



ALLIANCE OF SMALL ISLAND STATES

## AOSIS Submission

Submission by Samoa on behalf of the Alliance of Small Islands States on views from Parties on the work programme 2023 topic of accelerating just energy transition

Mandate: Matters relating to the work programme for urgently scaling up mitigation ambition and implementation referred to in paragraph 27 of decision 1/CMA.3 para 12.

September 27 2023

### Introduction

The Alliance of Small Island States (AOSIS) welcomes the opportunity to submit its views on matters related to accelerating the just transition under the work programme (MWP) to urgently scale up mitigation ambition and implementation in this critical decade (...) in a manner that complements the global stocktake (GST). Keeping the 1.5°C temperature limit within reach requires accelerating global mitigation efforts through rapid, deep, and sustained reduction in global greenhouse gas emissions. AOSIS stresses the importance of this work programme in developing implementation-ready mitigation pathways that will yield to highest emissions savings in critical sectors of the economy. Given the broad scope of the topic, AOSIS would like to highlight the intersection between just transition and building low-carbon climate-resilient economies in setting the world on an attainable and equitable path to 1.5°C with no overshoot.

### AOSIS Priorities

Working group 3 (WG3) of the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report (AR6) and the latest synthesis report on the technical dialogue of the first global stocktake make it clear that current global efforts towards reducing greenhouse gas (GHG) emissions are insufficient and would result in disproportional catastrophic consequences, especially for most vulnerable countries such as SIDS.

AOSIS would like to emphasize that keeping within the 1.5°C limit is a matter of survival for SIDS and to state its highest priorities for the mitigation agenda and work programme as follows:

- **AOSIS calls on all Parties to submit new and more ambitious Nationally Determined Contributions (NDC) that align with 1.5°C and respond to past and future MWP, JTWP, and GST discussions and technical reports.** The Synthesis Report on the technical dialogue of the first Global Stocktake key finding 5 states *“much more ambition in action and support is needed in implementing domestic mitigation measures and setting more ambitious targets in NDCs”*.

- **AOSIS calls for Parties to pursue global energy transition efforts to phase out fossil fuels while simultaneously scaling up and partnering internationally on renewable energy.**
- **AOSIS calls on all Parties to end fossil fuel subsidies and to prioritize renewable energy solutions and partnerships instead of new investments in fossil fuel infrastructure.** Particularly, AOSIS stresses the need for G20 countries to take the lead in phasing out such investments, recognizing recent efforts made by Canada in phasing out public finance for fossil fuel sectors and urging developed countries to follow suit. The Synthesis Report on the technical dialogue of the first Global Stocktake recognizes that the removal of fossil fuel subsidies is a key strategy for overcoming structural barriers in the economy and can boost the cost-competitiveness for renewable energy.
- **AOSIS emphasizes the need for COP28 to deliver a commitment from Parties to peak global emissions before 2025, and calls on all Parties to announce when their respective GHG emissions will peak, as well as to enhance the development and implementation of long-term low-emissions development strategies (LT-LEDS).** The IPCC AR6 report clearly states that global GHG emissions need to peak between 2020 and 2024 to be in line with global modeled pathways that limit warming to 1.5°C with no or limited overshoot.

### Focus Areas

Pertinent to this year's second global dialogue topic of "Accelerating Just Energy Transition in Transport Systems" AOSIS invites the MWP co-chairs to consider including the following subtopics on the agenda and to consider the presentation of case studies in SIDS as suggested below:

#### Subtopic 1: Electrification of Vehicles

##### *Case Study 1: The Case for Electrifying public transport in Bermuda*

In 2019, the government of Bermuda committed to achieving 85% renewable energy by 2035, with 21 MW of solar, 60 MW of wind and 100% of electric public transport by 2030. To achieve this ambitious endeavor, the country started to outline enabling legislation that would catalyze mitigation pathways and achieve emissions reductions across all sectors of the economy. In 2016, Bermuda signed the [Electricity Act](#), which formally regulates electricity sales and serves as a catalyst for clean energy projects in the country.

