



REPUBLIC OF TRINIDAD AND TOBAGO

KEYNOTE PRESENTATION

BY THE HONOURABLE

ERROL MCLEOD

**MINISTER OF Labour And Small
And Micro Enterprise Development
Of Trinidad And Tobago**

ILO SOLUTION FORUM 2:

“ENERGY, CLIMATE CHANGE AND DECENT WORK”

Global South-South Development Expo 2012

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- Thank you Mr. Poschen for your very kind introduction.
- Your Excellency Ambassador Laercio Antonio Vinhas, Brazilian Mission to the International Atomic Energy Agency in Vienna;
- Mr. Jürgen Schwettmann, Director of the Partnerships and Development Cooperation Department of the International Labour Organization;
- Dr. Christo Marais, Chief Director, National Resource Management Programmes, Department of Environmental Affairs, Republic of South Africa;
- Representatives of the International Labour Organization and other United Nations and international organizations;
- Other specially invited guests;
- Distinguished ladies and gentlemen;

I am honoured to be part of such an important Solution Forum at an event which has become the hallmark of co-operation and partnerships among countries of the South.

I wish to place on record my appreciation and that of the Government of the Republic of Trinidad and Tobago for the opportunity to participate in the Global South-South Development Expo 2012 and to share some thoughts and experiences in the area of Energy, Climate Change and Decent Work. As the global community continues to grapple with the fall-out from the economic crisis, we cannot help but acknowledge that we are all witnesses to history in the making with the gradual emergence of a new global economic order. That the South is rising and moving toward paramount place on the global stage cannot be disputed. A recently released Oxford Economics report, for example, indicates that by 2021, much of the talent required internationally will come from the South. As deliberations continue in United Nations and other fora on the post-2015 agenda, issues such as south-south and triangular co-operation require renewed attention.

Background on Trinidad and Tobago

It would be useful for me to share some background information on Trinidad and Tobago before proceeding further so that we may appreciate the context in which this presentation is made. The Republic of Trinidad and Tobago comprises the two most southerly islands of the Caribbean archipelago which together form one Republic located close to the Venezuelan coastline. It's ethnically and culturally diverse population of approximately 1.3 million mirrors the diversity of its natural resources. These characteristics together with its highly skilled workforce and stable economic environment and the fact that it is the major financial centre in the Caribbean make it attractive to investors. Trinidad's economy is largely industrialized and driven by the petrochemical industry while Tobago is a more relaxed holiday destination, our own "Paradise" with many opportunities for eco- and cultural tourism which we are willing to share with the world.

For the period 2000-2007, Trinidad and Tobago enjoyed robust economic growth averaging about 7.3%. This was followed by a few years of negative or negligible growth associated with the economic downturn of 2008. We are returning to positive forecast for 2012 at an estimated 1.2 percent. Such strong growth has been fuelled largely by the energy sector and improved performance of the non-energy sector. Unemployment levels have steadily declined over the past decade reaching 4.9 percent at the end of 2011.

Oil and natural gas have sustained the economic and infrastructural development of Trinidad and Tobago consistently from 1908 when commercial production was established until present, although oil exploration actually began in 1866. Oil, natural gas, petrochemical industries and other oil related downstream industries contribute almost half of total Government revenue.

In 2010, the petroleum industry accounted for 42.5 percent of our country's gross domestic product (GDP), 51 percent of total Government revenues; 84 percent of exports and generated less than 5 percent of employment. The country's energy sector has allowed for the development of energy intensive industries, including a range of petrochemicals such as ammonia, methanol, urea and Liquefied Natural Gas (LNG). Our hydrocarbon resources have enabled us to become the most industrialized Caribbean nation.

This is reflected in the fact that Trinidad and Tobago ranks amongst the top five LNG producers in the world, is the largest exporter of ammonia and methanol and is the third largest nitrogen producer globally. Our country boasts of the one of the world's largest methanol plants which was commissioned in 2005.

