Islands Energy Transition towards a 1.5^{0} degrees world
IRENA-AOSIS Energy Compact operationalized through the SIDS Lighthouses Initiative

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. *[Please select all that apply, and make sure to state the baseline of each target]*
(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

☐ **7.1.** By 2030, ensure universal access to affordable, reliable, and modern energy services.	Not applicable
☒ **7.2.** By 2030, increase substantially the share of renewable energy in the global energy mix.	**<u>Target and Timeframe:</u>** The Small Island Developing States (SIDS) Lighthouses Initiative (LHI) is setting a target of ***10 GW total installed renewable energy (RE) capacity in all SIDS by 2030***. **<u>Context for the ambition:</u>** In launching the second phase of the SIDS Lighthouses Initiative (LHI) in 2018, SIDS and development partners endorsed that the SIDS LHI moved beyond the power sector and to include all the sectors that contribute to sustainable development in SIDS. This is reflected in the SIDS LHI priority areas listed below: • Support SIDS in reviewing and implementing Nationally Determined Contributions (NDCs), with technical assistance and capacity building. • Expand from assessment and planning to implementing effective, innovative solutions. • Promote all renewable sources, including geothermal and ocean energy, and step up work on wind and photovoltaic (PV). • Support the development of bankable projects, access to finance and cooperation with the private sector. • Strengthen institutional and human capacity in all segments of the renewable energy value chain. • Expand focus beyond power generation to include transportation and other end use sectors. • Leverage synergies between renewables and energy efficiency. • Nexus between RE and agriculture, food, health, and water to foster broad socio-economic development. • Raising awareness about job creation, gender equality and women's' empowerment through renewables. • Link renewable energy uptake to climate resilience and more effective disaster recovery. • Enhance collection and dissemination of statistics, supporting informed decision making. • Reinforce and expand partner engagement, leveraging synergies with other SIDS initiatives. • Boost renewable power deployment, aiming for a target of 5 GW of installed capacity in SIDS by 2023. SIDS LHI had initially, in 2018, set a target of 5 gigawatts (GW) of total installed RE capacity in all SIDS by 2023. According to IRENA data, the total installed RE capacity in all SIDS was 5.94 GW by the end of 2020. The SIDS LHI target had been achieved and exceeded three years in advance. IRENA, as the coordinator of the SIDS Lighthouses Initiative undertook a consultation with all the partners of the Initiative, which consisted of 38 SIDS and 31 development partners, to set a new target.

	According to IRENA analysis the annual average growth rate was 405 MW per year, so by 2030, the total RE installed capacity for all SIDS would be 9.99 GW. IRENA had also undertaken an analysis on the first round of NDCs and found that for SIDS RE targets in the first NDCs totaled 10.31GW by 2030. IRENA prepared a Discussion Paper that was shared with all the SIDS LHI partners to endorse the new target of ***10 GW of total RE installed capacity for all SIDS by 2030.*** This new target which has been endorsed by the **SIDS LHI partners and AOSIS** is now being submitted as the SIDS LHI voluntary commitment to achieve SDG7 energy compact.
☐ **7.3.** By 2030, double the global rate of improvement in energy efficiency.	Not Applicable
☐ **7.a.** By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	Not Applicable
☐ **7.b.** By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support.	Not Applicable

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. ***[Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]***

The analysis to set this 10GW target utilized the first INDCs from SIDS; however, many SIDS are currently preparing and submitting enhanced and updated NDCs[1] have raised ambition in their commitment towards the implementation of the Paris Agreement through energy transition and climate action. The SIDS LHI is prioritizing energy-water-health-agriculture/food security nexus as well as integrating climate resilience into the energy sector.

The SIDS Lighthouses Initiative is also operationalizing two SIDS-focused initiatives that support SDG7 in SIDS, which have been catalyzed by previous Chairs of AOSIS.

