



**Discussion Paper**  
**“Building the MSP Master Plan”**  
**Brussels, 9-10 February 2011**

**1) The Context**

The Mediterranean Solar Plan (MSP) is a flagship initiative of the Union for the Mediterranean (UfM) launched by the Paris Summit of July 2008. The Paris Declaration stated that the UfM Secretariat (UfMS) would be responsible for exploring the feasibility, development and creation of the MSP. This task would entail the elaboration of an MSP Action Plan and an MSP Master Plan by 2011 and 2012 respectively.

The work program adopted at the Senior Officials Meeting of 12 November 2010 calls upon the UfMS to “coordinate the development of the Action Plan and Master Plan in close cooperation with the European Commission and the UfM Member States”.

Many positive developments have been initiated in the last two years by the co-presidency and by some Member States; they should be taken into account:

- clear and measurable objectives in terms of new productive capacities from renewable energy sources have been set,
- national solar plan strategies have been launched in some countries,
- a Renewable Energy directive setting a 20 % target for 2020 has been adopted by the EU,
- International Financial Institutions have proposed large financial tools,
- An MSP Strategy paper has been discussed and endorsed at technical level.

The MSP Strategy Paper will constitute a key point of reference in this regard as well as a major basis for the work of the UfMS Energy Division.



## 2) The Key Aspects of the MSP Master Plan

The MSP will be a key tool for promoting the development of renewable energy and energy efficiency in UfM member states north and south of the Mediterranean. This will also include the build-up of at least 20 GW of new generation capacities fuelled by solar or other renewable energy sources by 2020. The main goal of the MSP will be to identify the necessary steps and framework conditions for the incremental creation of sustainable energy markets in UfM member states taking into account the diversity of the national energy programs and priorities. In doing so, it will act as a facilitator for a process that will over time lead to the emergence of clean, secure and affordable energy systems in the UfM area, themselves being an important contribution toward the common goal of combating climate change.

The MSP will thus focus on the following areas: facilitating the exchange of experience and the transfer of knowledge within and among UfM member states; promoting technical learning and capacity building processes at both north-south and south-south levels; identifying adequate legal, regulatory, institutional, and infrastructural environments for the large-scale, market-driven deployment of renewable energy and energy efficiency technologies in the UfM area; identifying possible iconic projects able to serve as potential test cases and policy drivers on the way toward a sustainable energy future in the UfM area; identifying appropriate funding and support mechanisms capable of supporting this process; promoting the development of more performing transmission and storage systems as key requirements for the enhancement of the quantity and quality of green electricity production and exchange in the UfM area.

The MSP Master Plan to be drawn up by the end of 2012 will seek to define ways of how to operationalise these goals. This will include the joint elaboration of a "road map" by member states that will set out in (more) detail the nature and thrust of policy measures and projects undertaken under the heading and in the context of the MSP. As a key political document, it will be submitted to UfM energy ministers for approval.



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The UfMS will play a key role in this regard. It will be responsible for initiating, facilitating and structuring the exchange of knowledge among concerned parties on either side of the Mediterranean, based on the principles of transparency, inclusiveness, and co-ownership. In doing so, it will endeavor to serve as an interface and a focal point for the various impending or ongoing projects and initiatives at both national and regional levels, while building on the results achieved at these levels.

### 3) Content Structure

In accordance with the MSP Strategy Paper adopted by MS experts, the MSP Master Plan shall be clustered around the following elements:

a) the development of framework conditions taking into account the output and the recommendations of ongoing initiatives, in particular the technical assistance project "Paving the Way to the Mediterranean Solar Plan", notably as regards:

- the necessary requirements and framework conditions for a large-scale deployment of 'R3E' within and among MS: including (i) the necessary legal, regulatory and administrative reforms in the electricity, heating/cooling sectors ; (ii) capacities for electricity storage (both centralised and decentralised); and (iii) capacities for electricity transmission and interconnection (both vertically and horizontally);
- "best practices" for financial support and investment guarantee mechanisms: incl. concessionary loans from donor organisations, own contributions from UfM members states (or other MENA countries), commercial engagement from private investors and suppliers, as well as income from import-export schemes (e.g. Art.9 sources), carbon finance mechanisms and other innovative financing schemes;



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- "best practices" for scientific cooperation mechanisms: incl. appropriate formats and formulas for the targeted exchange of experience and the transfer of know-how among concerned parties and stakeholder organisations (in the fields of industry, training, research, and development).

b) a roadmap aiming to detail the phases, activities and precise timelines for the implementation of the MSP projects; such a roadmap should be conceived as an operational tool to monitor progress, identify potential difficulties and support needs.

#### **4) Working Methods to elaborate the Master Plan**

The preparation of the Master Plan requires the active participation of all the actors involved and reinforced coordination at various levels. For this purpose, it will be necessary to set up a Joint Committee of National Experts; a Drafting Group for the MSP Master Plan; and a Technical Expertise Network to support both of them.

The Joint Committee of the MSP (MSP-JC) will be the main coordination structure. It will meet at least 2 times per year (or more often, if requested by a majority of members). It will be made up of Member States officials and/or technical experts. Membership will be open to all 43 UfM Member States plus the European Commission. Observer status may be granted to relevant international organisations. The JC will notably review, discuss and where appropriate endorse the MSP Master Plan as well as all other related documents.



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To this end the JC will facilitate communication and cooperation between all MS involved in the MSP; identify and discuss policy measures and regulatory issues required for the elaboration and implementation of the MSP (including the Master Plan); discuss the feasibility of projects under each of its components (and eventually make recommendations concerning their implementation); prepare decisions to be taken at ministerial (or summit) level.

Each MS will nominate a National Focal Point for the MSP (MSP-FP). The FP will be in charge of all issues related to the MSP. It will participate in the meetings of the JC and other relevant bodies. When preparing decisions to be taken in the context of the MSP, the FP will be responsible for liaising with other concerned actors at national level. Liaising implies both sharing information and reaching agreement with them.

The Drafting Group for the MSP Master Plan (MSP-DG) will be in charge of preparing the MSP Master Plan, based on the guidelines, recommendations and decisions of the JC. It will meet at least 4 times per year (or more often, if requested by a majority of members). A prerequisite for membership will be the declared will of any government to commit significant resources to the work of the DG.

Both the JC and the DG will be supported by a Technical Expertise Network for the MSP (MSP-TN) made up of technical experts of participating (or third) countries as well as of selected representatives from IFIs, business associations, research institutions, and civil society. The aforementioned "Paving the Way" Project will also be a major participant in the network, as well as other TA and FA projects at both national and regional levels. Other important interlocutors will be the members of the Desertec Foundation, the Desertec Industrial Initiative, the Transgreen Initiative, and the MEDRING Project. Representatives of relevant international organisations such as the International Renewable Energy Agency (IRENA), the International Energy Agency (IEA), the Mediterranean Energy Observatory (OME), REN-21 et al. will also be invited to join.



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The TN will meet in parallel to the aforementioned bodies. It will, however, also provide input and support to the both the JC and the DG in-between their meetings. The work of the TN will be financed from the budget of the UfMS, provided that the necessary financial resources are made available by the UfM member states.

The UfMS will be in charge of preparing the activities of those bodies and assuming their follow-up, in close collaboration with the MS and the EC. This implies sending invitations, drafting agendas, collecting input and sharing it with participants. When doing so, it will endeavor to avail itself of and build on the existing formats and networks of communication and cooperation within the framework of the EMP and UfM.

Barcelona, 17 December 2010