

DOMINICA – COUNTRY DESCRIPTION

Dominica is a Small Island Developing State (SIDS) with 71,625 inhabitants. It is particularly vulnerable to natural hazards and climate change, as well as to social, economic and environmental shocks. While its traditional economy is based on banana exports, recent changes in the market have led to the development of service sectors, including tourism, offshore medical schools and offshore finance. However, the lack of infrastructure, including the absence of a large international airport, limits the potential of those sectors.

Following the impact of hurricanes Erika and Maria, recovery and resilience building has been at the core of EU interventions in the country. Under the 11th EDF, the overall objective of the current programming period (2014-2020) is to support the energy sector goals of the Government, as reinforced in the Growth and Social Protection Strategy (GSPS).

Dominica is heavily dependent on imported petroleum products for electricity generation, transportation, cooking, and other energy requirements. Tapping the potential of geothermal power production is currently being pursued with EU and French funding channelled through CIF.

As part of the CIF programme, Dominica benefits from a total investment of EUR 8,640,000 with a CIF contribution of EUR 2,140,000. There is currently one ongoing bilateral project, within the Sustainable energy sector. Dominica is also beneficiary of two multi-country projects: The Sustainable energy for the Eastern Caribbean programme and the Geothermal risk mitigation programme for Eastern Caribbean.

● LIST OF BILATERAL PROJECTS

Project title	Sector	Total €	CIF €
Support to the Development of Geothermal Energy	Sustainable energy	8,640,000	2,140,000
Total		8,640,000	2,140,000

● LIST OF MULTI-COUNTRY PROJECTS

Project title	Sector	Total €	CIF €
Sustainable Energy for the Eastern Caribbean Programme	Sustainable energy	21,368,000	4,450,000
Geothermal Risk Mitigation Programme for Eastern Caribbean	Sustainable energy	412,400,000	12,350,000
Total		433,768,000	16,800,000

PROJECT:

Support to the Development of Geothermal Energy

LEAD INSTITUTION:

AFD

PARTNER:

CIF

TOTAL COST:

€ 8,640,000

CIF CONTRIBUTION:

€ 2,140,000

TYPES OF SUPPORT:

Technical assistance

DURATION PERIOD:

Mar 2013 – Sep 2022

DESCRIPTION:

Dominica has an important geothermal power production potential, particularly the Wotten Waven area with a potential up to 120 MW. This gives the possibility of exporting clean and competitive power to the neighbouring islands of Guadeloupe and Martinique. Each island has an interest in importing up to 50 MW from Dominica.

The current project is the final step towards the materialization of the potentially largest geothermal power plant in the Caribbean with an overall cost currently estimated at EUR 500- 600 million. Besides its sheer size, its impact will be local, regional and global. The product will be highly beneficial to Dominica's economy as well as to the one of Guadeloupe and Martinique. It will bring major benefits in terms of climate change mitigation by substituting clean renewable energy to fossil fuel-based power production. It will also improve the islands' direct environment through increased regional cooperation.

OBJECTIVE:

The objective of this project is to support the Government of the Commonwealth of Dominica's policy for the development of geothermal resources. In particular, it will significantly increase the knowledge of the geothermal potential in Wotten Waven, allowing for a rapid start of an initial small power production aimed at the local market, preparing the concession that will exploit this reservoir and monitoring the concessionaire's operations initial investments.

EXPECTED RESULTS:

- Decrease macroeconomic risks linked to the fluctuation of fossil fuel prices.
- Reduced cost of energy and increase foreign currency reserves through export of energy to the French islands.
- Protect the unique natural environment of Dominica thanks to the use of renewable energy.
- Reduction of Greenhouse gas emissions by 420,000 T CO₂ every year.



PROJECT:

Sustainable Energy for the Eastern Caribbean (SEEC) Programme

COUNTRIES:

Antigua and Barbuda,
Grenada, Saint Vincent
and the Grenadines,
Dominica, Saint Kitts and
Nevis, Saint Lucia

LEAD INSTITUTION:

CDB

PARTNERS:

CIF
DFID

TOTAL COST:

€ 21,368,000

CIF CONTRIBUTION:

€ 4,450,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

Jun 2015 – Dec 2021

SPECIFIC ACTIVITIES IN THE COUNTRY:

Funding of renewable energy (RE) and energy efficiency (EE) studies, capacity building and training.

DESCRIPTION:

The objective of this programme is to reduce participating countries' dependency on imported fossil fuels by displacing their use in electricity generation with economically viable investments in renewable energy (on the supply side) and energy efficiency (on the demand side). The programme will provide funding for investments for renewable energy and energy efficiency as well as technical assistance for institutional strengthening, capacity building and project support.

EXPECTED RESULTS:

- Greater capabilities in identifying, assessing and implementing renewable energy and energy efficiency projects.
- Improved enabling environment (legal, regulatory and institutional frameworks for the electricity sector).
- Enhanced market for renewable energy and energy efficiency financing.
- 6 MW of additional capacity from renewable energy sources.
- Fossil fuel consumption reduced by 105,000 BBL/year.
- Reduction of 39,000 tons CO₂/year.



PROJECT:

Geothermal Risk Mitigation Programme for Eastern Caribbean

COUNTRIES:

Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines

LEAD INSTITUTION:

CDB

PARTNERS:

CIF
World Bank

TOTAL COST:

€ 412,400,000

LAIF CONTRIBUTION:

€ 12,350,000

TYPES OF SUPPORT:

Technical assistance

DURATION PERIOD:

Nov 2017 – Aug 2021

SPECIFIC ACTIVITIES IN THE COUNTRY:

De-risking ongoing geothermal project and strengthening the capacity of the Government.

DESCRIPTION:

The programme aims at mobilizing suitable and adequate resources to support geothermal energy development in the Eastern Caribbean. Ultimately, the project aims at establishing a geothermal power plant that could potentially represent up to 60 megawatt (MW) of base-load power for the Small Island Developing States.

EXPECTED RESULTS:

- Reduced Eastern Caribbean countries' oil dependence - for electricity generation (722,000 barrels of oil per year) which represent 50 million USD per year.
- Stabilized and reduced electricity prices, which are currently indexed to fuel prices, contributing to the sub-region's energy security and to further growth in economic sectors such as tourism.
- Interconnection of Eastern Caribbean countries with each other.
- The expected geothermal development will contribute to climate change mitigation and the nationally determined contributions (NDCs) by reducing 313,421 tCO₂ per year.