

# Russia, Renewables, Ecology, Green Energy

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# Why Europe Began to Speak about Renewables?

- Panic fear of dependence on Russia was the main motive of discussions about green energy
- The real basis of this discussions is not ecology but politics
- Renewables became an instrument of pressure on o&g suppliers
- EU wants to find an alternative to Russian o&g and to frighten Russia with it. But this alternative is mythological and not realistic

# Vain Hopes

- EU Experts: until 2030 the dependence of EU on import of energy carrier will be increased from 50% to 65%. The dependence on oil import will be increased from 82% to 93%. The dependence on gas import will be increased from 57% to 84%. So there is not enough space on energy market of EU for Renewables
- Solar Energy, wind Energy – the question of price
- Nuclear energy: developing only until the first serious terrorist attack

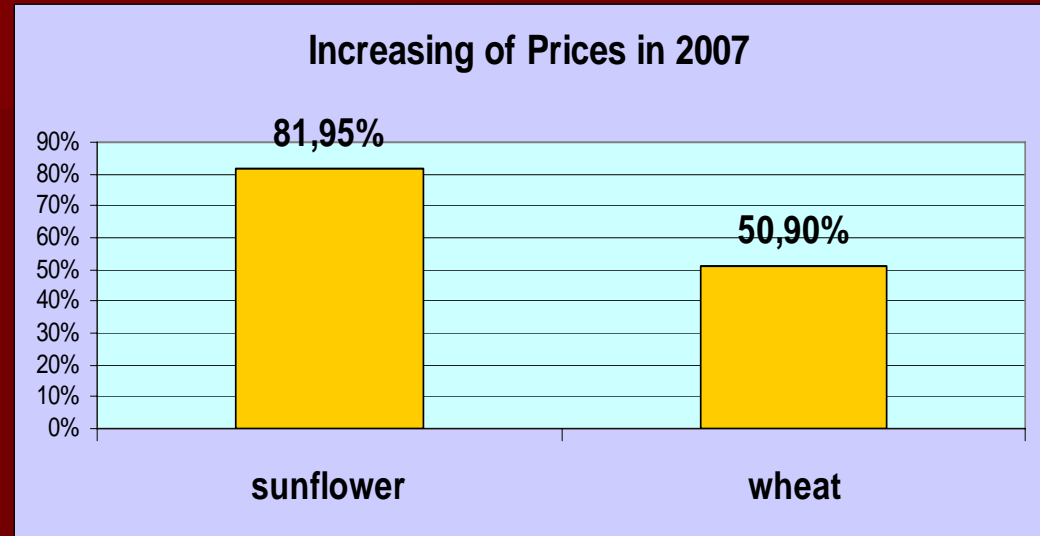
# Vain Hopes

- Biofuel – no enough sown area
- Wood Mackenzie: biofuel during next 10 years will satisfy only 4% of demand on oil
- International Energy Agency: in 2012 the share of biofuel in energy balance will be 2%

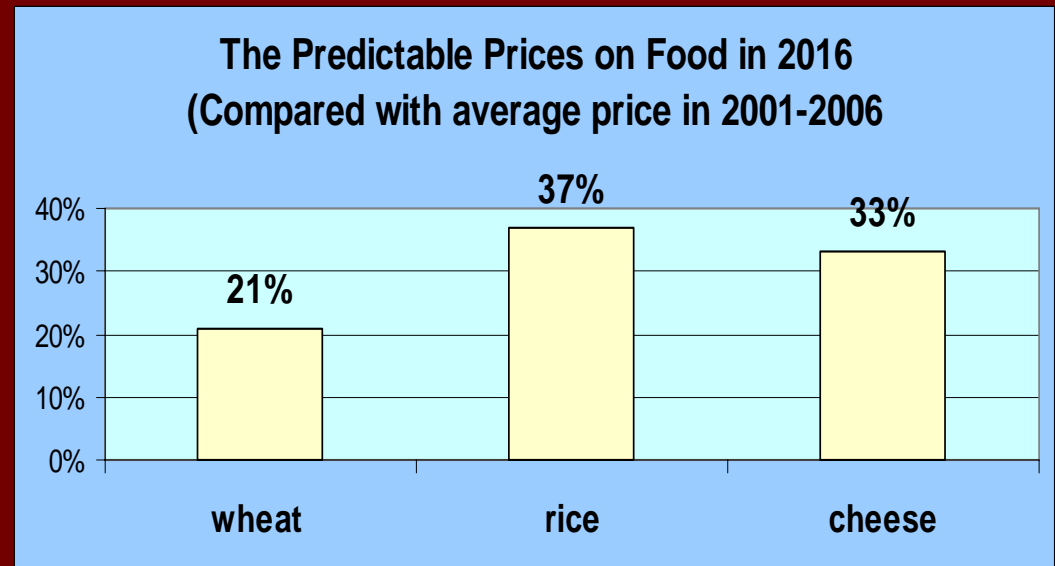


# Vain Hopes

- We must eat food but not to produce fuel from it
- More biofuel – more food inflation



