



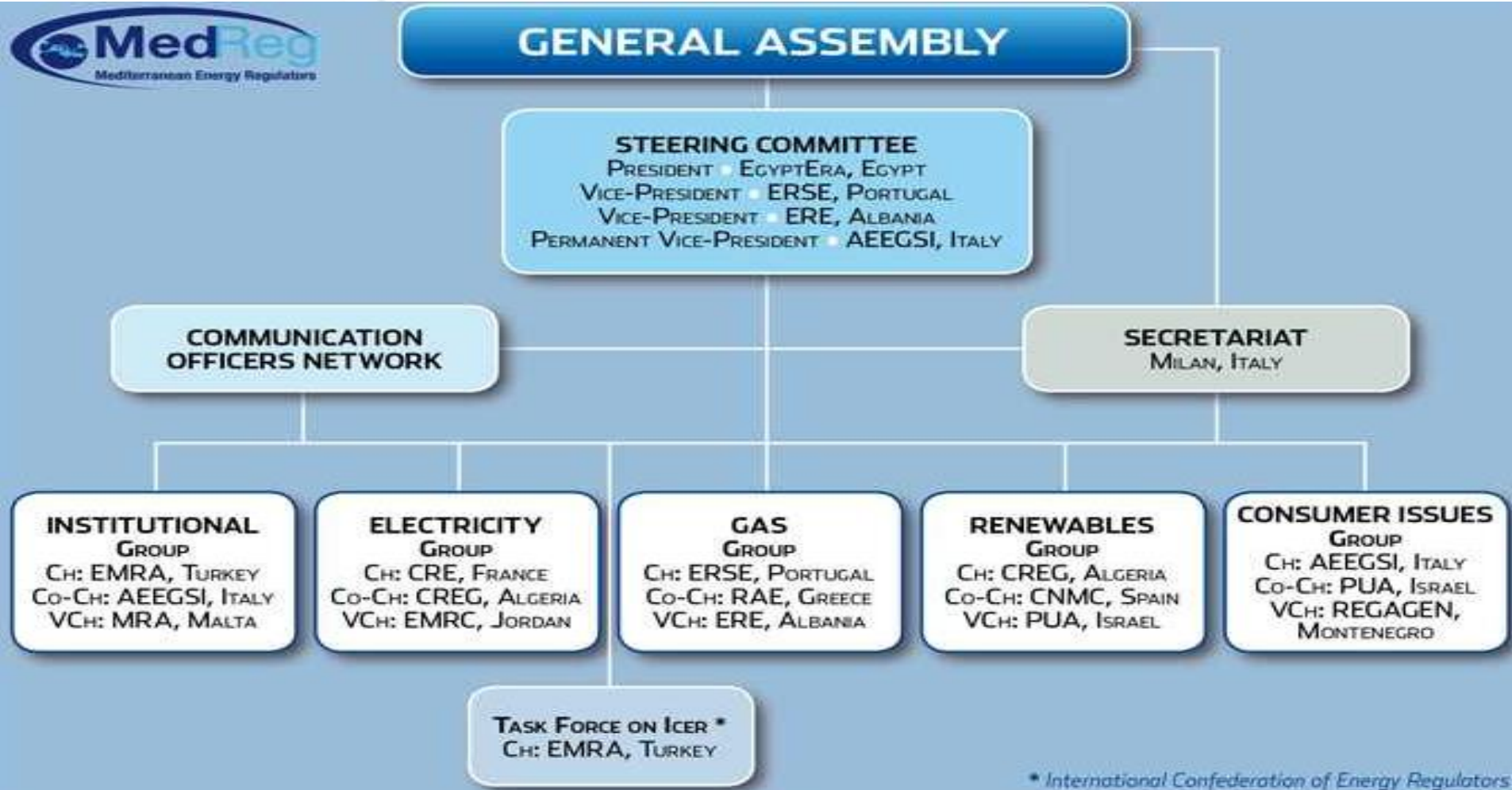
**STATUS OF RENEWABLE ENERGY
IN THE MEDITERRANEAN AND
CURRENT CHALLENGES;
*MedReg Perspective***

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Background on MEDREG

- MEDREG was established as a permanent “working group” in May 2006 of Electricity and Gas Regulators around the Mediterranean.
- In 2007 it was announced as a non profit association under the Italian law with the name “*Association of Mediterranean Energy Regulators*”
- MEDREG brings together 23 Energy Regulators for Electricity and Gas of 20 countries around the Mediterranean Basin

