

Check against delivery!



Commissioner Janez POTOČNIK

***Paving the Way for a European Wind
Industrial Initiative***

European Wind Energy Conference

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Minister, ladies and gentlemen,

I'd like to thank the European Wind Energy Association for its invitation to this conference.

We've come to the end of a very valuable and stimulating event. And from the discussions and conclusions, it's clear to me that we can be proud of the wind energy sector in Europe.

Yours is a remarkable European success story!

We are today a clear leader in the production and use of wind power:

- We're ahead in know-how; the skills of industry and the research community have led to world class products;
- We lead in the manufacturing capacity of wind turbines. EU manufacturers provided around 70% of the large wind turbines produced last year; and
- We dominate in terms of total wind power installed. The EU today accounts for more than half of the world's total installed wind power, followed by the US, which approaches 20%.

With a contribution of about 4% of the electricity produced in the EU, wind energy is proving to be a significant player in the energy market. And the massive potential for growth makes it a key contributor in achieving the “three twenties” targets of our climate and renewable energy policies. With the aid of wind power, the EU can continue to show the way worldwide, in terms of the fight against climate change.

So this sector is not only creating knowledge, wealth and employment in the EU; it is also helping us achieve sustainable development. In doing all this, the wind energy sector echoes the spirit of the European Union's Lisbon Strategy for Growth and Jobs.

So does this mean that everything is rosy in the European wind energy garden? Can we now all go home satisfied with the status quo, content that the future is bright?

Unfortunately, the answer is a resounding NO!

Even if I was unaware of your discussions over the last few days, I would have to point out the following facts:

- New wind energy installations in Europe represented just over 40% of the global total. This is down from nearly 75% in 2004 although the full potential is far from being exploited.

- In 2007, more than 50% of the annual wind market was outside Europe. While an expansion of the world market is in many ways welcome, competition is rapidly growing from the USA, China, India and Korea. European manufacturing leadership is clearly being challenged.
- What's more, the targets proposed by the European Wind Energy Association, for the use of wind power in Europe, are very ambitious. I am in favour of ambitious targets, by the way.

Given this situation, it is clear that we need more than a "business-as-usual" approach. This is already acknowledged by the Strategic Research Agenda just released by the European Wind Technology Platform.

As is the case for other low-carbon energy systems, the current mechanisms and models of cooperation for wind energy are insufficient to meet the challenges faced by the EU energy policy.

This is why the European Commission has put forward the Strategic Energy Technology Plan, also known as the SET-Plan. Approved by the EU Council at the end of February, the plan sets a new energy research and innovation agenda for Europe:

- Providing a strategy and a set of actions to help us meet our energy policy goals;
- Aiming to accelerate the development of low carbon technologies and bring them rapidly to the market; and
- Promising to revitalise our cooperation and innovation efforts, while creating the right conditions for industry to deliver.

A critical mass of actors and activities will be mobilised. Sectors will be targeted where working at European level will add most value; i.e. for technologies where the barriers, the scale of the investment and the risk are best tackled collectively.

By including a European Energy Research Alliance of the national research organisations, we will move from a paradigm of simply collaborating on projects, to one of implementing joint programmes. We aim to achieve breakthroughs in science and technology, not least from breakthroughs in multi-disciplinary research collaboration.

By encouraging European Industrial Initiatives, we will strengthen energy research and innovation undertaken by industry and its partners.

Ladies and gentlemen, an urgent issue for you is what part will be played in all of this by the wind energy sector?

The Strategic Research Agenda released by the Wind Technology Platform contains a well-structured analysis of the needs of the wind energy sector to achieve its ambitions. I am very glad to see this.

I also note that a large number of priorities are put forward in this document. So it will be important to have a clear focus for the activities to come.

Perhaps that focus can be found by addressing the following questions:

- How best can we increase the efficiency of on-shore wind installations?
- What more needs to be done to develop the enormous potential of off-shore wind farms?
- How do we address the challenge of interfaces to conventional power transmission systems, including the issue of storage?
- And how do we exploit the linkages between off-shore wind activities and other industries, like the maritime, gas, oil and conservation sectors?

I am also keen to know the readiness of industry to engage in the necessary efforts:

- Are you – the European wind energy industry - ready to invest?
- Are you willing to form the public private partnerships of the type necessary to rise to these challenges?
- In other words, are you ready to create a European Industrial Initiative on Wind Energy Technologies?

Naturally, I want to know your concerns and your proposed solutions for the issues I raised. So I encourage you to continue to talk to us at the Commission. I know that my fellow Commissioner, Andris Piebalgs, fully shares this message.

Also, it isn't fair to make demands of others and then to simply walk away. So before I finish, let me lay out what we have in the pipeline for smoothing the way to a dynamic future for wind technology.

Actions to be taken in the next few years will have a profound effect on our ability to meet the 2020 targets in a cost-effective way. They will also put us on track for a more sustainable future.

Andris Piebalgs has already spoken to you about the Renewable Directive and the Off-Shore Action Plan. So I won't dwell on these.

Later this year, the Commission will come forward with a proposal for the financing of low carbon technologies. This will address resource needs and sources, examining all potential avenues to leverage private investment, which is the key to long-term success.

We also have, of course, an existing tool in the form of the 7th Framework Programme for Research and Development. It covers strategic topics for wind energy, such as wind turbine reliability, wind power forecasting and wind resource mapping. This is complemented by the closer-to-market Competition and Innovation Programme.

By marrying the resources available through the Framework Programmes with those of national and regional authorities within joint programmes, and by working with industry in public private partnerships, we will achieve much more in the future.

Lastly, we will seek appropriate engagement with our international partners in addressing what is, after all, a global challenge.

Ladies and gentlemen,

The time is now ripe and the winds are now favourable!

- We have an expanding global market;
- There are technologies with great potential that are emerging from our industrial and academic research;
- European and national policies are becoming increasingly coordinated.

So a European Wind Industrial Initiative is a timely opportunity.

From a position of strength, the wind energy sector can exploit its innovation potential, increase its competitiveness and maintain its worldwide leadership. If industry is willing to invest and join forces, it will deliver the promised innovations and will profit from its efforts.

The citizens of the European Union – not to mention the world - will also reap the benefits:

- We'll secure the energy supplies we need;
- We'll gain in the struggle for sustainable development and against climate change; and
- We'll share in the prosperity that we all seek.

I thank you for your attention.