1. **Initiative for Renewable Island Energy (IRIE)** in partnership with IRENA, Germany, Italy, and the European Union
   - Political engagement: Ministers along with key development partners would meet biennially for strategic guidance on the progress/or stocktake of IRIE work.
   - Technical support: The technical operation shall feed into the ministerial engagement to provide guidance on way forward, through conducting regional technical workshops.
   - Affordable finance: working with donor agencies and partners to provide streamlined access to grant, concessionary and private sector financing through an Investment forum for implementing NDCs
   - Partner coordination: Enhancing the coordination of the many partners actively supporting the energy transformation efforts in SIDS

2. Ambitious SIDS Climate Action Summit Package: Towards a pathway of enhanced renewable energy transition targets by 2030, in partnership with IRENA, UNOHRLLS and the Climate Investment Fund
   - ***Expansion of the SIDS Lighthouse Initiative by 2023 to support SIDS increased ambition toward 100% renewable energy targets*** and to facilitate scaling up finance across donors and regions, increase de-risked financing, and the development of financing mechanisms through public private partnerships linked to technical assistance and capacity building, enhanced policies and regulatory frameworks and streamlined business and economic models.

In addition, it is worth noting the work being done by organizations at the SIDS regional level across mitigation, renewable energy, and energy efficiency:

1. For the **Pacific**, regional stakeholders include the Pacific Community (SPC), the Secretariat of the Pacific Regional Environment Programme (SPREP), the University of the South Pacific (USP), the Pacific NDC Hub and the Pacific Power Association (PPA), among others.
   - Energy Security and Resilience in the Pacific (FESRIP) 2021-2030 was published on April 2021 by The Pacific Community and the CROP Energy Sector Technical Working Group with support from the Pacific Regional Infrastructure Facility and UNDP.

2. For the **Caribbean**, regional stakeholders include the Caribbean Community (CARICOM), the Organization of Eastern Caribbean States (OECS), the Caribbean Electric Utility Services Corporation (CARILEC) the University of the West Indies (UWI), and the Caribbean NDC Hub, among others.
   - The CARICOM Regional Energy Policy set a regional target of 47% renewable energy contribution to total electricity generation by 2027.

3. The **Africa, Indian Ocean, and South China Sea** (AIS) regional stakeholders include the Indian Ocean Commission (IOC), the Association of Southeast Asian Nations (ASEAN), the African NDC Hub, among others.
   - ASEAN Member States, through the ASEAN Plan of Action for Energy Cooperation (APAEC) 2016 – 2025 has set an aspirational target to increase the component of renewable energy (RE) to 23% by 2025 in ASEAN total primary energy mix.

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. *[Please add rows as needed].*

Description of action (please specify for which ambition from Section 1) Action 1: Supporting all SIDS with NDC implementation	Ongoing
Description of action (please specify for which ambition from Section 1) Action 2: Providing at least 6 SIDS with policy, regulatory and technical advisory services on energy transition and climate action annually	*2022 - 2030*
Description of action (please specify for which ambition from Section 1) Action 3: Provide at least 3 capacity building activities for the energy transition and climate action stakeholders such as policy makers, utilities, private sector, financing institutions, etc. annually.	*2022 - 2030*

[1] UNFCCC NDC Registry: https://www4.unfccc.int/sites/NDCStaging/Pages/All.aspx

Description of action (please specify for which ambition from Section 1) Action 4: Support at least 6 SIDS on grid stability, resource assessment, roadmap analyses as well as on project facilitation that includes research and development of emerging RE technologies that is applicable to SIDS annually	*2022-2030*
Description of action (please specify for which ambition from Section 1) Action 5: Support at least 10 projects in SIDS to access affordable finance for RE and EE project implementation. - Support direct access entities in SIDS with energy projects	*2022-2030*
Description of action (please specify for which ambition from Section 1) Action 6: The SIDS Lighthouses Initiative hosts a platform to share information, knowledge, lessons learned and best practices that is accessible and beneficial to SIDS and the development partners.	*Ongoing*
Action 7: Reinforcing and expanding partner engagement and leveraging synergies with existing SIDS initiatives to support island countries achieve their NDCs.	*Ongoing*

