

Statement at the Founding Conference of IRENA

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Item: Government Statements on the Relevance of IRENA

By

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Mr. Chairman,

At the outset, I should like to transmit the greetings of our Foreign Minister Michael Spindelegger who would have liked very much to attend in person had it not been for the simultaneous meeting of the GAERC in Brussels. I should also like to pay tribute to the German Government for having taken the initiative to bring into being an international organisation dedicated to the promotion of renewable energies.

This initiative would have been a timely one under any circumstance. The occurrences and developments of the year 2008 have made it even more urgent and important an undertaking. The financial and economic crisis which the world currently has to face must be seen against the backdrop of the rise and volatility of prices of fossil fuels which had repercussions also on the dramatic price rise of major food staples. We remember how close a number of countries came to being dangerously destabilized in 2008 because of this. The recent gas crisis emanating from the dispute between Russia and the Ukraine and affecting large parts of the European Union has heightened our awareness for the precariousness of our current energy systems here in Europe. At the global level, the predominantly fossil energy systems have not managed to deliver even the most basic modern energy services to some 2 billion people around the globe.

The current economic crisis has brought into clearer focus the economic potential of distributed forms of energy which is also believed to have the beneficial side-effect of strengthening decentralized structures of democratic governance and thus empowering populations at the so-called peripheries to contribute more vigorously to their own socio-economic development.

The promotion of renewable energies, in particular of hydropower, bio energy and solar thermal energy, has been an important aspect of Austria's energy policy for a long time. Increasing the share of renewable energies in the energy mix has also been recognized by the EU as essential in the fight against climate change. In 2007, the EU committed itself to the binding target of a 20 % share of renewable energies in overall EU energy consumption by 2020. In December, the basis for implementation of this target was achieved through the agreement on the Climate and Energy Package (which includes the Renewable Energies Directive). In accordance with this Directive Austria will have to increase her share of renewable energies of total energy consumption from 23 % in 2005 to 34 % in 2020.

One of the main challenges national and European energy policies are facing is to solve the conflict between the concurring goals of cost effectiveness, environmental sustainability and energy security. One of the most important ways of increasing security of supply and thus diminishing economic damage caused by geopolitical tensions or economic disputes must be investment in renewable energies which are indigenous, competitive in price and a reliable component of well designed energy systems. At the international level, we also have to manage demand, transit and investments better in order to arrive at secure energy interdependence in a midterm perspective.

In Austria, research and technology policies have put a strong focus on R&D in renewable energies. Austria has strong leadership in R&D in sustainable building and biomass which can benefit the whole world.

With regard to the functioning of the market, Austria can point to national initiatives that have been recognized at the level of the International Energy Agency, such as klima:aktiv which promotes the introduction into the market and rapid diffusion of climate-friendly technologies and services in the areas of construction and retrofitting, mobility, energy saving and renewable energies.

Renewable energies have also become a major growth industry in Austria. Austrian enterprises have benefited in particular from the electricity and heat production from renewable energies – with growth rates of almost 20 % of turnover and value creation, roughly 15 % of employment and more than 12 % in exports. The successful market development of solar thermal collectors can be mentioned as one example. In per-capita figures Austria ranks third in the amount of installed solar collectors. Two thirds of the solar collectors manufactured are exported. Another example is the ECO World Styria business cluster (www.eco.at), one of Europe's densest concentrations of companies in renewable energies and environmental technology. Austrian Clean Technology (ACT – www.act-center.at), is the Austrian center of excellence for environmental and energy technologies.

We can demonstrate the beneficial impact of various public sector programs, both at the federal and the provincial (laender) level. The current crisis compels us to harness the potential of renewables to jumpstart the economy, to generate employment, to distribute wealth more equitably, to be more mindful of the carrying capacity of ecosystems and to reduce ancillary risks of the current energy systems.

