



EUROPEAN UNION

DELEGATION TO THE KINGDOM OF SAUDI ARABIA

Your Excellencies,
Ladies and Gentlemen,

It is a great honour for me to be here today, as we open the second Energy Day with the International Energy Forum. Since I came here to Riyadh, IEF have been a great partner for us, and I am looking forward to continue building this relationship.

Last year, we discussed clean energy and focused on areas that we either cooperate on, or could further develop in the Gulf region. Today, we will tackle the circular economy, which is a concept that offers an opportunity to reinvent our economy, making it more sustainable and competitive.

- Resource efficiency is one of the main drivers of circular economy; it substantially elevates companies' competitiveness since European manufacturing firms spend, on average, 40% of their costs on raw materials, to be compared to a share of 20% for labour costs.
- A shift from recycling to refurbishing light commercial vehicles could save material inputs by EUR 6.4 billion/year (about 15% of material budget) & EUR 140 million in energy costs.

While Saudi Arabia is rather affluent in fossil fuels, the growing domestic consumption and lower oil prices have detrimental effect on its economic development and wealth. Coupled with water scarcity and as well as lack of other raw materials, resource efficiency represents the only option for a sustainable economic growth in Saudi Arabia, sustainable both environmentally and economically.

In January, we held a workshop on energy efficiency in Jeddah, in collaboration with SASO. Considering that households and buildings are the greatest energy consumers and GHG emissions contributors in Saudi Arabia, energy efficiency discussion was a logic first step in developing a comprehensive, long-term partnership on clean energy, circular economy, or sustainable development altogether.

We have also spent the last two days exchanging best practices and knowledge of the different aspects of circular economy with the Ministry of Economy and Planning and other Saudi experts from both private and public sector: we spoke about waste management and recycling, product design... Today, we are here to debate with the private sector, with the consumers and producers, how to facilitate the development of circular economy in Saudi Arabia, and in the GCC more broadly.

Today, we want to complete the picture with other aspects of circular economy, in particular resource and energy efficiency.

I would like to thank Dr Sun, as well as his team, in particular Christof van Agt for their continuous support and for their cooperation on energy-related questions.



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Your Excellencies,

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Thank you for your attention and interest in working with us on circular economy.