

The Small Island States: The Challenge of Energy

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The vulnerability of islands and coastal areas to climate change and sea level rise was recognised internationally at the 1989 UN General Assembly and reinforced in 1992 at the Rio Conference with the adoption of a programme area on the sustainable development of small islands.

One of Rio's results was the convening in 1994 of a global conference on the sustainable development of Small Island Developing States (SIDS). The Conference held in Barbados adopted the Barbados Programme of Action (BPOA).

The 14-point programme identified priority areas and specific actions to address the special challenges faced by the SIDS. These included climate change and sea level rise, natural and environmental disasters, management of wastes, coastal and marine resources, freshwater, land, energy, tourism, biodiversity resources, national institutions and capacity, regional institutions, transport and communication, science and technology and human resource development. Quite a list.

Also identified were a number of cross-sectoral areas: capacity building, institutional development at national, regional and international levels, the transfer of environmentally sound technologies, trade and economic diversification, and finance. The BPOA was a major statement of political will by some of the world's smallest nations.

During the last decade the vulnerability of SIDS has increased across all three of pillars of sustainable development. International support, particularly finance and the need for special and preferential trade treatment, has not met expectations or needs.

2004 is an important year for this commitment to sustainable development, culminating in the 10-year review of BPOA in Mauritius in September. The preparatory meeting just held in the Bahamas added significantly to the original 14 points, but kept climate change as the first issue.

It reinforced the need for the international community to:

- Implement the UN Framework Convention on Climate Change;
- Bring into effect the Kyoto Protocol;
- Reduce domestic greenhouse gas (GHG) emissions;
- Support SIDS National Climate Action Plans;
- Increase the use of clean and renewable energy;
- Remove barriers to technology transfer; and
- Strengthen the International Strategy for Disaster Reduction

There have been many conferences and resolutions. The Mauritius meeting must produce action-oriented outcomes and increase the political support for action and assistance for SIDS.

Members of the Alliance of Small Island States (AOSIS) want to do much more than complain about the need for developed countries to reduce their emissions. They want to demonstrate that, although their emissions are small, they can set an example to the rest of the world by replacing their own fossil fuel CO₂ emissions through the use of clean energy.

Last year I was fortunate to attend the Pacific Power Association Annual Conference in Palau and see that there is leadership to achieve a pathway towards sustainable and renewable energy

sources. The topic, 'Renewables for Sustainability', showed how serious Pacific countries have become, and highlighted the great opportunities that exist for collaboration between electricity utilities and their governments.

The theme reminded me of three important sustainable development concerns to SIDS:

- The linkage between petroleum based energy and climate change;
- The urgency of switching to efficient, affordable and renewable energy sources; and
- The need for SIDS to be engaged in the promotion and use of renewable energy.

Our islands' peoples, irrespective of occupation - in government, the private sector, in the villages or in service providers like the utilities – are going to be the first to suffer. My country, Tuvalu, barely six feet above sea level, is already seeing impacts of extreme weather events including foreshore erosion, unusual flooding and the increased intrusion of seawater into freshwater lenses. Our people are already discussing resettlement and refugee status.

The urgency to switch to efficient, affordable and renewable energy sources is real. Every contribution counts. Our interest in moving to a less carbon intensive world is not just self-serving. The consequences of global warming that our nations encounter first will be felt later by others.

The first reason SIDS are keenly interested in renewable energy is simply that we, as the most vulnerable, are keen to see global action on reducing GHG emissions, and want to play our part and show that even small countries can be effective users of renewable energy.

Secondly, it makes sound economic sense. A large part of our small economies is spent on importing expensive fossil fuels – up to 46% of total national revenue. Being in the middle of oceans with small port facilities importing oil and gas is very expensive – well above international prices. Savings in fuel imports will contribute to general economic development and also add to national security in these troubled times.

Finally, reliable renewable energy sources are vital for the sustainable development of all sectors of our communities and particularly for the 70% of the Pacific Islands population without regular access to electricity. This lack affects our health, the development of industry and employment, and limits the educational opportunities for our children.

To expand renewable energy the SIDS must remain actively engaged in the regional and international negotiating and investment processes. We must persevere in pushing for the global expansion of renewable energy. Despite setbacks at the Johannesburg Conference, a Renewable Energy Coalition is emerging and will meet in Bonn later this year.

The World Summit was also a catalyst for exciting regional initiatives – the partnerships between the EU and the new Pacific ACP nations; the Global Sustainable Energy Island Initiative (GSEII) involving NGO's, UNIDO, the UN Foundation and the Rockefeller Brothers Fund; the Pacific Islands Renewable Energy Project managed by SPREP; and other cooperative partnerships involving the Pacific Power Association, regional bodies and donor governments.

However, we have to be careful that real investments occur – we are awash with feasibility and barrier studies. Proper analysis is vital, as we've seen from projects being 'dumped' on Pacific Islands with little success. We now have a pretty good idea why these haven't worked and the barriers faced in securing investments. Some worth remembering are:

- Small economies of scale which hinder investment;
- A lack of technical skill and capacity to maintain facilities;
- High tariffs that restrict imports;
- Highly volatile weather patterns and corrosive environments that require robust technologies;
- Lack of coordination; and

- A possible investor perception that governments may be unstable.

Better cooperation between our governments and utilities can help tackle these barriers. We have to accept that our small economies are a fact of our life and find innovative ways including regional cooperation to overcome them. While still relying on petroleum, it makes sense for SIDS to explore fuel bulk purchasing.

The Kyoto mechanisms, including the Clean Development Mechanism – an AOSIS initiative – are a way forward. However, it is still a mystery for many countries and investors, and requires capacity building if it is to work and for a fair share of investment to flow to SIDS.

This lack of knowledge and our shortage of many skills are real. We have good people, but the Pacific - and the other oceans - needs a regional centre of excellence on renewable energy with two principal aims:

- to assist countries to develop renewable energy systems appropriate to local and regional needs; and
- to develop research, training and education programmes in renewable energy.

We need short course and one-year technician diplomas so that technologies and maintenance requirements are understood. Education of a more academic nature is necessary to enable our own engineers to design technologies appropriate for our regions. One of our universities could be the basis for the Centre of Excellence for Renewable Energy.

Our volatile climate is also a serious issue. Can imported technology withstand the cyclones and hurricanes we experience? Our thinking must match our local needs. To take a local example, can we use heat that hits Tuvalu's airport on Funafuti for electricity generation, for sea water distillation, or hot water for the hospital? Renewable energy should be much cheaper and more available than our very expensive diesel based power.

The successful achievement of energy initiatives necessitates improved coordination. The development agenda is very crowded and better coordination is required to maintain mutual understanding between government ministries and utilities, between national and regional agencies, regional agencies themselves, and these entities and the donor community at regional and international level.

While it can be easy to be pessimistic with so many issues apart from energy to be tackled we have to remain optimistic. Funds for international development have diminished, not expanded as promised, nor have trade inequalities and imbalances been addressed.

However the Mauritius BPOA plus 10 Conference provides an historic opportunity for Small Island States and the international community to meet, review progress and launch action to overcome the failure to date of implementation. We as members of AOSIS hope, on behalf of our peoples, that activity follows this major meeting.

Delegates to the recent meeting in the Bahamas adopted the Nassau Declaration, agreeing that Mauritius must produce a set of focused and action-oriented outcomes based on a clear set of priorities that can and will be implemented.

The Declaration highlighted the need for SIDS to have access to capital markets, specialised trust funds and investment facilities, particularly in the areas of renewable energy investment, disaster preparedness and mitigation, and capacity development.