MEDREG Organizational Structure



MEDREG STRATEGY

2020 - 2030

Achieve Mediterranean Energy Community Through the Following Measures:

- 1. A sound institutional regulatory framework.**
- 2. Optimal conditions for infrastructure investments.**
- 3. Functioning, competitive and transparent electricity and gas markets.**
- 4. Efficient consumers protection taking into account the particular situation of vulnerable Consumers.**
- 5. Intensified regional cooperation and setting up of pilot projects**





Activities of RES/EE Working Group



➤ **Targets 2015-2020 includes:**

- **Implementation of a common tool allowing the use of flexibility mechanisms enabled by the concerned EU directives (2009/28/CE)**
- **Implementation of harmonized regulatory options to promote RES in a cost-effective way.**
- **Implementation of advanced distributed generation, grid parity and net metering frameworks in Mediterranean electricity systems**



Recent Reports of the RES/EE WG






- Assessments of mechanisms to integrate RES in isolated electricity systems
- Study to evaluate net metering systems in Mediterranean countries
- Paper to analyze collaboration as regards flexible mechanisms and possibility of linking the ETS Scheme with schemes in non-EU countries.
- Update of the environment, RES and energy efficiency benchmarking exercise: analysis of the status, the structure and organization of the RE/EE policies and regulations
- trend of national emissions of greenhouse gases, the legislative and regulatory framework concerning renewable sources support schemes and energy efficiency promotion.



Regulatory Benchmark for RE Adopted Policies and Plans in SMC

	ALGERIA	EGYPT	ISRAEL	JORDAN	LEBANON	MOROCCO	PALESTINE	TUNISIA
RES General Policy and Legal Framework								
RES policy and targets for 2020	Green	Green	Amber	Green	Amber	Green	Amber	Amber
Specific legislation on RES and EE	Green	Green	Green	Green	Amber	Green	Amber	Green
Specific targets for different Sources of RES	Green	Green	Green	Green	Amber	Green	Amber	Green
Specific targets for Solar and Wind Energy	Green	Green	Green	Green	Amber	Green	Green	Green
Concrete periodic RES targets	Green	Green	Green	Red	Amber	Green	Green	Red
Rules to monitor RES progress	Amber	Green	Green	Green	Green	Green	Amber	Red

Source: pwmsp

-  The 'Red Light' indicates the Basic level of progress whereby the MPC have envisaged a programme of actions but not yet proceeded towards implementation or enactment.
-  The 'Amber Light' indicates an advanced level of progress whereby programmes have been initiated but nevertheless require additional supportive or complementary measure to be introduced in order to proceed to a more mature convergence status.
-  The 'Green Light' indicates a Mature level of progress whereby the MP has successfully completed the fundamental aspects of its convergence programme.

