

Beijing International Renewable Conference (BIREC)

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ALLIANCE 90/THE GREENS Parliamentary group:

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Ladies and Gentlemen,

It gives me great pleasure to speak to you today on the key issue of renewable energy resources. This conference is especially important in the context of efforts to protect the global climate and to secure the energy supply.

Renewable energy will prevent us from experiencing hazardous climate change and destructive oil wars. It will create new jobs and secure our energy supply. It is the key to solving some of the greatest global challenges we face as we head into the future. It is now up to us parliamentarians, scientist, stakeholders and governments to introduce in all countries the best political frameworks for Renewable Energies and also for Renewable Chemistry. Renewable resources are highly innovative; they create new products, fight against poverty and hence new jobs, in agriculture, in mechanical engineering, in the energy and chemical industry.

To solve the world from the climate change problems, from the radioactivity problems and to lead to a really future security of energy supply the fossil and atomic energy system must be faced out and must be converted to a complete renewable energy system, and this could be possible in only some decades.

But can we actually afford to abandon the use of crude oil, natural gas, coal and uranium?

After all, oil is the basis for around 40 percent of the entire global energy supply and a large percentage of global chemical production. Oil and other fossil energies, indeed, are the

bedrock of the global economy. Would the abandonment of crude oil not shake the world's economic foundations?

There is a direct answer to this question. Precisely because the global economy is so fundamentally dependent on oil, it must develop another resource base very quickly.

Otherwise, the increasing depletion of oil and gas resources, the drastic rise in oil and gas prices and the simultaneous exacerbation of the global environmental crisis will precipitate an unprecedented worldwide economic crisis.

(Slide 2: ASPO forecasts)

Scientific studies, such as those from the Association for the Study of Peak Oil and Gas (ASPO) – a global network of scientists dedicated to the study of oil and gas depletion paint a worrying picture. In a few years' time, they conclude, global oil extraction will have passed its peak.

New oil finds are far from able to make up for the declining output of existing fields.

At the same time, demand for energy is rising dramatically.

It is possible to make a total switch away from crude oil, natural gas, coal and uranium.

The natural supply of renewable sources of energy offer many thousand times' the world's entire annual energy requirement.

(Slide 3: Supply of renewable energy, FVS)

Decisive for the abandonment of non-renewable energy resources will be the maximum use of solar, wind, bioenergy and natural raw materials, hydroelectric, geothermal and ocean energies, as well as energy conservation, to ensure a constant supply to feed the world's ever-increasing demand.

Germany has accepted this challenge. Apart from the Renewable Energy Law, there is an abundance of other measures in place to encourage renewable energy to reach market

penetration, as well as to create new technologies by means of a research offensive. There is support for the heating and electricity market. New fuels for traffic made from biomass are currently in development and market penetration.

For more than six years, I have been working hard in the German Parliament to promote the introduction of renewable resources into the traditional energy and chemical industries.

The success of the German market introduction of Renewable Energies is very enormous .

(Slide 4; electricity percentage)

Today we reached already 11% of German electricity demand, we could double this percentage in only 5 years.

(Slides 5 til 9; increasing different renewable energy technologies.)

In the electricity sector, sometimes combined with the heating market through cogeneration, the German Renewable Energy Law is the most important and most successful law in the world for promoting renewable energies.

It is therefore essential that the Renewable Energy Law be defended against any attempts to undermine it. A look at comparable laws in other countries reveals that the German Renewable Energy Law is the best instrument of all.

As shown in this chart, European countries with other laws, like quota systems or certificate systems or others, have been less successful.

(Slide 10: Minimum Price System compared with Quota System)

Thus the United Kingdom and Italy - with certificate systems - did not reach the installed wind capacity of Germany and Spain.

But a successful law also needs to contain some important details.

For example, the feed-in tariff must be paid for an extended period, at least 20 years. This gives the investment the necessary security. The feed-in tariff must also be high enough so that the investment is profitable and the law must allow everybody to have access to the grid.

