



Secretariat of the Union for the Mediterranean  
Secrétariat de l'Union pour la Méditerranée

Energy Division  
Secteur Énergie



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## THE IMPLEMENTATION OF THE MEDITERRANEAN SOLAR PLAN



MARC STRAUSS  
SENIOR ADVISOR FOR ENERGY



# THE MSP: A MAJOR INITIATIVE OF THE UFM

- ✿ Launch of the Mediterranean Solar Plan (MSP) at the Union for the Mediterranean Summit in July 2008
- ✿ Developing renewable energies and improving the energy efficiency in the UfM member states
- ✿ Build 20 GW of extra production capacities of RE between now and 2020
- ✿ Elaborate a Master Plan until 2012





## POLITICAL CONTEXT

- ✿ Negotiations on climate change at the UNFCCC (Copenhagen, Cancun, Durban...)
- ✿ The Energy-Climate package of the European 2020 objectives (20-20-20) : reduction of 20-30 % of the CO2 emissions, reaching 20 % of RE (specific mandatory objectives for every member state).
- ✿ Adoption of national development strategies for the RE in many of the UfM member states.
- ✿ Private sector initiatives (DESERTEC, MEDGRID...)
- ✿ Development of new financial tools by the international financial institutions



# MANDATE

- ✿ Paris declaration dated 13/07/2008: The UfM Secretariat has the responsibility to explore the feasibility, the development and the creation of the Master Plan
- ✿ Senior Officials Meeting of 12/11/2010: the Secretariat is asked to “coordinate the development of the Master Plan in close cooperation with the European Commission and the UfM member states”
- ✿ Reference point: the Strategy Paper adopted at the beginning of 2010 at the technical level
- ✿ Kick off meeting in Brussels on 10.2.2011: green light for the Secretariat’s “discussion paper” proposals

# MID-TERM STRATEGY AND PILOT PROJECTS SUPPORT



Two closely related objectives that contribute to the development of the renewable energies in the Mediterranean, on a large scale and under acceptable conditions:

- ✿ 1/ build a Master Plan from now until 2012, with all partners involved, allowing to attain the 2020 objectives, which means working on key issues such as: regulatory framework, financial instruments, infrastructures, technologies, transfer of know-how, capacities development, etc.
- ✿ 2/ identify and support pilot projects while contributing to the development of innovative financial tools.





## METHODS

- ✿ Secretariat's task: coordinate and maintain the process under the political control of the member states
- ✿ Create a neutral space to organize the dialog between the different partners: the Secretariat is not from the North nor from the South, and it does not favour a certain project or technology.
- ✿ Clear principles: transparency, efficiency, mobilization of the necessary expertise
- ✿ Involve all partners by implementing the necessary platforms with member states, the industry, the financial institutions and NGO's.



## 5 BUILDING BLOCKS

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- Policy and regulatory frameworks
- Funding and support schemes
- Physical infrastructures
- Renewable energy as an industrial catalyst
- Transfer of knowledge and capacity building



# POLICY AND REGULATORY FRAMEWORK

- National RE and EE political commitments and policy targets
- General regulatory framework linked to RE and EE projects (investment, tax, accounting, customs, land use, environmental protection issues, spatial planning,....)
- Specific energy, RE and EE regulatory framework (market and grid access- e.g. third party access, IPP, auto-producers...-, licencing, RE and EE specific framework, domestic level and structure price of electricity).





# FUNDING AND SUPPORT SCHEMES

- ✱ A difficulty: the transitory “gap” between the production costs of the electricity of renewable origin and that of the fossil one. This gap should be analyzed further.
- ✱ Different tools of different types to launch a first series of projects: concessional financing, mechanisms of support of the renewable energies, carbon financing...
- ✱ Certain tools are not yet fully operational: art. 9 and Carbon Finance
- ✱ The mobilization of private capital involves dealing with certain risks. Ex: political risk.
- ✱ An integrated and structured approach is necessary.
- ✱ The Secretariat/EIB working group, involving financial institutions, the public sector and the industry was launched on March 29. Objectives: analyze the financial constrictions and the ways of overcoming them, by proposing solutions.
- ✱ Technical and other nonfinancial support schemes (project preparation facilities, technical assistance, public awareness and advocacy branding, certifying and labelling, climate and market data management, public agency dedicated to energy efficiency ...)



# PHYSICAL INFRASTRUCTURES : GRIDS

- ✱ There will not be any Mediterranean Solar Plan without developing networks
- ✱ **Double perspective:** economical development of southern countries (local electricity demand, national industrial networks) and exportation of RE (implement the energy-climate package with a cost-efficiency approach, contribute to the energetic security of the EU)
- ✱ **Working on four different subjects that are closely related:**
  - ✱ The connections between the two shores of the Mediterranean
  - ✱ The Mediterranean ring (restore the fragmentation in several blocks)
  - ✱ Access to the European market
  - ✱ Reinforcement of networks in the Southern countries
  - ✱ **The Mediterranean projects in the context of the European policy :**
    - ✱ 3 other priority zones at the EU borders
    - ✱ Infrastructure package expected, and, more generally, the UE energy policy.
- ✱ **Take fully into account the outcome of ongoing regional (MEDGRID, MED-EMIP) and bilateral projects.**



## PHYSICAL INFRASTRUCTURES:

- Storage (assessment of needs, centralised versus decentralised, technologies, smart grids)
- Management: ownership structure, tariffs, control and management (integration issue).





# RE AS AN INDUSTRIAL CATALYST

- Local content clause
- Specific support for SME's
- Technical structure support
- Technical higher education and training facilities (engineers, technicians)
- Funding applied research

## TRANSFER OF KNOWLEDGE AND CAPACITY BUILDING



- Benchmarking and assessment of best practices
- Forms: structured dialogue, targeted training cooperation, formal cooperation , institutional twinning
- Actors: respective role of research institutions, public funded programs, technical international cooperation and of the industry in this process



# CONCLUSIONS

We have now reached a key moment:

- ✿ It's about spreading the renewable energies on a large scale in the Mediterranean, creating an economic model acceptable to the market conditions, without being satisfied with only some experiences.
- ✿ The actual conditions are particularly favorable:
  - ✿ High regional potential;
  - ✿ Fighting against climate change;
  - ✿ Political will to move onward, on both Mediterranean shores;
  - ✿ Energy security;
  - ✿ Post-Fukushima context.
- ✿ It's a fantastic occasion for the co-development of the two sides of the Mediterranean.
- ✿ The UfM countries cannot let go of this opportunity at a time when ambitious programmes are being launched in other parts of the world: United States, South Africa, China, India...





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**THANK YOU FOR YOUR ATTENTION!**

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