

CABEI in permanent promotion of regional energy development

The multilateral promotes various initiatives to achieve access to efficient and sustainable energy for the benefit of millions of Central Americans.

Energy is at the heart of a country's development and the objective of the **Central American Bank for Economic Integration (CABEI)** is to foster its growth to achieve clean, efficient and sustainable energy that is affordable in order to promote investment, new businesses and jobs, as well as the shared well-being of people and the regional economy.

In line with Sustainable Development Goal 7, **CABEI's** programs, projects, financing and technical assistance have enabled Central America to make progress in energy availability, electricity access for vulnerable families and the implementation of renewable energies, becoming a bridge of opportunities to improve the quality of life of millions of people.

The energy initiatives supported by the multilateral allow:

- Reduce energy costs
- Ensure that schools and hospitals have power
- Increasing production and the emergence of new companies
- Helping to overcome structural poverty
- Promote competitiveness
- Reduce polluting energy

Energizing investment

To promote economic integration and balanced social development in Central America, **CABEI** promotes various initiatives that have made it possible to promote renewable energy, energy diversification and environmental conservation in line with the Environmental and Social Sustainability Transversal Axis of its 2020-2024 Institutional Strategy.

Honduras y Nicaragua

Nombre del Programa	Objetivo
Regulatory, technical, financial, economic and environmental feasibility studies for electricity transmission works in Nicaragua and Honduras through the Empresa Propietaria de la Red (EPR)	To provide financing alternatives for the expansion of electricity transmission systems through the EPR. The technical, economic, financial and environmental feasibility of seven electricity transmission projects is studied, as well as the regulatory schemes that allow remuneration based on the national regulatory frameworks of these countries.
Studies on projects in the electricity sector in Honduras and Nicaragua with a cooperation of US\$1,540,000.0	Phase II and III Honduras: feasibility studies completed and environmental impact studies underway. Phase II and III Nicaragua: in the process of contracting the feasibility studies and EIA for the transmission lines.

Centroamérica y República Dominicana

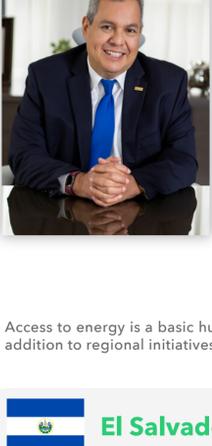
Nombre del Programa	Objetivo
Identification of battery energy storage pilot projects	Improve the flexibility and integration of variable renewable technologies in electricity systems through the incorporation of energy storage technologies capable of efficiently providing different services and applications, including frequency regulation, firm power, arbitrage, among others. Potential pilot projects, barriers, conditions and international lessons learned necessary for a greater deployment of storage assets are identified.
Formulation of Electromobility Pilot Project in Central America	Formulation of an electromobility pilot project comprising different electric vehicles (including a combination of buses, three-wheeled vehicles, boats, garbage collection trucks) that will accelerate the process of adopting electromobility in the region and generate inputs for the development of legal and regulatory frameworks derived from lessons learned from the implementation of the pilot.

Centroamérica

Nombre del Programa	Objetivo
Diagnosis of barriers and proposed plan to increase the participation of large consumers in the Regional Electricity Market (REM).	Identify the necessary conditions to enable greater economic transactions of large consumers in the Regional Electricity Market through a comparative analysis of the legal and regulatory framework of Central America and the REM. Potential benefits derived from access to the REM are analyzed for the countries in terms of competitiveness that could result in tariff improvements for end users in the Central American region.

SICA

Nombre del Programa	Objetivo
CABEI's strategy to promote Natural Gas	Identification of actions needed to introduce natural gas in the region, mainly for electricity production, including enabling conditions, potential value chains for the provision of natural gas, as well as potential initiatives and projects. Economic and environmental benefits are identified for implementation by 2039.



"CABEI's regional vision allows us to provide energy solutions that contribute to developing countries and cities that are sustainable and resilient to climate change, guaranteeing economic and human development by supporting the needs identified by the authorities of our member countries. We have a shared responsibility to comply with the SDGs and strengthening the energy subsector is fundamental to creating better conditions and opportunities for the well-being of the population".

Presidente ejecutivo del BCIE
Dr. Dante Mossi.

Access to energy is a basic human right to guarantee the prosperity of nations, and at **CABEI**, in addition to regional initiatives, we support country projects that help reduce these barriers.