Changes Since 2013

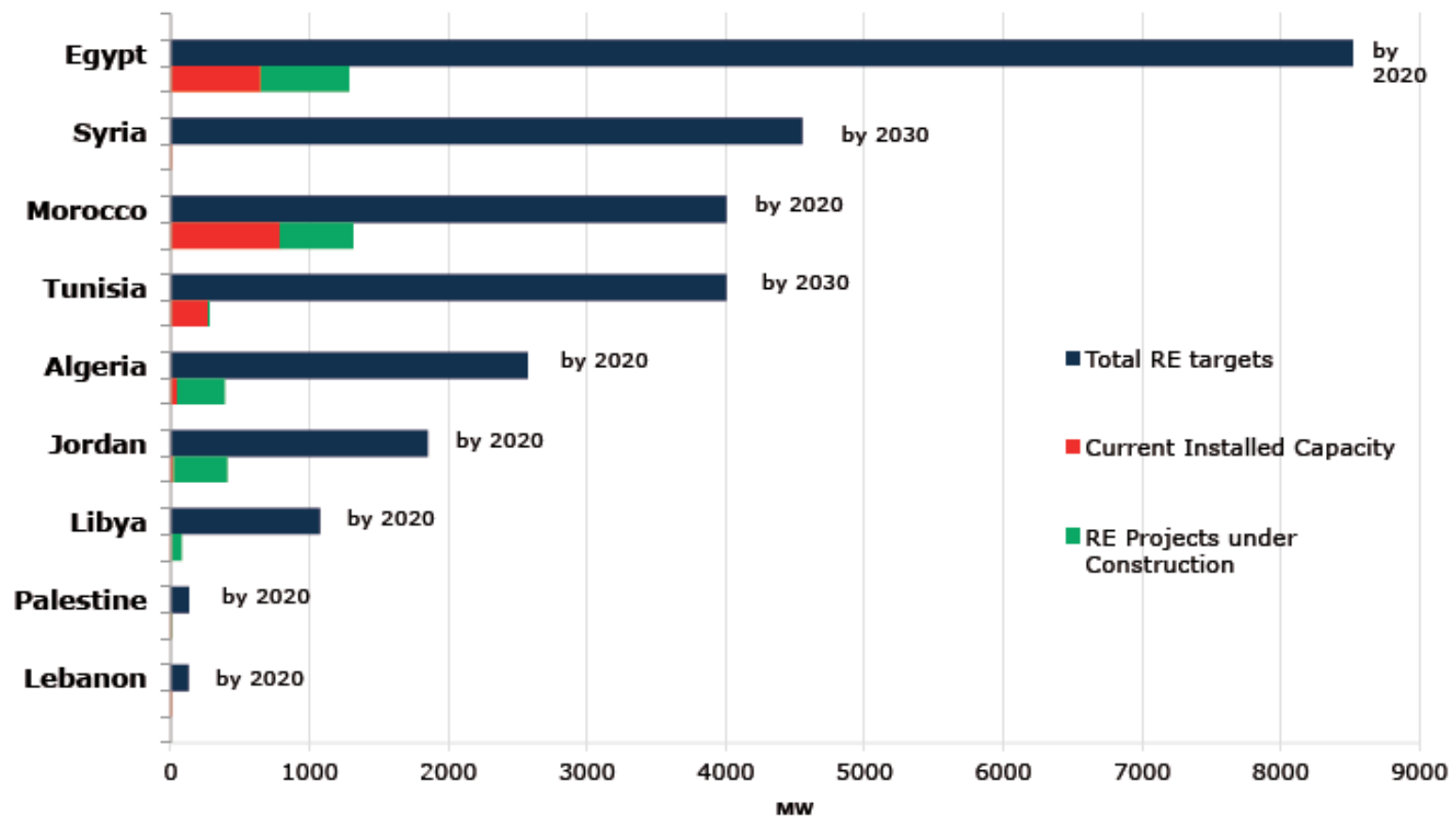




	ALGERIA	EGYPT	ISRAEL	JORDAN	LEBANON	MOROCCO	PALESTINE	TUNISIA
RES SupportSchemes								
RES Tariff Support Schemes (e.g.) Feed in Tariffs and/or Premiums)	Yellow	Green	Green	Red	Red	Red	Yellow	Green
RES Fiscal Support Schemes	Green	Green	Green	Green	Red	Red	Yellow	Yellow
RES Quota Schemes	Yellow	Green	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other RES Support Schemes	Green	Yellow	Green	Green	Yellow	Yellow	Yellow	Green
Schemes for solar and wind projects	Green	Green	Green	Red	Red	Green	Red	Yellow
Rules on Feed-in Tariffs (FITs)								
Existence of feed-in tariffs	Yellow	Green	Green	Red	Red	Red	Yellow	Green
Specific Tariffs for different RES	Red	Green	Green	Red	Red	Red	Yellow	Green
Period of the fixed tariff guaranteed	Red	Green	Green	Red	Red	Red	Yellow	Green
Tariff adjustment mechanism	Yellow	Yellow	Green	Red	Red	Red	Red	Green
Rules on RES Tendering								
Framework rules on RES tendering	Green	Green	Green	Green	Red	Yellow	Yellow	Green
Type/Scope of RES Tendering Options	Yellow	Green	Green	Green	Red	Yellow	Red	Yellow
RES Technologies eligible for tendering	Yellow	Green	Yellow	Green	Red	Green	Green	Yellow

