



From
the People of Japan

PRESS RELEASE

Press Release No: 20/2020

Date: 18 March 2020

Japan Formalizes Grant for Provision of Generators

The Government of Japan will provide assistance worth 111 million Japanese Yen (approximately AU\$1.7million) to the Government of Tuvalu through its Economic Social Development Programme (ESDP). The funding assistance will enable the procurement of products for power generation such as generators for Tuvalu Electricity Corporation.

Honourable Simon Robert Kofe, Minister for Justice, Communications and Foreign Affairs and H.E. Mr. Masahiro Omura, Ambassador of Japan, will formalise Japan's assistance to Tuvalu at an Exchange of Notes signing ceremony hosted by the Tuvalu High Commission, at **Tuvalu House 16 Gorrie Street, Suva, at 3:00PM, on Wednesday, 18 March 2020.**

We welcome your attendance at the ceremony, and for further queries please contact Mr. Peni Saurara on email address: peni.saurara@fj.mofa.go.jp or ojeconomics@fj.mofa.go.jp and telephone number: (+679) 3304633.

Details of the Project for Procurement of Two Generators

- 1) **Purpose:** Procurement of two Generators
- 2) **Recipient:** Ministry of Transport, Energy and Tourism
- 3) **Project Details:** Tuvalu's electricity generation is managed by Tuvalu's Electricity Corporation (TEC). In September 2018, one generator managed by TEC started to developed problems resulting from a burnt stator. In August 2019, a second generator faced some mechanical issues with the gear terrains. TEC do not have any option but to take the risk by running the generator at a lower loading capacity.

In late 2019, TEC received an expert opinion to shut down the generators to avoid further mechanical problems that could cause a major catastrophe. The remaining generators had to share load, and electricity supply was rationed causing power shut down for 3 – 4 hours in a day. The shutdown has impacted the general population including schools, hospitals, government Ministries and businesses.

The Government of Japan understands the importance of electricity supply to the people and the Government of Tuvalu. The provision of generators will greatly support TEC in providing consistent supply of power to the general population and Tuvalu's domestic economy.

Background of the Economic Social Development Programme (ESDP)

ESDP is a type of assistance which is intended to support the socio-economic development efforts, including poverty reduction, of developing countries. The ESDP has a facility for providing foreign currency for import of goods, machinery and other amenities (industrial materials such as petroleum and steel products etc.) necessary to promote economic and social development efforts of recipient countries.

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