

11th EDF NIP for Dominica – Summary

The relations between Dominica and the European Union (EU) are underpinned by the Joint Caribbean-EU Partnership Strategy, the Cotonou Agreement and the CARIFORUM-EU Economic Partnership Agreement (EPA). Climate vulnerability exacerbates the already high and inter-linked social, economic and environmental vulnerabilities of the country. 11th EDF (EUR 4 million) support to renewable energy and energy efficiency complements, and is based on, the analysis and projections of the Dominica's Medium-Term Growth and Social Protection Strategy (GSPS) for 2012-2014.

Dominica is heavily dependent on imported petroleum products for electricity generation, transportation, cooking, and other energy requirements. In 2008, petroleum imports to Dominica accounted for 15.5% of the total import bill. The average retail price of electricity in Dominica is amongst the highest in the Caribbean and in the world. Electricity prices are presently stifling the competitiveness of businesses and industries, with 66 % citing electricity as a major constraint in a 2010 Enterprise Survey. The high cost also creates hardship for household consumers, especially the poor, who are spending an increasing amount of their income on electricity.

The institutional framework of the energy sector is relatively robust. Dominica has an important geothermal power production potential. Since 2008, interventions supported by EU and French funding have demonstrated the high potential of the geothermal resource. Further EU and French funding, channelled through a current project supported by the Caribbean Investment Facility, should put Dominica well on the path to establish a small-scale geothermal power plant by 2016 to supply the domestic electricity market. The end goal is to achieve electricity trade across the wider Eastern Caribbean region, and position Dominica as an important energy supply hub; with the aim of exporting electricity to neighbouring islands of Martinique and Guadeloupe.

The energy sector in Dominica is relatively well regulated, analysed and reported on. Constraints of energy costs for economic development are well identified and appreciated by the Government. Given the past and present support of the EU for the development of the resource and the possibility to further explore collaboration with the EU (primarily via Martinique and Guadeloupe), the EU is seen as a key partner offering a unique set of complementary support mechanisms for Dominica.

Financial overview:

<i>Sector of cooperation</i>	<i>Amount (EUR)</i>	<i>% of Total</i>
<i>Renewable Energy / Energy Efficiency</i>	2,620,000	65.5
<i>Measures in favour of civil society (NSA Panel)</i>	180,000	4.5
<i>Support measures</i>	1,200,000	30
- <i>Support measures NAO</i>	800,000	20
- <i>Support measures TCF</i>	400,000	10
<u>Total</u>	<u>4,000,000</u>	<u>100</u>

The overall objective is to support the energy sector goals of the Government, as reinforced in the Growth and Social Protection Strategy (GSPS) (i) to pursue a reduced-cost energy generation and supply for the benefit of the consumer, (ii) to encourage energy conservation and (iii) to diversify energy sources and reduce the reliance on fossil fuels. Specific objectives are: i) to contribute to the development of renewable energy, energy efficiency and conservation; ii) to contribute to technical and institutional capacity building and strengthening on renewable energies and their environmentally sustainable management; iii) to undertake additional research and analysis to facilitate the development of renewable energies. Monitoring of the intervention, and demonstration of impact, will be informed by the sector Monitoring & Evaluation (M&E) framework. A risk mitigation framework has also been defined.

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LIST OF ACRONYMS

AfD – Agence Française de Développement
BAM – Banana Accompanying Measures
CARIFORUM Caribbean Forum – Forum of the Caribbean Group of African, Caribbean and Pacific (ACP) States
CCI-Clinton Climate Initiative
CDB – Caribbean Development Bank
CIESIN – Centre for International Earth Science Information Network
CIF – Caribbean Investment Facility
CRIP – Caribbean Regional Indicative Programme
DOMLEC- Dominica Electricity Services Ltd
DOM – Commonwealth of Dominica
EC\$ - Eastern Caribbean dollar
EPA – Economic Partnership Agreement
EU – European Union
ESA – Electricity Supply Act
GDU – Geothermal Development Unit
GoCD – Government Commonwealth of Dominica
GPMU – Geothermal Project Management Unit
GSPS – Growth and Social Protection Strategy
IRC- Independent Regulatory Commission
NAO – National Authorising Office(r)
NIP – National Indicative Programme
OECS – Organisation of Eastern Caribbean States
REPS – Renewable Energy Portfolio Standards
SEP – Sustainable Energy Plan
SIDS – Small Island Developing State
TCF – Technical Cooperation Facility
UN – United Nations
UNDP – United Nations Development Programme
UNEP – United Nations Environment Programme
UNFCCC – United Nations Framework Convention on Climate Change
US(A) – United States (of America)
WB – World Bank

