

## CSD-14 HIGHLIGHTS:

### MONDAY, 8 MAY 2006

Monday was dedicated to presentations and exchanges on Small Island Developing States (SIDS), focusing on a review of the Mauritius Strategy for the implementation of sustainable development in SIDS. Discussions followed the CSD-14 thematic cluster, including energy, industrial development, atmospheric pollution and climate change. Three panels launched a series of exchanges throughout the day.

#### OPENING OF SIDS DAY

The day of deliberations on SIDS was introduced by Vice-Chair Yvo de Boer (Netherlands).

Anwarul K. Chowdhury, UN Under-Secretary-General and High Representative with responsibility for the Least Developed Countries and SIDS, called on the CSD to review implementation of the Mauritius Strategy each year, and on the UN Inter-Agency Task Force to develop a set of indicators to monitor progress. He emphasized the role of international financial institutions and noted recent discussions on insurance and emergency relief funding.

Patrizio Civili, Assistant Secretary-General, UN DESA, noted that oil imports consume a large percentage of SIDS earnings, underlining the need for the development and expansion of affordable, accessible and renewable energy services as a contribution to reducing vulnerability. He also noted the importance of promoting competitive industries. Julian Hunte (Saint Lucia), Chair, Alliance of Small Island States (AOSIS), said SIDS continue to grapple with the problem of climate change, and stressed the Mauritius Strategy can only be implemented on the basis of global partnership. He said the SIDS had every expectation that critical financial and other pledges of support will be forthcoming. Hunte called for support for early warning systems, response preparation, efforts to build resilience through changes in energy use, and access to renewables, technology transfer and capacity building.

#### PANEL DISCUSSIONS

**Energy access and efficiency and renewable energy:** Basil Sutherland, Caribbean Electric Utilities Services Corporation, Saint Lucia, examined the impact of different policy options, noting that privatization of electric utilities has resulted in improved customer service but failed to lower electricity prices, and said energy diversification is critical to SIDS. Kassiap Deepchand, Mauritius Sugar Authority, outlined successful reforms carried out in the bagasse energy sector in Mauritius by way of close collaboration between the government, the

private sector and farmers, saving the equivalent of 200,000 tons of coal. David Barrett, Petroleum Corporation of Jamaica, noted that large committed blocks of electricity generation secured by utility monopolies are a barrier to introducing new sources of renewable energy in many SIDS, but added that opportunities still exist for expanding renewables. He also called for champions to catalyze change and mobilize political will to drive policy implementation.

**Discussion:** Highlighting continuing commitment to SIDS, the EU noted new financial instruments being developed for EU-SIDS cooperation and described US\$3.0 billion funding provided by Europe for six thousand SIDS projects since 2000. AZERBAIJAN highlighted SIDS' reliance on imported fossil fuels and the responsibility of oil exporters to support access by SIDS to cleaner fossil fuel technology. CUBA noted that ODA to SIDS has been reduced by more than 50 percent and emphasized SIDS-to-SIDS experience sharing. MAURITIUS said energy efficiency and development of renewables is essential but that increased efficiency may come at the expense of jobs. ITALY highlighted partnerships that identify SIDS clusters to facilitate South-South cooperation. NGOs noted the opportunity to rebuild Grenada after Hurricane Ivan using a more sustainable approach. CHINA stressed the responsibility of the international community to facilitate an enabling external environment for SIDS, noting China's announcement of preferential loans worth 3 billion yuan (over US\$375 million). In response, GERMANY noted the facilitating role ODA can play in SIDS, and highlighted the GEF's role in co-financing.

JAPAN said power generation is deteriorating in many SIDS as demand is increasing, and cited the high financial and environmental cost of batteries as a barrier to increasing solar power generation. He added that the Okinawa Initiative will be reviewed at the upcoming meeting of the Fourth Japan-Pacific Islands Forum Summit in May 2006. ICELAND emphasized affordability and the need to adapt technology. TUVVALU highlighted, *inter alia*: the connections between energy security and environmental degradation; policy barriers; and the affordability of technology. DOMINICA emphasized capacity building for managing renewables, requested special windows for SIDS in EU and GEF funding, and proposed a SIDS day at CSD-15. CANADA said the governments of SIDS must request resources from donors for renewable energy. PAPUA NEW GUINEA said fossil fuel cost is a big problem. BRAZIL offered to share its 38 years of experience in ethanol production, noted cars in his country can now use gas, ethanol or a combination of fuels and highlighted the constraints on ethanol trade presented by tariff and non-tariff import barriers.

SCIENTIFIC AND TECHNOLOGICAL COMMUNITY stressed cogeneration schemes to reduce initial costs, and outlined energy infrastructure initiatives. Noting the vulnerability of SIDS to high oil prices, TONGA described the challenges of introducing new energy technologies as “overwhelming”, and highlighted the importance of financial assistance and regional collaboration. AUSTRALIA called for a multi-faceted approach to the obstacles facing SIDS, and, on assisting partnerships in the Pacific, she highlighted the role of regional organizations. Describing experiences in Jamaica, the US said a lack of financing prevents SMEs from adopting environmentally sound practices. MEXICO drew attention to South-South cooperation, technology transfer, climate change mitigation, and the development of early warning systems. WOMEN advocated mainstreaming gender issues in energy planning and the establishment of local small-scale partnerships to create SMEs. The Chair said achieving UN system-wide coherence among the numerous initiatives under the Mauritius Strategy and the Barbados Plan of Action would be a major step forward.

