



**NATIONAL ADVISORY BOARD**  
on Climate Change and Disaster Risk Reduction

GOVERNMENT OF VANUATU

# **Enhanced Climate Resilience and Grid Connected Renewable Energy through Battery Storage in Efate - NAB Project Update**

**NAB Meeting 2 2022**

**Date: 20 April 2022**

# The Efate BESS Project



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- ❑ The project is a public private partnership in Port Vila, Vanuatu. It comprises solar photovoltaic plants (5 MWp) with a battery energy storage system (BESS) (11.5 MW/6.75 MWh), owned by the Government, and operated and maintained by UNELCO, the private sector utility under its concession agreement. The BESS will stabilize the grid integration of the PV plants and enhance the climate resilience of the power system. The project will double the renewable energy supplied to the grid, decrease diesel fuel consumption by 31%, improve the reliability of the electricity supply, and lower the price of electricity for customers on Efate Island.



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# Significant outcomes

- ❑ The Project Steering Committee at its 5<sup>th</sup> meeting in 2021 recommended the project (identification stage) for approval by the NAB
- ❑ At the 6<sup>th</sup> NAB meeting of 2021 on 8 December the project was endorsed by being given “in-principle support”
- ❑ The NAB recommended that the concept note be finalised in collaboration with stakeholders and update the NAB on its progress
- ❑ The draft concept note for the project was submitted by the NDA for “early review” by the GCF to seek feedback on the project



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# Significant challenges

- ❑ The project does not yet have an Accredited Entity
- ❑ The GCF advised that the proposed pre-CN has substantial merits and should be further developed noting that although the GCF does not normally provide grants to finance revenue-generating capital assets such as the production and sale of electricity, a grant could possibly be justified if the savings from diesel fuel are reinvested in other energy access investments



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# Way forward

- ❑ At the 1<sup>st</sup> NAB meeting on 2022 on 23 February advice was sought from the NAB as to a way forward. The NAB advised to speak to the GCF.
- ❑ After discussions with the NAB, NDA, and GCF it was agreed that the concept note would be submitted officially to the NAB and once endorsed, then submitted to the GCF seeking 100% grant, despite GCF recommendations
- ❑ Once received officially by the GCF, a GCF officer would be assigned to the concept note and official feedback would be received whereby GGGI and stakeholders can work through any concerns that the GCF may have
- ❑ The local utility involved has since advised that it is open to ensuring that any diesel fuel savings are reinvested in energy access on Efate or additional finance being sought if a 100% grant is not possible as long as the tariff is not increased

For more information



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Project contact details:

Mr Tony Polack – Climate Finance Advisor, GGGI

Thank you!



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**QUESTIONS / COMMENT**

## Project Updates to NAB should report on;



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- Significant outcomes
- Significant Challenge
- Significant Learning
- Working with project Partners/Stakeholders (How did the project work and involve other project partners/stakeholders? (could be directly or indirectly)
- Sharing Resources (What are some of the new resources developed during the project? Sharing the resources on NAB portal).