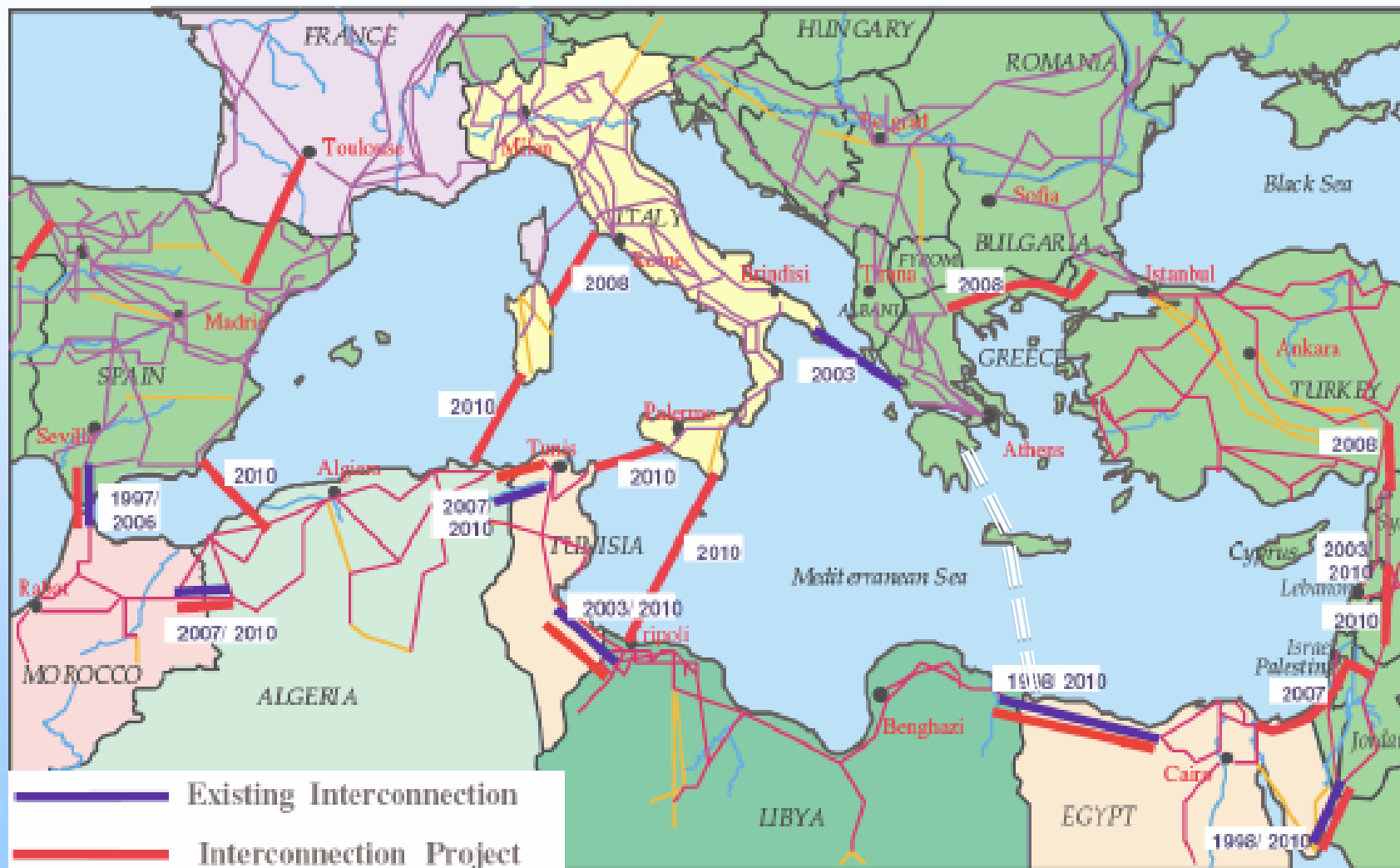


Renewable Energy Targets





Existing and Future Interconnections





Interconnection Infrastructures in the Mediterranean:

A Challenging Environment for Investments

- A report on challenges to infrastructure investments in the Mediterranean has been developed by MedReg in 2015
- The report has been publically consulted with stakeholders.
- Six main barriers have been identified, these are: lack of transparency, low level of involvement of private sector, fragmented legal and regulatory framework, significant subsidizations, unclear institutional architecture at national level and lack of regulatory incentive mechanisms.



Report Key Messages

Based on the survey carried out as a part of the report the respondents recognized the importance of promoting a sound legal and regulatory framework to increase the chance that infrastructure projects in the Mediterranean region receives investment.

Other key messages are also identified these include:

- Activities aiming at improving the climate of energy investments in the Mediterranean region should be rationalized and better coordinated.
- Demand-risk represents a relevant source of uncertainty for upstream investors and should be considered by regulators when managing the evolution of end-user markets.



Key Messages (Contd.)

