

MINISTERIAL STATEMENTS

1. COOK ISLANDS

Remarks by Vaitoti Tupa on *Conserving The Pacific Ocean – Implementing The Oceanscape Agenda*

Honourable Chair,

Honourable Ministers, Distinguished Representatives, Director General of SPREP Mr. David Sheppard, Deputy Director General, Mr. Kosi Latu and all staff of SPREP, Our new member to the SPREP Council from the United Kingdom, Ladies and Gentlemen, Kia Orana.

On behalf of the Cook Islands Delegation and Government, I would like to extend my warm thank you to the Government of New Caledonia through you Hon. Chair for the warm welcome.

The Cook Islands Government strongly supports the issues on Oceanscape.

Our ocean, your ocean, is under increasing threat. And because this ocean is the foundation of our lives and livelihoods we, the people of the Pacific, are also under threat – threat in ways our ancestors could never have imagined. I can recall that President Tong of Kiribati first had the vision that the Pacific Islands countries and territories needed to come together to implement better protection of our oceans. In September 2010, Pacific Islands Leaders unanimously endorsed his proposal for a new framework for integrated ocean management - the Pacific Oceanscape. A key focus of the Oceanscape is to support large marine protected areas, and it has been built on the lessons learned from the establishment of Kiribati's Phoenix Islands Protected Area. The Cook Islands have been, and remain, strong supporters of the Oceanscape and its framework for implementation.

Almost daily we receive information on the threats to our ocean, and the amount of information available can be overwhelming. Yet when it comes to understanding what this means for us in the Cook Islands, we are at somewhat of a loss, because there is generally a lack of information from within the Cook Islands to help us to interpret the scale of the threat.

The Government and people of the Cook Islands have therefore decided that the most prudent option for us to address the threats facing our ocean is to adopt a precautionary approach and to establish in the southern Cook Islands a marine park of 1.1 million square kilometres. My Prime Minister, Hon. Henry Puna, formally launched the Marine Park at last week's 43rd meeting of the Pacific Islands Leaders Forum, which we had the honour to host in the Cook Islands. It is our hope that this Marine Park will foster the much-needed investment in the Cook Islands for protection of the ocean, and will provide at scale, an ocean package for conservation and sustainable development, that will generate interest and supportive action by the global community. We see this as a logical extension of our commitment to marine conservation - back in 2001; we were the first country in the world to declare our whole Exclusive Economic

Zone, which covers 2.4 million square kilometres, as a whale sanctuary. Many other SPREP members, of course, have since followed our example on whale sanctuaries, and we hope that there will be a similar response to this initiative.

We have already been very encouraged by the announcement last week by New Caledonia that they will also be establishing a marine protected area in the Coral Sea. Indeed, we are delighted that New Caledonia has proposed the development of a sister site agreement with the Cook Islands, so that we may learn together from our experiences in this exciting voyage. We are also grateful to our fellow voyagers, SPREP and Conservation International, who have been our trusted advisers since we first began developing the concept of a Cook Islands Marine Park; and who have committed to an ongoing role in support of our endeavours.

To many from outside our region we are seen as small because of the size of our islands and our small populations in a vast ocean – we are commonly referred to as small island developing states. However, we are no longer seeing ourselves as small states. Rather we, as ocean people, increasingly describe ourselves as Large Ocean States. The Exclusive Economic Zones of the Pacific Island countries and territories cover some 8% of the planet's surface and 10% of its oceans. Balancing our need for sustainable economic development with the need to conserve our part of the planet is a huge challenge to my country and to our fellow island states. It is a challenge that the Cook Islands has decided to meet head on.

The Cook Islands Marine Park is being developed with the full support of both sides of our Parliament, all of our traditional leaders and widespread and overwhelming community support in the Cook Islands. The global community is also realizing the need to scale up marine protected area efforts. The renewed commitment for marine protected areas of 10% of coastal and marine areas under protection by 2020, agreed by the global community in 2010, reflects this concern. However, even with the 2.4 million sq km committed by my country and New Caledonia towards the 10% protection target, the global total for protected marine areas is still only 1%.

To go from 1% to 10% protection in only 8 years is the challenge at hand for the global community, and the Pacific Islands are leading the way. However with over 31 million sq km still to secure, there is no time to rest on our laurels. We need to create another 30 Cook Island marine parks, or more than 75 PIPAs to reach this target. We have no choice but to rise to this challenge. It underlies why the Cook Islands has declared one of the world's largest marine parks; it underlies why we are excited to be working with New Caledonia on developing our joint commitment to marine conservation; and to working with other countries in our region under the Pacific Oceanscape to realize a new scale of ocean management. I hope that Dialogue Partners, donors and supporters will join us in meeting this challenge - a challenge for all of us to realize our legacy and stewardship of the ocean, for the benefit of our children and grandchildren.

