

# Pacific Energy Summit Update Report

September  
2013



Energy Investment Showcase  
during the Pacific Energy Summit.

In March 2013 the New Zealand Government and the European Union co-hosted the Pacific Energy Summit in Auckland. The Summit aimed to connect Pacific island leaders with the finance and expertise to accelerate their countries' energy plans.

Currently in most Pacific countries less than 10 percent of electricity comes from renewable sources. Across the region, around 80 percent of energy generation comes from diesel generation. Around 10 percent of the region's GDP goes towards importing fossil fuel. A shift towards renewable sources would have significant economic and environmental benefits.

Some progress has been made in renewable energy and energy efficiency in recent years, but the need for practical action around energy issues in the Pacific is clear. The Summit was an opportunity to turn energy talk into energy action.

Summit  
co-hosts:



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“ Despite years of rhetoric about climate change, Pacific nations have had too little practical assistance to make the most significant available improvement to both their environmental



**Top**

*Murray McCully, New Zealand Minister of Foreign Affairs, speaking ahead of the Pacific Energy Summit.*

**This page**

*Images from the Pacific Energy Summit 2013. Left to right: Welcome Reception. Attending leaders. Andris Piebalgs, European Commissioner for Development.*

**Opposite page**

*Energy sector projects in the Pacific. Left to right: Tonga Village Power Network Upgrade Project. Solar panels in the Cook Islands. Solar panels on Nukunonu, Tokelau.*

## Outcomes from the Summit

Over 600 people attended the Summit. The diverse attendance included leaders from Pacific nations, regional and international organisations, private sector companies, and non-government organisations. Development partners included Summit co-hosts New Zealand and the European Union; Summit cosponsors Australia, the Asian Development Bank and the World Bank Group; and the European Investment Bank, Japan, and the United Arab Emirates.

Pacific countries presented 79 projects at the Summit. Around 850 business-to-business meetings took place providing donors and the private sector with opportunities to identify projects for partnership and collaboration.

The Summit exceeded expectations: partners and donors have responded with a funding envelope of NZ\$635 million. This includes NZ\$255 million in grant funding and NZ\$380 million in concessional loans sufficient to support over 40 of the proposed projects over the next three years.

### Development Partner Contributions

- The Asian Development Bank projects its portfolio of Pacific renewable energy and efficiency projects to be US\$270 million (including US\$49 million grant co-financing) over 2013-2015.
- The European Union made an additional €25 million available for Pacific energy initiatives. Funds will be used to boost energy access and rural electrification.
- New Zealand intends to allocate NZ\$65 million to the Pacific over the next three years to boost investment in at least 18 renewable energy projects across six countries.
- Over the past five years Australia has committed SA\$35 million in support of energy initiatives that are working to improve access to clean and affordable energy in the Pacific region.
- Japan will continue to extend its cooperation for Pacific Island Countries to promote renewable energy and diversify energy sources as declared at PALM6, including through progressing projects under the ¥6.8 billion Pacific Environment Community (PEC) Fund launched at PALM5.
- The World Bank Group's total investments, technical assistance and advisory services in the Pacific energy sector will more than double from about US\$25 million to over US\$50 million over the next two years.
- The United Arab Emirates announced that its previously pledged US\$50 million Pacific Partnership Fund has been converted from soft loans to renewable energy grants and the remaining US\$45 million will be disbursed to projects.

and economic circumstances: a shift from extremely expensive imported diesel to environmentally friendly renewable sources of energy. In a region that possesses sunshine and wind in abundance, that is simply not good enough. ”



## Update on energy programme implementation

More than 50 projects presented at the Pacific Energy Summit are under development by partners and donors across selected country energy sector programmes in the Pacific. Delivery of projects will accelerate progress towards national energy roadmaps and targets.

*The information here provides an update on projects that were presented at the Pacific Energy Summit in March 2013 and that are now under development. These projects are at various stages of discussion. Inclusion in this table does not indicate that the project is approved or will proceed. All projects are subject to agreement between individual development partners and Pacific governments.*

*Most energy sector programmes indicated here have a range of components and a focus on a number of sub-sectors, including but not limited to institutional and sector capacity building, demand and supply side efficiency improvements, and various renewable energy technologies. The information here does not include regional programmes or projects, or other projects that were not presented at the Pacific Energy Summit.*

Country	Number of projects	Development partner support by country					
		New Zealand	Asian Development Bank	World Bank Group	European Union	United Arab Emirates	Japan
Cook Islands	5	🔌	🔌		🔌		
Fiji	2				🔌		🔌
FSM	4		🔌				🔌
Kiribati	5	🔌		🔌	🔌		🔌
Nauru	1		🔌		🔌		
Niue	2				🔌		🔌
PNG	7	🔌	🔌	🔌			
RMI	1		🔌				🔌
Samoa	7	🔌	🔌		🔌		🔌
Solomon Islands	2		🔌	🔌			
Tonga	6	🔌	🔌	🔌	🔌	🔌	🔌
Tuvalu	5	🔌		🔌	🔌		
Vanuatu	9	🔌	🔌	🔌	🔌		



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## NEW ZEALAND FOCUS:

# Renewable energy, enabling growth



*Top: Solar panels on Nukunonu, Tokelau.*

*Bottom: Maama Mai Solar Generation Facility, Tonga.*

New Zealand and the European Union, together with development partners and other donors, will assess progress on delivering the commitments made at the Pacific Energy Summit at the 3rd Small Island Developing States Conference in Samoa in September 2014.

At the 2011 Pacific Island Forum, energy was identified as a focus for the region in the Waiheke Declaration. Pacific leaders agreed to reduce dependency on fossil fuels for electricity generation through the development of indigenous renewable energy sources; improve access to electricity; develop credible whole-of-energy-sector strategic plans; and meet energy efficiency targets with initiatives such as a regional electrical appliance standards and labelling programme.

Investment in renewable energy in the Pacific underpins the New Zealand Aid Programme's support for the region. We recognise that increasing access to clean, affordable energy is essential for enabling sustainable economic growth in the Pacific.

New Zealand is well placed to advise on energy. Our national electricity system uses significant proportions of renewable electricity generation. Our local industries have technical and project development skills and experience that can help other develop energy initiatives in other countries. We have a focus on promoting and encouraging energy efficiency and conservation.

Co-hosting the Pacific Energy Summit, is one way that New Zealand has supported energy development in the Pacific, by raising the profile of the issue and accelerating action. At the Summit we also committed \$65 million of funding to be delivered over three years to support some of our closest neighbours: the Cook Islands, Kiribati, Papua New Guinea, Samoa, Tonga and Tuvalu.

New ways of working with development partners and donors will also be part of delivering on our commitments, including the European Union – New Zealand Energy Access Partnership.

Country programmes under active development with partners include:

- Samoa – with the EU, ADB and other partners, developing large-scale renewable energy projects for Upolu and Savaii, including a 1.5 MW solar power plant
- Tuvalu – working alongside the EU and World Bank to build renewable energy infrastructure on Funafuti and outer islands
- Cook Islands – With the EU and ADB, building solar energy infrastructure on the Northern and Southern Groups of islands and power infrastructure on Rarotonga.