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**The Union for the Mediterranean:
From Paris via Munich into
the desert sands?**

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The Union for the Mediterranean: From Paris via Munich into the desert sands?

Bonn, 13 July 2009. One year ago, on July 13th, the “Union for the Mediterranean” was launched amid much diplomatic fanfare. A total of 43 heads of state and government from the European Union (EU) and the Mediterranean-rim countries had accepted an invitation to Paris extended by French President Nicolas Sarkozy to give new impetus to Mediterranean co-operation. The Union for the Mediterranean follows up on the Barcelona Process, initiated in 1995, which also had a pronounced security dimension. Sarkozy had originally planned to extend his invitation only to the southern European EU member states and non-EU Mediterranean-rim countries. However, this suggestion was subsequently withdrawn with a view to avoiding any fragmentation of the EU, and on the initiative of some other member states, including Germany in particular. Ultimately, the Union for the Mediterranean set itself a six-point agenda, among others the “Mediterranean Solar Plan”. The recent Gaza war has upset these plans. No high-ranking ministerial meetings have taken place since December 2008, and some important issues bound up with the institutional design of the Union have been shelved.

Similar to the constraints imposed on the Baltic Sea co-operation of the 1970s (due to the East-West conflict), for now it would be recommendable for the Union for the Mediterranean to put high politics as well as security issues aside and focus on economic matters and the protection of the environment and the climate. Looked at against this background, can it be mere coincidence that it was precisely for 13 July that the Munich Re Group issued invitations to attend an inaugural meeting for the so-called Desertec Initiative in Munich?

Energy security based on solar thermal power plants?

While the idea behind the Desertec project is nothing new, it is still fascinating: Solar thermal power plants in North Africa would contribute to supplying Europe with the clean energy it needs. A total of roughly 400 billion Euro in investments would be needed by the year 2050 to cover 15 percent of Europe’s electricity needs. So is the – privately financed – Desertec consortium set to get the better of the European Mediterranean Solar Plan, or indeed to replace it?

To start out with the good news: the technology needed to generate solar thermal power, known as concentrated solar power (CSP), is already available, as are the high-voltage, direct current (HVDC) electric power transmission lines required to transport it. In Kramer Junction, California, the first parabolic trough power plants have been connected to the grid since the mid-1980s. More advanced CSP power plants have been built for some years now in the US and Spain. Another CSP plant, an integrated solar combined cycle plant (ISCC), is currently under construction in Kuraymat, Egypt. Parabolic trough power plants are already in the planning stages in some other countries. Another piece of good news – at least from the German perspective – is that German companies lead the field when it comes to CSP technology. The parabolic mirrors are built by Flabeg, the receivers by Schott Solar, the turbines, generators, and control technology are available from Siemens, and Solar Millennium and MAN Ferrostaal operate as general contractors.

Is, in other words, the only task remaining to secure the financing for the Desertec Initiative and to integrate it politically into the Union for the Mediterranean? Not quite. For it will not prove so easy to enlist the southern Mediterranean-rim countries as potential locations for power plants. Many of these countries are ruled by authoritarian regimes of different stripes, and there is an ever-present danger in the region of terrorist attacks. Population growth and unemployment are



very high there. And such social problems are aggravated by migration pressure from sub-Saharan Africa. All in all, an explosive mix, with important implications for our security as well.

Most of the non-EU Mediterranean-rim countries have major development needs. One prerequisite for development is energy. However, most of the power plants currently in operation there are conventional, carbon-based plants. In times of an accelerated climate change that has the gravest of implications for developing and transition countries, the latter need to switch their energy supply, as early as possible, to a non-conventional energy path, and that means, in effect, to renewable energy sources. Large-scale solar thermal power plants may offer one solution to the problem. Even though energy production costs – 15 to 23 Euro cents per kilowatt hour – are still higher than those for conventional power plants. It would be possible – based e.g. on the model of the German Renewable Energy Law – to close the viability gap either by raising the feed-in tariff for renewable electricity (to be paid by the end user) or by having government set ambitious quotas for the share of renewably generated electricity as a means of attracting investments in CSP power plants. The important thing is to set clear-cut framework conditions for electricity sales in countries with the potential to operate CSP power plants, in this way ensuring that the billions that need to be invested will pay off in the long term for private investors.

Grid development as a European task

Some successes in economic transformation have already been observed in the context of the Euro-Mediterranean partnership, in Tunisia for instance, although there has been less movement when it comes to political change. Be that as it may, though, the Union for the Mediterranean does offer a dynamic normative frame of reference for the southern Mediterranean-rim countries.

However, the EU's tasks in the framework of the Union for the Mediterranean should not be to offset the financial risk for private-sector projects like the Desertec Initiative. This, though, may be a different matter when it comes to support for the development and expansion of the power grid in the overall Mediterranean region. Grid development must be viewed under the aspect of public welfare, and here the EU could provide an important contribution to collective energy security in the Mediterranean region, one that would entail a security dividend over the longer term. To put it in a nutshell: renewable energy sources promote development, and development promotes security. Looked at in this way, the evolving Desertec consortium should provide a new and innovative boost for the Union for the Mediterranean.



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