However, given the finite nature of oil and gas, coupled with a downward trend in oil production and analyses which suggest that oil and gas reserves would only be available for industrial use (extraction, refining and exportation) indefinitely, we have been wise enough to realize that oil and gas cannot constitute the basis of a sustainable economy. While the Government of Trinidad and Tobago strives to optimize opportunities from its hydrocarbon resources, it has simultaneously recognized that there is need for diversification in the longer term, incorporating the principles of a green economy in order to create a sustainable, social, economic and environmental future.

The Government of Trinidad and Tobago's diversification thrust places emphasis on the service sector which accounts for as much as 49 percent of the country's GDP and close to 60 percent of employment, with particular focus on the creative industries, as well as the promotion of agriculture and manufacturing. This thrust is underpinned by a commitment to people-centred development, largely characterized by the enhancement of the country's human capital and building on the creative genius of our people. These are clearly articulated in Government's Policy Framework for Sustainable Development and the Medium-Term Policy Framework 2011-2014 which identify specific actions in relation to seven interconnected development pillars, including poverty eradication and social justice, a more diversified, knowledge-intensive economy and good governance.

As a Member State of the International Labour Organization since 1963 and the current Caribbean representative on the Governing Body, Trinidad and Tobago actively promotes the Decent Work Agenda and is seen as a leading voice on labour issues in the Caribbean region. The creation of opportunities for sustainable employment through job creation and enterprise development as well as the protection of rights at work, including safety and health at work and non-discrimination in employment, and meaningful social dialogue, underpin the labour agenda in Trinidad and Tobago.

Linking Energy, Climate Change and Decent Work

Against this background, ladies and gentlemen, you will appreciate that the issues of energy, climate change and decent work are very much intertwined in the Trinidad and Tobago context.

As a citizen of a small island developing state, I understand that climate change and global warming are of great concern as the threats of rising sea levels, increased flooding, increased

frequency and intensity of hurricanes, hillside erosion and loss of coastal habitats endanger the well-being of our people and those of our neighbouring Caribbean islands.

In this regard, Trinidad and Tobago, and the Caribbean, have recognized that these three issues of energy, climate change and decent work must be addressed together and actions must be taken to enhance policy coherence among labour and employment, economic, industrial and environmental issues.

One of the ways which has been advocated in recent times as a means of collectively addressing these issues has been that of transitioning to a green economy. In the case of Trinidad and Tobago, we have begun the process of transitioning to a low carbon society and in so doing have identified key sectors and sub-sectors in energy, agriculture, tourism, manufacturing, forestry, fishery and water management as viable opportunities for diversification with green economic potential.

The development of green jobs and green enterprises as essential inputs to achieving sustainability is being accorded high priority at the national level. With the assistance of the ILO, we were able to train a group of practitioners, policy-makers, small business entrepreneurs and young persons in May of this year on the basic concepts associated with the green economy, including ways of identifying opportunities for creating green jobs and the mechanisms of 'greening' existing jobs, processes and enterprises.

As a thrust of the green economy and as a means of addressing climate change, renewable energy resources are being explored across the globe. These pose significant economic opportunities but have no doubt sparked a re-orientation of our mind with respect to natural resources and a re-assessment of education, training and re-training policies to maximize the benefits of these opportunities.

However, we are very familiar with the argument that adopting the concept of a green economy could create an environment of exclusion to the economically challenged and marginalized since the green economy is perceived as being too expensive to the poorer individuals in society resulting in social segregation and isolation. The proposal has been made in recent times for us to consider development of the "blue" economy which entails the integration of innovative solutions into the already existing economy in order to increase the efficiency of processes already occurring, thereby contributing to environmental protection and in turn sustainability.

Whether we subscribe to the "green" or "blue" concept, both of which I believe hold substantial merits, we must attempt to ensure that decent work is mainstreamed into the various initiatives inclusive of gender mainstreaming, targeted at addressing climate change and energy efficiency with improved social and economic outcomes. This should be done in consultation with business and labour through the social dialogue mechanism for greater effectiveness in design, implementation and evaluation of policies, programmes and projects.

