



## **Agenda Item 9.2.7: Regional Cooperation in GHG Mitigation in the Energy Sector**

### **Purpose of Paper**

1. To inform SM 20 of the various energy sector-related greenhouse gas mitigation collaborations that that the Secretariat is currently involved in.

### **Background**

2. The Secretariat's Climate Change programme is now into the third year of implementing the Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP). The 19<sup>th</sup> SPREP meeting approved the inclusion of energy efficiency in the Secretariat's greenhouse gas (GHG) mitigation effort. The PIGGAREP, funded by the Global Environment Facility (GEF) and implemented through UNDP, is currently the largest GHG gas mitigation project by a CROP agency. The Secretariat has therefore been playing the lead role on renewable energy and GHG mitigation among the core members of the CROP Energy Working Group (CROP EWG).

3. Most of the renewable energy and energy efficiency projects at both the national and regional levels are funded through climate change and GHG mitigation considerations but implemented to fully address environment, socio-economic and sustainable development considerations.

### **Key Players on GHG mitigation in the PICTs and collaborations with SPREP**

4. The Global Environment Facility (GEF) and the European Union continue to be the major grant aid donors to GHG mitigation in the PICs. For instance, Table 1 below presents the climate change projects funded by the GEF in the PICs.

## The GEF

Table 1: Climate Change Mitigation Projects funded by the GEF in the PICs

Name of Project	Participating PICs	GEF Contribution (USD in 10 <sup>6</sup> )	Implementation Status
Renewable Energy Hybrid Power Systems	Fiji	.754	Completed
Pacific Islands Renewable Energy Programme (PIREP),	Cooks Is, Fiji, FSM, Kiribati, Nauru, Niue, Palau, PNG, RMI, Samoa, Solomon Is, Tonga, Tuvalu and Vanuatu (and Tokelau by UNDP)	.7	Completed
Teacher's Solar Lighting Project	PNG	.992	Under implementation
Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP)	Cooks Is, Fiji, Kiribati, Nauru, Niue, PNG, Samoa, Solomon Is, Tonga, Tuvalu and Vanuatu	5.225	Under implementation
Sustainable Energy Financing	Fiji, PNG, RMI, Solomon Islands, Vanuatu	9.48	Under implementation
Sustainable Economic Development through Renewable Energy Applications (SEDREA)	Palau	1.1	Under the GEF PAS; Under implementation
Action for the Development of Marshall Islands Renewable Energies (ADMIRE)	RMI	1.1	Under the GEF PAS; Under implementation
Promoting Energy Efficiency in the Pacific	Tonga, Samoa, Vanuatu, Cook	6	Under the GEF PAS and currently being developed.
Regional Renewable Energy	PNG, Solomon Islands, Vanuatu, Fiji, Kiribati	5	Under the GEF PAS and currently being developed.
Accelerating the Use of Renewable Energy Technologies	Nauru, Niue and Tuvalu	1.5	Under the GEF PAS and currently being developed.
Total under GEF Pacific Alliance for Sustainability (GEFPAS)		14.7	
<b>Grand Total</b>		<b>31.851</b>	

5. The Secretariat, through its GEF Support Adviser, continues to assist PICs to effectively and efficiently assess resources from the current GEFPAS and provides advice on maximizing PICs benefits from future GEF funds replenishments (see Agenda Item 8.2.4).

## **The European Union**

6. The Inaugural EU – Pacific Islands Forum Troika of September 2008 resulted in a communiqué which welcomed the fact that the development assistance made available by the EU in the framework of the 10<sup>th</sup> European Development Fund (EDF) is aligned with Pacific national and regional priorities, the Pacific Plan, as well as with the EU Strategy for the Pacific, where the ‘blue-green’ approach put emphasis on renewable energy and energy efficiency. Furthermore, a 2008 Declaration by the Pacific Islands Forum States and the EU on Climate Change, as part of the EU’s Global Climate Change Alliance (GCCA), agreed to provide technical and financial support to Pacific ACP countries to introduce, maintain, and disseminate appropriate renewable energy and energy efficiency projects that mitigate GHG. The EU has indicated that an overall allocation of 8 million Euros could be made available to the Pacific for projects under the GCCA by September 2009, which could include funding for energy efficiency and renewable energy for GHG.

7. A 9 million Euro regional project with components on regional energy sector coordination and management and GHG mitigation, has been jointly submitted by SOPAC and SPREP for funding under the EDF 10 Regional Indicative Programme. The Secretariat will collaborate with members of the CROP EWG in drafting relevant proposals to be submitted for consideration under the GCCA.

8. The EU has funded the Renewable Energy Programme for 5 Pacific ACPs (REP-5) for FSM, Nauru, Niue, Palau and RMI under EDF 9. Furthermore, about 23.89 million Euros has been set aside for national energy projects in 7 PICs - FSM, Kiribati, Nauru, Niue, Palau, RMI and Tonga, under EDF 10.

9. The Secretariat continues to complement the effort of the REP-5 in Nauru and Niue. A wind power feasibility study started in June 2009 for Nauru and a joint workshop on grid-connected solar systems was conducted at Niue in July 2009. The Secretariat has secured non-GEF funds for the participation of FSM, Palau and RMI in related GHG mitigation activities.

