Speech of the Ambassador at the Handover of the Sustainable Energy Road Map & Implementation Plan 2021/2030

It is a pleasure to address you here today about the potential of renewable energy and energy efficiency. I wish to thank the Ministry of Energy for hosting this event that builds on the Clean Energy Conference that took place on the 8th and 9th of June. I am very pleased that the European Union could work with the Ministry of Energy and contribute to the reflections how Government intends to meet its declared target of 10% renewables in the power generation sector by 2021. This handover ceremony is the concluding step of a process that started several months ago during which the Ministry of Energy, other Trinidad and Tobago stakeholders and the European Union Technical Assistance discussed the potential, options, and challenges to embark on a sustainable energy transition in the country.

Ladies and gentlemen,

Sustainable energy can create large benefits for the economy and the society as a whole. Before I outline some of the potential benefits for T&T, let me first offer a bit of background about the sustainable energy economy and its beneficiary effects for Europe.

Europe has reaped considerable benefits from the large scale penetration of renewables. The renewable energy sector employed over one million people in Europe and created a turnover of...
around €150 billion in 2014. Wind energy provided 12 GW of newly installed capacity and was a main driver of jobs and growth. That year, the sector accounted for over 300,000 jobs and its turnover was €50 billion. While the market for photovoltaic energy has flattened in Europe - after an enormous growth the previous years - the sector still had a turnover of €16 billion and accounted for more than 120,000 jobs.

Similarly, we have seen that implementing measures to promote Energy Efficiency has a positive impact on both GDP and employment. Typically, as energy efficiency improvements increase, so do the positive impacts on GDP and employment. The uptake of Energy Efficiency in Europe have an estimated potential to increase GDP growth by more than 4% and employment by more than 2%. Many of the jobs would be created in sectors directly relevant to energy efficiency such as construction and engineering. There would also be an increase in employment in the wider economy if the value chain is sufficiently localised. If the European industry is able to increase production to the levels required to manufacture and install the energy efficient equipment, then the full benefits could be realized.

There are other economic benefits. Reducing imports and use of fossil fuels would boost Europe’s trade balance, and also improve the energy security of Member States that are exposed to a highly concentrated source of supply for gas.

I believe that what is good for Europe is also good for other countries:

Ladies and gentlemen,

Trinidad and Tobago is currently at the same cross-road as several European (and other) oil and gas producing countries were several years ago. The domestic economy is reliant on energy products and highly susceptible to any abrupt changes in the sector. Domestic oil and gas production have been in decline over the past years, which render fossil fuel reserves scarce and valuable assets. Facing these realities, it is important to think about the optimal utilization of these natural resources. Today, conditions are very favourable for the introduction of renewable energy and enhanced energy efficiency in Trinidad and Tobago:

- Renewable Energy and Energy Efficiency technologies are available at very competitive prices. Technological costs have dropped substantially over the years and will keep falling.
- The private sector has shown an appetite for mobilising the scale of investment necessary to reach the ambitious regional targets.
- Financing can be made available by International Financial Institutions, and international partners such as the European Union can accompany policy reform and investments through dedicated instruments.
- The country has competitive advantages to become manufacturer and exporter of green technologies

In order to exploit the opportunities it is vital that an accompanying policy and regulatory environment is in place.

The most critical factor for the success of sustainable transformation is the implementation of the necessary changes in the legal and regulatory framework that could accommodate the introduction of renewables and energy efficiency. Clarity about how this will be done would give the right signal to the market and stimulate investor interest.

Secondly, the investment climate for EE and RES has to be built carefully by policy-makers. An enabling financial and risk-free environment for low-carbon technologies would attract private sector
investments. The introduction of blended ‘grant-loan’ funding approaches to offset part of the risk for financiers and the industry could act as a catalyst at the early stages of market development and contribute to reducing the costs of investment. This would also benefit the end-users.

This is exactly the area where the EU funded expert Ioannis Stefanou has provided his technical expertise over these last months. His work aimed at highlighting and identifying the actions required for realising the country’s renewable energy and climate change targets. These actions are summarized in the ‘Sustainable Energy Implementation Plan 2021/2030’. This Plan has been prepared through an intensive participatory process reflecting the views of all major energy stakeholders in Trinidad and Tobago. It is essentially a policy toolkit that elaborates proposals and highlights best practices that could be implemented locally.

Ladies and gentleman,

The document demonstrates that investments in renewable energy are beneficial. Not only will it contribute to meeting the target to reduce the country’s greenhouse gas emissions but it will also allow a more efficient use of its natural resources and increase the financial returns. I am confident that the Government will find the document useful and that it will contribute to determining its policy decisions.

It is my pleasure to hand over the final draft of the 2021/2030 Sustainable Energy Implementation Plan today.

THANK YOU!

Read more:

- Sustainable Energy Roadmap
- Implementation Plan

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