



Overview of Renewable Energy Development in Caribbean SIDS

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Presented to the

High-Level Roundtable on International Cooperation for Sustainable
Development in Caribbean Small Island States:

Launching New Partnerships between Iceland and Caribbean Small
Island Developing States (SIDS) Business, and

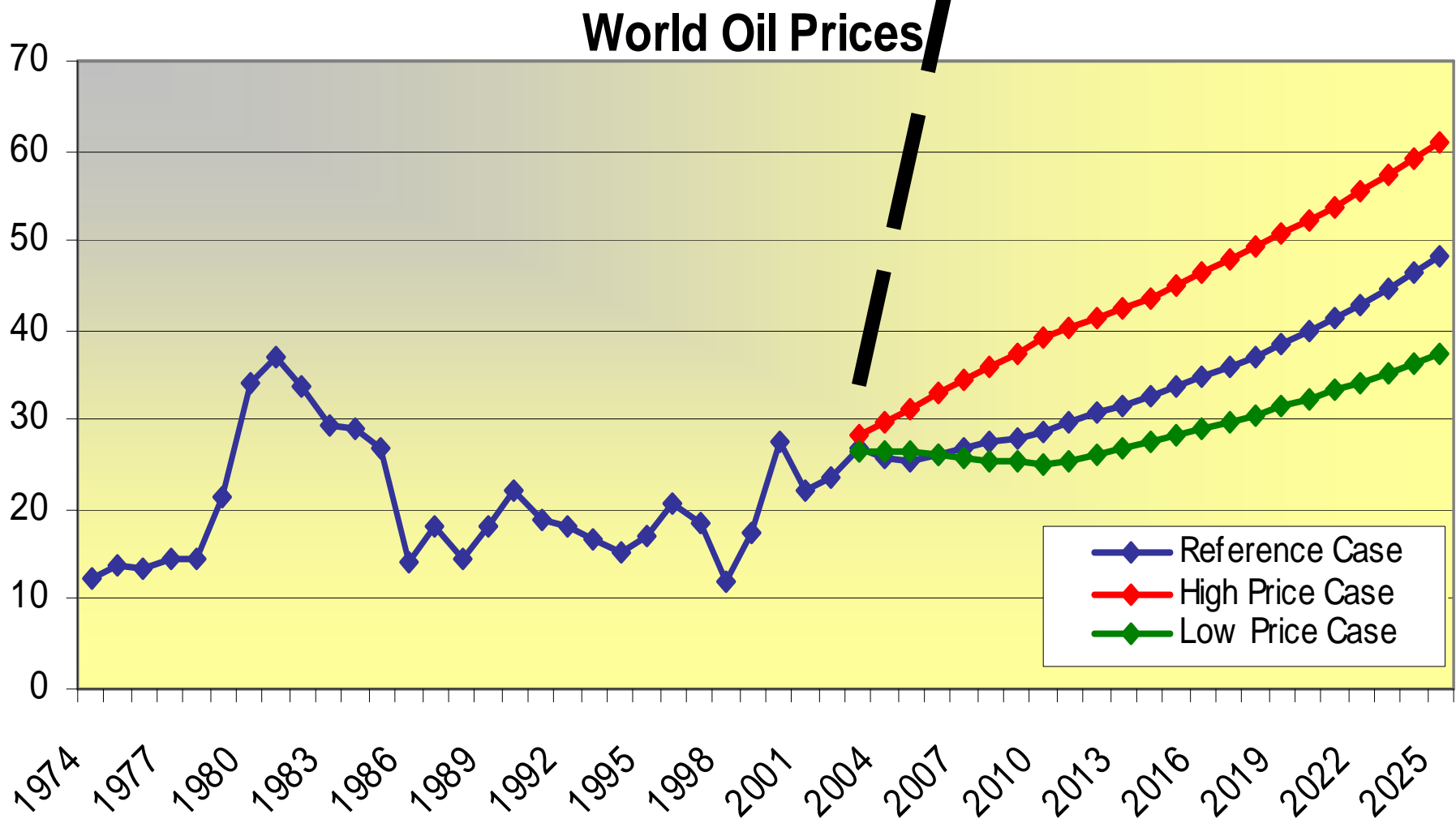
Investment Forum on Energy for Sustainable Development and on
Sustainable Management of Fisheries.