10. The EU is also funding a Capacity Building project related to Multilateral Environment Agreements in ACP Countries for which the activities on the UNFCCC is focussing on the Clean Development Mechanism (CDM). A joint UNDP/RISO and SPREP regional capacity building workshop was conducted in May 2009 and a three year work plan was designed with PICs. This capacity building effort complements the CDM effort of the ADB in Samoa as part of its power sector expansion project.

## Others

11. The government of Italy and the governments of the 14 Forum Island Countries have signed a Memorandum of Understanding to address adaptation to Climate Change, protection from vulnerability to extreme climate variability and the mitigation of harmful emissions generated by energy utilisation. Under this cooperation is a Sustainable Energy Programme for which the Italian government is supporting with US\$10 million. Part of this programme is implemented by IUCN with complimentary support from the Austrian government.

12. The Secretariat is complementing IUCN's projects in Tonga, Tuvalu and Vanuatu. A regional multipartite review / inception meeting was conducted in November 2008 and another is planned for November 2009. IUCN's project manager is a member of the PIGGAREP's Project Steering Committee.

13. The Renewable Energy and Energy Efficiency Partnership (REEEP) is a voluntary multi-stakeholder partnership contributing to the implementation of Agenda 21 and Johannesburg Plan of Implementation (JPOI). REEEP was established at the Johannesburg World Summit on Sustainable Development in 2002 with an objective to expand the global market for renewable energy and energy efficiency. REEEP's current 7<sup>th</sup> Programme Cycle will support up to seven<sup>1</sup> projects<sup>2</sup> under its programme for the Pacific and to be funded by a A\$1.5 million contribution from the Government of Australia.

14. The Secretariat is a member of the advisory and steering committees for the REEEP's South East Asia and Pacific office. Through the REEEP, the Secretariat has had joint activities with members of the Australian Clean Energy Council in April 2008 and the Department of the Environment, Water, Heritage and the Arts of Australia in January 2009. The Secretariat has assisted the Solomon Is, Tonga and Tuvalu in drafting their project proposals with budgets of 100,000 Euros each and with co-financing from the PIGGAREP, under the REEEP's 7<sup>th</sup> Programme Cycle. Tonga's got approved while the Solomon's and Tuvalu's are on the waiting lists to be further reconsidered for funding.

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<sup>1</sup> REEEP may decide to support a lower number of projects if enough proposals do not meet the quality criteria.

<sup>2</sup> This figure includes government and development financial institution projects and replication and scale-up projects in the Pacific that may be supported by Government of Australia.

15. ADB's Energy for All Initiative is the outcome of extensive consultation with ADB's stakeholders on how to rapidly scale up access to energy at the regional level. It recognizes that in Asia and the Pacific region alone, there are still nearly 1 billion people without access to electricity, and 1.8 billion people rely on biomass and traditional stoves for cooking and heating<sup>5</sup>. The initiative's approach is two-pronged and consists of: (i) strengthening ADB's internal capacity to support scalable and replicable access to energy projects through support to operational departments and improved knowledge management; and (ii) establishing a regional partnership—the Energy for All Partnership (E4ALL)—to scale up access to energy for the poor on a regional basis. The Secretariat is currently participating in the E4ALL and has rendered its support for the REEEP to lead a working group under this initiative for the PICs.

16. The World Bank's Energizing the Pacific initiative is a concept that is under development and is aimed to provide an overall structure for specific projects, donor input, support and routine coordination. It is foreseen to be used as a good vehicle for strengthening the World Bank's Pacific Regional Infrastructure Facility (PRIF) and to be used to develop and refine modalities of working and financing together initiatives in the PICs. Under this initiative a meeting between the government of Tonga and representative of ADB, World Bank, European Union and IUCN agreed to produce a Ten Year Roadmap: 2010 -2020 to reduce Tonga's vulnerability to oil price shocks and achieve an increase in quality access to modern energy services in an environmentally sustainable manner. The Secretariat has been approached to participate in this initiative and has confirmed its support and will participate in a stakeholder meeting in Tonga in September 2009.

17. Japan's Cool Earth Initiative have been announced and promoted by Japan during the last couple of Post Forum Dialogue meetings and could benefit GHG mitigation activities in the PICs. The Secretariat continues to liaise with the government of Japan on this initiative and will consult CROP and relevant agencies on opportunities for joint proposals to be considered for funding under this initiative.

### **The CROP Processes**

18. The Secretariat continues to collaborate with CROP agencies through the CROP EWG and the Climate Change Roundtable process. The CROP EWG put together the Regional Energy Meeting / Pacific Energy Minister's Meeting in Tonga in April 2009. The meetings emphasized the importance for PICs to set voluntary and achievable renewable energy and energy efficiency targets which could feed into the on-going negotiations on climate change. They also acknowledged that 2009 is SPREP's Year of Climate Change and therefore encouraged national and regional energy agencies to engage more actively in the climate change roundtable process and its GHG mitigation working group.

## Recommendations

19. The Meeting is invited to:

- **note** the various collaborations on GHG mitigation that the Secretariat is involved in; and
  - **note** the close coordination of the Secretariat's GHG mitigation effort with those of the CROP EWG's and the Climate Change Roundtable processes.
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25 May 2009