

MEMORANDUM OF UNDERSTANDING
among
THE CARIBBEAN COMMUNITY
and
THE CARIBBEAN DEVELOPMENT BANK
and
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF
AMERICA
and
THE INTER-AMERICAN DEVELOPMENT BANK
concerning
COOPERATION ON CLEAN ENERGY

Washington, D.C.
May 4, 2016

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PREAMBLE

WHEREAS, the Caribbean Community (hereinafter referred to as "CARICOM"); the Caribbean Development Bank (hereinafter referred to as "CDB"); the Department of Energy of the United States of America (hereinafter referred to as "U.S. DOE"); and the Inter-American Development Bank (hereinafter referred to as the "IDB"), hereinafter collectively referred to as the "Participants" and each individually as a "Participant", are guided by their mutual desire to promote and increase sustainable energy implementation through, *inter alia*, the accelerated deployment of energy efficiency applications and alternative and renewable energy technologies to deliver clean, affordable energy with predictability in supply and pricing to the Caribbean regional markets;

WHEREAS, in April 2008, CARICOM commenced the CARICOM Energy Programme as one of the programmes within the Directorate of Trade and Economic Integration;

WHEREAS, the goal of the CARICOM Energy Programme is to increase regional energy security and advance the transformation of the Caribbean region's energy sector towards a more sustainable path;

WHEREAS, the CARICOM Energy Programme was assigned the responsibility of implementing a programmatic approach to energy sector developments in the Caribbean region;

WHEREAS, the regional strategy on energy has now been anchored within the framework of the CARICOM Energy Policy and the CARIBBEAN Sustainable Energy Roadmap and Strategy (C-SERMS), both of which were approved by the Forty-First Special Meeting of the Council on Trade and Economic Development (COTED) for Energy in March 2013, and which provide orientation for the CARICOM Energy Programme;

WHEREAS, the CARICOM Energy Policy and the C-SERMS recognize the need for, and provide the platform to develop, a coordinated regional approach to encourage and expedite a reduction in energy intensity, as well as increased use of renewable energy through the transition to a climate-compatible development path that harnesses indigenous renewable energy resources, optimizes energy use, minimizes environmental damage, and spurs economic growth and innovation;

WHEREAS, the Fifty-Fourth Special Meeting of the COTED (Energy), in February 2015, noted that the C-SERMS remains the overarching framework for coordination of sustainable energy strategies within the Caribbean region and endorsed the improved coordination mechanism that is being implemented by the Energy Unit of the CARICOM Secretariat;

WHEREAS, the Thirty-Sixth Regular Meeting of the Conference of Heads of Government of CARICOM, held in Barbados, in July 2015, endorsed the establishment of the "Caribbean Centre for Renewable Energy and Energy Efficiency (CCREEE)" as the implementation hub for sustainable energy activities and projects within the Caribbean region;

WHEREAS, the IDB has a history of providing technical and financial assistance to its Caribbean member countries, CARICOM, and CDB, to support their efforts to transform the energy sectors in the Caribbean; and the IDB remains committed to contribute to the reduction of dependency on fossil fuels in CARICOM countries by, *inter alia*, supporting efforts in fuel diversification and achieving the C-SERMS targets through initiatives such as the Sustainable Energy Facility (SEF) for the Eastern Caribbean, natural gas feasibility studies for gas integration into power generation, and the Multi-donor Energy Co-financing Facility for Caribbean Sustainability, among others;

WHEREAS, CDB has a long history of supporting the Caribbean region's energy sector, including an early alternative energy pilot programme in the 1980s, remains committed to supporting member countries as they transition their relatively small and vulnerable economies to increased energy security and sustainability, has articulated this commitment by giving high priority to sustainable energy in its Strategic Plan 2015-19, its Climate Resilience Strategy, and in its recently approved Energy Sector Policy and Strategy, is promoting the inclusion of renewable energy and energy efficiency in its work across all sectors for greater affordability, and is the executing agency for the SEF;

WHEREAS, the U.S. DOE has been a critical interface for the support of the United States of America to Caribbean governments, which share a strong interest in making energy more affordable and in a manner that contributes to reducing the harmful effects of global climate change, and continues to support the Caribbean energy agenda through, *inter alia*, the Energy and Climate Partnership of the Americas (ECPA), the Caribbean Clean Energy Technology Symposium (CCETS), the Energy Transition Initiative: Islands, the Clean Energy Solutions Center, and the Caribbean Energy Security Initiative (CESI);

