



INTERVENCIÓN DEL MINISTRO DE INDUSTRIA, TURISMO Y COMERCIO

**\DISCURSO DEL MINISTRO EN LA SESIÓN DE
APERTURA DE LA CONFERENCIA US-SPAIN
SUSTAINABILITY FORUM DEDICADA AL “PAPEL DE LA
COOPERACIÓN PÚBLICO-PRIVADA EN LA CREACIÓN
DE OPORTUNIDADES SOSTENIBLES DE NEGOCIO”**

Los Ángeles, 26 de octubre de 2009

Thank you Secretary Dale E. Bonner for being here.

Ladies and gentlemen:

Good morning to you all.

First of all, I would like to express my most sincere gratefulness to the Los Angeles Chamber of Commerce and the Spanish Institute of Foreign Trade for inviting me to the inauguration of this conference, the *US-Spain Sustainability Forum*. A conference devoted to a subject which is of permanent interest to us all, that is: “public-private cooperation in the search for sustainable business opportunities”.

Of course, I would like to give my warmest welcome to Mr. Bonner, Secretary (of State) for *Business, Transportation and Housing of the State of California*, who shares this introduction with me and also to you all, Californian and Spanish businessmen/women who are here today. It is an honour for me to address this audience, gathering more than 150 companies from Spain and the United States. All of you specialize in three economic sectors with a huge growth potential: energy, infrastructure and environment. Thank you all for coming.

Spain ranks now among the five leading investors in the United States. Nevertheless, the presence of Spanish companies in the United States concentrates mainly on the east coast and there are only a very few on the west coast.

The first thing I want to notice that this doesn't fit with Spain's and California's common History, which goes back a few centuries. Neither does it match our economic significance. Spain is the eighth global economy and California is the first economy of the first economy in the world and its GDP is bigger than ours. We should work hard to correct this state of things.

The subject that gathers us here is public-private cooperation in the creation of sustainable business opportunities. A subject that is most important in these challenging times, when the world economy is going through the most difficult period since the Great Depression, 80 years ago.

There are no simple answers to the crisis. But innovation, cooperation and sustainability will certainly play a significant role. Spain and the US have made a good start in this path. Knowing each other better, exchanging experiences, promoting joint ventures will give us more chance for success.

President Obama has highlighted the importance of a greener economy to stimulate activity away from the depression. He has concentrated on four tools for recovery: renewable energies, infrastructures, education and health. These are essential not just to get out of this crisis: in fact, they are the cornerstones on which we have to build our common future. We, in Spain, share his analysis and his vision.

I only have a few minutes to try to convince you that Spanish companies should be an important reference in your businesses. Please allow me to focus on a brief description of our strengths.

Let us begin with renewable energies: Spain has the third largest wind power capacity installed in the world, just behind the U.S. and Germany. We are world leaders in per-capita production of wind power. And our companies are global leaders in wind park development and management all over the world. We have now 18.000MW installed, and we are growing fast: we will have 40.000 megawatts installed both in on-shore and off-shore wind farms by 2020.

Our country is also number four in the world in solar installed capacity. We will have more than 4.400 Megawatts of installed photovoltaic capacity by 2010.

Following the path initiated by the US, Spain has made huge steps forward in thermo-electric solar power, both in commercial projects and in new technological solutions in place.

In fact, I am proud to announce today that one of the Spanish companies present here, Abengoa Solar, has just signed a contract with Pacific Gas and Electricity to build and operate a 250MW concentrating solar plant (CSP), in the Mojave desert that will provide electricity for more than 86.000 homes in California. They have already filed an Application for Certification with the California Energy Commission, and will start to work as soon as they get that certification.

This project will create more than a thousand jobs while in construction, and 80 highly skilled ones once in operation.

We are also world leaders in biofuels, where we have, among others, the largest producer of bioethanol in Europe, again with a huge operation in the United States.

Our goal in Spain, and in agreement with the European one, is to cover 20% of our energy needs from renewable energies by 2020. That means more than 40% of our electricity generated shall come from renewable sources by 2020. We have a strong effort ahead although in the last semester, almost 30% of our total electricity output already came from renewable sources, not including nuclear.

To achieve our ambitious targets in a changing world, with oil prices going from 40 to 140 dollars a barrel in a single year, you need to have some kind of level playing field, good regulation, and a long term public commitment to make these energies profitable. Our feed-in tariff system has been considered as a model like the IEA. This is the first field of choice for public-private cooperation.

Let us turn now to infrastructures. Infrastructure is a bet on the future. It does not only provide productive jobs and contributes to GDP: it helps to create a more integrated market that benefits from economies of scale, and pushes technological, financial and management skills to the limit. It also contributes to geographical cohesion.

Our country has experienced a deep transformation in the quantity and quality of our infrastructures. We are not a big country. With just over 500.000 square kilometres, we are about a twentieth of the United States in surface, and only slightly more than California. Nevertheless, we now have more than eleven hundred miles of high-speed railways, with trains going as fast as 200 miles per hour.

By the year 2020, we will have more than 6.000 miles in operation, with an investment of approximately 150 billion dollars. And our network of turnpikes is equally modern and outstanding.

As a result of this significant drive to strengthen our infrastructures, Spanish construction companies are among the first in the world. Six out of ten of the largest global companies specialized in infrastructure and transport are from Spain. Here, in the States, these infrastructure companies accumulated investment amounts to more than a billion U.S. dollars. To quote just another example, a Spanish company has recently been awarded the contract to build the new Panamá Canal.

To reach this leading role, Spanish companies had to be technologically outstanding and had to provide financial solutions that would allow their building without unduly burdening public budgets or the taxpayer. The solution is widely known as P.P.P. (Public Private Partnership). Our construction companies are involved in P.P.P. all over the world, and our sound financial companies are helping them along the way.

Last but not least, there are many environment-related companies here, especially in the area of water and waste management. One of them is participating in the tender for an integral solution to the waste management here in Los Angeles. With cities and regional or state power increasingly aware of the needs of a growing population and of the importance of environment, the role of these companies in the future is fast becoming essential. This is another key area for public-private cooperation.

In the last ten years, the American and Spanish economies have been two of the most dynamic within the OECD. Our growth rates and job creation were considerably higher than most other advanced economies. In fact, Spain has experienced sustained positive growth over the last 15 years. As mentioned before, we are now the world's eight-largest economy, and the fifth provider of foreign direct investment. Spanish companies have become global leaders in infrastructure building, engineering and management, aerospace, renewable energies, finance services or other more traditional industries such as automobile, tourism, or food. Our investment in Research & Development is growing faster than the European average.

Many of the Spanish companies here present rank now among the most dynamic investors in the American market and others are eager to enter this very unique club.

Today's encounter makes us optimistic with regard to our many possibilities.

I would like to finish thanking you all for attending this conference. I am certain it will become another fruitful step in a long-lasting relationship between the Spanish and Californian business community.

Thank you very much.