



**PARLIAMENTARY ASSEMBLY OF THE MEDITERRANEAN**  
**ASSEMBLEE PARLEMENTAIRE DE LA MEDITERRANEE**  
الجمعية البرلمانية للبحر الأبيض المتوسط

**2<sup>nd</sup> Standing Committee on Economic, Social  
and Environmental Cooperation**

**“Energy and the Global Financial Crisis: Opportunities for Sustainable  
Development in the Mediterranean Region”**

**Special Rapporteur: Hon. Mohammed Abou El-Enein (Egypt)**

*Resolution unanimously adopted on 29 October 2010,  
during the V<sup>th</sup> Plenary Session, Rabat*

The Parliamentary Assembly of the Mediterranean:

- **Indicating** that the energy system of the Mediterranean region is facing severe constraint, whether of supply, transportation, distribution or consumption. The demand is now covered by more than 80% of fossil fuels;
- **Convinced** that issues of economic development, energy, environment and climate are deeply linked, and the growth of consumption and needs requires increased energy supply involving structural investments for the long-term production units, transport infrastructure, storage, and exchange;
- **Recognizing** that the enhancement of energy efficiency potential not yet exploited, promoting clean technologies and effective mobilization of renewable energy could be a roadmap for a sustainable development and contribute to the achievement of stated objectives in the “Mediterranean Strategy for Sustainable Development (MSSD)”;
- **Considering** that renewable energy sources reduce the risks of growing dependence on conventional energy and its impact on global warming, and that the great potential of untapped renewable energy sources in the Mediterranean region can significantly improve the standard of living of millions of people;
- **Convinced** that the strengthening of electrical interconnections and the near completion of the “Mediterranean Ring” enable greater electricity trade growth and help to exploit the potential of renewable resources in the SEMCs;
- **Realizing** that the Union for the Mediterranean (UfM), through the Mediterranean Solar Plan associated to the four Immediate Action Plans (IAP), could be the platform for cooperation in the field of renewable energy and energy efficiency untapping synergies and mutually beneficial opportunities towards more sustainable development paths in the region;

- **Concerned** about the future of energy supply in the Mediterranean region light of climate change challenge that poses a great threat to future generations. We must begin to change patterns of development that causes continuing deterioration before the impacts become permanent;
- **Welcoming** the focus of priorities in the Mediterranean region in the coming period on green energy, where we have human resources with technological expertise to develop cooperation and practical projects in the field of renewable energy resources and environmental management;
- **Reminding** that there are many challenges facing the cooperation in the Mediterranean region such as weak link lines between the countries of the region compared with the capabilities of networks, disadvantage of the availability of vast potential for the production of electricity from renewable energy sources, problems of maintenance, modernization and rehabilitation, administrative and political constraints, lack of funding and investment possibilities required to establish the transportation lines and weak internal networks in a number of countries and their need to be strengthened;
- **Indicating** that confronting the challenges of the future in the field of energy security requires the search for an alternative, renewable, sustainable and clean energy. Meanwhile, it is necessary to overcome technological and economic challenges faced by these energies;
- **Further indicating** that the Mediterranean region, as part of the world, has entered a new nuclear era; that is the nuclear energy renaissance. We have to take the opportunity the renewed interest in nuclear energy to convert it into an opportunity for progress and cooperation for the benefit of the Mediterranean peoples, particularly as nuclear technology and radiation is not only a source of electricity generation, but it is today the momentum of economic and socio-economic development as a tool for developing various sectors;
- **Reaffirming** the importance of adopting and implementing environmentally sound energy policies and projects in various parts of the Mediterranean region;

## **1. The Mediterranean Cooperation and the Shift Towards Green Economy and Green Jobs:**

- **Stresses** the importance of seizing the opportunity to take advantage of synergies between the economic recovery initiatives and action to combat climate change, promoting world green growth and sustainable development. We must recognize the need to promote investments in energy efficiency, infrastructure, energy mix diversifying and technological innovations as a means for secure and sustainable energy at affordable prices;
- **Stresses** the importance of implementing specific programs aimed at rationalizing and raising energy efficiency to reduce greenhouse gas emissions and improve energy security, through:

