

New Zealand's Renewable Energy Cooperation in the Pacific

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Ana Pueyo, Senior Energy Adviser, New Zealand Ministry of Foreign Affairs and Trade MFAT

The Pacific is a priority region for New Zealand's energy IDC

- New Zealand has been a long supporter of the Pacific's ambition to transition away from fossil fuels.
- We support a range of renewable energy projects and programmes under our **climate finance, regional and bilateral commitments**.
 - New Zealand IDC for the Pacific was NZ\$1.85b during 2021-2024.
 - MFAT is responsible for the delivery of NZ\$1.3b international climate finance between 2022-2025.
- The allocation of climate finance is guided by the Aotearoa New Zealand **International Climate Finance Strategy** (ICFS)
- At least 50% of our climate finance has been allocated to the Pacific.



Tokelau Renewable Energy Project

How we deliver RE support

- We provide grant funding to energy activities, using a range of **modalities** for delivery.
- We are **partner-led** and work closely with our partners to determine priorities for investment across country and regional activities.
- Our energy related activities sit across **Technical Assistance, Programme and Project Level contributions**.

Some recent examples

Regional

- Contribution to **PRIF, SPC, ADB and World Bank** activities in the region.
- Pacific Infrastructure Technical Assistance Facility (**PITAF**), currently procuring a RE Roadmap for Timor-Leste, and a performance improvement TA for TPL.

Bilateral

- **Vanuatu**: Rural Electrification Masterplan and Coconut Oil Strategy
- **Tokelau**: Build solar hybrid mini-grid systems to provide the atolls of Fakaofu, Nukunonu and Atafu with over 90% renewable electricity generation
- **Cook Islands**: Build solar/diesel mini-grids for the Northern Group of outer-islands and grid-connected solar generation on Rarotonga.
- **PNG**: We are part of the PNG Electrification Partnership (PEP), are assessing small hydropower opportunities and supporting private sector delivery of solar lighting, among others.
- **Nauru** Energy Efficiency Project
- **Kiribati**: Energy and Public Utility Reform

Climate finance

- **Niue**: Construction of a 2.8 MW solar PV plant with 7 MWh BESS
- **Vanuatu**: Feasibility analysis and design of solar PV plants with BESS in the islands of Efate and Tanna, expected to proceed to EPC procurement.

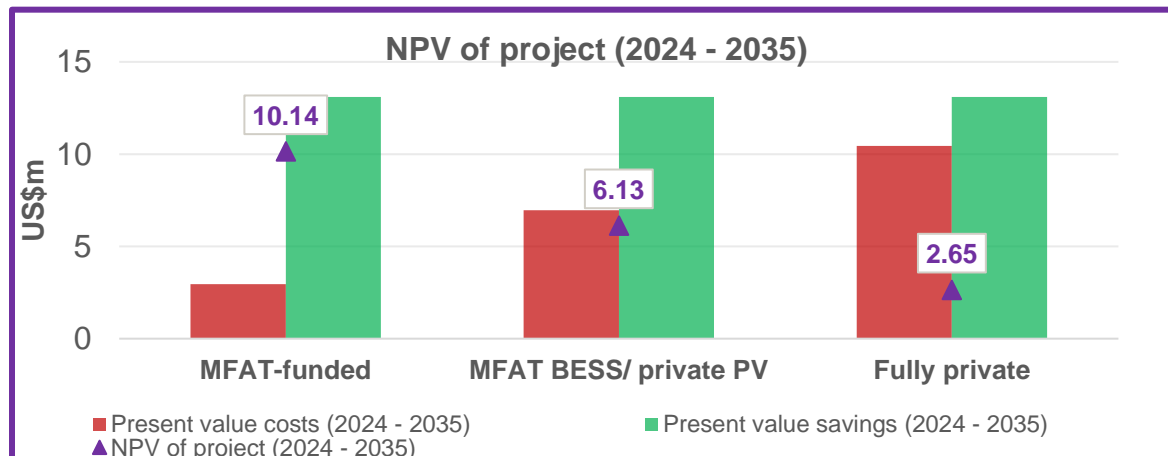
Niue Renewable Energy Project



Pictured: New Zealand's Minister of Foreign Affairs and Niue's Minister of Infrastructure & Finance at the ground-breaking ceremony for Niue RE Phase 2 – an NZ\$20 million investment

Renewable energy makes financial sense

- Solar PV technology with BESS is the technology of choice to replace diesel generation in many Pacific islands:
 - Competitiveness, modularity, climate resilience, and resource availability.
- Recent feasibility studies show significant cost savings of higher RE shares, but fully renewable systems require some dispatchable power to be competitive.
- Significant upfront capital required.
- The legacy model depending on aid for energy infrastructure cannot deliver the energy transition at the pace and scale required.



Private investment is key for the energy transition in the Pacific

- New Zealand's ICFS has an explicit goal to **leverage investment** from the private sector and like-minded partners.
- Collaboration is critical: preference for working in **partnership with other donors**.
- NZ supported **the ADB's Pacific Renewable Energy Program (PREP)**, to de-risk RE projects through partial risk guarantees, direct loans, letters of credit, and technical assistance.
- We are exploring how to support a promising renewable energy blended finance fund (**TIDES**) in partnership with the UK.
- What we like about the TIDES proposition:
 - Focus on underserved segments of the RE market and in small-scale projects.
 - Aims to strengthen local RE developer's capacity and capabilities.
 - Inclusive local employment and entrepreneurship opportunities.

How to access NZ support

- **If you are a Pacific Utility**

- New Zealand High Commission responds to national Government's requests, which are analysed by thematic experts in Wellington.

- **If you are a private consultancy or EPC contractor**

- We advertise our tenders via New Zealand Government Electronic Tender Service (GETS) <https://www.gets.govt.nz/>
- NZTE Project Link subscription for information and insights on regional tender opportunities. projectlink@nzte.govt.nz

- **If you are a RE developer**

- NZ High Commission can direct you to PITAF, which provides advice on the techno-economic feasibility of infrastructure projects, typically at government request, but can also support private actors to access high-quality finance.

Thank you

ana.pueyovelasco@mfat.govt.nz

zao.martin-noble@mfat.govt.nz