

Climate Investment Fund endorsed Kiribati's Renewable Energy Investment Plan and grant of US\$5million

Our journey to increase access to climate finance is only just starting and there is much work to be done to build our resilience to climate change, says Finance Minister Dr. Teuea Toatu

[Climate Finance Division Communications]

Kiribati's Scaling Up Renewable Energy Investment Plan has been endorsed by the Climate Investment Funds Scaling Up Renewable Energy Program sub-committee, which also includes approval for an indicative allocation of US\$5 million in grant funding that will contribute towards the implementation of phase 1 of the Investment Plan and the largest renewable energy project for Kiribati to date.



Speaking in Morocco to the Scaling Up Renewable Energy subcommittee, Dr. Toatu says that “the Investment Plan creates an important pathway toward meeting its international and national 2030 commitments under the Paris Agreement to increase renewable energy to the power grids by over 60%, cutting in half its current greenhouse gas emissions, reducing reliance on fossil fuel use and most importantly saving millions of dollars on imported fuels.”

[Pictured left: Hon. Dr Teuea Toatu, Minister for Finance & Economic Development at the CIF Sub-Committee meeting in Morocco, Jan 2019]

The Investment Plan will require funding of US\$76.4million, which will be delivered in two phases with a focus on increasing renewable energy to the power grids on South Tarawa and Kirimati Island. “The first Phase 1, which will commence in 2020 has a budget of US\$15.4 million will focus on installing a solar plant with battery storage and undertaking infrastructure improvements, institutional strengthening and regulatory changes. The outputs of phase 1 will lay important foundations to commence phase 2 which has budget of US\$61million to ramp up renewable energy and battery storage for Kiribati to meet its 60% renewable target”, said Dr. Toatu.

The US\$5million allocated by the Climate Investment Fund will be combined with resources from the Asia Development Bank, our bilateral partners and also Government to meet the US\$15.4million needed to commence project implementation in 2020. Dr. Toatu acknowledged the contributions from multilateral and bilateral partners who are assisting Kiribati in being a part of the greatest challenge of this generation, climate change. Dr. Toatu also noted that with the recent allocation of funding for the Investment Plan and also the funds approved for the South Tarawa Water Supply project by the Green Climate Fund in late 2018, the Ministry of Finance and Economic Development has now mobilised over AUD\$100 million of climate funds.

“In 2017, Government made a strategic decision to establish a Climate Finance Division, which was a first for the country and the region. At the same time, Government prioritised the importance of climate finance and accelerated its efforts to mobilise the much-needed resources to address the impacts that climate change is having on Kiribati. I am very pleased to note that within two years we have mobilised just over AUD\$100million, the largest amount of funding for climate change in Kiribati to date.”

The Minister acknowledged its partners the World Bank, Asia Development Bank and the Climate Investment Fund for its support and commitment on behalf of the people of Kiribati, whose lives and very existence depends upon positive commitments by climate finance institutions such as the Climate Investment Fund.

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