2. FEDERATED STATES OF MICRONESIA

Remarks by Hon. Andrew Yatilman on *Rio+20 – follow up and future directions*

Honorable Ministers, officials, Director General Sheppard, ladies and gentlemen.

I join the previous speakers in thanking The Honorable Minister Anthony Lecren for chairing our meeting this morning and also thanking and expressing my profound appreciation to the people and government of New Caledonia for the hospitality extended to FSM's one-man delegation since my arrival here. Thank you, too, for the excellent accommodations and facilities.

In Madang two years ago, I called on Ministers' support to lobby with the Global Environment Facility to continue its funding to the fisheries monitoring program in the Pacific given that fisheries is a vital resource for us.

This time, I want to share a short story of my country and our initiative in the multilateral environmental arena with the hope of generating interests and support from you again as fellow Pacific Islanders.

The Federated States of Micronesia ("FSM") is a small Pacific Island developing nation located just north of the equator approximately half way between Hawaii and the Philippines. A culturally diverse region, it consists of four different states, Chuuk, Kosrae, Pohnpei, and Yap, each with their distinct languages and cultures. Formerly part of the United Nations Trust Territory of the Pacific Islands, the Federated States of Micronesia ratified its own Constitution as an independent nation in 1979, and is an active member of the United Nations and other multilateral organizations. While the FSM has successfully achieved political independence and a stable government committed to the rule of law, it is currently focused on economic development and attempting to increase the fiscal autonomy of the government through sustainable development policies. The primary areas of economic focus are the fisheries, agriculture, and tourism sectors, although the FSM economy continues to be reliant on overseas development assistance.

As a small island developing nation located near the Intertropical Convergence Zone in the equatorial Pacific Ocean, climate change is an existential issue for the FSM. Many of the inhabited islands are low-lying atolls that could either disappear entirely or become uninhabitable through the effects of climate change.

Scientific studies show that in the Eastern portion of the FSM, average temperatures have increased in a manner consistent with global warming, while average rainfall has decreased. Satellite data indicates that sea levels in the FSM have increased by over 10 mm per year since 1993. This increase is substantially larger than the global average of 2-3 mm per year.

In addition to weather changes and sea level rise, FSM has been affected by ocean acidification. As the increased carbon dioxide in the atmosphere interacts with the oceans, the result is acidification of seawater. This can affect the growth of corals and other marine life that are necessary for healthy island ecosystems. Scientific data confirms increasing acidification of Micronesian waters over the last two hundred years.

Although climate forecasting is an evolving science, studies from the Pacific Science Climate Change Program using various climate prediction models indicate substantial future impacts on the FSM from climate change. Under medium future carbon emissions scenario, the models predict temperature increases of 1-2 degrees Celsius by 2055, translating to sea level rise of 9-32 centimeters.

The impact of such large sea level changes would be devastating to the people of the FSM, especially those living on remote atoll islands. The FSM has been hit by numerous extreme weather events in recent years, including a severe drought in 1997-98 and a typhoon after that. Most recently, a series of extreme tides inundated the FSM in 2007 and 2008, resulting in a national state of emergency as the inhabitants of the atoll islands faced critical food and fresh water shortages.

Low lying coral atolls are sparsely inhabited, low technology communities that often do not have any reliable transportation to larger, higher islands. Inhabitants of these islands rely on the natural resources that have sustained them for thousands of years, fishing in the ocean and practicing agro forestry. Those natural resources are now under threat. Rising sea levels and inundation events have resulted in saltwater intrusion into fragile freshwater aquifers, destroying taro patches that have sustained generations of islanders. During the recent inundation events, taro or breadfruit crops were destroyed in more than 60% of atoll communities, resulting in a state of emergency requiring the delivery of fresh food and water to some of the remotest places on earth. Many of the atolls affected have still not recovered from the chemical damage resulting from saltwater intrusion.

While the low lying atoll islands of FSM are most immediately affected by climate change, even the higher islands face major challenges. Coastal erosion has already severely affected the island of Kosrae, and most of the infrastructure of the main islands is located on or near the ocean. For example, three of the four international airports in the FSM are located on the shoreline, and much of the other basic infrastructure is similarly vulnerable to sea level change. Indeed, most of the development infrastructure FSM has struggled to build over the last thirty years or so could potentially be obsolete as the sea rises.

Therefore, as we continue to strive for greater ambition under the UNFCCC (i.e. larger emissions reductions pledges), we must also look for climate mitigation opportunities elsewhere.

For years now, FSM has been pushing in the MP for the phase out of SLCFs or SLCPs for very obvious reasons. One, the MP is the most successful treaty of all MEAs. Second, these SLCFs live in the atmosphere for a short period of time so it makes sense to also deal with them and bring immediate cooling benefit to the global atmosphere. Third, it will buy us time as we work to address the more serious and long-lived CO2 emissions. There are more very good reasons why we should address SLCFs now but in the interest of time I will not list all of them here.

