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I am very pleased, on behalf of the Energy Charter Secretariat, to have this opportunity to take part in this important conference". I would like to thank the Kingdom of Morocco and the organisers for the organisation of this important event.

This conference is well timed given certain global events such as the accident at the Fukushima nuclear plant in Japan, and also the political events in the Arab world. It is the events in North Africa that are of particular relevance to this conference given the countries represented here today Each of these happenings very clearly will have a particular impact on global energy markets. Taken together, these events bring a renewed focus on the question of other sources of energy, and in particular on solar energy.

The Middle East and North Africa region enjoy abundant sunshine. The sun is a much larger practical energy source than any non-direct solar source. World UV patterns are highest in MENA region, making the region the ideal place for exploitation of solar energy. Solar electricity is key energy source with the potential to almost eliminate contributions to global warming from electricity generations by the mid-century. But much needs to be done to unlock this tremendous potential. The global solar market has entered into an exciting and accelerated growth path, a positive trend that is expected to continue in the years to come. With this significant solar market growth which is being experienced in many parts of the world; a large number of equipment producers are entering the market. The market is thus becoming more competitive. As a result, prices are expected to fall and products with innovative features and greater efficiency are already available. Yet despite all the progress, a critical question remains; the high investment costs for large solar projects in the MENA region.

The challenge is to identify a way forward on how to design and establish a viable platform that would bring about the critical mass of investment in solar and other renewable energy. This is needed to deliver economic and broader social benefits to the people of MENA region.

I therefore would like to take this opportunity to explain the functioning of the Energy Charter Treaty and to outline its potential relevance for the MENA region, and for the development of solar energy. The common aim of greater cooperation can be greatly facilitated by closer attention by the MENA countries to the benefits of the Energy Charter-notably in respect of its advantages in promoting investment in the energy sector.

Many of the countries represented here are already enjoying observer status of the Treaty. I am convinced that the Energy Charter Treaty and its instruments have great potential for the region.

All members of the Energy Charter Treaty have subscribed to certain core principles; national sovereignty over energy resources, respect for contract and property rights, stable and open frameworks for flows of energy, capital, technology and investment. All of this is inspired by an orientation towards market solutions, among them – non-discrimination, transparency, energy efficiency and sustainable development. The relevance of these principles for the effective development of solar energy is obvious. Clear and transparent rules for the development of solar energy in the region would facilitate exploitation of this resource. This in turn would contribute to the economic development of the MENA countries.

The Energy Charter now has many years of experience in promoting multilateral cooperation. The Treaty offers a balanced framework of international rules and principles which are already well established, effective and widely supported.

The pillars of the Treaty – investment protection, dispute resolution, security of trade and transit and promotion of energy efficiency – offer an unrivalled legally binding framework to develop mutually advantageous approaches to the challenges facing its member states.

The ECT contains strong investment provisions which, in recent years have done much to enhance investment climate in many energy producing Member States. Moreover the Treaty's transit elements, and the practical work through the Energy Charter process to strengthen existing provisions, provide an effective framework to manage efficiently the future development of energy transport and transmission infrastructure.

Additionally, the Charter's work brings an important element of transparency to energy markets, which is at the heart of efficient energy sector governance. In recent years, the Industry Advisory Panel has been established to strengthen dialogue between governments and industry within the Treaty framework. The IAP members are drawn from a wide range of international energy companies operating within the Energy Charter constituency region. A key focus of the group's work has been on risk mitigation and improvement of the business climate.

As we look to the future, it is clear that it is interdependency rather than independence that increasingly characterises energy markets. Nowhere is this more apparent than in the relationship between the European Union and MENA. We also see a growing interdependence between regional energy markets that were formerly distinct. Markets in Eurasia, Europe, the Middle East, Asia and the Mediterranean are increasingly interlinked.

Together, these developments indicate that decisions in respect to energy policy and projects are more and more affected by a broad range of factors and considerations. In this changing environment, the Energy Charter Treaty provides a platform for states and the private sector to discuss these developments and cooperate on finding mutually beneficial ways to overcome contemporary and future challenges.

For all these reasons the Energy Charter Secretariat is keenly interested in the promotion of the Energy Charter Treaty within the MENA countries. As I have already stated, I believe that the Treaty is a very relevant tool in the development of the solar energy resource. In this context the Energy Charter Secretariat wishes to work more closely with the Union for the Mediterranean.

A final but important point that I would like to mention is the modernisation of the Energy Charter Treaty. The modernisation process of the Energy Charter which is currently under discussion is aimed at strengthening mutual benefits and expanding the Charter's scope.

I am sure that this important conference will stimulate thoughtful discussion on how the investment climate in the MENA region can be further improved as the implications of solar energy make themselves felt. I very much hope that my explanation of the principles and operation of the Energy Charter will assist and contribute positively to this debate.

I wish you a fruitful discussion and look forward to learning more of the significant developments taking place in the area of solar energy.