

**Opening Speech by
H.E. Eng. Khaldoun Qutishat
Minister of Energy & Mineral Resources**

**International Workshop on Energy Efficiency
"A Strategic Agenda For Government & Industry"
November 9th, 2009 Amman-Jordan**

**Distinguished Guests,
Ladies and Gentlemen,**

It is my great pleasure and honor to have this opportunity to welcome you all this morning and to express my thanks to the Energy Charter Secretariat especially to His Excellency Secretary General, Mr. Andre' Mernier, and to Jordan National Energy Research Center for all their efforts in hosting and organizing today's workshop and extend my sincere appreciation to the Government of Netherlands for their generous support that has been afforded to this event.

Ladies and Gentlemen,

Energy Efficiency is an essential feature of energy policy for all countries: both energy importing and exporting countries. Any discussion of energy policy deals with three issues: Energy security, economic development and environmental protection. Energy efficiency as a "triple-win" solution can help to achieve all of these goals.

Improvements in energy efficiency can reduce the need for investment in energy infrastructure, cut fuel cost, increase competitiveness and improve consumer welfare.

Environmental benefits can also be achieved by the reduction of greenhouse gases emissions and air pollution. Energy security can also profit from improved energy efficiency by decreasing the reliance on imported fossil fuel.

Energy efficiency is a key issue and offers a powerful and cost-effective tool for achieving a sustainable energy future. It is considered as the easiest and fastest way to cut down energy use and its related expense.

Ladies and Gentlemen,

Recent developments, such as extreme volatility in oil prices, security of energy supply and demand, and fears about future energy supplies continue to remain at the top of our political agenda. In fact, we increasingly are facing different energy challenges.

The rapid increase in oil prices in the last couple of years has put so much pressure on Jordan's economy. As you are aware, Jordan has limited energy resources and depends heavily on imported crude oil for its energy use. Local production contributed only about 4% of primary energy consumption. The other challenge is the high cost of energy. In 2008, the cost of consumed energy had increased to 2.8 billion Jordanian dinars which is equal to 3.9 billion US dollars, representing 21% of GDP. Furthermore, in the light of economic growth and increasing population, Jordan will witness a high growth rate of primary energy and electrical energy which is forecasted to be 5.5% and 7.4% respectively per annum during the next decade, that means energy demand will be doubled in 2020. This is indeed a real challenge.

In order to meet such challenges, Jordan has launched its Energy Strategy for 2007–2020. The main goals of this strategy includes increasing the share of local energy resources in the total mix. of energy, diversifying the energy resources, reducing the dependency on imported oil and enhancing environment protection. The other main indicator in this strategy is Energy Efficiency. Our intension is to introduce policies for energy efficiency in order to increase the efficient use of energy in addition to energy saving where possible to secure energy.

furthermore, to moderate the growth in energy demand, fuel subsidies were removed by the government in 2008 which encouraged efficient energy use and had helped promote an inevitable demand response to changing market conditions and increased conservation by changing attitudes and habits.

In addition, Jordan is in the process of implementing a rigorous energy conservation program which has a potential to reduce energy consumption by 20% by 2020. To achieve this goal several measures has been adopted. For instance to reduce the burden of the high cost of the energy efficiency and renewable energy equipments; the government in 2008 exempted all these equipment from all taxes and custom duties and it is in the process to establish the Jordan Renewable and Energy Efficiency Fund which will deploy its resources through grants and soft loans. A "Jordan National Program" has been designed in order to develop Solar Water Heating for residential housing. All of the above mentioned measures have been accompanied by public awareness campaigns and training courses through the National Energy Research Center.

Building construction, however, is taking place without much attention to efficiency in the design, construction and maintenance of buildings; therefore the National Council of Jordanian Codes in participation with several ministries is preparing the Green Building Codes of Jordan in order to reduce energy consumption in the Building sector.

As for the transportation sector the Regulatory Commission of the transport sector together with the Municipality of Greater Amman are taking a serious steps towards improving the public transportation and it is now in the process of implementing the "Bus Rapid Transit - BRT" and the Light rail will also be functioning in the near future.

Further measures implemented in this field include exempting the Energy Saving Bulbs from custom duties, providing some incentives to replace old vehicles in the transport sector, initiating a program for energy saving in street lighting and establishing Energy Labeling System for household appliances.

**Ladies and Gentlemen,
Honorable Guests,**

We live in an increasingly interconnected world. Energy markets are global, and climate change is a global problem. The cooperation in the energy sector has become a dire need for all countries involved.

We have much work to do. We are here today to focus on what we can do together. We must consider how governments and industry can work together to make investments in energy efficiency more attractive.

Ladies and Gentlemen,

In closing, I would like to thank you all for coming and contributing your ideas and visions. I look forward to the outcomes of this workshop and wish you successful deliberations.

Once again, allow me to welcome you all and wish you a pleasant stay in Jordan and safe return to your countries.

Thank you very much