Our proposal is gaining support in the MP, but not quite enough yet to pass. In the last MP OEWG meeting in Bangkok this summer, the number of parties that supported our proposal grew to 108 but that is still not enough. The US and Canada and Mexico has a similar proposal. And the US is starting a coalition to address the SLCPs.

At Rio+20, the global community agreed to support the gradual phase-down in the consumption and production of HFCs, ozone depleting substances (ODS) that have high global warming potential to the environment. There is momentum here and the FSM will be happy if all the other Pacific Islands are supporting us to bring immediate cooling benefit to our planet and give us more time to address CO2 emissions. All that we talk about here will mean nothing if global warming is not reversed and our oceans, which we rely on heavily for livelihood, are acidified to a point where no ecosystem can live in it.

Thank you.

3. FRENCH POLYNESIA

Remarks by Hon. Jacky Bryant on *Climate Change and Renewable energy – addressing key issues and targets in the Pacific*

Like many Pacific countries, French Polynesia is faced with numerous issues. Its 118 islands stretch across just under 5 million square kilometres, or the size of Europe. These islands are relatively far from each other, which entails significant travel costs.

French Polynesia's development is overly focused on the Papeete urban area where the majority of economic activity, political actors and resources are concentrated. This is largely due to the location of its international port and airport facilities. As a result of this overcentralisation, our country is heavily reliant on fossil fuels, particularly in the transport sector. In spite of our sunny climate, 70% of our electricity is generated by oil-fired power stations while the remaining 30% comes from hydropower. Such choices belong to another era... an era of cheap and abundant oil... of irresponsibility towards future generations... of indifference to the impacts of pollution.

This mindset will be felt for many years to come, since the Mururoa and Fangataufa atolls, where French nuclear tests were conducted, trap – for now – the radioactivity of close to 160 underground nuclear explosions. Today, the threat of collapse of the barrier reef reminds us that every one of our choices has profound and lasting consequences. Should the radioactivity be released into the ocean, contaminating, among other things, tuna that come to reproduce in our waters, this would remind us of our strong interdependence as Pacific people, in spite of the several thousand kilometres that separate us.

Our urbanisation and land use are the result of easy choices, on both structural and financial levels. Activities were initially concentrated on coastal areas and, with increasing land pressure, many hazard-prone areas have been urbanised. The race for economic development often occurred without considering the impact of those activities on natural environments or cultural heritage (both tangible and intangible). For a few years now, and more acutely today, the issue of climate change has been compounding those “non-choices” that reflect a very limited mindset. This mindset could very well jeopardise the development of French Polynesia as well as that of our Pacific neighbours and brothers.

French Polynesia developed its Strategic Climate Plan to give itself a genuine development tool as well as real choices. The Plan aims to provide our country with a sustainable development perspective that integrates the constraints of climate change. It will, I hope, bring an end to this era of easy choices, of indifference to and disregard for the generations to come. I hope that the Strategic Climate Plan will pave the way for other perspectives on our planning, on the essential role of cultural referents in our adaptation, and on our responsibility towards future generations.

The Strategic Climate Plan was developed between February and May 2012 following five consultation workshops, attended by about one hundred participants from the technical and administrative services of French Polynesia, municipalities, civil society, private businesses, research centres and churches. Transport, urbanism, energy, production systems and natural and cultural heritage were at the heart of our discussions. Two roundtables were also organised to openly discuss potential climate migrations as well as risk management.

This resulted in the development of some 140 policy directions, organised around six thematic areas: transport, urbanism, energy, production systems, heritage and future issues. Each thematic area is articulated around five pillars: information, regulation, economic tools, innovation and governance. Social equity, cultural identity, public health and gender equity are treated as cross-cutting issues.

Other consultations will soon take place to develop our action plan, while a Climate Unit will soon be established within the Energy and Mining Department. In the meantime, French Polynesia will decide on a proposed amendment to the statutory law to integrate sustainable development in the context of climate change.

4. KIRIBATI

Remarks by Hon. Tiarite Kwong on *Innovative financing for climate change and biodiversity*

Madame Chair

Honorable Ministers

Director General – Secretariat of the Pacific Regional Environment Programme

Director General – Secretariat of the Pacific Community

Ambassadors

Donors and Partners

Distinguished Delegates

Ladies and Gentlemen

I extend to you all warm greetings from Kiribati: *Kam Na Bane Ni Mauri!*

Let me at the outset congratulate you Madam Chair on your assumption of the role of chairperson. We have full confidence in your leadership and guidance on our deliberations today.

I would like to extend my congratulations to the Director General and staff of SPREP for the excellent support and services that they have provided to facilitate the convening of this important ministerial meeting.

All this would not have been possible, Madam Chair, without the support of the Government of New Caledonia. It is in this regard that I would like to express our deep gratitude to the Government of New Caledonia for hosting this 23rd SPREP Ministerial Meeting, but especially for the warm hospitality and reception accorded to me and my delegation on our arrival in this beautiful country.

