

Interview with AHK UAE – October 28, 2020

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AHK is part of the global network of German Chambers Abroad (AHKs) operating with 140 offices in 92 countries around the world. AHKs are private, not-for-profit organizations and supported by the Federal Ministry for Economic Affairs and Energy (BMWi). The cooperation with various German trade associations strengthens the link of AHKs to businesses and markets. One of the main tasks of the AHK UAE is to advise German and Arab companies based in the region concerning issues related to market entry and to support companies in establishing business relations.

The energy partnership between the UAE and Germany was established in January 2017 between the BMWi and the Ministry of Energy and Industry of the UAE (MoEI). The purpose of the energy partnership is the exchange between senior Government officials and experts from the private and public sector from both countries.

AHK is a supporting partner of the Solar & Storage DigiCon, the first global virtual exhibition for the solar & storage industry with a comprehensive conference program. On November 11, the virtual conference “Solar Giants in MEA” will focus on the solar development and energy transition in Middle East and Africa. AHK will moderate a panel on accelerating the energy transition in UAE and neighboring countries as part of the energy partnership with Germany.

Joint Forces for Solar, initiator of the Solar & Storage DigiCon talked to AHK about the partnership and the potential of both nations.

**JF4S: The Energy Partnership between UAE and Germany was established in 2017. What does this partnership include and what is its vision?**

*The Emirati-German Energy Partnership is the foundation of a bilateral cooperation in the promotion of sustainable and efficient energy, focusing on renewable technologies and their integration into the energy system and energy efficiency.*

*It aims at enhancing the dialogue between the two countries on issues such as renewable technologies, frameworks for the energy transition and R&D. It focuses on the implementation of innovative initiatives, finding sustainable solutions integrated with energy systems, and supporting the path of research, development and innovation to provide sustainable energy.*

*The partnership covers a wide range of topics from renewable energy and energy efficiency to the electricity sector development, hydrogen transport and distribution, and the regular exchange between industry and*

*the private sector. Formats for this dialogue include mutual delegation visits, study tours, expert workshops, excursions and joint studies.*

*Since its initiation, both countries held several high-level meetings between senior government representatives and organized widely attended expert workshops on the optimization of the power sector, grid operation and interconnectors, power trade and, most recently, about hydrogen. This exchange has intensified in recent months due to the growing interest and importance of the latter and both the UAE's and Germany's commitment in promoting a low-carbon and climate friendly global economy.*

*Seeing the global energy trends and the discussions surrounding energy transition, we expect yet much more to come from this Energy Partnership within the coming years.*

**JF4S: What are the main fields of action you see for renewable energy in the UAE and the region?**

*In January 2017, the UAE launched its national "Energy Strategy 2050" with the goal of increasing the share of renewable energies to 44% in the country's overall energy mix. However, the leadership's vision on clean energy had already been reflected in much earlier initiatives, for example with the establishment of Masdar City, the hosting of the World Future Energy Summit (WFES) and the Abu Dhabi Sustainability Week, as well as the opening of the headquarters of the International Renewable Energy Agency (IRENA) in Abu Dhabi.*

*The UAE has established itself as a key solar market over the past several years with projects like the Mohammed bin Rashid Al Maktoum (MBR) Solar Park, Shams 1 and one of the world's largest single-site solar project, the 1.2 GW Abu Dhabi Noor. Moreover, following the announcement of a record-low rate for Abu Dhabi's latest solar project, the emirate is well placed to pursue more clean energy initiatives. The government is currently working on several initiatives and policies to further increase the capacity of rooftop projects in residential, commercial and industrial buildings.*

*The country has also recognized the great potential for developing a green hydrogen market with the aim of driving the decarbonisation of several sectors.*

*However, not only Abu Dhabi and Dubai are driving this transition towards clean energy. We are now seeing an increasing number of initiatives and projects being planned and developed in some of the Northern Emirates, like Sharjah, Ras Al Khaimah and Umm Al-Quwain.*

*On a regional level, the GCC reveals strong potential for PV technology, with Oman, Saudi Arabia and UAE as the leading markets. Kuwait, Oman and Saudi Arabia boast good wind resources and therefore are looking further into developing that particular renewable energy source. Technologies such as biomass and geothermal power may hold additional potential, but haven't been explored much yet.*

**JF4S: Germany and the UAE are set up quite differently when looking at solar energy and energy storage. While in Germany, solar + storage applications in the residential sector along with e-mobility lead the charge, UAE is particularly advanced in commercial solar development and home to some of the largest solar plants globally. How do Germany and the UAE benefit from each other in this partnership?**

*The UAE is one of the top oil producing countries of the world but also strive to be a leader in low emission technologies. Germany is one of the world's first countries to pursue an energy transition by leaving the fossil-nuclear age behind, paving the way for photovoltaics and other renewable technologies, to play a central role in a future shaped by sustainable power production. Germany has experienced a significant growth and expansion in PV in the past decades due to clear policies and regulations on national and regional level.*

*The UAE, however, when compared with Germany, has a much greater potential for solar PV and aims to scale up its installations. The country is currently working on developing its regulatory framework to promote the growth of rooftop PV generation. Ambitious renewable energy strategies and record-low prices for utility-scale solar power plants have proven the determination of the UAE to become a key player in the field of clean energy.*

*Germany is the best country partner to share and discuss about the lessons learnt in the field of regulation, incentives, system integration and regional implementation. Moreover, there are many German companies in the solar + storage field who could further support the UAE in efficiently expanding this technology within the country and the region.*

**JF4S: Recently, tariffs dropped below 0.014 \$/kWh for a solar project in Abu Dhabi. Would you say that these developments accelerate, or will the drop of oil prices and the overall crisis negatively affect the development of renewable energies in the UAE?**

*The UAE have no intentions on stopping or slowing down their shift towards a cleaner energy. Renewables went from being an expensive alternative to a very competitive technology and the topic will remain one of the central areas of cooperation between Germany and the UAE.*

*The Al Dhafra solar project, which will almost double the size of the existing Noor Abu Dhabi plant, will not only generate 2GW of power, but also provide the cheapest tariff for solar power anywhere in the globe – once operational. Such a cheap cost for producing electricity from solar energy encourages the UAE to invest more in renewable technologies to diversify its power supply.*

*In the past, the UAE has been criticized for having one of the largest ecological footprints in the world. However, despite skepticism, the UAE have come a long way and have set clear and ambitious targets to strategically shift towards clean power generation.*

*With all these extraordinary developments, the UAE are well placed to pursue more clean energy initiatives and will do so, regardless of the developments in the oil industry.*

**JF4S: Thank you for this interview, we look forward to having you on November 11 at the Solar & storage DigiCon!**

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