



The Palm Springs Protocol for a Concentrating Solar Power Global Market Initiative

At the First International Executive Concentrating Solar Power (CSP) Conference held in June 2002 in Berlin, Germany, strategies towards the rapid and large-scale market implementation of CSP were defined and summarized in the Declaration of Berlin, which was registered as a UNEP Market Facilitation WSSD Type-II Partnership for CSP Technologies. At the Second International Executive CSP Conference held in October 2003 in Palm Springs, California, a Global Market Initiative was developed.

The Palm Springs Conference participants concluded that:

Whereas

1. The solar resource necessary for CSP technologies is widely available around the world and an increasing number of countries wish to develop it.
2. Many economic and environmental benefits will accrue from developing this resource.
3. CSP addresses many of the world's most pressing issues, such as economic development, energy security, energy independence, rural grid expansion, socialization, climate change, air and water quality and long-term price stability.
4. Solar thermal power plants, which make use of CSP technologies, have the capability to meet a significant percentage of the future global electricity demand without technological, economic, or natural resource limitations.
5. Due to the "fuel-saving" solar field investment, the initial capital costs for CSP plants are higher than the initial cost of conventional power plants, which purchase their fuel over time at uncertain prices. Reconciling this, independent studies predict that the cost of CSP power will be fully competitive with fossil-based power once 5,000 MW of new CSP capacity has been installed.
6. A Global Market Initiative is needed to level the playing field for CSP technologies.

Therefore

1. We, the participants in the Palm Springs Conference, agree to form a collaborative effort to be known as the CSP Global Market Initiative with the goal of deploying 5,000 MW of CSP power by 2015. Countries and States that wish to develop solar energy resources are invited to participate in this initiative.

2. The objective of this initiative is to help create the conditions conducive for new CSP plants and to expedite their deployment.
3. The following elements are considered to be essential to achieve the stated Global Market Initiative goal:
 - Set targets for commercial, utility-scale CSP plants in each region, state and/or country.
 - Establish policies and procedures in each region, state and/or country to secure cost-covering tariffs and/or bankable power purchase contracts or equivalent mechanisms to allow CSP plants to be financed and to avoid limitations on CSP plants that make them more costly
 - Multi- and bi-lateral financing institutions should support measures to make cross-country CDM, JI and related mechanisms bankable, and they should include CSP in their programs.
 - Assist utilities in understanding how CSP might be integrated into their capital expansion plans and facilitate the process of bringing buyers of electricity and developers of CSP plants together.
4. The IEA Solar PACES Implementing Agreement has endorsed the GMI and is fully supporting it. The endorsement by the Global Environment Facility, UNEP and other major multinational organizations is anticipated.

Organization

- The current organizers pledge to develop a plan for the organization, structure and management, which will be submitted and adopted prior to the Renewable 2004 Conference in Bonn, Germany.
- The Palm Springs participants agree that Global Market Initiative should have a qualified full-time management staff, which will initially be under the umbrella of the IEA or another acceptable international organization.

Next Steps

1. Encourage sun-belt states and countries to participate in the GMI and assist and facilitate such participation as much as possible.
2. Cultivate support for, and raise awareness of, the GMI by developing marketing strategies, media approaches, etc.
3. Prepare for GMI participation in the Renewable Conference in Bonn, Germany, 1-4 June 2004, and secure high-level endorsement to assure that a mandate for the implementation of the CSP Global Market Initiative is obtained.