

ADDRESS BY
THE HONOURABLE PATRICK MANNING
PRIME MINISTER
OF TRINIDAD AND TOBAGO

AT OPENING CEREMONY OF
'DAY OF THE AMERICAS'

31st.OCTOBER 2008

MUINCH, GERMANY

Salutations

Introduction

I am deeply honoured by this opportunity to address this distinguished audience at the opening ceremony of the very significant annual event, 'the Day of the Americas'. My country is humbled by the choice of this year's Guest of honour. We are most grateful for this recognition and I bring you greetings from the government and people of Trinidad and Tobago. I also wish to underscore our support for the objectives of this annual meeting by confirming our commitment to deepening the commercial relations, between Germany and Latin America and the Caribbean.

Energy in our region

A major area of your focus today will be our region's energy sector. In the course of your discussions you will no doubt focus on all the important issues, including the energy resources in our part of the world, strategies to enhance the energy supply, energy integration projects in our region and the crucial question of renewable energy which is a major matter on the global energy agenda.

Let me start by stating the obvious, which is that energy reserves continue to be among the most precious commodities of our planet. They are indispensable for the development of all nations and consequently for global economic growth.

Our region is undoubtedly the repository of significant reserves of oil and gas, more of which continue to be discovered and exploited for the development of those nations which are blessed with these natural resources and also for ensuring the supply of energy to keep the regional and international economy in motion. My country, Trinidad and Tobago, though relatively small in output, continues to play its part as a supplier in the regional and global energy market place.

Need to look beyond.

But the fact that we must face at this meeting is that, no matter the extent of the reserves in our region, and notwithstanding their primary importance in the international marketplace, we cannot continue with business as usual. It has become quite clear in recent times that the world has to look beyond fossil fuels as the main source of the energy required for the support and advancement of human civilisation. There are two main reasons for this.

Peak oil

One is peak oil. Before the present international financial crisis descended on all of us, energy prices had soared to unprecedented heights due to increased demand and no corresponding increase in supply; making the situation untenable for hundreds of millions of people all over the world with the alarming rise in the cost of everything including food; this produced fuel and food riots in various countries all over the globe. This instability was becoming rather threatening in its growing frequency and intensity.

In the view of many experts, notwithstanding the most favourable prices ever, and the opportunity to earn even greater profits, oil producing countries and nations could not rise to take advantage of these most propitious conditions. The stark assessment is that there could actually have been no increased global output to meet the level of demand which globalisation was creating, through the unprecedented

world wide economic growth witnessed in many emerging economies, particularly China and India. We had clearly reached peak oil, that point in time when the maximum rate of global petroleum extraction had been attained.

We were therefore reminded of a fact that we sometimes curiously choose to ignore, that oil, gas and coal are finite resources that cannot be overstretched. We will be wise to keep this now always in mind because even though the

international economic situation has changed suddenly and dramatically, producing a drop in demand to the extent that OPEC is now considering a drop in output to shore up oil prices, it does not change the fact that we have been exposed to the limitations of fossil energy for the modern developmental needs of an irreversible globalised economy, that has already increased demand as never before, and will certainly do it again. It would be foolhardy to ignore that experience and not prepare for the future which will undoubtedly again produce the kind of roaring economic growth that has already tested the capacity of the world's energy output.

Global warming

And then there is the all important matter of global warming. There is now international consensus on the role of fossil fuels in this increasing threat to human civilisation. It is clear and mandatory that whilst the world will continue to produce and utilise energy from traditional reserves, we must also simultaneously move towards reducing greenhouse gas emissions, if we are to save humanity from the environmental Apocalypse which, according to scientific consensus, clearly looms over our planet.

The momentum of the new direction has increased. After some original hesitation, there is now global agreement on the need to reduce carbon emissions into the atmosphere. Of course mere agreement is not enough and we need internationally accepted and enforceable standards and timetables. Without this, a sense of futility could surround the efforts by some to achieve reductions, since the atmosphere knows no artificial boundaries and excessive use of oil and coal by some will continue to affect the environment of all. This is the continuing reality and is at the heart of obstacles to arriving at an internationally acceptable agreement.

