

Plenary Session C: Ministerial Panels

Panel 1: Energy services and the Millennium Development Goals – The role of renewable energies and energy efficiency

Friday, 4 June, 9.00 – 10.30 h

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STATEMENT

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Your Excellencies, Minister Wieczorek-Zeul and Minister Trittin, before I start with my main message, please allow me to express on behalf of the Philippines, our deepest appreciation and congratulations to the government of the Federal Republic of Germany for your excellent hosting of this important International Conference for Renewable Energies.

Your Excellencies, the Petroleum and Energy Ministers, Delegates to the conference, honored guests, ladies and gentlemen, let me begin with what you might call an enigmatic question – Are you aware that something has changed?... Can you feel the shifting of tensions?... I feel it. There is an urgency in the air. It began, you might recall, in the gentle voice of the young delegate from Greenpeace the very first day of this conference. The urgency mounted with the words spoken by yet another voice, this time from the NGO group. Two women from the Philippines sounded the call to arms. We are at war, ladies and gentlemen, and if we lose, the world loses. I feel myself called to man the trenches of this war, and yet, my friends, I am a peaceful man.

The Philippine islands are my home, 7000 of them, the actual number changing as tides rise and fall. The Philippines, located at 7x2 degrees latitude, is a rippling archipelago born of the violent volcanic eruptions that described the ancient geologic times in that patch of earth. Our land is today swept by strong trade winds, drenched by a vibrant tropical sun, criss-crossed by rushing river waters, and seething with sub-surface geothermal steam. Nature has awarded us with an abundance of renewable energy sources, but alas, unlike our neighbors in Asia, we have no oil. A war is being waged at the present time against extreme poverty and the real threat of climate change. A war, ladies and gentlemen, and so a man of peace must take up arms. The strategy for this war is straightforward, undeniable, unattainable, some say: DEVELOPING RENEWABLE ENERGY SOURCES.

In the Philippines we have begun by establishing a policy framework for developing our renewable energy resources. It is founded on the natural abundance that we are determined to harness:

Our goal is to become the no. 1 producer of geothermal energy in the world. Today we rank second only to the United States. We have 1900 megawatts of installed capacity, and have identified several other sites for future power plants. Last March, we launched a geothermal contracting bid round. It was a strategic move to give potential investors the opportunity to work with us in developing and producing renewable power. We are drafting new recruits to be the foot soldiers in this war against poverty.

Our second goal is to become Asia's top producer of wind power. In April of this year we broke ground for the first wind project in Asia. The wind farm is a 25-megawatt project that will produce its first kilowatt of power before the end of this year. This project is to be followed soon by a 40-megawatt plant, both in the country's northern Luzon area where powerful wind currents run. These wind projects are at the northern tail end of the national transmission grid and will do much to improve the quality of the power supply in that part of the country. The additional power also promises to relieve conditions for our rural poor by improving tourism, generating more jobs, and alleviating economic conditions.

Unfortunately, this project took four years to complete, an unhappy fact that we do not want to duplicate. I am pleased to announce, therefore, that today, the Philippine government is launching right here in this very room, right now in point fact, a wind investment package that will blow you away! I have in my hand here all the information you need to invest in a wind project in my – the technical details, the financials, the incentives, information on the laws, you name it! Let me tell you that you want a copy of this packet in your hands, and my staff will make sure you get one at the end of this talk.

At this juncture, I am very pleased to report to you my fellow delegates that we will energize all our villages in the Philippines by the year 2006 and solar energy systems will play a big role because we fully intend to take full advantage of nature's abundant sunlight to electrify our remotest areas. This necessitates electrifying an average of four (4) villages a day and again I am happy to confirm to you that we are in fact accomplishing this

Our solar policy: we have taken full advantage of nature's abundant sunlight. The Philippine National Oil Company has in the past two years alone, succeeded in energizing 2,160

households out of the targeted 15,000 households across our rugged northern Cordillera mountains, on far-flung islands of our Visayas region, and more than 1,000 SHS in the remote mountain villages of Mindanao. Similar electrification efforts are underway under separate programs of the USAID in the Tawi-Tawi archipelago, the SPOTS program of our Department of Agrarian Reform supported by the Spanish government and our own Department of Energy's "Light-A-Village Program" funded by public-private sectors. What has this meant for rural folk? Children can now do homework at night, can look forward to an improved educational level, housewives can engage in profitable cottage industries, and the provincial lifestyle can enjoy a rebirth.