1. The overall lines for the EU response

1.1. Strategic objectives of the EU's relationship with the partner country

The relations between the Commonwealth of Dominica (DOM) and the European Union (EU) are underpinned by the Joint Caribbean-EU Partnership Strategy, the Cotonou Agreement and the CARIFORUM (Caribbean Forum – Forum of the Caribbean Group of African, Caribbean and Pacific States)-EU Economic Partnership Agreement (EPA). DOM and the EU share a long history, culture and a broad base of common values. Both share a commitment to global peace, progress and prosperity as well as to democracy, human rights, and the rule of law. The EU continues to be an active partner in supporting regional integration and cooperation, based on its own experience. The CARIFORUM-EU EPA builds a trade partnership for increased competitiveness, economic growth and development, supporting regional integration in the Caribbean and participation in the world trading system. The EU is firmly committed to implement its obligations stemming from the EPA and to assist DOM to implement the EPA.

Climate Change and its consequences are key obstacles to sustainable development and the achievement of the Millennium Development Goals. DOM is a Small Island Developing State (SIDS) and is particularly vulnerable. This climate vulnerability exacerbates the already high and inter-linked social, economic and environmental vulnerabilities of the country. Hence, resilience building is an overarching goal of the NIP, guided by relevant EU¹, DOM and CARIFORUM policies. DOM and EU Member States, as signatories to the Kyoto Protocol, have worked together to advance climate change negotiations, and developed policies to reduce the impact of climate change and environmental degradation. They share an interest in achieving a comprehensive, fair and legally-binding outcome under the United Nations Framework Convention on Climate Change (UNFCCC).

The economy of DOM relies heavily on agriculture, tourism and investment for development and hence is inherently susceptible to external factors. Working together to fight criminal networks is a priority of EU-DOM relations. Strengthening cooperation and capacity building as well as addressing the root causes behind criminal activity and its social impact are key aspects in this regard. DOM and the EU face a number of common global challenges and concerns and are committed to act in a coordinated manner to find joint responses at the international level. Together, DOM, with the CARIFORUM partner countries and the EU Member States represent forty-three (43) countries. The goal of cooperation is therefore also to have a more decisive impact on topics of mutual importance.

The EU – DOM development cooperation portfolio is currently app. EUR 30 million. Funds from the 10th European Development Fund are utilised for a General Budget Support Programme and EUR15.5 million has been allocated to DOM from the Banana Accompanying Measures (BAM). The EU ranks as no. 1 in terms of the volume of aid provided to the country out of eight (8) donors. The EU provides 80% (2010) of Official Development Assistance to DOM.

EU support and cooperation is provided in support of the efforts of DOM to recover from the effects of the recent global economic and financial crisis, restore macro-economic stability, and meet the Millennium Development Goals. Linkages between the national and CARIFORUM regional programmes will be sought, as will the opportunity to leverage further funds for development interventions; one opportunity for this being the Caribbean Investment Facility (CIF). The EU support complements, and is based on, the analysis and projections of the DOM Medium-Term Growth and Social Protection Strategy (GSPS) for 2012-2014.

¹ COM(2012)586 final and SWD(2013)227 final

1.2. Choice of sectors

As a small Caribbean island nation with no proven reserves of conventional energy, Dominica is heavily dependent on imported petroleum products for electricity generation, transportation, cooking, and other energy requirements. In 2008, petroleum imports to Dominica accounted for 15.5% of the total import bill. The average retail price of electricity in Dominica was XCD 1.2 per kWh (US 45.7 cents/kWh) during 2011, amongst the highest in the Caribbean and in the world. As a reference, retail prices of electricity in the USA and Trinidad and Tobago are in the region of US 5-8 cents/kWh. Electricity prices are presently stifling the competitiveness of businesses and industries, with 66 % citing electricity as a major constraint in a 2010 Enterprise Survey. The high cost also creates hardship for household consumers, especially the poor, who are spending an increasing amount of their income on electricity. The steep fuel surcharge escalation for the period January - April 2012, an increase of 32%, demonstrated the exposure of consumers to the volatility and level of international fuel prices.

