

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	REGIONAL/CCB - Caribbean Group
▪ TC Name:	Supporting Energy Dialogues in the Caribbean
▪ TC Number:	RG-T4091
▪ Team Leader/Members:	AIELLO, ROBERTO GABRIEL (INE/ENE) Team Leader; MASSON, MALAIKA EBONY ANIETIA (INE/ENE) Alternate Team Leader; HIBBERT, CHEVELLE (CCB/CJA); SAMUELS, ROCHELLE KAYE (CCB/CJA); ROCHELLE JOHNSON (INE/ENE); ECHEVERRIA, CARLOS BLADIMIR (INE/ENE); BONZI TEIXEIRA, AUGUSTO CESAR (INE/ENE); ELIZALDE BALTIERRA, ALBERTO (INE/ENE); SUBER, STEPHANIE ANNE (INE/ENE); EMILIO ANGULO (INE/ENE); BALLON LOPEZ, SERGIO ENRIQUE (INE/ENE); WILLIAMS, LERONE DELLANO (INE/ENE); CENTENO LAPPAS, MONICA CLARA ANGELICA (LEG/SGO); LOANA VEGA (INE/ENE)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	08 Mar 2022
▪ Beneficiary:	Barbados, The Bahamas, Guyana, Jamaica, Suriname, Trinidad and Tobago
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$200,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	30 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	INE/ENE - Energy
▪ Unit of Disbursement Responsibility:	CCB/CJA - Country Office Jamaica
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law; Environmental sustainability

II. Objective and Justification

- 2.1 The objective of this Technical Cooperation (TC) is to support the dialogues of the ENE team with government counterparts and relevant entities in the energy sector in The Bahamas, Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago associated with energy transition and transformation dialogues. The proposed support includes analytical and diagnostic assessments, expedited implementation assistances, and support for knowledge exchange/dissemination events.
- 2.2 The Caribbean countries included in this TC proposal face several common energy sector challenges. Most of the targeted countries rely heavily on imported liquid fossil fuels for power generation, thus impacting their macroeconomic balances and increasing exposure to oil price volatility. Their geographic location and market size contribute to higher costs of alternative energy solutions such as wind, solar and geothermal on a country-by-country basis. In addition, the Caribbean is highly exposed and vulnerable to natural hazards, such as extreme weather events (e.g., hurricanes) that are expected to increase in frequency and intensity due to climate change, causing

severe damages to infrastructure and affecting energy services with substantial financial impacts on the economies.

- 2.3 Most Caribbean countries lack adequate integrated planning capacities, evidence-based policy, regulations, and effective governance frameworks, limiting the enabling environments for renewable energy investments. These factors also constrain private sector investments and impact the expansion and diversification of the energy matrix.
- 2.4 In addition, innovation enables the participation of consumers from all demand sectors in the energy systems, leading to the democratization of the grid and its resources and the breakdown of boundaries between energy sub-sectors. Digitalization in the energy sector is increasing fast and has the potential to increase the flexibility of electricity grids, enable integration across entire systems, reduce operation and maintenance costs, improve power plant and network efficiency, reduce unplanned outages and downtime, extend the operational lifetime of assets, contribute to reducing Greenhouse Gas Emissions (GHGs), and increase the resilience of power systems to climate change and other natural hazards.

III. Description of Activities and Outputs

- 3.1 **Component I: Dialogue Support.** This component will finance analytical and diagnostic assessments and expedited implementation assistances to enhance ENE's dialogues with government counterparts and relevant entities in the energy sector in CCB.
- 3.2 **Component II: Communication and Knowledge Dissemination.** This component will finance communication and knowledge dissemination activities.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Dialogue Support	US\$180,000.00	US\$0.00	US\$180,000.00
Communication and Knowledge Dissemination	US\$20,000.00	US\$0.00	US\$20,000.00
Total	US\$200,000.00	US\$0.00	US\$200,000.00

V. Executing Agency and Execution Structure

- 5.1 The Bank will be the Executing Agency (EA) of this TC. The IDB through the Energy Division (ENE) will be responsible for the selection and contracting of consulting firms and individual consultants, to be carried out in close coordination with the beneficiary.
- 5.2 The Bank will have the autonomy to approve such documents and act as EA of the TC. This dynamic will facilitate proper articulation between the various actors within the framework of the technical dialogue of this TC. The TC does not present fiduciary management risks as it will be implemented by the Bank. For this same reason, no financial audit is required.

VI. Project Risks and Issues

- 6.1 Coordination risk due to multiple stakeholders and donor's active presence in the region will be mitigated through continued dialogue with IDB country-based specialists. Also, restrictions related to the COVID-19 pandemic can have a negative impact in some activities of the TC, particularly, some of the dissemination activities. This risk will be mitigated using digital communication tools and adapting the activities to these restrictions.

VII. Environmental and Social Classification

- 7.1 This TC will not finance feasibility or pre-feasibility studies of investment projects with associated environmental and social studies; therefore, it falls outside the scope of the Bank's Environmental and Social Policy Framework (ESPF).