Fiji renewable electricity

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Suva, Fiji, May 24, 2016 - The Lal family live in Nakasi, a town about 30 minutes" drive from of Suva, capital of Fiji. While many Fijians do not consider this a "rural" area, they are a kilometer (0.6 miles) away from the closest electricity grid.

With no power lines available, and other forms of energy such as diesel-powered generators extremely expensive to operate, access to electricity for families like the Lals has, until recently, remained a constant challenge.

Renewable energy sources - using the sun, wind and water - are more environmentally friendly and sustainable than traditional sources and can prove cheaper in the longer run. In the Pacific Islands, where sun, wind and water are readily available, renewable energy remains an untapped opportunity to provide people with electricity in sustainable ways.

Despite support from governmentsand international organizations for renewable energy development in the region, many Pacific Island countries still spend as much as 10-25% of their gross domestic product on fuel imports, and one in every seven dollars of Fiji"s national income is spent on oil.

Fiji is keen to change this - their Sustainable Energy for All goals include sourcing more than 80% of the country"s electricity from renewable energies by 2020, and 100% by 2030. For citizens, however, buying the right equipment to generate this electricity can be prohibitive, particularly for families with limited income like the Lals.

Renewable energy requires a large initial investment and banks are often reluctant to lend to rural, low income and seasonal income families with no credit history, or to companies borrowing large amounts to invest in these relatively new technologies.

To encourage financial institutions to lend money for renewable energy equipment like solar panels and hydro units, a risk sharing fund has been established through the World Bank"s Sustainable Energy Finance Project. The fund, administered by ANZ Bank and funded by the Global Environment Facility, allows participating institutions - Fiji Development Bank and ANZ Fiji - to "share the risk" of lending, helping companies buy in bulk, reduce costs and supply the growing market.

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Through the project, more than 60 loans have already been approved for renewable energy equipment. These loans have been taken out by small enterprises, community organizations and individuals. The project has also provided training to five small enterprises and community organizations on equipment repair and maintenance, as well as general business skills, such as analyzing market trends.

CBS Power Solutions, a local company working in renewable energy, first heard about the risk sharing fund in 2009 and subsequently took out a loan to buy the equipment needed. They now install solar panels across the Pacific Islands. The Lal family was one of the first houses in Fiji they worked with, installing four 140-watt solar panels and providing information on how to use and maintain them for electricity generation.

"Getting a loan to buy new technology can be hard - without proof there is enough demand to allow us to repay the loan, banks are often unwilling to take that risk," said Ravinesh Chand, Electrical Engineer at CBS Power Solutions. "That"s why this project is so important. It"s really given the industry the kick-start it needs, now we"re installing solar panels and other renewable energy equipment all over Fiji and the Pacific region."

"Electricity is a need in today"s society," said Sanjeev. "We needed it for the kids to study and watch TV, for the freezer for our food, for fans and computers. That"s why I was happy to make the investment."