

# REGIONAL CONSULTATIVE WORKSHOP ON RENEWABLE ENERGY DEVELOPMENTS IN THE PACIFIC

11-13 November 2015, Hotel Novotel Suva Lami Bay, Suva, Fiji

## **SUMMARY OF OUTCOMES**

This summary of outcomes for the Regional Consultative Workshop on Renewable Energy Developments in the Pacific consolidates the outcomes of presentations, discussions and issues pertaining to the acceleration of deploying renewable energy technologies in the Pacific region focusing on the tourism sector, development of geothermal energy resources and the launch and findings of the Renewables Readiness Assessments (RRA) undertaken for Fiji, Vanuatu, Marshall Islands and Kiribati. Outcomes of discussions with development partners and reactions from the Pacific Energy Advisory Group (PEAG) are also summarized in this document. A detailed workshop proceedings report is being prepared and will be made available at a later date.

## Part A: Global Renewable Energy Islands Network – Renewable Energy in Tourism

- 1. In line with the objectives of the Global Renewable Energy Islands Network, the knowledge sharing platform for islands, and focusing on the tourism sector in the Pacific sharing business case for renewables in island hotels and in line with the Joint Statement Renewable Energy and Tourism on Islands signed by IRENA and the World Tourism Organization (UNWTO), eight Pacific Island countries (Solomon Islands, Vanuatu, Samoa, Tonga, Palau, Marshall Islands, Kiribati and Tuvalu) came together and presented on two case studies of RE deployment in their respective tourism sector.
- 2. Renewable energy technologies showcased and shared by the countries included rooftop solar photovoltaic systems, solar-powered water desalination, biogas digesters, solar water heating.
- 3. Countries that shared their presentations, completed survey templates and signed information sharing agreement forms will have the case studies published as best practices for renewable energy deployment in the tourism sector of the Pacific region and be shared on the Global Renewable Energy Islands Network.
- 4. Key opportunities to accelerate renewable energy deployment in the tourism sector of the Pacific region has been identified as follows:
  - a. Financing
    - i. Operation of soft loans and incentives
    - ii. Tax holidays
    - iii. Donor funding
  - b. Capacity Building
    - i. technical (installation, management and repairs and maintenance)
  - c. Information sharing
    - i. Integrating RE in tourism sector



- ii. Accelerate creation of working group RE in Palau
- iii. One pool of information
- d. Policies, plans and legislations
  - i. Develop policies and programs
  - ii. Integrate RE deployment in tourism policies and plans
  - iii. Consultation with stakeholders (mines and energy in tourism development)
    - Solomon islands
  - iv. Sustainable primary sources of RE
- e. Private Sector investment
  - i. Information
  - ii. Explore more RE data
  - iii. Develop wind map
  - iv. Establish partnership with private sector
- f. IPP
- i. Better grid systems
- ii. Tariff
- iii. Public and private partnership
- g. Technical Standards and guidelines
  - i. Develop and adopt appropriate standards for RE installations
  - ii. Develop guidelines for RE applications, for example, batteries and RE deployment
  - iii. Small scale properties for RE uptake
- 5. Enabling frameworks such as policies and regulations that need to be put in place to accelerate renewable energy deployment in the tourism sector of the Pacific region has been identified as follows:
  - a. Have a Tourism sector plan
  - b. Include Tourism in Action plans and Energy policies and consultations and vice versa
  - c. Put in place legislations & regulations Tourism to be represented eg. In Energy Board or Energy decision making body
  - d. Explore incentives for RE deployment in Tourism sector
    - i. Tax exemptions
    - ii. Financing mechanisms
  - e. Initiatives e.g. tax visitors to buy RETs
- 6. The two critical challenges/barriers for Investment as identified were:
  - 1) Land ownership and;
  - 2) Access to capital funding in terms of long and complex processes and not aware of what is available.