In the case of Trinidad and Tobago, we have identified specific sectors with potential for the creation of green jobs which simultaneously address issues surrounding climate change and energy usage. These include:

- the **agricultural sector** which requires a strong investment in skills, rural infrastructure and organization to enable the many smallholder farmers to adopt greener and more productive farming practices that could boost food security;

- **transport** which can contribute significantly to the reduction in greenhouse gas emissions while providing substantial gains in employment created by a shift to mass transportation and more energy-efficient vehicles;
- **forest industries** where unsustainable practices have led to job losses but with the adoption of sustainable forest management can provide both essential environmental services and renewable raw material to other sectors while also providing quality jobs; and
- **the energy sector** where employment prospects in renewable energy, improvements in energy efficiency and enhanced access to energy can lead to major gains in employment and income opportunities as well as significant environmental benefits.

Additionally, we have identified significant opportunities for employment creation, especially through the creation of micro, small and medium enterprises, in resource-intensive manufacturing, recycling and energy and resource-efficient buildings.

Recent Initiatives in Trinidad and Tobago in the area of Renewable Energy, Climate Change and Decent Work

There has been significant collaboration among agencies within Trinidad and Tobago aimed at strengthening the policy framework and institutional infrastructure in relation to climate change and energy. One notable product of such collaborative efforts is the **National Climate Change Policy**, the implementation of which seeks to fulfill the commitments of Trinidad and Tobago to the United Nations Framework Convention on Climate Change and its Kyoto Protocol.

The objectives of the National Climate Change Policy include reducing or avoiding greenhouse gas emissions from all emitting sectors; enhancing carbon sinks; protection of the natural environment and human health; enhanced agricultural production and food security and educating the wider public on the potential impacts of climate change and the recommended adaptation strategies. The Policy outlines a number of important mitigation strategies aimed at abating greenhouse gas emissions, including:

- increasing the use of renewable energy such as solar and wind for example through development of a renewable energy policy and standards;
- increasing energy efficiency in commercial and residential buildings;
- increasing the use of alternative fuels and fuel switching in the transportation sector;
- enhancing natural carbon sinks by conserving forests and protecting natural systems;
- enhancing research and development;
- education and awareness-raising through the integration of programmes on climate change into primary and secondary school curricula; and
- co-operation with other countries on issues identified in the Policy.

Additionally, in an effort to effectively address the development and sustainability of renewable energy, a Renewable Energy Committee was launched in February 2009 with the responsibility for formulating a **Framework for Development of a Renewable Energy Policy for Trinidad and Tobago**. This Framework is an important component of the country's National Energy Policy which is currently being drafted in consultation with relevant stakeholders. It outlines strategies

to be undertaken in the short-, medium- and long term with the aim of incorporating renewable energy into the local energy mix.

Some of the major initiatives outlined in the Framework include undertaking a wind resource assessment study; developing and implementing strategies for public education and awareness creation; establishing an online register of local renewable energy suppliers and service providers; promoting national engagement through pilot projects involving schools, Government housing programme and community centres; and establishing a regional Renewable Energy Centre.

With regard to exploration of renewable energy, Trinidad and Tobago is actively interested in learning from the experiences of other countries as this is relatively new terrain.

On this note, I am pleased to indicate that our Caribbean neighbours have also been progressing in the area of renewable energy. Suriname and Belize for instance have spearheaded work in hydropower which is the most significant renewable energy application in these countries accounting for some 40 percent of energy production in Belize. Cuba and Jamaica have made waves in the area of wind energy development while major plans are afoot in the Dominican Republic where, in 2008, licenses were awarded for the construction of three wind parks to produce 190 megawatts. The islands of Barbados, St. Lucia, Dominica and St. Kitts and Nevis are actively developing their geothermal energy applications.