Madam Chair, I have been tasked to give a brief presentation at this ministerial forum on '*innovative financing for biodiversity and climate change*'. This is indeed an interesting but challenging topic and one that needs to be grounded on empirical facts for meaningful and informed discussion of this important theme.

I commend the programme organisers for their foresight in including this important session on innovative financing as part of this ministerial dialogue. It provides an excellent opportunity for us to explore innovative financial solutions to fulfilling the climate change and biodiversity targets agreed globally and at the regional and national levels. It also enables political environment focal points like ourselves to communicate, exchange ideas and views and reflect on existing experiences we have had in financing climate change and biodiversity at the

national, regional and international levels. I have no doubt that the outcome of our dialogue on this important issue would assist in enhancing our strategies for a safer and healthier environment in our region.

Madam Chair, distinguished colleagues,

I would attempt to discuss this topic on innovative financing at three levels – global, regional and national. Because of its relevance to our national conservation initiatives, I would also highlight some of the key opportunities and challenges that Kiribati has faced in accessing and securing various funding supports, especially in relation to our flagship and well renowned conservation project – the *Phoenix Islands Protected Area*, or PIPA for short.

Distinguished colleagues,

Finance is the pillar of our planning and programming to safeguard the health and integrity of our environment for current and future generations. Put simply, ‘innovative financing for biodiversity and climate change’ is about ‘more, better and faster financial resources from all public and private sources through traditional and innovative mechanisms to support the declarations of the two Conventions’ (Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC)). Most of our countries in the region are Parties to these two Conventions.

One of the objectives of the CBD is the sustainable use of biodiversity and its components. This is crucial for us in the region considering that biodiversity forms the basis of the ecosystems that provide us with the air we breathe, the water we drink, and much of the food we eat. As such, it is our important role as Ministers of the Environment to safeguard the existing biodiversity in our respective islands for our and future generations’ survivals.

At the other extreme is the global issue of climate change and how this would seriously affect us in the Pacific. The ultimate objective of the UNFCCC is to achieve the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. This objective reminds us, yet again, of the important role that we must play as Environment Ministers for the Pacific region to ensure that the future generations are not made worse off as a result of the impacts of global climate change on our islands.

There are global funds made available under these two Conventions that we can access to support our respective national conservation and climate change programmes. For instance, under the UNFCCC, there are several funding mechanisms including the Global Environment Facility (GEF), the Kyoto Adaptation Fund, LDC Funds (LDCF), and the Green Climate Fund. Under the CBD, the GEF provides mostly the financial resources that we need to access at the country level. Additionally, there are also private and partnership sources of funding pledges specifically earmarked to address biodiversity and climate change issues at the country level. Recently,

during the last Rio Meeting held in Rio de Janeiro, Brazil, the World Bank's new Global Partnership for Oceans that also bring forward new funding sources for like-minded countries, with interest to preserve their oceans. This underscores the growing interests and commitment at the global level to support efforts aimed at protecting the environment and the ecosystems.

We acknowledge that accessing most of these funds is not easy given the strong competition for them but, more so, because of the excessively stringent processes and procedures that have to be complied with by countries before they can access them. The GEF is one case in point. This is a real concern to us, especially with the whole urgent issue of global climate change. Often, we are faced with human resources and capacity limitations to fully access and utilize these available global funding, in a timely manner. This is one of the reasons why the Government of Kiribati welcomes and supports SPREP's application to become a GEF Project Agency and a Regional Implementing Entity under the Climate Change Adaptation Fund.

Furthermore, considering the importance of funding that underlies the work we need to do on climate change and biodiversity at the national, regional and international levels, Kiribati seeks SPREP's assistance to consider, in consultation with SPREP member countries, the development of a regional resource mobilization strategy for financing climate change and biodiversity. This strategy needs to be user-friendly to both SPREP as an organization and its member States. Effective planning and strategy to accessing these available global and regional sources of funding for utilization at the country level for financing climate change and biodiversity is vital in our region considering the smallness of our office and the existing resources available.

Madam Chair, distinguished colleagues,

If there is one ideal model of innovative financing on biodiversity and climate change existing in our region, it would be the Phoenix Islands Protected Area (or PIPA for short). This may be a biased statement on my part but I truly believe that PIPA is quite unique in many ways, including the financing of its operation through what has been termed 'reverse fishing licensing fee' – an innovative financing mechanism that has been central to PIPA's funding strategy.

With your permission Madame Chair, let me at this juncture talk briefly about the PIPA and its innovative financing mechanism.

PIPA constitutes the Government of Kiribati's conservation and sustainable use strategy for the Phoenix Islands archipelago and surrounding marine environment. It is an integrated approach to biodiversity conservation encapsulating the terrestrial, near-shore and off-shore ecosystems as well as adaptation and mitigation to the impacts of climate change. Importantly, PIPA underscores Kiribati's commitment to regional and international agreements and conventions such as the CBD, UNFCCC, World Heritage Convention, and many more.