Austria can also boast regional and local initiatives, e.g. the town and region of Güssing in Southern Burgenland. This region has decided to forego fossil energies completely in heat, fuel and electricity. The decision has been implemented successfully. Güssing even produces surplus energy which is sold and generates additional wealth for a formerly poor region. It is fitting that Güssing should be the seat for the "European Center for Renewable Energies" (www.eee-info.net) with a focus on environmental technologies.

The Güssing center and Austrian authorities and experts at all levels are eager to cooperate with IRENA in order to bring the benefits of our own positive experience with renewables – hydropower, biomass and biofuels, wind, solar thermal energy, photovoltaic, geothermal and heat pumps - to other countries and wider populations. We feel that we can be particularly attractive partners with regard to bio-energy, solar thermal and hydropower.

Austria's development cooperation has energy, in particular renewables and energy efficiency, as one of its thematic priorities. We increased our contribution to the energy sector in developing countries between 2004 and 2008 from 2 % to more than 6 % of the annual bilateral budget (including contributions to multi-donor funds, excluding thematic multilateral aid to UN). In South Eastern Europe our main focus is to upgrade the framework conditions for the successful promotion of renewable energies and energy efficiency standards in the building sector. In Central America we are partnering with Finland and the relevant regional organisation SICA with a focus on hydro and bio-energy and solar thermal. Through CARICOM and IUCN we work with Caribbean and Pacific Islands on renewable energies as well as on climate change issues. We are actively involved i.a. with the ECOWAS-region to establish a regional center for renewables and energy efficiency. Through the Private Infrastructure Development Group (PIDG) we are supporting the development of the largest wind park in Cape Verde and small hydropower plants in Zambia. In Bhutan we are supporting hydropower development and rural electrification. In Southern Africa we support the SADC Biomass Energy Conservation Programme (PROBEC) as well as training and capacity-building on solar thermal applications.

Pursuant to the Lisbon Summit in 2007, Austria, together with Germany, is co-chairing the partnership between the European Union and Africa on Energy. Renewables are, of course, a key ingredient in this relationship. We stand ready to facilitate the interaction of the new IRENA within the context of this partnership with our African partners and to bring our development cooperation experience in general to fruition in the functioning of IRENA.

Mr. Chairman,

Austria has supported the initiative to found IRENA from the beginning. We have also offered to host IRENA in Vienna and we will submit our candidacy in due form. Since Vienna is already the host of some eight international agencies with energy mandates (UNIDO, IAEA, OPEC, OPEC-FUND, IIASA, OSCE, Energy Community Secretariat – ECS, Renewable Energy and Energy Efficiency Partnership-REEEP) and since the 129 Missions in Vienna have very good experts on energy issues in place, we feel that important synergies could be reaped through a co-location of IRENA with the Vienna-based organisations. In the preparatory process partners were all of the view that overlaps in mandates and activities of existing entities and mechanisms should be avoided to maximize the impact of the new organization. The vibrant scientific and commercial renewable energy communities to which I briefly alluded in my statement as well as ten years of international dialogue on sustainable energy solutions in developing countries which Austria has facilitated since 1999 through the Global Forum on Sustainable Energy (www.gfse.at) would provide an fertile environment for IRENA.

Needless to say, we will bear our share of the financial burden of the new organisation through voluntary contributions upfront until the Charter of IRENA enters into force and its regular budget process kicks in.

I am happy to also announce that Austria is prepared to host a retreat-type seminar for all the signatories of IRENA in spring in Vienna to facilitate a head-start on the work program. We hope furthermore that IRENA can start interacting with other major energy players at a Conference which we co-host with UNIDO and IIASA on 22 through 24 June 2009 at the Hofburg in Vienna, under the general title "Towards an Integrated Energy Agenda Beyond 2020: Policies and Investments for a Sustainable Energy Future".

Mr. Chairman,

I should like to conclude by reiterating our gratitude to the German Government for its initiative and to pledge my country's wholehearted support to IRENA. We look forward to working with all signatories and all countries which will join at a later stage to demonstrate to the world that IRENA can make a difference in our shared endeavour to move towards sustainable energy futures.

