

**Commodore J. V. Bainimarama, CF(Mil), OSt.J, MSD, jssc, psc**

**Prime Minister of Fiji and Minister for Finance, Strategic Planning, National Development and Statistics, the Public Service, People’s Charter and Change and Progress, Information, iTaukei Affairs, Sugar Industry and Lands and Mineral Resources**

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SPEECH AT THE OPENING OF THE NATIONAL ENERGY FORUM

Holiday Inn  **Wed. 4th April, 2013**

**SUVA 1000 Hours**

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The Minister for Transport, Works and Public Utilities, Hon Timoci Natuva;

Distinguished Guests;

Ladies and Gentlemen.

Good Morning and Ni sa bula vinaka.

It is indeed a pleasure to be invited to deliver the key note address and open this very important National Energy Forum for the country.

I would like to especially thank the Minister and his staff for the kind invitation to speak to this august Forum this morning.

I also take this opportunity to extend the Fiji Government’s sincere appreciation to the German Technical Cooperation (GiZ) and the United Nations Development Program (UNDP) Fiji Office for the funding of the overall National Energy Policy review process. In addition, I also acknowledge the presence of the Consultants (Economic Consulting Associates and Snowy Mountain Engineering Consultants) who have been appointed to carry out the review work and wish them well for the task before them.

For those of you ladies and gentlemen that are here this morning, I thank you all for your presence. This is a very important Government process not only in terms of energy but the importance of having the right policies in the various facets of development in our country. Such wide consultations are pertinent to such important exercise. I certainly hope that we all fathom the importance of the task that you are about to embark on this morning. Fiji needs you. The work that you are about to be tasked with this morning is about our future and its sustainability and the legacy that we as a nation would like to leave behind for our future generation.

I certainly hope that you will work together with the relevant arms of Government who are currently driving this process and in the end we will be able to put in place a Sustainable Energy Policy for Fiji. The exercise, I am told, will be for two days. I certainly hope that you render the exercise the importance that it deserves. Your contribution in the two days will ensure that Fiji is well placed with respect to its policy on Energy.

Energy in recent times has been elevated as a basic human need and it is often said that it makes the world go round. Without energy, everything virtually would come to a standstill and it is a vital ingredient for economic growth and social human development. The provision of energy supplies not only affects the economy at large but the very foundation of our existence. It affects our homes, our schools and even our freedom of movement.

Today, it is also a commodity that we cannot live without. The fact is, energy has become one of the most defining issues of this century. To picture a day or two without petroleum or diesel in bowsers, it would certainly be chaotic. For this we do not have to look far, as some of us may recall this event when it occurred in Fiji in the mid Seventies.

In contrast, to picture an energy secure Fiji, economic growth will be abound, our social programs will flourish.

Manufacturing and Industries will prosper. There will be work for our College and University graduates. Our tourism industry will thrive. There will be a boom in the agriculture sector. Our idle lands will be utilised. Therefore, secure, affordable, reliable, clean and sustainable energy supplies is the only option for Fiji and for our future.

The oil crisis, as such that occurred in the 1970s should be a reminder to us in terms of our vulnerability. Fiji, with our Pacific Island neighbours, is at the very end of the fossil fuel supply chain. Recently we have seen the departure of oil companies that are now being replaced with new ones. This basically indicates that the uniqueness of the Pacific Islands as a market, no longer holds and the bottom line is now far more an important consideration than anything else.

Fiji, like any other country in the region has a common characteristic of high dependency on carbon-based fuels. Fiji’s petroleum imports have moved from around $400 million in 2004 to a little over $1.2 billion dollars in 2008 and that equates to a quarter of our total imports. The alarming fact is that the cost of our energy consumption has tripled in that period of 4 years.

The current state of affairs facing our country in respect to our energy situation is basically affecting our daily lives and moreso slowly impinging on the security of our economy, our livelihoods and our very existence. The unprecedented increase in the price of oil in recent years has propelled our inflation level to record high.

Unfortunately, the situation has been exacerbated by the continual global economic crises. Even though the current oil price is somewhat at a low, the fact remains that the world oil resources are diminishing. With our dependence on imported petroleum products, our vulnerability to worldwide price fluctuations of this commodity is inevitable. Locally, we have lost count of the number of times the price of crude oil has risen in the past years.

