

**TRANSCRIPT:
ENERGY DAY – PANEL 1:**

ENERGY TRENDS IN THE CONTEXT OF SOCIAL DEVELOPMENT

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Slavtcho NEYKOV:

Good morning, I am very excited to be the panel leader of the 1st panel particularly after this outstanding introductory words both by H.E. President Stoyanov and by Dr. Busek, but what makes me more excited is the set of panelists which I have because for your information they come from different areas, we found details about biographies in the booklets which have been circulated, but in general I would like to say that for all their work- they represent more than 180 countries and further to this they come from different institutions, for which we are going to hear a little bit more afterwards. I will start with what Dr. Busek mentioned that access to energy might be and should be considered also as a human right. At the same time noting the fact that energy is a mighty tool in the area of politics one should not recall that at the end of the day politicians work and should work for the sake of the everyday citizen. Therefore, now we shall have being presented different views from the panelists and I hope that within the first panel which is entitled “Energy Trends in the Context of Social Development” we should hear really different views. But I hope that we should be all united from the fact that as it was said, energy and access to energy is a human right and this is something which we should never forget.

With these words, it is my pleasure now to pass the floor to each of the speakers and they will have the possibility to make an introductory statement, some of them will have short presentations for you, afterwards I shall invite each of them to answer a question or two, and you also have the possibility to intervene from the floor to ask questions, to express opinions, agreements or disagreements.

Without further introduction I would like now to pass the floor to H.E. Minister Vladimir Kavaric, who is Minister of Economy of Montenegro, but at the same time he is President-in-Office of the Energy Community, to share his views as politician and as a former businessman, as a former state official about to what extent the social development overwhelms the trends in developing the energy sector. Please, please [Applause].

H.E. Vladimir KAVARIC:

Thank you Mr. Neykov for very nice, open and kind introductory words.

Honorable President Stoyanov, Ministers, Excellencies, Ladies and Gentlemen,

On behalf of the Energy Community and on behalf of the government of Montenegro, first of all I would like to congratulate for organizing such a challengeable event on such an important and challengeable task. As it was mentioned already, there are many different perspectives on elaboration on this issue. For me, as Minister of Economy and President-in-Office of the

Energy Community the relevance of the adequate development of the energy sector in the context of the social development is always on everyday's agenda. Let me underline that in the Energy Community context, where close to 40 countries are current directly involved, we have developed separate social platform dealing with social consequences of the market reform in the energy field. In this relation and along with my capacities as Minister and President-in-Office of Energy Community I would like to emphasize three key messages: First message is the role of the politician in this aspect. It is for expert to propose solution, but it is for the politicians to take decisions. And this is a huge responsibility. Targeting the real rates in real time frame and the real life, at the same time keeping the social balance is not certainly easy, especially in energy field: and I can confirm this, let's say, in both contexts: in context of Energy Community and in context of Montenegro. As energy developments defect on its national, regional as well global consideration, the politicians are also more and more expected to open their minds and look for common solutions including in the fields related to social dimensions of energy related reforms. Therefore, the politicians should be much more proactive. Following the act of developments under the pressure of the civil society rather than taking measures with long lasting effect is unfortunately still reality. Especially when matching the link between the market developments in the energy field and the social consequences.

Second message is, of course, for the role of the businesses, which seems often not to be appropriately understood: especially in the fields of energy and especially considering, let's say social consequences and the understanding of the issue. Without any doubt investing in the energy field is specific. Long-term playing and enormous funds are needed: legal, natural or fractural monopolists to issue, often met in the sector, list of requirements to be met is creasing.

And last, but not least, the lack of businesses link to the prices, which is very sensitive issue in the energy field. However, the business has to invest, and to exist requires making profit, which is fully understandable. Of course, business, let's say, rely on expectation of making a profit. Let me underline, I refer to business developments along the established rules. Thus, the business is the motto of the real developments and may engine the vehicle on the road. Politicians establish the framework, or decision maker establishes the framework, but without investment this framework shall be completely useless. It is the business which creates employment, which creates opportunities, pay taxes and so on. On this ground, I think we all owe more feasibility of this fact as to provide adequate stimuli for the business development and better understanding and explanation within the society of the role of the business in the context of social developments. And this is completely linked to my third message, which I would like to emphasize on and which is related to the role of transparency.

There is hardly another economic sector than energy, which requires so much that the developments are transparent. And this refers not only to the work of the politician but also to businesses. I have already referred to: it is the practical terms of the requirement to all governmental institutions, to the work of all the social partners and last but not least, to the cooperation among all these players.

Let me recall, enormous interests, directly linked to the everyday life of our people, are at the stake and in the energy context this interest is called a wide range of issues: financial, social, environmental and demographic. Thus, for me it is a principal, general requirement that transparency overwhelms activities in the energy field. In fact, this brings me to the point where I started it. Let me express once again my gratitude to the organizers of the forum and this is certainly not a courtesy statement. Providing such a wide platform for debate, bringing the representatives of different stakeholders, and linking the energy developments with the social dimension, and with democracy, certainly deserves our conation and I believe you will all join me in this statement. Thank you very much for your attention, I tried from the beginning to keep it short and simple and so I hope that I can do the promise I have made to Mr. Neykov, so let's proceed. Thank you [Applause].

Slavtcho NEYKOV:

Thank you very much Minister. Your position about this balance, which needs to be followed between the politicians on one side, the business and what I liked very much, what you mentioned as well, the social partners in general is certainly very important topic and I have no doubt that we shall be able to come further to that in the afternoon session. We have also distinguished representatives of the social partners, so I have no doubt that they also have what to say. And for me it was very important what you also emphasized on the ground of what H.E. President Stoyanov mentioned explicitly about transparency because I have no doubt you being before that a businessman and now politician, and also having the possibility to communicate with other state institutions know very well what transparency means in real terms. So thank you very much for the emphasis in your intervention. We shall come back afterwards to it again.

Now it's my pleasure to pass the floor to an honorable representative of the European Parliament. This is Mr. Giles Chichester, who is also President of the European Energy Forum. And, I am personally very glad that he accepted invitation to join us not only because he is being for more than 18 years a Member of European Parliament, not only because he is being Vice President of European Parliament, but also because he has extensive knowledge about energy sector developments and about communication and cooperation in real terms. And I would like now to pass him the floor and invite him particularly to mention few words about European Energy Forum before he starts. Please. [Applause].

Giles CHICHESTER:

Slavtcho-Mr. Chairman, Mr. President, Ladies and Gentlemen,

Thank you very much for the invitation and yes let me indeed before I make my speech let me just explain that the European Energy Forum is a body within, but not part of the European Parliament. It exists to its members who are MEPs – there are 50 or 60, who have expressed particular interest in energy issues and it is supported by associate members again 60 or so energy companies in Europe and a wider world and we exist to bring our members together for debate and discussion and information and education. We do not take a position, we do not have a policy, we strictly maintain neutrality which enables us to cover the full political spectrum and of course the full energy spectrum of all technologies. And before I start I just, I reminded that I was a reporter of the European Parliament on the proposal establishing The Energy Community. So I have some responsibility for Slavtcho's employment and I am very glad about that.

