development objectives on the national level. Over the past years we have achieved tremendous progress in this regard.

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Ladies and Gentlemen

Our conference today could be an important opportunity to develop and harmonize the electricity markets between EU-Mediterranean-Gulf countries, and to promote the infrastructure of energy projects in the region. We are all looking to continue the implementation of energy cooperation between EU-Mediterranean-Gulf regions. A few important steps must be taken.

- **First**, we must unify efforts as well as initiatives in the wide area of cooperation in the field of solar energy. Agreeing on identifying one single integrated approach in this field will harness and save all our efforts.
- **Second**, for the past few years we have listened more than we have implemented. The South is waiting for switching promises into an action oriented reality.
- **Third**, European countries can offer new advances in technology as well as Research and

- Development. Take for example the case of successful cooperation between Egypt and Italy in technology transfer, of Concentrated Solar Power,
- **Forth**, connectivity and transfer of energy with Europe is important. The question should focus on how we can identify the points of linkages between the south and the north. Increasing power connectivity with Europe, therefore, is crucial.
 - **Finally**, how we can all assign a more rigorous role to the private sector and enhancing public private partnerships I can refer in this context to Egypt's case where the private sector's participation in Renewable Energy projects is expected to reach almost 66%.

In conclusion, Ladies and Gentlemen, this conference which brought all of us together for the first time is indeed an important landmark to realize our common goals and objectives through well targeted actions for the benefits of all.

Thank You.