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

Outcome for Action 1 – All SIDS are supported with NDC implementation related to energy transition and climate action
Outcome for Action 2 – All SIDS are provided with policy, regulatory and technical advice on the uptake of renewables
Outcome for Action 3 – Capacity building provided at the national, regional, and global levels related to all aspects of energy transition and climate action in SIDS
Outcome for Action 4 – All SIDS are provided technical analysis support for grid stability, resource assessment, renewable energy roadmap and project facilitation that includes research and development for emerging RE technologies that are applicable to SIDS
Outcome for Action 5 – SIDS are provided the necessary support to access affordable finance through the Climate Investment Platform, GCF, Climate Investment Fund (CIF) and other funds that are available to SIDS
Outcome for Action 6 – The Knowledge Sharing Platform is accessible by all SIDS and partners of the SIDS LHI, the Ambitious SIDS Climate Action Package and IRIE and provides an avenue for information sharing, advocacy, sharing of best practices and lessons learned on energy transition and climate action in SIDS.
Outcome for Action 7 – Partnerships and collaborations to support SIDS energy transition and climate action secured and strengthened.

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

For the activities that will be undertaken by IRENA, the indicative annual budget will be $15 million.

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.
[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

☐Financing	*Description:*
☐ In-Kind contribution	*Description:*
☐ Technical Support	*Description:* Technical support required to:

☐ Other/Please specify	*Description*

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

The populations of the following SIDS will be potentially impacted:

SIDS that are partners of the SIDS Lighthouses Initiative and/or IRENA members

- **African, Indian Ocean and South China Sea SIDS**: Cabo Verde, Comoros, Guinea-Bissau, Maldives, Mauritius, São Tomé, and Príncipe, Seychelle, Singapore
- **Caribbean SIDS**: Antigua and Barbuda, The Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad, and Tobago
- **Pacific SIDS:** Cook Islands, Federated States of Micronesia, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Timor Leste Tonga, Tuvalu, Vanuatu

SIDS that are AOSIS members and are part of the Ambitious SIDS Climate Action Package and IRIE will also benefit from these activities.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.
[up to 500 words, please upload supporting strategy documents as needed]

Whilst this energy compact contributes largely to the achievement of SDG 7, looking at affordable and clean energy for SIDS, the just energy transition and climate action in these islands also contribute directly to sustainable development, lives and livelihoods in terms of strengthening food and water security when addressing the energy-water-agriculture/food production nexus. Energy access also brings about socio-economic benefits such as jobs, gender equality and creates conducive environment for entrepreneurial activities. In terms of the energy-health nexus, having reliable and affordable electricity, ensures that the SIDS population are accessible to reliable social services such as health, education, public transport, and housing as well as the emergency services. Energy is the backbone of SIDS economies and during the COVID-19 pandemic, reliable electricity services also ensure there is secure information and communication technology that ensured SIDS communications with the outside world. Other major sectors of SIDS such as fisheries and tourism also rely on energy security to ensure high rate of return on investments in innovation and infrastructure. Given SIDS geographical challenges, developing and strengthening durable partnerships is key to working together to achieve universal energy access for all SIDS.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.
[up to 500 words, please upload supporting strategy documents as needed]

Improved access to finance, strengthening of policy, regulatory and investment frameworks; strengthening of capacity and improved monitoring, reporting and verification have been identified as key requirements for the full implementation of SIDS NDCS. All the actions are interlinked and seek to provide technical assistance and facilitate financial support for both the conditional and unconditional components of their NDCs and are aligned to the needs and priorities of the countries.

