

# **International Aid and Sustainable Energy Futures in the Pacific Islands**

**by**

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## **Abbreviations**

ADB	Asian Development Bank
AIDAB	Australian International Development Assistance Bureau (now AusAID)
ALP	Australian Labor Party
APACE	Appropriate Technology Community and Environment
AusAID	Australian Agency for International Development
CFTC	Commonwealth Fund for Technical Cooperation
CHORGM	Commonwealth Heads of Regional Government Meeting
CIRED	Cook Islands Renewable Energy Directory
DFAT	Development of Foreign Affairs and Trade, Australia
DIFF	Development Import Finance Facility
ECU	European Currency Unit
EEZs	Exclusive Economic Zones
EFIC	Export Finance and Insurance Corporation, Australia
EPC	Electric Power Corporation
EPU	Energy Planning Unit
ERDC	Energy Research and Development Corporation
EU	European Union
FAO	United Nations Food and Agriculture Organisation
FCCC	United Nations Framework Convention on Climate Change
FEA	Fiji Electricity Authority
FICs	South Pacific Forum Island Countries
FPSP	Foundation of the People of the South Pacific
FSC	Fiji Sugar Corporation
FSM	Federated States of Micronesia
GDP	Gross Domestic Product
GNP	Gross National Product
IEA	International Energy Agency
JICA	Japanese International Cooperation Agency
kW	Kilowatt
kWh	Kilowatt hour
LDC	Least Developed Country
LPG	Liquefied Petroleum Gas
Mtoe	Million tonne of oil equivalent
MW	Megawatt
NEMS	National Environmental Management Strategy
NERDDP	National Energy Research Development and Demonstration Program

NGOs	Non-government organisations
NSW	New South Wales
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OTEC	Ocean thermal energy conversion
PIDCs	Pacific Island Developing Countries
PJ	Peta-joule
PNG	Papua New Guinea
PV	Photovoltaic
RERIC	Regional Energy Resource Information Centre
SEC	Solar Energy Company
SEF	Sustainable Energy Fund
SOPAC	South Pacific Applied Geoscience Commission
SPC	South Pacific Commission
SPF	South Pacific Forum
SPFS	South Pacific Forum Secretariat
SPIRE	South Pacific Institute of Renewable Energy
SPREP	South Pacific Regional Environment Program
TSECS	Tuvalu Solar Energy Cooperative Society
TV	Television
TWh	Tera-watt hour
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNFPA	United Nations Fund for Population Activities
UNFTSD	United Nations Fund for Technology and Science Development
UNIDO	United Nations Industrial Development Organisation
UNPEDP	United Nations Pacific Energy Development Programme
USAID	US Agency for International Development
USACE	US Army Corps of Engineering
WCED	World Commission on Environment and Development
WHO	World Health Organisation



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## **Abstract**

Energy issues in the Pacific Island region not only provide constraints on the socio-economic development of Pacific Island states, but are also a cause of local environmental degradation. Proven renewable energy is the most appropriate energy source for the needs of Pacific Island nations. Since the early 1980s, the region has made significant efforts towards developing indigenous renewable energy resources. However, until now, most of the renewable energy systems have not been successful due to many limitations.

International aid can play an important role in promoting sustainable energy systems in the Pacific Island region. This research focuses on the examination of donors' policies and practices in international assistance for renewable energy in the region.

The main methods adopted in the research include: developing a framework for sustainable energy policymaking in the region, case studies, a survey of international aid, and analysis of Australia's foreign aid policies and relevant domestic policy issues. Accordingly, this research contributes to providing analysis and recommendations with respect to international aid for developing sustainable energy systems in the Pacific Island region. Evaluation of Australian international aid policies and activities with respect to encouraging sustainable energy in the region is also carried out.

In the future, the island nations, developed countries and international organisations need to consider the following policy approaches: (i) the Pacific Island nations need to initially adopt ecologically sustainable energy policies; (ii) international aid needs to be refocused on promoting recipients' capabilities in terms of self-reliance and sustainable development and aid needs to be given to promote sustainable energy systems; (iii) the governments of donor countries need to positively encourage their own sustainable energy industries by reforming economic and industrial structures and energy market systems through effective national legislation and policies; and finally (iv) human resources, institutional development, financial and technical assistance, local community involvement, joint ventures, bilateral and multilateral assistance, aid efficiency, and the role of non-government organisations need to be enhanced.