

# PRESENTATION OF THE BETTER PROJECT TO THE ADVISORY BOARD

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# ADVISORY BOARD MEETING



**Advisory Board:** Representatives from a wide institutional range (ESTELA, IDAE., GERMANWATCH, GIZ, REE, Dii, MEDGRID, EBRD) who act as external reviewers of the project:

- Get feedback on the work conducted so far
- Are we properly steering the boat?
- Do you have any suggestions / alternative ways?
- Are we missing something?
- Where do you see the potential greatest contribution of the project?
- Can we do things more efficiently?



# OBJECTIVES



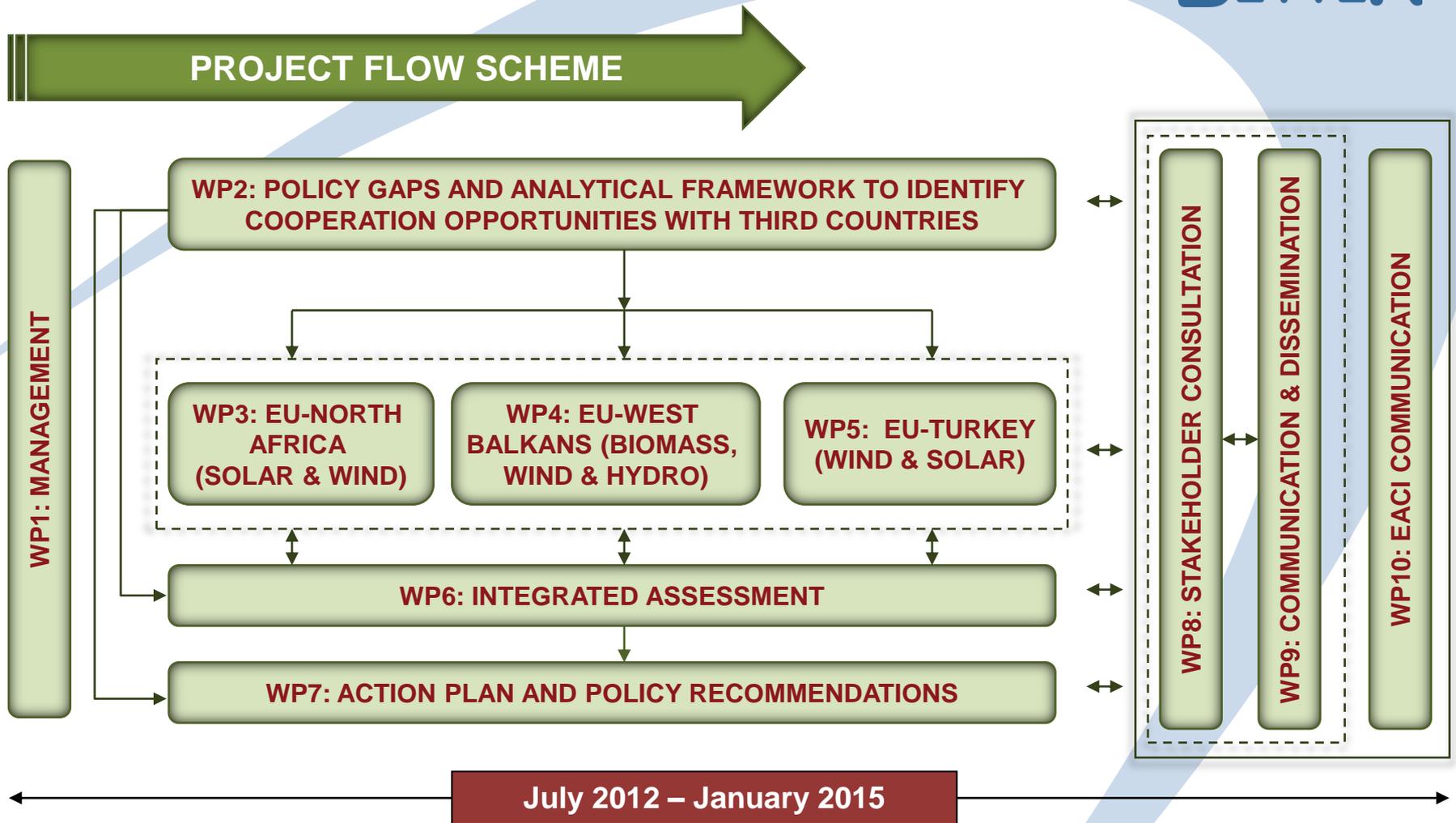
*The core objective is to **assess, through case studies, stakeholders involvement and integrated analysis** to what extent cooperation with third countries can help Europe achieve its RES targets in 2020 and beyond, trigger the deployment of RES electricity projects in third countries and create synergies and **win-win circumstances for all involved parties.***

*Assess **whether and under what conditions** the 4<sup>th</sup> mechanism can help Europe achieve its RES targets in a cost effective way and generate win-win conditions for all involved parties*

***Trigger** policy makers, national governments and private sector both in EU and third countries to **make use of the cooperation mechanism with third countries***



# Project structure by work packages





## **WP2: POLICY GAPS AND ANALYTICAL FRAMEWORK TO IDENTIFY COOPERATION OPPORTUNITIES WITH THIRD COUNTRIES**



- ✓ **Based on the existing initiatives/projects: Where do you see the greatest potential added value for BETTER?**
- ✓ **What is your opinion about the probability that countries will actually use cooperation mechanisms in the short/medium/long term?**
- ✓ **Do you think the key actors are sufficiently informed about the cooperation mechanisms and their possible design options? What are the greatest knowledge gaps?**
- ✓ **Have we captured all key parameters by looking at the macro, micro and social acceptance level – for exporter/importer/transit countries?**



## WP3 / 4 / 5 : CASE STUDIES



-> a first diagnosis:

North Africa: in NA large potential but no readiness for import around, no agenda setter in the EU

Western Balkans: export from Balkans technically easier, but administrative-political barriers

Turkey: not interested to export to the EU

-> which type of electricity does the EU need in which timeframes?