WHEREAS, the Participants share a desire to continue the promotion of sustainable energy systems in CARICOM countries by encouraging the development and use of sustainable energy solutions through support for improvements to the policy, regulatory, legal, institutional and technical framework; leveraging private, bilateral and multilateral funding and grant support; and, where necessary, convening and engaging other stakeholders, active in the sector, in dialogue that is aimed at enhancing the effectiveness of their combined initiatives and contributions; and

WHEREAS, the Participants desire mutual learning and information exchanges that will foster innovation and develop solutions to a variety of energy and environmental challenges, and recognize that this may be most effectively achieved through a robust framework for collaboration between them that will provide stronger coordination and partnership in accordance with the coordination mechanism that is being implemented by the Energy Unit of the CARICOM Secretariat, as approved by the Fifty-Fourth Special Meeting of the COTED (Energy).

NOW THEREFORE, the Participants have reached the following understanding:

1. OBJECTIVE AND PLANNED AREAS OF COOPERATION

1.1 Objective of the Cooperation

The objective of this Memorandum of Understanding (hereinafter referred to as the "MOU") is to explore and facilitate initiatives for the sharing of information and the exchange of knowledge, including activities related to: (i) capacity building; (ii) technology and knowledge transfer; and (iii) the identification, articulation and facilitation of sustainable energy projects, policies, and programmes that are of mutual interest and in accordance with the priorities of the respective Participants, and that simultaneously support the socioeconomic and development goals of the Caribbean.

1.2 Planned Areas of Cooperation

The Participants intend to cooperate to advance mutually agreeable strategic projects and programmes, in cooperation with governments of the Caribbean region, in the following areas:

- a) Energy efficiency, including, but not limited to, energy efficiency policies and regulations such as energy efficient building codes; energy standards for appliances and equipment; and clean vehicle standards and regulations;
- b) Grid management, including, but not limited to, smart grid deployment;
- c) Renewable energy, including, but not limited to, solar, wind power and energy storage and their integration to the grid, in a cost-effective manner;
- d) Fuel diversity, including, but not limited to, exploration of alternative sources of baseload fuels beyond petroleum;
- e) Energy education, including, but not limited to, clean energy workforce development; and
- f) Clean energy financing, including, but not limited to, mechanisms to support the substitution of diesel by cleaner, cheaper, and more secure sources of energy (natural gas, geothermal, hydro, ocean and sustainable biomass) for baseload power generation.

2. UNDERTAKINGS OF THE PARTICIPANTS

2.1 The Participants intend to focus on the identification of financing and investment opportunities for pilot and commercial scale projects in sustainable energy and to support the Caribbean regional energy strategy through:

- a) The exchange of technical information and knowledge on region-appropriate technologies and engineering for energy efficiency and renewable energy, including but not limited to data sharing, study tours, and the joint organization of knowledge seminars, webinars, workshops and other forums;
- b) Involvement in activities related to technical work, such as resource assessments, pre-feasibility and feasibility studies, and grid integration studies within Caribbean countries; and
- c) Collaboration for the establishment and development of the proposed Energy Co-financing Facility for Caribbean Sustainability.

2.2 The Participants intend to coordinate closely to implement and operationalize Communities of Practice in the Caribbean to support the interaction of industry, non-governmental and academic experts of the energy sector within CARICOM and neighboring countries, including the United States of America, under the Energy Unit of the CARICOM Secretariat, through such means as, where appropriate, regular communications, knowledge-exchange meetings, and joint missions.

2.3 The Participants intend to explore collaboration on the organization and hosting of the CCETS, working in particular to support future hosts of the event, beginning with Jamaica in 2016.

3. IMPLEMENTATION

3.1 The points of contact for each Participant to plan, develop and ensure the proper implementation of this MOU are as follows:

CARICOM:	Programme Manager, Energy, CARICOM Secretariat
CDB:	Head, Renewable Energy/Energy Efficiency Unit
U.S. DOE:	Director, Office of American Affairs
IDB:	General Manager, Caribbean Country Department

3.2 The Participants intend to develop an Action Plan to facilitate the implementation of this MOU. The Action Plan should provide details regarding the specific activities that are to be implemented under the MOU on an annual basis, and include activity timelines, expected indicators and outcomes, as well as the respective roles and responsibilities of the Participants in relation to each item.