#### **Industrial development in Small Island Developing States:**

Pamela Baldinger, USAID, discussed energy efficiency in the Dominican Republic’s tourism industry, highlighting lessons in the hotel sector such as the need to integrate energy and water conservation, to establish programme champions, and to develop context specific case studies. Tom Wichman, GHG and Energy Consultant, Cook Islands, underlined issues of technology transfer, such as consultants selling obsolescent technology and governments and intergovernmental organizations providing flawed assistance. He illustrated locally developed solutions including a water treatment unit and a coconut oil extractor, and offered advice on refrigerator efficiency. Atina Myazoe, Ministry of Resources and Development, Marshall Islands, highlighted energy service initiatives to improve socio-economic conditions in the outer islands, and discussed stand-alone solar home systems, substituting coconut oil for diesel, and the use of solar freezers.

Carlos Echeverria, Inter-American Institute for Cooperation in Agriculture discussed agro-tourism support, including, *inter alia*, efforts to link rural communities with hotels and tourism associations, developing pilot projects, and linking with intergovernmental institutions such as the Pan American Health Organization on water quality issues.

**Discussion:** GERMANY said he wanted to focus on integrated approaches and look for the real savings opportunities as demonstrated by a Dominican Republic-USAID initiative on energy efficiency in the hotel sector. COTE D’IVOIRE noted that Brazil can adapt automobiles to wholly or partially use ethanol as a fuel, and explored the implications for other countries. Baldinger said the payback on energy efficiency investments can be rapid, noting the example of one hotel that will recoup its outlay in six months. Wichman recommended replacing the production of copra with the production of coconut oil. GUATEMALA called for culturally sensitive local-level approaches. MARSHALL ISLANDS noted the importance of governance and clear project audits and monitoring. INDIA said his country had committed US\$300 million in loans on a concession basis and US\$70 million in project aid. MAURITIUS described that country’s tourism charter based on best practice and said 50 percent of hotels are already using solar energy.

#### **Atmospheric pollution and adaptation to climate change:**

Leslie Walling, Caribbean Conservation Association, called for the institutionalization of available adaptation measures, including traditional methods, in anticipation of climatic change impacts. He said a study by the University of the West Indies indicated that a warming pattern will precipitate intense

storms with exponential impacts. He cited the adoption of risk assessment in farming, and the role of the insurance industry in institutionalizing risk reduction. Albert Binger, University of the West Indies Centre for Environment and Development, noted that SIDS could satisfy nearly 50 percent of their diesel requirement if they were to dedicate between ten and fifteen percent of land to growing biofuels. He added that this would also result in significant savings in foreign exchange.

**Discussion:** GREECE noted his understanding of the challenges facing small islands, and said his country was ready to share experiences with SIDS and would explore the possibility of inviting partners to create a new mechanism in which the needs identified by SIDS could be matched with support available from developed countries. The DOMINICAN REPUBLIC stressed the need for progressive financial assistance for renewable energy development. FARMERS said the opportunity to produce energy has proven to be an important source of income for farmers. PAPUA NEW GUINEA hoped the SIDS day would produce a firm political commitment of resources to assist in the implementation of sustainable development in SIDS.

TUVALU emphasized that the negative impacts of climate change are already evident, noting that commitments to finance concrete actions on the ground are missing. He said mitigation efforts must involve multiple stakeholders. WORKERS AND TRADE UNIONS asked why small island states in the Pacific region have not implemented the International Labour Organization’s programme on decent work. Noting the need to take action, CAPE VERDE stressed the international community’s duty to help SIDS implement their development strategies, and outlined national efforts to cut GHG emissions. ITALY said energy efficiency had to be institutionalized, and stressed the importance of assisting SIDS in formulating national sustainable development strategies. INDIA described long-term cooperation with SIDS regarding oceanography, climate impact modelling, information and communication technology, capacity building for multilateral negotiations, and hazard mitigation models, and highlighted the need for increased market access for SIDS.

#### **CLOSE OF SIDS DAY**

Chair de Boer concluded by noting that the day of discussion had given a clear indication of problems facing SIDS, the creative solutions currently existing within SIDS, and the lack of resources. However, he stressed the need for an instrument, including indicators, to track implementation of the Mauritius Strategy for improved coherence.

#### **IN THE CORRIDORS**

“It’s almost like Mother’s Day!” was how one interested participant responded to the bouquet of solidarity offered at the opening of the SIDS day. However, the enthusiasm was tempered by accounts of the situation on the ground as speaker after speaker provided stark examples of the worsening plight of small-island communities.

“We are under attack!” was the ominous warning heard from a concerned observer, who alluded to the group of countries that is possibly worst affected by the combined effects of rising oil prices and climate change. Another delegate noted, ruefully, that despite increased attention to the vulnerabilities of island communities, illustrated by the Indian Ocean tsunami and hurricane Katrina, priority actions identified in the Mauritius Strategy have not been funded adequately. The islander wondered if tropical islands would have to begin disappearing under rising seas, thus denying affluent tourists their favored vacation destinations, before proper action would be taken.