When PIPA was established in 2006, it was done on the basis that it should be a self-sustaining and self-financing operation. This triggered the enactment of the PIPA Trust Act by Parliament in 2010, which legalised the establishment of the PIPA Trust as a charitable, non-government organization. The main objective of the Trust is to address the need for a long-term sustainable approach to funding PIPA and the implementation of its Management Plan through the establishment of an endowment fund, which will be capitalised by private and public contributions. The goal is to capitalise the endowment at a level that would be able to generate an income stream sufficient to cover the operating and management costs of the Trust, and the foregone revenues from fishing associated with the closure or restriction of activities within the PIPA region.

The PIPA partners that is, the Government of Kiribati, New England and Conservation International have teamed up to structure global financial support for the capitalisation of the PIPA. To this end, the PIPA Trust Fundraising Framework has been developed which sets out the various opportunities and strategies that the PIPA partners can explore and employ to increase PIPA's funding base and attract external funds for the capitalisation of the PIPA Trust Fund.

PIPA is a unique approach to conservation that meets the twin objectives of economic growth and biodiversity conservation. It seeks to ensure that the closing of the Phoenix Islands region from extractive activities would not compromise the economic growth and development of the Kiribati economy and its people. This is to be achieved through a conservation contract approach. The basis of this Conservation Contract arrangement is a unique "reverse fishing license" financing program in which the Government of Kiribati will be reimbursed by the PIPA Trust for the amount that they would have made from selling fishing licenses if PIPA were not protected - conditional on the satisfactory performance by the Government of Kiribati on its obligation to ensure the long-term protection of the terrestrial, coral, and oceanic natural resources as well as any cultural resources within PIPA.

It is encouraging that to date both the Government of Kiribati and Conservation International, through its managed Global Conservation Fund, have each pledged US\$2.5 million in grant to capitalise the PIPA Endowment Fund. Madame Chair, I'm not mandated to do a fundraising campaign for PIPA during this presentation but I simply cannot resist the temptation to ask our donor partners present here today to consider contributing to the PIPA Endowment Fund. It's a win-win cause, I can assure you.

Distinguished colleagues,

The moral of the PIPA story is that innovative financing for biodiversity and climate change is not necessarily limited to multilateral funding sources. Indeed, funding supports from these multilateral institutions will always be needed. However, in the face of the current economic downturn and tightening of funds by donors, such funding supports will become increasingly scarce. We really need therefore to be ahead of the curve and to be creative and innovative in our fundraising approach. And this means extending our search beyond these traditional funding sources, accompanied by the provision of an appropriate incentive structure that would

engender strong support from both the local and international community for the protection of our environment.

Madame Chair, Distinguished colleagues

Let me conclude my presentation by wishing this ministerial dialogue great success, and I do so with our traditional Kiribati blessing of Te Mauri, Te Raoi ao Te Tabomoa - which means Health, Peace and Prosperity to you all.

Kam bati n rabwa.

5. SAMOA

Remarks by Hon Faamoetaulua LT Dr Faale Tumaalii on *Climate Change and Renewable energy – addressing key issues and targets in the Pacific*

Mr. Chairman, Fellow Ministers, Distinguished Delegates, Ladies and Gentlemen,

At the outset, let me take this opportunity on behalf of my delegation, to express our sincere appreciation to Hon Harold Martin, President of the Government of New Caledonia, Hon Anthony Lecren, Minister of Environment and Sustainable Development, and the government and people of New Caledonia, for hosting the 23rd SPREP Meeting of Officials and the High Level Segment this year, and for the warm hospitality accorded me and my delegation since our arrival. Let me also congratulate the Director General of SPREP, Mr. David Sheppard, and his staff, for a well prepared and coordinated meeting.

My brief remarks this morning will provide this High Level Segment meeting, with a snapshot of Samoa's renewable energy development initiatives and efforts, with the ultimate goal of providing a healthy and productive natural and social environment for Samoa and our people, hoping also, that it could be of use, to addressing key issues and targets on Climate Change and Renewable Energy in the Pacific. There is no doubt in my mind that we all share the same concerns and challenges on global warming, climate change, the ever escalating cost of fossil fuels, and the effects of greenhouse gas emissions on the global environment, and especially our Pacific region. Such challenges however, have presented new opportunities for all of us, to develop and increase the uptake of alternative renewable sources of energy, which are sustainable, reliable, practical and financially affordable for our governments and people.

The outline of my brief talk this morning is as follows: Firstly, I will introduce the Strategy for the Development of Samoa for the years 2012 to 2016, and the Samoa National Energy Policy 2007, highlighting key development strategies relating to renewable energy. Secondly, I will briefly discuss the data on the volume of petroleum fuel imported into Samoa over the five-year period from 2007 to 2011, and the average annual retail price of the same, for the same period. I will then talk about the current total energy mix for electricity generation in Samoa. This will be followed by the listing of our national climate change and renewable energy policies, and the

agencies involved with their implementation, and also our greenhouse gas abatement and renewable energy programmes and projects, and their expected outcomes. Finally, I will conclude my brief talk with examples of renewable energy research and development work currently undertaken by our Government, and investment plans that we have for the production and supply of renewable energy.