With the current situation, it is apparent that our circumstances is no longer confined or classified as an energy security situation, but rather it has become an imminent threat to the security of our economy, our livelihoods and our sovereignty as an independent nation. With the current levels of energy demand and the uncertainty in future global oil prices, Fiji’s shift toward sustainable energy supply is essential and we will need to advance this with urgency.

With the exercise that is before you this morning, you have a chance to set the course for Fiji in so far as our Energy Policy is concerned.

In 2006 we had put in place an earlier policy that provided guidance to the Energy Sector in the past years. In the span of six years there have been numerous changes in the global environment. The oil price has moved beyond what we had become used to, that was $30 - $40 per barrel. Those days have gone. Experts have also predicted that this important resource has gone past what they term as the peak oil. Therefore the situation moving forward will continually be a challenging one for all of us.

We have done the right things, through the Fiji Electricity Authority (FEA) in 2012, in which we commissioned the 40MW Nadarivatu Hydro Power Project. The total project cost was USD 150Million. The renewable generation mix on average now stands at 60% of the grid demand. The FEA aims to have 90% of its generation from renewable sources by 2015 – a target the Government is fully supportive of.

A number of other projects such as weir raising of existing dams are also being undertaken to ensure the continued growth in the renewable sector. We are on the verge of providing 100% access to electricity to our people. We are working on improving fuel access for our rural population through our biofuel projects. We are moving with respect to introducing alternative fuels into our transport sector. We have elevated energy efficiency and conservation in the various sectors of the economy and linked it to productivity.

Entities have embraced this important concept and implemented these initiatives on their own volition. We are carrying out the relevant research on our renewable energy resources available locally.

All the above work is good. However, we need more urgency in the work that we are doing. With the target that we have set for ourselves, we need to launch those Independent Power Producers (IPPs) and ensure that they become a willing partner. We need to establish or create the environment that will attract these IPPs. We have been toying on this idea for over a decade now but we have not been able to get them in.

Let us explore other avenues such as Public Private Partnership and others to assist us in reaching our goals. Let us look at consolidating our efforts in the transport sector by looking at alternative fuels; electric cars are already in the market so as flexi-fuel vehicles. We need to develop our ethanol and consolidate our energy efficiency projects. We need to move from research or pilot projects to real initiatives on the ground.

With the above scenario the solutions are underscored with respect to the need to enhancing our energy security situation.

To achieve this situation we need a tactical approach. As much as it is ideal to emphasise or strengthen our approach on renewable energy approach and energy efficiency initiatives, we need to ensure that the strategies that you derive will allow us to continually broaden our approach. We should not put all our eggs in one basket.

Our approach should ensure that we are able to take into account the different climatic conditions, the changes in technology and so forth. With this approach it will ensure that we will not only devise strategies for the sector but equally important that we have the right strategies and build in the necessary safeguards or sustainability in the recommended initiatives for the sector.

In mentioning sustainability or sustainable development I not only agree but commend the definition that has been put forth by the United Nations through its Brundtland Commission Report in taking a human spin to the word and defining sustainable development as the development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

We are not alone in this space, the world over has recognised the importance of energy for sustainable development. Last year 2012, the UN General Assembly declared 2012 the *“International Year for Sustainable Energy for All”* (SE4ALL). In this context the UN Secretary-General launched the initiative to identify and mobilize action by stakeholders from across Government, business, civil society, academia and the development community.

The United Nations Conference on Sustainable Development (UNCSD) or Rio+20 took place on the 20-22 June, 2012 in Rio de Janeiro, Brazil. The gathering marked the 20th anniversary of the 1992 UN Conference on Environment and Development which resulted in the adoption of the Rio Declaration on Environment and Development and Agenda 21 (a 40 chapter programme of action).

At the UNCSD the 191 member states adopted the outcome document titled *“****The future We Want****”.* The Agreement calls for the United Nation General Assembly, at its next session to take decisions on inter alia; designated a body to operationalize the 10 year framework of programmes on sustainable consumption and production; determining the modalities for the third international conference on small island developing states (SIDs) which is to convene in 2014; and constituting a working group to develop global sustainable development goals.

Finally, with the above, we need to harness this interest to our advantage. We will require resources to be mobilised with respect to the implementation of the revised or new policy. With the global interest we will also need a strategy to mobilise resources to assist us in achieving our goal for a Sustainable Energy future for Fiji.

Ladies and Gentlemen I wish you well in your deliberations for the next two days.

Thank you, vinaka vakalevu.

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