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Energy Commissioner

# **Establishment of the International Renewable Energy Agency**

*Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort*

Speech at the Founding Conference on the establishment of  
IRENA

**Bonn, 26 January 2009**

Ladies and gentlemen,

All human societies have faced energy challenges. No doubt each generation has felt that they have faced greater energy challenges than their forefathers. And yet today, few would deny that energy security and climate change represent the greatest challenges of this generation, together with poverty and peace.

Over recent decades we have come to see cheap and plentiful energy almost as a right; practically an infinite resource. Right from the beginning of the industrial revolution energy has been cheap, and environmental issues resulting from energy use have essentially been local, not global problems.

In such a short time, how much has changed.

The price volatility of oil over the last couple of years, with other energy sources following, have highlighted the fact that fossil fuels are a finite resource, and that much of them are becoming increasingly concentrated in few hands, a problem even for the EU that is situated within pipeline distance of over 70% of the world's gas resources. Indeed, the International Energy Agency has indicated that within a decade practically all the spare oil production capacity will be in the hands of a very limited number of suppliers. The recent price falls of oil cannot disguise the longer-term fact that we can no longer take for granted endless supplies of cheap oil and gas. The formation of a gas producer group underlines clearly a similar direction for gas as we have seen for oil.

Climate change is a result of mankind's activity, and a threat to the wellbeing of practically all the world's population. Perhaps above all, we are realising that climate change is personal; it is a menace to the future quality of life of our own children and grandchildren.

But the real point is that these problems are just the very small tip of a very large iceberg. For hundreds of years human population has been growing exponentially, doubling around every 40 years. Until now the earth has been capable of supporting this growth, and our ever increasing demands on her resources. But with 6.5 billion people today we have already reached the point of quite literal non-sustainability today.

And the fact that the way we live today is quite literally unsustainable is only the very beginning of the problem. The United Nations' predicts that global population will increase from 6.5 billion today by an additional 2.5 billion by 2050, with most of this growth coming from the developing world. With continually rising expectations of living standards across the globe, this means that to satisfy our demands we will have to produce a manifold increase in energy and goods in just a single generation. Somehow, we will have to do so in a manner that does not bring huge and irreparable damage to our planet, and prejudice the well-being of our children and grandchildren.

So, the first real challenge and responsibility of the European Union over the next decade is to face this challenge, to develop a society that is truly sustainable, to provide a model that the rest of the world can follow. We have to develop a society that uses the earth's resources in a manner that ensures the long-term survival of future generations and to do so in a manner that provides us increasing health, peace and prosperity. This is a huge challenge; it will require major societal change; indeed, a third industrial revolution. But as we have seen with the debate on climate change, Europe is uniquely well-placed to take the initiative and to lead by example. Europe is in a unique position, historically, culturally, technologically and geographically, to set out a path for a long-term sustainable future.

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Over the last 4 years the EU has begun the process of moving towards a sustainable, secure and competitive energy future. Indeed it has undergone an energy revolution. This can be seen not just in the policies that it has agreed, but the simple fact that for the first time in its history it has taken a conscious decision to collectively direct its own energy future, rather than simply leaving the market to provide its needs.

The EU has committed itself, by 2020, to:

- Firstly, reducing its greenhouse gas emissions by 20% compared to 1990 levels,
- Secondly, increasing the level of renewable energy from about 8% of its energy mix today to 20% and
- Thirdly, making a 20% improvement in its energy efficiency levels - in other words, reduce its energy consumption by 13%.

A new Renewable Energy Directive has been agreed, putting into effect the overall target of 20% renewable energy in the EU's energy mix and 10% of its transport fuel from renewables by 2020 in the form of legally binding obligations on Member States.

It is worth reflecting on the level of ambition that this 20% target represents. Excluding large and medium-sized hydro electricity and biomass, all the efforts that EU countries have taken over the last decade to promote renewable energy - notably wind, solar and PV - has shifted the share of renewables in the EU's overall energy mix from 7% to approximately 8.5%. So in other words, to achieve the 20% target, the EU will need to install the same capacity of renewable energy that it has done in the last 10 years every single year for the next 12 years.

This is indeed ambitious, but it can be done; we know this seeing what Denmark, Germany and Spain have achieved in recent years.

This level of ambition will maintain the EU as the world's renewable energy leader. Already today, the push to renewable energy in Europe has created over 300,000 jobs in the EU in renewable energy. If we manage to maintain this momentum, and give real and committed support to technological deployment in this area, we can maintain our position as a world-leader in this area.

I am honoured to participate in the Founding Conference of the International Renewable Energy Agency. I would like to thank the organising State Germany for the work done.

IRENA will provide the necessary international support for the development of renewable energy sources. It is not only the technology that is needed for providing for a successful deployment of renewable energy. I have been active in the energy sector for the last four years and I have respect for all types of energy sources. But for me it is clear that only renewable energy sources can provide for sustainable energy by promoting prosperity for all mankind.