

Background Note

Steering the Energy Transformation of Small Island Economies through Partnerships and Innovative, Indigenous Solutions

Background

The Small Island Developing States (SIDS) have ramped up efforts to phase out fossil fuels and transition to innovative solutions through renewable indigenous sources but are constrained by limited capacity and financial mechanisms including derisking measures to attract investment. This challenge is aggravated by the volatility of the international markets that is further exacerbated by global crises, recurring natural disasters and negative climate change impacts. Furthermore, while SIDS' electricity access rate as percentage of population averages around 94%¹, most of the systems are heavily dependent on imported fossil fuels and provide intermittent energy services, which create significant obstacles for SIDS in achieving energy security, economic stability, and environmental sustainability. This also affects small island economies' ability to meet their national and international energy transition commitments.

The Antigua and Barbuda Agenda for SIDS (ABAS) have underscored that small island states, as custodians of vast ocean territories, have the potential to lead a just, inclusive, and resilient energy transition. This potential can be realized through targeted research and development, along with the provision of financing and capacity-building resources, to implement ocean-based innovative solutions and other SIDS-proven renewable energy technologies. These efforts contribute to enhancing water, food, and energy security, with a focus on resilience and adaptation. This progress is driven by partnerships, institutional strengthening, and the establishment of supportive policy and legal frameworks that will boost private sector participation and help reduce energy transition costs in SIDS. It is also imperative to address energy intensive sectors such as transport, tourism, fisheries, and information and communication technologies, incorporating energy efficient measures in their design and operationalization to mitigate and adapt to the negative impacts of recurring and intensifying natural disasters faced by SIDS.

The International Renewable Energy Agency (IRENA), as the coordinator of the SIDS Lighthouses Initiative (SIDS LHI)² has aligned its priorities with SIDS and provides a collaborative platform of 93 partners³ whereby countries, development partners and other key stakeholders, including the private sector can come together and strategize pathways to achieving SIDS commitments to the Paris Agreement and the Sustainable Development Goals (SDGs).

Furthermore, consistent with the ABAS and the recent adoption of the Multidimensional Vulnerability Index (MVI) by the United Nations, IRENA has developed a monitoring and evaluation (M&E) framework to track the progress and the impacts of the implementation of the SIDS LHI twelve

¹ [World Bank Data](#)

² [SIDS Lighthouses Initiative](#)

³ 93 partners comprising of 41 SIDS from the Atlantic, Indian Ocean and South China Sea, Caribbean and Pacific Regions as well as 52 partners.

priority areas that include but not limited to the implementation of SIDS Nationally Determined Contributions (NDCs), technical assistance and advisory services on fostering access to finance, strengthening capacity and integrating renewables with non-energy sectors to enhance climate resilience, socio-economic development and disaster recovery. Furthermore, the increased engagement of women, youth and Indigenous people in SIDS energy transition efforts is key to securing an energy resilient future, ensuring that no one is left behind. Together, these frameworks chart a pathway towards a just, inclusive, resilient and sustainable economies and will also provide more opportunities to access affordable finance for energy transition efforts in SIDS.

Objective of the session

The objective of this session is to highlight the energy transition priorities of the Small Island Developing States (SIDS) as reflected in the Antigua and Barbuda Agenda for SIDS (ABAS) and showcase SIDS commitments towards achieving their climate and sustainable development goals. Furthermore, the session will highlight the progress of SIDS energy transition efforts towards achieving the SIDS LHI target of total renewable energy capacity of 10 GW for all SIDS and identify the resources and actionable strategies needed to reach the last mile towards energy resilience, sustainability and security. Furthermore, the session will deliberate on new mechanisms that can scale up the impact of the Initiative to boost accountability, transparency and action by SIDS LHI partners to leverage tailored capacity and financing support for SIDS energy transition and sustainable development goals.

Guiding questions

1. How can the SIDS Lighthouses Initiative support the acceleration of the SIDS energy transition priorities? What are some of the key issues that need to be addressed and how they should be addressed?
2. In what capacity can countries and partners, including the private sector, be actively involved in the SIDS LHI to implement the Antigua and Barbuda Agenda for SIDS (ABAS)?
3. How can we increase the participation of youths, women and Indigenous communities in transforming SIDS towards a just, inclusive, resilient energy future?
4. How can the lessons learned from successful partnerships and innovative, indigenous solutions in other regions be applied to small island economies to enhance their energy security and resilience?

Associated Publications

1. [SIDS Lighthouses Initiative, Progress and way forward \(June 2023\)](#)
2. [Renewable Energy Statistics \(July 2024\)](#)
3. [Electrification with renewables: Enhancing healthcare delivery in São Tomé and Príncipe \(June 2024\)](#)
4. [Climate action and the energy transition: IRENA Member survey on Nationally Determined Contributions \(June 2024\)](#)
5. [Small Island Developing States at a Crossroads: The socio-economics of transitioning to renewables \(March 2024\)](#)
6. [Sustainable bioenergy potential in Caribbean small island developing states \(February 2024\)](#)
7. [Renewables readiness assessment: Solomon Islands \(February 2024\)](#)