In 2019, the Ministry of Tourism and Transport, in partnership with the Department of Public Transport issued a request for proposal for the purchase of electric buses. In 2021, this purchase materialized and led to the arrival of 30 public electric buses, corresponding to one third of the country's public transportation fleet, to enter Bermuda's public service in 2022.

Data collection and research over the last year shows overwhelmingly positive finance and environmental impacts after the introduction of e-buses in Bermuda<sup>1</sup> including:

- Avoidance of 450,000 liters of diesel fuel
- Cost savings of 176,000 in fuels
- Improvement of the country's air quality

### *Case Study 2: Antigua and Barbuda*

Antigua and Barbuda imports 100% of petroleum-based products to fuel both the electricity and transportation sectors of the economy, making the country extremely vulnerable to supply and price volatility of energy exporters. To achieve greater energy security while simultaneously achieving emissions reduction, Antigua and Barbuda's 2021 draft NDC targets commits to replacing its existing gasoline and diesel transportation fleet with non-fossil fuel alternatives by 2040<sup>2</sup>.

To achieve such target, Antigua and Barbuda's government put into motion the following initiatives:

- The Department of Environment has piloted an Electric School Bus Project which seeks to transform the entire school bus system to an electrified fleet.
- Commitment to expand the charging network infrastructure, which will happen in parallel to the decarbonization of the power sector in ensuring existing and new energy demand is met by renewable sources of energy.

### *Barriers and Challenges:*

Despite significant progress observed on the above case studies, AOSIS would like to highlight important challenges and barriers that SIDS continue to face when transitioning from internal combustion engine (ICE) vehicles to electric ones:

- **Absence of enabling renewable energy infrastructure in SIDS.** In order to fully transition from ICE vehicles to electric ones, the enabling infrastructure that accompanies EVs needs to be available and affordable. Countries such as Suriname, Tuvalu, Barbados and Antigua and Barbuda are seeking to work alongside governments and the private sector to ensure the proper infrastructure investment for electric vehicle charging infrastructure and addressing issues including "range anxiety" and increase in energy demand.
- **Absence of enabling public policies:** While some SIDS have progressive legislation that supports a clean transition in the transport sector, many others still have outdated legislation that locks in financial advantages for ICE vehicles. It paramount that the first GST of the Paris agreement at COP28 outlines a detailed, technical and tangible pathway that will inform countries on the decarbonization policies for transport sectors including: timeline for ICE vehicle phase out, subsidies for EV vehicles and infrastructure, and the phase out

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<sup>1</sup> RMI. Bermuda's Road to Clean Mobility and Energy. (2023)

<sup>2</sup> Climate Analytics. "Towards a Just Transition of the Workforce". (2021)

subsidies for oil-derived products. Public-Private partnerships (PPP) are welcomed as means to drive investment in the sector of transportation.

- **Labor force considerations:** The transport sector is an important employer in many countries and undergoing systemic transformation will affect the employment status of a significant number of people. To make sure this transition is fair and equitable, it is paramount that countries perform a quantitative and qualitative analysis that estimate the impacts on direct jobs in fossil fuel industry and compare them against the expected number of new jobs that will be created with the transition. This will allow for better designed upskill and reskill training programs that will redirect the workforce towards a low-carbon and sustainable economy.
- **High cost of batteries:** Although the price of batteries decreased in the past 10 years, it remains relatively high to developing nations. AOSIS therefore stresses the importance of continuous market development of battery and storage technologies so that prices can continue to fall while increasing the competitive landscape of electric vehicles globally.
- **Lack of capacity for performing pre-feasibility studies:** Ensuring access to data and capacity to perform such studies remain a challenge for many SIDS. The exchange of knowledge and data between financial entities, NGOs, private sector and public sector is most welcomed by AOSIS.
- **Low cost of oil:** Fuel shifting options are challenged by the current low price of oil which limits the economic viability of many alternative fuels (biofuels, hydrogen and biogas).