The introduction of the Renewable Energy Law in Germany has continued to be controversial. However, substantial counterarguments have been lacking. It was often argued, for instance, that the Renewable Energy Law was only about subsidies, which do not fit into a liberalised electricity market. It was similarly argued that the increased costs shared by all electricity consumers were too high and would weigh too heavily on the economy.

All counterarguments are not sound. The initially high costs for Renewables will fall in the coming years, thereby allowing them to be carried by the production economy. Similarly, the law does not concern subsidies, because tax funds are not at all involved. The entire financing of the Renewable Energy Law is through private capital, without public funds. The state only specifies the framework for how investments in Renewables are able to become economically profitable. The market alone covers the remainder. Thus no subsidies are paid for through the REL. On the contrary, fossil and atomic energy is still highly subsidized worldwide and is only cheaply available on the market due to this subsidisation.

The German success to promote biofuels is the consequence of tax exemption for all sorts of biofuels. Such biofuels are: pure vegetable oil, converted vegetable oil called biodiesel, bioethanol, biogas, or biomass to liquid.

Also there is a beginning process to develop electricity cars that runs with renewable electricity. You can see on the slide my personally car TWIKE that runs only with solar electricity.

(Slide 10: TWIKE)

Ladies and gentlemen

To bring to the world the renewable Energies it is very important to organise a worldwide Know how transfer. The best way is to found an organisation for Renewable Energies like the IAEA for nuclear power or the IEA for fossil power. To bring to the world the International

Renewable Energy Agency (IRENA) is very important. We all should support a foundation process for IRENA

IRENA will organise the Know how transfer for technological and political Know how of renewable energies.

To discuss this all important issues I will invite you to the 2. International Parliamentary Forum on Renewable Energies on 27 Nov this year in Bonn, Germany.

I would be happy to see you all on this big worldwide Conference, on invitation of the World Council for Renewable Energies (WCRE).

Thank you very much for your attention.

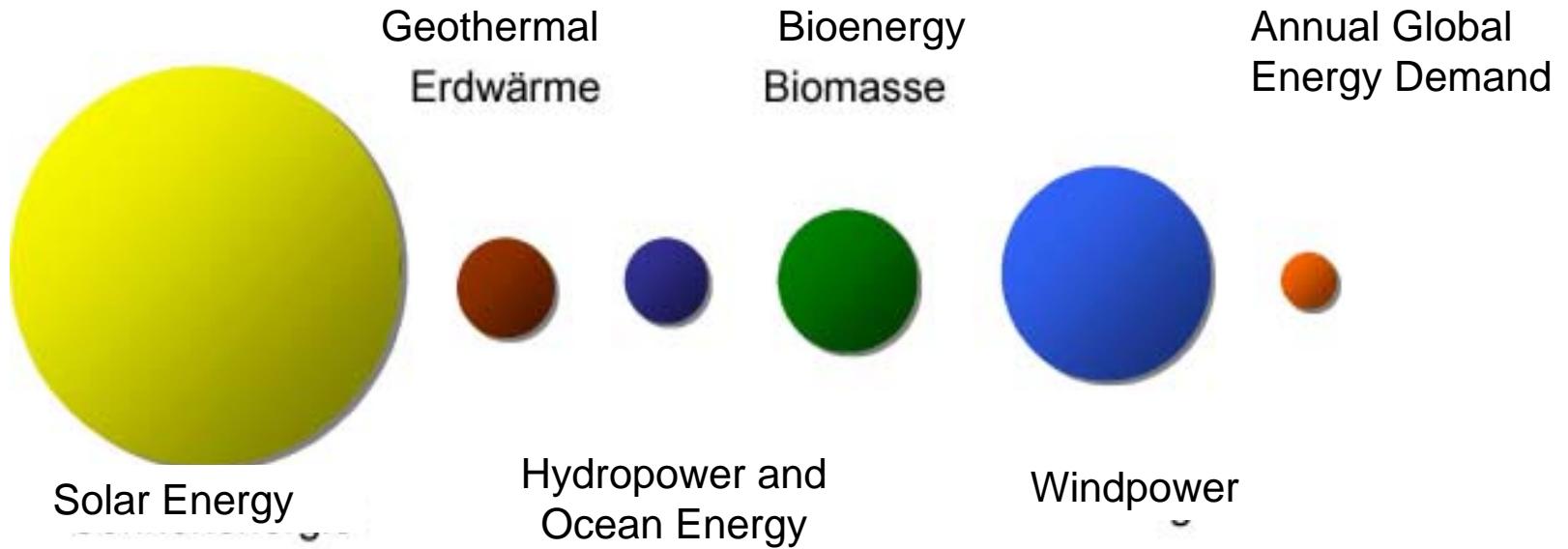
The Necessary Preconditions and Opportunities for Global Cooperation in Renewable Energies and the German Success Story

