**NATIONAL ENERGY DIALOGUE ON ADVANCING VANUATU’S ENERGY AND GHG MITIGATION TARGETS**

**Port Vila: 2 – 6 September 2019**

**Concept Note**

1. **Background**

The Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) was established in April 2017 as a regional vehicle for accelerating the uptake of feasible renewable energy and energy efficient technologies in the Pacific islands Countries and Territories.

Outcome 3 of the PCREEE is about Strengthened *awareness and knowledge base of local key institutions and stakeholder groups on RE & EE.*

Outcome 4 is about Increased RE & EE business opportunities for local companies and industry through the development and implementation of regional investment promotion programs and tailored financial schemes.

A number of PICs, including Vanuatu, expressed interest in capacity building promotion of entrepreneurship and the strengthened coordination of the private sector. The Vanuatu National Energy Roadmap and Strategic Plan emphasized the importance of educating stakeholders on RE and EE. On 24th May 2019, the Ministry of Climate Change and Energy in Vanuatu through the Department of Energy formally wrote to the PCREEE and requested for a DoE-PCREEE Collaboration with emphasis on the provision of technical support from the PCREEE. The support is heavily focused on providing RE and EE training and strengthening the private sector while promoting entrepreneurship and enhancing the institutional frameworks for sustainable energy management.

The PCREEE has looked at Vanuatu’s request and has agreed to work in collaboration with the Department of Energy to organize a 5 days workshop for the promotion of RE&EE technologies, productive uses of RE&EE initiatives and stimulating private sector participation in sustainable energy sector in Vanuatu.

1. **Introduction**

In 2014, Vanuatu adopted the National Energy Road Map (NERM) 2014-2030 and later updated to NERM 2016-2030 with the vision of energizing Vanuatu’s growth and development through the provision of secure, affordable, widely accessible, high quality and sustainable energy. The NERM has five priority area targets for the energy sector which are; 100% access through RE by 2030, increased efficiency in petroleum supply, increased affordability, energy security and green growth. They set objectives, targets and actions to achieve the NERM’s vision.

The Vanuatu government ratified the Paris Climate Change Agreement on the 21st of April 2016 and submitted its first Nationally Determined Contribution (NDC). Although a small island state with negligible carbon emissions, Vanuatu has committed to the challenge of achieving close to 100% renewable energy in the electricity sector by 2030.

The NDC target and the National Energy Roadmap target of achieving 100% renewable energy in the electricity sector is consistent but very much conditional on appropriate financial and technical support from international development partners.

While the Government has developed and launched in March 2019 its NDC Implementation Roadmap, there is also a need to develop specific Rural Electrification Implementation Roadmap which clearly defines the priority areas of electrification and the resources needed to achieve it. The PCREEE will assist DOE with the finalization of the Terms of Reference for the development of the Rural Electrification Master Plan.

1. **Overview**

The Electricity sector in Vanuatu has shown a steady increase over the last 5 years both in terms of generation capacity an installed capacity. The overall installed capacity has increase from 31.42MW in 2012 to 31.77MW in 2017 and similarly a total of 69GWh of electricity generated in 2012 to 77.14GWh in 2017. This represents an annual growth of 2.3% per annum.

The overall generation mix comprised mainly of thermal, wind, hydro and solar. There has been fluctuation over the years with regards to the share of renewable energy but on average RE sits around 20% of the total contribution – 10% hydropower, 7% wind contribution and 3% solar generation. The base load still remains to be thermal comprising roughly 80% of the total share.

With a few RE projects in the pipeline like the Brenwei hydropower (400kW), the Sarakata hydropower extension project (600kW), the VREP Minigrids to name a few, the capacity of RE in Vanuatu will continue to grow reducing the gap to achieve 100% RE by 2030.

The overall peak demand in Vanuatu has been steadily increasing as well with a peak demand of 13.13MW in 2012 to 14.15MW in 2017. Similarly, the electricity users continue to grow exponentially comprising mainly of residentially users, a reflection of some major projects supporting grid extensions and subsidy for customer connections.

1. **Objective**

The objectives of the dialogue are to:

