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G8 Energy Ministerial: Commissioner Piebalgs calls for good investment climate to take the energy sector out of the crisis

Energy Commissioner Andris Piebalgs, has called for clear price signal in an open and transparent market, as the best tool to reinstall confidence in the global energy markets and mitigate the effects of the current economic crisis. This was one of the main messages that Commissioner Piebalgs delivered in the G8 Energy Ministerial Meeting that took place in Rome on 24 and 25th of May. "Energy companies need clear price signals to know where to invest. The European Commission has tried to provide this with clear rules for the Internal Market, with a CO2 price, and with clear objectives for renewable energies and energy efficiency", said Commissioner Piebalgs.

The G8 meeting was preceded by the Energy Business Forum in which the Commissioner, the Ministers of the G8 and other 8 countries explored with representatives of the Industry the best ways to promote energy investments while confronting the economic and financial crisis. "Economic crisis has had an impact on the demand of energy, and there have been some difficulties for small and medium enterprises to get financing. It is important to restore confidence and transparency to the markets in order attract investment in energy there where it is more needed", said Commissioner Piebalgs, who recalled that the European Energy Programme for Recovery (EEPR) has earmarked €3.98 billion for energy projects, namely interconnectors, offshore wind and carbon capture and storage (CCS).

The first working session was devoted to Energy Strategies to Respond to Global Climate Change. In his intervention Commissioner Piebalgs called for an ambitious agreement in the UN Climate Change Conference that will be held in Copenhagen in December. "Our main tool to drive the energy sector towards a low carbon system is the price of CO2 in an open market. We have also provided a clear regulatory framework to promote renewable energy sources and energy efficiency. The Commission also is trying to increase its efforts on research for technologies that will help reduce CO2 emissions, such as carbon capture and storage", said Commissioner Piebalgs.

Commissioner Piebalgs co-chaired the session devoted to "Energy Investments for Security and Sustainable Development". Again, Commissioner Piebalgs recalled the importance of open and transparent markets in order to assure energy security, together with permanent dialog between producers and consumers in order to create the necessary climate to ensure investment in new generation capacity, infrastructures, and the promotion of renewable energies and energy efficiency.

The last session of the ministerial was focused on Action to address Energy Poverty with a particular focus for Africa. In his intervention in this session Commissioner Piebalgs explained that in 2007, a genuine partnership among equal partners was launched at a Summit between Heads of State and Government from both Africa and the EU. It contained a specific partnership on Energy with a special focus on energy security, infrastructure, investment climate, access to energy and promotion of renewables and energy efficiency. This partnership has an Energy Facility, which enjoys 200 million euros for activities in energy efficiency, renewables, energy transport and governance.

In the margins of the G8 meeting, Commissioner Piebalgs held bilateral meetings with the Secretary of Energy of the United States, Steven Chu; the Minister for Energy of the Russian Federation, Sergey Shmatko; Turkish Energy & Natural Resources Minister Taner Yildiz and the minister of Petroleum Resources of Nigeria Dr. Dr. Rilwanu Lukman.