



ANNUAL PROGRESS REPORT

Vanuatu Green Transformation Project

February – December 2023

25 January 2024

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Acronyms and abbreviations

BoQ	Bill of Quantity
BRANTV Project	Barrier Removal for Achieving the National Energy Road Map Targets of Vanuatu Project
DoE	Department of Energy
ESMP	Environmental and social management plans
GoJ	Government of Japan
GoV	Government of Vanuatu
IUNV	International United National Volunteer
MCO	Multi-Country Office
MoFA	Ministry of Foreign Affairs
NDC	Nationally Determined Contribution
NERM	National Energy Road Map
PMU	Project Management Unit
PV	Photovoltaic
RE	Renewable Energy
SESP	Social and environmental screening procedure
URA	Utilities Regulatory Authority
UNDP	United Nations Development Programme
VGET	Vanuatu Green Transformation Project

I. Background

UNDP, in partnership with the Government of Japan, launched a USD 37.53 million (equivalent to JPY 5.105 billion with the UN Official Exchange Rate of JPY 136.01/USD as of March 1, 2023) multi-country initiative titled 'the Project for Promoting Green Transformation in the Pacific Region towards Net-Zero Emissions and Climate-Resilient Development (hereinafter referred as **Pacific Green Transformation Project**)' in February 2023. The Pacific Green Transformation Project aims to support countries in the Pacific region in advancing their climate actions through innovation, helping communities build resilience, and adapting to climate risks, by providing access to renewable and cleaner energy and decarbonization. The project will be implemented for two years from February 2023 to February 2025 to support four Pacific Island countries (Papua New Guinea, Samoa, Timor Leste, and **Vanuatu**) to adopt a 'Green Transformation' of their economies that will reduce reliance on fossil fuels, drive sustainable economic growth and help them cope with the impacts of climate change.

Under overarching framework of the Pacific Green Transformation Project, the Vanuatu component, known as the 'Vanuatu Green Transformation (VGET) Project,' has been implemented with the overall objective of contributing to the goal of the Government of Vanuatu to achieve the National Energy Road Map (NERM), i.e., 100% electrification with renewable energy by 2030, by installing pico hydro power stations in selected locations. By achieving the project results, the VGET Project will directly support the GoV in delivering their national climate pledges, namely Nationally Determined Contributions (NDC), that set emission reduction targets.