Speech in Beijing , China

November 2005

Hans-Josef Fell, MP Germany

Yearly Supply of renewable energies



Percentages of power of renewables in the gross electric power consumption

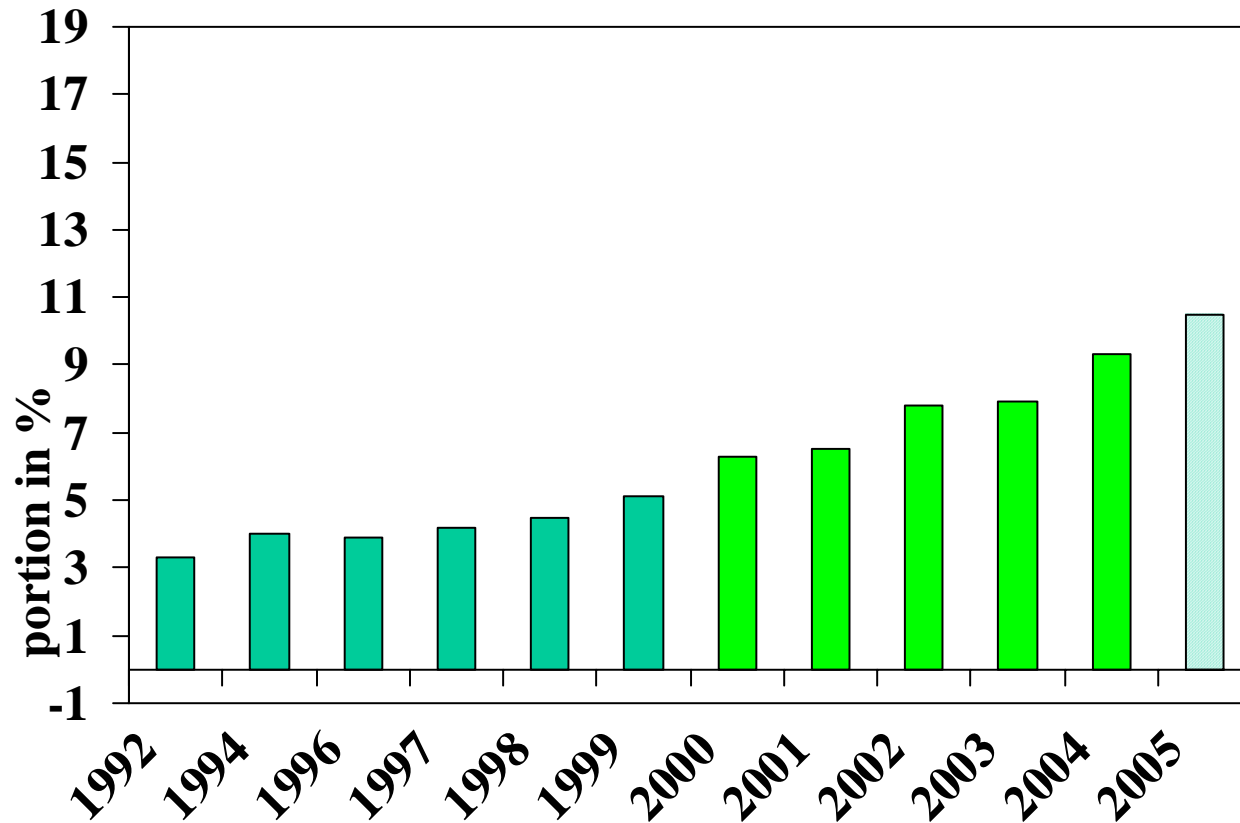
