

## **DECLARATION OF BERLIN**

### **Expanding the Market for Concentrating Solar Power**

An International Executive Conference on Concentrating Solar Power (CSP) was held in Berlin, Germany, on June 19-20, 2002. The participants included senior executives from 16 countries representing governments, the financial community, donor organizations, the CSP industry, independent power project developers and potential CSP plant owners. The presentations and discussions resulted in the following common understanding:

- CSP provides sustainable, clean, affordable and reliable energy supply over a range of unit sizes from 10 kilowatts to 200 megawatts.
- CSP plants have proven in more than 100 accumulated operating plant years to be the most efficient technology for direct use of the inexhaustible solar energy
- CSP plants can provide dispatchable power with back-up via thermal storage and/or the hybrid mode.
- CSP helps to reduce green-house gas emissions.
- CSP is an appropriate technology for supporting independence from fossil resources in sun-belt countries.
- A promising base of potential new projects has already been established.
- Realizing these projects will allow reduction in unit cost.
- The participants called for a collective effort and strategy to promote the use of CSP by removing existing investment obstacles and by facilitating the market penetration.

THEREFORE,

The participants of the International Executive Conference on Concentrating Solar Power declare their commitment to collaborate in the formulation of a structured approach to develop and expand the global CSP market for the benefit of all involved partners and agree to the following next steps:

1. Three transnational working groups will be formed by interested stakeholders from solar system and service suppliers and developers, potential project owners, interested governments and regulators and the financial community.
2. These groups will contribute to the formulation of an integrated long-term market introduction strategy, including innovative financing schemes (like Kyoto Mechanisms, etc.), identification of necessary energy-economic frameworks and consistent regulations, as well as potential mechanisms for aggregated bidding, risk sharing and comprehensive performance guarantees. The GEF and UNEP SANet will provide administrative support and overall assistance.
3. The groups will cooperate and join efforts in promoting CSP with existing institutions like ESTIA, SEIA and IEA SOLAR Paces
4. The CSP industry anticipates reducing solar power generation costs by 20%, once 400 MWe of new solar capacity has been implemented. Upon reaching 5 000 MWe of new solar capacity, solar electricity generation cost will be fully competitive with fossil-based grid-connected power generation costs.
5. Therefore all participating Stakeholder Groups in this Berlin Conference support the launching of a CSP Global Market Initiative which will be further substantiated at the follow-up conference in California.

Berlin, 20 June 2002