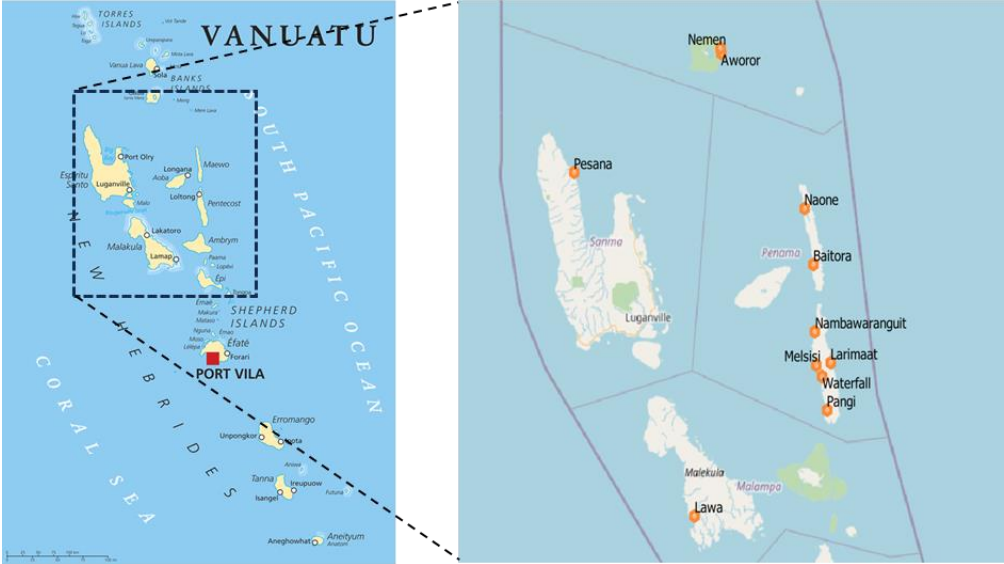
Issue and context

The rural population in Vanuatu needs more access to renewable energy. Vanuatu has approximately seven years to realize the target set in the NERM described above. According to the latest Utilities Regulatory Authority (URA) monthly energy update issued in November 2022, 80% of the concession area's energy source is non-renewable or diesel. According to the Post Cyclone Pam Mini-Census Report, only 30% of the population have access to a reliable energy source, and 70%, including those in remote rural areas, need more access to secure and reliable energy services. Vanuatu's 2017 census indicates that 71% of the nation's roughly 280,000 people lack access to grid electricity. As per the census, over half of those off-grid households have no access to power besides a solar lantern; around 72% have access only at this solar lantern level or somewhat better level of pico-photovoltaic (PV) systems (usually with the power generation capacity of 10 to 20 watt). To support the GoV in addressing this challenge, UNDP implemented a project titled '[Barrier Removal for Achieving the National Energy Road Map Targets of Vanuatu \(BRANTV\)](#)' from November 2018 to December 2023 with the financial support from the Global Environment Facility. Under the BRANTV Project, UNDP conducted a feasibility study of a pico hydropower station for 13 possible sites, and out of the 13 locations, supported installment of two pico hydro stations.

The VGET Project was proposed as a beacon of renewable energy hope for remote communities in Vanuatu by focusing on installation of pico hydro stations in eight sites which were covered by the feasibility study conducted under the BRANTV Project. They are:

Waterfall, Nambwaranguit, Melsisi, Larimaat, Naone, Gaua, Persona and Lawa across five islands in the country (Please see the project site map provided below). The preliminary data collected for the feasibility study was utilized for assessments and stakeholder consultations in determining energy requirements and selecting the VGET project locations.

Figure 1: Map of the proposed project sites for pico hydro stations



As a part of the multi-country Pacific Green Transformation Project, the VGET Project unfolds through a unique implementation arrangements where UNDP Pacific Multi Country Office (MCO) in Fiji steers the strategic direction, while a dedicated Project Management Unit in Vanuatu oversees day-to-day management of the implementation, and the Regional Project Management Unit based in UNDP Bangkok Regional Hub provides cross-cutting support, ensuring smooth project execution and knowledge sharing across the region.

After the funding agreement was signed with the Government of Japan in February 2023, UNDP went through the required procedures to formally set up the project and undertook the social and environmental screening procedure (SESP) in each country prior to the start of the project in line with UNDP’s corporate requirements for project risk management. Upon completing all the required steps, the VGET Project was officially operationalized in June 2023.

This annual progress report outlines the implementation progress since the inception of the project until December 2023.

II. Project outcomes and outputs

Output 1: Support achieve the National Energy Road Map (NERM), i.e. 100% electrification with Renewable Energy by 2030 by installing eight Pico hydro projects

The overall objective of the VGET Project is to contribute to the GoV's efforts to achieve the NERM i.e. 100% electrification with renewable energy by 2030 by installing eight pico hydro projects/stations.

By achieving the project results, the VGET Project will contribute to the Pillar 1 outcome set under UNDP's global Climate Promise Initiative, namely: *Clean energy and just transition towards net-zero pathways*, by driving investment in clean energy (Climate Promise Output 1.1), supporting Ministries of Energy, Finance, Environment and Planning to address key energy-related decisions (Climate Promise Output 1.2), and aligning energy targets in NDCs with net-zero pathways (Climate Promise Output 1.3).

In order to achieve the expected results, the project has five key activities:

- Activity: 1.1.** Finalize a feasibility study and detail design estimates for installation of 8 pico hydro
- Activity: 1.2** Develop detailed technical specifications and procurement to install 8 pico hydro
- Activity: 1.3** Install pico hydro stations and strengthen resilience of rural communities through renewable energy sources
- Activity: 1.4** Strengthen capacity of national and local governments in operation and maintenance of the newly installed systems
- Activity: 1.5** Monitoring, Communication and Coordination (Cross-cutting interventions including knowledge sharing and south-south cooperation)

Environmental and social impact assessments

Before setting out, the project meticulously undertook the Social and Environmental Screening Procedure (SESP) as per UNDP's project risk management requirements. This crucial step identified a "moderate" risk rating, prompting further precautions.