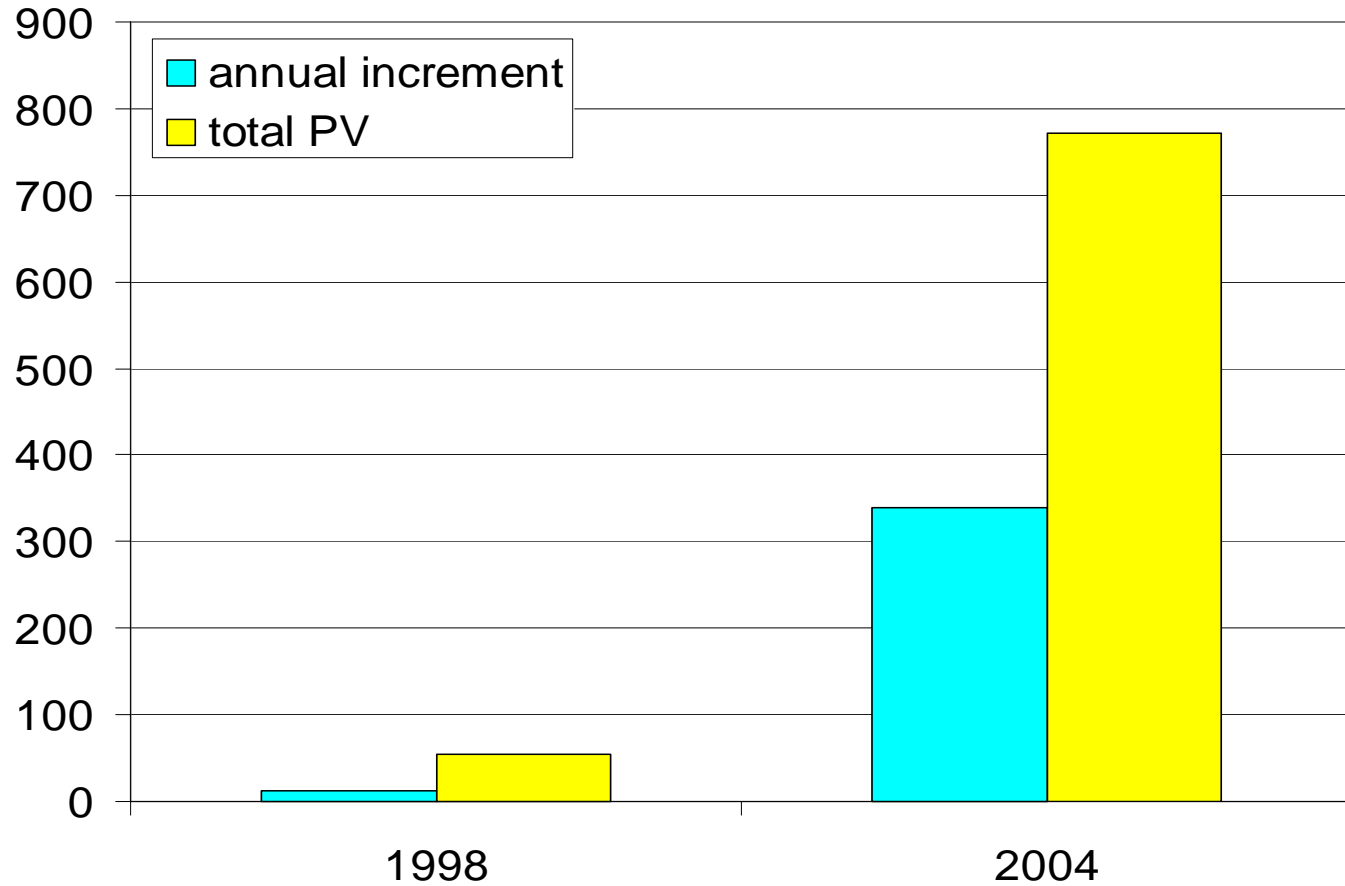
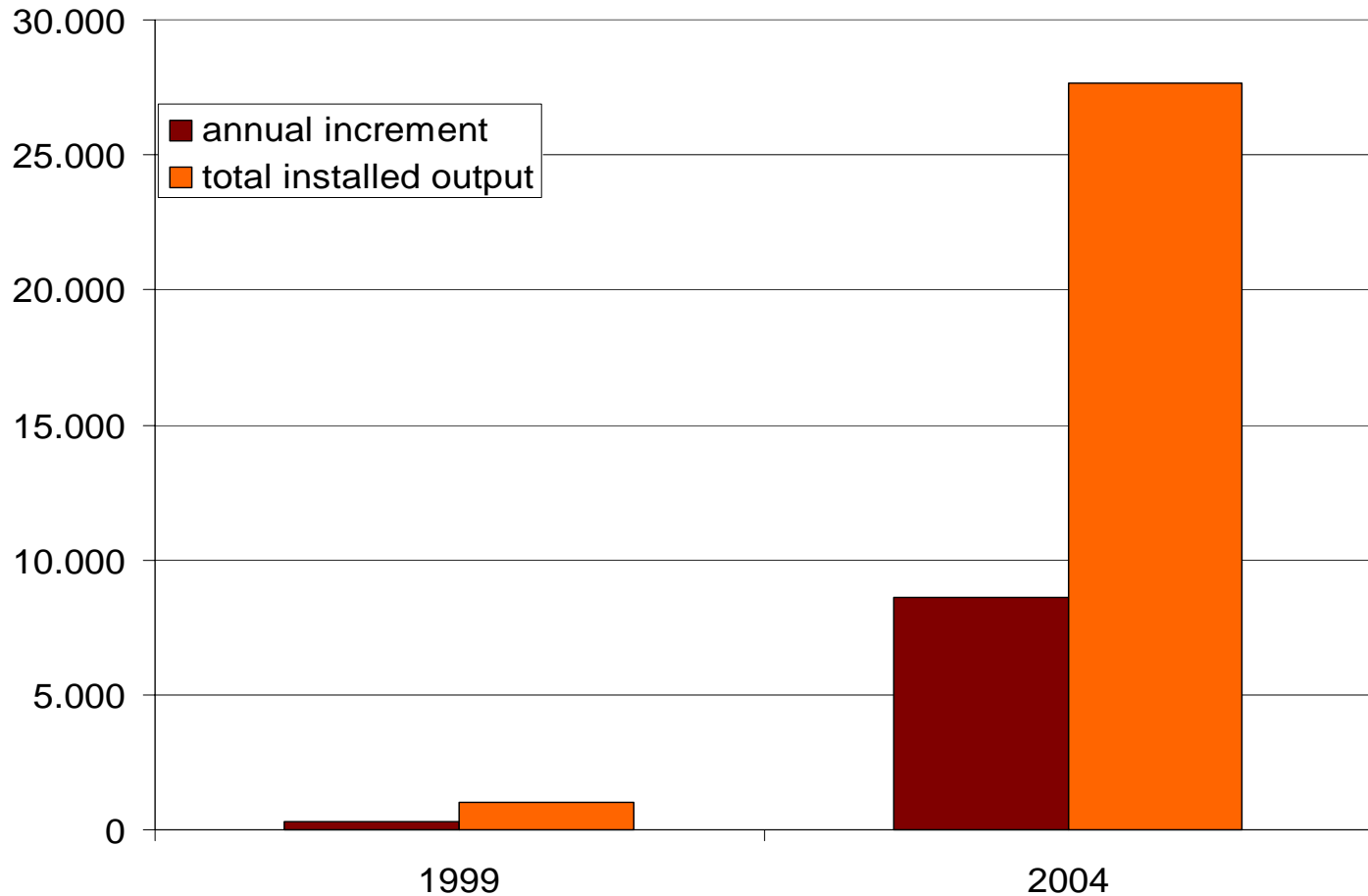