South-South and Triangular Initiatives in relation to Energy and Climate Change and Impacts on Decent Work

South-South and triangular co-operation activities in the areas of climate change and energy are not new to Trinidad and Tobago.

Memoranda of Understanding in relation to energy development have been signed with Algeria, Brazil, Chile, Republic of Equatorial Guinea, South Africa, Tanzania, Venezuela and Panama to name a few. Other agreements exist with Malaysia and a number of African countries. With respect to Africa, steps are being taken to develop a revised African initiative in the form of a business strategy that will be used to access and develop opportunities in the emerging oil and gas-based African economies. Over the past few years, there have been a number of exchange visits by high-level delegations between African nations and Trinidad and Tobago resulting in opportunities such as training of young persons from Uganda and Nigeria by local energy experts and exchange of knowledge and information.

One of the more recent Memorandum of Understanding (MOU) was signed with Panama in March 2012 and this is aimed at establishing a framework for co-operation in energy for the purpose of identifying business opportunities for the national energy and energy related companies of both countries. The MOU provides for the establishment of a Task Force which will be responsible for actions such as:

- encouraging and promoting the supply of Liquefied Natural Gas from the National Gas Company of Trinidad and Tobago for transitioning towards natural gas for power generation in Panama;
- promoting technical international co-operation between both countries in the oil and gas industry;
- facilitating the transfer of knowledge between the energy sectors of Panama and Trinidad and Tobago;

- promoting the exchange of information on policy and technology development in the energy sector; and
- stimulating joint activities in energy efficiency and renewable energy.

In the Western Hemisphere, the Energy and Climate Partnership of the Americas (ECPA) Initiative stands out as a commendable example of South-South and triangular co-operation. This Initiative was established in response to a call by US President Barack Obama at the Fifth Summit of the Americas held in Trinidad and Tobago in 2009 for Governments of the Western Hemisphere to work together towards a clean energy future. In the first year of implementation of the Initiative, nearly a dozen initiatives and projects commenced led by countries such as the United States, Canada, Chile, Costa Rica and of course Trinidad and Tobago. These initiatives addressed energy efficiency, renewable energy, cleaner and more efficient use of fossil fuels, energy infrastructure and sustainable forests and land use.

The ECPA **Caribbean** Initiative emanated from the ECPA Initiative with the goal of promoting sustainable energy policies and programmes to assist Caribbean Governments in the deployment of renewable energy technologies by providing short-term legal counsel and technical assistance on clean energy projects and facilitating regional dialogue on long-term sustainable energy solutions for the Caribbean. The ECPA Caribbean Initiative was launched with the assistance of the Organization of American States and the US Department of State with participating countries including Barbados, Belize, Dominican Republic, Grenada, Guyana and Trinidad and Tobago.

It would be remiss of me to not mention the Global Environment Facility/Energy for Sustainable Development in the Caribbean (GEF/ESD) Project which spans five Caribbean territories, namely Antigua and Barbuda, Belize, Grenada, St. Lucia and Trinidad and Tobago with the main objective of sustainable energy use through renewable energy and energy efficiency intervention technologies. This project showcases a mix of policies and demonstrations intended to reduce energy intensity from electricity use by as much as 20 percent.

In Trinidad and Tobago, the GEF/ESD project focuses on the provision of support for policy makers to promote sustainable energy use in buildings through initiatives such as the development of an energy efficiency overlay to the existing building code and preparation of a system of energy efficiency standards ratings and labels for appliances, equipment and lighting products. One aspect of this project is the construction of two Zero Carbon Community Centers which will not only contribute to reducing carbon emissions (estimated at a reduction of 372 metric tons of carbon dioxide emissions annually) but will also drive the greatest national participation through direct demonstration of the benefits to communities.

It is envisioned that this undertaking will stimulate awareness raising, market growth and expansion as well as capacity building efforts. It should be noted that the project has a deep focus on capacity building as the training provided to stakeholders will ensure that the relevant skills and knowledge to maintain project-related objectives are resident in the country after the project is completed. We all know that this is a critical element of sustainability of project outcomes and impacts.

