

## GRENADA – COUNTRY DESCRIPTION

Grenada is a middle-income tri-island state located in the Eastern Caribbean. It has 113,000 inhabitants, of which 40% are under the age of 25. Although the country ranks high in the United Nations Human Development Index (UNHDI), socio-economic development challenges persist due to structural problems common to Small Island Developing States (SIDS). About 60% of the population resides outside the main urban areas and nearly 40% lives below the poverty line. The Grenadian economy has evolved over the last 40 years, moving from agriculture to service industries. The country remains vulnerable to natural hazards and shifts in the global economy.

The main objective of the EU development cooperation with Grenada is to contribute to improvements in the overall functioning of the country's public health sector. The effectiveness of this support is a joint priority for the EU and the Grenadian Government, who work together to achieve coordinated and complementary programmes. The EU is currently working with Grenada under the 11th European Development Fund (EDF) spanning 2014-2020.

As part of the CIF program, Grenada is not a beneficiary of bilateral projects. However, the country is part of two multi-country projects in the sector of sustainable energy. Activities implemented in the country focus on improving access to renewable energy and energy efficiency through the strengthening of different areas, including public sector.

### ● 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
<b>Total</b>		<b>433,768,000</b>	<b>16,800,000</b>



**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:**

Support to the Government and the Public Utility Regulatory Commission (PURC): reviewing renewable energy and energy efficiency policies; designing financing mechanisms for energy efficiency and renewable energy, including a soft loan mechanism for consumers to purchase energy efficiency equipment. Retrofitting 200 government buildings; capacity building of building officers in Energy Management Systems and the PURC staff.

**DESCRIPTION:**

The objective of this project 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 CO<sub>2</sub>/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:**

Investment grant  
Technical Assistance

**DURATION PERIOD:**

Nov 2017 – Aug 2021

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

De-risking ongoing geothermal project (slim-hole drilling) and strengthening the capacity of the Government in the geothermal field.

**DESCRIPTION:**

The project aims at mobilizing 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 pa) 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.
- Interconnecting Eastern Caribbean countries among each other Create an Eastern Caribbean interconnected power grid.
- The expected geothermal development will contribute to climate change mitigation and the nationally determined contributions (NDCs) by reducing 313,421 tCO<sub>2</sub> per year.