CARIBBEAN

Bahamas

GDP: **$8.4bn**
Five-year economic growth rate: **1%**
Population: **0.4m**
Total clean energy investments, 2006-2013: **N/A**
Installed power capacity: **370MW**
Renewable share: **N/A**
Total clean energy generation: **N/A**
Top energy authority: **Ministry of Environment**

OVERALL RANKING 2014

52

OVERALL SCORE 2014

0.53

PARAMETER	RANKING	SCORE
I. Enabling Framework	51	0.47
II. Clean Energy Investment & Climate Financing	23	0.64
III. Low-Carbon Business & Clean Energy Value Chains	52	0.58
IV. Greenhouse Gas Management Activities	49	0.42

SUMMARY

The Bahamas scored 0.53 to rank 52nd out of the 55 *Climatescope* 2014 nations, above only Suriname, Haiti and Tajikistan. Among the 26 Latin American and the Caribbean countries, it finished 24th.

The country is highly dependent on oil and diesel generation and does not have any clean energy policies or initiatives, despite the incentive of high electricity prices (the average was $0.38/kWh in 2013). Nonetheless, solar water heaters are gaining ground as a means of reducing electricity bills.

The Bahamas is an archipelago of 20 islands. New Providence is the most populous, being home to 70% of the country's 0.4m people. Close to 100% of the population has access to electricity, which is supplied by a grid with 370MW of capacity. The largest island, Andros, is upgrading its generation, transmission and distribution infrastructure to meet increasing power demand.

State-owned utility Bahamas Electricity Company supplies energy to the major islands with the exception of Grand Bahama, which is supplied by a private company. The lack of a net metering policy is a dampener on new investment in distributed clean energy.

For further information, access www.global-climatescope.org/bahamas

Climatescope 2014 Report by Bloomberg New Energy Finance
Multilateral Investment Fund part of the Inter-American Development Bank,
UK Department for International Development, Power Africa

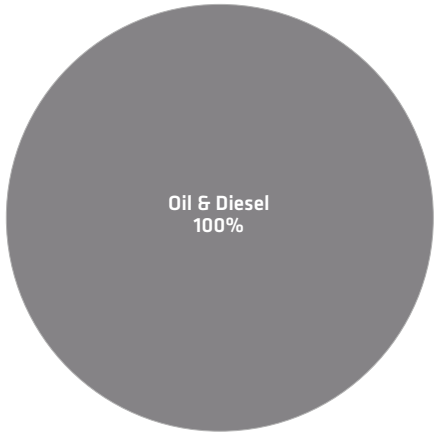
PARAMETERS AT A GLANCE

As with most other Caribbean countries, the Bahamas relies almost exclusively on oil for electricity generation. Last year, for instance, the island of New Providence generated 1.4TWh from imported fuels. The only clean energy plant in the country is a 1MW wind turbine, which powers a water desalination plant.

The Bahamas did not score well on Enabling Framework Parameter I, taking 51st place, as the country's energy sector is largely inaccessible to new players. This is because the public utility controls 76% of the market, with the remainder owned by a single private company. In addition, there are no renewable energy incentives. However, the situation may change in the near future as the government is considering privatizing the sector as part of wide-ranging reforms. New opportunities for clean energy may come forward once the reforms are in place.

INSTALLED POWER CAPACITY BY SOURCE, 2013 (%)

370MW total installed capacity



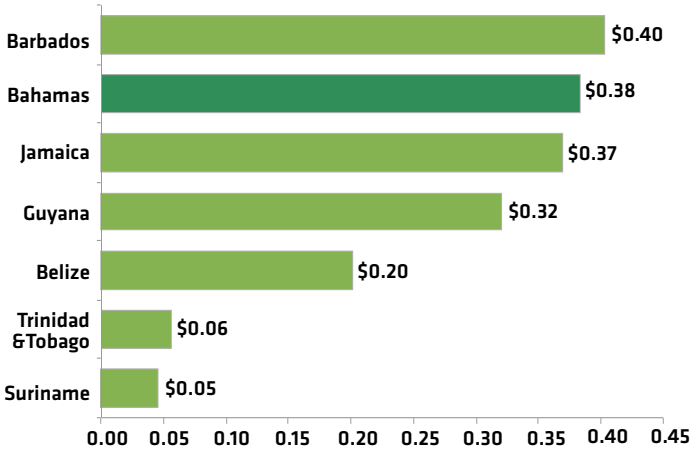
Source: Bloomberg New Energy Finance
Note: Installed capacity refers to the island of New Providence only.

Despite the high potential for solar energy given its location and weather conditions, the archipelago did not attract any clean energy investment in 2013. Nevertheless, its healthy financial system and low cost of debt helped the country to its highest placing overall, 23rd place on Clean Energy Investment Parameter II.

The Bahamas' renewable energy value chain is very limited, comprising mostly financial institutions and clean energy service providers, such as solar engineering firms and biofuels and biomass project developers, which have commissioned a biodiesel plant using cooking oil as feedstock and a small landfill gas plant. It was therefore placed near the bottom in 52nd place on Parameter III, Low-Carbon Business and Clean Energy Value Chains.

The Bahamas was also weak on GHG Management Activities Parameter IV, taking 49th position. This reflects the presence of just one active CDM project, and the absence of low-carbon policies and corporate awareness of sustainable practices.

AVERAGE RETAIL ELECTRICITY PRICES, 2013 ($/kWh)



Source: Bloomberg New Energy Finance