

Australian comments on projects in the November 2009 GEF Council work program.

These comments pertain to the three GEF ‘Pacific Alliance for Sustainability’ projects submitted for approval in this work program.

1. General comments

- Donor coordination, alignment with Pacific Island government energy policies and plans, and using harmonised programmatic approaches wherever possible is essential to reduce transaction costs and administration burdens for Pacific island countries.
 - It is pleasing to see that for the most part the PIFs for the three proposed projects outline how they link with existing energy activities in the Pacific region.
- The existing *Energizing the Pacific* coordination mechanism (separate to the project proposed in this work program) brings together many development partners and regional organisations active in the Pacific energy sector.
 - Partners meet quarterly to discuss Pacific energy issues and provide updates on active and future activities. This provides a valuable platform for development partners to discuss alignment of specific energy activities for better outcomes.
 - A key early outcome has been an agreement to undertake joint donor missions where practicable, thus reducing the burden on PICs.
- AusAID would urge any energy program undertaken in the Pacific to link with this coordination work.

Recommendation

To ensure greater and continued alignment we encourage partners in the *Promoting Energy Efficiency in the Pacific* and *Low-Carbon Energy Islands* projects to establish direct links with the *Energizing the Pacific* coordination mechanism that has already been put in place.

2. Energizing the Pacific (World Bank)

Comments

- AusAID is already engaged with the *Energizing the Pacific* project, having provided funding for its development through the Pacific Region Infrastructure Facility (PRIF). The PRIF is a multi-donor (AusAID/NZAID/ADB/World Bank Group) infrastructure coordination and financing mechanism established to support infrastructure planning, development and management in PICs.
- AusAID supports *Energizing the Pacific*’s focus on developing long-term, costed energy sector plans that address energy access and security in the region, in partnership with Pacific Island governments.

- AusAID further supports the harmonised approach to implementation whereby development partners and Pacific Island governments provide coordinated energy program implementation in line with agreed energy sector plans.

3. Promoting Energy Efficiency in the Pacific (ADB)

Comments

- Australia is supporting this project through its contribution to the ADB’s multi-donor Clean Energy Fund. The ADB has already presented this project at the Energizing the Pacific donor coordination group to ensure its design complements and builds upon other work in the Pacific region.
- The energy efficiency measures promoted in this project, such as efficient street lighting, building codes and appliance standards, present a good opportunity to reduce the consumption of electricity in the Pacific, which is almost exclusively produced by diesel generators from fuel imports.
- The potential benefits from these measures include: reduced greenhouse gas emissions; more affordable electricity for households, business and government; and improved resilience to the volatile international oil market.

Recommendation

- We would be interested in clarification from the STAP on its recommendation that an analysis on renewable energy technologies be conducted as part of this project.
 - Besides being beyond the scope of this project, such analysis could duplicate work already underway, including by the ADB as part of its Promoting Renewable Energy in the Pacific project, which is also supported by Australia through the Clean Energy Fund.

4. Low Carbon-Energy Islands (UNEP)

Comment

- AusAID is pleased to note that this activity intends to build on work already underway with the UNDP-GEF funded Pacific Islands Greenhouse Gas Abatement through Renewable Energy Program (PIGGAREP).

Recommendation

- To ensure that activities under this program continue to align with existing projects, AusAID would urge UNEP to participate in the Energizing the Pacific quarterly meetings mentioned above.