Action 1- NDC implementation support will help SIDS prepare and follow a clear implementation plan and mechanism for achieving the energy component of their NDC targets.
Action 2: Analysis of policy, regulatory and investment landscape will help SIDS in developing an enabling environment for the increased deployment of renewable energy investments into the sector and inform country-level climate action
Action 3: Capacity building is a crucial factor in accelerating the deployment of renewable energy sources in SIDS and NDC implementation. While the capacity needs in SIDS vary in general, there is an overarching need for interventions in project bankability; monitoring, reporting, verification of greenhouse gas emissions; tracking climate finance flows among others.
Action 4- Grid integration studies, resource assessments and roadmap analyses provide the basis for informed decision making among policy makers, investors, developers, and other actors to increase the share of renewables based on the renewable energy targets established in their NDCs.
Action 5- SIDS can translate their national climate targets into concrete investments on the ground through technical assistance and matchmaking support provided under the Climate Investment platform, GCF and other funds that are available to SIDS
Action 6-The SIDS LHI multi-stakeholder platform serves as a mechanism to share information and experiences and best practices with an emphasis on the identification and prioritization of solutions that are tailored to SIDS. It also serves to align efforts and reinforce actions to accelerate energy transformation in SIDS that is consistent with their sustainable development and climate objectives

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

- IRENA publishes **a progress annual report on the SIDS Lighthouses Initiative** activities based on updates provided by partners as well as the IRENA Statistics. The total installed capacity target of 10GW by 2030, will be monitored on a yearly basis with support from the Statistics unit and partners. IRENA will also develop progress indicators to track and measure the impacts of the implementation progress of the SIDS LHI twelve priority areas at national, regional, and global levels.
- IRENA convenes a **yearly ministerial meeting** to report on the progress of the SIDS LHI work to its partners during or in the lead up to the **IRENA Assembly**. The SIDS LHI updates is also provided to the **IRENA Council Meetings**, which are convened twice a year.
- IRENA undertakes a **self-assessment of its biennial programmatic work** to measure, document and assess the effectiveness and impact of IRENA's programmatic work to guide its implementation and future programming.
- The SIDS Ambitious Climate Package Initiative which is operationalized through the SIDS LHI also provides yearly update at the **UN Secretary General's Climate Summit.**

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

☒Yes ☐No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? ☒Yes ☐No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defined by latest global analysis and data including the outcome of the Technical Working Groups? ☒Yes ☐No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? ☒Yes ☐No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? ☒Yes ☐No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? ☒Yes ☐No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☒Yes ☐No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒Yes ☐No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☒Yes ☐No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☒Yes ☐No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒Yes ☐No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☒Yes ☐No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets, and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☒Yes ☐No

V.2. Has the Energy Compact considered inclusion of a set of SMARTS (specific, measurable, achievable, resource-based and time based) objectives? ☒Yes ☐No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data, and technology)? ☒Yes ☐No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Islands Energy Transition towards a 1.5-degree world: IRENA-AOSIS Energy Compact operationalized through the SIDS Lighthouses Initiative

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

The International Renewable Energy Agency (Intergovernmental Organization) and the Alliance of Small Island States (Multilateral Body)

8.3. Lead entity type

☐ Government ☐ Local/Regional Government ☒ Multilateral body /Intergovernmental Organization

☐ Non-Governmental Organization (NGO) ☐ Civil Society organization/Youth ☐ Academic Institution /Scientific Community

☐ Private Sector ☐ Philanthropic Organization ☐ Other relevant actor

8.4. Contact Information

* From IRENA: Amjad Abdulla, Head – Partnerships aabdulla@irena.org and copy to islands@irena.org
* From AOSIS: Ambassador Aubrey Webson, Chair – AOSIS aubrey.webson@aandbgov.org and copy to info@aosis.org

8.5. Please select the geographical coverage of the Energy Compact

☐Africa ☐Asia and Pacific ☐Europe ☐Latin America and Caribbean ☐North America ☐West Asia ☒Global

8.6. Please select the Energy Compact thematic focus area(s)

☒ Energy Access ☒ Energy Transition ☒ Enabling SDGs through inclusive just Energy Transitions ☒ Innovation, Technology and Data ☒ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.
For IRENA: https://islands.irena.org/; https://www.irena.org/
For AOSIS: https://www.aosis.org/