- Business models should be tailor-made to the specific needs of the region.
- Clear price signals and removal of subsidies are preconditions to any business model and should be implemented now.
- Proposed infrastructure projects always be evaluated based on a cost-benefit analysis and include a cross-border cost allocation to highlight the interest that each country has in the projects



Union For Mediterranean Energy Platforms

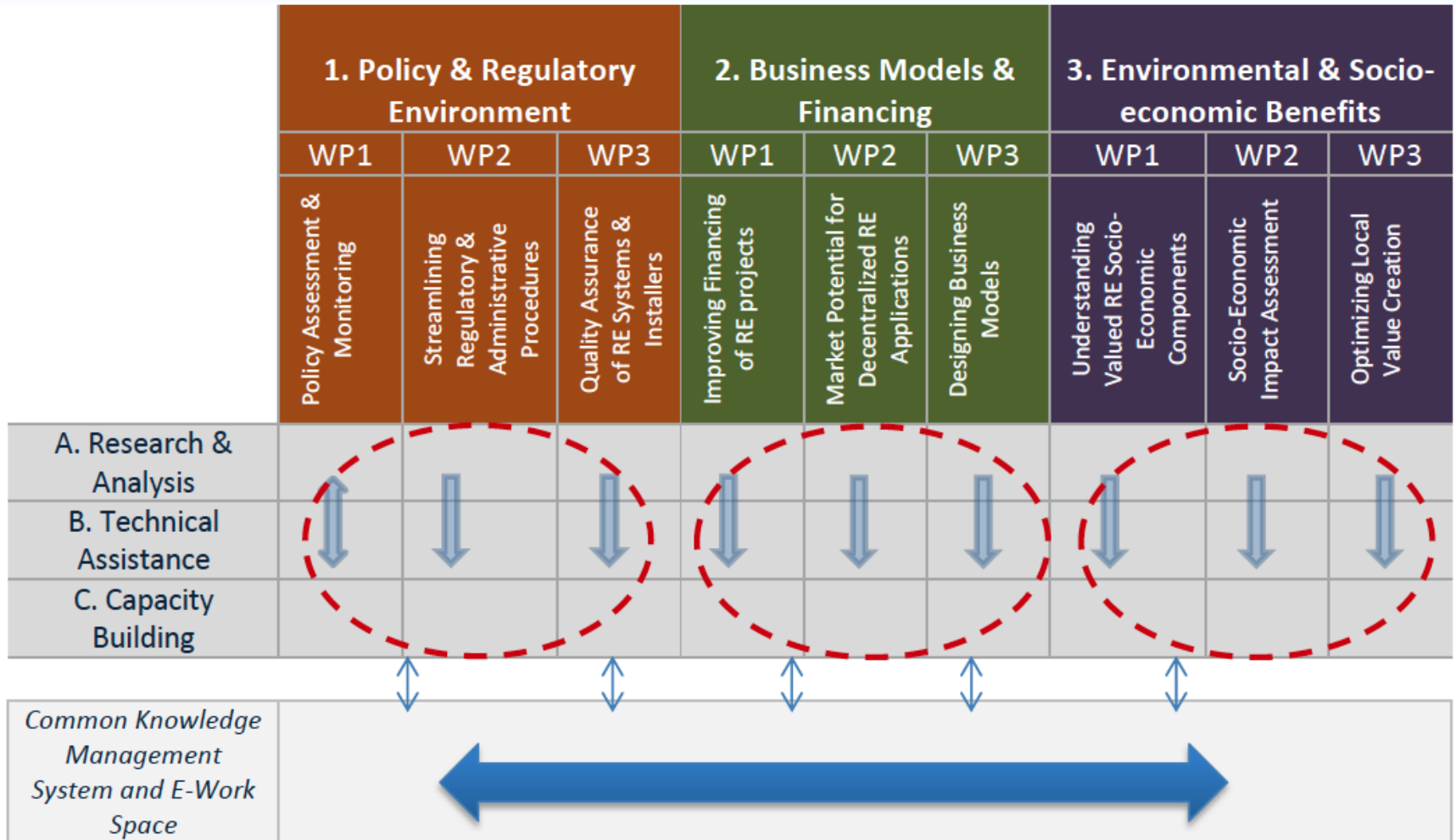


- Through the activities of the Mediterranean Ministerial Energy Conference which held in Rome in Nov. 2014, an initiative to establish three Energy Platforms was adopted to enhance energy integration among the Euro-Med countries
- UFM has taken the responsibility of these platforms
- These platform includes:
 - A platform on Regional Electricity Market “REM”
 - Gas Platform
 - Renewable Energy and Energy Efficiency Platform



Work Program Matrix

Approach for RE Platform





Conclusions

- Role of Regulators in supporting integration of Renewable energy with the grid is crucial. This comes through adopting necessary regulatory measures for supporting; production, transmission and trading of Re.
- Stimulating production and trading of Re in the Mediterranean necessitates developing the existing infrastructure as well as develop more innovative finance and trading mechanisms.
- MedReg as an association of public entities support the platforms initiative and cooperate very effectively to achieve their targets, which are in alignment with MedReg strategy



Thanks you for your attention!

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