Hilton Hotel, Barbados, 26 Mach 2008

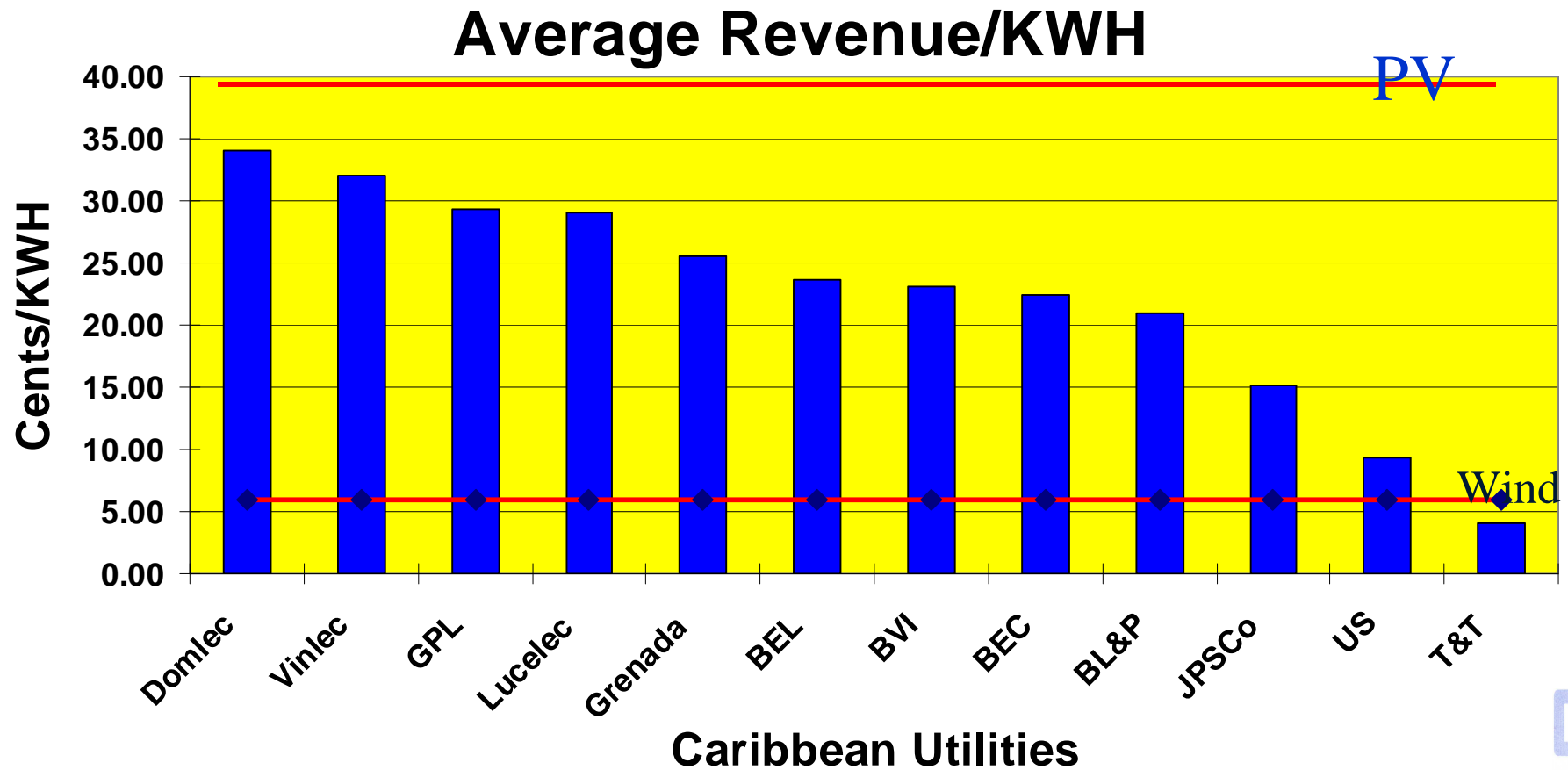
Objectives of This Paper

1. The economic context for renewable energy
2. CREDP and RE review
 - a) Policy Framework
 - b) Capacity Building and Training
 - c) Information
 - d) Financing Mechanisms
3. Institutionalisation of an Overarching CARICOM Sustainable Energy Programme

Economic Environment - EIA 2003 Forecast of Oil Prices



Economic Environment- Average Electricity Prices (2005)





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COUNTRIES (13)

∩ The Bahamas

∩ Barbados

∩ Belize

∩ Cuba

∩ Dominica

∩ Grenada

∩ Guyana

∩ Jamaica

∩ St. Kitts & Nevis

∩ Saint Lucia

∩ St. Vincent & The
Grenadines

∩ Suriname

∩ Trinidad & Tobago

The Caribbean Renewable Energy Development Programme, CREDP

∞ Purpose: To remove barriers to the use of renewable energy and thereby foster its development and commercialisation

- Policy (including legislation and regulation)
- Capacity Building (institutional, individual)
- Information
- Financing

Funding Sources (to April 2008)

Ω GEF/UNDP (US \$3.76 million)

Ω GTZ (US \$2.2 million)