Following the risk rating, site-specific Environmental and Social Impact Assessments (ESIAs) were conducted from August to December 2023 to ensure that potential environmental and social impacts of the project were identified, and an appropriate environmental and social management framework was put in place at an early stage to avoid and mitigate adverse effects. As results of the feasibility study indicated a need for prioritization among the eight proposed project sites, the VGET Project went ahead with the ESIAs in the following four priority sites in Pentecost Island: Waterfall, Melsisi, Larimaat, and Nambwaranguit (Please refer to the project map in the previous section). Public consultations played a vital role in this process. The project team engaged and consulted with a broad range of stakeholders including national and local governments, provincial and local community representatives,

area administrators, communities, youths, women groups, and people living with disabilities, informing the development of comprehensive Environmental and Social Management Plans (ESMPs) for each site. These site-specific ESMPs, along with the ESIA, were designed to adhere to all relevant legal and regulatory frameworks. They outline specific measures to avoid or mitigate potential adverse effects and provide a framework for monitoring their effectiveness throughout the project. Applications for environment permits were submitted for all four sites. Upon the completion of the Department of Environment’s duly review, permits are expected to be issued in early 2024.

Image: Final round of ESIA community consultations in Rowok community for Waterfall site in Pentecost Island in November 2023 post category 5 Cyclone Lola.



III. Implementation progress

Though it started with a measured pace, 2023 proved a year of immense importance for the VGET Project. This foundational year saw essential steps taken to prepare for the construction of pico-hydro stations. These early milestones pave the way for brighter, cleaner energy access in the years to come.

Feasibility Study

An extensive feasibility study undertaken from October 2022 through June 2023, as part of the BRANTV project which is another project implemented by UNDP to support Vanuatu in achieving the NERM. Utilization of results of the BRANTV-supported feasibility study was decided as a strategy to fast track the project implementation in the inception period. The feasibility study covered the evaluation of eight remote locations which had been proposed to host pico-hydropower systems under the VGET Project. This rigorous assessment identified four highly suitable sites – Waterfall, Nambwaranguit, Melsisi, and Larimaat – while highlighting the need for further investigation at the other four sites (Naone, Gaua, Persona, and Lawa) due to specific concerns like water flow or accessibility. Please refer to the map of the proposed project sites provided in the previous section. Subsequently, the Department of Energy (DoE) provided formal recommendations prioritizing the confirmed sites for initial development, as outlined in Table 1.

Table 1: Department of Energy (Vanuatu) assessed priority sites for the pico-hydro system

Feasibility Criteria	Technical	Operational	Conclusion	Priority of Sites
Sites				
Waterfall (Central Pentecost) Hydro Only	Yes, feasible (Hydro Only)	Yes, feasible	Yes feasible	1
Melsisi (Central Pentecost) Hydro Only	Yes, feasible (Hydro Only)	Yes, feasible	Yes, feasible	2
Nambwaranguit (Pentecost) Hybrid system. Hydro + Solar PV	Yes, with hydro. Solar PV capacity might be required to increase system reliability during dry season and to expand services to neighboring communities.	LCOE (Levelized Cost of Energy) above affordability threshold. Operation can be cross subsidized with other systems in Pentecost (concession).	Yes, feasible. Operation to be cross-subsidized with other mini-grids in Pentecost. Addition of PV capacity would be very beneficial to increase system reliability	3
Larimaat (Pentecost) Hybrid System Hydro + Solar PV	Yes, feasible. Operation to be cross-subsidized with other mini-grids in Pentecost. Addition of PV capacity would be very beneficial to increase system reliability	LCOE above affordability threshold. Operation can be cross subsidized with other systems in Pentecost (concession).	Yes, feasible. Operation to be cross-subsidized with other mini-grids in Pentecost. Addition of PV capacity would be very beneficial to	4

