



SPEECH BY KRIS PEETERS
FLEMISH MINISTER FOR PUBLIC WORKS, ENERGY, ENVIRONMENT AND
NATURE
FLEMISH POLICY IN RENEWABLE RESOURCES
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Ladies and Gentlemen,

Lately, energy is a hot issue in several debates. Because of the rising prices more and more people and companies are aware of the importance of energy, as a vital component in our society. There's also the fact that the supplies of energy are not unlimited. And last but not least, we are confronted with the global warming as a result of CO₂-emissions by burning fossil fuels.

It's our challenge to stimulate sustainable development so the future generations can be self-sufficient.

A return to the pre-industrial period is no option.

In the future we need to focus on the quality of the energy supply and on cutting down on the volume.

So sustainable energy management means in the first place a higher efficient energy use, followed by the building of more cogeneration installations and finally the support of renewable energy. Concerning rational energy consumption, there are still a lot of opportunities in Flanders, for example in the existing transport systems and in the housing sector.

Ladies and gentlemen,

The Flemish Government aims at increasing the share of renewable energy derived from wind, biomass and solar energy. By the end of this legislature, we want a significant increase in the share of renewable energy sources in the total energy supply system.

This means that by 2010 6% of our energy is renewable energy. In 2006 we will formulate our green energy targets towards 2018.

By 2010, 25% of our energy supplies must be produced in an environmentally-friendly way. This implies renewable energy as well as cogeneration of heat and electricity.

The production of green energy in Flanders has increased significantly since the green certificates system is operational. Today green energy production has reached 2,5% of net electricity production. In a domestic setting this is enough to supply over 600,000 Flemish homes.

To stimulate the production of green energy, we need to further adjust the remaining legal constraints and the sometimes complicated authorisations.

Therefore on the 8th of July 2005, the Flemish government has approved the **Green Energy Action Plan**. The execution of the ten measures in this plan has to boost the production to realise the goal by 2010. This is only possible in a stable and consistent juridical environment.

The investments on cogeneration depend on a well functioning system of cogeneration certificates and on a transparent handling of CO2-emission rights. In autumn, I will submit a proposition to the Flemish government for approval to **simplify the procedures for this type of sustainable installations**. The simplification will contribute to the necessary stability and legal certainty for the companies. It has to stimulate them to realize their intended investments. This is of the highest importance for the increase of the liberalisation of our electricity market.

More than 80% of green energy is produced from biomass and the organic part of waste.

Wind energy, solar energy and water energy on the other hand represent less than 20% of green energy production.

We expect that by 2010 biomass and wind energy each account for approximately half of the production target. One-third of wind energy is expected to be derived from offshore wind energy. One offshore wind energy park is being planned at Thorntonbank, 27 to 30 km in the North Sea. The windmill park should be able to cover the annual electricity consumption of 200.000 to 300.000 families.

Water energy and solar energy will only represent a small part of green power.

Ladies and gentlemen,

As regards biofuels, Flanders is trying to catch up. Today, almost no vehicles are being powered by biofuels. The Flemish Government wanted to give an incentive and decided on the 25th of February 2005 to set the Flemish Region's target for biofuels at 2% by 31 December 2005.

In March 2005 I've organised a Round Table on biofuels together with the Flemish Minister-President. The Flemish Government focussed on the importance of creating a clear framework for investments in biofuels in the short and longer term. I have taken the initiative to start up a study in order to develop a coordinated and effective policy. The study will give an overview of the production and consumption situation in the Flemish Region as regards biomass fuel used for transport and biofuels between 2005 and 2010. Recommendations will be made for introducing biofuels on a sufficient large scale. The study is due to be completed by the end of 2005.

In the meantime, major legal steps are being taken to facilitate the launch of biofuels on the Belgian market.

In fact Ghent, who acts as host today, is a major player with regard to bio-energy. Nearby the Port of Ghent, the Ghent Bio-Energy Valley will be established in the near future. A huge bio-ethanol manufacturing plant is planned,

with a capacity of 300 million litres and two biodiesel installations with a joint capacity of 255 million litres.

More than ever before, Innovation and Research and Development have to be integrated in the environmental and energy field. This is important, not only for environmental and climate reasons. Also economically, this gives Flanders more and new opportunities.

On the 22nd of July 2005, the Flemish government agreed on the implementation of the **Environmental Innovation Platform**. To make it work, I've invested 7 million euro. This platform has to centralize and coordinate the existing know-how of the different government and research institutions. In addition, this Environmental Innovation Platform has to make the bridge with the knowledge and drive of the entrepreneurs.

Flanders is quite small. I call on the different institutions to cooperate so they can achieve a major role in an European context. The Flemish Actionplan Environment and Innovation will contain the strategic objectives, the crucial policy themes and market segments. This actionplan will be the foundation of the environmental and innovation policy.

Ladies and gentlemen,

It's important to search for better and more sophisticated techniques for producing renewable forms of energy, forms that are profitable and cost-effective. In this way Flanders can compete with countries where the production costs are much lower.

In the case of biofuels we have to allow opportunities for new generations biofuels providing much higher production and return. At this moment, these fuels are still in the test phase but it is already obvious that their return with regard to energy-efficiency will be higher.

Industry will invest in cleaner energy technologies only if it can rely on a clearer, more predictable and more stimulating environment. These objectives are the central part of my policy.

I thank you.

Persinfo : Luc De Seranno, woordvoerder van
minister Peeters - tel. 02 552 66 44
e-mail : persdienst.peeters@vlaanderen.be