Some of the actions as noted as possible solutions include:

- a. Consultations with private sector when developing policies;
- b. Public and private partnership to enhance awareness;
- c. Develop incentives such as soft loans;
- d. Availability of local and international/foreign investment and establish partnerships
- e. One stop shop for investments



- 7. On mobilizing private sector investment for renewable energy deployment in the tourism sector of the Pacific region it is imperative that renewable energy costing, cost benefit analysis and financing aid tools are made available to the countries to assist them in developing bankable project proposals. IRENA's Project Navigator has been identified as one of the tools that the key stakeholders of the tourism sector of the Pacific region can fully utilize to develop bankable project proposals for renewable energy. There is a need to have a training workshop on the Project Navigator that can be coordinated by IRENA's Pacific Coordinator.
- 8. Opportunities for partnership for regional and international cooperation should be strengthened in terms of IRENA and other international development partners working closely with the South Pacific Tourism Organization, national hotel associations and the Ministry of Tourism in Pacific SIDS and utilizing existing networks. Some specific areas for consideration include:
  - a. Economic viability and sustainability;
  - b. Technical expertise and technology transfer;
  - c. Environmental management awareness
  - d. Regulated RE for effective implementation
  - e. Data sharing and lessons learnt
  - f. Financial capacity building
- 9. Novotel Lami Bay Hotel presented the global Accor Planet 21 Initiative that promotes energy efficiency measures and increasing RE deployment in all Accor hotels worldwide, followed by a site visit. The Accor Group is also a partner hotel for COP21.

### Part B: Support for Geothermal Development in the Pacific

- 1. It is noted that both IRENA and SPC Geoscience Division are committed to working together in fully developing the geothermal resources of Pacific Island countries and territories that have been identified to have geothermal potential such as Papua New Guinea, Fiji, Vanuatu, Tonga, Samoa, American Samoa, Northern Marianna Islands and Solomon Islands.
- 2. The Global Geothermal Alliance will be launched at COP21 and Pacific Island countries and territories and development partners have been called upon to join GGA and support its launch. To date, PICTs that have joined GGA include Fiji, Tonga, Papua New Guinea, Vanuatu, Solomon Islands and the intergovernmental organization, the Pacific Community that takes the lead role in geothermal development in the Pacific.
- 3. PICTs shared their countries' experiences with geothermal development. The different levels of development noted that that ranged from the installed 26MW geothermal plant in Papua New Guinea to deep drilling licenses being issued to private entities in Fiji to scoping missions being undertaken by New Zealand, Japan and other development partners in Solomon Islands, Tonga and Vanuatu.
- 4. Best practices and examples of regulatory frameworks for geothermal development in Chile, Kenya, New Zealand and the Philippines were shared with the PICTs. Rewarding of



indigenous communities through the combination of national legislation and sharing royalties, land ownership, development partnerships, access and regional environmental requirements, national and international guidelines. Fully utilizing participative processes help create sustainable, lasting relationship and benefitting all parties.

- 5. Given that geothermal development is capital intensive and involves high risk, relevant policies need to be in place to support the different phases of development and can include tax breaks, accelerated depreciation, drilling insurance, co-investment, government-led pre-exploration and supportive regulatory/policy frameworks that also looks at research and development, capacity building, information sharing and promotion and government interventions to create more electricity price and contract certainty.
- 6. Under the Global Geothermal Alliance, IRENA and SPC have proposed to assist PICTs through the Pacific Geothermal Initiative. The concept note has been circulated for review and inputs from PICTs, but has received overwhelming support in terms of IRENA and SPC working together in developing geothermal resources in PICTs.
- 7. After the official launch of GGA at COP21 and integrating inputs from PICTs into the Pacific Geothermal Initiative, activities will be carried out both at the national and regional levels in areas that have been identified