-> even if little demand: a few cooperation mechanisms as pilot projects for post 2020? and as part of a wider political-economic agenda as in the case of Italy-Serbia?



## **WP3: North Africa**



**How can we better integrate the transit countries?**

**How can we disseminate our results more efficiently?**

**How can we better integrate local stakeholders so they feel more committed to support the project?**

**How do you perceive the political situation in North Africa?**

**How can we find an importer/off taker?**





## WP4: Western Balkans



- Does Cooperation mechanism financing compete with renewable expansion for domestic use?
- Could the cooperation mechanisms assist in avoiding a fossil lock-in?
- Can we integrate West Balkans Energy systems with EU in a way to hedge each other?
- Which type of electricity (peak, base load) is needed by EU?





## WP5: Turkey



- ✓ Within Turkey much attention is drawn on meeting their growing own energy needs – for which domestic RES play a (crucial) role... → How to enhance awareness at decision makers to intensify RES cooperation with the EU?
- ✓ How would you see prospects for RES cooperation between EU and Turkey in the near future? Is there a surplus RES electricity to be physically exported to the EU?
- ✓ What are from your perspective key issues to tackle in this bottom-up assessment? Which aspects deserve sufficient attention to have a closer look / detailed assessment?
- ✓ What is your view on the latest plans and developments in the Turkish electricity market? (especially with regard to a market coupling with Greece/Bulgaria)
- ✓ How would you see the possibilities for the intended expansion of nuclear power in Turkey? Do this plans influence the intended RES share of 30% by 2023?





## WP6: INTEGRATED ASSESSMENT



- ✓ How would you see prospects for RES cooperation between EU and 3<sup>rd</sup> countries in the near future?
- ✓ What are from your perspective key issues to tackle? Which aspects deserve sufficient attention to conduct a sensitivity analysis, and which one would you identify as most important key issue?
- ✓ Transition countries (e.g. Spain in the case of North Africa) may play a crucial role for RES cooperation – which possibilities do you see to tackle their needs adequately and to create an enhancing environment for all involved parties?

**OUR PROPOSAL FOR THE  
SCENARIO DEFINITION....**



# WP8: STAKEHOLDER CONSULTATION



- We are aware that several other projects and initiatives are looking at third countries, particularly in the South East Med: what is the main recommendation to BETTER to move forward compared to the current status?
- From the ongoing discussions it seems that the main priorities for stakeholders are:
  - Enabling a clear regulatory framework
  - Power system inventories
  - Addressing socio-economic aspects
  - Action Plan and recommendations
- Do you share these views? What are you mostly interested in?



# WP9: COMMUNICATION & DISSEMINATION



- ✓ Is in your opinion our dissemination and communication strategy effective?
- ✓ How we can best reach our target audience?
- ✓ What are the most effective dissemination means/mechanisms for BETTER aim?
- ✓ How we can increase the efficiency of the dissemination outcomes and associated information?





# WP6: INTEGRATED ASSESSMENT

## Our proposal for the Scenario definition



### RES policy assessment in the 2020 context:

For the 2020 time-frame a limited set of scenarios will be conducted:

- ***“National perspective”*** – national target fulfilment: Each member state tries to fulfil its national RES target by its own (Limited RES cooperation).
- ***“European perspective - without cooperation with third countries”***: If a Member State would not possess sufficient potentials that can be economically exploited, cooperation mechanisms between EU countries serve as complementary option (Strong Intra-EU RES cooperation).
- ***“European perspective - with cooperation with 3<sup>rd</sup> countries”***: In addition to above, in line with the focus of this study the need for & impact of intensified cooperation with 3<sup>rd</sup> countries will be assessed (Strong RES cooperation).



## Long-term prospects for cooperation with 3<sup>rd</sup> countries beyond 2020:

- Geographical scope: EU plus 3<sup>rd</sup> countries, Timeframe: 2030 / 2050 ((brief) outlook to 2050 for key cases)
- Limited set of (key) scenarios (to make calculation efforts feasible & allow useful interpretations)

### Relevant issues to address:

- **RES policy / support framework:** Beyond 2020, the scope of feasible policy action appears more undefined → policy tracks need to be consistent to 2020 discussion but “broader” in the policy scope (further policy alignment / harmonisation? ... *cf. lessons learnt from past/parallel activities: beyond2020, RES4Less*) (*Key modelling tools: Green-X, RESolve-E*)
- **Long-term RES targets / Ambition level of future RES expansion:** Need for more intensified cooperation increases if RES shall play a crucial role in the future (*cf. Re-Shaping, dii*) (**Note: prejudged as KEY ISSUE!**)
- **Subjective requirements from countries:** E.g. (3<sup>rd</sup> country) governmental requirement of X% local content, impacting costs and generation mix (*Possible drawbacks: Subjective, difficult to tackle in a model-based assessment (in a non-discriminatory manner)*)
- **(RES) Policy and political (in)stability:** how does the “optimal” solution (i.e. cost, deployment) change if political stability varies in a country or region? → Showcase a few “examples”, e.g. via modifying risk profiles (IRR) “suddenly” in a country/region or via a stop/reduction of support. (*Key modelling tool: Green-X*)
- **Grids / Infrastructural prerequisites:** Three aspects to consider: (a) Role of transit countries (b) delayed build-up of certain transit corridors, and (c) the use of different concepts to link North Africa and Europe.

