CONTEXT
To contribute to the country’s energy access and sustainability targets, the Government of Vanuatu approved the establishment of the National Green Energy Fund (NGEF) through a decision by the Council of Ministers in 2016. GCF Readiness Program will allow NGCF to finalize required feasibility studies with an aim to enable an informed decision by the government regarding the NGEF strategy and implementation priorities.

• Vanuatu has more than 60 inhabited islands and is extremely vulnerable to climate change but has only 9% electrification in off-grid areas (outside of urban concession areas).

• The country has a USD 20 million financing gap to achieve national energy access targets has been identified (National Energy Roadmap, 2016). At the same time under the sustainable energy objective, a target of 100% renewable energy in the electricity sector has been set for the year 2030 (Nationally Determined Contributions, 2015).

OVERVIEW

<table>
<thead>
<tr>
<th>Country / Global implementation</th>
<th>Vanuatu Least Developed Country (LDC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thematic area</td>
<td>Multi-sectoral</td>
</tr>
<tr>
<td>Project start date</td>
<td>Q3 2017</td>
</tr>
<tr>
<td>Funding source</td>
<td>Earmarked Green Climate Fund</td>
</tr>
<tr>
<td>2017 budget</td>
<td>USD 370,000</td>
</tr>
<tr>
<td>% of budget disbursed</td>
<td>34%</td>
</tr>
</tbody>
</table>

RELEVANT SDGs
7. Ensure access to affordable, reliable, sustainable and modern energy for all.
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

OVERALL OBJECTIVES
• Inform the strategy and implementation planning of National Green Energy Fund (NGEF) by identifying potential opportunities – both short term and long term.
• Support the design and operationalization NGEF.

HIGHLIGHTS
• Initiation of an off-market demand study, a renewable energy technology feasibility study and a market infrastructure and business model study.

VANUATU
GCF READINESS PROGRAM FOR VANUATU
RESULTS ACHIEVED IN 2017

OUTCOME 1  STATUS  ON TRACK

Project/program preparation support, including for adaptation, to develop funding proposals provided.

A consultant has been engaged and project/program preparation support underway. Desktop market demand assessment was completed.

OUTPUT 1.1  STATUS  ON TRACK

Completion of the Feasibility Studies.

While desktop market demand assessment was completed, in-country market demand assessment is to be conducted in early 2018. Technical feasibility assessment and investment analysis with pipeline project identification work will follow in Mar-May 2018.

ADDITIONAL RESULTS

• GGGI developed collaboration opportunities with the IUCN (International Union for Conservation of Nature) Oceanic Regional Office in Fiji, which has potential to be the Accredited Entity for GCF in support to the NGEF. There were to develop and submit funding a proposal to GCF in Q1 of 2018. An MoU is being discussed for roles and responsibilities between the two agencies GGGI and IUCN Oceania Regional Office.

• GGGI also explored collaboration opportunities with the Korean International Corporation Agency (KOICA), which ha directly reached out to the Government of Vanuatu showing interest on their engagement and potential investment on the fund. GGGI facilitated the preparation of the concept notes by providing technical advice and the Department of Energy is bilaterally consulting with KOICA.
### PARTNERS

#### LOCAL
- Ministry of Climate Change and the Department of Energy (DoE)
- Department of Women’s Affairs, Department of Local Authorities (DLA)
- Department of Strategic Policy, Planning and Aid Coordination (DSPPAC)
- Department of Finance and Treasury
- Department of Tourism Development (DoTD)
- Department of Geology Mines and Water Resources
- Department of Agriculture
- Vanuatu Skills for Growth (TVET) and Vanuatu Bureau of Standards
- National Bank of Vanuatu Ltd.
- Bank of South Pacific Ltd.
- VANWODS Ltd.
- Vanuatu National Council of Women

#### INTERNATIONAL
- BMZ
- Energy4All Ltd.
- ACTIV Association

### LESSONS LEARNED
- Understanding GCF disbursement process and requirements: This readiness program was the first readiness program handled by GGGI. The organization gained detailed knowledge of the GCF and its Readiness Program which will support future work moving forward.