			increase system reliability	
Gaua (Banks Islands) Hybrid System Hydro + Solar PV	Hydro only feasible for Aworor and Nemen. Connection of communities close to the airport it is possible but additional PV capacity might be required.	LCOE above affordability threshold. Yearly subsidies in the range of + USD 50,000 required to make it feasible	Feasible if operational subsidies are provided. If service is expanded to communities close to the airport, adding PV capacity might be required.	5
Naone (Maewo) Hydro Only.	Yes, hydro only	LCOE above affordability threshold. Yearly subsidies in the range of + USD18,000 required to make it feasible	Feasible if operational subsidies are provided.	6
Lawa (Malekula) Hybrid system Hydro + Solar PV	Yes, but PV capacity is required to meet the existing and future demand. Existing hydro potential not sufficient to meet demand	Yes. Operation to be included inside of the concession servicing the other nearby mini grids to be built.	Feasible if solar added to the hydro generation capacity.	7
Pesona (Santo/Northern Tip) Hydro Only.	Yes, With Hydro	LCOE above affordability threshold. Yearly subsidies in the range of + USD 16,000 required to make it feasible	Feasible if operational subsidies are provided	8

Detailed Designs and Bill of Quantity

Upon receipt of the DoE's recommendations, detailed designs and Bill of Quantity (BoQ) were developed, with the financial support by the BRANTV Project, for construction of pico hydro stations in the four priority sites, while UNDP continued to discuss about the other four sites. It is important to note that, for detailed designs, the Department of Energy formally requested the UNDP to expand the capacity of power coverage to benefit more communities in each site. The request was made based on the endorsement by the Minister of Climate Change of a petition submitted in January 2023 by local communities near the proposed project sites urging expansion of electrical networks by pico hydro stations. This request, aligned with stakeholder consultations, aimed to strengthen resilience of rural communities through wider clean energy access and, therefore, the project positively responded by expanding detailed designs to encompass additional communities and subsequently developed a costed BoQ.

A dedicated engineering firm, collaborating with DoE personnel, meticulously conducted detailed assessments for four Pentecost Island sites (Waterfall, Nambwaranguit, Melsisi, and Larimaat), including the added communities. These assessments covered connections,

beneficiaries, energy needs, and infrastructure requirements like cabling, flyovers, and pump houses.

Analysis of the data revealed a crucial finding in September 2023, that the initial USD 2.5 million allocated for eight pico-hydro stations (Activity 1.3) would only cover three sites, at best, with potential adjustments depending on the procurement process. This translates to a potential budget shortfall of USD 488,546 for the four Pentecost sites, not including an additional USD 2,055,577 for the remaining four island sites (excluding site preparation). Therefore, the initial funding can only cover three sites, subject to procurement outcomes. Notably, incorporating additional communities significantly increased both direct beneficiaries and energy demands, as detailed in Table 2.

Table 2: Comparison of proposal vs. updated results estimates

Proposed revisions in the result target and approval by the Project Board:

To optimize project resources and ensure maximum impact, the joint Regional Project Board, after thorough deliberation on December 13, 2023, approved a strategic adjustment. The revised plan focuses on installing three pico-hydro stations (Waterfall, Melsisi, and Larimat) on Pentecost Island within the existing project budget of USD 2.5 million. This decision, while reducing the initial target of eight sites to three sites, upholds the project's overall beneficiary goals. By strategically expanding the electrical network to reach more remote communities, the revised plan effectively leverages the available resources to deliver impactful energy access to a wider population. Please refer to the separately attached minutes of meeting of the second meeting of the Regional Project Board and a note-to-file which provides detailed analyses of the proposed revisions.

Preliminary consultations and information sharing were conducted with the Ministry of Foreign Affairs (MoFA) of Japan and the Embassy of Japan in Vanuatu pre- and post-Project Board's approval to ensure the donor's initial feedback would be duly reflected. To formally implement this revised approach, the UNDP Pacific MCO in Fiji, in collaboration with the