1. To discuss the current status of Vanuatu’s energy roadmap and GHG mitigation targets
2. To identify business, employment and other co-benefits arising from pursuing Vanuatu’s energy and GHG targets
3. To discuss and agree on key measures for accelerating progress on Vanuatu’s energy and GHG targets and how they could be financed
4. To discuss and agree on a whole-of-country approach to pursuing Vanuatu’s energy and GHG targets
5. To formulate a Sustainable Energy Consortium for Vanuatu
6. To reaffirm Vanuatu’s support and commitment to work with SPC-PCREEE on new project initiatives
7. **Expected Outcomes**
8. government’s awareness about the progress with the energy and GHG targets and their feasibility is improved
9. business, employment and other co-benefits of pursuing Vanuatu’s energy and GHG targets are identified for future mentoring
10. a roadmap for accelerating and financing Vanuatu’s energy and GHG targets is drafted and agreed upon
11. stakeholders’ role in pursuing Vanuatu’s energy and GHG targets are identified and agreed upon
12. A vibrant private sector involvement in Vanuatu’s Sustainable Energy Development
13. **Target Outputs**
14. A national energy and GHG mitigation dialogue successfully delivered with associated training materials.
15. Awareness about the key developments in the energy sector of Vanuatu.
16. Sharing of experiences and business management practices on the ground.
17. Partnerships within SPC and externally in advancing Vanuatu’s energy and GHG targets
18. A draft plan to formulate a Sustainable Energy Association for Vanuatu to support Vanuatu’s Sustainable Energy Sector development

1. **Workshop Strategy & Content**

The dialogue will be for 5 days and it shall cover the following key areas:

**DAY 1: Setting the Scene. Drivers for Renewable Energy and Energy Efficiency in Vanuatu**

Day 2 will focus on introducing Vanuatu’s energy and GHG mitigation effort in the context of the global and regional developments relating to energy and GHG mitigation. Possible topics / sub-headings include:

1. The Sustainable Development Goals – particularly SDG 7, 9 & 13
2. Understanding the latest developments in the Paris Agreement and the outcomes of COP 24.
3. Understanding the Paris Agreement’s “rule book”.
4. Understanding the Financing Mechanisms for the Paris Agreement
5. Introducing the Framework for Resilient Development in the Pacific: 2017 – 2030 and its supporting mechanisms
6. Introducing the Framework for Action on Energy Security on the Pacific: 2010 – 2020 and its supporting mechanisms

**Day 2: Progress with the implementation of the NERM.**

Day 2 will focus on highlighting the progress with the implementation of Vanuatu’s energy roadmap. Possible topics / sub-headings include:

1. Vanuatu’s Progress and Challenges by Specific Projects
2. Perspective from the Power Utilities – Reaching the 100% RE target by 2030
3. Perspective from the Utility Regulator – Reaching the 100% Renewable Energy by 2030

**Day 3: Whole of Sector Approach Towards Achieving the Energy and GHG Mitigation Targets**

Day 3 focuses on the whole of sector approach and many players one team concept to achieve the energy and GHG mitigation goals. It also focuses on sharing experience on community management models and identifying a model that can be sustainable and relevant to RE systems in the Vanuatu communities. Possible topics/sub-headings include:

1. Opportunities for the Private Sector, CSOs, NGOs, Women and Youth
2. Promoting Community and Private Sector Participation in Renewable Energy Projects through Productive Utilization of Renewable Energy
3. Sustainable Management Models

**Day 4: Sustainable Energy Consortium**

This day will focus on the need to set up a Sustainable Energy Consortium in Vanuatu to boost up private sector participation in the RE&EE market. Possible topics include:

1. Supporting the Private Sector Participation in Renewable Energy
2. The need for a sustainable energy consortium

**Day 5: PCREEE School Competition on RE&EE**

The school competition is an initiative promoted by PCREEE in schools across the Pacific to stimulate interests and innovative thinking among students in the areas of sustainable energy and entrepreneurship.

1. **Possible Partners**

The workshop will be conducted as a partnership between SPC-PCREEE, SPC GEP team, SPREP, Vanuatu Department of Energy, the Vanuatu Power Utilities, Vanuatu’s Department of Climate Change and the National Advisory Board on Climate Change, the local Chamber of Commerce as well as other arms of government.

1. **Complementarity and Replicability**

The dialogue is open to be integrated with other related events of partners.

The Dialogue is relevant to the work of the Pacific NDC Hub as well as to the GCF Accredited Entity role of SPREP.

1. **Budget** (based on 30 people, including 4 resources people)

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| --- | --- | --- |
| **Cost Item** | **Estimate [Vatu]** | **Comments** |
| Travel | TBC | Each project to cover their own travel |
| Venue | 100,000vt | GoV |
| Equipment | 15,000vt | GoV |
| Catering | 300,000 | PCREEE |
| Radio Announcement | TBC | GoV |
| School Prices | 100,000 | GoV |

1. **Preparatory Works**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Preparatory Activity** | **Identified Leader** | **Completion Date** | **Others** |
| 1 | Update on the PA and the COP 24 | Department of Climate Change (DoCC) and the National Advisory Board on Climate Change (NAB) | Mid-August |  |
| 2 | Desktop review of the NERM | DoE | Mid-August |  |
| 3 | Vanuatu’s progress with the SDGs | DSPPAC | Mid-August |  |
| 4 | Contact workshop presenters from the productive sectors | DoE/BRANTV | Mid-August |  |
| 5 | Confirmation of logistics | PCREEE/DoE | 3rd week of August |  |

**END**