

## **An Integrated Euro-Mediterranean Energy Market: a Necessity for a Secure and Low Carbon Energy Future**

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The benefits of regional energy market integration are multiple: security of supply, energy mix diversification, reduction in investment and operating costs (as infrastructure is optimised across countries), lower consumer prices, cost-effective transition to a low-carbon energy system, etc.. For example, regional market integration facilitates the large-scale development of renewable energy, by improving power system flexibility. A more integrated market through interconnections reduces the need for investment in power generation capacity and optimises the use of renewable energy capacity (for instance making better use of excess wind in Spain or hydro in Nordic countries). Lower generation costs and lower investments in power plants translate into more competitive electricity prices to businesses and households. Well-connected European energy grids will translate into direct savings for EU consumers, estimated in a recent study at €40 billion per year. Those savings would be even larger if the market integration is broadened to include the Mediterranean region. Developing a Euro-Mediterranean electrical grid would provide the opportunity to make the best use of the energy resources, to exploit the potential of renewable energy, more particularly solar energy, in the southern Mediterranean countries, and to enhance security of electricity supply both for northern and southern countries.

The session will gather high-level officials and experts from around the Mediterranean to review the status of the Euro-Med market integration initiatives, present the position of the different countries, discuss the economic benefits and propose a way forward to implement the Euro-Med market.