Now, "Energy Trends in the Context of Social Development". In order to have a trend one must have a starting point. Mine is the energy mix, which I take to be final consumption by fuel. In 2009 the world figures by fuel according to the IEA key statistics were 8,353 million tons of oil equivalent out which oil provided 41.3%, natural gas 15.2 %, bio fuels and waste 12.9 % , coal and peat 10%, electricity 17.3%, and other, whatever that means, 3.3 %.

A quarter of a century before that the overall figure was 4674 MTOE with oil at 48 %, 48.1 %, natural gas 14 %, bio fuels and waste 13.2 %, coal and peat 13.7 %, and electricity 9.4%, others 1.6%. So, one trend above all others is obvious. We are consuming more and more energy overall. Within that basic trend the relative proportions consumed have changed. The world has switched relatively speaking from oil to electricity as the one has become more expensive and the other is more convenient to the world of machines run by electricity not steam or petrol. Our dependents on energy especially in the more highly developed economies of the world have never been greater. And this can only continue. There are number of changes or developments, which make the energy picture more complex. The major focus on climate change and policies to contain it is having a big influence on our approached energy by making seek efficiencies and conservation through alternate technologies and through market mechanisms such as renewable and emissions trading systems.

This is however, introducing a degree of distortion to energy markets with the creative tension of competition between the differing policy objectives of security of supply, emissions reduction and competitiveness. At the same time other changes are having an impact on the energy world. I have in mind the EU's attempt, to create a genuine single market in energy. I have in mind the emergence of unconventional gas and oil resources. Other time, when

many had been predicting the imminent passing of peak oil and the rapid depletion of known reserves of these fuels, I have in mind the conflicting conclusions drawn from the impact of an earthquake and tsunami on the nuclear energy industry in Japan conflicting because, I compare, what I view as the irrational reaction in Germany with the more measured response from the overwhelming majority of countries in Europe and the wider world that have nuclear plants to continue with plans to maintain or increase the nuclear generating capacity. I have in mind the thought provoking comment from IAEA that coal accounted for nearly half the increase in global energy use during what some people call the Noughties 2000 to 2010. And it is to say coal was nearly as much as natural gas, oil, renewable, and nuclear all put together.

Then consider a possible and perverse consequence of the failure, so far, of the ETS to bring effective downward pressure on CO₂ emissions as evidenced by currently negligible price of carbon of 7 or 8 Euro per ton. The consequence, suggested to me recently, was for a renewed exploitation of lignite or brown coal. So much for progress towards effective carbon capture and storage. I should also mention the dramatic increase in some renewable energy technologies which is visually obvious from the proliferation of wind turbines in rural areas and photovoltaic panels on the roofs of buildings in parts of Europe. One does not immediately associate with sunshine such as my own country. There are those who believe that these and other renewable technologies can supply all our energy needs. I am not one of them but what is clear so far is that substantial subsidies from either the tax payer or the consumer have been required to foster pace of development of the renewable energy. At the same time the cost of other sources of energy has been rising for a variety of reasons to do with supply and demand, to do with conflicts in the Middle East as well as political changes in South America, Japan, Germany, for example, and the effect of some natural events such as that earthquake in Japan.

It seems clear to me that the long term trend in energy demand can only go up as the population of the world grows and standards of living rise to increase people's expectations. This will be manageable for those countries and people who can afford the increased costs, but it brings me to the context of social development and the have-nots of the world I mean in energy poverty and in a number of ways to define this condition. The most obvious is the number of people without electricity. We have heard about them already and according to IAEA there are presently around 1.3 billion people in the world who live without electricity: that is 18.50% of the world population of about 7 billion people. The overwhelming majority of these people without electricity live in Africa - some 585 million and [referring to his presentation] I hope you can see the...somewhere, behind me, very good, you can see from the map the concentration of people without electricity in Africa. But they also live in

developing Asia outside of China or India - some 379 million, and in India itself - 289 million, and there are a few million in South America.

Now of course these people will most likely have alternative sources of fuel but they would far or a burning animal dung lacks the convenience of multi-functionality of electricity. It is estimated that 2.7 billion people are without clean modern cooking facilities, President Stoyanov mentioned that earlier. But I leave it to your imagination what that actually means.

In the developed world [referring to slides: I am not doing so well with my next, here we go, that just reinforces the point I've made], in the developed world there can be little excuse for this sort of energy deprivation. But there is another definition of energy poverty which needs to be addressed. By the way of illustration, let me point to my own country where household is set to be in fuel poverty if it needs to spend more than 10 % of its income on fuel in order to maintain satisfactory heat and that's the fine as 21 degrees centigrade in the main living areas. And under this definition it was estimated that there were some 5.5 million fuels for households in 2009 in the UK, or 21 % of total UK households. And a large proportion of them are clusters vulnerable with an elderly person, a child or someone with the disability or long term illness. When this yardstick or benchmark is simple and straightforward yet I think it covers a variety of situations and causes. The most obvious is the quality of housing and its energy efficiency or lack of it leading to much greater consumption. Another is the mix of fuels and sources of energy where the household may not be able to access the most economic or the most efficient one. Another is the possibility that the occupants are not very efficient in the way they use energy such as leaving the heating on 24 hours a day, such as leaving windows or doors open, as I remind my children from time to time, such as setting the further steps too high such as leaving heaters burning in rooms which are not in use. Whatever the reason, the facts of the cost acceding 10 % of income has a huge burden on the household with social and health implications. And it must be said that the cost of pursuing the low carbon objective can only add to this burden. So one could argue there is a policy clash between saving the planet or protecting the poor and the question is: What to do about it and more to the point, how to pay for any solution. I should say that I believe, one should not make social policy with energy policy because of the risk of market distortion, however, this is a complicated territory.

The fuel poor do not have the capital required to make their homes more efficient- insulation, smart meters, new boilers – all cost money. Yet such investment should yield the double benefit over time of more efficient use of energy and lower carbon emissions. And one can argue that the stimulating investment, that stimulating investment (not sure one could ever describe the investment to stimulate, anyway), that stimulating investment to this sort would be good for the economy and the employment as well as improving a lot of those fuel poor

households. But unfortunately there tends to be a mismatch between property owner who has to bear the cost of improvement and the occupants who may expect to enjoy the benefits. We have yet to solve this aspect. And the same applies to the bigger challenge of giving access to electricity to all those people without it at present. This is the same conundrum writ large because the cost of creating the generating capacity and the transmission system to deliver the electricity is huge and the potential beneficiary is all by definition poor. I wish I could see a way round this challenge. One thought that I have had is if we were to redirect the sources we are currently throwing at climate change and carbon emission reductions to the challenge of levitating fuel poverty we might make inroads upon it. However, because that is unlikely, I suggest we concentrate on the achievable and set about improving our housing store. Thank you, Mr. Chair.

