



Union for the Mediterranean
Union pour la Méditerranée
الإتحاد من أجل المتوسط

2018 OSCE Mediterranean Conference

THE IMPORTANCE OF ENERGY FOR ECONOMIC GROWTH AND CO-OPERATION IN THE MEDITERRANEAN

High-level Segment
Malaga - 26 October 2018

Intervention by Mr. Nasser Kamel *Secretary General of the Union for the Mediterranean*

Your Excellency Mr. Lajčák, Minister of Foreign and European Affairs of the Slovak Republic,

Your Excellency Mr. Borrell, Minister of Foreign Affairs, European Union and Cooperation of the Kingdom of Spain,

Your Excellency Mr. Picchi, Deputy Minister of Foreign Affairs and International Cooperation of the Italian Republic,

Your Excellency Mr. Greminger, Secretary General of the OSCE,

Your Excellency Mr. Domínguez Abascal, Secretary of State for Energy of the Kingdom of Spain,

Your Excellencies the representatives of the Member-States of the OSCE and its Partner countries in the Mediterranean,

Ladies and Gentleman,

I would like to start by **thanking the OSCE**, namely the *2018 Italian Chairmanship*, the *Slovak Chairmanship of its Mediterranean Contact Group*, and its *Secretary General Ambassador Greminger* [GRAMINGER], **for this opportunity to address you today, here in Malaga.**

We are so pleasantly hosted by our *dear friend Minister Borrell* [BORREL], to whom I also extend my deepest gratitude for his strong support, as clearly demonstrated during the III UfM Regional Forum held in Barcelona last 8 October.

It is an **honour for me to be here, among so many familiar faces.** After all, we share many of our Member States, and more importantly work towards the same overarching goals of peace, stability and prosperity in the Euro-Mediterranean region.

The Helsinki Final Act has never been more valid and accurate: the future of Europe, especially in terms of security and stability, is more than ever interlinked with the Mediterranean area as a whole.

Against this background, **the OSCE**, through its Mediterranean partnership, **has been very successful in the promotion of a meaningful and constructive dialogue in the region**, on a number of topics that are at the heart of the UfM agenda.

Not to mention that our organisations are very complementary in the **promotion of a “comprehensive security” approach.**

Indeed, since the adoption of our new Roadmap for Action by the UfM Ministers of Foreign Affairs in 2017, our action has been based on the belief that **there is no development without security and no security without development.**

Both dimensions go hand in hand when addressing the diverse causes lying at the origin of our pressing challenges.

In this sense, we are extremely happy with the extra step of mutual engagement that we will be assuming today with the OSCE Secretariat.

In a moment, after this opening session, I will be **signing a Memorandum of Understanding with Secretary General Greminger**, to further develop the cooperation between our two institutions on a number of concrete initiatives, notably in the fields of energy security, environment and climate change starting with a joint project on “Prevention of Climate and Environment Security Threats in the Mediterranean”.

Excellencies, Ladies and Gentlemen,

Recent studies on environment and climate change in the Euro-Mediterranean area point all to the fact that **linkages between energy, security, economic growth and poverty reduction are increasingly significant.**

I would like to warmly commend the OSCE for putting this thematic at the heart of our meeting today.

The nexus energy-security-development is essential in the region, and we have much to gain from enhanced dialogue on it.

{At the UfM Secretariat, we have been addressing these issues in a holistic manner, convinced that the development of transport and infrastructure, regional trade or again industrialization, rely on our capacity to guarantee a successful transition to a new and sustainable energy model}.

According to a study conducted by the Observatoire Méditerranéen de l’Energie (OME), energy demand is expected to increase by 98% in Southern Mediterranean countries by 2040. **There is therefore a clear need for multiplying collective efforts in this field.**

In order to address this need, **the Mediterranean region is endowed with unique conditions to develop renewable energies**, with wind, sun and hydropower, and has a **huge potential for increasing energy efficiency.**

By the same year, 2040, zero-emission energy sources are projected to make up 60% of installed capacity, and renewable energies production will be increasing at a pace of 365% for the next 3 years, powering economies and generating jobs for our citizens.

Recognizing this potential, Ministers from our 43 Member States expressed, through the 2016 UfM Ministerial Declaration on Energy, their will to “**foster sustainable development by ensuring that all consumers and industries have access to a secure, sustainable, affordable and reliable energy supply**”.

I would like here, *Excellencies*, to **highlight two main parameters** of the notable action that the UfM Secretariat has been developing to fulfill this mandate, and that could be relevant to our discussion this morning:

1. The centrality of regional dialogue and partnership

Dialogue is always the first step towards building strong partnerships.

Without trust and understanding, we will not be able to address the current challenges.

In that regard, we have established the **UfM Energy Platforms**, 3 high-level policy dialogue frameworks, endorsed at Ministerial level in December 2016, on **(i) Renewable Energy and Energy Efficiency; (ii) on Regional Electricity Markets; and (iii) on Gas.**

These policy platforms provide space to exchange best practices and build capacities, to transfer know-how and to identify opportunities related to the energy sector in the Mediterranean, with the ultimate goal of supporting the establishment of legal and regulatory frameworks that would allow for:

- (i)** a smooth and successful deployment of renewable energies,
- (ii)** a progressive integration of energy systems and energy markets and,
- (iii)** the promotion of a gas market where security, transparency and predictability of both supply and demand are guaranteed.

Rest assured that my team and I, back in Barcelona, will **feed all the reflections and conclusions raised during these two days into the work of these platforms** in order to amplify our action towards these common objectives.

However, Excellencies, ladies and Gentlemen, good ideas don't get you far without financing. And this leads me to my second point:

2. The importance of investment and financing

According to the World Bank data, investments of approximately **25 billion euros per year for the next 30 years** are needed in the energy sector to build up sustainable and resilient economies in Mediterranean countries.

Fostering investments is therefore the way forward, and this is why the UfM Secretariat is committed to bringing all stakeholders together to scale up regional efforts and meet the expected investment needs.

We work to that end with the private sector and various international financial institutions, many of whom are present here today, to multiply resources and leverage impact.

In this framework, we have organized the 1st UfM Energy and Climate Business Forum in Cairo last year, enacting the first step towards an increasing role of the private sector in the Euro-Mediterranean energy transition. The second edition of the Forum is already scheduled to take place in June 2019 in Lisbon, with a special focus on initiatives developed by local authorities towards renewables and energy efficiency, and their financing.

In addition to that, the UfM has also labelled a landmark project called SEmed Private Renewable Energy Framework (**SPREF**). Promoted by the EBRD, which I thank for its continuous support, the project aims to break down barriers preventing the development of the private renewable energy markets in four countries (Morocco, Tunisia, Jordan and Egypt), ultimately leveraging their outstanding renewable resources.

These two examples reflect very well the holistic approach of the UfM towards the nexus energy-security-development, in line with global efforts and particularly the OSCE action.

Excellencies, Ladies and Gentlemen,

The OSCE Mediterranean Conference shows us today, as every other year, that we are very well placed to fully enhance the untapped potential for progress in the Mediterranean, by playing to our strengths, leveraging relationships across our region and creating new synergies.

Since I took office last June 2018, I have repeatedly stressed on different occasions this very same idea; that **it is only together, through collective and agreed actions, that we can deliver sustainable answers to our common challenges, especially in these difficult and turbulent times.**

We, at the UfM Secretariat, will remain fully dedicated to working with the OSCE and with all of you in this regard, **continuously strengthening cooperation between all the regional actors seeking to make our Mare Nostrum an area of peace, security and shared prosperity.**

Thank you for your attention. I look forward to our discussions today.