The Strategy for the Development of Samoa for the period 2012 to 2016 presents the key development strategies and priority sectors for the development of Samoa in the next four years. The vision continues the longer term goal of achieving “Improved Quality of Life for All”, and the theme for this development period is “Boosting Productivity for Sustainable Development”. Renewable energy features in two priority areas – the infrastructure sector and the environment, which correspond to sustainable energy supply, and environment sustainability, respectively. Our Government recognizes the importance of energy security and efficiency as a key element to sustainable economic development, poverty alleviation, and achieving the Millennium Development Goals. We also recognize the significance of whole-of-sector approach in reducing our dependency on imported fossil fuels for electricity generation, and increase private sector involvement in the energy sector. As such, our Government is committed to significantly increase the contribution of renewable energy in the total energy mix in the coming years, and to promote energy efficiency and security, as an enabling environment for our country’s sustainable economic development. Our National Energy Plan which was established in 2007 aims to increase the contribution of renewable energy in the total energy mix by 20% by the year 2030. Renewable energy is one of the five strategic areas of this policy, with the objective to successfully shift from fossil fuel dependency to renewable energy investment.

There has been a consistent increase in the consumption of petroleum fuel in Samoa over the five-year period from 2007 to 2011, especially diesel and unleaded petrol, as reflected in their volumes imported. Whilst kerosene consumption peaked at 18.6 million litres in 2009, and thereafter gradually decreased to 13.9 million litres in 2011, there were steady increases in diesel consumption from 36.3 million to 43.8 million litres, and unleaded petrol from 25.9 million to 29.4 million litres. These quantities equate to diesel increasing by an average of 5%, and unleaded petrol by an average of 3%, annually. Coupled with this increase in consumption, is the relatively high retail prices per litre for these petroleum fuel products at the pump, ranging from about USD\$1 to USD\$1.50 based on the last five years averages, with no sign of dropping. In fact, the average annual total volume of petroleum fuel imported into Samoa in the last five years drains our foreign reserves of about USD\$80 to USD\$90 million annually, which equates to about 16 to 18% of our current GDP. Our Strategy for the Development of Samoa for the next four years details strategic areas, to develop and increase the uptake of alternative renewable sources of energy, to replace a considerable percentage of these imported petroleum fuel, and lessen the strain on our foreign reserves, thus freeing up capita for investment into other equally important sectors of our local economy.

In regards to electricity generation in Samoa, about 68% of it is reliant on imported diesel at a volume of about 19 million litres and a cost of over USD\$20 million annually. The remaining 32% is from renewable energy sources, with a significant proportion of it from hydro and less than 1% from solar. For this reason and other energy demands reliant on imported petroleum, our Strategy for Development that I had alluded to earlier, has identified “sustainable, reliable, affordable and environmentally sound energy services and supplies” as a key outcome, and our Government has pledged to have 20% of its total energy mix from renewable sources by the year 2030.

Our Government has also formulated and established various national policies on climate change and renewable energy, in partnership with our key development partners. Examples include the National Policy on Combating Climate Change 2007, National Greenhouse Gas Abatement Strategy 2008 -2018, National Adaptation Programme of Action, Forest Management Act 2010, National Land Use Policy, Ozone Layer Protection Regulations, and National Waste Management Act 2010, to name a few. A whole-of-sector approach comprising key actors from both the public and private sectors, are involved with the implementation of these policies. Three of the implementing agencies, namely the Ministry of Natural Resources and Environment (MNRE), Scientific Research Organisation of Samoa (SROS) and Samoa Trust Estate Corporation (STEC), come under my Ministerial leadership and responsibilities. Linked to the abovementioned policies are various projects and programmes on greenhouse gas abatement and renewable energy, which are currently in progress and jointly funded by our government, key development partners and other donor agencies, as part of our efforts in addressing key issues and achieving our targets, in climate change and renewable energy. Examples include the UNDP/SPREP-funded Energy Awareness and PIGGAREP-funded Wind Assessment programmes, Government of Japan-funded/PIFS-coordinated Solar Thermal – Grid System, EU-funded Biogas Digester for Waste Management, and FAO-funded Biogas Digester as source of Organic Fertilizers for Crop Production. The expected outcomes from these projects and programmes in broader terms include: the reduction of greenhouse gas emissions; sustainable and affordable energy supply; linked to this outcome is the reduction of imports of fossil fuel as the result of improved, sustainable and reliable renewable energy sources and technologies, to generate electricity and motorized transports; increased sequestration of carbon dioxide with energy conservation, reforestation and planting of energy plantations; improved overall energy efficiency; enhanced livelihoods through the creation of job opportunities for local communities in project locations, and; improved living standards and social welfare for all our people.