Project Proposal Information - FS Table 27 - Dec 22 (A)									Updated Information – FS & DD June 23 (B)								
Site	Cost (USD)	Connections	Beneficiaries				Energy – Hydro (kW)	Energy - PV (kWp)	Infor Ref	Cost (USD)	Connections	Connections				Energy – Hydro (kW)	Energy - PV (kWp)
			HH	BB	II	People						HH	BB	II	People		
*Hybrid																	
WaterFall	378,464	146	121	14	11	661.5	13		1,139,047	368	306	35	26	1364	23	0	
Melsisi	315,194	123	100	13	4	553.7	15.2		1,041,798	385	362	14	9	1842	31	0	
Laringmaat	102,558	41	31	5	5	176.4	3		341,719	112	93	11	8	509.6	6.3		
*Nambaranguit	100,253	37	27	3	7	147	1.35	1.6	465,982	167	141	12	14	749.7	3.5	25	
Sub Total	896,469	347	279	35	27	1,539	33	2	2,988,546	1,032.00	902	72	57	4466	63.8	25	
*Awuro (Gaua)	506,285	157	123	23	11	715.4	11		1,012,570	314	250	38	26	1411	18		
*Lawa	241,614	135	101	24	10	612.5	6	17	604,035	202	168	24	10	940.8	7	28	
Naone	118,265	52	38	8	6	225.4	4		118,265	52	38	8	6	225.4	4		
Persena	139,438	64	53	6	5	289.1	4.7		320,707	114	98	9	7	524.3	6.3		
Sub total	1,005,602	408	315	61	32	1,842	26	17	2,055,577	682.00	554	79	49	3102	35.3	28	
Total	1,902,071	755	594	96	59	3,381	58	19	5,044,123	1,714	1,456	151	106	7,567	99	53	

Regional Project Management Unit, will submit a request to the Embassy of Japan in Vanuatu. This request will seek the Government of Japan's approval for the revised target of three pico-hydro stations, maintaining all other project objectives.

Major Procurements

Moving forward, the commencement of civil works procurement hinges on the timely acquisition of environmental permits, lodged in December 2023 following the finalization of site-specific ESIA's and Environmental and Social Management Plans (ESMP). Upon receipt of these permits, anticipated in January 2024, the procurement process for pico-hydro installation in the three selected sites will be launched by January and February 2024. Currently, the first procurement documentation package encompassing the construction in Waterfall and Melsisi is under review by UNDP Specialized Procurement Unit. The procurement notice is expected to be announced by January 31st, 2024. The second package, intended for the Larimaat site only, is planned for launch by February 29th, 2024. Civil works for installing pico-hydro stations and the associated electrical network grids at the three selected sites (Waterfall, Melsisi, and Larimaat) on Pentecost Island are scheduled to commence upon securing the aforementioned permits and contractors. Projected completion for this phase is December 2024, subject to contractor timelines and effective risk management measures.

During the reporting period, essential IT equipment to establish A Project Management Unit (PMU) in Vanuatu, was also procured. Additionally, short-term consultants were recruited to provide on-the-ground support for project implementation.

Strengthened capacity of national and local government in operation and maintenance of the newly installed systems

Back in November 2023, fruitful discussions were initiated with the DoE to ensure the VGET Project aligns with their vision for energy access in Vanuatu. Drawing from valuable lessons learned in past demo projects, DoE highlighted the need for a comprehensive capacity assessment. This crucial step, slated for completion in March 2024, will shed light on specific training requirements for communities, local government, and national actors.

The capacity development plan will be a comprehensive roadmap to empower communities and ensure the project's long-term success. It will encompass critical areas like equipping individuals with tools and operational knowledge, establishing robust maintenance practices, facilitating skill development through workshops, and implementing effective monitoring and communication systems. All this, with transparent cost management, will be guided by our PMU energy specialist, working in tandem with regional expertise. This collaborative effort promises to not only illuminate homes but also build local capacity, driving the project's sustainable impact across Vanuatu.

Project Management Unit

Building a strong foundation for project success, the VGET Project established a dedicated PMU in September 2023 in Port Vila, Vanuatu. Initially, UNDP Pacific Office adaptively

managed the project with its existing program staff, ensuring smooth progress until the key PMU positions were filled. Despite challenges in recruiting for the short project duration, the team persevered. Strategic reclassification and salary upgrades made the positions more attractive, and by December 2023, interviews for the Admin and Finance Analyst, Communication and M&E Officer (Japanese IUNV), and Energy Specialist were successfully completed. Recruitment of these crucial roles is expected to be finalized by March 31st, 2024, marking the full assembly of the six-member PMU team.

IV. Challenges and lessons learned.

Challenges and mitigation measures

The section below provides an update on the challenges encountered in the implementation of the project activities and the strategies adopted to address these challenges. It follows up on the issues highlighted in the monthly progress report and outlines the efforts made towards resolving them.

Construction of pico hydro power stations: The feasibility study revealed that the initial budget allocated is insufficient, which will restrict the construction to only 3 pico hydro stations out of the 8 originally proposed. In addition to the risk not meeting the initial result targets, this may create an unexpected tension with the GoV as the GVET Project cannot fulfill the initial expectations.