The institutional framework of the energy sector is relatively robust. Coordinating energy policy and Dominica's Renewable Energy Programme is the responsibility of the Energy Unit of The Ministry of Public Works, Energy and Ports. The Energy Unit was augmented in 2010 by a Unit charged with geothermal resource development. The Independent Regulatory Commission (IRC), operational since mid-2007, is entrusted to regulate electrical licensees and approve electricity tariffs. Dominica passed the Electricity Supply Act (ESA) in 2006, which legally opened the market to independent power producers (IPPs). The sole provider of electricity is utility Dominica Electricity Services Ltd (DOMLEC). 52% of DOMLEC's shares are held by Light & Power Holdings, a wholly-owned subsidiary of Emera Inc. DOMLEC has a total installed capacity of 25.2 MW, of which 6.5 MW is small hydro with the remainder operating on diesel. The company currently serves 32,000 customers with an annual consumption of 69.6 GWh [2006].

Dominica has an important geothermal power production potential, which was originally identified in a 1969 UNDP report. Studies conducted with French funding in the early 1980s identified several zones worthy of further exploration. From 2003–2006, further stage of exploration were undertaken, partly funded by INTERREG III-B, which confirmed and put figures on the geothermal potential in the Wotten Waven area, the feasibility of a submarine transmission line with Guadeloupe and Martinique, and pre-assessed the environmental impact of such an endeavour. Since 2008, EU and French grant funding financed the drilling of three (3) exploratory slim wells which have demonstrated the high potential of the geothermal resource in Wotten Waven. Currently, further EU and French funding, channelled through the Caribbean Investment Facility, are providing assistance for technical assistance and the finalisation of the first phase of drilling. The conclusion of these interventions should put DOM well on the path to establish a small-scale (10MW - 15MW) geothermal power plant by 2016 to supply the domestic electricity market. To this end DOM seeks to enter into an agreement with a private developer who will also be charged with phasing this plant into a larger (100 - 120MW) power plant, with the aim of exporting the generated electricity to neighbouring islands of Martinique and Guadeloupe. This connection is currently being further studied with funding from INTERREG IV.

Geothermal energy is ideal in that it is a reliable and non-intermittent and an optimal base-load substitute. In the long run, development of geothermal energy should reduce the cost of electricity as a result of the reduced need to import petroleum based fuels for power generation. Geothermal is a clean alternative that would bolster Dominica's global "Nature Island" reputation. In the longer term geothermal energy may provide the basis for investments in "green tech" jobs in the island and hence the development of this energy source will support the country's transformation to a "green economy". As an indigenous resource, geothermal will also enhance the energy security in the island.

The Government has recognised these opportunities and benefits, and has undertaken an ambitious geothermal development programme with international partners. The end goal is to achieve electricity trade across the wider Eastern Caribbean region, and position Dominica as an important energy supply hub.

In conclusion, in order to fully harness the benefits of the tremendous potential afforded by this source, the Government of Dominica has indicated that geothermal energy development is a priority sector. The energy sector in DOM is relatively well regulated, analysed and reported on. Constraints of energy costs for economic development are well identified and appreciated by the Government. In this regard, enhancing local capacity, establishing a robust regulatory framework and high regard for environmental and social issues will be at the core of activities as the development process continues. The opportunity to further enhance the status of the country as the "Nature Isle of the Caribbean", improve the quality of life of Dominicans, provide jobs and offer a transition to a low carbon / green economy is acknowledged by the overwhelming majority of stakeholders in the country.