Our Government has also invested heavily in biofuel technology, with the desired outcome of providing an enabling environment for rural employment, and economic and social development for our people. SROS has as one of its research mandates, is to undertake technological research and development, into alternative and renewable sources of energy for our country. In early 2009, SROS with funding from the Governments of Austria and Italy through IUCN, commenced with preliminary laboratory-scale studies on the production of biodiesel, using the plentiful and underutilized coconuts as feedstock. Later on in the same year,

the biodiesel research was up-scaled to pilot-scale via the acquisition of a 200-litre plant. This plant is able to produce in less than an hour, about 200 litres of biodiesel and a small volume of a by-product known as glycerol. The process and feedstock parameters for the plant have been optimized by SROS, and the plant has demonstrated to be very efficient and effective, in producing high quality biodiesel from coconut oil, as evidenced from the continued high performance of SROS's three vehicles and a stand-by generator, that have been running on biodiesel for over three years now. At this juncture, let me acknowledge with much appreciation the Director General of SPREP for his initiative in joining forces with SROS, to promote environmentally-friendly and clean renewable fuel alternatives, as part of SPREP's 'green campus' concept. A few weeks ago, SPREP and SROS signed a Letter of Agreement to fuel two SPREP vehicles, with the environmentally-clean biodiesel produced by SROS, as part of our joint public awareness campaign, to curb greenhouse gas emissions and protect our environment for our future generations.

We are now in the process of up-scaling our biodiesel production to commercial realities, and we have developed a concept paper for large-scale implementation of biodiesel production in conjunction with biomass gasification, valued at USD\$5.8 million, which could reduce the level of diesel imported into our country for electricity generation by over 50%. This proposed commercial venture is expected to be located at our STEC coconut plantations which will provide the necessary quantity of coconut feedstock, in addition to coconut supply from our rural farmers, to sustain production in the long term. This concept paper will be submitted to the IRENA Abu Dhabi Fund for Development, once modalities and guidelines for accessing the Fund are finalized. We will also solicit funding considerations from our key development partners and other donor agencies. In parallel with our on-going efforts in biodiesel production from coconut oil, our Ministry of Agriculture and Fisheries (MAF), has initiated a coconut tree replanting programme, to replace some of our old coconut trees, and ensure long term stable supply of coconuts for this venture, in consideration of other competing interests and uses of coconuts in Samoa. Furthermore, with additional funding from the Governments of Austria and Italy via IUCN, the three government agencies under my Ministerial responsibilities (MNRE, STEC and SROS), are collaborating in the assessment of the yielding potential, of the oil-rich non-food crop *Jatropha Curcas*, inter-cropped with coconut trees, as an alternate to the coconuts for the production of biodiesel. This project will also be used as a demonstration block, for the rural farmers to observe and encourage them to increase the growing of these relevant feedstocks for their intended purposes. Moreover, with funding from the Government of Turkey, SROS has been conducting lab-scale studies, to assess various processes and technologies, to produce bioethanol from locally available breadfruit, cassava and nonu crops. Bioethanol can be utilized as a blend with the imported unleaded petrol, or as a conversion ingredient in biodiesel production.

In closing, let me commend the efforts of Mr. David Sheppard and his SPREP staff, and what they have accomplished over the last year. I join my other Ministerial colleagues in this meeting, to assure you of our confidence in the outcomes generated from this 23rd Meeting, which will certainly strengthen the delivery of your mandated services to all SPREP member countries. I would also like to acknowledge with much gratitude, the continued tremendous contributions by our development partners and SPREP members, who are in a strong position, to assist the Pacific Island Countries and Territories, with their collective efforts, to address climate change challenges through renewable energy initiatives, that are realistic, practical and affordable.

Thank you for your attention, God bless, Soifua!

6. TUVALU

Remarks by Hon. Apisai Ieremia on *Innovative financing for climate change and biodiversity*

Honourable Chairperson,
Director General of SPREP,
Honourable Ministers,
Distinguished representatives from different CROPS and international organizations
SPREP Officials,
Ladies & Gentlemen,

Talofa,

As I am the first Minister to take the floor in making this presentation at this very crucial opportunity and meeting, I wish to congratulate the People and the Government of New Caledonia for hosting the 23rd SPREP Meeting and I also wished to share my gratitude to the excellent and comfortable hospitality that has been rendered to me and my delegation whilst our short stay here in your beautiful paradise.

Honourable Chair, I am honoured to share with you all Tuvalu's experience, challenges and possible way forward to secure innovative finance for climate change and biodiversity.

Tuvalu is no doubt one of the countries most affected by climate change with the most significant negative impact to be felt by the coastal communities. Increases in average temperatures and changes in seasonal rainfall have already been measured and scientists believe that increasingly severe climatic disasters are occurring, especially coastal erosion, cyclones, sea level rise and droughts, just to name a few.

