

**MINISTERIAL STATEMENT**  
**DELIVERED BY THE HONORABLE KERRIE D. SYMMONDS**

**SPECIAL FEED IN TARIFF (FIT) for RENEWABLE ENERGY**  
**SYSTEMS BETWEEN 1 MW and 5 MW**

1. Mr. Speaker Sir, the Government of Barbados desires an environmentally safe and unsullied future for all Barbadians. It is the ambition of this Government to shape an environment which is the most pristine in the western hemisphere and therefore, we take our responsibility of contributing to a safer and less polluted world very seriously. It is a truism Sir, that the single most effective way of making our environment less polluted, is by ending fossil fuel burning.

2. We have in this regard Sir, sought to contrast Barbados from other Small Island developing states, and indeed, from the overwhelming majority of other nations on earth. We have done this sir, by focusing, on the scope and pace of our efforts to decarbonize our economy. Permit me to elucidate, by sharing with you sir, an illustration.

3. The scale and broad contours of the decarbonisation challenge have been addressed at the global level by the long term

goals of the Paris Agreement, which includes achieving global greenhouse gas neutrality, by the start of the second half of the twenty first century. An illustrative bench mark in this regard, is seen in the case of the USA which for example, has signaled an intention to achieve an 80% reduction from 2005 levels in its economy wide emissions by the year 2050.

4. The Government of Barbados has however, taken the more aggressive stance of committing to the transformation of the economy of Barbados by severing this island`s exposure to the volatility of fossil fuel markets. Your Honourable House understood that commitment Sir, when it approved, in March of 2019, the Barbados National Energy Policy 2019-2030. This robust policy declaration Sir, created a bold 11 year implementation horizon within which Barbados would achieve its vision of becoming 100% fossil fuel free by the year 2030.

5. The goal of achieving net-zero emissions, or in other words achieving an overall balance between the greenhouse gas emissions we produce and the greenhouse gas emissions we take out of the atmosphere, will require substantial investment by the private sector. This investment is driven by feed-in tariffs for

renewable energy generators to receive, when they supply electricity to the grid. It follows logically, that the higher the feed-in tariff, the more attractive the sector becomes for investment. We have on the other hand, however, a duty to strike a balance with the need to suppress electricity prices, which should be achieved as a natural consequence of the deployment of new technologies.

6. Alongside these long term environmental goals and aspirations, our economy continues today to be in a challenged position due to the impacts of the Covid 19 pandemic, we need a return to growth Sir, so that we can cause employment levels to rebound and secure recovery in the private sector. Growth, Mr. Speaker requires investment, but the uncertainty surrounding Covid 19 has dampened the spirit of enthusiasm of investors in most of the economy. With potential investors now waiting in the hope of seeing things recover.

7. Mr. Speaker we have an opportunity today, to bridge two things, first we can accelerate our steps towards shaping the most pristine environment for our island. Second, the need for investment today in the economy as a whole can be tackled. And

this can be done, through the use of feed-in tariffs to drive investment in renewables, so that we can get to net-zero emissions and a sustainable future. Mr. Speaker Sir, the bridge of which I speak, is an Accelerated Investment Premium on the FTC's determined feed-in tariffs for solar and wind generation. This Accelerated Investment Premium is designed to deliver a green recovery to Barbados and create green opportunities for employment and investment to Barbadians.

8. Mr. Speaker Sir, there is no doubt that there are local potential investors who are seeking an opportunity to make investment and drive economic activity and employment in the land of their birth. We believe that one of the more efficient ways in which a country can spur development and growth, is to encourage investment from within, by local entrepreneurs. In this regard, we emphasize that investment can be incentivized within the local energy sector, through the minimization of risk in this overarching climate of uncertainty.

9. As at December 2020, Barbados had an installed capacity of 49 MW of renewable energy from solar photo-voltaics on the national grid. This consisted of 39 MW of distributed and 10 MW

of utility scale energy, and represents 68 GWh or an estimated 8% of total electricity consumed, saving an estimated 114,412 barrels of oil or \$9,215,961 in foreign exchange. We still have a long way to go in order to achieve our 2030 vision.

10. It is in that regard Mr. Speaker, that I have the honour today to announce before this Chamber an Accelerated Investment Premium Programme for the renewable energy sector for Barbadian Nationals. This Programme Mr. Speaker, is proposed to incentivize the sector by promoting and encouraging local investment. This Accelerated Investment Premium Programme will take the form of:

- a **25%** premium for investments made in solar and wind technology systems above **1MW and up to 3MW**, and
- a **20%** premium for investments made in solar and wind technology systems above **3MW and up to 5MW**

These investment premiums will be applied to the prevailing tariff rates established by the Fair Trading Commission, and will continue for a period of **12 months**. In an effort not to disadvantage applicants who have already applied, but are still awaiting licences,

these premia will be made retroactive to cover the period from **October 1<sup>st</sup>, 2020** and will continue for the period of 12 months from today as previously indicated, or until the new limit of **75 MW** has been utilized, whichever comes first.

11. Sir, we believe the premia will offer an incentive to Barbadians to get more involved in the generation of renewable energy, as well as the stimulation of economic activity and employment, and also to position themselves to benefit from the process of greening the Barbadian economy. I am obliged to you sir.