



## The Mediterranean Solar Plan

Working together to meet the energy challenge

### A major UfM initiative

The **Mediterranean Solar Plan** (MSP) aims to meet the major energy and climate challenges confronting the Mediterranean region and the European Union in the coming decades. It is one of six key initiatives of the Union for the Mediterranean (UfM), launched in Paris on 13 July, 2008.

The Plan has **two complementary targets**: developing 20 GW of new renewable energy production capacities, and achieving significant energy savings around the Mediterranean by 2020, thus addressing both supply and demand.

A [strategy paper](#) examined by the MSP experts' group during its [meeting of 10 February 2010](#) spells out the urgency of the task: *"Energy demand is projected to rise significantly, while fossil fuel prices will most likely continue to follow an unstable and most likely rising trend. To address these challenges, the countries of the EU and the other member countries of the Union for the Mediterranean need to intensify their efforts to develop adequate policies in the field of energy efficiency and energy savings, renewable energies and reduction of greenhouse gas emissions."*

Marcus Cornaro, Director responsible for Europe, Southern Mediterranean, Middle East and Neighbourhood Policy at the European Commission (EuropeAid), underlined the EU's commitment to the plan: *"The Commission strongly supports the objectives of the Mediterranean Solar Plan, through capacity building projects such as 'Paving the Way for the Mediterranean Solar Plan', but also through its financial support to FEMIP (the European Investment Bank's Facility for Euro-Mediterranean Investment and Partnership) and the Neighbourhood Investment Facility (NIF)."*

*"The NIF has proven to be a very successful mechanism to offer attractive financial support to our ENP partner countries to support them in implementing large infrastructure projects and achieving the ambitious targets of the UfM and the MSP,"* he stressed.



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## Focus on key areas

According to the strategy paper, the MSP complements existing Euro-Mediterranean activities and will co-operate fully with existing structures in the field of renewable energy and associated grid infrastructure development, with a specific focus on the following areas:

- **Setting up of an adequate legal, regulatory, economic, institutional and organisational environment** to enable the development and massive deployment of solar energy and other renewable energy technologies, and to facilitate their exchange or trade.
- **Examine and promote**, in cooperation with European and International Financial Institutions, the best use of all **possibilities to finance investments** in renewable energy.
- **Promote the development of electricity interconnections** in order to establish a viable “green electricity” import and export framework.
- Support **energy efficiency initiatives and energy savings** to realise energy saving goals by 2020.
- **Facilitate extensive co-operation on all technology aspects**
- **Avail all EU carbon mechanisms** for the benefits of both Mediterranean sides with the purpose of improving the economics of projects under the MSP.
- **Continue regular dialogue** between stakeholders of the MSP for close coordination and successful implementation.

The strategy paper foresees the development of a master plan for the deployment of large-scale investments. The Commission also undertook a [study for the Mediterranean Solar Plan](#) that served as an input towards the strategy paper.

The development of the master plan will also take place in close collaboration with the team of the forthcoming €5 million EU-funded technical assistance project “[Paving the Way to the Mediterranean Solar Plan](#)”, expected to be launched in the second half of 2010, as well as with other EU cooperation initiatives, and with the [MED-REG](#) Association of Energy Regulators.

## Complementing the MSP: the role of regional energy programmes

The MSP complements the work being done under a number of interconnecting Mediterranean energy projects, funded under the European Neighbourhood and Partnership Instrument (ENPI):

**MED-REG II - Energy regulators:** Supports the development of a modern and efficient energy regulatory framework in the Mediterranean Partner Countries and strengthens their cooperation with EU energy regulators - <http://medreg.ipi.it/>

**MED-EMIP - energy cooperation:** A platform for energy policy dialogue and exchange of experiences, leading to enhanced Euro-Med cooperation, integration of the energy markets and improved security and sustainability - <http://www.medemip.eu/>

**MED-ENEC II - Energy efficiency in construction:** Encourages energy efficiency and the use of solar energy in the construction sector, through capacity building, fiscal and economic instruments and pilot projects - <http://www.med-enec.com/>