Concentrating investments in sustainable energy is given high priority in the EU "Agenda for Change". Given the past and present support of the EU for the development of the resource and the possibility to further explore collaboration with the EU (primarily via Martinique and Guadeloupe), the EU is seen as a key partner offering a unique set of complementary support mechanisms for Dominica. Geothermal energy development will also contribute to achieving the EU proposal to make 20% of the EU overall budget for 2014-2020 "climate relevant". Possibilities to leverage additional funds to the sector exist, primarily from the Caribbean Investment Facility, and will be assessed further. Linkages with the energy component of the EDF 11 regional programme will also be explored. Increasing innovative financial instruments, including under facilities for blending grants and loans is a key feature of the EU "Agenda for Change" as well. EU support will take into account the equal and non-discriminatory access to energy services as integral to the enjoyment of socio-economic rights. Gender equality, participation of the most marginalized in equitable service delivery will be thus paid special attention to.

2. Financial overview (indicative amounts)

<i>Sector of cooperation</i>	<i>Amount (EUR)</i>	<i>% of Total</i>
<i>Renewable Energy / Energy Efficiency</i>	2,620,000	65.5
<i>Measures in favour of civil society (NSA Panel)</i>	180,000	4.5
<i>Support measures</i>	1,200,000	30
<i>- Support measures NAO</i>	800,000	20
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<i><u>Total</u></i>	<u>4,000,000</u>	<u>100</u>

The EU response and National Indicative Programme may be complemented by operations financed by the European Investment Bank (EIB) from the Cotonou Investment Facility and/or its Own Resources

3. EU support per sector

3.1. Renewable Energy / Energy Efficiency (indicative amount EUR 2,620,000)

3.1.1. The following overall and specific **objectives** will be pursued:

The overall objective is to support the energy sector goals of the Government, as reinforced in the Growth and Social Protection Strategy (GSPS), (i) to pursue a reduced-cost energy generation and supply for the benefit of the consumer, (ii) to encourage energy conservation and (iii) to diversify energy sources and reduce the reliance on fossil fuels.

The specific objectives are:

- (a) to contribute to the development of renewable energy, energy efficiency and conservation;
- (b) to contribute to technical and institutional capacity building and strengthening on renewable energies and their environmentally sustainable management;
- (c) to undertake additional research and analysis to facilitate the development of renewable energies.

3.1.2. For each of the specific objectives the main expected **results** are:

Specific Objective A

Result No. 1

Enhanced Public Sector Energy Efficiency and Public Awareness

Result No. 2

Implementation of recommendations of the National Energy Audit Initiative, including investments for Government Buildings

Result No. 3

Public awareness campaigns on energy efficiency targeted at primary and secondary schools

Specific Objective B

Result No. 4

Enhanced capacity of key stakeholders within the energy sector to regulate and monitor the geothermal sector, including the management of its environmental impacts and climate proofing of investments.

Specific Objective C

Result No. 5

Bankability of the Geothermal Programme enhanced via sound research and analysis.

3.1.3. The main **indicators** for measuring the aforementioned results are contained in the sector intervention framework in Attachment III.

Lessons learnt will be taken into account during the implementation phase and in particular lessons learned will be taken into account during the identification and formulation phases so as to inform the choices for implementation.

3.1.4. **Donor coordination** and **policy dialogue** are:

A number of national (community groups, banks, DOMLEC, etc) and international (World Bank, EU, Agence Française de Développement (Afd), Clinton Climate Initiative) actors are supporting the development of geothermal energy in Dominica. The Ministry of Energy coordinates these

inputs in association with national Geothermal Policy, Technical and Negotiating Committees; the latter known as the "Deal Team".

The Negotiating Committee (the "Deal Team") is chaired by Dominica's Permanent Representative to the United Nations. The Geothermal Project Management Unit (GPMU) which managed the initial phase of geothermal resource development is in the process of being restructured into a Geothermal Development Unit (GDU).

The Ministry of Public Works, Energy and Ports facilitates a multi-stakeholder dialogue process. The Government is committed to a continued, transparent and inclusive donor coordination and sector dialogue process.

