

Vienna Opening Statement as delivered by Tim Yeo Chairman of The New Nuclear Watch Institute

Thank you for kind introduction and for this opportunity to take part in the Energy Transition Forum.

I begin by congratulating IENE on the excellent Background Paper which was circulated earlier this week. It covers all the key issues involved in the Energy Transition.

Most importantly it doesn't hide the huge and very difficult challenges facing energy industry. It rightly warns that the "challenge we face in the Energy Transition process is time. Time is the resource we are running out of."

The biggest single driver of energy policy in the next 25 years will be climate change and global concern about climate change is growing very quickly.

Last October the Intergovernmental Panel on Climate Change Special Report warned of the very serious consequences of a rise in average global temperatures of more than 1.5C. This Report described the drastic action which is needed to prevent this rise from happening.

Soon the IPCC Report was published the UN Emissions Gap Report pointed out that, despite the Paris Accord commitments made after CoP 21 in 2015, global emissions have started rising again after a 3 year standstill.

For first time in the 30 years since scientists brought climate change to the attention of governments and policy makers around the world there's a real sense of urgency in the public debate.

This could have happened at Kyoto in 1997. It should have happened at Copenhagen in 2009. It nearly happened at Paris in 2015. Now in 2019 it finally has happened.

It's now clear beyond all possible doubt that decarbonisation of the power sector must accelerate very rapidly. The energy industry, whose greenhouse gas emissions are still rising, must start within the next decade to reduce its emissions quickly.

That will require not just an energy transition. It requires an energy revolution

Because time is short we can't wait for carbon capture and storage to become viable in five or maybe ten years time. Because time is short the era of coal is over. And because time is short even the era of gas is time limited.

If anyone doubts this just look at results of EU election last month. That election saw the biggest ever advance by the green parties and other parties who share the view that climate change is now biggest and most urgent issue facing mankind.

The talk now isn't of an 80% cut in GHG emissions by 2050. The talk is of net zero

emissions

Look too at the attitude of investors. More and more investors simply refuse to fund new coal projects because they fear being left with stranded assets.

Today science, public opinion, politics and business all agree the world must move away from fossil fuels. There's no going back. Sooner or later the goal is going to be net zero.

Our industry, the energy industry, and especially the electricity generation industry is in the front line of the battle to prevent dangerous irreversible climate change.

Now I realise this is a very difficult message for Southeast Europe because of its high dependence on coal. Coal is important economically in addition to being necessary for this region's energy security.

You may say it's easy for me coming from the UK, where gas has already largely replaced coal, to say that fossil fuel dependence must be reduced.

My reply is look there in the Background Paper. I quote from it. "To fulfill the Paris Agreement and limit the global average temperature rise to 1.5 C in the most cost effective manner EU countries need to stop burning coal by 2030".

The Background Paper cites a report published this year by Sandbag called "Just transition or just talk". This suggests that "too few EU Member States have grasped the speed and scale of the action needed to transform their energy systems over the next decade".

It's not all bad news. Renewables are growing quickly and falling in price fast. Renewable energy is a large and essential part of the solution to climate change.

But Figure 2 in Background Paper shows that the share of renewable energy in the global mix has risen by less than 3% since 1990.

Almost half that very small gain has come at the expense of nuclear, which is another low carbon source.

Renewable energy has to expand much faster if it is to replace even one quarter of the electricity generation capacity currently provided by fossil fuels.

The Background Paper also points out that electricity use is growing. It warns that in SE Europe a power generation shortfall may occur in less than ten years.

The region will also move from being an exporter of electricity to becoming a net importer. One result of this will be higher prices and slower economic growth. These conclusions confirm those reached in last year's NNWI Report "The Electricity Market of SE Europe".

As the Background Paper warns “The transition to a greener future in SE Europe appears difficult, if not uncertain, in comparison with the rest of Europe”.

Looking ahead I share the view of IENE that improved energy efficiency is a big part of the Energy Transition. Both governments and business can do far more in terms of energy efficiency.

But the solution goes beyond energy efficiency. As the Background Paper concludes “Decarbonisation efforts must accelerate in all sectors”.

How that can best be done will be discussed today and tomorrow. In the session after lunch today I will explore the role which nuclear energy can play.

There may be disagreement about the right solutions. But there can no longer be any doubt at all about the scale and urgency of the task ahead.