**The post-oil energy economies of the future - by Gordon Brown**

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*British Prime Minister Gordon Brown - from zero to hero?*

.... to set ourselves on a new energy path - a path from our economies that are today over-dependent on oil towards the *post-oil energy economies of the future*. And moving towards this sustainable energy economy helps us meet our economic, political and environmental goals.

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|  |  | The stuff of Statesmanship? From [**a speech made by Gordon Brown on 13th July at The Union for the Mediterranean Summit**](http://www.number10.gov.uk/output/Page15948.asp). The whole speech is below the fold. My emphasis added. |

At this summit the 27 nations of the European Union and our Mediterranean neighbours pledge ourselves to take action to promote our mutual prosperity, security, liberty and democracy.

**We must now leave behind the old wasteful, oil dependent ways of yesterday and embrace the new cleaner and sustainable energy future of tomorrow.** The increases in oil and food prices we have seen over recent months are causing hardship to families and businesses in Britain and throughout Europe. They threaten economic instability and their production is environmentally not sustainable.

The years of cheap energy and careless pollution are behind us. We need a new strategy. Past total dependence on oil must give way to a clean energy future.

I have called for a better dialogue between oil producers and consumers and a more transparent market, and for measures to increase investment in oil production and refining. Following the meeting in Jeddah, Saudi Arabia last month we will take these initiatives forward at the meeting in London in December, endorsed this week by the G8.

But improving the functioning of the oil market can be only one half of our strategy. **The other must be to set ourselves on a new energy path - a path from our economies that are today over-dependent on oil towards the *post-oil energy economies of the future*. And moving towards this sustainable energy economy helps us meet our economic, political and environmental goals.**

Today in Europe more than a third of our energy comes from oil, and a further 40 per cent from other fossil fuels - gas and coal. Only around 20 per cent of our energy comes from low carbon sources - renewables and nuclear. None as yet comes from fossil fuels with carbon capture and storage.

With our ambitious climate and energy package - which we must commit to completing under the French Presidency this year - Europe is on a path to increase the proportion of renewable energy in its energy mix by 2020 from under 10 per cent to 20 per cent. And if we are to meet our long-term climate change objectives - to reduce our emissions by at least 60 per cent by 2050 - Britain, alongside our European partners, will need to do even more.

And at the same time as we move to clean energy sources, **we must also become much more efficient in the way we use energy.** Over the last forty years the energy intensity of the British economy - the amount of energy we use per unit of national income - has been halved. But as our economy continues to grow we must reduce that still further.

**So let me set out the five main points of an oil replacement strategy.**

First, since 70 per cent of future oil demand is from transport, **we need a step change in the fuel efficiency of vehicles.** So Europe must push ahead with mandatory fuel emission standards for new cars. But to drive innovation in the car industry we need not just a target for 2012, but a target for 2020 to match those in the rest of the energy package. The UK is urging that this should be an average of 100 grammes per kilometre, a cut of 40 per cent from the 164 grammes today. This could reduce road fuel consumption in Britain by an average of 2 billion litres of road fuel a year and save the typical British motorist around £500 pounds a year in running costs.

**To achieve such a target we will need to see the mass production of electric vehicles - conventional hybrids, plug-in hybrids, and fully electric vehicles. Electric vehicles are now available on our roads - but they are specialist cars and vans available only in small numbers. I want to see the mass production of hybrid and electric drive technology in ordinary family models.**

And I want to see those cars manufactured in Britain. So I will be meeting with leaders from the British motor industry next week to discuss their plans for hybrid, electric and other low carbon car technologies.

Already initiatives are under way in several countries to accelerate the commercialisation of electric vehicles by supporting the required charging infrastructure and automotive technologies.

At the European Council in June we agreed to explore the scope to accelerate the introduction of commercially viable electric vehicles - and the infrastructure that their widespread use would require - in the EU.

And today, as a next step, Britain is discussing with other countries - including Denmark, Portugal, Israel and Germany - how we can create a strong policy and consumer environment to promote the development of electric vehicles. And I will propose that we convene a meeting of energy, automotive and planning experts to exchange key information on infrastructure requirements and technology standards in advance of the London energy summit later this year.