Photo-voltaic 1998 - 2004

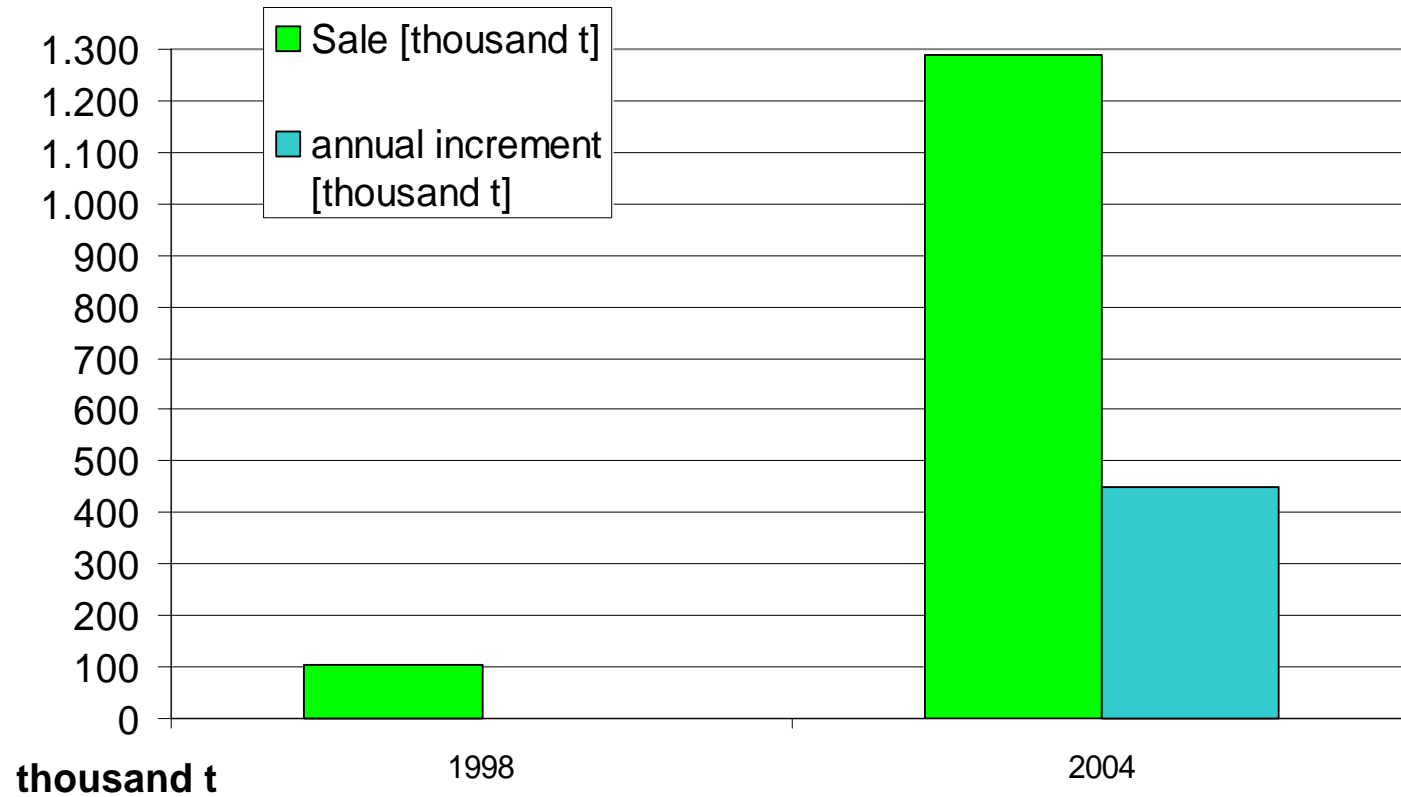
MW



amount of heating systems **Wood pellets heating systems 1999-2004**



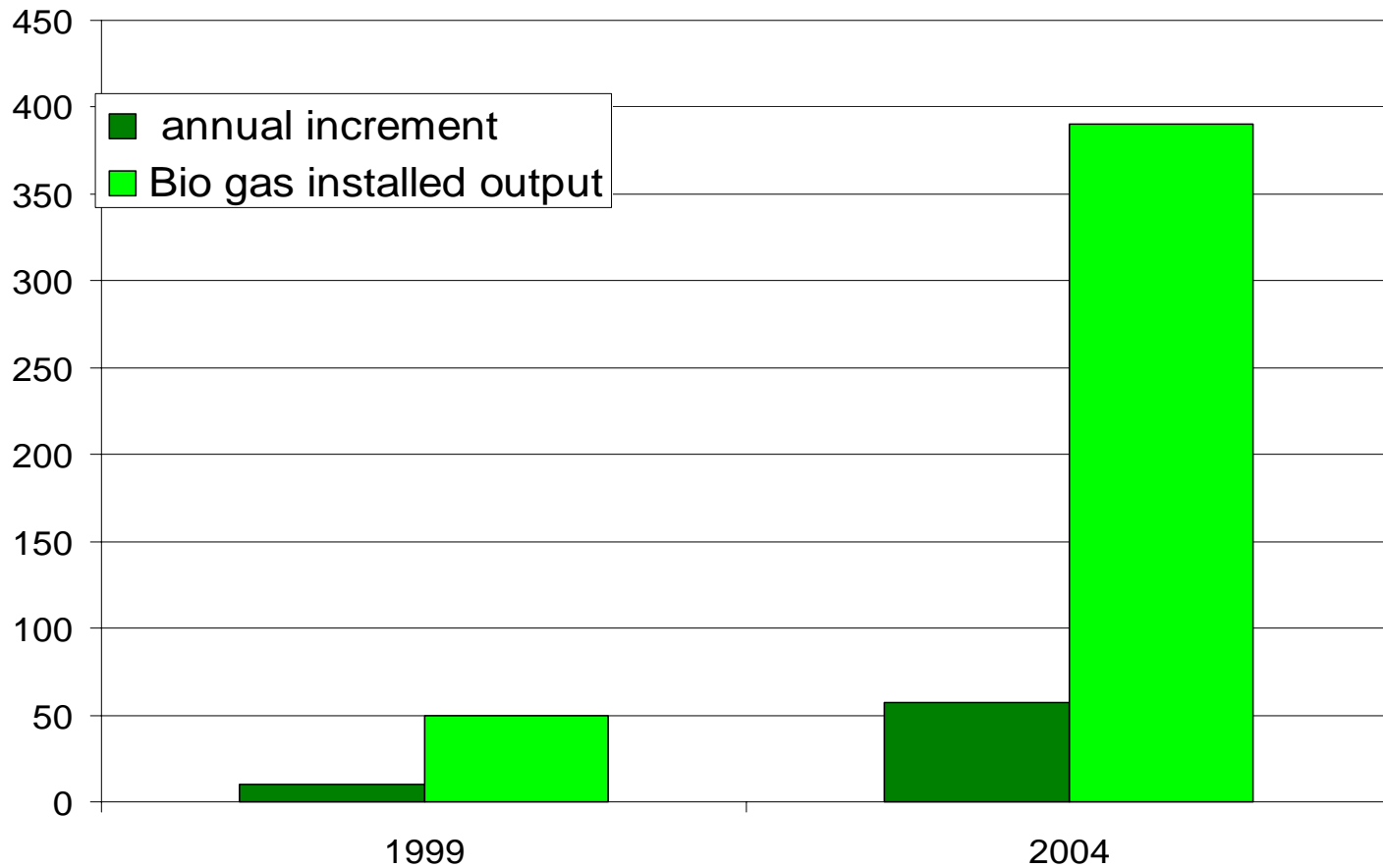
Bio fuels 1998-2004

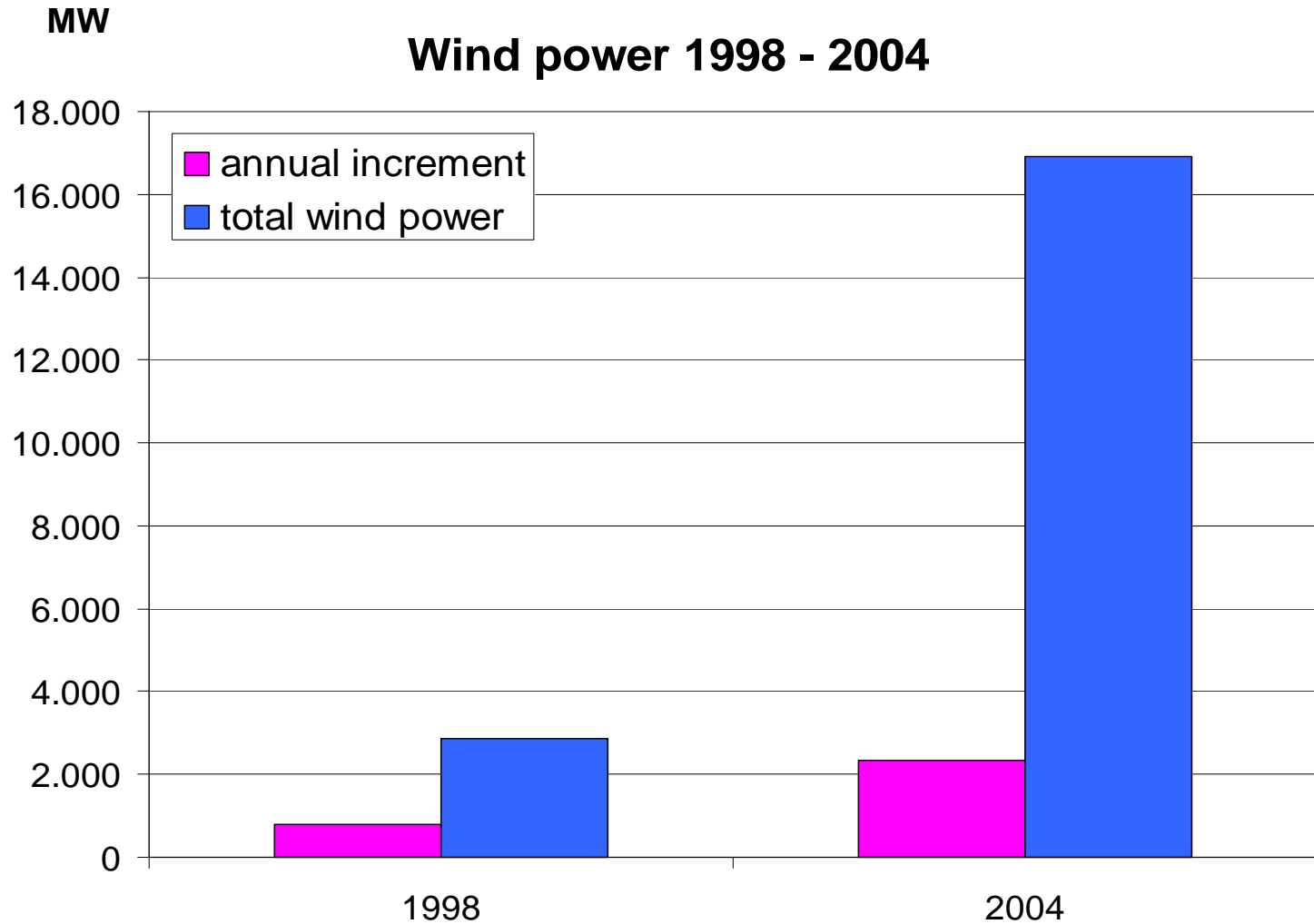


Source: Verband der Deutschen Biodiesel Hersteller; Bericht der Bundesregierung 15/5816; eigene Erhebung

Bio gas 1999 - 2004

MW





Minimum price system – quota System

	Country	Price per kilowatt (€ ct/kWh)	Totally installed capacity (MW)*	Jobs
Countries with Minimum price system	Germany	6,6 –8,8 ca.	14.609	46.000
	Spain	6,6	ca. 6202	ca. 20000
Countries with Quota scheme	UK	ca. 9,6	649	ca. 3000
	Italy	ca. 13	904	ca. 2500

Electric Car: Twike



Thank you for
your attention

www.hans-josef-fell.de