



KINGDOM OF MOROCCO

**Ministry of Energy, Mines,
Water and Environment**

MOROCCAN PROJECT FOR SOLAR ENERGY

**Speech by Mrs. Amina Benkhadra,
Minister of Energy, Mines,
Water and Environment**

Majesty,

I have the distinct honour and privilege to present to **Your Majesty**, with the Director General of ONE, the highlights of the Moroccan Project for Solar Energy.

This project is in line with big projects achieved thanks to the Anticipating View and Enlightened Directive of Your Majesty, which have raised our country to a very high level in its economic and social development. It also fits within the energy strategy, developed under the Enlightened Guidance of Your Majesty, and where the development of renewable energies represents a priority, which will allow our country to come up with the challenges of securing supply, protecting environment and ensuring sustainable development.

This project illustrates, Majesty, the deepness of Your Vision and Your continuous concern over energy changes worldwide and sustainable development. It highlights their vital importance that Your Majesty Affirmed on various occasions, notably, at the First National Meeting on Energy held last March under Your High Patronage, as well as in Your Throne Speech of this year, where You have Assigned a predominant place to climate change and its effects on environment, and Given Your High Instructions to work out a Charter on Environment and sustainable development.

Similarly, during the meeting devoted to environment under Your High Presidency held on last September 24th, Your Majesty insisted on the great importance You are Giving to the development of renewable energies in preserving environment and fighting against the harmful effects of climate change.

Internationally, the world is undergoing profound changes that will transform the current productive order to ensure sustainable development that combines responsible economic growth, equitable distribution of wealth and mitigation of climate change. In this perspective, renewable energies, clean and inexhaustible, will gradually take over from fossil energy sources. They will both secure long term energy supply in the world and address climate change, mainly due to the use of fossil fuels that are responsible of greenhouse gas emissions.

By 2015, the renewable energies will become the second sources for electricity generation after coal and before natural gas. They have rapidly grown during the last few years and particularly solar electricity recorded growth of 22% per year since 1996. It will undergo an accelerated development with the rapid technological advances that will spread its use which is today concentrated only in industrialized countries and emerging countries like China and India.

Annual investment in renewable energies, excluding large hydro, have increased sixfold since 2004 to reach U.S. \$ 120 billion in 2008. Today, the development of renewable energies depends on the political willingness of States because the cost of investment and production are still high compared to conventional fuels. Thanks to expected technological advances, they will become at medium to long term, more competitive and do without any subsidy.

Majesty,

Domestically, Morocco, under your **Enlightened Guidance** , will know in the coming years a leap forward in its economic and social development with the achievement of major projects already initiated or planned in agriculture, industry, infrastructure, tourism and housing. This unprecedented growth will lead to increasing demand for various forms of energy at a pace of 5% per year on average. Thus installed power generation will increase threefold from now to 2020 where renewable energies will represent 42 % against 26 % in 2008.

The new energy strategy, which fits into the framework of **Your Majesty Comprehensive and Integrated Vision of sustainable development** aims to build a energy mix where renewable energies will occupy a prominent place to meet this growing demand, as well as to preserve the environment and reduce our energy dependence from abroad.

In accordance with Your High Royal Directives, the development of the solar energy segment will be accelerated. In this context, the project which is presented to **Your Majesty** concerns the building of a large scale solar power generation of 2,000 MW which will be achieved by 2020 and will represent 38 % of the total installed power in 2008 and will cover 10% of electricity demand.

Majesty,

These ambitious goals are achievable thanks to the assets that our country possesses in this field:

- Our solar energy potential is enormous: with an irradiation of ~ 5 kWh per m² per day and 3000 hours of sunshine per year,

- The Kingdom enjoys a special geographical position at the heart of an international energy cross roads which will allow it to become an important hub of the increasing electricity exchange in the Mediterranean area thanks to the interconnections it has developed with Spain and Algeria.
- Regional projects, such as the Mediterranean Solar Plan and the DESERTEC project will promote synergy in the development of solar energy in the Euro Mediterranean Area
- We have the capacity to build large projects like the port of Tangiers Med and the large power plants

Majesty,

This ambitious, realistic and integrated project necessitates technical, financial and institutional conditions to be successful.

Technically, the project will use the most advanced technologies available, while pursuing a proactive watch in order to follow up all their advances.

To cover the investment cost of the project, estimated at 9 billion dollars, the financial package will combine public and private national and foreign funds, and will use all the concessional and non concessional financing mechanisms that exist within the framework of multilateral and bilateral cooperation.

At the institutional level, a National Agency is being created to be prime contractor for the projects. **Under the Presidency of Your Majesty**, its shareholders, namely the State, the National Office of Electricity, Hassan II Fund for Economic and Social Development and the Energy Investment Corporation, will conclude, at the end of this ceremony , a partnership agreement for the establishment of the Agency named **"Moroccan Agency For Solar Energy"**.

The operational implementation of the project will be conducted by public-private partnerships involving operators of worldwide references. Agreements will be concluded between the state and national public and local authorities to facilitate the project.

This structuring project will incorporate elements encompassing training, research and development, the establishment of a dedicated energy research center , and industrial integration that amplify and sustain its impact on the national economy in general and the development of the Solar energy in particular.

Majesty,

This grandiose project, with its multiple dimensions, corresponds to the determination of **Your Majesty** to reconcile economic and social development with environmental protection and the climate change mitigation. It will enable our country to have a clean and abundant energy, to reduce the importation of energy by saving per year 1 million tonnes of oil equivalent of fossil fuels which will avoid annually the emission of nearly 3.7 million tonnes of carbon dioxide.

May God help us to be up to the trust which Your Majesty was kind enough to bestow on us.

Our strong determination to successes in the completion of this project is driven by our deep commitment to **Your August Person** and our unswerving loyalty to the Alawite Throne.