

LAUNCHING OF THE 2014 LAW 1715.

TRANSCRIPT

BOGOTA D.C., AUGUST 5TH 2014.

Launch of the 1715 act of 2014 which regulates the integration of renewable energy non-conventional, into the System of National Energy. In this event was made an appreciation to Paolo Lugari, by the Minister of Mines and Energy Amylkar Acosta Medina.

WORDS OF FORMER PRESIDENT OF COSTA RICA

Jose Maria Figueres



Launvhing of the 2014 Law 1715

Now we invite the Doctor José María Figueres, industrial engineer and recognized expert on sustainable development, former president of Costa Rica and who currently serves as president of the company Carbon War Room who will give a short presentation on global trends in the use of renewable energy.

Good morning, how nice national anthem. I promise you that the next time I will sing it with you here.

Mr. President of the Congress of the Republic, Minister of Mines and Energy, Madam Minister of Environment and Sustainable Development, Mr. Deputy Minister of Mines and Energy, friends. As we say in Bogotá, I love being back in Colombia. I have come many times to this country, the last of them as a responsible of the Carbon War Room, nonprofit that I am managing, dedicated to promoting renewable energy as a viable alternative and economically productive to the energy challenges of the future.

I want to thank you for your presence here this morning, many and many of you are struggling in this field for many years and I want to acknowledge and thank its leadership, and of course, I could be here a long time mentioning names but I cannot fail to mention Don Paolo Lugari who with its draft Las Gaviotas has set a new milestone. If the world had a little more reason we would all be much better if we were studying the experience of Las Gaviotas and replicating it everywhere.

I would like, if you allow me, mention three things very quickly:

First, the importance of this law regarding leadership of Colombia in this field framed in what is happening in the world. Second, highlight some issues about the law, which I think makes it a vanguard law and third then discuss some things we are already doing in San Andrés and Providencia with the leadership of the minister and deputy minister of mines and energy and Madam Minister of environment and sustainable development.

So the first point, the importance of this law in a global context we live. Until 2007 we all know, the world experimented almost 15 years of impressive growth, United States and Europe grew as we would never have thought but also Africa grew on average by 5%, Latin America 6 or 7%, Asia 10 to 11 %. That growth allowed us on the one hand to lift millions of people out of poverty in Latin America, Africa and especially in Asia and on the other hand also help 600 million people worldwide to swell a new middle class. That has significance in relation to the demand for products, goods and services on a planet that is not getting bigger.

The economic crisis of 2008 hit more the developed countries than to developing countries, which is unusual so far and yet allowed us the developing countries to overcome much faster than the developed countries. The consequences of this economic crisis, it still feels very much in Europe and in the United States, and in the decreased growth in Asia, are a significant fiscal deficit in one side and on the other side, much more worrying about unemployment. This world needs job creation, because we

are about to lose a generation, the more prepared, more educated, the more qualified to lead what is required today and into the future.

Political leaders in many parts of the world make an effort to get us out of the economic crisis and yet it seems to me that we were short in those efforts for three main reasons we have for the first time in the history of mankind. Today we are 7 billion of people in a planet that is not getting bigger. 3 years ago vehicles sold by China make it the first seller of cars in the world. At this time China has 140 vehicles per thousand people, the United States has 920 vehicles per thousand people. Should the transport model for the future will be the US's model we will need 4 or 5 other more planets for vehicles that occupy the world, 1300 million Chinese, 1200 million people in India and other continents alike. Therefore we have to make a much more efficient use of our resources; we have to use our energy to meet just the demands and aspirations of our peoples for a development in a world that is not larger now. Second, we are still a world that swallows increasingly energy to meet our demands for development and so far the global energy mix has been only based on mineral oils. That have to change in the future, the hydrocarbons still have to accompany us for years to come, yet we need to make the transitions from hydrocarbons to other energy forms, because the third element to which we are confronted is climate change.

Mathematics does not lie, last summer was reached in the northern hemisphere 400 parts per million of carbon in the atmosphere. We are accumulating with our development way 3 -4 parts per million per year, 90 years from now to the end of the century will be 90×3 equals 270 plus 400

we already have it will be 670 parts per million carbon in the atmosphere and scientists tell us it cannot exceed 450 parts, more than 4000 scientist which signed the last IPCC report. Some say we should lower them to 350 parts if you do not want to face major disturbances in the global climate system. That is why; renewable energies into the future have to help the world to be projected onto a low carbon economy. This is a desirable alternative and the transition towards low carbon, as Don Paolo and many of you could say, will create employment opportunities, new models of business opportunities for entrepreneurs and new models of financing the transition ... well, that transition towards low carbon is a real economic growth that allows us to push the world into the future in a sustainable way.

Now I am going into the second theme that is the importance of this law at this time. Among the many beautiful and good things that Colombia has done over recent years, this is important and fills with pride Colombians. It has to motivate those outside of Colombia wanting to come to Colombia to invest in Colombia, for using Colombia as a takeoff point for the rest of the Latin American continent. Among those good and beautiful things this 1715 law today adds an opening to a decidedly new field of renewable energy.

Thank you Mr. President of the Congress of the Republic, for his leadership and for his struggle over the past two years to develop this bill that we are now making true.

Two things I feature on this law, first, the emphasis on demand management, i.e. become more efficient in using energy. The most

economical renewable energy is what we save and with this we must always begin in our countries. Incentives, special programs, the way this law takes everything that has to do with energy saving is key on legislation we've seen in the Carbon War Room anywhere in the world. The second is that this law also stimulates with the right incentives the supply of new energies and opens fields to the private initiative, creativity, entrepreneurship, and new business models that can support the emergence of this sector in the economic life of the country.

Finally, within this context, and as a third point I will mention what has already been working in the archipelago of San Andrés and Providence specifically under the leadership of Minister, the Deputy Minister and ministers who are with us here this morning. San Andres and Providencia 22 Megas demand in peak summer 33 Megas. Today at a cost of 42 cents per kilowatt hour, of which approximately 20 cents are subsidies that cost the Colombian nation between 40 and 45 million dollars per year. The opportunity is to replace it with renewable energy, south of the island of San Andres is already identified, with very good studies made by a German company, a wind project of 12 Mega and also identified 100 thousand square meters of roofs on the center of San Andrés, which could become a model of solar generation of energy to support renewable energies. Providencia has all the ability and opportunity to become 100% sustainable model instead what it has today. With the new prices of renewable energies that have come down to move to a point where they are competitive against any energy model, much more under conditions as I mentioned in San Andrés and Providencia, this makes all the sense in the world, not only in

improving the economy of each family in the archipelago but also to improve their competitive and also to create them as a center of international tourism where renewables are part of what may come to appreciate the tourists coming to the island is a great thing what the government is doing in terms of supporting development in the archipelago. In Carbon War Room we are very proud to contribute even a bit with this enormous effort you are starting today.

Ladies and gentlemen, friends: this is the future. This law is a law that makes Colombia a leader as in many other fields is put at the forefront, not only in Latin America but in many parts of the world. A law that has these qualities is that today we are celebrating, many thanks and God bless.