



Australian nfrastructure Financing Facility or the Pacific

## FACT SHEET

# **Connecting Solomon** Islands' capital to electricity via transmission line

Project Name: Tina River Hydropower Transmission System

#### **AIFFP INVESTMENT**

LOAN: AUD15.1 million GRANT: AUD17.3 million

#### PARTNERS

Solomon Islands Government Solomon Islands Electricity Authority **CONSTRUCTION** 2025 onwards

COMPLETION 2027

## About the project

Australia, through the Australian Infrastructure Financing Facility for the Pacific (AIFFP), has provided a loan and grant package to the Solomon Islands Government to support the construction of a transmission line connecting the Tina River hydropower site to the main electricity distribution point in east Honiara, the capital. The Tina River hydropower site has been under development for more than a decade, supported by a range of partners. The transmission line is a necessary component of the broader project as it will enable the electricity generated to be distributed to the main grid and on to consumers. The hydropower project will provide cheaper and more reliable electricity for residential, government and commercial customers, reducing the country's exposure to volatile global fuel prices and dependance on diesel generated electricity. It will also provide opportunities for improved government services, private sector development and entrepreneurship.



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# Infrastructure highlights

In partnership with governments and private sector firms in the Pacific, the AIFFP facilitates the delivery of high quality, resilient infrastructure. This project's anticipated infrastructure footprint will include:





#### **15 MEGAWATTS**

OF ELECTRICITY TRANSMITTED (PRODUCED VIA THE BROADER HYDROPOWER PROJECT)

## Impact at a glance

Across all its projects, the AIFFP prioritises lasting development and economic outcomes for people and communities. Its approach is guided by five impact areas: local content; climate resilience; social and environmental safeguards; gender equality, disability and social inclusion; and quality and integrity.

The project enables the transmission of electricity that will contribute to lower generation costs as a result of reduced dependence on diesel generated electricity. Its anticipated impact will include:

#### **GENDER EQUALITY, DISABILITY AND SOCIAL INCLUSION**

Reducing the cost of power and improving its reliability offers **substantial benefits for women and their families** in Solomon Islands alongside other groups. To ensure women and girls' needs are met, the project draws upon and seeks to build on gender work underway as part of the broader hydropower project. This includes **ensuring gender equality** in opportunities for education, skill building, training and safe employment, such as construction-related pre-employment and business opportunity training with project communities.

### **CLIMATE RESILIENCE**

The transmission system will connect the hydropower site to the Honiara distribution grid, and is fundamental to the realisation of the **positive climate mitigation effects** of the broader project. The hydropower project is the **largest renewable energy initiative in the country**, and Australia's **largest climate finance investment in the Pacific.** It will displace diesel generation that currently supplies up to 83 per cent of Honiara's annual electricity demand. It will **lower the cost of electricity** generation, and diversify generation capacity towards **clean, renewable sources.** It will meet **100 per cent** of Solomon Islands' international commitment for emissions reduction under the Paris Agreement.

The broader hydropower project will provide Solomon Islands with reservoir capacity, giving flexibility to the power system to **enable higher penetration solar power** without the need for large and expensive energy storage or diesel generators.

Information as of December 2024



To learn more about the AIFFP, visit our website