Slavtcho NEYKOV:

Thank you very much, Giles, for this hopeful continuing this line of realism which was started since the very beginning, since the introductory speech of H.E. President Stoyanov and I think that we will need this realism. When seeing your slides about what is considered as fuel poverty in the UK as concrete criteria I am sure that there are a lot of places in Europe where this will sound kind of unrealistic because a lot of people spend much more than 10 % of their income for hit. And the other thing, which I wanted to emphasize, and for which I am explicitly grateful is your sentence that in fact all innovations, all aspects of improving the energy developments and energy security cost money and somebody has to pay the cost and at the end of the day it's the final consumer who pays this cost. And therefore the politicians should take due note of this when proposing relevant measures for which H.E. Minister Kavaric also referred to. Of course you emphasized very much on renewable in the environment and this is a trend which we will have to follow and this is directly linked to the intervention by our next speaker for whom I have difficulties where to start how to present him.

My first idea when I met him was to invite him to play a game of chess which will certainly finish very quickly because he is a World Champion on Chess but further to this he is the first Deputy Chairman of the State Duma Committee for Natural Resources, Environment and Ecology. Ladies and gentlemen, it is my greatest pleasure to give now the floor to Mr. Anatoly Karpov [Applause]. Further to what I said about him I would like to mention some other facts which you might not find in the booklet. He is an Ambassador of UNICEF and besides together with Agent 007, this is Mr. Roger Moore, they are together patrons of special program of UNICEF which concerns iodizing of salt. So, Mr. Karpov, you have the floor.

Anatoly KARPOV:

Mr. President, Excellencies, Ladies and Gentlemen,

So, it is a very pleasure for me and big honor to have a speech here in this hall, I have a very good memory of this hall because 25 years ago exactly in this hall, in Hilton, in Vienna, I won one of the biggest international tournaments [Applause]. So, first of all I believe this is a great, fantastic idea to invite people – famous people, well-known people, specialists, professionals, politicians to discuss our problems. I have spent 1000s and 1000s of hours as it is worth competing dozens of strong experts; I feel an ultimate right to refer myself as dialogue specialist. Maintaining justice to my words I should point out that it has always been a competitors dialogue and at winning the rival. This case, our case, requires a different dialogue, which is more constructive and uniting the best issues we can bring to the discussion and solution of the global problems that the society and business face. In the meantime, I hope you excuse me using written form, because I have a habit to talk about peace movement, UNICEF, international organizations, charity. I was involved always of course in sport and chess, but I just became Member of Parliament responsible for Natural Resources and Ecology, so I don't know yet all the English terminology of this area that is why I am using the written form and I hope that the discussions we hold will become an impulse to set up the dialogue and cooperation among the nations and nationalities and we will also allow developing the balanced approach to the highlighted problems while the decisions taking will tone into practical consequences that will be widely applicable in our countries.

So, I was asked to concentrate more on ecological fields and of course energy, natural resources and ecology have very tight connections. Dealing these ecology problems for recent 30 years, at the International Association of the Peace Funds and the Russian Ecological Tech Eco Fund and being presently the Deputy of the highest Legislation of Power in Russian Federation I cannot miss the importance of the way passed by the humanity towards understanding the necessity of nature protection. The ecology is used to the appropriate position in the most powerful international organizations, agendas. Ecology education is included into the basic knowledge set affecting the population of the countries all around the world. The business is aimed at diminishing the harmful effect to the environment during the economic activity. Our meeting is held in the anticipation of the United Nations Stable Development Conference, also known as Rio+20 Conference to take place in Rio de Janeiro in June 2012. The state developing concept was officially approved by heads of states and governments during the largest summit UN conference on environmental and development at Rio de Janeiro in 1992. The most important issue is the acceptance of the 21st century agenda, which is a global plan for the humanity to reach the stable development. As far as we can see now there were only slight changes within recent 20 years since Rio' 92. The

agenda keeps containing the same questions. So, what is the route of the failure in reaching the set goals?

It is obvious that we should look for the answer in the modern world order aimed at planetary exploration of all the resources that human can access. Unfortunately, the bias for destruction was failed to be stopped. The earth is nowadays suffering a deep environmental crisis, which means that the biospheres are unable to maintain the existence of 7 billion people without putting itself into danger. This is not an unusual or unprecedented fact for the history as well as it is not the end of the history. This is how the humanity evolution transition and reaching the new stage of development is reflected in people life conditions. This crisis will definitely get this judge with the catastrophe, if you don't find measures. The environmental pressure has already reached its safe limits, reached and even exceeded the bias for potential limits. The transformation may occur anytime, becoming sudden and unexpected for the population majority. There is an... of the Contemporary Social Ecology Crisis is a collision between the civilization and natural water borders. It means that previously the humanity system was some part of the natural system and had a plenty of space for its expansion. There are now these systems borders have met. The empty road age is over and the filled road age, a character is by reaching the limits for most of the resources, is now in power. The most important issue is that energy floating in the biospheres is more and more locked by the human requirements. Apart from that the supplies of non-renewable energy are spent here and now, while economy logic prevents a global transmission to the renewable energy supplies.

The combination of the major crisis -environmental, production and social, and the large number of derivative crisis bears a system civilization crisis. The humanity now has to make a choice: Is it to change the current approach dramatically or get into collapse phase. As we now understand it is impossible to separate ecology problems from the social ones. The aim and sense of the ecology is to teach people how to hold a resolute lifestyle in the world getting more dangerous and unpredictable every day. It can be also put as a task of humanity survival. Understanding the importance of the ecology leads to setting up a new ecological economy and according to it we should not only take the environment exploration expenses into account, but also the expenses for its protection and atmosphere recovery. We should pay attention not only to the profitability and productivity, but also to the ecological safety. The ecological threat contains dominating global factor, which means that the safety of a certain country or geographically close community gets into illusion. Local environmental improvement achieved by the destruction of eco systems and wild usage of the resources of other regions leads to further global eco system degradation and an increasing of ecological threat for all countries.

Highly argued nature rights, nature rights issue in its widest sense doesn't result to any legislative activity at least in Russian Federation. Nevertheless, this question requires discussing and developing a reasonable approach agreed at all decision taking levels. The collision between civilization and biosphere is a consequence of the fact that civilization doesn't follow the loss of the whole. The biosphere loss as far taking them into consideration requires long term and extremely long term measures that do not correspond in the middle term economical and social interests. Sure it is much easier to discuss the human rights then to start the program limiting our affection to the nature. Moreover, the separate problem is enlarging there between the scientific ecology knowledge and its representation in the mass media, which produces ecological society opinion. The separation to the scientific ecology and ecology as a social activity is now obvious. If only the science could have authentically pointed out the phenomenon of the modern civilization we should look after as indicators of the crisis development and the approaching of a catastrophe.

