

Ladies and Gentlemen!

Within the next decades, the biggest challenge for Europe regarding energy issues **will consist in establishing an efficient, reliable and competitive energy system within a free market.**

I believe there are **two basic requirements** that need to be satisfied, if we aim to face this challenge successfully:

First, Europe will be able to sustain its energy supply only if it is based on an a most widely diversified energy mix. This should ensure, over the medium and long term, that **no type of energy source or energy form is ruled out.**

Secondly, it will be absolutely necessary for Europe to **raise the energy efficiency.** The effectiveness of energy production, distribution and consumption will have to grow notably in order to guarantee that a higher percentage of primary energy reaches the end-users as useful energy.

According to the surveys conducted by the **International Energy Agency**, the IEA, global investments in the energy sector in the amount of 14,000 (*in words: fourteen thousand*) billion euros are going to be necessary until 2030 in order to meet the energy demand that by then will have increased by half.

In **Europe, around 1,600 (*one thousand six hundred*) billion euros should be invested by 2030** with the aim to increase the efficiency of

the existing and to build new power plants. Furthermore investments will need to be done in the field of electricity transmission in order to build up a functional and reliable power grid.

We need to reduce Europe's growing dependence upon non-European energy sources and, at the same time, meet the ambitious environmental and climate protection-related goals. This is why **huge amounts of private capital will be required in the coming two or three decades – for the expansion of the energy infrastructure** as well as for increased research and development.

I am totally convinced that all this capital can be raised, if only policies offer stable and secure framework conditions. Ultimately, Europe's future energy supply is not so much a matter of money as it is of a sensible and reliable policy. Investment security for private capital will be crucial for a safe European energy future.

In my point of view, Europe should set itself the **following long-term energy goals:**

1. modernising the European energy system and raising the energy efficiency of Europe's economy;
2. lowering the growing dependence upon fossil energy sources coming from unstable world regions;
3. promoting the expansion of energy systems based on a widely diversified energy mix and
4. improving energy transfer among the European Union Member States.

In the light of the topic of this conference, I believe that a viable strategy for supply diversification could aim to link the European Union with the transit and producer countries in the Black Sea region.

Europe's growing dependence on natural gas from only three sources (Russia, North Sea and North Africa) also makes it advisable to back our energy demand from additional sources in other world regions. In this context the development of a common energy security strategy which should be based on a diversification of supply sources and include the Black Sea region could play a key role.

Ladies and Gentlemen, let me close my remarks with the following understanding:

The European Commission **presented a new Green Paper on a new European Energy Policy**. In my opinion it is the best conception since a long time and it contains the right approach to the problems I have tried to illustrate before.

The challenge now is – as it is so often - to transform paper into practice.

I am confident that a stronger cooperation in the Black Sea region can be a major cornerstone for such action.

Thank you very much !



Dipl.-Ing. Hans Haider

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Honorary President of EURELECTRIC-Union of the Electricity
Industry, Belgium**

- Born 1942.
- Studies of communication engineering at the Technical University of Vienna, second diploma (top grades) 1968.
- Several Management positions within Siemens.
- 1988 Executive Program at the Graduate School of Business of the Stanford University, USA.
- 1989 Member of the managing board of Siemens AG Austria and CEO of the business unit „audio-video systems“ of Siemens AG with world-wide responsibility.
- January 1994 Chairman of the Managing Board and CEO of Verbund (Österreichische Elektrizitätswirtschafts-Aktiengesellschaft).
- 1994/1995 President of the Austrian Association of Electricity Utilities, now Member of the Board.
- June 2002- June 2005 President of the Union of the Electricity Industry-EURELECTRIC, Honorary President since June 2005
- April 2003 President of the National Committee of Austria (World Energy Council).
- Various national and international memberships of organisations in the energy and electricity industry.
- Member of the European Commission's *authoritative figures* list in the European Council of Ministers Hampton-Court Meeting follow-up process (four-member energy expert panel to guide the Commission in drafting of the next Energy Policy Green Paper presented in March 2006)