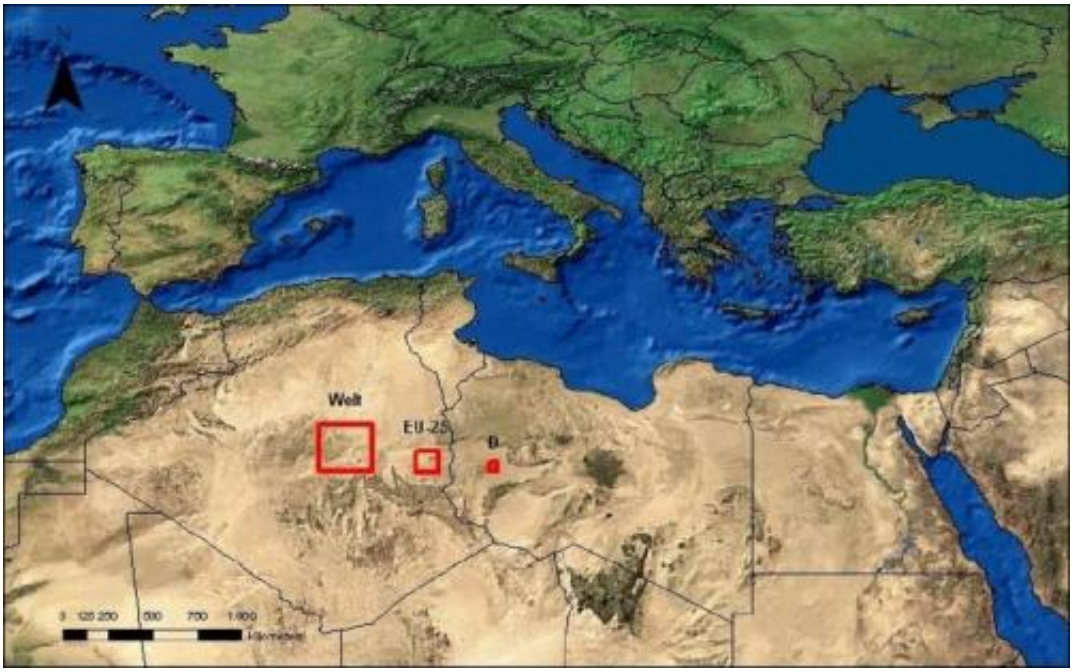
Bosch follows Siemens out the door of Desertec renewable energy project

November 20 2012, by Nancy Owano



Theoretical space needed for solar power plants to generate sufficient electric power in order to meet the electricity demand of the World, Europe (EU-25) and Germany respectively. (Data by the German Center of Aerospace (DLR), 2005)

(Phys.org)—Another German industrial giant has bailed out of the Desertec project, which is trying to safeguard the future of a green Europe with expanded use of renewable energy. Bosch has confirmed that it will no longer be a member of Desertec by the end of this year. A spokeswoman for Bosch told Reuters that "economic conditions (do) not

allow a continuation of its membership." This marks the second German company to leave the consortium. News broke last month that German industrial giant Siemens was leaving Desertec too.

Desertec is a consortium that was set up in 2009, with a shared vision of Europe importing electricity from North Africa and the Middle East by 2050. The Desertec plan involves supplying Europe with a portion of its energy needs by 2050 by tapping the energy potential of the desert and transmitting that power via a grid across the Mediterranean.

Supporters recognized the Desertec Industrial Initiative (Dii) as an ambitious energy project in 2009, but skeptics looked at the flip side of "ambitious" and questioned whether it was too far-reaching and risky. With a projected budget of 400 billion euros, Desertec was hatched before the start of political upheavals in North Africa and the Middle East, which subsequently added to doubts that the project was going to be anything but easy. Nonetheless, as Spiegel Online reports, a key roadblock has been cost and economic conditions, not politics. Renewable energy projects cost more to support than traditional fossil fuel plants. They also often require government subsidies. Siemens had announced its exit at a time when, in a drive to improve profitability, it was also dropping its solar business due to losses. Adding to the setbacks was a meeting earlier this month, where countries and organizations in Desertec were to sign an agreement to start up a 500 megawatt solar plant in Morocco. The idea was for the solar plant to feed across the Mediterranean to Spain. This time it was not Bosch or Siemens that backed off but the Spanish government. Sources said Spain was reluctant to sign because of likely problems foreseen in finding the money for project subsidies.

DESERTEC EU-MENA Map: Sketch of possible infrastructure for a sustainable supply of power to Europe, the Middle East and North Africa (EU-MENA) proposed by TREC

The thinking behind Desertec is nonetheless cost conscious. "If the European, North African and Middle Eastern regions work together, the transition to wind and solar energy can be achieved on a considerably more cost-effective basis than if each country were to develop its own wind and solar capacities individually. This is because electricity can then be generated at the most suitable locations and fed via a transmission network to the largest consumption centers," said Desertec.

According to the BBC, opportunities remain for Desertec, as "there have been suggestions that China might be willing to invest so that it can get access to technology." China wants a better understanding of high-

voltage direct current cables, which would be bringing in power across the Mediterranean.

More information: www.dii-eumena.com/home/about-us.html