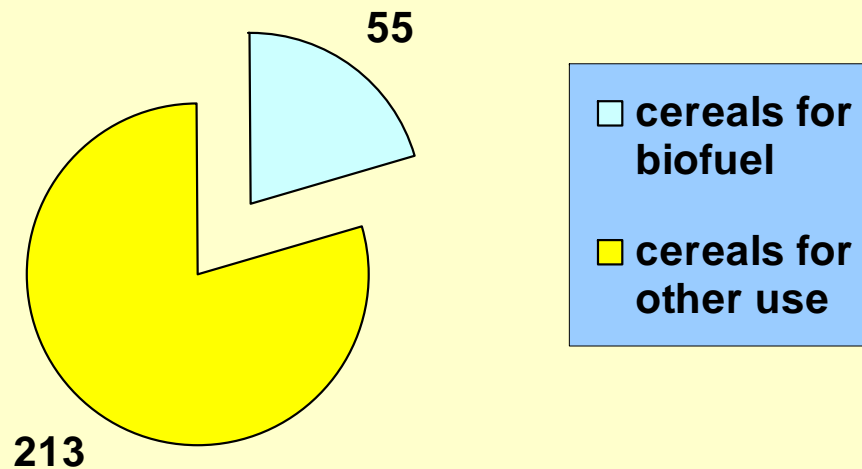
*Source: Bunge*



*Source: UNO*

# What We Will Eat?

The Share of Cereals Used to Produce Biofuel in the USA (2006, mln tons)



*Source: Earth Policy Institute*



**OR**



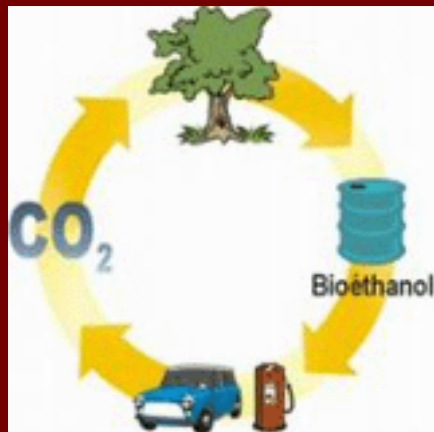
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# **Main Paradox: even if you really believe in green energy it will not help you to find an alternative to Russia**

- No free areas under crop in Europe. Only Brazil and Russia have serious opportunities to enlarge the sown areas
- Science can't help to increase the cropping capacity. The growth of cereals harvest during last 45 years was only 2%, during last 20 years – 1,3%
- The forecast of European Commission: EU will import 50% of biofuel in 2020
- So if you don't want to import gas from Russia – you will import biofuel from Russia!

# Is it really necessary to speak about Renewables?

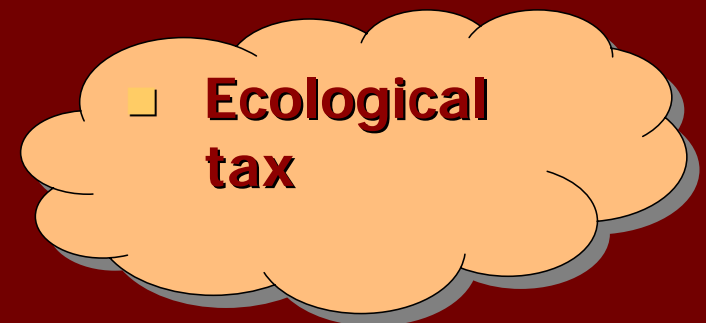
- Of course, we must develop green energy and renewables – but it's not only one solution. For example, gas is also very good fuel from ecological point of view. So gas is more efficient from ecological standpoint than coal and oil.



This European view – but there is another “ecological circle”



# Russian View on Connections between energy and Ecology



# **Thank you!**

**In case of question please contact us  
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