

# A place in the sun

- Monday, 21 February 2011 12:00 AM



**Good news for the solar-power sector is the formation of the Emirates Solar Industry Association (ESIA), which recently held its inaugural meeting in Abu Dhabi. The ESIA notes that there are more than 70 companies already involved in the sector, so it is critical that some kind of overarching organisation give voice to the main concerns and issues. This is also necessary if all the opportunities available are to be exploited, and if the sector wants to continue to grow at a healthy rate.**

The ESIA has highlighted a range of issues that need to be tackled first, however: these are mainly the introduction of a regulatory framework, establishing the necessary government body to organise the industry, and offering incentives for the private sector to partake in the development of the industry and to help the technology go mainstream.

Incentives are probably the most difficult issue to tackle at the moment, given the high cost of entry into this sector, in addition to the highly subsidised electricity prices throughout the region.

While Abu Dhabi intends to generate 7% of its energy needs from renewables by 2020, other emirates are yet to come up with similar objectives. The 7% target translates into 1,500MW of solar energy. Of this amount, 500MW is earmarked for Abu Dhabi's vaunted roof-top programme, which aims at installing solar panels on all rooftops so as to generate 'clean' electricity.

However, with no clear direction from the government in this regard, the only development that has taken place is a 2MW pilot project. Abu Dhabi also plans to become a regional hub for renewable energy, which is where most of the media's attention has been focused.

Masdar City has evoked a lot of debate about renewable energy in the Middle East in general, and the role of solar power in particular, especially in such a hot (and humid) desert environment. On the construction level, the project continues to be hugely important in terms of ongoing work.

The latest contractor to benefit was Arabian Construction Company announcing a \$204million project to expand the Masdar Institute of Science and Technology (MIST) campus.

Masdar City was also in the news recently due to the visit by US Secretary of State Hillary Clinton, who lauded the cleantech and renewable initiatives being undertaken by MIST.

A potential cloud on all the good news was the revelation that Masdar Power no longer aims to manufacture solar panels locally as planned, but this is more a rationalisation than a step back.

Hopefully the ESIA manages to put its strong words into even stronger action, and galvanise the solar-power sector into becoming one of the most important up-and-coming new industries in the region. No doubt this will have massive spin-offs for the MEP sector as well.