

**The role of new technologies for a more competitive and productive energy mix, Plenary Session 1. 10 September 2019,**

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Thank you, Mr. Sieminski for kind introduction and for moderating this panel session.

**Dear participants of this Session, distinguished colleagues,**

**Ladies and Gentlemen,**

At the outset, I would like to extend my appreciation for the invitation to participate in this event and thank the hosts, especially H.E. Suhail Al-Mazroui, Minister of Energy and Industry of the United Arab Emirates for excellent organization. Allow me also to greet **the co-hosts (the Government of India)** of the meeting and other distinguished Ministers and high-ranking officials.

According to the estimates, Asian region will bear the brunt of global energy demand in the coming 20 years. This, therefore, is a very timely and important topic that needs collective discussions and a thorough analysis.

Such exchanges also enable us to adopt flexible responses to the global issues associated with the reduction of carbon emissions, alongside continuing to work towards meeting global demand for energy.

Technologies, no doubt will play big part in the processes related to energy transformation and the concomitant challenges. Technologies and innovations offer the best solutions for everyone, including for the traditionally energy rich countries.

For the first time in the world history, industrially drilled oil well was done in Baku in 1846. Many firsts in the history of oil industry, including the construction of the first oil pipeline and the first oil refinery were pioneered in Azerbaijan. In 1899 Azerbaijan topped the world list due to the volumes of oil production and refining. 70 years ago, for the first time in the world history, an open sea oil extraction was performed in Azerbaijani sector of the Caspian Sea. Attraction of foreign companies and modern technologies to the oil and gas sector of Azerbaijan in the last 25 years has contributed to Azerbaijan's becoming an energy hub of the region and implementation of global energy projects initiated by my country.

The Southern Gas Corridor – a multimillion megaproject, which is considered as one of the biggest infrastructure and energy security projects currently underway, and the development of Shah Deniz gas field are the vivid examples of technological and engineering success.

Today Azerbaijan also implements complex reform measures directed towards the achievement of energy efficiency, diversification in electricity production and

increasing the share of renewable energy in the overall energy consumption balance.

Azerbaijan acquires 92% of its electricity from natural gas. Given the fact that carbon emissions are mostly generated in the power sector, we are trying to increase the share of renewable energy sources in the electricity production. The share of renewable energy in the overall energy balance of the country is 18%. However, we plan to increase this number by 30% until 2030. In order to boost the development of the renewable energy sector, and create the relevant market we have developed a new draft law on renewable energy sources. We are defining favourable mechanisms for attracting private investments into renewable energy sector. We are cooperating with companies such as "Avelar Solar", "Akwa Power", "BP", "Equinor", "Masdar", "Mitsui" and "TOTAL". In 2020 in 2021 we are planning to conduct auctions and want to invite all interested companies to participate.

This is a new sphere for us. Nonetheless, we are determined to make our contribution to the global efforts to avert climate change. Currently, traditional energy sources account for 85% of preliminary energy consumption, and for 64 % of electricity production worldwide. The share of renewable sources in global energy consumption is 10.9% currently, while this number is 25% in electricity production. However, forecasts indicate that renewable energy sources will be the growing sources of energy in the coming 20 years.

Renewable energy sector is fast developing also due to the application of technologies. For comparison, if the share of oil in the global energy balance reached from 1 % to 10 % in 45 years, and for natural gas this number is 50 years, renewable energy will need 15-25 years to make such a leap. Technologies facilitate the operationalization of renewable energy potential around the globe. According to IRENA estimates, renewable energy may facilitate the opening of 11 million work places and saving of up to 160 trillion US dollars globally.

Last but not least, technological innovations hasten global energy transformation and lead to an ecologically clean and effective energy future. We all have to contribute to this future and I wish every success to all of us in this endeavour.

Thank you.