

Country Action Plan - Energy Sector

GRENADA

General Context

Euroclima, a regional cooperation initiative funded by the European Union under the Global Gateway strategy, aims to address key challenges in countries like Grenada by promoting sustainable development, enhancing climate resilience, and protecting biodiversity, tailored to the island's specific vulnerabilities. The program aligns with the goals of the Paris Agreement and supports Grenada, alongside other Caribbean nations, in meeting their Nationally Determined Contributions (NDCs).

The State of Grenada (which consists of the main island of Grenada and its two smaller sister islands, Carriacou and Petite Martinique) is heavily dependent on imported fossil fuels for electricity generation, resulting in high energy costs, vulnerability to external market fluctuations, and increased greenhouse gas emissions. This dependence poses a major barrier to economic resilience, especially for micro, small, and medium enterprises (MSMEs)—including small cottage industries and agro-processors—that are critical to local employment, livelihoods, and value-added production. These challenges constrain productivity, competitiveness, and the long-term sustainability of local production.

Transitioning toward renewable energy and energy efficiency (RE/EE) has therefore become a national priority to enhance energy resilience, reduce dependency on fossil fuels, and advance climate-change mitigation objectives. Grenada's updated Nationally Determined Contribution (NDC)¹ commits to reducing its GHG emissions by 40% of the 2010 emissions levels by 2030, and increasing energy efficiency. These targets reflect the country's broader vision to reduce fossil fuel dependence, enhance energy security, and transition toward a sustainable, low-carbon economy. Achieving these objectives requires targeted interventions that extend beyond the utility scale.

Context and Justification

The action proposed for support under the Euroclima Programme builds on Grenada's Solar for All Project, an initiative led by the Ministry of Climate Resilience, the Environment and Renewable Energy. Specifically, it has been developed from Objective 3 of the Solar for All Project Concept Note — *"Promote Economic Inclusion: Support small cottage industries and agro-processors with renewable energy solutions to enhance productivity and sustainability."*

By translating this objective into a concrete set of activities targeting MSMEs (small cottage industries and agro-processors), the action will advance Grenada's national vision of an inclusive and decentralized energy transition that empowers local producers while contributing to the country's renewable energy and NDC commitments.

The proposed action entitled *Renewable Energy Support for Small Cottage Industries and Agro-Processors (RESCAP)*, will receive support through the Euroclima Programme, a regional cooperation initiative funded by the European Union under the Global Gateway strategy. By supporting Grenada's efforts to integrate small cottage industries and agro-processors into the renewable energy transition, the RESCAP initiative will contribute to the implementation of national priorities under the Solar for All

¹ [Grenada's Second Nationally Determined Contribution \(NDC\)](#)

Project and advances Grenada's NDC targets. The action aims to strengthen ongoing national initiatives by providing technical assistance, capacity building, and pilot demonstrations that reduce operational costs for small producers and enhance resilience in rural and productive sectors. It will also generate scalable lessons and models that can inform similar interventions across the Caribbean under the Euroclima regional cooperation framework and the EU Global Gateway priorities for sustainable investment and green transition.

Viability and Sustainability

The proposed action builds on existing national structures and policy frameworks that already prioritize renewable energy development. Implementation under Grenada's Solar for All project ensures strong alignment with the Ministry of Climate Resilience, the Environment and Renewable Energy, which will provide national ownership and policy continuity. Coordination with partners such as Grenlec and the Public Utilities Regulatory Commission (PURC) should further enhance technical credibility, regulatory coherence, and investment readiness.

The action promotes sustainability by demonstrating cost-effective renewable energy solutions for small cottage industries and agro-processors. The Proof-of-Concept pilot installations will serve as reference cases for scaling through public-private partnerships and potential financing mechanisms identified in the Renewable Energy Investment Prospectus.

Institutional sustainability will be achieved through capacity building, including training of certified energy managers, electricians, and facility operators, ensuring that technical expertise remains within the country after the project's completion. Additionally, the Public Awareness and Energy Literacy Programme will strengthen local understanding of renewable energy and energy efficiency, equipping both citizens and government agencies to maintain momentum and continue outreach beyond the project's duration.

