

 Early Warning System

ADB-55191-001

Maldives : Accelerating Sustainable System Development Using
Renewable Energy Project



Quick Facts

Countries	Maldives
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2023-09-12
Borrower	Government of Maldives
Sectors	Agriculture and Forestry, Climate and Environment, Energy, Law and Government
Investment Type(s)	Grant, Loan
Investment Amount (USD)	\$ 75.50 million
Loan Amount (USD)	\$ 18.50 million
Grant Amount (USD)	\$ 57.00 million
Project Cost (USD)	\$ 98.50 million



Project Description

As stated by the ADB, the Maldives has significant renewable energy resources, i.e., the potential to generate solar power, ocean energy and in some pockets, wind power. To improve energy security, the government has committed to increase the use of renewable energy and promote energy efficiency. In 2014, the government has initiated two major programs (i) Preparing Outer Islands for Sustainable Energy Development (POISED) supported by the Asian Development Bank (ADB) to introduce solar photovoltaic battery-based hybrid systems in outer islands; and (ii) Accelerating Sustainable Private Investments in Renewable Energy supported by World Bank to mobilize private sector investments in solar photovoltaic in greater Male region.

The POISED project was approved by ADB's Board of Directors on 29 September 2014 and is one of the largest renewable energy sector interventions in Maldives. The project finances the replacement of inefficient diesel-based power generation grids in 160 outer islands of Maldives and in Male with renewable-energy-ready grid systems, energy management systems, upgraded distribution grids including online monitoring and supervisory control systems. These interventions will contribute to reducing the cost of electricity, the subsidy burden on the government budget, and emissions, and will diversify the power generation mix. ADB also approved a second additional financing on 30 October 2020 to expand the POISED project.

The POISED project has played a vital role in escalating the penetration of renewable energy and the project has installed more than 10.5 MW of solar photovoltaic capacity, 5.6 megawatt-hours of battery storage, and 11.6 MW of energy-efficient diesel generators and associated investments covering 70 outer islands across eight atolls. The implementation is in various stages for remaining 90 islands. The project also supported the preparation of renewable energy road map for the energy sector; initiating regulatory and net metering reforms; and improving the capacity of the Ministry of Environment (MOE), FENAKA, and STELCO focusing on renewable energy. The project also supports several gender initiatives such as (i) awareness campaigns on renewable energy covering island communities, women development councils, students, and government organizations; (ii) providing training and creating internship and employment opportunities for women in utilities; and (iii) developing gender inclusive renewable energy-based income generation activities through fisheries and other pilot interventions.



Early Warning System Project Analysis

The ADB categorised the project risk as follows:

Environment B

Involuntary ResettlementC

Indigenous Peoples C



Investment Description

- Asian Development Bank (ADB)

Financial contributions to the project will come from the following:

- Climate Change Fund;
- Asian Development Fund;
- Japan Fund for the Joint Crediting Mechanism;
- Asia Pacific Climate Finance Fund;
- Clean Technology Fund; and
- the Private Sector.



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



Bank Documents

- Gender Equality and Social Inclusion Action Plan
- Grant Agreement (Climate Change Fund) for Grant 0901-MLD
- Grant Agreement (Externally Financed - Asia-Pacific Climate Finance Fund) for Grant 0903-MLD
- Grant Agreement (Externally Financed - Clean Technology Fund) for Grant 0904-MLD
- Grant Agreement (Externally Financed - Japan Fund for the Joint Crediting Mechanism) for Grant 0902-
- Grant Agreement (Special Operations) for Grant 0900-MLD
- Initial Environmental Examination - Appendices Part 1
- Initial Environmental Examination - Appendices Part 2
- Initial Environmental Examination - Appendix 15
- Initial Environmental Examination - Appendix 16
- Initial Environmental Examination - Appendix 6
- Initial Environmental Examination - Appendix 6A
- Initial Environmental Examination - Appendix 6B
- Initial Environmental Examination - Appendix 6C
- Initial Environmental Examination - Appendix 6D Final Report 2 Part 1
- Initial Environmental Examination - Appendix 6D Final Report 2 Part 2
- Initial Environmental Examination - Appendix 6D Final Report 3 Part 1
- Initial Environmental Examination - Appendix 6D Final Report 3 Part 2
- Initial Environmental Examination - Appendix 6D Final Report Part 1
- Initial Environmental Examination - Appendix 6D Final Report Part 2
- Initial Environmental Examination - Appendix 6D Final Report Part 3
- Initial Environmental Examination - Appendix 6E Part 1
- Initial Environmental Examination - Appendix 6E Part 2
- Initial Environmental Examination - Appendix 6E Part 3
- Initial Environmental Examination - Appendix 6F
- Initial Environmental Examination - Appendix 7
- Initial Environmental Examination - Appendix 9 Part 1
- Initial Environmental Examination - Appendix 9 Part 2
- Initial Environmental Examination - Main Report
- Initial Poverty and Social Analysis
- Loan Agreement (ADB Clean Technology Fund) for Loan 8454-MLD
- Loan Agreement (Ordinary Operations [Concessional]) for Loan 4344-MLD
- Project Administration Manual
- Report and Recommendation of the President
- Social Due Diligence Report

Media

- ADB Approves Support to Expand Renewable Energy in Maldives
- ADB, Maldives Sign Agreements to Expand Renewable Energy Access



Other Related Projects

- ADB-57208-001 Maldives : Project Preparatory and Capacity Building for Renewable Energy Projects