



Caribbean Sustainable Energy Program (CSEP): Improved Governance and Management

Project Launch Meeting

St. Lucia

October 9, 2008



Caribbean Sustainable Energy Program (CSEP)



- Project Origins:
 - EU Energy Facility launched in support of MDGs following World Summit on Sustainable Development (WSSD)
 - EU established the ACP Energy Facility
 - The funds (€220MM) to be used to finance:
 - Investments and technical assistance to increase access to energy services for the poor
 - **Non-investment related actions essential to strengthen capacity and policymaking in the energy sector**



EU Energy Facility ACP Countries



“In the small island ACP states, the Facility will deliver outputs in the fields of energy efficiency and renewable energy. The remoteness and small markets make small island countries particularly vulnerable in the energy field. A high percentage of their foreign current earnings is spent on fuel imports, while at the same time, there is untapped potential for increased energy efficiency and the use of renewable energy.”



EC – ACP Energy Facility



- Request for Proposals (RFP):
 - Submission: October 2006
 - Targeting countries of Africa, Caribbean and Pacific
 - Lines of action:
 - Increased access to energy services in rural areas
 - **Improving energy management and governance**
 - Improving cross-border cooperation in the energy sector
 - Eligible institutions for project submission:
 - ACP State Applicants
 - Non-state local (Caribbean) and European actors
 - International Organizations



Precedent for OAS-led Bid



- Global Sustainable Energy Islands Initiative (GSEII)
 - Inspired by St. Lucian Prime Minister to make country: Sustainable Energy Demonstration Island
 - Launched in 2000 with partners: OAS, Climate Institute, Energy and Security Group, Winrock, Counterpart International and FED
 - Project Donors: REEEP, UNF, RBF, UNIDO
 - Project Countries: St. Lucia, Dominica, Grenada, St. Kitts & Nevis



Precedent for OAS-led Bid



- GSEII Pillars
 - Development of Sustainable Energy Plans (Collaborative process with national stakeholders)
 - Capacity Building and Awareness (Training activities with countries, CARICOM, CARILEC; National Energy Week)
 - International Outreach
 - Implementation of Sustainable Energy Action Plans



Precedent for OAS-led Bid



- Project Activities
 - Geo-Caraïbes
 - Geothermal in Dominica, St. Lucia, St. Kitts & Nevis
 - US-Brazil Biofuels Partnership
 - Biofuels in St. Kitts & Nevis, DR, Haiti, El Salvador
 - Policy/Regulatory Assistance
 - Grenada, Dominica
 - Solar H2O Finance Project
 - St. Lucia, Grenada





Precedent for OAS-led Bid



- CREDP (GTZ and CARICOM)
 - Opportunities for collaboration
- CARILEC
 - Increasing recognition for the need to address utility/customer concerns regarding energy sustainability



Bid to EUEI



- OAS Organized a bid to the Facility in Category B: Improving energy management and governance
- Project Entitled (officially)

Increasing the Sustainability of the Energy Sector in the Caribbean through Improved Governance and Management



CSEP Background



- Caribbean Sustainable Energy Program (CSEP): Improved Governance and Management
 - Countries: Antigua & Barbuda, Bahamas, Dominica, Grenada, St. Lucia, St. Kitts & Nevis, St. Vincent & the Grenadines
 - Project Lead: Organization of American States (OAS)
 - Project Partners: CARICOM, CARILEC, Renewable Energy and Energy Efficiency Partnership (REEEP)
 - Additional Partners: OECS
 - Project Duration: 36 months
 - Project Funding: €1.4MM (EU) plus €0.570MM (partners in-kind)



CSEP Objectives



- Overall objective: Project actions will accelerate the transition toward cleaner, more sustainable energy use in seven countries of the Caribbean.
- Specific objectives: The Project will specifically address market conditions for the development and use of renewable energy and energy efficiency systems by mitigating the barriers to their implementation and use. In particular, actions will focus on improving energy sector governance and management in the Project countries. As market conditions are improved, sustainable energy projects will be identified and their development will be catalyzed by the Project team, in cooperation with the countries and private sector investors/developers.



CSEP Actions



- According to the principal objectives, CSEP will undertake the following main actions:
 - Energy sector policy/regulatory reforms that favour sustainable energy
 - Capacity building for public officials, electric utility personnel, and large consumers
 - Institutional strengthening including the establishment of national sustainable energy offices in the appropriate energy ministries, and the creation of a regional coordination unit (RCU) office
 - Technical assistance for the identification, preparation, and commercialization of project opportunities
 - Facilitation of sustainable energy project finance, including the delivery of project preparation (feasibility study) finance



CSEP Actions



Main Actions:

- (1) the establishment of national sustainable energy goals/targets through the adoption of Sustainable Energy Plans (SEPs)
- (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



CSEP Actions – (1) National sustainable energy goals/targets (SEPs)



- Primarily Year One Activity
- What might SEPs look like?
 - “Brief, Readable, Binding, Consensual, Aggressive”
 1. Broad assessment of current energy situation
 2. Review of renewable energy, energy efficiency, alternative supply...options
 3. Review of key challenges/impediments to increased energy sustainability
 4. Outline targets/goals for sustainability (increased use of re/ee, other)
 - Highlight real project opportunities
 5. Outline tools/reforms to achieve sustainability
 6. Describe timeline/plan of action
- Consider Status of Previous “SEPs” in St. Lucia, SKN, Dominica and Grenada



CSEP Actions – (1) National sustainable energy goals/targets (SEPs)



- Strategic Approach to Preparation of SEPs
 - Government Stakeholder consultation (Bahamas meeting and now)
 - ID Focal Points (complete?)
 - National Stakeholder consultations
 - Draft SEPs with Focal Points Present SEPs to stakeholders
 - Work to secure adoption by cabinets



CSEP Actions – (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



a) Policy/Regulatory Reform Activities

- Stakeholder meetings
- Policy review/analysis
- Policy development reform
- Support policy adoption



CSEP Actions – (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



b) Capacity Building Efforts

- Bankers Sustainable Energy Financing Workshop
- Regional Electric Utility Workshops
- Regional Sustainable Energy Policy Workshop
- Prepare Sustainable Energy Curriculum and Training Manual
- Promote Energy Awareness Weeks in Project Countries
- RE/EE Study Tour – Europe



CSEP Actions – (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



c) Development of Regional/Local Institutions

- Establish Regional Coordinating Unit (RCU) [at CARILEC]
- Assist in the establishment of sustainable energy promotion offices in governments



CSEP Actions – (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



d) Sustainable Energy Project Identification and Technical Assistance

- Project identification mission
- Initial resource assessments
- Energy audits



CSEP Actions – (2) targeted support for the implementation of activities (as outlined in each national SEP) that address specific challenges or barriers



e) Increase Access to Financing

- Assess availability of project financing resources in the region
- Develop Sustainable Energy Finance Guide
- Link projects to potential sources of finance



Next Steps



- Communication among focal points
- Establish priorities for SEPs
- Develop cooperation programs with CREDP, GTZ, CARICOM Energy Program, IADB, IUCN, CREBAP...



Contacts



- Mark Lambrides
mlambrides@oas.org
1-202-458-6261
- Carolina Peña
cpena@oas.org
- Kevin de Cuba
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- Francisco Burgos
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