- a) A commitment to working together to develop and implement effective policies in our countries to improve energy efficiency in all sectors of the economy such as industry, energy, transport, agriculture and construction sector, and to promote cooperation among ourselves and with other countries to remove barriers that limit the global spread of energy efficiency technologies;
- b) Cooperation in the collection and exchange of data and indicators, identifying and disseminating best practices, standards and recommendations to increase energy efficiency;
- c) Promoting innovation and deploying low-carbon energy technologies through trade liberalization as a catalyst for innovation and cleaner energy technologies. The reduction of tariff and non-tariff barriers to environmental goods and services will accelerate the deployment low carbon projects;
- d) Promoting investment in the preservation, repair and management of the ecosystem in a sustainable manner;
- e) Establishing national systems for reporting inventories of greenhouse gases and controlling carbon emissions;
- f) Developing a sustainable transport policy according priority to the transport of goods by rail, and the enhancement of urban public transport;
- g) Reducing energy consumption through the promotion and implementation of tax mechanisms;
- h) Consolidating the IMF proposal to create a “Green Fund” that can be filed when the amount of \$100 billion a year by 2020, aiming to assist developing countries to finance the costs required to address climate change, while avoiding the alternative of a series of difficult international negotiations each few years, with its uncertain results;
- i) Encouraging investment in clean green energy and protecting the environment by recycling and processing industrial waste materials;

## **2. The Development of Regional Trade In Energy: A Market for Electricity Trade:**

- **Calls for** the setting up of a mechanism or formula that allows the producer to announce to potential buyers of the surplus he owns. There is a need for a dynamic market for electricity trade in the region, as in the European region, allowing each party to manage its network in a useful economic manner;

### 3. Increasing private sector's financing for electricity projects:

- **Emphasizes** that creating specialized financing mechanisms to finance energy projects, especially new energy, necessitating the need to the establishment of a Euro-Mediterranean Investments Bank;
- **Stresses** the need to reconsider increasing the resources of the energy efficiency Fund established by the European Union to finance renewable energy projects, in line with the needs of the Mediterranean countries;
- **Stresses** the need to maximize the use of Clean Development Mechanism of the Kyoto Protocol, which allows companies to finance clean energy projects and selling of carbon certificates in the international carbon market, which could generate annually more than \$ 200 billion, half of which could go to developing countries;
- **Calls for** the European Union's approval to give the same benefits provided to new and renewable energy projects held on its territory to projects held in the southern Mediterranean countries. A part of the product will be allocated for export to Europe, thus promoting the private sector to increase its investments in renewable energy;
- **Emphasizes** the need to provide financial support to develop industry and support renewable energy projects in the southern Mediterranean countries to increase their ability to compete with traditional projects in the field of energy;
- **Calls upon** governments to support the banks to provide long-term loans in low-interest to investors in the field of renewable energy;
- **Calls for** strengthening policies to support and stimulate producers of electricity from renewable energies to attract more private sector investment;

### 4. Improving Regional Integration:

- **Calls for** the development of a road map for effective policies for renewable energy sources, with a comprehensive assessment of the impacts and sources;
- **Calls for** the transfer of advanced technologies for renewable energy systems to the countries of the Mediterranean region in the field of manufacturing equipment and building national capacity in the field of operation and maintenance of such equipment;
- **Calls for** the development of policies for the establishment of regional companies in the field of renewable energy services;
- **Calls for** the cooperation of governments, regional organizations and international agencies and intensifying their efforts towards raising awareness and knowledge of renewable energy applications, as well as capacity building in least developed countries;

- **Emphasizes** the need to suggesting a vision for a trilateral cooperation between Egypt, the EU and African countries for optimum utilization of the enormous capabilities of renewable energies in African countries, and increasing awareness of the importance to improve energy efficiency and renewable energy uses;
- **Calls for** updating and developing technical standard specifications of new and renewable energies equipment in the southern Mediterranean countries, with the establishment of modern laboratories to conduct required performance tests and issuing equipment certifications;
- **Also stresses** the need for Northern Mediterranean countries to get involved in combating desertification in Southern-Mediterranean countries, as this is essential in the field of migration, especially environmental migration. Hence the need to contribute to the programmes for the rehabilitation and development of oases that impede the phenomenon of desertification;
- **Stresses** the need to facilitate the integration of renewable energy sources, linking them to unified regional networks and providing them with infrastructure;
- **Calls for** the provision of incentives to attract private sector investment in the industry of renewable energy equipment, using local raw materials and ingredients;
- **Calls for** encouraging manufacturers of equipment for power plants operated by garbage burning, to establish joint ventures for the production of such equipment in the South;
- **Stresses** the need for co-operation in the area of upgrading the capacity of industry in South countries in manufacturing wind power equipment locally, thereby achieving cost reduction, thus reducing the cost of producing electricity in excess of investment opportunities;
- **Calls for** supporting the role of universities and research centers to meet the needs of scientific research in the field of renewable energy, in proportion to national requirements and objectives of comprehensive development plans;
- **Calls** to enhance the role of the Euro-Mediterranean University (EMUNI) and encourage scientific and technological research at universities in the fields of climate, environment and water, renewable energy and energy efficiency;