The action's integration under Euroclima's regional cooperation framework reinforces its long-term viability by connecting Grenada to a wider Caribbean and Latin American network of practitioners and knowledge exchange. This regional dimension will facilitate continuous learning, replication, and the mobilization of future investment opportunities, ensuring the sustainability and scalability of outcomes well beyond the project lifecycle.

Synergy with other initiatives and projects

This project directly supports:

- **Grenada's Second Nationally Determined Contribution (NDC) (2020):** Grenada's Second NDC commits the country to reducing its greenhouse-gas emissions by *40% of 2010 levels by 2030*, with interventions focused on the energy, waste, transport, forestry and industrial sectors. **Grenada's NDC 3.0** has been drafted, and submitted to Cabinet for approval to submit to the UNFCCC.
- **Vision 2030:** Grenada's renewable energy roadmap includes "Vision 2030," which aims for a 100% renewable energy target for both electricity and transport by 2030, and is supported by the National Energy Policy and the Renewable Energy and Energy Efficiency Act.

- This project stems directly from the Concept Note entitled “**Solar for All Project**”, and will build on Objective 3 “Promote Economic Inclusion: Support small cottage industries and agro-processors with renewable energy solutions to enhance productivity and sustainability”.
- This action will contribute to **Sustainable Development Goals (SDGs) 7, 8, 9, 12, and 13**- clean energy, decent work, innovation, sustainable production, and climate action
- The **Caribbean Efficient and Green Energy Buildings Project (CEGEB)**: A regional initiative led by Grenada, Saint Lucia, and Guyana, with funding from the World Bank, to improve energy efficiency and increase renewable energy use in public buildings.
- **Caribbean Resilient Renewable Energy Infrastructure Investment Facility (RREIIF)**: A USD\$110M facility approved by the World Bank to support Grenada, Saint Lucia and Saint Vincent & the Grenadines in scaling clean, resilient, affordable energy systems by aggregating projects, supporting battery integration and modernising T&D infrastructure.
- **Limlair Solar PV Hybrid (LSPH²) Project (Carriacou)**: This project on the island of Carriacou, funded by the Abu Dhabi Fund for Development/Masdar (via the UAE Caribbean Renewable Energy Fund), installs ~856 kWp solar PV plus a 400 kVA/768 kWh battery storage system to displace diesel generation.
- **Sea Water Air Conditioning / District Cooling Project**: A joint initiative supported by the United Nations Development Programme (UNDP) and EU, designed to transform large-scale commercial air-conditioning markets (including in Grenada) using seawater-cooled district systems to reduce electricity demand and fossil-fuel use.
- **Grenada Renewable Energy Project (MBIA Solar + BESS)³**: A ground mounted utility-scale solar and optional battery storage project (~15.1 MWp solar, 10.6 MW/21.2 MWh battery) being developed by Public Utilities Regulatory Commission (PURC) in collaboration with Rocky Mountain Institute (RMI) at the Maurice Bishop International Airport (MBIA).
- **Seabased Wave Park (Grenada)**: In partnership with SIDS DOCK, the Government of Grenada is collaborating with Seabased AB, a Swedish marine-energy company, to develop a 2 MW grid-connected wave-energy park off Grenada’s coast. The project aims to demonstrate commercial-scale ocean-energy generation in small-island contexts, contributing to Grenada’s renewable-energy mix and energy-resilience goals
- **NDC-TEC**: Supported by GIZ, NDC TEC is a program that supports Caribbean countries, including Grenada, in implementing their climate change commitments, specifically their Nationally Determined Contributions (NDCs). The program specifically focuses on transforming the transport and energy sectors to support a low-carbon and climate-resilient future.
- **UNEP GEF 7- E-mobility project**- A project implemented by United Nations Environment Programme (UNEP) and funded by the GEF Seventh Replenishment, aiming to accelerate introduction of low-carbon electric mobility in Grenada, including grid-connected solar PV systems and charging infrastructure.

² [Limlair Solar PV Hybrid project \(Carriacou\)](#)

³ [Grenada Renewable Energy Project \(MBIA Solar and BESS project\)](#)

Gender/Cross-cutting Themes

Gender inclusivity is imperative for sustainable development and will be a core objective of the CAP. The action emphasizes designing activities that prioritize socioeconomic benefits for local communities. Incorporating gender perspectives into both the design and implementation of activities will ensure that all voices, needs, and contributions are recognized and valued.

