

## Vanuatu

### Enhancing Vanuatu's Rural Tourism Sector through Green Energy

Vanuatu's economy has experienced strong growth in recent years, largely driven by a rebounding development in the local tourism industry after experiencing the devastating impacts of Cyclone Pam in 2015. However, the high national dependence on imported fossil fuels, coupled with low energy security and access rates, are posing a serious impediment to this growing industry.

In rural areas, where many of the tourist bungalows are located, less than 10% of households are connected to the electrical grid. Therefore, many of these bungalows rely on solar lanterns for lighting and petrol generators for other electricity needs. Generators, however, only provide a few hours of electricity a day, limiting tourism potential.

Consequently, an innovative scheme using solar power to run freezers at rural off-grid tourist bungalows has been introduced as a means to overcome this obstacle and generate wider benefits.

This pilot project—devised by the Vanuatu government, in collaboration with the Global Green Growth Institute (GGGI)—has seen the installation of solar-powered freezers in ten tourist bungalows in rural areas on the islands of Santo, Tanna, Pele, Maskelynes, and Nguna.

The procurement and installation of the photovoltaic systems and freezers were financed by the German Ministry for Economic Cooperation and Development and carried out by a local supplier in 2017—a move that itself helped local businesses—with a grant from the government allowing them to be provided to bungalow owners free of charge.



GGGI in Vanuatu: Pilot project to install solar-powered freezers in rural areas

Follow-up checks soon after the project's implementation showed the installations had brought positive results. Bungalow owners reported increased income and new jobs being created locally.

*"It's really helped them,"* said Antony Garae, director of the Department of Energy at the Ministry of Climate Change in Vanuatu. *"Bungalow owners responded positively to the project, saying their revenues had increased and they had more time to spend doing other economically active things."*

GGGI Senior Program Officer in Vanuatu, Paul Kaun, added, *"They've been able to do new business, such as renting out freezer space to others overnight or selling frozen produce to people in the local community."*

It has also helped free up time for tourist bungalow operators to run their businesses. For instance, owners no longer have to spend a whole morning fishing for guests' meals or head into large urban areas to buy produce, as they can now store food in their freezers. Some were also able to hire additional workers as a result of the increased income.

*"Tourism is important for us because it is the only source of income we have,"* said Loren John, manager of Island Breeze Bungalows on Nguna Island and one of the beneficiaries of the project. *"The savings we have been able to make from the freezer have been really helpful. For instance, after a recent cyclone, we still need to fix the roof, and we can use [the savings] for that."*

The project has also had a major impact on the wider community. Bungalow owners are offering new services to their neighbors, including sales of ice cream and cold drinks.

One of the project's key goals has been to promote gender inclusion, aiming to boost the skills and involvement of women. Accordingly, to participate in the program and receive solar-powered freezers, tourist bungalow operations had to include female family members. Women were given training on the use and maintenance of the freezers in an effort to empower them to take leading roles in the running of the bungalows. Many of them now meet once a week to discuss their work and other matters.



GGGI in Vanuatu: Utilizing clean energy to enhance the rural tourism sector

Following the success of the project, interest in the freezers among other local bungalow owners has soared.

The government of Vanuatu and GGGI are looking to scale up the project in the future as part of wider efforts to promote sustainable economic growth in the country under Vanuatu's National Energy Road Map, which aims to see renewable energy provide 25% of energy for rural bungalows by 2020, and 65% by 2030.

*"Tourism is very important to Vanuatu. We're almost dependent on it, really, as it accounts for, directly and indirectly, 60% of GDP,"* said Mr. Garae. *"To preserve it for the long-term, tourism in Vanuatu has to be run and approached sustainably."*