It is with great pleasure and honour that I welcome today's Forum in Rabat, and extend my warm thanks to the Energy Charter and the Government of Morocco for their organization and invitation.

As presidency of the EU Energy Council, we remain engaged with the energy related developments in the region of Middle East and North Africa, since it’s becoming even more vital to EU’s energy interests.

As Cypriots, we always sympathize with the countries with which we share similar elements of culture, climate and of course the precious Mediterranean basin.

This event stands as a great opportunity, since it gathers so many reputable scientists, stakeholders and politicians, in order to face all the challenges related to creating a competitive integrated energy market in the MENA region, while identifying the added value of the Energy Charter Treaty to this important process.

Such initiative demonstrates a clear intention to further enhance good relations between the countries of the MENA region and encourage the necessary energy investments.

The EU and the MENA region countries are now confronted with a great energy challenge: Managing the rapidly increasing energy demand, while at the same time reducing the CO2 emissions in order to prevent climate change. Not an easy task to accomplish.

According to the scenarios analysed in the EU Energy Roadmap 2050, electricity prices will rise to 2030, but fall thereafter. The cost in energy-related expenditure could rise to as much as 15% of the household income in 2030 and 2050, including capital costs and transport fuel costs.

According to the World Bank, many MENA countries have close to 100% access to electricity, but an estimated 28 million people still lack access to electricity, especially in rural areas, and about 8 million people rely on traditional biomass for all their energy needs.

Additionally, the countries in the MENA region are now required to deal with the issues of desertification, climate change and access to drinking water, as well as the recent socio-political developments in some parts of Middle East and North Africa.
However, the MENA region has about 57% of the world’s proven oil reserves and 41% of proven natural gas resources.

Also, the region is blessed with unique capacity for utilizing solar energy. Such characteristics, offer great potential for creating a truly superior energy mix. For example, the MENA countries have a major comparative advantage for CSP technology because of their climatic conditions, proximity to premium green energy markets, and access to concessional climate change financing.

It has been proven that, clean power from Middle Eastern and North African deserts can provide the region with sufficient energy for desalination of seawater, in order to keep up with the urgent water demands for consumption as well as irrigation. In addition, this power can supply around two-thirds of the region’s rising energy demand, yet still allowing for export, to Europe. A good initiative towards this direction is the DESERTEC programme which is an integrated concept that provides both energy and drinking water, therefore assisting with energy security, climate protection, socio-economic development and international cooperation.

Also, I would like to congratulate the Government of the Kingdom of Morocco for revising its policy on energy and sustainable development in the recent years, which was shown in practice by initiating the 500 MW solar project in the area of Ourzazate. This is the first large scale Concentrated Solar Power project in the Southern Mediterranean region and the biggest in the world. It is made possible with the support of the European Union, as well as Moroccan and international organizations.

Ladies and gentlemen,

Currently, the situations of the global economic and energy crisis and the global political developments, lead to a clear demand for a strong, global energy cooperation, between the energy exporting, importing and transit countries. The Energy Charter Treaty can serve as an instrument towards the establishment of a Global Energy Govenrance through the introduction of common rules within an agreed legal and regulatory framework, particularly in the fields of international trade, investments, cross-border transmission of electricity and energy efficiency.

I want to assure you that the Cyprus Presidency of the EU has set up as its first priority, the reaching of an agreement on the regulation proposal on the Trans-European energy infrastructures. Regarding the creation of a new legal and regulatory framework for energy cooperation across the Mediterranean, the Cyprus Presidency supports the Council Conclusions of 24 November 2011, which call for strengthening the external dimension of EU energy policy and propose a regional EU-Southern Mediterranean Energy Partnership, initially focusing on electricity and renewable energy market development by 2020.

Several States and areas in Europe such as Cyprus continue to remain isolated from the trans-European networks and therefore face technical limitations in particular to the penetration of renewable energy in their national networks. At the same time, all Member States have the right to enhance their energy mix, particularly by exploiting the hydrocarbon deposits in their Exclusive Economic Zone, by transferring conventional or unconventional gas to other EU states or third countries and by importing or exporting electricity through electricity interconnections.
The current efforts and actions that are being taken at European Union level regarding new energy routes are focusing on the development of oil and/or gas pipelines from Central Asia / Caspian Sea to Europe, recognizing the potential benefits to the EU from such projects. Undoubtedly, the recent discoveries of large quantities of natural gas in Cyprus and in the Levantine Basin create new opportunities and new potential to the role of the Eastern Mediterranean on the global energy map. In particular, they could provide an additional route for the supply of natural gas to Europe, and at the same time promote the diversification of the sources of supply to the European Union. Recognising this, Cyprus intends to utilise these new opportunities so that the South-Eastern Mediterranean corridor can become an additional and reliable energy supplier for Europe.

At this point, since I am also the Minister responsible for Tourism, I would like to invite you to visit the island of Aphrodite and experience the warm Cypriot hospitality.

Thank you for your kind attention and I wish every success to the deliberations of today’s forum.