Mitigation Efforts: After a thorough analysis of the relevant information, the VGET Project decided to seek the Government of Japan's approval to revise the result targets post-endorsement by the Regional Project Board. Project Manager for Vanuatu is continuously engaging with the GoV counterparts and stakeholders to solicit their understanding on the current situation and address resource limitations. Seeking additional funding or resource mobilization to enable the construction of the remaining stations.

Possibility of slow and/or disrupted implementation due to logistical constraints, stakeholder coordination, and weather conditions: Even though the proposed revision of the number of pico hydro stations will reduce the scatteredness of the project sites, the selected three priority sites are still located in a remote island which can be reached by ferry, boats and flight from Santo and Port Vila, where PMU and the main government offices are based. This remoteness to the main project sites will cause logistical constraints and challenges in stakeholder coordination especially at the community level. Considering seasonal occurrence of typhoons and other extreme weather conditions in the country, the project's ability to travel to and carry out the construction in the project sites will be also largely affected by weather conditions.

Mitigation efforts: Under the leadership of Project Manager, the project will implement robust risk management and mitigation strategies and develop contingency plans to address logistical challenges and weather-related disruptions. The timing of the procurement actions for the construction will be highly critical and need a close attention. Enhanced coordination mechanisms will be introduced to improve stakeholder collaboration and communication in the project sites.

Delays in establishing a fully staffed PMU: Recruitment of key project personnel has been delayed particularly due to unavailability of qualified international candidates who can be based in Vanuatu despite multiple hiring efforts.

Mitigation Efforts: Project Manager is closely monitoring the recruitment process and following up Human Resources Unit of UNDP Pacific MCO to expedite the hiring process. Consultations were also held to make interim arrangements to fill capacity gaps and also

explore the possibility to leverage national expertise as well as specific technical support from the Regional PMU. These includes possibilities to get consultants to fill in the capacity gaps in some cases.

V. Risk management and mitigation measures

Risk	Risk Treatment / management measures	Who	Date
<p>1. Projects inability to fulfil the current commitment to install 8 Pico hydro stations due to increased cost estimates.</p>	<p>Consultation with the Government on the project’s commitment and potential impacts. Support to resource mobilization process for funding installation at other sites</p>	<p>Project Manager</p>	<p>30 Jan 2024</p>
<p>2. Natural disasters and Extreme climate events will affect the progress of project and moreover, the design of the Pico Hydro Project infrastructure may not withstand climate change impacts including both severe droughts and increased intensity of cyclones. The annual probability of severe cyclones affecting the country is relatively high. In addition, earthquakes, volcanic eruptions and tsunamis are frequent and may impact on the project sites and Vanuatu as a whole.</p>	<p>While such emergency situations are unavoidable and, once they occur, impacts on project implementation inevitable. The project implementation falls in between to 2 cyclone period and the limited duration of the project has not been set to minimize the impact of delays. Requirements for project’s off-grid RE power design work will explicitly include incorporation of natural disaster risk mitigation measures. However, the Project is working to ensure the procurement process concludes by end cyclone period (March 2024) and construction of structures to be concluded prior to next cyclone season starting November 2024. Additionally, the Project will collaborate with Environmental Experts to mitigate and adapt to potential Risks</p>	<p>Project Manager</p>	<p>30 Mar 2024</p>
<p>3. Political instability, changing leadership at national and local level resulting in project delays or refocus and/or suspension</p>	<p>Vanuatu has high probability of change in leadership causing political instability. However, the probability of a leadership change resulting in refocus of the project is highly unlikely given that RE is unequivocally a national priority. However, delays in project decision making are a likely consequence. The project will work closely with the DOE’s National Advisory Board, island councils and community leaders to ensure that these key stakeholders are updated with progress and would be able to keep national and local leaders updated.</p>	<p>Project Manager</p>	<p>30 May 2024</p>

VI. Way Forward

The section below outlines the next steps planned for the project. These steps are crucial for the continued progress and successful implementation of the project alignment with its objectives and the expectations of the Government of Japan.