**Second, we need all countries to commit to taking rapid action to improve energy efficiency in households and businesses.** The G8 nations this week committed to implementing the IEA's 25 recommendations on energy efficiency. If implemented globally these could cut oil consumption by 15 per cent and energy-related carbon emissions by 20 per cent, equivalent to the emissions of the US and Japan combined. Europe must therefore commit to implementing its own energy efficiency action plan.

The UK is the first European country to phase out energy inefficient light bulbs - which we will do by 2011. We want the rest of the continent to follow. **We need agreement on lower levels of VAT for energy saving goods, as proposed by Britain.** And we need to move faster to develop energy efficient standards for appliances, such as phasing out inefficient standby on electronic goods.

In Britain we will also introduce new measures to encourage the installation of household insulation and energy efficiency appliances, which can together save a typical British family up to 20 per cent - £170 pounds a year - off their energy bills.

**Third, I am convinced that we need a renaissance of nuclear power. Britain is now moving quickly to replace its ageing fleet of nuclear power stations.** And all around the world I see renewed interest in this technology, as countries contemplate the alternative - continued oil dependence and unchecked climate change.

So Britain will work to make possible the best arrangements for security, safety and disposal. Last week the Nuclear Decommissioning Authority announced a preferred bidder for the clean up contract at Sellafield. We are also collaborating with France in this field, and stand ready to do so with others.

**Fourth, we need a massive expansion of renewables.** Britain is fully committed to the EU target that 20 per cent of all energy must come from renewable sources by 2020. Last month Britain set out its strategy to meet our own 15 per cent renewable target - a $100 billion investment programme over the next twelve years.

As a result of this strategy Britain will become the global centre for offshore wind. **We will see major investment in energy from waste and biomass and in new forms of microgeneration. We are pushing ahead with the development of marine and tidal technologies, including an examination of a tidal scheme on the River Severn, which could supply 5 per cent of all the UK's electricity.**

**And now I believe it is time for a major investment in the development of solar power.** The IEA suggests that additional investment of up to 215 million square meters of solar panels will be needed every year to 2050. And particularly in the Mediterranean region, concentrated solar power offers the prospect of an abundant low carbon energy source. Indeed, just as Britain's North Sea could be the Gulf of the future for offshore wind, so those sunnier countries represented here could become a vital source of future global energy by harnessing the power of the sun.

**So I am delighted that that the EU is committing at this summit to work with its neighbours - including Egypt, Jordan, Morocco and the League of Arab States - to explore the development of a new 'Mediterranean Solar Plan' for the development and deployment of this vital technology from the Sahara northwards.**

Last, and because we recognise that fossil fuels will continue to be an important part of our energy supplies for years to come, we must make good our commitment in the EU and globally to the development and deployment of carbon capture and storage. I am pleased that last month the European Council asked the Commission under the French Presidency to develop an incentive mechanism, which would enable the EU to meet its target of up to 12 demonstration plants by 2015.

The UK and France committed earlier this year to work together on an action plan to work towards not just demonstration but the EU's aspiration to move towards deployment of CCS by 2020. Britain is already working with Norway, Canada and the Netherlands on how to do this. And we are discussing this weekend how we can collaborate with Spain in this field, bringing together British and Spanish companies and experts to examine and exploit opportunities.

The development and deployment of all these low carbon technologies will require a partnership between government and the private sector. Governments can and will provide the right framework of regulation and incentives. The private sector will have to provide the investment. But we can support this too.

So I call on the European Investment Bank to use its 3 billion euro sustainable energy fund to support a clear strategy for the reduction in global dependence on oil and traditional fossil fuels and for the development and deployment of new low carbon energy technologies. And we need to see a similar refocusing of EIB spend within the EU.

We live in a new era. **Today our globalised, energy-hungry and warming world requires a shift from oil dependence to sustainable energy.**

**Only with political leadership from all of us will we be able to move towards a new sustainable economy. This is now Britain's goal. It must be Europe's destiny. In this unique partnership of European and Mediterranean nations, let us commit ourselves to realising it.**

- See more at: http://europe.theoildrum.com/node/4300#sthash.1yWEUdnX.dpuf