

**Meeting of SREP Pilot Countries
May 28-30, 2013 – Bandos Island, Maldives**

Progress Updates from Countries with Endorsed Investment Plans

Country: Solomon Islands

Please describe any advances made in the following areas, arising from your SREP programming process since the last meeting of SREP pilots.

<p>Stakeholder engagement (e.g., CSOs, private sector, development partners)</p>	<p>The Government of Solomon Islands is reviewing its National Energy Policy that was endorsed by the Cabinet of Solomon Islands in 2007. While reviewing the National Energy Policy, the Government is also formulating its Energy Efficiency & Petroleum Strategies and Investment Plan 2013-2018. This work started in November 2012 and consultations were held with the private sector, development partners and various civil society organizations. The formulation of the Renewable Energy Investment Plan commenced in February 2013 and again wide consultations were conducted with the private sector, development partners, civil society organizations and relevant in-line Ministries within the Government.</p>
<p>Institutional arrangements and government coordination</p>	<p>The Energy Division within the Ministry of Mines, Energy & Rural Electrification is coordinating the work on formulation of the national Renewable Energy Investment Plan.</p> <p>There is a taskforce set up by the Ministry of Mines, Energy & Rural Electrification that is coordinating preparatory work on development of a 15-20MW hydropower scheme (Tina River Hydro) for Honiara city.</p> <p>This taskforce comprises of representatives from Ministries responsible for infrastructure development, environment, climate change, disaster management & meteorology, health & medical services, education & human resources development, finance & treasury, development planning & aid coordination, provincial government, the government-owned national power utility, attorney-general chambers, water resources division and the office of the Prime Minister. The Government set up a Project office that is implementing the project.</p> <p>There is currently a private investor conducting investigation work on geothermal resources on the island of Savo off-shore of Honiara</p>

	<p>city with the aim of transmitting the energy to the Honiara grid and sell power to the national utility under a PPA. The private investor reports to the Ministry on a quarterly basis as required by the Mines & Minerals Act under which a prospecting license was issued to them to investigate the geothermal resources.</p> <p>The development of small hydro power schemes for the utility stations in provincial centres plans to form a project management unit (PMU) within the power utility institutional structure.</p>
Analytical work and technical studies	<ol style="list-style-type: none"> 1. Tina River Hydropower Development Phase II Report. 2. Feasibility Study Report on CNO for Auki power station 3. Prefeasibility reports on development of small hydro stations for 5 provincial centres 4. Interim Report on feasibility studies on small hydro stations for 5 provincial centres 5. Solomon Islands National Infrastructure Development Plan
Capacity building	<p>There has been hands-on experience provided to staff directly involved with the projects currently implemented. However, there is a great need to increase capacity building in project management, operation & maintenance of renewable energy schemes planned in the future to ensure sustainability of RE systems is maintained.</p>
Financing	<p>Access to grid-electricity in the country is around 14% only and mainly in urban centres. The high cost of electricity is attributed to the high dependence on imported diesel fuel for power generation. There has been continuous dialogue established with development partners for financing of renewable energy schemes to increase access to electricity and reduce cost of electricity.</p>
Procurement and recruiting	<p>ADB has recruited Snowy Mountain Energy Corporation (SMEC) to develop the country's RE Investment Plan using its procurement process.</p>

Please describe any challenges encountered in the following areas, arising from your SREP programming process since the last meeting of SREP pilots.

Data availability	<p>The main challenge is either non-availability of data or the nonresponsiveness of relevant authorities with required data.</p>
Financing	<p>No challenge within the Government budget system as the government annually provides finance support to the Energy Division (although quite small) that is used for solar electrification projects in rural areas.</p>

Please provide any additional information you wish to share on impacts or lessons learned from the SREP programming process.

Data availability is the main challenge in the country and non-coordination between Statistics office with other government authorities is seen as the contributing factor to this reason. There is need for legislation to empower energy office to obtain data. Private oil companies feel reluctant to supply data to the energy office. The strengthening of the Petroleum Act which the Ministry administers is needed to ensure data is easily obtained.

Monitoring energy access:

<p>What indicators and monitoring systems are being used at the national or sector level to monitor energy access?</p>	<p>The national census data provides indicators on number of households that have access to grid electricity, modern cooking facilities and solar-home systems.</p> <p>The Household Income Expenditure Survey (HIES) would monitor any changes in the indicators.</p>
<p>Would these existing monitoring systems capture the impacts of SREP investments in energy access, and, if yes, how?</p>	<p>The HIES would capture the impacts of SREP investments in energy access.</p>

What is your government's experience working with social enterprises for delivery of energy access in rural areas?

There is great potential to partner with associations such as women's groups, farmer associations, fishermen associations and such associations like oil palm out-growers groups to deliver energy access in rural areas through engagements. The Government is currently working with a women's association that has in place a micro-finance scheme to install SHSs within their communities that is to be regularly serviced by a RESCO over a two-year period.

What activities undertaken in your country have been successful at scaling up renewable energy access in rural areas?

- Solar-home systems project funded under Govt of Japan's PALM6 assistance to the Pacific island countries with recipients having to pay for installation costs and operation & maintenance by RESCOs.
- Government funded solar electrification of rural schools and rural clinics.
- The development of hydropower schemes for the capital city and provincial centres is hoped to increase access to electricity and reduction in electricity costs.

What activities undertaken in your country have not been successful at scaling up renewable energy access in rural areas?

- Free hand-out of SHSs to rural households with no proper back-up maintenance service.