



**Keynote address
by**

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And
Under-Secretary General
for the Least Developed Countries, Landlocked Developing
Countries
and Small Island Developing States**

**SIDS Energy Day
*Session on Transforming the energy landscape in SIDS***

Venue: IRENA Pavilion, World Conference Center

Bonn, Germany
13 November 2017
10:30 a.m. - 11:45 a.m.

Mr. Adnan Amin, Director-General,
Distinguished Ministers, Delegates
Excellences, Ladies and Gentlemen,

It is a pleasure to be with you.

My appreciation goes to IRENA for organizing a full day of SIDS focused discussions.

It is about time to address the unique context and challenges of small island developing states with regard to the global energy transformation

Indeed, sustainable development goal 7, on energy, is a front-loading goal, a critical cornerstone for progress in other areas of action of Agenda 2030 as access to sustainable energy is key to the realisation of the Agenda's goals.

This is especially true in the SIDS context.

SIDS too often continue to depend on high cost imported fossil fuels. Developing affordable renewable energy solutions is of key importance for SIDS on many fronts.

The most obvious is that this will help in bringing down the high cost of electricity in SIDS. As you know, electricity costs in SIDS are among the highest in the world. For example, in Solomon Islands a kilowatt hour (kWh) cost USD 96 cents compared to an average USD 10 cents in Canada or USD 41 cents in Denmark.

The very geographical features of SIDS offer opportunity to move to models of renewable energy platforms replacing high cost imports. Solar, wind, geothermal and tidal based solutions have strong prospects to be forerunners in switching to renewable energy based systems. Decentralized renewable energy options also fit well with the geographical features of SIDS, where extending service to sparsely populated islands presents an additional challenge.

There certainly is great determination at national levels to proceed with such energy transitions. Many SIDS have already set ambitious renewable energy targets. Tuvalu, for example, set a target to achieve 100% renewable energy by 2020 and similarly, Aruba has announced its 100% sustainable energy target for 2020.

These nationally driven efforts deserve the international community's full support.

SIDS do though face limitations given their remote locations, smaller and dispersed populations in their energy transition efforts. Renewable energy generation cannot be as diverse as in other (larger) countries, and given a pervasive economies of scale issue that smallness brings with itself, transition can be costly in its investment.

Just think about the costs associated with transporting equipment over long distances to reach the most remote islands.

During the past several years, a strong global momentum has built around renewable energy. Developments we see are encouraging.

2016 was a record year for renewables; global renewable energy generation capacity increased by 161 gigawatts, making it the strongest year ever for new capacity additions.

The key question now is: how we can direct this momentum, the technological gains and the financial resources into concrete action to help SIDS to access renewable energy and to battle climate change?

I would like to focus today on the importance of investment and access to finance.

We all know that on the one hand major investment flows are needed in the energy sector and that on the other hand failure to increase investment and financial flows to the renewable energy sector will lead to unsustainable development paths.

It is particularly alarming that funds specifically deployed from the world's wealthiest OECD nations to the non-OECD countries to support clean energy fell to \$10 billion in 2016 from \$13.5 billion in 2015. We must find ways to reverse this trend urgently.

Your meeting is very timely and offers an excellent opportunity to have all stakeholders explore concrete measures on how to increase the volume and effectiveness of finance directed towards renewable energy transformation in SIDS.

Development finance institutions and partners have traditionally played a strong role financing renewable energy projects in SIDS. However, the scale of the challenge before us demands that we make every effort to engage with the private sector more closely.

This brings me to a related issue. That is the issue of capacity building. If we want to move rapidly ahead in facilitating the energy transition by engaging all stakeholders, we also must invest in the support that is needed to prepare bankable projects, including technical assistance in carrying out feasibility studies and raising initial capital for investments.

We also must look at how we can streamline, accelerate procedures to access and disburse funds.

All these measures must be taken if we want to ensure the much needed increased access to finance. This will also have to include more progressive national energy policies, legislation coupled with economic incentives.

Excellences, Ladies and Gentlemen,

My Office has placed very high priority on promoting sustainable energy in vulnerable countries. We want to make sure that vulnerable countries will also achieve the global goals on energy, because we know that this will then spark development across different sectors.

OHRLLS has brought together leaders and Energy Ministers with development partners and the private sector to discuss energy challenges that vulnerable countries face.

These discussions have clearly shown that national determination, national ownership for energy transition exists. These discussions have all shown governments' eagerness to scale-up and speed-up their energy initiatives.

I will share an example.

OHRLLS organised two SIDS Public-Private Partnerships Conferences, one in Samoa and one in Aruba. Both events yielded practical examples and policy guidelines for accelerating progress for renewable energy paths.

We will now organize a follow-up meeting together with the Government of Mauritius next year in May.

I am personally convinced that we move from talk to action. The credibility of the international community is at stake as people will judge us by our action and not words, History has taught us over and over again that change will not wait for us and will be a change we may not wish. We must be the change.

Many small island developing states have their renewable energy transformation plans in place and are eager to implement them.

Let us now all our talk and ensure that they can overcome energy challenges and play a forward-looking part in the global effort to mitigate climate change.

Thank you.