Empowering Communities in Micronesia

Association of Pacific Island Legislators 32nd General Assembly

Renewable Energy & Health Insurance for our Pacific Communities
Outline of Presentation

• Energy in the Pacific – FAESP, an energy secure Pacific

• Why renewable energy? Is it a reaction to oil prices? [policies, alternatives, etc]

• Initiatives in Micronesia

• Empowering communities

• How can such a forum assist?
towards an energy secure Pacific

…… when all people at all times have access to sufficient sustainable sources of clean and affordable energy and services to enhance their social and economic well-being …..
Many Partners One Team
Current Status

- National energy policies – reduce dependency on fossil fuels through energy efficiency and renewable energy
- RE & EE targets
- Increase access to people
- Energy security
Renewable energy
to improve the quality of life and reduce dependency on fossil fuels
Some initiatives /programmes /projects in Micronesia
Vital Biofuel Initiative (VBI)

- **January 2013**: Vital implements the Vital Biofuel Initiative. A concept note is developed and a *Focused Results Delivery* process to develop the strategy is put in place.

- **February 2013**: FSM NatGov, CDA and Vital coordinate a first stakeholders workshop to highlight the need for coconut sector reform in FSM. 70 participants from government, civil society and private sector involved.

- **March 2013**: Vital partners with SPC NorthREP to begin Coconut Resource Assessment (CRA) in FSM. GIS mapping and field work begins and Coconut Assessment Units (CAUs) are established and trained in Pohnpei and Yap.

- **April 2013**: Value Chain analysis begun with assistance from State Coconut Strategy Teams. Sector business case development in process.

- **May-June 2013**: Vital and SPC engage Coconut Specialist to upgrade CRA methodology and establish and train Chuuk and Kosrae CAUs, with nurseries.
Coconut Resource Assessment
Vital to build and operate 100 kW solar array on Guam

Another regional energy milestone was reached in October with an agreement between Vital Energy Inc. and the Guam Power Authority (GPA) that will allow Vital to build and operate a 100 kW solar array at the GPA Bulk Fuel Facility on the island.
Grid connected solar PV systems
Solar lanterns – outer islands in FSM

First time access to at least 7,000 people
Rehabilitation of the Nanpil hydro in Pohnpei, FSM

Potential savings of US$1m per year (from diesel saved)
Increasing access to basic electricity in the RMI

6,000 people to access basic electricity for the first time – brings the electrification rate to almost 100%

Economic Development Division / La Division développement économique

NORTHREP
North Pacific ACP Renewable Energy and Energy Efficiency Project
EE retrofitting loans programme – NDBP

Before retrofitting

After retrofitting
Wind & solar resource assessment
renewable energy as a means to empower communities in Micronesian islands
Lighting
Technical skills, employment, ....
Income generation
Communications
## Targets, incentives, ........

<table>
<thead>
<tr>
<th>Country</th>
<th>RE Target</th>
<th>RE Policy</th>
<th>Fiscal incentives</th>
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</thead>
<tbody>
<tr>
<td>FSM</td>
<td>30% by 2020</td>
<td>Electricity Act amended in 2012 for RE uses, net metering policy</td>
<td>Exemption on duty tax on governments’ projects while private companies pay 25%</td>
</tr>
<tr>
<td>Kiribati</td>
<td>Reduce fuel imports by 25% in 2025</td>
<td>No</td>
<td>Exemption on duty tax on governments’ projects while private companies pay 10%</td>
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<tr>
<td>Nauru</td>
<td>50% in 2015</td>
<td>No</td>
<td>Exemption on duty tax on governments’ projects</td>
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<tr>
<td>Palau</td>
<td>20% by 2020</td>
<td>Net metering act exists, no feed in tariffs or power purchase agreements</td>
<td>No duty tax exemption, donor funded projects are exempted</td>
</tr>
<tr>
<td>RMI</td>
<td>20% by 2020</td>
<td>No</td>
<td>Duty tax exemption on RE products import</td>
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</tbody>
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OPPORTUNITIES

- Fiscal incentives
- Investments
- Financing (not to rely on donors only)
Summary

- Driving factors
- Need a conducive environment
- Tailored approaches
- Local ownership
- Address local needs
- Policy makers have a crucial role
Thank You