Despite the fact that the scientists assure themselves and the society of their autonomy and independence, they are actually highly dependent on the economy and politicians, who order and pay for everything they need. Unfortunately, the ecology, generally understood as very important, is turned into a political institute by the interest at parties following their improper goals. This causes a negative effect on the neutrality of many published studies and spoils the trust to the science. Due to this cooperation between the special international organizations aimed as professional resource of the environment, climate, ocean, forest, etc. having a massive amount of data concerning the subject and non-governmental ecologic organizations, that's important. The decision taking in the conditions of non certainty has been and will stay extremely difficult. There is no simple answer to this question. According to the famous writer Stanislaw Lem's speech during one of the Rio'92 conference forums quote: "The necessity to chose between the civilization governed globally by the expert, and the civilization governed by the political leaders promising everything and almost unable to do anything, will get harder and harder. We just may wish that the professionalism both for experts and politicians will be checked equally strong for both parties some day. The globally mentioned tendency including the USA shows that the increasing complication of state's social, technical and finally global problems goes along with the obvious decrease of the governors' competence"-end of quote.

Taking into account I would like to address to the honorable participants and businessmen; participants a proposal to attract leading scientists, politicians and businessmen in order to coordinate the efforts of the international scientific business and ecology community. It is important for us to draw our efforts to solve the certain talks, tasks and to formulate agenda, take decisions for transnational ecology. In conclusion, please, let me thank you for your attention and give my appreciation to the organizers of this representative forum. Thank you very much.

Slavtcho NEYKOV:

...Adequate developments from the point of view of protecting the environment, from the point of view of ecology and at the same time sometimes the conflict, which exists with the concrete business interests or concrete social issues. I want to share with you that in my country, I am Bulgarian, there is one city which is called Glibodo, which was couple of years ago proclaimed to be the most polluted city in the world. It is a small city where the population relies mostly on its work in thermal power plant. And there really for these people there is a dilemma: do they have their children healthy, or do they have business, do they have work? And it's a strong dilemma, it's a heavy dilemma and for sure it requires a very strong involvement of politicians, of governments as of NGOs as to look for the best option for development. So, thank you very much for emphasizing on this issue, I have no doubt that we shall be having quite a lot of reasons to come back to this point, and I have no doubt that our next speaker will also touch on it. In fact he represents one organization, which is working in more than 130 countries throughout the world. Normally when we say OPEC, we think about oil, but when we say OFID we think about extensive support via enormous amount of money which the OPEC countries devote throughout the world in different aspects of the economic, social and social development and particularly also in the energy field. As far as I know only for the last year about 25 % which in figures is close to 100 million dollars was devoted to energy and this money was channeled by different programs in more than 20 countries with particular focus in Africa.

Ladies and Gentlemen,

It is my greatest pleasure now to give the floor to Mr Hoyer, who is the director for Information in OFID. OFID, by the way, is one of the 9 organizations with functions in the energy field which is hosted by Austria and which has its headquarter in Vienna and OFID is one of the members of Vienna Energy Club. Mr Hoyer you have the floor.

Mauro HOYER:

Thank you very much Mr Chairman,

Excellencies, Ladies and Gentlemen,

On behalf of the platform for International Development OFID and our Director General Mr Suleiman J. Al-Herbish, I would like to thank Mr Neykov and the organizers of this 2nd Annual Meeting of the Center for Global Dialogue and Cooperation for inviting OFID to be part of this event. We are really honored by this invitation. The Center for Global Dialogue and Cooperation is going from strength to strength. We see an increasing number of world

political leaders, business personalities, and institutions expressing genuine support for the Center's objectives. I had the pleasure to attend last year, the 1st Annual Meeting, which was really very relevant and very high-level from the point of view of the discussions that took place during that 1st Annual Meeting.

The discussion on this panel about Energy Trends and Social Development are particularly timely. Energy and developments are the key components of the 2012 International Development Agenda. Indeed, the United Nations General Assembly declared 2012 as International Year of Sustainable Energy for all. This has placed energy at the center of the international debate on developing issues and events like this promote that discussions keep on going. Before elaborating on energy trends and social development under the role of our institution, allow me briefly to describe our institution – OFID. The OPEC Fund for International Development was established back in 1976, 36 years ago. Following the decision of the heads of state and government of OPEC Member countries, as you maybe aware OPEC was created in 1960, our institution was established 16 years afterwards. OFID member countries number 12 today. They are drawn from different regions around the world. Our mission is to foster South-South partnership with fellow developing countries worldwide with the aim of helping to eradicate poverty. It is important to mention that we work in countries all the OPEC member states and under core priority to less developed nations. Today we have developed partnerships with some 132 countries. OFID's activities cover all sectors among them education, health, water supplies, sanitation, agriculture, transportation and energy. We work with partner countries, other development agencies and diverse institutions towards the achievement of the common goal namely the eradication of poverty, which is in line with the end of the year's, the millennium developing goals. So far we have committed more than 14 billion dollars in the fight against poverty working with governments, the private sector and civil society. In few words, we are a practitioner in the field of international development.

I would like now to turn to the main theme of this panel: "Energy for Social Development". Many things could be said about energy trends and we have seen even with introduction of President Stoyanov, very striking figures about energy. Our fellow colleague also presented some figures about figures. We may say that we expected when we talk about energy trends that expected energy growth is about 40 % in the next 20 to 25 years. We could also say that electricity may double, expected to double in the next 20 to 25 years. We could talk about the fuel mix, we could talk about de-carbonization and environment impact. Unfortunately, very little is said about energy poverty. When we talk about the 40 % growth in energy, we're forgetting in many cases that from... the 1 in every 5 people will be living without electricity in the next 20 to 25 years and if we do not do anything, it will continue to be more or less the same. Over the years of... importance of energy as a means of alleviating poverty

and achieving the millennium development goal has achieved growth and recognition. As we are all aware, energy powers human development, and because of that OFID and many other institutions are referring to energy access as a mission of the 9th Millennium Development Goal.

Energy poverty can be defined as the lack of adequate, accessible and affordable energy to promote economic growth and certify basic human needs. Unfortunately, as we mentioned before energy poverty statistics worldwide are inexcusable. As we mentioned, as it has been mentioned several times 1 in every 5 people we talk about 1.3 million people. It is very easy to say 1.3 million people, but I think 1 in every 5 people goes everyday without electricity. The double of that, 2 in every 5 people doesn't use modern, still use biomass for cooking and heating. We all know that widespread use of biomass is the major cause of deforestation. Less known perhaps, it is that it is also the major cause of health problems. Over 1.6 million deaths every year are due to the respiratory diseases caused by biomass fuels. This is more than the number combined of malaria and tuberculosis put together.

I mentioned in the very beginning of my presentation that the year 2012 was an important year regarding energy for human development. For us, energy has always been a key focus in our developing activities. However, our efforts in this area have intensified in the last five years. In 2007 was the 3rd OPEC Summit in South Arabia. OFID and the other 8 institutions from our member countries were mandated by our head office state to align their programs with objective of contributing to eradication of energy poverty in developing countries.

A year later in 2008 also in South Arabia, the king of South Arabia announced an implementation plan for the previous agreement on coal on OFID's Ministerial Council for the approval of energy poverty program in the amount of 1 billion dollars. These two events marked the introduction of OFID's energy for the poor initiative. Since December 2007 we have directly allocated around 1.2 billion dollars in support of more than 52 energy projects in around 30 countries. What is more, this contribution as we work with partners and co-financiers, have helped to leverage an additional 15.7 billion dollar when the participation of all the co-financiers are taking into account. Our projects comprise most type of energy sources including conventional and renewable energy solution. This is totally aligning with the energy trends on future energy sources that we have mentioned before. We have mentioned before that it is the state debate even in the next 20 to 25 years probably still 75 to 80 percent of the fuel mix will be based on fossil choice.

