

Joint Declaration between the European Union and the Federated States of Micronesia
on reinforced cooperation in the field of sustainable energy

1. Acknowledging that energy has been identified by the Federated States of Micronesia as a fundamental tool for the promotion of economic and technological advancement and social welfare.
2. Welcoming the development by the Government of the Federated States of Micronesia of an Energy Policy¹ and an Action Plan² that intends to provide sustainable energy to a significant part of the population by 2020.
3. Noting that this strategy is in line with the objectives of the Sustainable Energy for All Initiative (SE4ALL)³ and taking into account that the roll-out of this ambitious strategy will require important efforts in terms of means and capacity.
4. Considering that the Agenda for Change⁴ encourages the EU to assist partner countries in poverty reduction and to accompany them on a path to sustainable growth. Key issues addressed in the Agenda for Change include good governance, inclusive and sustainable growth, agriculture, food security, clean energy, and improving resilience to natural disasters and to the consequences of climate change.
5. Considering the EU's intention to allocate a financial contribution of EUR 12 million in support of the Federated States of Micronesia's energy programmes for the period 2014-2020.
6. Building on the Federated States of Micronesia's Strategic Development Plan⁵ (2004-2023).
7. Taking into account the complementarity of EU actions with those of other partners and the need to leverage limited public sector funds to more significant amounts of financing partnerships, and to put the right sustainable technologies to the benefit of as many citizens as possible.
8. Recognising that a reinforced cooperation between the Federated States of Micronesia and the EU can help to create the necessary framework conditions for increased investment, will avoid duplication and dispersion of funding, and can leverage individual efforts.

¹<http://www.fsmrd.fm/wp-content/uploads/2015/01/Energy-Policy-volume-I-Updated-SK08232011-Copy.pdf>

²<http://www.fsmrd.fm/wp-content/uploads/2015/01/Energy-Policy-Volume-II-Action-Plans-Updated-SK08232011.pdf>

³ <http://www.un.org/wcm/content/site/sustainableenergyforall/home/Initiative>

⁴ COM/2011/637 final

⁵ http://www.mra.fm/pdfs/news_StrategicPlan.pdf

9. Confident that a reinforced cooperation can accelerate national energy objectives, substantially increase sustainable energy access, achieve reliable and cost effective electricity generation and can help to supply affordable and modern energy services to the population while improving the efficiency of energy infrastructure and use. This effort will revitalise the economy by maximising economic, financial, social and environmental benefits, and will contribute to increased resilience to crises and disasters.
10. Recognising and building upon previous and existing cooperation within the national and regional context.
11. Welcoming the progress in establishing the Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) under the umbrella of the SE4ALL as a positive step towards supporting countries with these special vulnerabilities.
12. The EU will endeavour to:
 - a. Contribute to an improved sector dialogue on energy together with all relevant actors in the energy sector.
 - b. Provide technical assistance to the Government of the Federated States of Micronesia to promote and prepare relevant projects and provide the technical knowledge transfer between the EU and the Federated States of Micronesia.
 - c. Help to identify and bring forward potential energy projects that could be financed with the assistance of the development partners in order to increase the access of the population to modern energy services.
 - d. Assist in the development of access to off grid and on grid solutions that are contributing to the overall objective of the sector.
 - e. Promote the mobilisation of the private sector and civil society in the field of energy i.e. through the organisation of business fora, industrial attachment programs, and other strategic capacity building interventions to inform and attract the private sector and financing institutions towards sustainable energy investments in the Federated States of Micronesia.
 - f. Support the Government of the Federated States of Micronesia in achieving sustainable energy development goals by considering capacity building where clear capacity constraints are present.
13. The Government of the Federated States of Micronesia will endeavour to:
 - a. Provide a regulatory environment that contributes to the development of a sustainable and modern energy sector.

- b. Lead and coordinate the sector dialogue through program steering on energy ensuring transparency of information related to funding and project preparation in the sector.
 - c. Promote private sector investment and engagement in the sector i.a. by supporting economically viable business models.
 - d. Promote the use of sustainable energy technologies and solutions with a view to limiting the negative climate and environment related impacts of energy generation and use.
14. An indicative roadmap will outline possible actions with a view to increase the provision of modern, secure, competitive and sustainable energy services to the population of the Federated States of Micronesia and enterprises, with a provisional timeline for implementation. This roadmap will as well aim at mutually strengthening the individual efforts of the different partners, bearing on the existing programming exercise in the national, regional and thematic allocations.

This Joint Declaration does not, nor is it intended to, create any binding, legal or financial obligations on either side under domestic or international law.

Signed on 8th September 2015 in Papua New Guinea

On behalf of the European Union

For the Federated States of Micronesia

Done in two original copies – Each signatory retains one copy