

Project Brief: Off-Grid Renewable Energy Solutions on the PICs

APPLICATIONS FOR THE TOURISM SECTOR

- The Pacific Island Countries (PICs) have ambitious climate goals and are striving to transition to a renewable and more secure energy supply. The substantial potential lies in abundant natural resources.
- The German-New Zealand Chamber of Commerce (GNZCC) is working together with the Federal Ministry of Economic Affairs and Climate Action to provide German small and medium enterprises (SMEs) with an extensive market analysis of renewable energy opportunities in the PICs' tourism sector.
- The project strives to capture the interest of German SMEs to contribute to the sustainable implementation of decentralised and off-grid power networks in the tourism sector across the PICs, presenting significant new market potential.

Overview

The Off-Grid Energy Project, backed by the German Federal Ministry for Economic Affairs and Climate Action (BMWK) through its 'Energy Export Initiative,' aids German companies in the energy sector to enter foreign markets. It involves two key measures: a thorough analysis of the target market in the Pacific Island Countries (PICs) and the coordination of an informational event. By addressing both challenges and opportunities, the project aims to empower German businesses to make well-informed decisions and actively engage in the energy transition of the PICs.

What's the issue?

The PICs have set ambitious goals to reduce emissions and promote sustainable, resilient development across all economic sectors.

The primary driving force behind the shift to clean energy is the experience of severe and intensifying natural disasters due to climate change, causing immeasurable damage to communities and economies. Many of these island nations, including the Cook Islands, Fiji, Samoa, and Tonga, have signed and ratified the Paris Agreement, demonstrating their support for

the international climate protection agenda and commitment to a sustainable future.

Secondly, many hotels and resorts primarily rely on the national power grid for electricity, where available. However, numerous resorts and hotels, especially those in remote island locations, lack access to the grid and depend on diesel-powered generators for their energy needs. Additionally, there are instances where fuel delivery delays, affecting islands, including hotels and resorts, lead to shortages and power blackouts.

A third driver for the transition to clean energy is the high cost of imported fossil fuels. In most PICs, imports of goods and services account for over 50% of the GDP. Using World Bank data, the calculated average of fuel imports for the PICs as a percentage of total imported goods is 20%, making them highly susceptible to price fluctuations and supply shortages.

The Pacific Islands possess significant renewable energy potential with abundant natural resources, such as sunlight, wind, and geothermal energy. This offers ample opportunities to establish a sustainable implementation of off-grid renewable energy solutions.

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How can the project help?

The goal of the market analysis is to examine the potential for a sustainable implementation of decentralised and off-grid power networks (Mini-Grid solutions) in the tourism sector across the PICs. Additionally, it aims to provide an initial assessment of replicability and scalability.

Infowebinar for German companies -big interest in Germany.

The project offers mutual advantages for both German SMEs and the PICs. For German companies specialising in renewable energy solutions, it offers invaluable

Benefits

insights, providing a comprehensive overview of political and technical needs, market opportunities and entry strategies.

For the PICs, especially in the tourism sector, the project draws investor interest and offers a comprehensive understanding of the challenges and, more importantly, the opportunities in realising their objectives. Ultimately, the project's goal is to assist in their transition to sustainable and cost-effective energy security through collaboration with German SME

How will the project work?

The GNZCC, in collaboration with BMWK, is conducting a targeted market analysis which will focus on island regions, hotels, and tourist resorts in the markets of Samoa, Tonga, Cook Islands, and Fiji. It will also explore the associated political and technical needs, as well as market opportunities for German SMEs. Insights from interviews with industry experts will contribute to a deeper understanding. The findings of the target market analysis and the opportunities for German SMEs will be presented during an informational event.

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