## Subtopic 2: Mode shift and Circular Economy

### *Case Study 1: Pre-feasibility studies for Tuvalu mobility*

In Tuvalu, two e-mobility projects were identified as priorities for the country's NDC Implementation Roadmap with the goal to achieve emissions reduction targets:

- E-bike initiative: project would involve the import of approximately 1,000 e-bikes into Tuvalu between 2022 and 2029 as a substitute for motorbikes.
- Electrification of Tuvalu's light vehicle fleet: project involves replacing the light vehicle fleet with electric substitute while simultaneously supporting charging infrastructure.

To better understand the impact of such mode shift, the Government of Tuvalu requested technical assistance to support project design and to conduct an impact assessment of a transport mode shift.

The Term of Agreement contract was created, and the technical assessment was organized in five deliverables:

- An overview of Tuvalu's transport sector
- Identification of Tuvalu's e-vehicles specifications including battery size, battery range minimum, cost, max load, safety features among others

- Assessment of charging arrangements
- Behavioral factors considerations
- Assessment of project lifecycle and sustainability

This case study shows an example of optimal planning and the importance of conducting high quality pre-feasibility studies that clearly identify the opportunities to reduce greenhouse gas emissions and evaluates the practical considerations and sustainability of project implementation.

### *Barriers and Challenges:*

As countries move towards more sustainable modes of transport, it is important to consider accumulative waste from stranded assets and dumping practices that will continue to unfold as ICE public and private vehicles become obsolete. AOSIS calls attention to two issues that should not be an afterthought:

- **Ensuring anti-carbon dumping practice overseas:** For years, high emitting and polluting industries have been relocated from developed countries to developing countries in a practice coined by United Nations Conference on Trade and Development (UNCTD) as *carbon dumping*<sup>3</sup>. AOSIS stresses the importance for developed countries to recognize this issue and work towards mitigating instead of displacing emissions from economic activities.
- **Access to battery recycling technology :** Circular economy best practices have been widely observed in industrial processes for decades as cost saving and job creating measures and should continue to be deployed. Having greater access to high-quality recycling equipment offers technological solutions that complement mechanical recycling practices and will improve re-use and recycling practices globally. This practice could improve battery recycling, repurposing and disposal techniques and aid in extending the lifecycle for electric vehicles.
- **Low population density:** In countries with a high population density, the modal shift to public transport options is available. However, for countries with lower population densities, particularly in remoter areas, such shifts are more difficult. Many of the Pacific islands with increasing wealth has brought a desire to adopt the personal transport options (private motor cars) that are predominant in the developed nations, leading to social and political restrictions on adopting modal transport shifts. For example, in Samoa the public transport system is reasonably well developed but uses an ageing variety of local buses converted from flat top trucks, which will need replacing over the next decade. Cycling and walking are not preferred methods of commuting with such activities hampered by the hot humid climate and cultural traditions.

### Procedural Considerations

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<sup>3</sup> UNCTAD. “Least developed countries report 2022. <https://unctad.org/ldc2022>

As the functions and mandated events of the Mitigation Work Programme continues to evolve, AOSIS would like to put forward some procedural suggestions for the continuous improvement of future events and discussions

- Invite the secretariat to prepare a technical information paper to inform global dialogues and investment focused events.
- Consult with High-level champions on the selection of annual topics to help create synergies between technical discussions under the MWP.
- Create better and clear linkage between Global Dialogue and Investment Focused event, where developing countries are matched with resources to strengthen technical capacity. This will provide the necessary resources needed to perform pre-feasibility studies and other aspects of project preparation.
- Kindly requests the timely provision of summary reports from global dialogue and investment focused event well in advance of the start of COP28.