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Speech delivered by Brian Wilson, Chairman of Havana Energy Ltd

Topic : Renewable Energy Strategies for the Caribbean

Companeros y amigos,

I speak both as the president of Havana Energy, the UK company now partnering with Zerus, which is part of the Cuban sugar ministry, to develop biomass plants in this country; and also as a former Minister for Energy in the United Kingdom Government with a long history of support for renewable energy.

As the UK Energy Minister and earlier as Trade Minister, I had a personal as well as political priority to strengthen our commercial ties with Cuba and to give greater recognition and respect to the achievements and potential of this country. For me, therefore, it is a source of satisfaction to be involved now in this historic Joint Venture which will, I hope, serve the interests of Cuba and the Cuban people for many years to come. Also, however, a sense of responsibility for I know the significance of this Joint Venture for Cuba and it is now up to us to deliver it successfully.

While each island in the Caribbean is unique, all share many of the same challenges. No nation can solve these challenges alone and we need to look for shared solutions and good models to build on. If what we are doing in Cuba can provide a practical example which is of value to other Caribbean countries, then so much the better.

Quite simply, we need cost effective alternatives to oil dependency while at the same time promoting environmental benefits, economic growth and the creation of new jobs. These are the challenges which Cuba has recognised and they are the same ones faced by most Caribbean countries.

In general the region suffers from

- High electricity prices due to dependency on oil imports
- Isolated power systems lacking the benefits of scale
- And financial constraints which inhibit the transition to renewable technologies such as solar, hydro and biomass.

- All of this becomes a vicious circle. The problem is obvious, the solutions elusive particularly in creating an environment that is capable of attracting investment. For example, feed in tariffs only work if there are consumers who can afford to pay for them.

But there are many signs of progress and unquestionably there is a better understanding of the importance of renewables and also the need to escape from oil dependency in an age of price volatility which can cause huge damage to fragile economies.

- Scalable technical solutions are becoming better known and also cheaper. For example look at the advance of small gasification plants for burning waste or biomass
- There is better understanding and willingness to look at funding these types of initiatives. When I was a member of the UK government, we put aside funds for these types of projects in the Caribbean. That kind of practical support needs to continue and be expanded. There is no more effective form of support for developing economies than investment in the energy infrastructure and the transition to energy self-sufficiency.

The project we are involved in here in Cuba addresses some of these issues. Cuba has multiple assets to support renewable generation and it is determined to do so on terms which safeguard the essential interests of the Cuban people. That is their absolute right and we respect it totally.

Within that framework we are committed to build biomass plants at sugar plantations in Cuba, selecting world class suppliers, proven technologies and using the existing assets in Cuba to establish sustainable fuel sources. Not just the residues of sugar cane but also the plant marabou, which has a long history in Cuba as an invasive weed which has taken over vast areas of once productive land.

Through the assault on Marabou, we hope to create the perfect virtuous circle. This plague will be transformed into an economic asset and land will be restored to productive use for sugar, food or forestry. In order to identify solutions and work towards these outcomes, we have promoted intensive collaboration between crop experts in the UK and their Cuban counterparts. The potential benefits of this partnership for Cuba are very substantial.

In the very near future, there will be biomass exports from Cuba to the UK and it would also make complete sense to look for markets around the Caribbean – or indeed, if comparable conditions exist, to apply the same model..

Our focus is firmly on Cuba but we also stand ready to commend the same formula to other Caribbean countries - public/private partnerships, proven technologies, creative use of indigenous resources in order to generate energy in a sustainable, cleaner and cheaper way than is the case today, throughout the region. Our CEO, Andrew MacDonald is here today and we will be happy to discuss these possibilities with any of you further.

Cuba is determined to reduce its current high level of oil Independence and we are privileged to be in the position of helping Cuba to do so.

Finally, I want to mention the formation of the Renewables Club in Berlin this week when ten governments, including the UK's, signed up to - and I quote from the founding declaration - "a political initiative of pioneering countries which are united by an important goal - a world wide transformation of energy systems".

That is a club that every country represented in this room both needs to belong to and wants to belong to. We must work together to make it happen and where better than Cuba to make that declaration in a spirit of confidence and solidarity.