



Presidencia de la República Dominicana

Consejo Nacional para el Cambio Climático y el Mecanismo de Desarrollo Limpio
"Año del Fortalecimiento del Estado Social y Democrático de Derecho"

Development of NAMAs in the Dominican Republic - Tourism sector

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The tourism industry contributes just over (13.2 percent) to the GDP last year, and as the country's leading foreign exchange earner, is an important component of the national economy.

Responsible directly or indirectly for over a half a millions jobs, the sector also contributes to the nation's employment.

In 2001, the tourism sector was responsible for over 100,000 tons of oil equivalents for air conditioning, hot water, cooking, pumping, lightning, refrigeration and other uses.



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The sector has grown rapidly since then, and continues to rely predominantly on oil-fired electricity and direct use of diesel and LPG.

All of the oil and other fossil energy consumed in the DR is imported.

Most of the tourist areas in the country are served through territorial concessions by isolated and privately-operated electric grids that provide reliable power but a high cost-ranging from 26 to 43 cents per KWh.



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To support a more competitive tourism industry and further economic development in the sector, a top of priority for the tourism industry is lower energy costs.

Another top priority for the tourism industry is addressing inadequate waste disposal in the surrounding communities, which is often incompatible with the appearance of the high-class tourism destinations in the area.



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We are therefore developing a NAMA that will reduce greenhouse gases emissions, help to lower costs for hotels, and also address solid waste management. The NAMA – the Action – will encompass deployment of several alternative energy technologies (or combinations of technologies):

Modular (distributed) biomass facilities in high-density tourist areas where the produced steam and hot water are used for laundry, swimming pools, etc., and heat is potentially used to supply distributed air conditioning (via heat exchanger and chiller)

The biomass would largely comprise clippings from golf courses and shrubs, and also include separated food waste or other regional biomass sources.



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Medium-scale refuse-derived fuel facilities that potentially include separation and combustion of waste from the surrounding community to produce electricity and heat. Such facilities would likely involve participation from the local power supplier.

Renewable energy solutions that are expected to lower energy costs for the tourism sector, including wind, solar PV and solar water heaters.



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Further, while the high energy prices and existing government taxes make these alternative energy sources very economical on paper, additional barriers include insufficient equity finance (due to competing investment opportunities) and a time-consuming permitting process.

Moreover, actions that supply electricity to hotels might conflict with existing contracts that the hotels hold with the private electricity companies.

While we've held several rounds of stakeholder meetings, including a workshop earlier this month, we are still in the process of defining specific mechanism that will encourage the desired actions.



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Key Factors for NAMA's Development in Dominican Republic

- **Visibility:** any efforts in the tourism sector will have a significant effect of visibility, due the high promotion national and international of DR as the main touristic destination in the Caribbean and its sustainability. Due the country climate vulnerability, such actions are more visible.
- **Country Goals:** the NAMAs development are aligned with the recent framework adopted by the Dominican State, which includes National Strategy for Development, Renewable Energy Law, Solid Waste Law, Energy Efficiency Law, and Climate Change National Policy.



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Key Factors for NAMA's Development in Dominican Republic

- **Stakeholders:** main consulted stakeholders in public and private sector, international agencies and civil society entities are highly interested into be included in the DR's NAMAs and are looking for participate in any initiative related with a large scale mitigation program.
- **Financing:** Traditionally dominican banks are no so motivated to invest or finance in sectors as renewable energy and solid waste initiative, but this is changing: local banks are co-investing in wind and solar projects, and others are developing soft loan programs for energy efficiency



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Key Factors for NAMA's Development in Dominican Republic

- **Potential:** besides tourism sector, other economic sectors are looking for opportunities to develop NAMAs, as transport, electricity, agriculture, livestock, and manufacturing industries. Local and sectorial studies and general plans are available to establish basic start points.
- **Stability:** the social and legal climate create to promote and to care the foreign investment in Dominican Republic are available for NAMAs development. This framework has permitted the successful experience of the country bringing capitals to important sectors of our economy.



Thanks for your attention

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