

Guide to the EU-GIZ ACSE programme

Annex 1 - Template for concept notes

General guidance and instructions

1. The template is the same for CCA or SE or combined projects and should follow the structure given below;
2. Project concept notes will be assessed based on the criteria and points system provided in the Guide;
3. The questions included as a checklist in each section are the same as those that will be used in the assessment of the concept notes;
4. The assessment is based on a one question = one point scoring principle but the assessors may also use their discretion;
5. Include answers to all questions in the concepts notes. Short explanations are acceptable. Long paragraphs are not always needed;
6. Guidance on length of each section is given in the template to indicate how much detail is needed to answer each question and assist in keeping the concept notes to a maximum 4 pages length;
7. The **concept note cover page does not count** towards the 4 pages maximum length of the concept note;
8. **Once the sections have been filled in, please delete the instruction boxes (in blue).**

Concept Note Cover Page

Country (ies): Republic of Vanuatu

Location within the country (ies): Generally all islands

Concept focus:

Climate change adaptation

Sustainable energy

Both

Project type:

Type 1 – 200,000 Euro maximum budget

Type 2 – Maximum budget is the country allocation

Total requested budget: EURO 710,000

Duration of project: 2 years

Contact point:

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Support for PDD development:

Yes, consultant(s) or organisation(s) to be engaged:to be put to tender

No

Undecided

Concept Note – Description (4 pages maximum)

1. Project title:

Solar and Bio-Solar electrification of Vanuatu with the implementation of a sector-specific Climate Early Warning System 'Dashboard'

2. Background and rationale (max ¾ page)

Being an island archipelago Vanuatu is comprised of about 80 islands. The expanse of these islands means that the Vanuatu Government (GoV) is required to distribute their limited resources across a large expanse of land. This has meant GoV must strategically implement funding to align with the needs of the nation and those most at risk. This project will see the alignment of three government departments, namely Department of Energy, Vanuatu Meteorology and Geo-Hazards Department and the Department of Livestock, for the first time.

This strategic alignment was developed to address the objectives of the ACSE Programme. This project aims to achieve electrification of currently unelectrified households through the implementation of renewable energy sources. The renewable energy sources will include bio-solar systems and solar PV systems – this will see the collaboration and integration of the Department of Energy and the Department of Livestock's objectives. This will provide communities with access to modern energy services that are affordable, safe and clean. The electrification of the currently unelectrified communities will enable the possibility of a greater proportion of the population to become financially viable thus enhancing the GDP per capita rate.

The integration of the Vanuatu Meteorology and Geo-Hazard Department will see the initiation and development of a Climate Early Warning System (CLEWS) for the Energy and Livestock sectors to assist in the short-term with these projects and in the long-term with the enhanced capability of the sectors to adapt to the climate. CLEWS will provide these sectors and the Vanuatu community with timely and actionable warnings for potentially devastating climate changes and events. This project will also include some instrumentation to strengthen the capability of the CLEWS. These CLEWS will begin the process of developing sector specific CLEWS for all necessary sectors in Vanuatu.

This Project directly supports the Government's Priority and Action Agenda (PAA) 2006-2015 which aims to: (i) reduce the cost of services; (ii) extend the coverage of rural electrification; and (iii) promote the use of renewable energy. Similarly, this project supports the Government's Plan Long Act Short priorities in the areas of preparing the people of Vanuatu to face disasters (including climate change), strengthening primary production by providing electricity to rural dwellers and the reduction of the price of utilities.

3. Objective (s) (two to three sentences)

This Project comprises of 2 objectives:

1. Increased sustainability of livelihoods in Vanuatu through the enhanced energy security of Vanuatu locally and nationally, and
2. A Climate Early Warning System that strengthens, supports and enables both the Energy and Livestock sectors to adapt to the adverse effects of climate change.

4. Expected project outcomes (max ¼ page)

The Project outcomes include:

- Implementation of solar PV systems,
- Implementation of bio-solar systems for those rural dwellers with limited land mass, and
- Stakeholder driven development of a Climate Early Warning System for the Energy and Livestock sectors.

