ECCB’S RENEWABLE ENERGY INITIATIVES

Presented By: Kieran St Omer, Senior Projects Officer, Team Lead ECCU Renewable Energy Infrastructure Financing Facility Initiative
Small Island Developing States in the ECCU are disproportionately more vulnerable to climate risks

- Among the 25 most vulnerable nations
- 7 times more likely to be hit by natural disasters
- Damage can exceed size of the economy

Climate Resilience & Energy Security Demands Change
ECCU Energy Market Overview

- High Fossil Fuel Dependency
- ECCU Electricity Prices are among the highest globally
- 36 US Cents /kWh Average Tariffs Oct 2021
- 3x Advanced Economies

- ECCU current RE installed capacity = 34MW
- Majority of 2030 RE NDC Target yet to be achieved.
ECCU Renewables Financing Opportunities and Challenges

Problem:

Slow Transition despite significant RE resources, ambitious targets, 40+ financing, technical assistance and regional policy initiatives within the last two decades.

Potential Fuel Import Reduction (p.a.): EC$1.2bn in cost savings, potential investments etc...

EC$2.2B INVESTMENT NEED (NDC RE Targets by 2030)

EC$1.2B FUEL IMPORT BILL (Average 2016-2020)
ECCU Renewables Financing Opportunities and Challenges

Sustainable Finance Markets Expansion Forecasts 2022 - 2025

$1 Trillion Annual Green Issuance in Sight
Next milestone $5 trillion a year by 2025

60.0% Expansion in Green Issuance 2021 to 2022

Global market
2021 - US$517.4bn
2020 – US$279.0bn

ECCU Flows $0

US$1.2 Trillion

Source: Climate Bonds Initiative 2022
How are we driving change in the ECCU?

ECCB Wins 2022 Central Banking Green Initiative Award
How are we driving the renewables transition?

Unlocking the barriers to financing by implementing a climate finance architecture that is conducive to the origination of a sustainable pipeline of bankable projects and financing.

Create and Promote Enabling Environment
- Energy market design
- Competition policy
- Public governance policy
- Energy market institutions
- Regulatory and pricing policies

Financial Market Policy
- Enable innovative financial solutions
  - (Risk transfer mechanisms, Sustainable finance markets (mainstreaming green and climate aligned instruments, transition finance))

Investment Promotion and Facilitation
- Investment policies and frameworks
- Financial incentives
- Fiscal incentives
- Regulatory incentives

Transforming The ECCU Together
# ECCU Renewable Energy Infrastructure Investment Facility

**Accelerate Renewable Energy Transition. Generating Affordable and Clean Power for a Climate Resilient ECCU**

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## Roadmap To Scale-up Climate Finance (2021/2022)

- Market Diagnostic: Risk and Investment Readiness Assessment, Priority Action Pipeline of Projects
- Design and Development of Financing Facility
- Facility Operationalisation and Launch of Pilot Projects
- Initiative Participants: ECCU Member States
- Implementing Agencies and Collaborating Partners: ECCB, World Bank, Castalia and Climate Finance Advisors
- Key Stakeholders: Project Developers, Investors, Financial Institutions, Regional and International Development Partners
Public and private sector funding from within and outside the ECCU

REIIF

Pipeline of Investment-Ready Infrastructure Projects

REIIF PROJECT DEVELOPMENT & ADVISORY

Invest alongside strategic partners

REIIF PROJECT FINANCE