The Second Project Board Meeting took place on 13 December 2023. The project held a face-to-face meeting in Bangkok during the week starting 21st November 2023 (specifically on 23rd and 24th November 2023 to prepare for the Board Meeting. Part of the preparation was to put together a comprehensive Annual Workplan and Budget for 2024 supported by a concrete procurement plan. Gearing up for the construction, the procurement process is expected to commence in early in 2024.

The Project Manager was also tasked with compiling information to provide a clear understanding of the challenges related to resource availability for the pico hydro stations to enable the Project Board to recommend a way forward on the fourth priority site (Nambwaranguit). This included developing concrete recommendations to be shared with the Government of Japan. The Regional PMU, through its interim Strategic Partnerships Specialist based in Japan, will ensure the provision of necessary technical and coordination support in preparing and communicating the recommendations to the MoFA Japan in a timely and effective manner.

The capacity assessment will be carried out in the first quarter of 2024, which will inform the designing of capacity building training programmes to equip government officials and local communities with the knowledge and skills to operate and maintain the new systems. This empowers local stakeholders to ensure the project's long-term sustainability.

Looking Ahead: 2024 and Beyond:

- Construction will commence on Pentecost Island, potentially bringing clean energy to thousands by December 2024.
- Continued community engagement and capacity building will remain a priority.
- Monitoring and evaluation efforts will ensure the project's effectiveness and contribution to Vanuatu's NERM goals.

A Brighter Future for Vanuatu

The VGET Project is more than just an infrastructure development project; it's a beacon of hope for a brighter future. By harnessing the power of renewable energy, we are illuminating sustainable development, empowering communities, and paving the way for a greener Vanuatu. We are excited to continue this journey in 2024 and beyond, illuminating lives and lighting the path towards a thriving, sustainable future for all.

Annex 1: Financial report

	Total Budget (US\$)	2023 Planned Budget (US\$) (February 23 - 31 December 23)	Commitment and Expenditures
			Amount (US\$)
Vanuatu			
Activity: 1.1. Finalized feasibility study and detail design estimate for installation of 8 Pico Hydro	129,600.00	77,328.00	3,221.82
Activity: 1.2 Developed detailed technical specifications and procurement of the 8 Pico hydro	129,600.00	54,000.00	0
Activity: 1.3 Installed Pico Hydro stations and strengthen resilience of rural communities through renewable energy sources	2,700,000.00	0	0
Activity: 1.4 Strengthened capacity of national and local government in operation and maintenance of the newly installed systems	494,100.00	35,100.00	0
Activity: 1.5 Monitoring, Communication and Coordination	1,245,815.54	132,459.42	64,956.53
Project Management	1,123,200.00	186,711.57	61,416.43
<u>Total</u>	5,822,315.54	485,598.99	129,594.78

Note: Please note that the financial figures provided above are tentative. An Annual Certified Financial Statement for 2023 will be provided by 30 June 2024 separately.

Annex 2: Result reporting framework (Initial plan)

Project Output Indicators	Data Source	Baseline (M/Y)	Target (2023-2025)	Progress Against Target (M/Y)	Frequency	Data Collection Methods (M&E Activities)
1.1 Number of Pico Hydro stations installed in 8 locations and integrated in the national Grid System*	Joint Field Visit (DOE, UNDP, JICA) Report, DOE webpage. Final Report of Feasibility Study	2 (Dec 2022)	10*	0	Annually	Project M&E Visits; Monthly Engineers report;
1.2 Number of residents to have access to clean energy (disaggregated by: male, female and youth (15-24))	Joint Field Visit (DOE, UNDP, JICA) Report. Registration Report of Utility Regulatory Authority (URA)	1250 (Dec 2022)	3616*	0	Annually	Registration Report of Utility Regulatory Authority (URA)
1.3 Number of government officials and staff trained	Report on DOE Capacity building /Interview with capacitated staff	2 (Dec 2022)	12*	0	Quarterly	Report on DOE Capacity building
1.4 Number of green/sustainable jobs created (disaggregated by: male, female and youth (15-24))	Joint Field Visit (DOE, UNDP, JICA) Report, Market Survey	10 (Dec 2022)	20*	0	Quarterly	Joint Field Visit (DOE, UNDP, JICA) Report, Market Survey

*Note: Post approval from the Government of Japan in 2024, these target values will be updated in accordance with the proposed revisions.