Any engagement aspects of the action plan will aim to actively involve women and men in disseminating information and in decision-making. Ensuring the participation and representation of marginalized and vulnerable groups, including youth, persons with disabilities, and other underrepresented populations, may involve conducting outreach to engage diverse stakeholders, fostering inclusive dialogue and consultation processes, and incorporating social safeguards to protect the rights and interests of vulnerable groups.

This approach aligns with Euroclima's commitment to inclusive and participatory climate action, ensuring that the transition to renewable energy in Grenada contributes to both environmental and social resilience.

Action: Renewable Energy Support for Small Cottage Industries and Agro-Processors (RESCAP)

Identified sector: Energy

Name of the action	Renewable Energy Support for Small Cottage Industries and Agro-Processors (RESCAP)		
Institutions involved	<i>Ministry of Energy; Renewable Energy Division; Ministry of Infrastructure Development and Public Utilities; Grenlec; PURC; RMI</i>		
Implementing Agency	GIZ		
Location	<i>Grenada, Carriacou and Petite Martinique</i>		
Objective	Expected results	Activities	Timeline (12 months)
To enhance the productivity, competitiveness, and sustainability of small cottage industries and agro-processors in Grenada, Carriacou and Petite Martinique by providing affordable renewable energy solutions that reduce operational costs, and increase energy security and resilience.	<p>1. Business Sustainability and Competitiveness: Improved profitability and market positioning through cleaner, more reliable energy use</p> <p>2. Comprehensive Renewable Energy Investment Prospectus: Brief outlining viable financing mechanisms, priority investment opportunities, expected ROI, and policy incentives to attract and de-risk private sector participation in the MSME and public service sectors.</p> <p>3. Proof of Concept Pilot Demonstration Project: Procurement and installation of one (1) to two (2) solar PV systems (each up to 10 kW): one grid-tied system and one hybrid system with integrated battery storage (inverter up to 10 kW; storage capacity up to ~15 kWh). The pilot will</p>	<p>Baseline Assessment: Conduct a comprehensive mapping and profiling of small cottage industries and agro-processors by type, location, and energy consumption patterns. Develop clear evaluation criteria to identify priority sites, and undertake a limited number of detailed (Level 2) energy audits, to quantify potential energy savings and determine the most suitable renewable energy and energy efficiency interventions.</p>	4 Months (Jan to April 2026)
		<p>Investment Landscape Assessment: Analyze existing incentives, financing instruments, and regulatory frameworks to identify gaps and opportunities that enable renewable energy investments; develop actionable recommendations to attract private sector participation and financing.</p>	6 Months (March to September)
		<p>System Design and Installation: Design and installation of customized solar PV systems (each up to 10kW): one grid-tied system, and one hybrid</p>	7 Months (March to October 2026)



	<p>demonstrate improved energy efficiency, reliability, and cost savings.</p> <p>4. Enhanced Capacity and Public Awareness in Renewable Energy and Energy Efficiency: Conduct targeted training, workshops, and outreach campaigns to build technical and institutional capacity while increasing public understanding and adoption of sustainable energy practices.</p>	<p>system with integrated battery storage (inverter up to 10 kW; storage capacity up to ~15 kWh).</p>	
		<p>Capacity Building and Training</p> <ul style="list-style-type: none"> - Practical Training Operations and Maintenance of PV System with Battery Storage (2- 3 day training) 	<p>October 2026</p>
		<ul style="list-style-type: none"> - Training of Electricians in conducting Energy Audits- (2- 3 day training) - Certified Energy Managers Training (Training-of-Trainers) 	<p>April/ May/ June 2026</p>
		<ul style="list-style-type: none"> - Public Awareness and Energy Literacy Programme: Develop and implement a national campaign and supporting educational materials to increase energy literacy and promote behavioral change toward sustainable energy use. The strategy should target diverse demographics through tailored communication tools and include energy efficiency learning materials for primary and secondary schools. 	<p>Jan 2026 to Aug 2026</p>

<p>Total Budget</p>	<p>240,000 Euros</p>
----------------------------	-----------------------------