OFID also supports large, medium and a small scale initiative from a gas power generation plant in Bangladesh, electricity transmission line in Bolivia, a rural electrification project in Vietnam, as well as solar household light in Tanzania and Kenya.

Mr. Chairman, Ladies and Gentlemen,

Allow me to conclude with a specific example of our work on energy poverty alleviation. Last year we began a project to provide solar power lanterns to 1000s of families in Tanzania and Kenya. This is a joint initiative with Shell Foundation from Shell Group, a social enterprise called d.light and OFID. D.light is a social enterprise, which produces solar lanterns, which previously could not be distributed in countries like Tanzania and Kenya due to the lack of capital on the local distributors. We provided a grant, which helped to overcome this problem. And so far in about one year we have managed to help more than 300,000 people. We are now considering expanding this cooperation to provide to the same people access to clean cooking staff and also to stretch the effort to benefit some countries in Latin America.

Ladies and Gentlemen,

We are greatly encouraged by this and other results. We remain convinced that energy poverty, alleviation is a key component of social development and that this goal can be best approached from the broad means projects and programs with the different type of fields. Thank you very much [Applause].

Slavtcho NEYKOV:

Thank you very much Mr Hoyer, Thank you very much to OFID for being representative here, thank you for your so active and concrete position involving such enormous funds around the world. I want to underline one fact that OFID does not work only with governments, it works a lot with private business and I think that this is a very important when targeting in concrete such projects by which you not only provide conditions for supply of energy to areas where it is not accessible or improving the energy supply because as mentioned before the private initiative, the business initiative is very important and I have no doubt that this more than 35 years of experience have taught you also lessons how to improve this communication. Thank you very much also to refocusing in our attention on the issue of the environmental protection, ecology and also renewables and this is in fact a topic which is very much on the heart of our next speaker, who also has not only a very solid business background, but he is also being a banker and further to this he is in fact the chair of the World Institute for Renewable Energies and on this ground having in mind when I received this information the target of this institute is assigned theoretical part very much linked to the investments – investment parts which is bringing theory with practice. So, we are all now very eager to listen to Mr Emmanuel Limido, who is the chairman of the Centuria Capital and the chair of the World Institute for Renewable Energies. Please [Applause].

Emmanuel LIMIDO:

Excellencies, Ladies and Gentlemen,

Thank you, thank you for Center for Global Dialogue for inviting me and to you all for listing to this presentation. I am going to address a very unimportant matter, which is money and sources of financing. Indeed access to energy, electricity power is a human right, but unlike most of human right unfortunately it is not a natural one, its one which needs to be financed and sources of financing are not always easy to identify and not easy to mobilize. To provide energy and power to populations which are in difficult locations indeed requires a very strong political commitment also requires very strong financing and the public financing, which is an absolute need, is unfortunately not sufficient and the recent developments on the global world economy are rather aggravating the case and therefore increasing the need for private money to be able to join in public support to provide the world populations with this human right.

In fact this presentation was supposed, or will also be repeated at the Rio+20 Meeting, which will take place in June, and there will be a formal launch announcement for the World Institute of Renewable Energies, which I am representing today, which should be announced together by Prince Albert II, ruler of Monaco and the newly elected French President, who took office two days ago, if he confirms his agenda, strange enough he hasn't called me yet to confirm. This announcement and the work, which is going to be presented to you now is the achievement of about two years of dialogue and discussions between private entities, sovereign wealth funds, public entities, governments, multilateral agencies and I hope this will be able to meet some of the expectations of the markets in future. One thing is sure if we want to finance access to energy in difficult areas deserted and semi-deserted, arid and semi-arid areas we cannot do business as usual. And unfortunately private investors don't like to do business in an usual matter. So, this is an achievement to match apparently the consistent constraints. So we call it World Institute for the Renewable Energies - WIRE. The context and framework is pretty well known by everybody here and we know that we are in an environment of increasing energy price, climate change and social unrest generally. Due to the financial crisis it is pretty difficult and I have already mentioned in my introduction to find developers, who have the financial measures to undergo and realize investments of their own. Therefore, we quickly came to the view held by many other partners, who were helping us to same right that the solution would be the creation of financing platform such as the one we are representing to you, which by the way probably has its own imperfection and will certainly need to be fine tuned and improved, and to allow the private sector to invest in a way, which will leverage the governments' and multilateral agencies' positions.

Clearly, the target is to use mainly solar, because we are addressing primarily and we will see why but it's not a limit, but it is a priority areas in Africa and along the Mediterranean circle. So, solar, also wind, are the two major energy sources, which we are considering here. We have to produce the energy, we have to be able to transport the energy from where it is produced to areas where it will be consumed and paid for and clearly we have to help the countries, which need it, to organize and finance transfers of expertise and transfer of technologies to their benefits. It had to start somewhere, so it started with two founders, which have been joined by orders and hopefully will be joined by many orders. Centuria Capital, which is the group I am chairing, which is an investment company, investment and financial adviser company, working primarily with Sovereign Wealth Funds from the Middle East and Far East and the other party is the Principality of Monaco. It all has to do with the public-private partnership as I mentioned private money will not deploy itself, unless it is rightfully supported in a right way by public sector and by governments. So, in the initial partnership the Principality of Monaco was representing the public sector, with its very strong involvement in all sustainable development matters including the personal involvement of the Prince Albert II and Centuria Capital representing private interest in a way but private interest in the form, for instance of sovereign wealth funds, which are not really fully private interest but is managed as private money and therefore able to express what the constraints would be for the private money to finance these projects.

I hope you liked the colors, this is just to show a diagram where by..., it is not a matter of being an investment company, it's not a matter of being a financial experts, it has to be its full cooperation all across the spectrum of competencies, which are required to develop energy in developing countries. We need chair holders, we need industry committees, because it has to do with technology, we need partners of all kinds from public and from private with its strategic committee for lobbying and support and all these all together, these ingredients put all together are creating WIRE- The World Institute for Renewable Energies, and therefore you all understood the aim is bridging the financial gap between all the projects, which we know lack financing. Some of them are financed primarily with public money, this will not be enough, this is already not enough and therefore new frontiers have to be compared and we need to very significantly increase the amount of money available for these projects and therefore bring the money, which is as we all know available. There is access of cash all over the place, all over the planet. We have to put together the considerations; we have to put the environment so that this money can be allocated to these projects.