El Salvador

<p>Construction of the El Chaparral hydroelectric power plant</p> <p>US\$464.0 million</p>	<p>Promote the construction of the hydroelectric power plant with an installed capacity of 66 MW and a 1.42 MW unit.</p> <p>The main components of the project are: roller-compacted concrete gravity dam, rockfill dam, spillway, stilling basin, river diversion module and hydraulic closure control (during the construction stage), generation circuit, intake works, conduction tunnel, loading chamber, powerhouse intake works, pressure piping, powerhouse, two Francis turbines with a rated capacity of 33 MW and 300 rpm each, and two synchronous generators with a rated capacity of 36 MVA each.</p>	<p>Families benefited: 190,000 families directly and indirectly to the entire Salvadoran population through savings in electricity bills.</p> <p>It is expected to achieve an installed capacity of 67.42 MW, which will contribute to the diversification of the energy matrix with low-cost renewable energy.</p>
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Honduras

<p>Development Policy Operations to Support the Strengthening of the Energy Sector and Climate Action</p> <p>US\$250.0 million</p>	<p>Lay the groundwork for a plan to reduce electricity losses and promote a sustainable energy transition to improve the operational and financial performance of the electricity subsector, increase inclusive access to energy, strengthen compliance with international agreements on climate change, and improve transparency of public information on sustainable development projects.</p>	<p>Persons benefited: +10 million people</p> <p>Improved operational and financial performance of the electricity sub-sector</p> <p>Energy transition</p> <p>Promoting the decarbonization of development</p> <p>Transparency of public information for Sustainable Development</p>
<p>Temporary support program for the fuel crisis</p> <p>US\$220.0 million</p>	<p>To support economic management in the face of rising fuel costs in order to lessen the impact on the economy and end consumers.</p>	<p>Persons benefited: 3,780,000</p> <p>Fuel price differential subsidy</p> <p>Household price subsidy to households with monthly consumption of less than 150 kWh</p>
<p>Cooperation: Feasibility studies and design of a floating solar photovoltaic plant at the Francisco Morazán Hydroelectric Plant</p> <p>US\$550,000</p> <p>Taiwán-CABEI Partnership Trust Fund (TCPT)</p>	<p>Detailed technical, financial, economic and design feasibility studies.</p> <p>The studies will also include the execution of an environmental and social impact assessment for the project and a capacity building component for ENEE, which will allow the transfer of knowledge from Taiwan, a leading country in the development of FSPV.</p>	<p>Families benefited: approximately 24,000</p> <p>Strengthen the country's energy sector and diversify energy sources</p> <p>Annual production of 100 to 90 GWh</p>

Nicaragua

<p>National Program for Sustainable Electrification and Renewable Energy (PNESER Segment A)</p> <p>US\$75.0 million</p>	<p>Access to the population to an efficient and sustainable electricity service. It has 7 components: rural electrification by extension of networks, normalization of service in settlements, expansion in isolated areas with renewable energy, pre-investment and studies of generation projects with renewable energy, energy efficiency programs, reinforcement of the transmission system and sustainability of ENEL's isolated systems.</p>	<p>Persons benefited: 2,621,990</p> <p>Construction of 7,169 km of electric distribution and transmission network</p> <p>Increase in electricity coverage from 64.7% to 86.7% of the country one year after its approval in 2010</p> <p>Job Generation: 2,000</p> <p>Employment for women: 200</p>
<p>National Program for Sustainable Electrification and Renewable Energy (PNESER Segment B)</p> <p>US\$86.50 million</p>	<p>Financing of components 1 and 2. Rural electrification by extension of networks: extend electricity service coverage to the rural population, expanding distribution capacity to provide adequate service and improving the quality of life in rural communities benefiting from the program, and normalization of electricity service in settlements, reducing energy losses and improving the quality of life of the beneficiaries.</p>	<p>Persons benefited: 942,561</p> <p>Construction of 2,425 km of electric distribution lines</p> <p>Increased electricity coverage from 90% to 93% of the country one year after its approval in 2017</p> <p>Generation of jobs: 674</p> <p>Employment for women: 67</p>
<p>National Program for Sustainable Electrification and Renewable Energy (PNESER C)</p> <p>US\$143.00 million</p> <p>Status: in compliance with conditions precedent of first disbursement.</p>	<p>Continue financing components 1 and 2. Rural electrification by extension of networks: expansion of the country's electricity coverage through the connection to the network of 35,000 homes in 1,278 rural communities nationwide, and normalization of electricity service in 79,050 homes in 402 urban settlements, reducing energy losses and improving the quality of life of the beneficiaries.</p>	<p>Persons benefited: 599,903</p> <p>Communities Benefited: 1,278 rural</p> <p>Urban settlements benefited: 402</p> <p>Reach an electrification rate of 99.9% in the country</p> <p>3,465 kilometers of distribution lines</p> <p>Jobs Generated: 757 temporary</p>
<p>Sustainability program for the Nicaraguan electricity sector</p> <p>US\$163.50 million</p>	<p>It consists of a series of actions that will reduce energy losses (technical and non-technical in distribution) and improve the infrastructure of the electricity distribution network, which will result in an improvement in the sustainability of Nicaragua's electricity sector.</p>	<p>Persons benefited: 992,787</p> <p>Rehabilitation of 10 electrical substations</p> <p>Rehabilitation of 2,596 km of distribution network</p> <p>Construction of 400 km of distribution network</p> <p>Reduction of technical and non-technical losses of 15.48%</p> <p>Jobs generated: 1,080</p> <p>Jobs for women: 237</p>
<p>Program to expand Nicaragua's electricity transmission system</p> <p>US\$40.1 million</p> <p>Status: in compliance with conditions precedent of first disbursement</p>	<p>Construction of the Bluefields substation at 138 kilovolts (Kv), the La Esperanza - Bluefields transmission line and expansion of the La Esperanza substation, as well as the modernization and expansion of the operating capacity of the National Load Dispatch Center (RENDC) to guarantee quality service, reliability and better use of available energy sources, such as reducing losses in the system and encouraging more investment in renewable energy generation.</p>	<p>Persons benefited: 56,902</p> <p>Guarantee a more efficient and reliable energy supply in Bluefields and surrounding areas.</p> <p>68.15 kilometers of transmission lines, one new substation, one extended substation</p> <p>Increase in Energy Supply of 71,766.0 Megawatt hours (MWh)</p> <p>Jobs generated: 683 direct temporary jobs and / direct permanent jobs.</p>