#### Part C: Launching of Renewables Readiness Assessment Studies in the Pacific

- 1. The Renewable Readiness Assessment (RRA) reports were launched in Suva, Fiji on 13 November 2015 for Fiji, Marshall Islands, Vanuatu and Kiribati. The launch was undertaken by the Permanent Secretary for Works, Infrastructure and Transport, Mr. Francis Kean and Acting Director for Country Support and Partnerships Division, IRENA, Mr. Gurbuz Gonul.
- 2. Fiji, Marshall Islands, Vanuatu and Kiribati presented on the RRA recommendations that were unique to each of their countries in terms of on-grid, off-grid renewable energy deployment, reviewing of legislation and the use of alternative fuels in the transport sector
- 3. IRENA presented a comparative analysis of all four RRA studies and identified common activities that can be undertaken together as a regional activity, with other countries who are interested in having RRA studies. These activities include establishment of a National Energy Coordinating Committee (Kiribati and RMI) and having existing policies and legislation reviewed (Vanuatu, Kiribati and RMI), grid stability studies to be carried out (Kiribati, RMI and Vanuatu), geothermal developments (Fiji and Vanuatu), putting in place financing scheme that encourages the participation of the private sector and the use of coconut oil for power generation and transport (RMI and Kiribati)
- 4. IRENA also presented on why there is a need for grid integration, how it is carried out, who will be the main stakeholders and what will be addressed during such studies and the recommendations.
- 5. Accessing to financing to carry out RRA recommendations still remain a challenge. IRENA and development partners have been requested by countries to identify financing mechanisms



- and also to work together with countries in implementing the RRA recommendations and integrate them into their work plans.
- 6. IRENA shared information on tools and platforms such as Sustainable Energy Marketplace, Project Navigator and the ADFD Facility with the countries and was well received.

## **RRA COUNTRIES MEETING WITH DEVELOPMENT PARTNERS**

- 1. Development partners that met with representatives from Fiji, Vanuatu and RMI included the IUCN, UNDP, EU, GIZ and GGGI, SPC and IRENA. On the first two days of the workshop other development partners participated included USAID, USP, SPTO, JICA
- 2. The development partners shared their respective work programs and noted how some of the RRA recommendations can be fed into their activities. GGGI is working with Vanuatu on the review of Vanuatu's energy policy, roadmap and legislations.
- 3. Fiji expressed the need to review the draft energy policy and the rural electrification policy. Fiji is currently proposing that off-grid solar photovoltaic systems will be handed over to the owners as the renewable energy service companies (RESCOs) model is not working and the review of the rural electrification policy will ensure that off-grid renewable energy technologies are well maintained and sustainable.
- 4. IRENA is working with SPC in developing geothermal resources in Fiji and Vanuatu and also includes other PICTs with geothermal potential.
- 5. EU provides technical assistance to RMI with a budget of 1 million Euros and will work with the RMI Government to identify key priority areas in the energy sector that might include some of the RRA recommendations, which they will work on.

## IRENA'S BILATERAL MEETINGS WITH PACIFIC ISLAND COUNTRIES AND DEVELOPMENT PARTNERS

- 1. IRENA's meeting with Papua New Guinea resulted in PNG expressing their interest in becoming a member of GGA.
- 2. With Solomon Islands, clarifications were provided on the benefits of joining GGA and they also expressed their interest to be a member of GGA. Solomon Islands identifies micro and mini hydro as one of the potential renewable energy resources that need to be developed for on-grid and off-grid electrification.
- 3. Vanuatu expressed their interest to join GGA. It was also confirmed that GGGI will be reviewing existing energy policies and legislation in Vanuatu.
- 4. Kiribati expressed the need for the consultants undertaking the desalination analysis study to visit Kiribati and explain how the analysis were carried out and also engage with the key stakeholders on the ground. Most of the report that has been compiled to date was extracted from a recent desalination study undertaken by ADB for South Tarawa.

#### IRENA SECRETARIAT



- 5. Discussions with SPC focused on working together in developing the geothermal resources of the Pacific Island countries and IRENA will provide assistance. The call for SPC to join the IRENA SIDS Lighthouse initiative, noting that all 13 Pacific SIDS that joined are also SPC members. The possibility of developing a joint regional project from the regional initiatives from the RRA reports was also discussed and improvements on the current MOU with SPC which will be incorporated into the new MOU to be signed by January 2016 by both organizations.
- 6. Outcomes of the three day workshop was presented at the Pacific Energy Advisory Group (PEAG) meeting that met at the SPC on 16 18 November 2015 whereby PEAG congratulated IRENA for the successful completion of the four RRAs and showed its commitment in working with IRENA in pursuing the GGA-Pacific Geothermal Initiative in the region and in the PICTs.