The idea then, I will be now very quick, is to build portfolios of project, it reduces risk, it helps increasing performances and profitability, which is still from the private sector a point of view the major parameter. Therefore, we have mix of countries, mix of projects and mix

of technologies, business investors and projects. So, this shows more or less where, as I mentioned the sub-Saharan Africa, Southern and Eastern part of the Mediterranean basin are the priorities, but not the exclusivities and there is a lot to do, I think for many years in the MENA region, as far as the solar industries concerned, the potential is absolutely gigantic and should be raised to also very interesting investment opportunities, not only giving the people the rightful access to energy, but to also providing investors with some reasonable returns. This is number of example of technologies, which are at stake, I will not detail this, and this is a kind quantification of the market to which the World Institute for Renewable Energies is addressing itself and this is it. I would like to conclude saying this: WIRE is working has been launched a few months ago, so is now operative. We will probably get a very strong pick up in Rio, by the 20th of June, at Rio+20 Meeting, where hopefully the new partners will be announced, who all will be extremely powerful and highly reputable institutions: sovereign funds from Qatar, the Government of Morocco, other sovereign funds and from there we will need the support of everybody and all of you to make this a great success. Thank you very much. [Applause]

QUESTION AND ANSWER SESSION

Slavtcho NEYKOV:

Thank you very much Mr. Limido. You just gave us another interesting example of how theory can be combined with practice on the one side and how business interests can be combined with the social interest. I was very impressed by one statement of yours, which I have heard also from the International Financial Institutions and it is that is the world is full of money that there is a lot of cash but this cash has to be channeled properly as to bring a lot of results. Normally the IEFs speak about bankable projects, we have money but we want bankable projects and I think that it's a very important issue for consideration, for efficient channeling of funds we have also heard how this is being done by OFID.

Ladies and gentlemen,

With this all our panelists took the floor now we have some good 26 minutes for questions, answers, agreements, disagreements or just statements also from the podium, but before that I would like to ask each of the panelists one question, and I shall be very grateful for a very quick answer. My questions will refer to what you spoke about and I will start with H.E. Minister Kavarić who made a particular reference to transparency which should concern all participants including the social partners. So, Minister Kavarić, you being Minister, Member of government at the same time representing the Energy Community, what is your feeling,

do the social partners, I mean, trade unions, non-governmental organizations, consumer organizations have clear view about the necessity of the reforms in the energy field and about the requirements which these reforms put forward because sometimes they have also to defend in front of their members what is being organized what is taking place. What is your view on that? Please a short answer.

H.E. Vladimir KAVARIC:

Thank you, I believe that it is a very excellent question to be clarified while considering let's say impacts of development in energy sector and the relation with all that social issue and when mentioning social partners I believe that it is not a problem about understanding, about common values, about let's say making situation clear. I believe it is a problem of different interests because all those stakeholders, government NGOs, institutions, labor, employers have different interest about it and from that also that they have different expectations. We are talking in the long run of course that interest is becoming very common one, but if you talking on a day to day basis definitely there are different interests so I believe it's the social dialogue is the only way how to bridge the gap between the parties and how to make good balance between expectation among all those let's say stakeholders. And if you are talking about also let's say economical justification of the situation I believe that energy sector situation is not much different than in any other, any other sector. So price if we are talking about long term sustainability its more or less connected to the price and also the relation with average salaries, but prices, like in any other sector, is up to the situation related with supply and demand. If we are talking about demand, it's of course, it is getting bigger and bigger, so what we can do only let's say, it's not easy to be done but recommendation is very easy to improve business at the end. First of all we need new investment, we need new sources of energy, we need new investment in all those things related with new technology about better use of existing resources related with not just coal mine but also with better use of solar, wind, hydro and all those things and also lets say on the right side related with the demand energy efficiency issue are those which can help. So for economic goods in order to prevent scarcity economic price has to be paid and there is very simple let's say rule of accommodation about it. Thank you!

Slavtcho NEYKOV:

Thank you very much, I understand that everybody understands the requirements of the process, but anyhow the interests are different and therefore the point of view is different. Mr. Chichester, I have a lot of questions to you but I will try to summarize in one or two. The first one is related to the following: there is a general trend throughout Europe that EU

energy objectives and EU Energy Law becomes Energy Law of Europe. This is a trend and The Energy Community is one of the proofs in this aspect, i.e. on political level there are clear commitments in which way things will go, however, when it comes to practice there are differences. There are differences first of all within the European Union between the different EU member states not to compare the EU member states and for example the countries of South Eastern Europe and this is related to the fact that as you said the energy consumption goes up, the prices go up but the salaries do not seem to follow every time this trend. So, what is your proposal, shorten proposal of how to bridge this gap between increasing prices and not so quickly increasing salaries. In Europe facts go so far, there are no big energy deficiencies but mostly economic parts seem to appear ahead.

Giles CHICHESTER:

Well, one route done which we should not go, or which we should discourage people going and that is borrowing money to pay for energy. We are seeing the difficulties of borrowing current spending in Europe, particularly in Greece and that is the cost of action to be avoided. I place my trust in the markets, markets-the least bad method that we know of allocating resources to demand and over time a fall of equilibrium is reached. In the meantime and I referred in my remark about mixing energy policy with social policy and the hazards of that in the meantime it is forwardly the taxpayer to assist those who don't have the same level of resources through a transition to an economic market situation and that's seems a fairly reasonable approach, in principle.

Slavtcho NEYKOV:

Thank you, I share your view that market forces should be those who run the developments but at the same time the states have to take measures for their vulnerable customers and these measures should not kind of hinder the market developments as such which unfortunately is not always the case.

Mr Karpov, I am very -very tensions to ask you something about Russia and European Union. Maybe Mr Chichester would also like to comment but in the energy field it seems that the relations between Russia and European Union go up and down. I am talking particularly about the gas- the hot potato. In general, there were common legal platforms concerning the energy development. I am referring to Vienna Energy Charter, but 2 years ago Russia kind of stated that it will withdraw from this process, and on this ground, my question to you is, how do you see as a Parliamentarian, what is the trend that the world in the energy field is led mostly in the future by multi-governmental agreements or rather by kind of regional and bilateral forms of cooperation? So, this is what I would like to hear from you not as a chess champion but as a member of the Duma. Thank you.

Anatoly KARPOV:

Actually, there are acting more internal problems, international problems due to our President and Ministry of International Affairs. But I just visited and was a member of two conferences of gas in Germany, it was Russian-German Conference, and then Russian-European in Brussels. So, this is just fresh opinion and fresh memory and of course we had better times, worse times, some problems and what we expect in general, we expect guaranteed, high quality supply and secure supply. And so for already decades Russia was a permanent partner. Sometimes we have problems and then it's not easy to solve it, because different partners, and then Europe was worried when we had problems with Ukraine when we had most channels through Ukraine and Russia wanted Ukraine to be equal partner of this contract but Ukraine had their own position and so you can understand also because they said, ok we just allow transmittance of gas through our territory but we should be responsible for the contract but then when they are not responsible for the contract then it's very difficult for Russia to guarantee because Ukraine could stop the transfer. So, Russia, I think Russia in Europe, Russia prefers of course contracts with European Community, so it doesn't exclude bilateral relations but I think Russia will follow the agreements. So, nowadays we have another question, which is very hot, because The United States found their way how to supply their country with gas and then ok now we have gas from Qatar, mostly from Arab countries, which is free and so it has big influence on the prices but then what to do with the long term contracts and the fix prices and so now this is a very hot subject in relations. And then, Russia has new markets, and so this is two countries agreement with Japan because they rejected nuclear power and then they want to replace with gas and then Russia-South Korea, and Russia- China and so this is the nearest development.