3.3 The implementation of this MOU is to be monitored through meetings to be jointly chaired by CARICOM, the U.S. DOE, CDB and the IDB, annually at or

about the time of the CCETS, unless any Participant requests an *ad hoc* meeting to address specific issues which may arise during the implementation of this MOU.

4. GENERAL CONSIDERATIONS

4.1 The Participants acknowledge that:

- a) This MOU does not create any legally binding or enforceable obligations between or among the Participants, nor does it commit any Participant to provide financial support for any specific activity or project. Unless otherwise determined in writing, each Participant is to be responsible for the costs it incurs in conducting the activities contemplated by this MOU.
- b) All activities agreed to between or among the Participants are to be subject to the respective internal objectives, functions, policies and procedures of the Participants.
- c) Exchanges of information under this MOU are intended to be limited to publicly available information. If the Participants find that a particular activity may lead to the exchange of confidential information, prior to sharing such information, the Participants should consult with each other and make written arrangements for the appropriate handling of such confidential information.
- d) Nothing within this MOU is to be construed as creating a joint venture, an agency relationship, or a legal partnership between or among the Participants.
- e) Nothing within this MOU is intended to be, or should be construed as, a waiver of the privileges and immunities of any of the Participants or their officers and employees, and such privileges and immunities are hereby specifically reserved.

4.2 Subject to the Participants' respective policies and procedures with respect to the disclosure of information, the Participants may make this MOU publicly available.

4.3 Cooperation under this MOU may commence upon the date of signature by the Participants and continue for a period of three (3) years from the date thereof, unless discontinued by any Participant in accordance with Section 4.5.

4.4 This MOU may be extended or modified by the unanimous written consent of the Participants.

4.5 The Participants may discontinue this MOU at any time by unanimous written consent. Alternatively, a Participant that wishes to discontinue its participation in this MOU should provide at least ninety (90) days advance written notice to the other Participants. Provided, however, that any such discontinuation does not affect any obligations that may have been assumed by the Participants under separate agreements prior to the date of discontinuation, unless otherwise provided in such separate agreements.

4.6 Any notices required by this MOU are to be given in writing and delivered to the following representatives of each Participant:

Caribbean Community (CARICOM) Secretariat

Turkeyen, Greater Georgetown

GUYANA

Email: energy@caricom.org

Fax: +(592) 222-0224

Attention: Programme Manager, Energy

Caribbean Development Bank

Wilkey

St. Michael

Barbados, W.I. BB11103

Email: reee@caribank.org

Fax: +1 (246) 426-7269

Attention: Head, REEE Unit, Office of Vice President, Operations

The Department of Energy of the United States of America

1000 Independence Avenue, SW

Washington, D.C. 20585

U.S.A.

Email: Gary.Ward@hq.doe.gov

Fax: +1 (202) 586-6123

Attention: Gary K. Ward, Director, Office of the Americas, Office of
International Affairs

Inter-American Development Bank

1300 New York Avenue, NW

Washington, D.C. 20577

U.S.A.

Email: partnerships@iadb.org

Fax: +1 (202) 623-2543

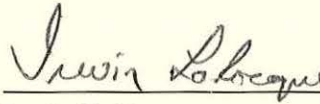
Attention: Manager, Office of Outreach and Partnerships

5. DISPUTE SETTLEMENT

The Participants should endeavor to amicably settle through negotiation any differences or disputes arising out of or in connection with the implementation of this MOU.

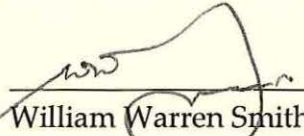
Signed in Washington, D.C. in quadruplicate, this 4th day of May, 2016.

For the Caribbean Community:



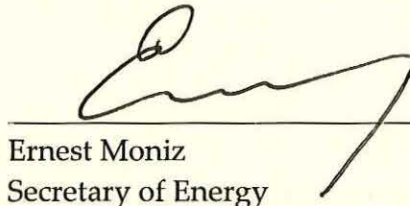
Irwin LaRocque
Secretary General

For the Caribbean Development
Bank:



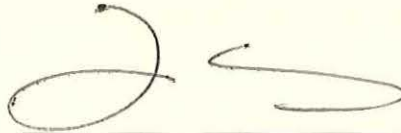
William Warren Smith
President

For the Department of Energy of
the United States of America:



Ernest Moniz
Secretary of Energy

For the Inter-American
Development Bank:



Luis Alberto Moreno
President