

Wind Energy Workshop in Ankara—May 5, 2008

Opening Remarks

Good afternoon. Sayin Bakanim, Dear Minister Guler, Distinguished Members of Parliament and Participants.

I would very much like to **welcome you to this workshop** on the Sustainable Development of Wind Energy in Turkey. And I would like to thank especially the Ministry of Energy with whom we are jointly organizing this workshop.

Ten days ago in Ankara we launched the new country partnership strategy and program of the World Bank Group with Turkey for 2008-2011.

- **The new strategy is a framework of *partnership*.**
- This means it is grounded in Turkey's *own* strategy—that is, in the 9th Development Plan, with its for Turkey to become a knowledge society, become globally competitive, achieve stable growth, and share the benefits of growth equitably.

Energy sector development is crucial for Turkey in achieving this objective of sustained strong growth over the medium term.

- ***Energy demand has been rising rapidly***, as we all know, at 7-8 percent per year, over the last several years.
- ***Energy prices have also been rising rapidly***, globally and in Turkey.
- Energy price increases account for much of inflation in Turkey, and energy imports have accounted for virtually all of Turkey's current account deficit.

Energy security is a top priority for Turkey because of these factors—Turkey imports energy, energy demand is rising, and energy prices are rising. ***And energy security is also a priority goal for the new Country Partnership Strategy of the World Bank with Turkey.***

The new strategy includes a partnership in energy sector policy and reform, and support for an update in the government's energy strategy. I would like to highlight 5 directions of this strategy that we support:

- Promoting private sector investment in power generation and distribution;
- Liberalization of energy sector;
- Eventual privatization of generation and distribution;
- Development of indigenous and renewable resources; and
- Convergence with the EU on environmental and renewable energy targets

The World Bank's partnership strategy with Turkey also includes financing for energy investments. Such investment financing, for both ongoing and new investments, includes financing for the rehabilitation and upgrade of generation, transmission investments, and distribution investments, through TEIAS, EUAS, TEDAS and BOTAS, and also a loan supporting renewable energy project undertaken by the private investors.

Developing wind energy, and promoting private investments in wind energy, is now an important part of Turkey's overall energy strategy. Wind energy development can help achieve 3 goals:

- Supply security by through private sector investment in wind power generation;
- Development of indigenous and renewable energy resources; and
- Convergence with the EU on environmental and renewable energy targets.

Last Friday, I visited one of Turkey's first wind energy plants, in Alacati.

- I was impressed to learn about the enormous potential of Turkey, due to its favorable wind maps, that allows large scale exploitation of wind energy.
- And also by the cleanliness and relative quiet of the windmills.

Turkey has the good fortune to have large wind energy potential.

Turkey also has the good fortune to begin exploiting wind energy not first, not second, but after other countries (for example, Spain) already have much experience in wind energy. This allows Turkey to benefit from the experience of those countries.

For this workshop, in addition to the local investors, we have also invited wind energy experts from Spain to share their knowledge and experiences with you. Thank you for joining us!

In concluding my comments, I would like to thank all of you for joining us today and your contributions to today's workshop. I look forward to a lively and stimulating discussion.

Thank you.