The agriculture sector and coastal sector are highly vulnerable to climate change, while coastal fisheries and marine biodiversity are highly sensitive. Most vulnerable to climate change are poorer communities, and especially children and the elderly, especially, are most vulnerable to climate change as they have less capacity to adapt. The government and Falekaupule (local governance) recognise the significance of climate change and how this will affect their coastal communities and recognise the need to implement proper adaptation measures to build

resilience of communities. However there has been lack of finance readily available to explore the options needed that may help these communities to adapt in the face of climate change.

Allow me distinguished Ministers to present to you this topic from a global level, regional level and what can be done at the national level.

Globally, there are two United Nation conventions that deal directly with Climate change and Biodiversity, which are the United Nation Framework Convention on Climate Change and the Convention on Biological Diversity. There are number of Fund established under the UNFCCC, mostly comes from pledges from developed countries with the unique Adaptation Fund that comes from proceeds of the Clean Development Mechanism (CDM). In recent Conference of Parties of the UNFCCC, Parties agreed to establish new financial arrangements such as the Fast Start Finance under the Copenhagen Accord and the Green Climate Fund under the Cancun Agreement. These new funds promised to bring billions of dollars to address adaptation and mitigation needs of developing countries. Unfortunately we are yet to see these funds materialise in a comprehensive and effective manner. On a similar note, there are traditional financial mechanisms established under the UNFCCC that is the LDCF, SCCF and the AF, and are serviced by GEF as the operating entity. The GEF, serving as the operating entity for these Funds, also has its own financial mechanism from its Trust Fund that allows developing countries to access. The GEF Trust Fund is in its 5th Replenishment and has distributed its resources under a STAR allocation.

To access these resources from the GEF, there are accredited Implementing Agencies (IAs) of the GEF that countries can work with to develop project proposals for submission to GEF. These IAs include UNDP, UNEP, ADB, World Bank and others. Operational procedures for accessing resources have been complex and cumbersome thus making it more difficult to many countries in particular SIDS and LDCs to access funds for projects. Hence, we need to seek innovative ways not only to secure finance but to ensure that access to these finance are flexible and straight forward. However, I would like to acknowledge the support from our Implementing Agencies in the region whom have done significant role in supporting countries, including Tuvalu to access resources from these Funds.

According to standard guidelines and operational procedures of the GEF a country needs to provide close to 1:4 ratio of amount requested from GEF to co-finance the project. This is a large amount required from countries, which in some instance force countries to change the focal area of projects in order to meet the co-finance requirement. It changes to other area where the co-finance can be sort from. This is an issue that SPREP is well aware of given its experience with the SCCF funded PACC project. Therefore we need to seek ways to reduce the ratio required by GEF and/or seek innovative ways to secure co-finance money from either regional support and/or national assets.

At the regional level, I congratulate the SPREP for submitting its application to GEF to become an Implementing Agency. This is a positive step forward to assist the region in accessing resources from the GEF and Tuvalu fully supports this. In addition, I believed a number of our member countries have commenced and others may be in a planning stage, to apply for National Implementing Entity (NIE) to the Adaptation Fund Board. This is an initiative to get direct access of individual countries to resources under the Adaptation Fund. I recognised that other CROP agencies are taking this role in supporting member countries in paving the ground work required for NIE accreditation. I therefore urge these agencies and SPREP to provide the utmost support to ensure member countries are successful in this initiative.

At the national level, Tuvalu wishes to thank SPREP for the tremendous support in providing the technical and financial assistance in continually building capacities of our national experts. In 2011, with support of SPREP, SPC and other external partners, Tuvalu has successfully developed its National Climate Change Policy and National Strategic Action Plan. Nonetheless, we learned that our priorities as set out in our Policy and Plan require a significant amount of resources to finance these priorities.

Apart from that, Tuvalu recognised that at PIFS 2011 there was a paper developed to examine different options for National Trust Funds. Perhaps as one option, this could be expanded to include Climate Change and Biodiversity Trust Funds, noting the pros and cons of different options. Tuvalu has successfully established a national trust fund and would like to investigate the technical views on establishing a national climate change and biodiversity trust fund. Such a fund could appoint people actively involved in climate change and biodiversity policy and action including non-state actors to participate on Boards or Management Committees. Such a specific fund would also allow for transparency of funding received from various donors for climate change and biodiversity. It will also reduce reporting and administrative burdens and contributes to predictability of funding. Such a fund would also allow for effective cooperation between government, community, private sector and donors. Therefore Tuvalu maybe seeks SRPEP support in identifying possible sources that can support this Trust Fund once established.

In conclusion, Tuvalu still seek the support of SPREP in identifying innovative finance and to inform member countries of such opportunity to get financial support for climate change and biodiversity work in our region.

Fakafetai lasi.