3.1.5. The **Government's financial and policy commitments** are:

Capital spending of the Government in all sectors is limited given a strained financial situation. Nonetheless, the Government has spent EC\$33 million of own funds on developing the geothermal sector. The Government has a well-defined regulatory framework for the electricity sector, founded on the Electricity Supply Act (ESA) of 2006, which came into force on 25 January 2007. This Act also established the Independent Regulatory Commission (IRC) to regulate the generation, transmission, distribution and supply of electricity services and related services.

A draft Geothermal Resources Development Bill was prepared in 2010, and was rigorously reviewed by public and private stakeholders in and out of Dominica. The Bill was tabled in the Dominica Parliament on March 01 2013 and continues to receive the attention of the Attorney General's Chambers, as well as the Geothermal Policy, Technical and Negotiating Committees, and the technical and legal staff of development partners.

The recently updated draft Sustainable Energy Plan (SEP), which is undergoing the approval process, asserts that a renewable energy portfolio standard (REPS) for Dominica will be established and that the REPS will result in at least 50% percent of installed capacity being renewables-based by 2020. Additionally, renewable energy targets for Dominica and the Caribbean were presented by CARICOM in the Caribbean Sustainable Energy Road Map in March 2013.

The Government has also prepared a Draft National Energy Policy. The core principles are the increased development and use of renewable energy technologies and increased energy efficiency at all stages of the energy supply and demand chain. The primary objective of the Policy is to pursue sustainable energy that is reliable, extends access to energy, and provides energy at the lowest possible cost. The primary objective is supported by five supplementary objectives: i) Increase use of domestic energy sources. ii) Increase energy efficiency. iii) Increase environmental sustainability. iv) Reduce energy costs and tariffs. v) Extend electricity coverage to all citizens. Government policies are also geared towards creating an enabling environment for the private sector in the areas of renewable energy and energy efficiency.

3.1.6. **Environmental assessment**

Development of the geothermal resource in Dominica is being done in compliance with the environmental policies, laws and regulations of Dominica. Furthermore, the partnership with the French Regions of Martinique and Guadeloupe and the subsequent involvement of leading French agencies and entities to carry out Environmental Impact Assessments ensures that this vital aspect is being given due consideration. Development of the geothermal resources is furthermore guided by the St. Georges' Declaration of Principles for Environmental Sustainability in the OECS.

3.1.7. The overall **risk assessment** of the sector intervention:

The risk areas for development of geothermal energy in Dominica have been identified as the following; i) costs; ii) finance availability; iii) renewable energy resource; iv) technology; v) environmental compliance; vi) timely completion (construction); vi) geotechnical; vii) market and off-taker; viii) drilling/well Productivity; ix) regulation; x) land access; ; xi) catastrophic events – force majeure.

A large number of these issues are already being addressed, e.g. environmental impact assessments, and the transparent processes and tendering procedures adopted by the Government should ensure that many of the others are also duly addressed, including climate proofing of designs. Some of the issues are already being dealt with in the context of the currently funded EU / AfD interventions still others by the proposed EDF 11 interventions.

Risks (also including risks from natural disasters) will be integrated in a risk informed investment approach and due recognition will also be given to the Climate Risk Assessment approach.

4. Measures in favour of civil society

In line with the Cotonou Agreement and its Annex IV an indicative amount of EUR180,000 is set aside in support of civil society organisations, specifically the Non-State Actors Advisory Panel. This allocation may also be used to finance actions linked to cross cutting issues.

The expected results from this allocation are: i) enhanced consultative and participatory processes and involvement of civil society in sector dialogue; ii) stronger involvement of NSAs in the planning and implementation of energy sector actions.

5. B-allocation

A B-allocation is included for unforeseen needs (specifically relevant for fragility situations). This allocation is EUR 0.00 until a need arises. In case of necessity, a Financing Decision to meet an unforeseen or urgent need can be taken.

6. Support measures

6.1. Measures to support or accompany the programming, preparation or implementation of actions

An indicative amount of maximum EUR 400,000 is foreseen for Technical Cooperation Facility (TCF), which aims at supporting or accompanying the programming, preparation or implementation of actions. The TCF is not a sector, and is to be used for supporting activities of limited amounts. It may not be used neither for financing small projects in the focal sector, nor for actions related to cross cutting issues. Nevertheless it may be used to finance activities in support of civil society and non-state actors.

