

June 1, 2010

Secretary General's Impressions from IEF, WEF Africa, the Arab Energy Conference and meeting with Pascal Lamy

The **International Energy Forum (IEF)** achieved a milestone during its Cancun meeting on 30-31 March. Sixty-six countries signed a charter to further promote and structure the producer-consumer dialogue, with a particular focus on reducing oil price volatility and a possible expansion to gas markets. IEA Executive Director, the OPEC Secretary General and I were invited speakers at the prominent Ministerial Forum with minister-level presence from signatory countries.

With this milestone, the 2004-founded IEF, with headquarters in Riyadh, has further established its position as a multilateral dialogue platform with a focus on oil and gas markets transparency. As such, it has to coordinate closely with IEA and OPEC and acts as an institutional bridge between the two organisations that represent consumer and producer interests respectively. The key challenge for the young organisation will be the identification and delivery of specific and effective actions that meet the expectations and build on the broad consensus gathered so far. WEC, with the experience gained from the Energy Policy Assessment can play a constructive and supportive role.

The **World Economic Forum (WEF)** on Africa that took place in early May in Dar es Salaam, Tanzania, covered a number of issues of interest to WEC. I had the opportunity to chair the panel on energy poverty. One of the key policy barriers identified during the panel discussion was the absence of regulatory frameworks that enable decentralized systems as well as local or third

party ownership. It was highlighted that none of the Millennium Development Goals can be delivered without access to modern energy services for the 1.5 billion people who today live without it.

Rural communities account for 85% of energy poor. Institutions, including the International Financial Institutions (IFIs), and also most governments focus on grid-expansion and densely populated urban areas. WEC has identified as key challenges in this context the lack of adapted financing mechanisms that can deliver on rural energification schemes; poor education and shortage of local skills for project initiation, implementation and system operation; the absence of easy local access to components for equipment maintenance and enhancement; and the lack of understanding and political support necessary to replicate enduring local ownership models. These issues feature prominently on WEC's regional agendas, particularly in India and Africa regions.

A prominent issue outside the official panels was the 3.2 billion World Bank loan for a South African coal plant. The fact that the US, UK and France abstained from voting was seen by insiders to make similar deals more difficult in the IFI space.

[Read more...](#)

In order to more effectively capture and share key quotes and messages from events where I will represent WEC I have started using "twitter" – if you are interested in these updates please follow @chwfrei or contact us for further information.

WEC Debriefing

As WEC members are probably aware, WEC plans to continue its earlier work from 2007 on "Energy Policy Scenarios to 2050" with a new project on Global Energy Scenarios 2050. Details of this new Scenarios work, which is being led by Karl Rose, former Head of Strategy at Shell, will be introduced at the WEC Executive Assembly and World Energy Congress in Montreal. To get a "head start" on the work, WEC has designed a short online survey based on the 2007 Scenarios study. The survey, which is called "Scenarios Position & Pathways", aims to extract the *personal views* of our members on the current position and future pathways of their region as well as the world as a whole, based on individual knowledge and expertise. The exercise is meant to be part of the foundation for a strong bottom-up process, whereby individual WEC members will be able to participate in each stage of the Scenario development process based on their unique personal experiences. WEC members will receive an email shortly inviting them to take part in this exercise. We look forward to your involvement and invite any comments you may have at ppfeedback@worldenergy.org. If this quick online survey is well received by our members, we intend to use the technique more often during the upcoming Scenario exercise.

Congress Update

Twelve major international energy-related events will be held in conjunction with WEC Montréal 2010. The organizers of the events seek to take advantage of the Congress's strategic positioning in the world energy calendar less than a year after COP15 in Copenhagen, just two months after the G-8 and G-20 summits which will be held in Canada and only a few months before COP16. Given the present economic climate and an attendant sense of global urgency, combined with the advent of profound transformations in the world, these organizations have decided to join forces with the Congress. A few of the events taking place are:

- Financial Times Energy Leaders Summit
- Special meeting of energy ministers from 70 state and government members, International Organisation of La Francophonie
- Special meeting of energy ministers from the 53 Commonwealth countries
- 2010 Canadian Energy & Mines Ministers' Conference
- Aluminium Association of Canada meeting
- Annual General Meeting of Electricity Sector Council of Canada
- e8 High-Level Dialogue on Fostering Investment in Electricity Generation in Central & Eastern Europe
- Task Force, Asia-Pacific Partnership on Cleaner Fossil Energy
- World Bank Seminar on Financing Energy Projects
- International Hydropower Association Board meeting

WEC Agenda

We invite our members to attend the following events:

June 3-4; Thessaloniki, Greece

- 4th South East Europe Energy Dialogue
- Organised by Institute of Energy for South East Europe (IENE) in collaboration with WEC-Europe region
- Contact: secretariat@iene.gr

June 9-11; Beijing, China

- WEC Officers Council (CLOSED MEETING) and Asia Energy Leaders Summit
- Contact: best@worldenergy.org

June 13-17; Neptun-Olimp, Romania

- WEC Regional Energy Forum – FOREN 2010
- Organised by WEC/ RNC and Corporate Members
- Contact: ghbalan@cnr-cme.ro

June 15; Ottawa, Ontario, Canada

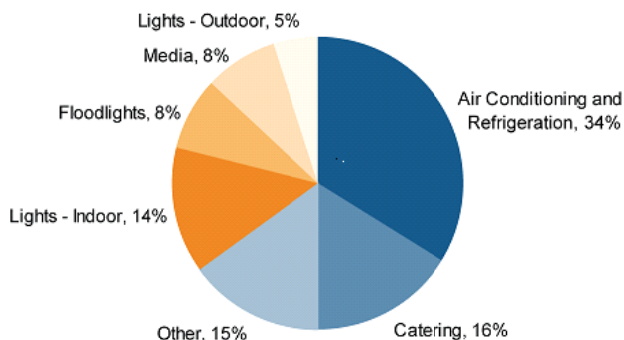
- Canadian Energy Forum
- Organised by Energy Council of Canada
- Contact: brigitte.svarich@energy.ca

June 15-16; Washington, DC, USA

- 21st Annual Energy Efficiency Forum
- Organised by USEA and Johnson Controls
- Contact: kgrover@usea.org

For further events and more details, please check the Events page on the WEC website...

Inside Insight



South Africa Energises itself for the World Cup Soccer Tournament

Energy consumption in South Africa has more than doubled over the past 30 years and with the country's strong economic growth, rapid industrialisation as well as the mass electrification programme, it will continue to increase rapidly. The need to meet those changes, to minimize the risk of blackouts and to reduce GHG emissions has led to an accelerated recognition of the

need to diversify the energy mix, which is currently predominantly based on coal.

However, right now all attention in South Africa is focused on energy security for the 2010 World Cup. A temporary peak, stretching the country's energy industry to its limit, will be reached during the tournament starting on June 11, when approximately 2.7 million spectators are expected for the event, involving 64 matches scheduled over a 40 day period around the country.

To ensure adequate fuel supplies during the FIFA 2010 the South African Department of Energy has developed a World Cup Fuel Task Team to ensure that increased demand for gasoline, diesel and jet fuel are met with adequate inventory builds.

Regarding electricity, all non-essential maintenance on the power system has been suspended, and key staff members [executive and technical] are required to be on duty for the duration of the event. Each stadium has independent diesel powered generators and even TV stations will carry special graphics messages advising of the state of the power system and requesting individuals to switch off non essential lights and appliances during critical periods.

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