PACIFIC COMMUNITY

FOURTH PACIFIC REGIONAL ENERGY AND TRANSPORT MINISTERS MEETING
(Apia, Samoa, 18–20 September 2019)

AGENDA ITEM E9 – REVIEW OF FAESP AND THE DEVELOPMENT OF AN ENHANCED REGIONAL ENERGY FRAMEWORK
(Jointly Submitted by Pacific Community and Pacific Regional Infrastructure Facility)

Purpose

1. The purpose of this paper is to seek the Energy Ministers’ endorsement on the development of a new Framework on Energy Security for the Pacific 2020–2030.

Background

2. The FAESP 2010–2020 was developed through a consultative process involving the Pacific Island Countries and Territories (PICTs), members of the Council of Regional Organisations in the Pacific, development partners and interested individuals and agencies. It was endorsed in August 2010 at the 41st Pacific Islands Forum in Port Vila, Vanuatu. The Framework was developed to replace the Pacific Islands Energy Policy of 2004 and to strengthen regional and donor coordination in delivering energy services to Pacific Island Countries and Territories (PICTs). It was designed to provide guidance to PICTs to enhance their national efforts to achieve energy security in line with the principles of the Pacific Plan (2004). Leaders then agreed to “strengthen regional cooperation and integration in areas where the region could gain the most through sharing resources of governance, alignment of policies and delivery of practical benefits” and, specifically, to “provide available, reliable, affordable, and environmentally sound energy for the sustainable development of all Pacific island communities”.

3. The objectives of the FAESP were to be realised through the Implementation Plan for the Framework for Action on Energy Security (IPESP): 2011–2015 as well as the baseline energy security indicators for measuring the impacts of the FAESP and its IPESP. The Implementation Plan was developed in June 2010 and was reviewed in a regional consultation meeting in December 2010. The IPESP and associated energy security indicators (36 in total) that the FAESP is measured against were endorsed at the inaugural regional meeting of ministers of energy, information and communication technology (ICT) and transport in April 2011. It was also agreed that the baseline data would be for Y2009. Energy security indicator profiles of 14 PICTs for 2009–2012 have been developed. A mid-term review of the IPESP was carried out in 2013 and the final report was completed in 2014.

4. The FAESP is due to expire in 2020 and the Pacific Energy Advisory Group (PEAG) at its 9th meeting on 19-20 November 2018 held in Suva, Fiji, agreed to commission a review for the FAESP and develop a new energy security framework for the next decade (i.e. 2020–2030), building on the achievements and lessons learned from FAESP and IPESP.

Current status

5. The Pacific Region Infrastructure Facility (PRIF)\(^1\), a multi-agency coordination mechanism for improving the delivery of development assistance from donors and development partners to the

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\(^1\) Current PRIF partners are ADB, Australian Department of Foreign Affairs and Trade (DFAT), European Investment Bank (EIB), European Union (EU), the Japan International Cooperation Agency (JICA), New Zealand Ministry of Foreign Affairs and Trade (NZMFAT), United States Department of State (US) and the World Bank Group. PRIF operates in 13 member countries: Cook Islands, Federated States of Micronesia (FSM), Fiji, Kiribati, Nauru, Niue, Palau, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.
Pacific’s infrastructure sector, is assisting SPC in funding a Consultant to review the FAESP 2010-2020 and develop the revised Framework 2020-2030.

6. The first phase of the consultancy commenced with the recruitment of a Consultant and started the engagement in August 2019. The Consultant prepared the methodology to conduct the review, provided a broad assessment of FAESP and drafted an outline to guide the development of the new Framework 2020-2030. The second phase will integrate the findings and recommendations from the review process of FAESP in the development of the new Framework 2020-2030, consult relevant stakeholders, prepare the final draft to be ready for the regional consultation workshop that will be convened in April 2020, and finalise the revised framework for endorsement by the Pacific Leaders in August 2020.

7. A Technical Implementation Committee (TIC) provided high-level oversight and guidance to the FAESP Review including the review of the consultant’s outputs. The TIC members include representatives from the Pacific Energy Oversight Group (SPC, PPA, SPREP, PIFS, PIDF, GGGI, USP), PRIF Coordination Office, selected PRIF Energy Sector Working Group members and representatives of other development partners.

8. A draft report is expected in September 2019 and final report in October 2019.

Issues


10. Building on lessons learned, identified best practices in implementing the FAESP 2010-2020 and emerging priorities and opportunities in the Pacific region, an outline of the new Framework 2020-2030 is proposed for consultation with the Energy Ministers. The outline covers focus areas, guiding principles, strategic plan and overall mechanism to achieve the energy security needs of the Pacific in the next decade. A summary of the FAESP review report is given in Annex 1 below.

Recommendations

11. The meeting is invited to:

   i. **Endorse** the collaborative efforts by SPC and development partners in initiating the process for the development of a new Framework 2020-2030.

   ii. **Acknowledge** the work done so far in reviewing the FAESP 2010-2020 and the funding provided by PRIF for the review.

   iii. **Endorse** the outline of the new FAESP 2020-2030 that will provide the basis for its preparation.
Annex 1:


An inception report was completed for the FAESP review on 15 August 2019 and was considered and accepted by PRIF’s Technical Implementation Committee on 19 August with minor suggested additions.

The initial work covers the first of two phases: 1) a review of the FAESP 2010-2020 and an outline of a new framework to be completed by October, followed by 2) development of the new regional energy framework for 2020-2030, with strengthened links with existing and future PICT energy sector development plans and policies. A preliminary phase 1 report will be completed by 9 September.

The Inception report deals primarily with the methodology of the phase 1 review and covers seven inter-related tasks:

1. Review the framework, its implementation plan and management, and governance/oversight
2. Review the concept of energy security for PICs, and SPC’s energy security indicators as the basis for quantifying PIC baseline energy security and improvements over time
3. Review other regional mechanisms for sectoral coordination and extract any lessons for the energy sector
4. Review of national energy policies prepared since FAESP implementation
5. Review materials on managing under risk and uncertainty with lessons for the energy sector
6. Review likely challenges facing the PIC energy sector from 2020 and beyond and possible implications for future regional energy assistance priorities
7. Develop an outline of a new regional energy security framework 2020-2030

In considering these questions, other related questions have arisen. For the questions (or different combinations and forms of them), the methodology includes document searches and analyses and interviews. The approach is iterative. The key tasks of the methodology below are interlinked, not necessarily sequential, and not in any order of priority.

There are risks which might undermine confidence in the findings. These include the lack of provision (or time) for travel beyond Fiji (except to Samoa for a transport and energy ministers’ meeting) and the reluctance of people to respond to emailed survey questionnaires or (if they do respond) limited useful information unless there is an opportunity to administer the questionnaire in person. There is discussion of ways to mitigate these and other risks, including additional interviews and analysis if required during phase 2.

There is also a draft survey questionnaire which is currently being tested in Kiribati. Thanks to Makereta Lomaloma and Frank Vukikomoala of SPC and Thomas Jensen of UNDP for comments on an earlier questionnaire draft and to my colleague Dr Herb Wade for offering to trial the questionnaire while in Kiribati. SPC staff have been very supportive and available for numerous discussions during this inception phase.