Ω Others

- In-kind by CARICOM Secretariat – oversight, office, telephone, legal, human resources, accounting, website
- In-kind from Governments – National Focal Points

Policy Initiatives of CREDP

- ∞ National Energy Policy Framework
- ∞ OECS Renewable Energy Policy Framework
- ∞ 1st Experts and Stakeholder Meeting on the Harmonisation of the legislation for the Electric Sector, Dominica
- ∞ 2nd Experts and Stakeholder Meeting, Barbados
- ∞ Coordination of CARICOM Task Force on Regional Energy Policy
- ∞ Contributions to draft CARICOM Policy in RE and Electric Utilities

Policy reform assisted by CREDP

- Jamaica (national Government) – Information systems and Stakeholder Consultations
- Barbados – Comments on Draft Energy Policy
- Belize – Consultation with Stakeholders and GoB – Minister assigned to Energy thereafter
- Grenada – Consultation with GoG
- St. Kitts – Consultations with GoSKN

National Policy reform assisted by CREDP/GTZ

- Dominica – Draft Energy Policy – Report on the Independent Regulatory Commission
- St. Lucia – Comments on Green Paper
- St. Vincent and the Grenadines – Draft Policy Statement
- Analysis of the policy options for 5 countries

Policy Initiatives in Member States

∞ World Bank

- Dominica – Reform of the electric sector complete – new electricity supply act and Independent Regulatory Commission (IRC)

∞ Global Sustainable Energy Islands Initiative, GSEII (includes the OAS)

- Sustainable energy plans for Dominica, Grenada, St. Lucia, and St. Kitts and Nevis

∞ Jamaica

- Internal efforts, with some assistance from CREDP

Capacity Building and Training

∞ Seminars

- Wind (4) – Technology, resource, measurement and Integration to small grids, RETScreen
- Hydro (1) – Technology, resource measurement, RETScreen
- CHP (1) – Sugar Cane Bagasse, Avoided Costs, PPA's
- RETScreen (2)
- Solar Water Heating (1) – Technology
- Solar Water Heating (2) - Market penetration to Belize

Capacity Building and Training

- CREDP is currently developing the Caribbean Technical and Vocation Qualification (TVET) for the Installation and Maintenance of Solar Hot Water Heaters, SHW
 - To standardise competencies across CARICOM
 - To facilitate the movement of skills under the CSME

Information

- ∞ Web site www.caricom.org (see link to projects, renewable energy)
- ∞ 3 x DVDs on renewable energy, sent to national Government Information Services (GIS) and CREDP Focal Points
- ∞ 2 x Brochures
- ∞ Email list

Finance – Project Screening

- ∞ 23 RE Projects in CREDP Project Pipeline
 - Screened using RETScreen, an economic, financial and GHG analysis software tool
 - Suriname – Initial assessment of potential wind energy sites by CREDP
- ∞ CREDP/GTZ completed feasibility analysis and resource assessments for 5 RE projects – St. Vincent and the Grenadines (wind and hydro), St. Lucia (wind), Dominica (hydro rehabilitation)

Finance - CREDP RE ToolKit Templates Available

- ∞ Power Purchase Agreement, PPA
- ∞ Interconnection Agreement
- ∞ Equipment, Procurement & Construction (EPC) Contract
- ∞ O&M Contract/Specifications

Caribbean Wind Energy Initiative, CWEI

∞ Collective purchasing of Wind Turbines

- Organised by CREDP/GTZ and CARILEC
- Objective is to garner interest of manufacturers by aggregating orders
 - Barbados
 - St. Lucia
 - St. Vincent

Finance - CRETAF

- ∞ Caribbean Renewable Energy Technical Assistance Facility, CRETAF. (\$1.6 million of GEF contribution)
- ∞ Could not be operationalised. Why?
- ∞ Designed as a contingently recoverable loan
 - i.e full conversion to grant if project does not receive equity or debt financing
 - CCS unable to accommodate a loan facility
 - CRETAF originally designed for the CDB, but ultimately declined
 - No budget or personnel provided to the PMU
 - Activities halted by UNDP

Institutionalisation of an Overarching CARICOM Sustainable Energy Programme

CARICOM Sustainable Energy Programme

Ω “Sustainable Energy” comprises of

- Renewable Energy
- Energy Efficiency
- Energy Conservation
- Sustainable Fuel (e.g. bio-fuels)
- Carbon Finance
- Partnerships

Regional Institutional Needs

- ∞ Coordination of the Task Force on Regional Energy Policy
 - Implementation and follow-up is necessary
- ∞ To fill the gaps not covered by CREDP
 - to sustain RE efforts after close of CREDP in April 2008
- ∞ To leverage international initiatives, partners and donor interest

Thank You

Ω Thank you