

**Caribbean Renewable Energy Technical Assistance Facility (CRETAF)** is a US \$1.6 million initiative to provide early-stage, high risk financing for qualified projects.

**CRETAF** will assist developers in the final preparation of **bankable** project documents. This includes:

- Full feasibility
- Grid stability studies
- Resource Assessments
- Environmental Impact Assessment

**Caribbean Renewable Energy Fund (CREF)** seeks to provide equity and debt financing to renewable energy projects. **CREF** will co-invest with regional financial institutions (FI's).



*Mollejon run-of-river dam, Belize*

### Eligible projects:

Grid-connected

- Wind
- Biomass cogeneration
- Small and mini-hydro
- Geothermal

Off-Grid and Rural Electrification

- Photovoltaics
- Micro-hydro
- Solar water heating

### Project qualification criteria:

- After tax ROI > 15%
- Benefit costs ratios  $\geq 1$  or NPV > 0 or DSCR > 1.5
- Net foreign exchange savings
- Net reduction in Green House Gas (GHG) emissions
- Project levelised cost of energy and capacity < avoided cost of electric energy and capacity
- Show a strong potential for duplication
- Must have signed letter of support from the respective Government

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## CARIBBEAN RENEWABLE ENERGY DEVELOPMENT PROGRAMME

# CREDP

*“To remove barriers to the increased use of renewable energy thus reducing the dependence on fossil fuels while contributing to the reduction of greenhouse gas (GHG) emissions.”*

- **POLICY**
- **FINANCE**
- **HUMAN & INSTITUTIONAL CAPACITY**
- **INFORMATION & AWARENESS**



CREDP is executed by the  
Caribbean Community  
(CARICOM) Secretariat

## Participating countries:

The Bahamas	Jamaica
Barbados	St. Kitts & Nevis
Belize	Saint Lucia
Cuba	St. Vincent and the Grenadines
Dominica	Grenadines
Grenada	Suriname
Guyana	Trinidad & Tobago

Other countries pending are Antigua and Barbuda, Montserrat, the British Virgin Islands and the Turks and Caicos Islands.



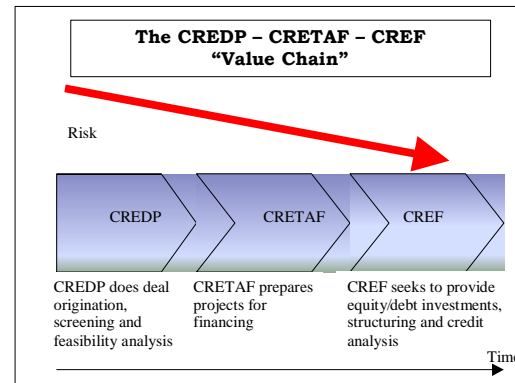
*A modern wind farm at Playa Conoa, Curacao versus the old*

**CREDP** involves key stakeholders:

- National Governments
- UNDP/GEF
- GTZ
- OAS
- CARILEC
- UWI
- Private Sector
- Caribbean Solar Energy Society
- Development Agencies
- Multilateral Banks

## How CREDP reduces risk to improve economic, financial and environmental value

The level of incremental risk to project developers is reduced as projects travel along the **CREDP Value Chain**.



**CREDP** mitigates the risk to investors in renewable energy projects by addressing three main issues:

- Economic Risk
- Transaction Cost Risk
- Revenue Risk

## ECONOMIC RISK

**CREDP's** pipeline process reduces the economic risk of renewable energy projects. **CREDP** provides assistance for:

- Project origination in conjunction with developers
- Project screening using specialised software
- Pre-feasibility, avoided cost, financial, and electric rate impact analysis.
- Draft Project Offering Memoranda

## TRANSACTION COST RISK

**CREDP** has produced standardised template **bankable** documents including:

- Power Purchase Agreement (PPA)
- Operations and Maintenance (O&M) Agreement
- EPC contract

## REVENUE RISK

**CREDP** is working with national governments to reform the regional policy environment to support investments:

- Permit independent power producers (IPP's)
- Re-design of Electricity Supply legislation and regulations
- Administrative procedures for Power Purchase Agreements (PPA's)
- Renewable Energy market penetration targets
- Carbon trade and financing



*Solar electric cell array of the type used in remote locations in Belize*