

Opening Remarks by

Mr. Stein Hansen, Director and UNIDO Representative Regional Hub in Thailand

Pacific Islands Workshop on Electric Mobility

"The Potential Role of E-mobility on the Pacific Islands' Energy Security and 1.5°c Ambitions"

Pasifika Conference Room, Lotus Building, Nabua, Suva, 28 – 30 November 2022

Excellences, distinguished delegates and experts, ladies and gentlemen,

On behalf of the United Nations Industrial Development Organization – UNIDO – I am honored to join you at this essential event on e-mobility. I wish to thank our partners and friends at PCREEE and SPC for having organized such a timely meeting!

Ladies and gentlemen,

This event takes place right after the conclusion of the COP27 in Egypt, where ambitious commitments towards greening our economies and recovery pathways from COVID-19 were presented. A notable achievement, among others, was be the creation of a Loss and Damage Fund. This fund will be relevant to the Pacific Island Countries and Territories, considering the exposure to climate threats. Around the world, and especially in your region, we see the impacts of climate change, more extreme weather events - severe storms, droughts, flooding and heat waves are happening with greater frequency and intensity. Our global economic reliance on fossil fuels, the COVID-19 pandemic and the recent conflict in Europe have currently brought energy security to the top of the global agenda. The impacts of these crises have not been shared equally. Indeed, as we all know, it is the most vulnerable people that are being impacted the most by climate change and the energy crisis.

As small and remote economies, the Pacific SIDS are bearing the brunt of such challenges. The region's limited natural resources. The economies that lack diversification and the disproportionate suffering from large distance to major markets. The dependence on imported fossil fuels contributes to serious fiscal deficits, leading to higher energy costs for families and key island industries. This fossil fuel pathway implies fewer jobs, fewer opportunities for the youth and less resources to adapt to climate change. A rapid transformation towards sustainable energy is therefore imperative for the SIDS.

Sustainable energy represents an important tool to improve the competitiveness and productivity of key island industries, ranging from the generation and distribution of power and energy services, to construction, fisheries, agroprocessing, ecotourism, net zero transport, waste management, as well as water/desalination. In this perspective, considering the GHG emissions reduction potential in the Pacific, e-mobility solutions have a key role to play in addressing energy security and meeting climate targets.

Ladies and gentlemen,

When asked about the newly invented cars in 1905, the German Kaiser, Wilhelm II, responded that he rather '*believed in horses... automobiles are a passing phenomenon*'. We all know how that story ended. Automobiles turned out to be not just faster than horses. Their large-scale adoption has reshaped both our livelihoods and our modern way of living.

Similarly today, the electrification of transport is set to dramatically transform not only mobility per se, but also the way energy is supplied and consumed. The last decade has seen an unprecedented revolution in EV economics worldwide. According to the latest edition of the IEA's Global Electric Vehicle Outlook, more electric cars¹ sold on average in one week in 2021 than in the whole of 2012, reaching a record number of 6.6 million – almost half of these in China, following with 2.3 million in Europe and 630,000 in the United States. By 2021 there were more than 450 commercially EV models available: that is five times more than in 2015. Such a growth has been boosted more than half of a trillion \$USD in

¹ Including fully electric and plug-in hybrids.

planned EV supply chain investments. EV battery prices have plunged by 89% during the last decade.

Policy support has played an instrumental role in stimulating these investments. The EU and California have pledged to have 100% zero emissions vehicles sales by 2035. This is fundamental step towards full e-mobility transition.

Ladies and gentlemen,

Now, coming back to the Pacific. Mindful of the great potential and opportunities that electric vehicles (EVs) can bring to the region, the Fourth Pacific Regional Energy and Transport Ministers' Meeting, requested PCREEE and UNIDO in 2019 to assist the Pacific Island Countries and Territories with the development of a regional e-mobility policy document and a regional e-mobility program.

Since then, UNIDO and PCREEE have developed a comprehensive technical assessment to identify feasible and viable options for integrated emobility solutions in the PICTs. Based on these findings, a regional policy document has been developed with concrete EV targets by 2030 and 2050. The document includes thirty-eight specific policy actions required to address the existing barriers for EV products and services. Furthermore, UNIDO and PCREEE have developed a draft project document for a regional e-mobility program. That is based on an integrated approach that promotes the expansion of renewable energy power generation, e-mobility and electrical storage simultaneously. The programme can bring multiple benefits and mark a paradigm shift in the power and transport sectors of Pacific islands. A harmonized regional approach can help to address existing barriers more effectively and at a lower cost. It can promote common standards between countries and create the needed economies of scale to influence international vehicle supply chains and investments in charging infrastructure and innovative e-mobility business models.

The program will include south-south and triangular cooperation with other SIDS regions and pioneering e-mobility countries (e.g. China, Norway, US, individual EU countries) within the Global Network of Regional Sustainable Energy Centers. Currently, CCREEE in the Caribbean and ECREEE in West Africa are working on similar e-mobility initiatives.

Colleagues, ladies and gentlemen,

Despite the multiple challenges, I remain optimistic for this region. While looking at today's programme and the invaluable partners sitting here around this table, I am happy to note that the work we started on e-mobility has created a powerful snowball effect. Quite a few of you are doing significant work on many levels: policy, technical guidelines and standards, charging infrastructure, private sector engagement and financing mechanisms, innovative business models, grid integration, etc. Significant progress has been made, but a lot still remains ahead of us. We need to substantially push on the accelerator, increasing both our ambition and speed.

We remain at your disposal to support you with technical assistance and innovation on e-mobility. Progress by innovation, is our motto at UNIDO. UNIDO is ready to continue helping the countries with the development of their national e-mobility roadmaps, including the demonstration of e-mobility solutions, integrated with renewable sources of energy. In conclusion, I encourage you all to join hands and work together. Only through a joint cooperation and a holistic approach to e-mobility, we can bring the much needed transformation in the Pacific!

Thank you, and I am looking forward to a fruitful deliberation of this meeting!