Costa Rica

<p>Studies to offshore the potential for offshore wind energy generation in the North Pacific of the country, the challenges, risks and opportunities in the development, as well as the installation and operation of offshore wind farms in the near future</p>	<p>Within the framework of cooperation with the country, the contract with the consultants was signed in December 2022 and is in the execution stage, with results expected in December 2023.</p>	<p>Persons benefited: +5 million people</p> <p>Strengthen the energy sector and diversify energy sources</p>
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República Dominicana

<p>Montegrande Phase III Multi-purpose Dam Project</p>	<p>It consists of the construction of the dam for the generation of energy and clean water, as well as to increase the water available for irrigation of the different agricultural activities.</p>	<p>Persons benefited: 51 communities in the South of the Dominican Republic</p>
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Energy that moves us

The increase in population and vehicle fleet generates challenges for the region's cities, which must be addressed with modern and sustainable solutions that directly benefit people and the environment.

For this reason, **CABEI**, as the Green Bank of Central America, promotes urban mobility alternatives focused on electromobility, which will have a positive impact on urban mobility and logistics in the private and public sectors,

as well as on initiatives linked to the promotion of clean and efficient energy generation.

To date, the Bank has made available financing for more than **US\$600 million** in green bonds with the support of its partners in Germany and the European Union, held the Central American electric route event, and participated in international business forums, initiatives aimed at combating the high level of polluting emissions from the transportation sector.

Environmental benefits	Energy benefits	Economic benefits
Air quality	Energy Efficiency	Business in the short term
Climate change	Energy Diversification	Maintenance savings
Noise pollution		
Waste management		

The multilateral efforts in the region are enabling the achievement of key sustainable energy goals through projects that expand energy access and efficiency in Central American countries. It is therefore essential to continue efforts to mobilize and expand investment aimed at ensuring energy progress in regional economies, with the **Central American Bank for Economic Integration** being the most important multilateral financial institution in the region to support these efforts.

Likewise, **CABEI** has an Environmental Management System and is ISO 14001 certified in the operational and administrative activities carried out in its offices in Honduras and El Salvador, which reinforces its commitment to care for the environment and the responsible use of energy. Internally, this motivated the efficient use of energy, being a constant commitment to achieve its rational use in its headquarters and regional offices, which has allowed a 13% decrease in energy consumption between 2019 and 2022, equivalent to 161,028.07 kWh.

- + 260** approvals to support the development of the region's energy sector.
- + US\$7 billion** approved.
- 80%** of investment in renewable energies, electrification, transmission, and distribution.
- + 7 million** tons of pollutant gases reduced.
- + 28%** of SICA's installed energy capacity supported by CABEI funds.