6.2. Support to the National Authorizing Officer

An indicative amount of maximum EUR 800,000 is foreseen for support to the National Authorising Officer. This component seeks to maintain and improve the institutional capacity necessary for the efficient planning and implementation of development projects and programmes financed by the EU (i.e. EDF, B-Envelope and Banana Accompanying Measures (BAM)). A key component will be to ensure adequate visibility of EU interventions in Dominica. Further, the NAO will be integral to the process of assisting the Country to access resources under the Caribbean Regional Indicative Programme (CRIP), the Caribbean Investment Facility (CIF) as well as other EU thematic funds including for research.

Attachments

1. Country at a glance
2. Donor matrix showing the indicative allocations per sector
3. Sector intervention framework and performance indicators
4. Indicative timetable for commitment of funds

Attachment I: Country at a glance

<i><u>Dominica</u></i>	Unit	2010 (or earlier)	2011	2012	2013	Source
POLITICAL						
Status / political rights / civil liberties	Score (F = Free; PF = Partly Free; N = Not Free) / 1 = the most free and 7 the least free rating.	F/1/1	F/1/1	F/1/1	F/1/1	Freedom House
SOCIAL / VULNERABILITY						
Population	Number	71,167	71,401	71,684	-	World Bank
Human Development Index	Index / rank	0.743	0.744	0.745/72	-	UN
Life expectancy at birth, total	Years	-	-	-	-	World Bank
School enrolment primary	%	112	119	-	-	World Bank
Homicides	Number per 100,000 population (change from year before)	15 (+2)	-	-	-	UN
Poverty (headcount index)	%	28,8	-	-	-	CDB
Unemployment	%	13,9 (2009)				CDB
GINI	0 – 1 coefficient	0.44	-	-	-	CDB
EVI (Environmental Vulnerability)	Index	-	-	-	-	UNEP
Fuel imports	(% of merchandise imports)	17	-	-	-	World Bank
Pop. Living in areas of elevation < 5 meters	%	10,43 (2000)	-	-	-	Centre for International Earth Science Information Network (CIESIN)
Disaster risk reduction progress	Score (1 to 5): 1= worst	-	-	-	-	World Bank

ECONOMICAL						
GDP Growth	%	1	1	-1	-	World Bank
Public deficit	% GDP	-3.5	-2.2*	-2.6**	-	Global Finance
Debt	% GDP	69,3	69,9	70,7*	-	Global Finance
Current Account Balance	% of GDP	-16.2	-12.8	-13.4	-13.78*	Economy Watch
Inflation	%	3,2	2,3	2,5*	-	Global Finance
Global Competitiveness	Rank/score/change	-	-	-	-	World Economic Forum
Rating Agencies	Rate	-	-	MIIs :B1	-	S&P; MIIs; FR
FDI, net inflows	BoP, current US\$	24,341,705	34,259,368	-	-	World Bank
Net ODA and official aid received	Current US\$	32,450,000	24,360,000	-	-	World Bank
EU Import from / EU Export to	Value: EUR million	9.7/18.6	9.7/19.9	11/20.5	-	EU
GOVERNANCE						
Control of Corruption	% / score	74/0.74	-	-	-	Transparency Internat.
Doing Business	Points/Rank	-	65	68	-	World Bank- IFC

