

Speech of

**H.E. Eng. Osama Asran
Deputy Minister of Electricity
and Renewable Energy**

**In the Launching of
UFM Renewable Energy
And Energy Efficiency Platform**

**Marrakesh/ Morocco
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Excellences,

Ladies and Gentlemen;

It is a great honor to be among your generous presence in the Launching of UfM Renewable Energy and Energy Efficiency Platform On behalf of H.E. Dr. Mohamed Shaker El Markaby, Minister of Electricity & Renewable Energy of Egypt and I would like to convey his apologizing for not attending this important event.

Also I would like to express my appreciation to the secretary of UfM for its efforts to support the enhancement of Renewable Energy and Energy Efficiency activities to achieve energy security and sustainable development in the region.

Excellences,

Ladies and Gentlemen;

As you all may know, since the creation of The Union for the Mediterranean (UfM) on 13 July 2008 at the Paris Summit for the Mediterranean as a continuation of the Euro-Mediterranean Partnership (Euro-Med), also known as the Barcelona Process, UfM has been playing as a unique forum to enhance regional cooperation and dialogue in the Euro-Mediterranean region bringing together the 28 European Union Member States and 15 countries from the Southern and Eastern shores of the Mediterranean. UfM has been dedicated to a main goal to promote region-wide cooperation projects and initiatives that address the root causes of the current regional security and socio-economic challenges to foster enhanced regional integration and sustainable development.

As a founder of the Union for the Mediterranean (UfM), Egypt has been closely working with the UfM secretariat on energy-related activities as one of the main UfM six strategic priority areas, which are business development, social and civil affairs, higher education and research, transport, urban development, water, environment, energy and climate action.

Excellences,

Ladies and Gentlemen;

We are gathering here today to launch the UFM Renewable Energy and Energy Efficiency Platform, which aims at supporting the development of a Renewable Energy and Energy Efficiency legislative and institutional environment to enable investments in RE/EE technologies and practices in UfM Members, addressing their respective challenges, through the engagement of relevant stakeholders and fostering market transformations in the region.

This event is considered a continuation of the exerted efforts in the field of Renewable Energy and Energy Efficiency and integrating the role of the Regional Center for Renewable Energy and Energy Efficiency (RCREEE) which is currently hosted by Egypt. This Centre was established within cooperation of the German, Danish governments and the European Union to serve 17 Arab Countries through focusing on RE & EE policies and strategies, R&D and technology transfer and Public – private partnership.

Excellences,

Ladies and Gentlemen;

There are many global changes that will lead us to energy transition which will require changing in the form of production and consumption of electricity, these changes can be considered as challenges such as fossil depletion - determinants of climate change specially after COP 21 in addition to the high ambitions to limit global warming to below 2°C and activation the 17th Codes of sustainable development goals SDG.

H.E the Egyptian President participated in COP 21 in Paris and H.E. has announced two initiatives for renewable energies and adaptation for Africa. The renewable energies initiative aims to increase the dissemination of the uses of renewable energies through establish 10 GW of renewable energies by 2020, increased to 300 GW by 2030.

Also we have many opportunities such as significant reduction in costs of produced energy from renewable and increase the capacity factor - evolution in the electrical and energy storage technologies - increase in using of electric cars and smart networks technology - shift from centralized to decentralized of electricity generation, transmission and distribution – regional and international energy interconnection to take advantage of all forms of renewable energy – shale oil and gas revolution - Legislation, laws and governance - increasing private sector participation.

Excellences,

Ladies and Gentlemen;

Egypt has taken many initiatives during the past few years for energy transition in order to enhance and open markets for private sector investments in the field of conventional, renewable energy, energy efficiency, smart grids and energy interconnection - enhance transparency and applying governance system.

During the last year 2015, the Egyptian Electricity Sector succeeded to bridge the gap between the production and the demand of electricity by adding 6882 MW of which about 3632 MW as a fast track plan and there is about 21952 MW under implementation and will be added to the national grid till 2018, most of these projects through cooperation with private investment.

Also The Egyptian Energy strategy up to 2035 was updated in cooperation with EU and supreme Energy council chose the optimal scenario for Egypt which maximize share of Renewable Energy Up to 37.2% and encourage Energy Efficiency Activities targeted to reach 18%. According to this strategy the total installed capacity will added until 2035 is about 121.5 GW.

