

SAINT VINCENT AND THE GRENADINES – COUNTRY DESCRIPTION

St. Vincent and the Grenadines (SVG) is a southern Caribbean nation comprising a main island, St. Vincent, and a chain of smaller islands. It is a lower/middle-income country with 110,200 inhabitants. Its major economic pillars are tourism and agriculture. Its agriculture is primarily banana production, a declining industry. The country's economy remains significantly agrarian in nature despite the growth of the service sectors. It is the poorest country in the Eastern Caribbean and suffers from high unemployment rates, especially among women and young people.

SVG is a Small Islands Developing State, which indicates that it is highly dependent on a limited number of economic sectors and vulnerable to exogenous shocks and natural disasters. Moreover, the islands in the Eastern Caribbean have generally small administrations with limited capacities in addressing challenges and emerging events (e.g. natural hazards).

The main objective of the EU development cooperation with SVG is to improve climate change resilience of the road network, in particular rural roads. This should contribute to the stimulation of economic activities in rural communities to reduce poverty and vulnerability to climate change. Agriculture is also vital for SVG to achieve food and nutrition security. It is also critical in its potential for economic growth and job creation.

As part of the CIF program, SVG is not a beneficiary of bilateral projects. However, the country is part of three multi-country projects in the sectors of sustainable energy and resilience. Activities implemented in the country focus on the construction of climate change resilient sea defences, the installation of solar photovoltaic systems in Government buildings; conduct of geothermal studies and strengthening the capacities of the Government.

● 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
Credit Facility for the Caribbean Development Bank	Multisector / Sustainable energy	100,650,000	3,150,000
Geothermal risk mitigation programme for Eastern Caribbean	Sustainable energy	412,400,000	12,350,000
Total		534,418,000	19,950,000



PROJECT:

Sustainable Energy for the Eastern Caribbean (SEEC) Programme

LEAD INSTITUTION:

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:

Installation of solar photovoltaic systems in Government buildings; support on designing power purchase agreements; conduct of geothermal studies.

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:

Credit Facility for the Caribbean Development Bank

COUNTRIES:

Jamaica, Saint Lucia,
Saint Vincent and
Grenadines, Suriname

LEAD INSTITUTION:

AFD
CIF

TOTAL COST:

€ 33,000,000

LAIF CONTRIBUTION:

€ 3,150,000

TYPES OF SUPPORT:

Technical assistance

DURATION PERIOD:

Oct 2015 – Dec 2021

SPECIFIC ACTIVITIES IN THE COUNTRY:

Sandy Bay sea defences resilience project: the project aims at adopting a proactive approach in reducing risk through the construction of climate change resilient sea defences. The total cost of this project is 15M€.

DESCRIPTION:

The project aims at promoting and financing new sustainable infrastructure projects in the Caribbean region in the sectors of energy, transport, water and sanitation and climate change mitigation and reinforcing the national implementing agencies for the seeding and follow-up of new projects, specifically to create a pipeline of quality projects within the borrowing member countries.

EXPECTED RESULTS IN SAINT VINCENT AND THE GRENADINES:

- Enhanced resilience of Sandy Bay and other North Windward communities to coastal hazards and potential impacts of climate change.
- Reduced loss of life, physical and economic damage and shorten recovery period following a disaster



PROJECT:

Geothermal Risk Mitigation Programme for Eastern Caribbean

LEAD INSTITUTION:

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 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 programme 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.