



Government of the Republic of Trinidad and Tobago

Address

by

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and

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at the

Pre-COP 26 Seminar

Hosted by the United Nations

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Good afternoon ladies and gentlemen. I am pleased to participate in today's Pre-COP 26 seminar organized by the United Nations and to outline plans by the Government of Trinidad and Tobago for the Green Economy Transition of Trinidad and Tobago.

The 26th UN Climate Change Conference of the Parties (COP26) will be convened in five days with a view to accelerating action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change.

The Paris Agreement or COP21 was adopted in December 2015 and aimed to reduce the emission of gases that contribute to global warming. The Agreement set out to improve upon and replace the Kyoto Protocol, an earlier international treaty designed to curb the release of greenhouse gases. It entered into force on November 4, 2016, was signed by 195 countries and ratified by 190 countries, including Trinidad and Tobago, as of January 2021.

The objective was a binding and universal agreement designed to limit greenhouse gas emissions to levels that would prevent global temperatures from increasing more than 2 °C above the temperature benchmark set before the beginning of the Industrial Revolution, while pursuing efforts to keep it below 1.5 °C.

The Paris Agreement was deemed to be essential for the achievement of the Sustainable Development Goals, and to provide a roadmap for climate actions that will reduce emissions and build climate resilience.

The UN in its Climate Change September 2021 Report indicated that while there is a clear trend that greenhouse gas emissions are being reduced over time, nations must urgently redouble their climate change efforts if they are to prevent global temperature increases beyond the Paris Agreement's goal of well below 2C – ideally 1.5C – by the end of the century.

The UN Report indicates that the Covid-19 pandemic and financing have been impediments to the achievement of climate change targets. Developing countries have been most affected. The UN reported that a sizeable number of developing countries contain conditional commitments to reduce emissions, which can only be implemented with access to enhanced financial resources and other support. With financial resources severely impacted by the Covid-19 pandemic developing countries have prioritized protection of lives and livelihood as their main goal.

As is the case for countries worldwide the Covid-19 pandemic created public health and economic difficulties in Trinidad and Tobago. Most sectors of the economy have faced exceptional difficulty. As a consequence, substantial resources were directed to these sectors and to support those negatively affected. Notwithstanding these unforeseen difficulties we are committed to the execution of our climate change plans as outlined in our intended nationally determined contribution (iNDC).

In 2009 developed countries pledged to provide USD 100 billion every year to 2020 in climate finance to support developing countries. At the Paris Climate Change Conference countries agreed to set a new collective quantified goal after 2025 from a “floor” of USD 100 billion per year, to meet the needs and priorities of developing countries. The UN has reported that the promise to deliver up to USD 100 billion has not been met and developing countries have been sourcing loans at high cost to facilitate their energy transition.

OXFAM has reported that some developing countries have gone into increased debt to address climate issues which have been brought on primarily by developed countries who are the largest emitters of greenhouse gases. The International Energy Agency (IEA) in its 2021 World Energy Outlook also corroborated the fact that

countries are not starting the climate journey from the same place. In its report the IEA found that many developing economies are facing a continued public health crisis and determined that the impacts of the Covid-19 pandemic on their economies will be felt for years to come. By contrast, a more rapid progress with mass vaccination campaigns leaves most advanced economies with a clearer near-term pathway to recovery.

Climate finance is therefore key to supporting developing countries' increased climate action. Developed countries must ensure they collectively deliver on the USD 100 billion goal and provide access to finance largely in the form of grants, and soft loans for mitigation and adaptation to support communities around the world in their action on climate change.

Trinidad and Tobago is not a major emitter of greenhouse gas emissions volume wise even though some suggest we are per capital due to our energy sector. Notwithstanding, as a petroleum based economy, we are taking action to implement climate change mitigation and adaptation policies to reduce the country's greenhouse gas emissions. Accordingly the Government has defined a policy framework for a low carbon development plan through the National Climate Change Policy, and developed a Carbon Reduction Strategy for the power generation, transportation and industrial sectors which forms the basis of Trinidad and Tobago's iNDC.

Trinidad and Tobago's aim is to achieve a reduction in overall emissions from the three sectors by 15% by 2030 from BAU, which in absolute terms is an equivalent of 103 million tonnes of CO₂. The estimated cost of meeting this objective is USD 2 billion, which is expected to be met partly through domestic funding and conditional on international financing including through the Green Climate Fund.

Trinidad and Tobago also committed to unconditionally reduce its public transportation emissions by 30% or 1.7 million tonnes of CO₂ compared to 2013 levels by December 31, 2030.