Slavtcho NEYKOV:

Thank you very much. I understand that Russia is looking for following the contracts; looking for multilateral agreements but focusing in concrete on the bilateral or regional formula. I have the suspicion that the European Union is looking for the same, but maybe the interpretation of the situation is different. Giles?

Giles CHICHESTER:

I can't pretend to speak for the European Union in this, but certainly the European Commission and the institutions are keen for strong and positive relationship with Russia, whether you have interstate agreements or whether you have commercial agreements is another matter. I prefer the latter because I prefer competition rather than state monopoly

but let's just make the point: Europe and Russia have a great mutual interest in doing business together. Europe depends on Russia for oil for gas for uranium and Russia perhaps depends on Europe for payments for these natural resources. There is a cultural difference still. I would like to see more openness in Russia to join ventures with business I think a nice experience of BP and one or two other major energy companies have not been entirely happy in doing business in Russia, and I think that it's a pity because, I think we have a great deal, we in Europe and our energy companies have a great deal to offer Russia in terms of exploiting its energy resources to mutual benefit and I think that is always the important thing to remember: there is mutual benefit. The equation has changed of course with the advent of unconventional gas and therefore increased supplies from Qatar in the gas field which does make for more competition, but let's think strategically and long term and look to strength and the relationship.

Slavtcho NEYKOV:

Thank you, I think that both of you were extremely diplomatic, but I have no doubt that afterwards you have more possibility to go into the details. The question which I have to the OFID representative is linked with the issue which he focused on that is the work which concerns renewable, which concerns energy efficiency but at the same time let's not forget that OFID was founded in fact by oil exporting countries that is fossil fuel producers and from this point of view this focus on renewables and on energy efficiency might seem a little bit odd. What is your explanation, what is your clarification on that?

Mauro HOYER:

Well, thank you very much for the question. As we see from the statistics and the estimates related to the energy trends we are living in a sort of a transition period between fossil fuels and renewable. It may take many years because the estimates still show that during 25 years there will be only 20 % or little bit more of renewable in the fuel mix. So, for us the main problem, for OFID the main problem is providing access to the people without energy and in order to do that we can, as Mr. Chichester said very well, there are different stages in development and different needs, I mean for developed countries we are talking more about energy efficiency and renewable, but for all those who are at the bottom of the pyramid which every 5 people we talk about for them is just having access to energy and we are focusing on that group. We don't say that the mechanism like renewable or energy efficiency they are not important for us. They are very much so, but we have to think about, you know, on... we take some possibilities to provide it, you know, we are working in all type of composing of the fuel mix but we consider that access is the key issue for those people who

we have to work with, which are the developing countries without that. So, it's not a matter that we not have a favor for their own products or fossil, but it is the matter that you know we have to be more realistic about our partners which are those who need access.

Slavtcho NEYKOV:

Thank you very much I think that realism is really a key word in not only when we analyze trends, but also when we analyze the measures which you all mentioned, and this brings me in fact to my question to Mr. Limido. In his slides and in his presentation he focused particularly on solar, he mentioned solar explicitly. I am trying to visualize an area where there is no access of electricity and then you come and you propose them let's have solar. So, what is in your view the priority to have an access to electricity by any means regardless what the price is, or to focus on particular renewable format. How do you link these things?

Emanuel LIMIDO:

It's obviously a key question. "By any means" is probably not the right expression, but you have two questions: one is the access to electricity, the other is the cost of the access. If you look at arid areas or sub-Saharan, Africa for instance, there is a clear need. I mean there is no other way to secure growth and development and providing energy. To provide energy is more or less rather less or more already done today. It could be generally through fuel, which is then burn onto generators, which means that in any case the cost of this energy will only increase. The dependency of these countries to external energy supply will increase at a time where obviously the consumption of energy also increases. Therefore, renewable energy, is I believe the solar energy at least is really the solution and we are at a stage today where we don't have any more to worry about "at any cost" or "any circumstances" because the technical progress made it possible to reduce significantly the cost of the solar: it's still expensive, it's still more expensive than conventional but it, you know, the two curves should cross sometimes in the medium term with the increasing price of fossil fuels and decreasing price of solar energy and in any case, you will with ... When the consumption becomes large you can not anymore satisfy all these cities and villages through trucks and I would say containers of fuel. You would have if you don't put local renewable energy systems you would have to build and finance huge infrastructures, which would then increase the costs far above renewable energy. So, I think we are now at a stage where providing these countries with a number of smaller systems, you know, allowing for medium size or small size cities to have their solar system is becoming the solution.

Slavtcho NEYKOV:

Thank you very much, I think that this is also very important focus that further to developing national strategies one should think also on a local level and targeting local solutions. We have a fabulous speaker in the afternoon, who will give a good example about that. With these words I exhausted my questions to the panelists and I now open the floor to you I hope that the organizers will be so generous to provide us with a little bit more time because we had a little delay and I think that we should have some good 10, 15 minutes. Please, present yourself I see the hand but nothing more, right! Please present yourself and specify to whom you ask the question.

Audience – Dafydd AB IAGO:

My name is Dafydd Ab Iago, I am a journalist based in Brussels, I am moderating one of the debates in the afternoon but I took the opportunity to ask a question. The impression in Brussels is that Brussels, the EU has lost the game of chess in terms of getting alternative gas supplies from the Caspian area: Nabucco is still a project officially but you know with the South Stream is going on that's something that is progressing. My question is obviously to Mr Karpov is that your impression, have we in Europe lost, should we just sit down and accept South Stream? Thank you!

Slavtcho NEYKOV:

Mr Karpov please, and I shall ask also Mr Chichester maybe to continue.

Anatoly KARPOV:

I think still the questions are open and all the projects are in progress. Russia has speeded the projects because, so that they need permanent partners and so they want to guarantee this international gas relations and Russia is using also as I understand, part of gas from Turkmenia (Turkmenistan), which is big producer of gas and so Turkmenia (Turkmenistan), will have later on two channels. So, one is the Caspi project and another through pipelines in Russia. And I think for Europe it's even better because it will be additional channel if this Caspi project will be in action.

Slavtcho NEYKOV:

Thank you, is it better Mr Chichester?

Giles CHICHESTER:

Well, I didn't know about it that Brussels lost the plot, I not sure I can agree with that, but I think our options are developing better than there were 5 years ago because of the advent of unconventional shale or tail gas based in the United States which is transform net market which means there is no longer an importer of gas, but also for the prospects of exploitation in Europe - Poland, in my country, in another places-which are being explored. The development of LNG terminals also increases our options in Europe as a whole for bringing in gas in particularly from Qatar, but also from North Africa, and we mustn't forget the Northern dimension of what the North regions and Russians are doing and working towards in terms of developing transparency in Northern resources. Some people think there is the quarter of world's resources of gas underneath the Northern part of the world. So, there are clear options and Nabucco for example is still an option but it's no point building something at huge expenses, it's not enough gas to come through it or it's not enough demand for the gas that can come through it and that's the conundrum with Nabucco. But I think we do have options in Europe particularly if we do the reorganization so that gas can flow two ways not just one way so that we can respond to physical shortages in some places perhaps when someone turns the tap off in the Ukraine again, maybe.