##### **5. Strengthening the implementation of the Mediterranean Solar Plan (MSP):**

- **Stresses** that the main obstacles hampering the development of the market are due to the high costs of solar energy, which can only become profitable in the medium and long-term. Political intervention is therefore absolutely necessary both at the European level and in the individual UfM partner States, so that the existing and tested new technologies can be effectively incorporated into the market with the certainty of long-term planning;

- **Asks**, therefore, for the involvement of the European Commission (together with the pilot group) in the MSP pilot phase, in order to grant the necessary interpenetration between UfM clean energy projects and the ENP;
- **Stresses** that it always remains the responsibility of the European Commission, within the limits set by the Treaties to study and draft legislation and regulations to accompany the MSP and ensure its full effectiveness in both the medium and the long term, and strengthening measures and budgetary items to promote clean energy and energy security;
- **Asks** all Member States of the UfM, acting within a more certain legislative and regulatory framework, to adopt their own national policies for achieving a maximum of clean and renewable energies percentages, consistently with their own energy requirements, clarifying and quantifying, in that context, the procedures and the intensity of their commitment within the MSP;

## **6. Electricity Industry and Electric Linkage:**

- **Calls for** accelerating the conduct of the study assessed for years on the comprehensive electric linkage, inviting the Mediterranean countries and affiliated funds to contribute to cover the cost of the study or any other joint studies in the field of electric power;
- **Calls for** strengthening electrical transmission network and updating them and to ensure their reliability within each country, so as to allow import of electricity from one country to another;
- **Stresses** the need to develop and adopt policies to improve the performance of electricity market in each country. The tariff cost should reflect the real cost, paving the way for the establishment of an electric power market in the region, taking into account the social conditions of the poor;
- **Calls for** the establishment of an observation point in one of the Mediterranean countries to develop mechanisms leading up to electricity trading market;
- **Calls for** studying the feasibility of integration of the unified network for the Mediterranean region with the networks of neighboring areas, and for the necessary action to be taken in light of the conclusions of this study;

## **7. Oil and Gas:**

- **Realizes** the need to study the possibility to benefit from the Mediterranean regional gas networks to export gas to the networks of neighboring countries and/or import gas from where it is available;
- **Considers** the possibilities to benefit from gas networks to apply Carbon capture and storage (CCS) technique;

- **Emphasizes** the need to develop a strategy for the countries of the region on regional gas networks, so as to secure the interests of producing countries, consuming countries and transit countries in a fair and balanced manner;

#### **8. Bases and Areas of Cooperation between Mediterranean Countries to Spread the Use of Nuclear Energy for Peaceful Purposes:**

- **Emphasizes** the coordination in the areas of legislation and regulations for safe production and expansion of nuclear energy programs, and the ability to control nuclear materials throughout the life cycle of the facility, including the participation in safety instructions, the establishment of knowledge networks, education and joint training;
- **Calls for** the cooperation to establish efficient and independent regulatory bodies, including the provision of human resources, institutions and organizations and developing the culture of nuclear safety and security;
- **Stresses** the need to give priority to training and increasing the grants for students of southern Mediterranean countries in nuclear studies, and the speedy implementation of President Sarkozy's proposal to establish an international institute of nuclear energy, while giving priority to training of cadres from the southern Mediterranean;
- **Calls for** enhancing cooperation in the field of nuclear safety and holding regular conferences between the regulators in the Mediterranean countries;
- **Recognizes** the need to establish a Euro-Mediterranean nuclear School to reconcile the needs of nuclear industry and universities;
- **Calls for** helping the southern Mediterranean countries in the management of radioactive waste;
- **Calls for** joint-work for the commitment of the international financial institutions to financing peaceful nuclear energy and increasing the amount of funding allocated for it;
- **Further calls** upon its members considering to use nuclear energy for civil purposes to do so in line with IAEA regulations;
- **Recommends** that PAM organizes a dedicated meeting of its Special Task Force on Energy on this topic in 2011;
- **Stresses** the need to exchange experiences and lessons learned in the measures and national strategies to secure nuclear materials and enhance international cooperation in this context;
- **Emphasizes** the importance of the obligation of countries starting nuclear power programs to create a new generation of workers who have skills and capacities necessary for the establishment, operation and maintenance of nuclear plants.