Excellences,

Ladies and Gentlemen;

Studies have confirmed that the benefits from using renewable energy are exceeding the costs of reducing use of fossil fuel and CO2 emissions in addition to economic and social positive effects in terms of creating new jobs directly and indirectly - electricity access to remote area which may not access to it by traditional networks.

So for encouraging the investment in the field of renewable energy a presidential decree has been issued to modify New & Renewable Energy Authority establishment law to allow it to establish companies by itself or in partnership with the Private sector.

Also a full-scale program has been adopted in Egypt to encourage private sector participation in the energy sector projects.

The first component of this program was a tariff reform program.

This program was adopted and announced in July 2014 for gradually subsidy phase out in five years, taking into consideration the social impacts and poor people.

The second component was a feed in Tariff scheme. A total target is to install 4300 MW (2300 MW Solar – 2000 MW Wind).

The Ministry of Electricity and Renewable Energy established a central unit (One Stop Shop) for FIT to provide the necessary support for the investors.

Also in September 2016 a new phase of FiT for PV & wind farms was announced to be applied from 28/10/2016.

In this regard, in August 2015 we already announced a "3" competitive biddings for renewable energy projects with BOO scheme in West Nile Delta area to develop (250 M.W. wind power project- 200 M.W. PV power project - 100 M.W. CSP power project).

The third component was Electricity market reform, a new Electricity law has been issued in July 2015. This law will change the market shape from regulated market to be deregulated. The law will assist: Transparency and establishment of Transmission System Operator.

Excellences,

Ladies and Gentlemen

Energy efficiency has proved to be an effective tool to achieve energy availability, affordability and environment preservation by the most cost effective means. This means that energy efficiency can be considered as a powerful tool for market reform with a minimum impact on consumers.

And in this context, the sector has taken several actions such as:

- 13 million LED lamps are being distributed for residential sector, of which 9.5 million lamps already distributed (in addition to distribute more than 35 million LED Lamps through local distributors) also there is a plan to replace 3.9 million street lighting conventional lamps with efficient lamps (more than 1.3 million lamps have been replaced).
- In addition to many efforts in the field of labeling and standards for home appliances and energy efficiency codes.

A project for smart meters is under preparing to replace about 40 million mechanical meters with smart ones within a 10 years' period. In this context another pilot project has been started to install 250 thousand smart meters. These projects will improve the grid capabilities to manage the demand side in additional to the other benefits such as decreasing the losses

Excellences,

Ladies and Gentlemen

Technology transfer and settlement in addition to support the local industry are considered to be one of the goals to achieve by Egypt.

In this regard Egypt succeed to manufacture locally:

- 100% components of the distribution and transmission networks up to 220 KV.
- 42% components of the conventional power plants.
- 30% of the wind farms components, and it's planned to reach to 70% by 2020.

It is worth to mention that the interconnection between the North and South of the Mediterranean will be activated to accommodate significant quantities of green energy. Egypt has a significant role for grid interconnection of Arab Mashreq with North African countries.

Additionally, Egypt and Saudi Arabia in the way to finalize their electrical interconnection through a DC lines of 3000 MW to be in operation in 2019. In addition to there are studies for electrical interconnection with Sudan, Ethiopia and Inga dam in Congo.

Also we are looking forward to achieve the green corridor for the benefit of all African countries with no harm. After finishing these projects Egypt will be an energy Hub as a nodal point between Europe, Arab and African countries.

Excellences,

Ladies and Gentlemen

The global changes confirm that any country alone cannot face the new challenges and cannot secure its own energy sources, so there is a need to increase the cooperation among all countries and regional pools through technology transfer, exchange experiences, and regional markets.

In this regard, I would like to emphasize on the following points:

- Promotion for using of renewable energies through identifying visions of the future and setting plans and programs within the framework of the available possibilities.
- Both developed countries and international financing institutions have a major role in assisting developing countries through submitting facilities to finance renewable energy projects.
- Working on localization of renewable energy technologies in addition to development of scientific research and human resources in this field.
- Importance of modernizing networks and development of infrastructure to exploit renewable energy in addition to establishment smart grids.

Excellences,

Ladies and Gentlemen

I am sure that our gathering today will help in enhancing cooperation toward overcoming the challenges facing Renewable energy, and strengthening cooperation between our countries.

Yes, the challenges are big but the opportunities are substantial.

Thank you very much.