

Ministerial Conference:  
Renewable Energy and Energy Efficiency

Dr. Igor Šalamun  
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Dear colleagues,  
Experts,  
Ladies and gentlemen.

Nowadays a large political support for renewable energy sources exists, but it is more difficult to implement them in practice. For this reason, all information is welcomed - on how to stimulate the market for renewable energy sources and which measures to apply for efficient use of energy.

The decision to use renewable energy sources does not come because they are inexpensive or because the fossil fuels will run out. The main motive is environment protection, security of energy supply and stimulations for technological development.

To make the policy of renewable energy sources efficient on the energy market, it will be necessary to give special attention to cost-effectiveness. Until the external expenses - that are caused by producers and consumers of energy - will not be taken into consideration, the energy from renewable sources will hardly be capable to compete on the market. Consequently it is essential to encourage its use.

In this context a special challenge is the decision on the range and timeframe of stimulations for technological development, investments in renewable energy sources and its operation, that would not affect the competitive position on the energy market. Therefore is it vital to deepen the cooperation between the public and private sector.

Furthermore efficient incorporation into the energy market should constitute a goal for all forms of renewable energy sources. Research and development as well as market growth should result in reductions of expenses. At the same time the state should make sure that the external expenses are internalised.

The most successful market development in the field of renewable energy sources was achieved in countries with »feed-in« systems in order to stimulate the production of electricity from renewable energy sources or tax incentives for biofuels.

The growth of »green electricity« production is the most prominent in Germany and Spain that use this system the longest. This method is used also in Slovenia. Since we are aiming for closer cooperation with the states that use »feed-in« systems in order to exchange experiences and best practices, we have signed a *»Joint declaration for cooperation on the development and promotion of a feed-in system to increase the use of renewable energy sources in the production of electricity«*. On the basis of existing experiences the signatories have emphasised, that the »feed-in« system is one of the most appropriate ones to motivate production of electricity from renewable energy sources.

In other EU member states different mechanism exist to support the production of electricity from renewable energy sources. Hence the European Commission desires to perform a new examination and effectiveness evaluation in 2007. Afterwards a proposition for a synchronized scheme would be presented.

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We believe that an introduction of a harmonised system in this moment could provoke market instabilities and endanger the development of renewable energy sources technologies. This especially accounts for mechanisms that were not tested yet.

Next to diminution of fossil fuels share in energy supply, there are other factors that can contribute to a stable use of energy. A few measures are: better energy efficiency in production, transformation and distribution as well as reduction of losses.

An important point of view of energy efficiency is the comparison of costs for lower energy use and expenditures for necessary investments. Technical solutions for the improvement of energy efficiency exist in many fields, but it would take a long time for market forces to lead to better energy efficiency and lower energy demand without any external intervention.

For the reason it is essential to spread the information about the availability and expenses of new technologies and equipment. The easiest way to surmount technical obstacles is to standardise the equipment, which uses energy.

Hereby the role of the public sector is to use its large buying power and send a clear message to private sector and households about the meaning of energy efficiency. It is important that the public sector represents a pattern and provides for sustainable use of energy across public contracts concerning sustainable construction and maintenance of buildings and with purchase of energy-efficient equipment and vehicles. The goal is to change the way of thinking of decision-makers on all levels – from architects, device producers, vendors to the final consumer.

Thank you.