Slavtcho NEYKOV:

Thank you, so what I understood on the ground of these further diplomatic statements is that at the end of the day it's a matter of price and at the end of the day it's a matter of supply and demand which is good because it is linked to what you mentioned Mr Chichester that the market forces should drive the progress forward. Any other questions or statements? Please. Minister Beqaj. Can we have a microphone here please, at the first table, please?

Audience – H.E. Besim BEQAJ:

Well, my name is Mr. Beqaj, I am Minister of Economic Development of the Republic of Kosovo and I want just to congratulate all panel speakers who have given us different perspectives with regard to the future energy and let's say consolidation with the social interests overall. Basically what we are all looking into energy sectors is to have availability, affordability and awareness for the environment. It's different to harmonize these three aspects that's why when we look from very global perspectives down this seems to be easier. When we look from the local perspective it's very, very complicated that's why I think the competition which is going on to some extent is hindering treatment of externalities from the fossil energy and the direction is going into renewable energies. My impression and I want just to ask the

panelists the competition of the projects which is ongoing, Nabucco, Caspian, and all the other projects. Are they affecting the social partners in lobbying and making problems of the local level because of the business, because at the end of the day this is a business and the civil society in our small countries is using it to pose conventional projects, which are in the last momentum at the end of the day for us as you have said in the documents, “it’s heating or eating?”. We have witnessed a very strong winter in our region in South-Eastern Europe where the amount of tradable energy was no more than 200 megabytes of energy and the price gone up to 300 megabytes and if we go according to the global trends means that we should go for solar, or for wind or for others, while we have still some fossil possibilities to go on and to make affordable energy but as well available energy for our citizens. So, does this competition harm to some extent the civil society which is trying to put us in a difficult position for externality treatments in this sense? Thank you.

Slavtcho NEYKOV:

Thank you Minister Beqaj, I think that from you this question sounds not only theoretical but also very practical. Kosovo is lying on one of the biggest coal reserves in Europe which is very accessible coal. So, who will dare answering this question? Minister?

H.E. Vladimir KAVARIC:

Regards from the stage to Minister Beqaj, I will dare just to answer or let’s say try to comment part of it, because you also mentioned during your comments that if we are talking about pipeline Nabucco or other things, we are talking about business. But what is tricky about it because this business also requires consensus among many countries if you are talking about consensus of many countries it is always colored by politics, by different issue. From that point of you I believe that as Mr Karpov said that we are let’s say very keen in order... if we have more solutions, if we are talking about sources from Caspian sea, it’s always better when there are more alternatives. We are talking about Kosovo. In our case in Montenegro I can easily understand that you try to rely on what is coal mine, our coal reserves in Kosovo, we are also organizing from Montenegrin point of view, we are organizing a tender for oil exploration and exploitation of the gas so we have to always think about finding alternatives because local business and to me its very often not good enough if neighboring context is not let’s say perfect or open for how to proceed. Thank you.

Slavtcho NEYKOV:

Thank you, who wanted? You wanted? Please.

Giles CHICHESTER:

I venture a remark if I may and that is to say that the finalized estimable ambitions of EU policy on the environment in promoting renewable energies is all relevant and good providing it is not compromise the basic security of supply. Keep in the lights on in my view is the priority, and if that means exploiting coal resources likely then so be it. And by the way, this is an argument for member states retaining competence in energy policy and not giving it to the EU level, and I think that is very important. I just remind you for comfort what that statistics of the IAEA was. The increase in energy consumption in the last 10 years worldwide nearly half of that came from coal. I was astonished when I saw that figure at first but it's the increase. So, therefore, it is still very much and very important energy resource of course we know probably the parts of the world where increase is taking place- China in particular.

Slavtcho NEYKOV:

Thank you, lights on. You wanted to say something, please.

Mauro HOYER:

I wanted to say something from the point of view of the International Developmental Institutions. Most of the International Developmental institutions they are demand-driven who work with the governments or the private sector or even the civil society. So, when we go to a country, is the country who has a project, who has evaluated and evaluated a cost that are required, many people know that the option cost for that renewable projects in a larger scale are much larger than for conventional fuels. So it's not for us to try to tilt the balance to say this is a better project than that one, but the governments are going to chose them according to their debt capacity or according to the potential subsidies that they have to provide. It's the same with the private sector when we want to do it, with the private sector we work also with all the co-financiers, so those have to be feasible projects. It's not the matter of imposing of giving grants for the projects to impose renewable or the other. So it's more a demand-driven situation that from the point of view imposing any time of fuel.

Slavtcho NEYKOV:

Thank you which brings us to what H.E. Minister Kavarić said at the beginning. The responsibility of the politicians to take adequate decisions and the decision "lights on" is a priority is a very fair decision, I would say. Any other statements, questions, please. There is a gentleman here on the second table, please. I think it's on [referring to the microphone].

Audience – Kamal KHALFAN:

It's on, yes. Kamal Khalfan, I am the Honorary Consul of Sultanate of Oman. The world is weighty today because of energy and it's made of two groups producers and consumers. Also energy has been the reason for conflicts in the past, in present and the future. Can the panel give us an example of countries, where there three fundamental issues, when it comes to energy, policy-political, financial and social. Can the panel give us example of countries, where they managed to address the three successfully and countries where the political has taken its precedence over financial and social; or social or financial? I think it's a very difficult one to answer but if you can, I will appreciate that.

Slavtcho NEYKOV:

Thank you very much, who would like to try to answer? Giles? Please.

Giles CHICHESTER:

I think, one answer to the first is Australia and one answer to the second is Venezuela.

Slavtcho NEYKOV:

This is quick and concise. Right! Ok, other questions? Well, I see none, and besides we are already just 8 minutes overtime, for which I beg my apologies to the organizers. I would like to wrap up a little bit our panel and you most welcome to agree or disagree with what I am going to say, but for me what is important first of all, was that we had different views as I said representing more than 160 countries by our panelists and I am very grateful to all of them. The key message is which I heard today in the context of the energy trends and in the context of the social developments are that first without any doubt energy consumption goes up, prices go up, access to energy is an issue, it's an issue technically, it's an issue financially but however politicians, governments, business have different formats in which they think together and we heard very good examples about that and I think that one should really on these grounds make the best of this availability of cash for which we also heard from our speakers. So, there is a possibility to target to a maximum extent these issues throughout the world but with particular thought to this more than 1.3 billion people who do not have access of electivity and I think that this is not an issue only of national governments it's a world issue and therefore I think that we have one more very good reason to thank the organizers of this event for bringing us together as to communicate and look for cooperation formats. With this I close this panel. Thank you very much for being here and thank you once again panelists.