**Electricity market integration:** Supports the development of an integrated electricity market between Algeria, Morocco and Tunisia and between these three Maghreb countries and the EU, through the harmonization of their legislative and regulatory framework - [http://www.enpi-info.eu/mainmed.php?id=25&id\\_type=10](http://www.enpi-info.eu/mainmed.php?id=25&id_type=10)

## Promoting MSP investment through the Neighbourhood Investment Facility (NIF)

The [Neighbourhood Investment Facility \(NIF\)](#) has been designed to create a “partnership” bringing together grants from the European Commission and the EU Member States with loans from European public Finance Institutions as well as own contributions from the ENP partner countries.

The overarching objective of the NIF is to mobilise additional investments to support the establishment of an area of prosperity and good neighbourliness involving the EU and neighbouring countries.

Strategic Objectives include:

- Establishing better energy infrastructure
- Addressing threats to our common environment including climate change

Thus the NIF strongly supports the objectives of the MSP and serves as a key financing mechanism for MSP projects.

Since its start in June 2008 the NIF has approved 12 projects in Southern Mediterranean countries representing a total investment of more than €5 billion. In addition to the 4 ongoing projects directly related to MSP and renewable energy, 5 new projects in these areas are in the 2010 NIF pipeline.

## The European Investment Bank: a key role in implementing the MSP

Since October 2002, the European Investment Bank's (EIB) [Facility for Euro-Mediterranean Investment and Partnership \(FEMIP\)](#) has dedicated more than €3.6 billion to energy projects in the Mediterranean partner countries - almost 40% of its total financing over the period.

FEMIP's activity in this sector aims at improving the local population's access to energy; integrating the Euro-Mediterranean energy markets; and diversifying the sources of supply, particularly through the use of renewables.

At the FEMIP Ministerial Meeting in October 2008, the EIB was asked to play a key role in the implementation of the Mediterranean Solar Plan. This assignment was subsequently confirmed by the Euro-Mediterranean Industry Ministers at their conference in Nice in November 2008, when they called on the EIB to draw up an investment plan for the development of solar energy in the Mediterranean region.

In the most recent period, renewable energies have increased their share in the EIB pipeline of operations. This trend has also been mirrored in the Mediterranean region, which benefits from favourable conditions in terms of renewable energy sources, in particular, regarding sunshine and wind.





## Find out more...

**Conference on the Mediterranean Solar Plan**, Valencia 11-12 May 2010 <http://www.mediterraneansolarplan-conference.es/index.php/lang.en>

**DG Energy, external dimension - the Mediterranean** [http://ec.europa.eu/energy/international/euromed\\_en.htm](http://ec.europa.eu/energy/international/euromed_en.htm)

**ENPI Info Centre webpage – Energy** <http://www.enpi-info.eu/thememed.php?subject=5>

**EuropeAid – ENPI**  
[http://ec.europa.eu/europeaid/where/neighbourhood/overview/index\\_en.htm](http://ec.europa.eu/europeaid/where/neighbourhood/overview/index_en.htm)

## DOCUMENTS

**Report: Identification Mission for the Mediterranean Solar Plan (Jan 2010)** [http://ec.europa.eu/energy/international/international\\_cooperation/doc/2010\\_01\\_solar\\_plan\\_report.pdf](http://ec.europa.eu/energy/international/international_cooperation/doc/2010_01_solar_plan_report.pdf)

**Mediterranean Solar Plan experts' group – strategy paper (Feb 2010)** [http://ec.europa.eu/energy/international/international\\_cooperation/doc/2010\\_02\\_10\\_mediterranean\\_solar\\_plan\\_strategy\\_paper.pdf](http://ec.europa.eu/energy/international/international_cooperation/doc/2010_02_10_mediterranean_solar_plan_strategy_paper.pdf)

## ENPI INFO CENTRE - FEATURE STORIES

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