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CARIBBEAN REGION

CARIBBEAN ENERGY INITIATIVE

OBJECTIVE

To build clean, secure, and reliable energy systems and strengthen the energy resilience of Caribbean island nations.

REGIONAL SITUATION

Electrical energy systems in the Caribbean are complex, unreliable, highly inefficient and vulnerable to the impact of extreme weather events. According to the World Bank, more than 80% of the region relies on energy generation from imported and high-cost fossil fuels, which continues to pose major challenges to the region's economies and undermines their resilience. As a result, many communities have limited or no access to electricity and suffer from frequent and extensive service cuts.

OUR WORK

In 2019 USAID launched the Caribbean Energy Initiative, a \$25.5 million five-year program which focuses on building clean, secure, and reliable energy systems throughout the Caribbean. Through this initiative, USAID is strengthening the energy resilience of Caribbean island nations. The initiative focuses on three main pillars: increasing renewable power generation, increasing utilities service efficiency and quality; and enhancing the ability of electricity systems in the Caribbean to withstand shocks.

These efforts contribute to the U.S Caribbean Partnership to Address the Climate Crisis (PACC 2030) and directly support USAID's Climate Change Strategy goals on mitigating and adapting to the negative impacts of climate change, and financing climate resilience initiatives. USAID is leveraging U.S. and international public finance resources to help energy project developers invest in renewable energy sources, which will reduce the region's reliance on imported fuels and create opportunities for U.S. private sector investment and public-private partnerships. USAID activities are providing technical assistance to support regional energy sector reform, and will support project preparation and readiness for renewable energy projects. In addition, the initiative provides technical assistance and partnership to advanced digitalization of energy systems and cybersecurity while supporting business development of small and medium energy projects.

RESULTS ACHIEVED

- **Caribbean Region:** To advance cybersecurity and digitalization within Caribbean energy sectors, USAID is supporting stakeholders through the Strengthening Utilities and Promoting Energy Reform activity. In coordination with the U.S. National Renewable Energy Laboratory, and the Caribbean Electric Utilities Services Corporation, the program will build the region's capacity to deflect cyber intrusions and to increase power sector resilience. Further, in March 2022, USAID launched the \$10.8 million, 5 year Regional Energy Sector Reform activity to provide technical assistance for energy reform to utilities, ministries, and regulators in the Caribbean. Key policy reforms will remove barriers to clean energy development.
- **Dominican Republic:** USAID, through the Partnerships for Enhanced Engagement in Research project, is analyzing the resilience of microgrid architecture against climate-driven events in the Dominican electric systems. The Pontificia Universidad Católica Madre y Maestra university is leading this research in partnership with the Company for Electricity Distribution in the Northern Region in Santiago.
- **Jamaica:** In December 2020, The Strengthening Energy Sector Resilience project launched a \$4 million Global Development Alliance with U.S. and Jamaican firms that aims to boost energy sector resilience and enhance business continuity across the island. The Jamaica Energy Resilience Alliance is expanding renewable energy technology availability and accessibility for businesses in key sectors including tourism and manufacturing.

Duration: January 2021 - September 2026

Budget: \$25,500,000

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