Additionally, robust policy measures for forest, land use and natural resources management are underway that will result in greater mitigation of greenhouse gases but which are not included as part of the iNDC. In this regard our State-Owned National Gas Company has been partnering with Government in a reforestation programme to replenish areas cleared during pipeline construction activities. The objective is to restore a dense, mixed-species tree canopy back to the southern watershed. As a principle the company has adopted a no net loss principle with respect to the environment in the course of its pipeline infrastructure activities. This is just one of the many necessary initiatives.

There are number of initiatives which are currently being undertaken to meet our iNDCs. In the power generation sector, we have approved the establishment of a solar utility project which will generate 112.2 megawatts of electricity and for which we are hoping that construction will commence in 2022. This approximates to about 10% of current power requirements and the intent is to increase the quantum of power generated from renewables, with wind energy being the likely resource. A wind resource assessment is currently being undertaken by the University of the West Indies and a private sector partnership. I do intend to explore more use of solar powered electricity via additional initiatives and projects.

In the transportation sector Government as intermediate strategy has been promoting CNG as a low carbon alternative to liquid transportation fuels such as gasoline and diesel. Government represented by State Owned National Energy Corporation in a

public private partnership with Methanex Trinidad Limited is also exploring the viability of methanol, which is clean burning fuel with fewer particulate matters, as an alternative fuel for transport in Trinidad and Tobago and the region.

In keeping with the Government's commitment to promote a green economy and reduce the country's carbon footprint, Government, in its recently concluded National Budget indicated that we will be removing remove all custom duties, motor vehicle tax and value-added tax on the importation of battery-powered electric vehicles with an age limit on imported used battery powered electric vehicles of 2 years. In fiscal 2022 the Ministry of Energy and Energy Industries will be undertaking the installation of electric charging stations across selected areas in Trinidad and Tobago. We are working on a broader EU policy to assist in the transition from internal contribution energies to EUs. These are the first steps.

In preparation for the increase in the penetration of electric vehicles in the domestic transportation system the Ministry of Planning and Development with support from the United Nations Environment Programme and Denmark Technical University is currently at an advanced stage of development of an e-mobility policy for the country.

The industrial sector which is dominated by oil, gas and petrochemical industries is the main emitter of greenhouse gas emissions, accounting for as much as 70% of total emissions in Trinidad and Tobago. A key strategy in the reduction of greenhouse gases and particularly carbon dioxide from industrial operations is the application of carbon capture , utilization and storage (CCUS) technologies. To this end the Ministry of Energy and Energy Industries in collaboration with the University of the West Indies, the University of Trinidad and Tobago and Heritage Petroleum Company Limited has been pursuing a project aimed at the management

of carbon dioxide emissions. We have also announced fiscal incentives in our budget for Carbon capture, utilization and storage.

Industry is required to play its part in the reduction of greenhouse gas emissions and particularly carbon dioxide. Government will be providing as an incentive to Industry a tax credit of 30 percent of the cost of investment in carbon capture and storage and enhanced oil recovery up to a maximum \$500,000 for companies that make such investments.

While CCUS will feature significantly in Government's decarbonization strategy Government considers Hydrogen as a major pillar in the transition to a green economy in Trinidad and Tobago. As a consequence a Multidisciplinary Committee has been established with a mandate to develop a hydrogen economy framework for Trinidad and Tobago. There is also currently a proposal before Government to use waste heat from power generation as well as the planned solar utility project to produce hydrogen from electrolysis of water in the production of ammonia.

Current international discussions on sustainability have become dominated by the change to renewable systems to reduce our collective carbon footprint. While the focus on low-carbon development is critical, and ongoing efforts to develop low-carbon action plans are a major step forward, they are not the full picture. They do not address all of underlying root causes. One fundamental problem is the unsustainable way in which our energy resources are valued, used and managed. There is a need to improve the efficiency in the use and management of our energy resources. To this end Government has introduced an array of incentives to households and industry for conservation of energy and investment in renewable energy systems such as solar energy and energy efficient applications.

In the transition to a green economy we need to recognize there is no one-size-fits-all model for designing an effective green economy. As a petroleum based economy our pathway may be different than other countries but our goal is the same and we will be taking the necessary action to achieve this objective in a timely fashion. TT is working on finding the right balance for us.

COP 26 provides the global community that is government, business and civil society with an opportunity to collaborate and to meaningfully tackle climate change. In this regard developed countries must make good on their promise to mobilize at least USD 100bn in climate finance annually to support developing countries in their action on climate change, and International financial institutions must play their part in making available on concessionary terms the private and public sector finance required to secure a global green economy. TT is committed to doing its part to reduce global warming by producing greener cleaner energy and commodities, working towards decarbonization, and becoming more energy efficient whilst balancing our oil and gas industry economy needs.

I thank you