In the area of climate change, the Caribbean Risk Management Initiative (CRMI) was launched by the UNDP's Bureau of Crisis Prevention and Recovery and the Regional Bureau for Latin America and the Caribbean in 2004 as an umbrella programme designed to build capacity across the Caribbean region for the management of climate related risk. The CRMI aims to respond to the increase in disaster impact in the region through the integration of climate change adaptation

in risk management. It facilitates knowledge networking and South-South cooperation in the wider Caribbean region.

A very interesting project in which Trinidad and Tobago has been an active participant that has the potential for job creation and enhanced knowledge and awareness in communities, while at the same time contributing to water conservation, is the creation of a Rainwater Harvesting Model. This project is a joint initiative of the Council for Caribbean Science and Technology and the Global Water Partnership-Caribbean with grant funding provided by the UNDP-Perez Guerrero Trust Fund. It involves a number of Caribbean countries such as Antigua and Barbuda, Bahamas, Dominica, Jamaica and Trinidad and Tobago and is aimed at creating a regional toolbox on rainwater harvesting to enable rural communities in the Caribbean to enhance self-reliance in accessing water given the high levels of rainfall in our part of the world.

Two major outputs of this project are a Rainwater Harvesting Model and a Toolbox. The Caribbean Environmental Health Institute was contracted in 2009 to design and create a portable Rainwater Harvesting system to minimize contamination and enhance the quality of captured and stored rainwater. The system is designed to be easily assembled and dismantled and therefore can be packaged and transported conveniently. It was tested for functionality in Trinidad and Tobago in conjunction with the Royal Bank of Canada Blue Water for Life Project. Through the development of this system, persons in three rural communities in Trinidad and Tobago - approximately fifteen to twenty persons in each area - have been trained in rainwater harvesting and have worked in practical installation in nine schools to date. This project offers the potential for job creation through the construction, installation and training of persons in the use of the system.

Additionally, a Rainwater Harvesting Toolbox was developed comprising various materials such as a Caribbean Handbook on rainwater harvesting, quick technical reference sheets, posters, technical brochures and video items on rainwater harvesting in the Caribbean. This has propelled public awareness activities in schools and communities on water conservation and issues related to climate change. It has also served to benefit physical development and town and country planners, engineers, architects, water experts, educators, students and anyone interested in learning about rainwater harvesting. The Model and Toolbox can be easily adapted in other countries which are interested in water conservation.

Conclusion

While there are other developments in Trinidad and Tobago and the wider Caribbean region in the area of energy and climate change which may be interesting to share, I have sought to highlight a few key projects demonstrating South-South and triangular co-operation in the allotted time.

Therefore, in closing, I wish to emphasize that while energy and climate change are among the most important issues confronting our existence today and our future, the quality of our existence is largely based on accessibility to resources and goods and services. Decent work plays a significant role in facilitating that access. It is therefore imperative that we promote decent work mainstreaming in all of our policies and strategies and enhance policy coherence at the national, regional and international levels.

The Outcome Document of the United Nations Conference on Sustainable Development held in Rio de Janeiro in June of this year titled '*The Future We Want*' recognized the central role of decent work in sustainable development and inclusive and equitable economic growth. The

green economy was identified as one of the important tools to eradicate poverty as well as in contributing to sustained economic growth, enhanced social inclusion, improving human welfare and creating opportunities for employment and decent work for all, while maintaining the healthy functioning of the Earth's ecosystems.

Additionally, we are reminded of the commitment to strengthen international co-operation, including the provision of financial resources, capacity-building and technology transfer to developing countries.

I wish to reiterate that the Government of Trinidad and Tobago remains committed to sharing its knowledge and experiences in the area of energy, climate change and decent work and to learning from countries of the South as well as those in the developed world. I believe that we can collectively shape a better world for our children and future generations – a legacy of which we can all be proud.

I thank you.