* Estimation; ** Forecast

Attachment II: Donor matrix showing the indicative allocations per sector

Sector: Renewable Energy / Energy Efficiency

DONORS	Activity - Amount / date
EU	EDF 11 – EUR 3.6 million for Renewable Energy and Energy Efficiency interventions and measures
EU (Commission) with AFD (FFEM)	09 th EDF -Geothermal cross-border electrical interconnection – To increase consumer access to affordable energy via allow cost RE source, to provide a regional model for regionals cross-border interconnection & characterize the geothermal resource Funding: EUR1,45 mn / 2008 AFD EUR4.8 mn
EU (Commission) With AFD	CIF -Dominica Geothermal Energy project: Commence drilling of one production and one re-injection well, co-financed with AFD (6.5MEUR) Funding: EUR2.1 mn / Since end of 2011
World Bank ESMAP/SIDS DOCK	Gap Analysis of the Geothermal sector Funding: USD 200,000 /2012
Clinton Climate Initiative	CCI continues to provide the Government with technical assistance, including technology, financial and policy analyses to support the objectives of the geothermal development programme, and related financing issues. CCI will identify and mobilize international resources including project developers, technology suppliers, financial institutions, development banks, and other stakeholders that could potentially participate in the Project and/or bid on its sub-projects. CCI will also facilitate discussions and negotiations between the GoCD and private sector partners helping to forge agreements so that projects can move forward. In doing so, CCI will seek to layout and define a range of options, recognizing that ultimate responsibility for decision-making will rest with the Government. Funding: N/A Time frame: 2011 –
INTERREG IV: Caribbean Geothermal Energy, Phase II - Transnational Partnership (Dominica, Guadeloupe Regional Council, Martinique Regional Council, AFD, BRGM, ADEME, CFG, Caisse des Dépôts et Consignations (CDC)[Deposit and loan fund, ES (Electricité de Strasbourg)	The Interreg IV project has two main objectives: - To prolong and support the project aimed at developing geothermal energy in Dominica and establishing an inter-island electricity connection between Guadeloupe, Dominica and Martinique, via underwater cables, and - To prepare the conditions necessary to implement a geothermal energy development programme on a Caribbean-wide scale. Funding: EUR 8,505,047 (EUR 4,005,047 for expenditure within the EU and an additional 4,500,000 for Non-EU countries.) Time frame: 2013-2015
Government of Dominica	Funds to be used in site development, administrative support, local taxes, etc, and acquisition of lands. Funding: EUR 3 mn for the fiscal period 2013 – 2014.

Attachment III: Sector intervention framework and performance indicators¹

Sector 1: Renewable Energy / Energy Efficiency

Specific objective 1: Contribute to energy efficiency and conservation;

Expected Results	Indicators	Means of verification
a) Enhanced Public Sector Energy Efficiency and Public Awareness b) Implementation of recommendations of the National Energy Audit Initiative, including investments for Government Buildings c) Public awareness campaigns on energy efficiency targeted at primary and secondary schools	Status of implementation of recommendations of the National Energy Audit Initiative Electricity consumption from Government Buildings Number of trainers trained and numbers of students reached	- Ministry of Energy reports - EU reports: progress reports, monitoring and evaluation reports - Independent audit reports

Specific objective 2: Contribute to technical and institutional capacity building and strengthening

Expected Results	Indicators	Means of verification
a) Enhanced capacity of key stakeholders within the energy sector to regulate and monitor the geothermal sector	Number of staff of key agencies within the energy sector trained, including on management of environmental risks associated to geothermal energy developments Status of working groups with key institutions in Guadeloupe and Martinique for skills and knowledge transfer; number of staff benefiting from knowledge transfer	- Ministry of Energy reports - EU reports: progress reports, monitoring and evaluation reports - Independent audit reports

Specific objective 3: To undertake additional research and analysis

Expected Results	Indicators	Means of verification
a) Bankability of the Geothermal Programme enhanced via sound research and analysis.	Number of preliminary studies completed and feasibility of investments	- Ministry of Energy reports - EU reports: progress reports, monitoring and evaluation reports

The results, indicators and means of verification specified in the present annex may need to evolve to take into account changes intervening during the programming period.

¹ Baselines will be included in the Action documents at the latest

Attachment IV: Indicative timetable for commitment of funds

	Indicative allocation (EUR million)	2014	2015	2016	2017	2018	2019	2020
SECTOR – Renewable Energy / Energy Efficiency	2.62	0	2.62	0	0	0	0	0
Other measures (support to civil society)	0.18	0	0.18	0	0	0	0	0
B- allocation	N/A							
Support measures	1.20	0	1.20	0	0	0	0	0
• Measures to support or accompany the programming, preparation or implementation of actions	0.40	0	0.40	0	0	0	0	0
• Support to the National Authorising Officer	0.80	0	0.80	0	0	0	0	0
<u>TOTAL COMMITMENTS</u>	<u>4.00</u>	<u>0</u>	<u>4.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>