But clearly these obstacles will not endure, because whilst humanity hesitates, the facts continue to speak with increasing effectiveness and are already

inescapable. The tangible consequences of global warming are visible all over the world in melting ice, diminishing water resources, disappearing rivers and lakes, drought, desertification, reduced food production, rising sea levels and coastal erosion. We see further dynamic changing weather patterns, floods and warmer ocean temperatures producing more intense storms, resulting in hurricanes and typhoons of unprecedented ferocity, devastating hundreds of millions of people world wide. All are affected, particularly those who are less responsible for global warming. This includes those in vulnerable categories, so many of whom live in Latin America and the Caribbean, and about whom we must be concerned in a forum like this. When we deal with energy in our region, we must take into account, as a first priority its significance for all of our people.

Alternative sources of supply

We must therefore focus on the two major issues stemming from energy concerns which we cannot ignore when we discuss our region's "petrochemical health." They are, the security of future fossil fuel resources, and the need to reduce carbon emissions into the atmosphere. It is clear that the key to this situation is the development of alternative energy/fuel sources.

There is now general agreement that this is the way forward, and one is encouraged and would of course like to be satisfied by the efforts being made to develop renewable sources of energy supply like solar, wind, bio-mass, hydrogen, wave and geothermal. Nuclear energy, which also poses its own environmental threats, is nevertheless being pursued by some industrialised nations, following the example of some countries including France which presently satisfies close to eighty percent of its energy needs from this source.

The road ahead for alternatives

But the road ahead is difficult for alternatives. There is clearly an urgent need for the requisite technological advancement, which the world could have achieved

by now, had we not been complacent about the limitations of traditional sources. Our goal should be to advance alternatives so they may satisfy present demands and cater to the future requirements of an increasingly industrialised world with spreading modernisation, and with a population heading towards the nine billion mark by 2050.

We clearly have no choice in the matter. Peak oil and global warming are before us. We must pursue alternatives as comprehensively as possible; and it is therefore not surprising that the leaders of many nations, including both candidates in the US presidential elections, have committed to the development of green technology to reduce their country's carbon footprint; but also, and perhaps more importantly for some, to create a new wave of industrialisation, with millions of jobs and tremendous new wealth.

Indeed there is the very valid view that with green technology the world will experience the third industrial revolution with unforeseen and positive consequences for life on earth. All nations and corporations, including those involved in this 'Day of the Americas' would do well to prepare for this inevitable but exciting future that is full of possibilities for economic expansion and social development.

Energy efficiency

Another approach to deal with both demand and threats to the environment is the unquestionable need for greater energy efficiency. Experimentation and innovation are gaining momentum towards this end and have already produced, among other developments, more energy efficient light bulbs as well as hybrid cars. Fully battery powered vehicles are becoming an increasingly distinct possibility and almost all leading car manufacturers have already advanced production in this direction. Here too the challenge is in the need for the technological breakthroughs that would facilitate increased reliability and the

mass production that would create accessibility by ordinary citizens to the new developments.

Continuing importance of fossil fuels

Clearly then for some time to come, human civilisation will still be driven by energy from fossil fuels, a fact that I am sure is not unwelcome by energy producing countries. Whilst we could be in a transition to a possible post-oil global economy where renewables and technology play the dominant role, we need oil, gas and coal today, to ensure the progress and stability of our civilisation. The horse shouldn't starve whilst the grass is growing.

We must therefore do everything at the same time. Exploration and production of traditional sources must continue, adequate resources must be deployed for the extraction of energy from renewable sources of supply, and we must pursue unrelentingly the attainment of the highest possible level of energy efficiency, all of which constitute the arsenal of humanity in the face of its present challenges of securing sustainable supply and saving our planet.

Conclusion

We need the commitment of all. Energy producing nations will undoubtedly continue to explore for further reserves but all nations and all big corporations, especially in the energy industries, must dedicate resources for a quantum leap in the growth of supplies from alternative sources. Green technology is the coming opportunity of the twenty first century. The fact remains that whilst fossil fuels will continue to be a sorely needed and a prime commodity, we must seek alternate sources of energy if global development is to be sustainable.

Trinidad and Tobago is pleased to be part of this excellent forum for helping to chart the way forward. We look forward with great enthusiasm to the deliberations and conclusions of this meeting. We know that from the depth of the discussion will emerge ideas that would not only strengthen our transatlantic

ties, but also benefit the rest of human society, as it inevitably must, in this interconnected world in which we live. I therefore wish you a day of very fruitful deliberations.

Thank you Ladies and Gentlemen.