

Opening Remarks
by Iriana Ximenes
“Scaling-Up Energy Access and Finance LDCs”
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Excellencies,
Distinguished Guests,
Ladies and Gentlemen’s

Good-morning!

It’s a great honor and pleasure to be here today among such distinguished specialists. I would like to thank you for your invitation to deliver these short remarks as well as representing Timor-Leste, to participate in this conference.

I hope my short overview today opens the discussion for the obstacles affecting LDCs in the pursuit of a more clean energy sector.

Last week, on the 20th of May Timor-Leste just celebrated its 17th anniversary of independence. Timor-Leste has encountered numerous challenges during these first 17 years

While other countries were competing globally to develop, Timor-Leste had to face a “Tabula Rasa” scenario, a blank slate, in order to rebuild its country from zero, not only our infrastructures were left destroyed, but also human resources development was nearly non-existent.

In order to provide accessible roads, drinking water, sanitation and energy to rural and remote areas, Timor-Leste has created a strategic development plan for 2011-2030 as a guideline that aligns the country with the pursuit of the Sustainable Development Goals.

On the progress of Goal 7 - Affordable and Clean Energy, Timor-Leste 's Electricity Program has managed to bring electricity to over 120.000 (**One Hundred and Twenty Thousand**) households between 2011 and 2016 according to the National Plan for Electrification, the program now covers nearly 83% of the population nationwide.

At the same time, the National Electricity Grid of Timor-Leste has set the **rural electrification program** to provide renewable energy supply to rural and remote areas that cannot access to the grid by 2020. Today about 23.500 (*twenty three thousand and five hundred*) households in the territory have access to Solar power in remote rural areas.

To tackle waste issues, Timor-Leste's government recently signed an agreement with Sydney University to conduct recycling project to become the world's first plastic-neutral country, processing plastic waste into biofuel with nearly zero emissions.

Timor-Leste joined and ratified the Paris Agreement on the 16th of August 2017 and became 160th party to the Agreement, however, we still experience major obstacles.

Timor-Leste currently relies on imports to provide for its energy requirements, primarily, expensive and sulfuric diesel.

In 2015, Timor-Leste total fuel costs were approximately \$280-310 USD per MWH (megawatt hour) up to a total of 94 million USD. I believe the data will reveal even higher costs based on more recent yearly budget executions.

In contrast, the percentage of renewable energy is still minimal and in its early implementation stage, renewable energy is still hampered by several things.

To scale up energy and finance in Least Developed Countries, Timor-Leste is a showcase for slow progress, there are 4 obstacles:

- Lack of Awareness,
- Lack of Regulation,
- Capacity Building of our Human Resources
- Lack of Technology Transfer

These problems Timor-Leste face as a Least Developed Country are complex and interconnected.

First, there's is lack of awareness that caused the issue of renewable energy to be one of the lesser priorities for the country compared with basic infrastructures, health, sanitation and hunger mitigation. We simply had higher priorities; most LDCs also face the same choices.

Second, we faced a serious lack of regulation in place, we cannot just copy complex and mature regulations from developed countries such as, for example, the European Union carbon credit markets and framework. We need regulation that is attractive for investors but at the same time establish an investment environment model that works in a small country like ours.

To design such a regulation we need specialists, which bring us to the third problem, capacity building. Our education system is currently developing , this is a reality, and even if we implement the best reforms tomorrow, we do not own the adequate technology to educate our specialists, even if we did, it would take one or two generations to start seeing results.

This brings us to the last issue, in these modern times the technological research on renewable power around the world is not driven by States or Academic Universities, its driven by the private sector, this is a positive effect of Feed-in Tariffs, Carbon Markets and other innovative models.

This is a good thing, and it has pushed renewable energies forward, but it also makes States unable to control and share the ever-changing technology with efficiency, this technology is worth a lot of money after all, no company wants to share their hard-earned research and lose competitiveness.

Therefore, the reality is LDCs are in the hands of corporate investment from Developed Countries, and these operators are not NGOs, they work on a profit and risk basis. It is of little importance what States sign in treaties regarding technology transfer if private companies control the knowledge and absorb a great deal of the Aid Funds available.

This is why the UN role is so important as a neutral institution that can mediate and protect vulnerable LDCs from the everlasting geopolitical games of international Aid.

Specialists are needed to work closely with the community and policy makers not only these nice conferences. An LDC needs to understand if, for example, a solar project has a fair cost or not, or what international finance instruments can be used to support such an investment, I know this because I was looking at one of these projects last week in my office.

Timor-Leste is currently preparing its first Voluntary National Review report 'VNR' which provides a review of where Timor-Leste is in relation to implementing the Sustainable Development Goals 'SDG's'. Through the VNR process we have seen that Timor-Leste main focus has been on rebuilding the nation and we are only beginning to address the challenges that climate change brings to small island states. The report will be presented to the United Nations in July this year. The VNR lays out the next steps and the challenges for achieving the 2030 agenda. This conference is timely and I hope will help us to gain support and to develop tangible policies for decision makers to help focus on our climate change challenges.

There needs to be the presence of an international, independent, technical body in LDCs, driving forward investment and funding, supporting capacity building and technological transfer and helping implement reforms and new comprehensive tailor-made regulations.

Timor-Leste is working on a transition to a more balanced, less fossil fuel reliant electrical grid, addressing unserved demand and progress towards energy independence and to contribute to the reduction of the Carbon and pollution footprint. I believe the theme of this conference is essential to find solutions that help a country such as Timor-Leste and it's a privilege to be hearing your thoughts and support.

I wish you all best success for these two days of conference.

Thank you.