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Prime Minister and Minister for Finance, Strategic Planning, National Development and Statistics, Public Service, Peoples Charter for Change and Progress, Information, i-Taukei Affairs, Sugar Industry, Lands and Mineral Resources

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**SPEECH AT THE OPENING OF TH NATIONAL ENERGY FORUM**

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­­­­­­­­­­­­­­­­Holiday Inn Wed. 3rd 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.

Bula vinaka and a good morning.

It is a pleasure to be here this morning for the National Energy Forum.

The oil crisis of the 1970s reminded us world over and more so smaller economies, such as those in the Pacific, which are at the very end of the fossil fuel supply chain, our vulnerabilities.

These vulnerabilities were and are for a number of reasons. These include the complete dependency on fossil fuel; not being able to influence pricing because of cartelling and/or being a price taker given comparatively low usage on the global scale; and the influence energy costs have on the economic well-being

of our country and people.

Fiji's petroleum imports grew from around **$400 million** in 2004 to a little over **$1.2 billion** in 2008. That is equal to a quarter of our total imports. The alarming fact is that the cost of our energy consumption tripled in that four-year period. Of course the unprecedented increase in the price of oil propelled these increases spurring our inflation rates.

And even though oil prices have declined to more comfortable levels today, the fact remains that the world's oil resources are diminishing. Reduced supply without reduction in demand will only mean higher prices.

In is imperative to reduce our vulnerabilities. Energy insecurity does not exist in isolation. It is not a *"sector problem."* It is a threat to the security of our economy, to the fabric of our society, and to our very sovereignty as an independent nation.

Therefore, Fiji's shift to a sustainable energy supply is critical. This Forum gives all stake holders the ability to contribute to the development of a new National Energy Policy to address and overcome these vulnerabilities. The Policy must be innovative and forward looking. It must be devoid of sectional interests. It must be adaptable. It must be for all.

To highlight some of the key initiatives we have undertaken in Fiji in recent past – We commissioned the 40-megawatt FEA Nadarivatu Dam in 2012 at a cost of 150 million US dollars. Renewable generation now constitutes about 60% of the grid demand. FEA aims to have 90% of its generation from renewable sources by 2015 - a target my Government enthusiastically supports.

A number of other projects, such as weir raising, are also being undertaken to ensure the continued growth of the renewable energy sources. We are very close to our goal of providing universal access to electricity in Fiji and this is being achieved mostly using renewable sources.

We are also working on improving fuel access for our rural population through our biofuel projects. These are critical for a population base that is spread over 110 islands.

We have provided reduced tariff rates for cleaner and efficient sources of energy and tax incentives to companies that produce renewable energy.

All of these recent initiatives are commendable, but as I said earlier we need urgency. We need a focussed attention to bring under one umbrella some of the perhaps disjointed efforts. We need to consolidate, adopt new technologies, have guided research programs, adopt new processes, spread our risk factor and have successful public private partnerships.

I extend the Fijian Government’s appreciation to the German Technical Co-operation Agency and the United Nations Development Program (UNDP) Fiji Office for their partnership and collaboration in this very important facet of our economy, of our country.

This collaboration together with the input of all the stakeholders must result in policy that ensures a future built on secure, affordable, clean and sustainable energy sources.

There is no other option for us.

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

Vinaka vakalevu, Thank you.

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