5. Targeted outputs (max ½ page)

Expected outputs for this project include:

1. The electrification of 6 percent of the 20,470 dispersed off-grid households in Vanuatu, which equates to approximately 1200 households. This will include the implementation by:
 - a. Location, and
 - b. Vulnerable group (including disabled and female members).
2. Development and implementation of a rural electrification project that includes bio-solar systems implemented for households with limited land mass. This will include:
 - a. Installation of the bio-solar systems,
 - b. Training on the use and management of the system, and
 - c. The utilisation of the electricity for other aspects of daily life.
3. Development of a Climate Early Warning System. This development will include the following steps:
 - a. Instrumentation,
 - b. Further digitisation and review of current data,
 - c. Stakeholder consultation to determine the expectations and wants from the sectors – to provide sector specific Climate Early Warning Systems,
 - d. Development and implementation of the Climate Early Warning System through an online ‘Dashboard’, and
 - e. Training provided to the sectors on the use and application of the ‘Dashboard’.

6. Beneficiaries (max ½ page)

The primary beneficiaries are the households in rural off-grid areas that are located beyond the economic grid extension areas, and those that are too dispersed across the off-grid areas to be considered in future projects for isolated micro or mini-grid configurations. Through providing households with access to basic electricity, women will be able to undertake handicrafts in the evening promoting economic development, children can complete school homework and studies after school, and the household can feel safe and secure in their residence at night. Systems eligible under the Project will have phone charging capabilities, reducing the current high costs of phone charging at “phone charging centres”, and thus improving communication across Vanuatu.

A sustainable “demand-driven” market for household systems will be promoted over the life of the Project, creating employment and small business opportunities to the wider community of Vanuatu by establishing a private sector for the supply and after sales service of household solar systems in the outer islands. Additionally, the bio-solar outcomes will provide avenues for the agriculture and livestock sectors to promote and increase agricultural products (including vegetables and root crops), therefore providing self-employment which in turn improves the rural economy and health.

This project will provide the Energy and Livestock sectors with a Climate Early Warning System that will enhance their ability to adapt to the changing climate. The beneficiaries will be local and national; with local communities being able to utilise this information to improve their decision making capabilities and nationally for policy-makers to drive policy changes accordingly.

The Project will strengthen the capacity of the GoV to implement EU and other donor-led projects and build technical skills within the GoV in the rural electrification and climate sub-sectors. Other indirect beneficiaries include national organisations, vendors located in the outer islands selling solar systems in collaboration with suppliers (in main centres) and microfinance lenders.

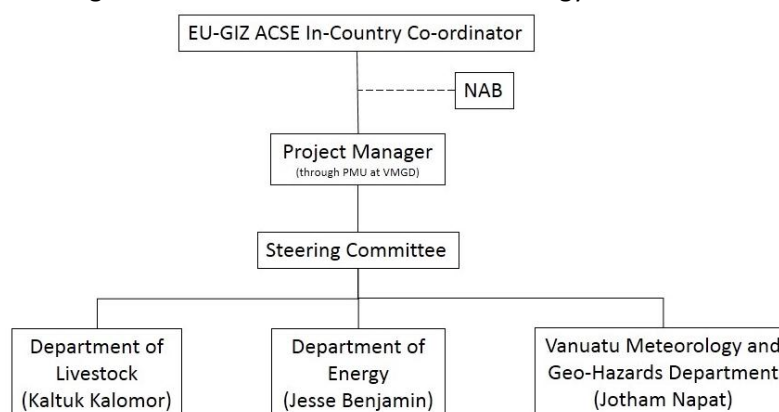
7. Indicative budget (max ½ page)

Item	Indicative budget (Euro)
PDD Development Consultant (with Concept Note 1)	30,000
1. The electrification of 12 percent of the 20,470 dispersed off-grid households in Vanuatu, which equates to approximately 2500 households	270,000
2. Development and implementation of a rural electrification project that includes bio-solar systems implemented for households with limited land mass	100,000
3. Development of a Climate Early Warning System	240,000
Project management costs including contingencies	40,000
Monitoring and evaluation	15,000
Communication and visibility	15,000
Co-financing / In-kind contribution (optional)	90,000
TOTAL	710,000

8. Project management (max ½ page)

The lead national agency will be the Department of Energy within the Ministry of Climate Change and Natural Disasters, with the implementing agencies will be the departments accordingly with the overall project management being conducted through the Project Management Unit at the Vanuatu Meteorology and Geo-Hazards Department (VMGD).

The suggested structure is:



The Steering Committee will comprise of 1 member from each department, the Project Manager at PMU and the In-Country Co-ordinator. The Steering Committee will report back to the National Advisory Board through the Project Manager sitting within the Project Management Unit.

Some implementing partners include Greentech, Energy4All, Pacific Solar Company (Vanuatu) Limited, NIWA (New Zealand), NOAA (US), Bureau of Meteorology (Australia) and SPREP Meteorology Unit.

