



RENEWABLE ENERGY — OPPORTUNITIES IN BELIZE

Hydroelectric Development Opportunities in Belize

To cater to the current and forthcoming demands of electricity in Belize, the Public Utilities Commission (PUC), the Belize Electricity Limited (BEL) and the Ministry of Energy, Science and Technology and Public Utilities (MESTPU) launched its Request for Proposals for Electricity Generation, Belize 2013 (RFPEG- 2013) which sought to contract additional energy generation and supply capacity. Seven projects were selected for further negotiations for a Power Purchase Agreement (PPA). Two of these projects involve hydroelectric generation and are currently seeking investment.

The first is the Upper Swasey project, located on the upper section of the Swasey River. The project is scheduled to be in operation by 2019. Maximum output from the facility to be 9 MW (1 unit) with associated 41.38 GWhs of energy annually. The project includes a 50 meter high dam with the power house located 1.3 kilometers from the dam. A three meter diameter steel penstock (or tunnel) will connect the dam to the powerhouse. The project has an associated head pond of 40 million cubic meters of water which will allow weekly regulation of its output. Capital investment is estimated at US\$37.8 million.

The second development is the Challilo 2 project, located on the Macal River. The project would become the 4th hydro plant to be added to the Macal hydro cascade scheme and is scheduled to be in operation by 2019. Maximum output from the facility to be 12.8 MW (2 by 6.4 MW units) with associated 46.55 GWhs of energy annually. The project includes a 43 meter high dam with the power house located 4 kilometers

from the dam. A three meter diameter steel penstock will connect the dam to the powerhouse. The project has an associated head pond of 30 million cubic meters of water which will allow weekly regulation of its output. Capital Investment is estimated at US\$41.55 million.

Renewable Energy in Belize

- ❖ Belize has a low population density and a considerable amount of uninhabited land which lends itself to hydroelectric development. A comprehensive study of Belize’s hydro-electric power potential was commissioned by Belize Electricity Limited (BEL), and conducted by a Canadian consulting firm. The study found that Belize had approximately 70 MW of developable hydro potential, capable of yielding 330,000 MWh of annual energy¹.
- ❖ Belize is committed to developing renewable energy and is also seeking investment in biomass, wind power and solar energy. The country currently generates 60% of its electricity from hydroelectric and biomass, while the remaining 40% is generated from fossil fuels. It aims to generate 100% of its energy requirement from renewable sources by 2033.
- ❖ The country had a population of 357,000 in 2014, but this is forecast to grow to 500,000 by 2030. This population growth, combined with industrial growth will ensure growing demand for energy in the country.



Incentives

Belize offers a number of incentives for investors. These include:

- ❖ Fiscal Incentives Programme - The Fiscal Incentives Programme was designed to encourage genuine investments in Belize through duty exemptions and tax holidays. The Act provides both existing and prospective investors with the legal and fiscal framework to stimulate productive economic activities. The Full Duty Exemption includes a duty exemption of up to a maximum of 15 years to companies granted an Approved Enterprise Order. The Duty exemption may be renewed for a further term of 10 years or a total of 25 years for companies engaged in agriculture, agro-industrial products, mariculture, food processing and manufacturing with operations centered on export, and that are highly labor intensive.

¹ Belize National Energy Policy Framework 2011

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