

## Background note

### Renewables and Islands Global Summit, Malta, 6-7 September 2012

#### Introduction

The International Renewable Energy Agency has been given a strong mandate to take the lead regionally and globally in accelerating the adoption of renewable energy as a key component of sustainable development. Through the provisions of its Statute, and the Assembly decisions to date, the Agency has been requested to focus, as one of its priorities, on the accelerated deployment of renewable energy in islands. In 2011, this work has been concentrated on technology solutions, and the geographic focus has been on the Pacific region. In 2012, programmatic activities continue in the Pacific region, but are also being expanded to encompass Island States globally.

The Malta Summit will take place at an opportune time, as the efforts to promote sustainable energy solutions are at the heart of global energy debate, under the umbrella of the UN International Year of Sustainable Energy for All and the UN Secretary-General's initiative Sustainable Energy for All (SE4ALL). Commitment to sustainable energy, however, is not a short-term endeavour; it will require a long-term commitment and combined efforts from the international community. The UN Secretary-General's SE4ALL agenda sets three broad goals for 2030: ensuring universal access to modern energy services; doubling the rate of improvement in energy efficiency; and doubling the share of renewables in the global energy mix. As part of this effort, IRENA is dedicated to supporting countries to achieve these ambitious long-term goals.

The nature of the challenges involved in working toward universal access to energy and improving energy efficiency is well recognized. It is our conviction that the promotion and accelerated deployment of renewable energy will play a crucial role as part of this global effort. This is particularly pertinent in the context of islands, considering their unique circumstances and vulnerabilities. It is widely recognized that a new perspective and enhanced commitment are necessary to ensure a sustainable energy future. The European Island Agenda considers non-renewable energy sources as, "provisional solutions, inadequate to solve in the long term the energy problems of the islands". Our meeting in Malta will give us a timely opportunity to examine these issues from the specific perspective of islands, in the context of the Year of Sustainable Energy for All, and the outcome of the Rio+20 Conference.

#### Islands – diversity and cohesion

While each island has its own distinct conditions and circumstances, islands also share a number of common needs and problems. Most islands around the world today are dependent

on imported fossil fuels for the majority of their energy needs, especially for transport and electricity generation. For reasons of scale and isolation, energy infrastructure costs are higher, and the impact of oil price and supply volatility has been severe, exacerbated by the small size of local markets. These vulnerabilities accentuate similar challenges faced by other countries in general.

Studies have shown that, in the span of six years, the increase in the price in petroleum has cost most Pacific Island Countries and Territories some 10 per cent of their gross national income. Similar trends are encountered by Caribbean and Indian Ocean Islands. On the other side of the globe, estimates indicate that, out of the total value of imports, energy often accounts for more than 15% in the islands in the European Union. Fuel imports thus come at a great expense and pose a significant constraint on development; they crowd out vital capital and social expenditures and inhibit much needed economic growth.

Several Islands States have adopted visionary strategies and targets to find sustainable solutions to their energy challenges. Renewable energy sources have been shown to be economically viable in small island energy systems, since their viability is less dependent on size and fuel handling infrastructure than fossil fuel technologies. Some islands have become a lighthouse for the possibilities that renewable energy offers, by showing that their energy demands indeed can be satisfied mainly or entirely from indigenous and renewable sources.

### **Key issues to be discussed**

With this background in mind, the Summit will provide an opportunity for discussion on, *inter alia*:

- Realising the high potential for renewable energy to address the islands' energy needs and access in a sustainable way;
- Pooling of knowledge and exchange of ideas between islands, with different levels of development;
- Sharing best practice, and showcasing examples of innovative solutions;
- The role of renewables in power generation and end use sectors;
- Possible areas of future collaboration;
- Ensuring that IRENA's islands-related activities correspond to the priority concerns; and
- Using the Rio+20 outcome as a platform to draw attention to energy needs of islands and the potential that renewable sources present.