The Project Management Unit at VMGD has experience implementing and reporting projects such as:

The EU GCCA-V project (2012–2013) which was implemented by the VMGD with focus on mainstreaming climate change. Some successful activities that have been undertaken involved training of rainfall network personnel, support for Vanuatu’s 3rd Agro-meteorology summit, CC/DRR policy consultations, and standardized CC/DRR messages national workshop. Currently the PMU is also involved in providing project management support, especially financial management and procurement functions, to two World Bank projects – Increasing Resilience to Climate Change and Natural Hazards (IRCCNH) and Mainstreaming Disaster Risk Reduction (MDRR) projects. The IRCCNH project (2012–2018) is implemented by four departments or agencies i.e. Department of Agriculture, Department of Water Resources, National Disaster Management Office and the Vanuatu Agricultural Research and Technical Centre. The IRCCNH project in particular is also co-financed by the EU GCCA and GFDRR funding programs. Staff within the PMU therefore have experience and are currently involved with financial or narrative reporting to meet multi donor requirements such as for the World Bank and EU.

9. Complementarity and replicability (max ¼ page)

The Project is building on the lessons learnt from successful projects in the energy sector. Lighting Vanuatu¹, a Government of Australia initiative funded through the Governance for Growth program, aimed to deliver 24,000 pico solar lanterns to rural households through the use of a supply-side subsidy. In fact, the project delivered twice its expected sales of lanterns and now more than 50 percent of households across Vanuatu use solar lanterns for lighting. This Project will follow a similar subsidy approach to Lighting Vanuatu where the vendors, who have an established network and geographic reach across Vanuatu, will supply eligible solar products and lodge a claim to the Department of Energy for reimbursement of the subsidy component of the system. The bio-solar project is in its infancy but has extensive support from the community and government.

The Vanuatu Meteorology and Geo-Hazard Department has conducted a number of projects to reach the culmination of implementing a sector specific Climate Early Warning System. The data stored at the Department requires a user friendly interface that provides not only current information but the long-term forecasted impact of impending climate systems. This work expands on the Vanuatu Climate Update and ENSO products that are distributed to communities, however will provide the sector specific information required for 'on the ground' adaptation to climate changes and variability. It is expected the Climate Early Warning System 'Dashboard' will be developed for more sectors in the future.

10. Sustainability and risks (max ¼ page)

The ability of all beneficiaries to maintain the installed solar systems after the completion of the Project has been examined. The designed subsidy of the solar systems preserve some of the ownership with the consumer, the Project provides a range of systems to suit consumer affordability and demand and capacity to pay, is based on low maintenance systems suited to remote communities where access to maintenance service providers is limited and costs will be prohibitive, and seeks to build on and reinforce existing private sector supply chain for rural solar home systems. The Project also proposes to promote the availability of microfinance products to assist rural consumers through financial institutions and vendors. Risks associated with this include non-adoption by communities, micro-financers may not support the project and limited availability of equipment for setup.

The sector specific Climate Early Warning System 'Dashboard' will be hosted by the Vanuatu Meteorology and Geo-Hazards Department thus ensuring it is maintained and up to date to enable the sectors and communities to utilise the information to continually adapt to climate change. The 'Dashboard' will be expanded to be developed for other sectors hence requiring the sustainability of the system within a government department. Risks associated with this include non-involvement by stakeholders, limited funds from the government for the maintenance of the instrumentation and 'Dashboard' and dissemination to the sectors is not well-received.

11. Timeline for planned measures (max ¼ page)

Deliverables	Timeline (36months)
Establishment of project, Steering Committee, recruitment	4 months
Initiation of electrification of houses; stakeholders engaged for CLEWS	12 months
½ houses electrified with solar and bio-solar; 'Dashboard' developed and training started	26months
Project completed for all identified houses and 'Dashboard' fully functioning	36 months

12. Stakeholder engagement in concept note development (maximum three sentences)

In developing the concept note, a number of stakeholders were consulted including:

- i) Key Government institutions (Department of Strategic Policy, Planning and Aid Coordination (DSPPAC), the EU National Authorizing Office, Department of Foreign Affairs, Department of Women's Affairs),
- ii) Private Sector particularly the solar renewable energy retailers (Greentech, Energy4all, Pacific Solar Company (Vanuatu) Limited and the Communication and Power Systems (CPS)), and
- iii) NGOs and community (SPC-GIZ, Vanuatu National Council of Women, Greentech and ACTIV).

¹ Independent Completion Report (ICR) Lighting Vanuatu, DFAT Australian Aid, Government of Australia. January 2014.