We have spoken at this conference of the importance of technology transfer. Sun Power, a major solar cell manufacturer based in San Jose, California, will install a \$300MM manufacturing plant, its first overseas, in the Philippines. Our vision is to create hub for a downstream solar industry that will locally produce panels, batteries, modules, which in turn will lower costs. The reality we hope to achieve is an affordable, commercially viable solar energy system that is sustainable in the long term.

Our hydro policy: we have large existing hydro electric power plants but realize that such projects take an extremely long time to build. We are now focused on developing micro- and mini-hydro plants....

Exciting things are happening on the bio-mass frontiers as well. The PNOC has signed an MOU with a private entity to develop a co-generation plant in Talisay the island of Negros using sugar cane bagasse. Another plant is in the pipeline for the same island, the Victoria project with a 20 megawatt capacity. In Isabela province, an experimental project using the abundance of rice hulk is in the works to prove the marketability of the biomass energy product. Because our rice mills are small and scattered throughout the country, it is unwise to put up a large co-generation plant. Smaller ones are key to harnessing what is already abundant.

I have spoken so far of the Philippines, but I acknowledge that all of us at this conference for renewable energy have worked very hard to make it a success. There is an urgent call to action, and although I believe the Philippines is doing its part, it is not enough. Those of us in the developing world that are maximizing our effort – we need your help. You can help us, all the various stakeholders present at this conference can help us. How? By helping train our personnel, by helping educate our peoples on the advantages of renewables, by helping us finance our projects and investing in our futures.

My government is committed to creating the right conditions so investors can be rewarded economically for their efforts. We want a win-win scenario of cooperation for everyone involved. Reasonable returns on your capital risk. There is a move that will happen quickly: a renewable energy bill is to be introduced in the new Congress. The bill will institutionalize the incentives that can help commercialize and sustain renewable energy projects. The private sector can feel secure.

In addition to all these efforts, the Philippines is also encouraging the use of alternative fuels. Our most exciting innovation is a product called coco diesel, a biodiesel based on coconut. Many countries use biodiesels, but this is the first of its kind. Years of research and development have resulted in a cost efficient coconut based fuel, and the government has responded by mandating its use in all government owned diesel-powered vehicles. Think about it – cars powered by coconuts! We are determined to demonstrate the viability of this product. This will not only help improve the quality of vehicle emissions, it will help clean up the environment in compliance with our Clean Air Act. Most importantly, the use of coco diesel will aid the 2,000,000 and their Filipino coconut farmers through the stabilization of the price of copra. These are probably the poorest sector of our society.

Ladies and gentlemen, can you feel the urgency now? Can I make you respond to the passion that I feel about this war that we have to win? We have a slogan in the Philippines today at the Department of Energy. “Double in Ten” we call it. A 100% increase in renewable energy capacity by the year 2013! I propose we make it our battle cry at this conference – say it with me – DOUBLE IN TEN! Louder – DOUBLE IN TEN!!!

My friends, beyond the ongoing battles, the Philippine government through its Department of Energy remains true to its mission of “improving the quality of life of the Filipino people by formulating and implementing policies and programs to ensure sustainable, stable, secure, accessible and reasonably priced energy.”

This describes in words my country’s dedication to help achieve the eloquently valuable goals of the UN Millennium Declaration drafted in the year 2002: to work towards the alleviation of extreme poverty worldwide, and to reduce the threat of climate change. On behalf of my government, I re-pledge our commitment to this vision.

Before I close this talk, I would like to speak a few more words to underscore the significance of the work that we are doing here today. Not many in the rest of the world may grasp the

import of the truths that we speak. Perhaps even some among us do not fully realize their role. But we, my friends, are the guardians of tomorrow's world and what it might become. Nothing, I repeat, nothing can be sustained without the energy that we zealously protect. No economy can run, no country can call itself sufficient, no earth can exist as we know it, without the power that drives nations. Renewable energy can bring security to a future that for now still believes in and relies on fossil fuel. We who are here, we know that the future is unsustainable. And so we have acted now, and promise each other to act tomorrow. In the name of my country, the Philippines, in the name of ASEAN (Association of Southeast Asian Nations), in your name, and on my personal behalf, I declare that we remain committed to the goals that were set forth by those who came before us: the alleviation of poverty, the access to energy sources by the 1.5 billion people who live without them, the purification of our environment through renewable energy, and the promise of self-sufficiency to a world that has tasked us with finding a solution to depleting this planet. On this day, in this place, let us renew our common pledge to do everything in our power to fight for our planet. Ladies and gentlemen, let us win this war!