



REPUBLIC OF SLOVENIA

OFFICE OF THE PRIME MINISTER

OPENING STATEMENT

BY PRIME MINISTER OF THE REPUBLIC OF SLOVENIA JANEZ JANŠA
AT THE 3rd BLEED STRATEGIC FORUM "ENERGY AND CLIMATE CHANGE: SI.NERGY FOR THE FUTURE"
Bled, 31. August 2008

*Prime ministers, Mr Topolánek and Mr Godmanis,
Mr Schüssel,
Ministers, Excellencies
Distinguished guests,
Ladies and gentlemen,*

The very first Bled Strategic Forum had an almost prophetic title: *Caspian Outlook 2008*. I remember our discussions were optimistic. Two years on, the crisis in Georgia has proven our optimism slightly wrong. Tomorrow, the French Presidency is holding an extraordinary European Council. I particularly thank members of the European council who nevertheless took time to join us here.

Let me also express my warmest welcome to all participants of the third Bled Strategic Forum.

Two years ago, we established that "political stability is necessary for developing the Caspian region into a reliable energy partner for Europe". All actors in the region should bear in mind that fostering reliable energy partnerships is a two-way path.

There is a lot of talk about Europe's dependence on external energy sources. It is often heard that the oil prosperity of our suppliers reflects our own energy vulnerability. We should not, however, forget the other side of the equation. Europe is also a destination to which energy suppliers want to export.

As they do, they enter one of the worlds's most dynamic, competition-driven markets. We Europeans are used to being innovative in finding ways and means to meet demand. Lack of alternatives does not stay unchallenged in such an environment: "Necessity is the mother of invention."

The sense of urgency is strengthened by the so-called "resources crunch", the result of demographic pressures and the impact of emerging economies. The most fundamental challenge to the way we fuel our economies and support our way of life is posed by climate change.

Ladies and gentlemen,

Europe is preparing to extend its range of energy sources and to develop a sound response to climate change. Slovenia was in a unique position in the first half of this year to observe and facilitate that process. Energy security and climate change were at the very top of the agenda of our EU Presidency.

It was towards the end of our half-year term when the Member States reached a broad agreement on a legislation package aimed at liberalising the gas and electricity markets. From the position of an honest broker, we managed to close the deal, which aims to improve energy security in Europe.

In the case of the climate and energy package, it proved easier to agree on the goals than the means. The Slovenian Presidency inherited a very ambitious agenda. The timeline and principles were yet to be determined. The conclusions of the March European Council gave the EU a solid basis for reaching tangible solutions before the end of the European Parliament's term. This challenge will keep the French and Czech Presidencies very busy. I can assure you, Prime Minister Topolánek, that Slovenia will be a constructive partner.

EU solutions will be crucial for the success of the conference in Copenhagen. During our Presidency, we got first-hand experience of the EU's role in striking a global agreement. Climate change is on the agenda of each and every dialogue with global partners. The expectations in European leadership run very high. The EU represents hope for nations as distant as the Caribbean, whose very existence will also depend on the new regime.

Ladies and gentlemen,

The synergy between energy security and climate change offers a strong incentive for structural change in Europe. Similar to the first stage of European integration, energy holds the key to transformation. Our generation has a responsibility to launch this transformation and a chance to set its course. Some call it transition to a low-carbon society, while others talk about the third industrial revolution.

Whatever we name it, its impact will be deep in a wide range of policies. The report of the EU High Representative and the European Commission called climate change a multiplier of security threats. Transition to low carbon production is needed to avoid a major drop in the standard of living in the developed world and the loss of hope in developing economies.

On the other hand, timely responses will unlock huge socio-economic potential. Each euro we invest in renewable energy technologies creates 3 to 5 times more jobs than fossil fuel generation. The industry of renewables in the EU is expected to generate 14 billion euros in earnings and more than 700,000 jobs by 2010. By 2050, renewable energy is projected to provide nearly half the primary energy, and 70% of the electricity produced within the EU. Several million new jobs are expected.

What we are looking at is a level of change comparable to the Industrial Revolution. A study in the United States shows that a tenfold increase in labor activity was achieved between 1830 and 1955. Comparable increase in carbon productivity has to be reached three times faster if the global goals are to be met by 2050.

Our success will also be measured by how we distribute the benefits of this transition. The Industrial Revolution improved the standard of living for a third of world population, largely concentrated in Europe and North America. Emerging Asia, with another third of the world population, has made significant progress in the last decades. Now the last third of humanity needs help to catch up. It is our responsibility to assist them in terms of financing and transfer of technologies.

I believe that the developed world is making a historically, right decision to start giving up environmentally damaging energy sources. It will take some time, of course, before we can fully rely on the new generation of sources. We should therefore continue to make the best use of existing emission-free technologies, including nuclear.

Ladies and gentlemen,

Bled enjoys a very special position. Forces of nature have formed an idyllic glacier lake with an island in the midst of spectacular mountains. On an August Sunday it is easy to forget how brutal these forces of nature can be.

Last September, Slovenia was struck by one of the most severe weather disasters in its recent history. This summer, we were not spared from heavy storms either. An inconvenient truth is that these events will not simply disappear. On the contrary: we will have to adapt to the changes in our climate.

Dear friends of the Bled Strategic Forum,

Let me conclude by wishing you all a very pleasant stay in Slovenia. I hope for inspiring discussions and a successful third edition of the forum.

Thank you very much.