

The Barbados Sustainable Energy Cooperative Society Limited  
Investment Memorandum



PLAN YOUR ENERGY INVESTMENTS WITH CoopEnergy

## *Barbados Energy Enfranchisement Project*

### COOPERATIVE INVESTMENT IN BARBADOS VIA RENEWABLE ENERGY

The **Barbados Sustainable Energy Cooperative Society Limited** (CoopEnergy or 'the Society') in association with **The Barbados Cooperative & Credit Union League** (BCCUL) and the **Barbados Cooperative Business Association** (BCBA) are proud to invite the coordinated participation of all cooperatives in the capitalization of Barbados' new sustainable energy future.

All residents, and citizens at home and abroad, now have an opportunity to participate in this critical and rewarding investment in energy, and to do so in a manner that protects their interest in the short and long term. This is a critical aspect of the **Barbados National Energy Policy**, in that it is important to ensure that long-term local investment and benefits from this vital sector are sustainable and continue for the benefit of future generations of citizens.

As a very basic show of national spirit and commitment to our future generations, every single Barbadian should take the opportunity to support this project by the simple step of taking up membership of **CoopEnergy Barbados**.

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## Executive Summary

### Objective

The Barbados National Energy Policy 2019-2030 (**BNEP**) sets out the policy of the Government of Barbados to achieve almost total energy sustainability by 2030. The Caribbean region enjoys an average of 12 hours of daily sunshine year round and is a prime location to benefit from energy produced from solar panels.

To encourage the growth of such alternative energy sources in line with BNEP projections, guaranteed Feed-in-Tariff (FIT) rates have been established by the Electricity Regulators in Barbados with guaranteed rates for energy produced over the next 20 years.

**Sustainable Energy developments offer one of the most attractive long-term investment opportunities currently available, and in partnership with a number of state entities such as BAMC, BNOCL as well as international investors such as RenewStable Energy and Blue Circle Energy, CoopEnergy has now created the opportunity for a coordinated Cooperative investment approach to this aspect of National development.**

## Cooperative Societies Act Chapter 378A

At Section 34A, the Cooperatives Societies Act specifies how funds accumulated in the Cooperative Sector are to be treated as follows...

- (1) The funds of a society, including the reserve, may
  - (a) be deposited in
    - (i) a bank licensed under the Financial Institutions Act;
    - (ii) a society registered under this Act; or**
  - (b) be invested in
    - (i) securities issued by the Government of Barbados;
    - (ii) securities, the payment of interest on which is guaranteed by the Government of Barbados;
    - (iii) subject to subsection (2), securities issued in Barbados by a company incorporated in Barbados and listed by the Barbados Stock Exchange, if the company has paid a dividend on its shares for the preceding 5 consecutive years;

The Laws of Barbados explicitly permit the deposit of the funds of Cooperative Societies into licensed banks AND in **registered cooperative societies**.

Prior to **CoopEnergy**, Cooperatives were limited to holding these deposits in the banking system, and doing so at marginal rates of interest.

In 2019, responding to Barbados government's initiatives in Energy, the Movement - under the leadership of the BCCUL and the Cooperative Business Association, set about creating the **Barbados Sustainable Energy Cooperative Society Ltd**, specifically to fill this vacuum.

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## Role of CoopEnergy

Over the past five years, CoopEnergy has been building a new cooperative business brand, and establishing formal relationships with reputable government and private investors.

We are now therefore in a position to confidently guarantee that CoopEnergy can not only hold cooperative deposits securely, but will be able to pay Interest rates that are well above those offered by the banks.

Additionally, CoopEnergy is able to distribute any surplus in accordance with Section 34 (1) of the Act, to both cooperative and non-cooperative depositors in proportion to their patronage.

This means that depositors will immediately benefit from:

- A.** Increased and reliable rates of interest on deposits
- B.** Patronage refunds on surplus
- C.** Cooperative inputs on the selection and appointment of directors, investment committees etc.

All is in place now, for the Cooperative Movement of Barbados to take the decisions to move portions of their existing bank deposits from the banking system, and into our own new deposit arrangement which has been put into place by the Co-op Movement.

The benefits are clear:

Table 1

<b>Comparative Areas</b>	<b>Bank</b>	<b>vs</b>	<b>CoopEnergy</b>
Ownership	Private /Foreign		<b>Local /Cooperative</b>
Asset Taxes	Asset Taxes on funds		<b>No such threat</b>
Profits/Surplus	Private /Foreign		<b>Cooperative</b>
Interest rates	Minimal /near Zero		<b>Minimum of 3%</b>
Patronage	No		<b>Decided at AGM</b>
Directorships	Private		<b>Decided by Movement</b>
Transparency	Nil		<b>100%</b>

The decision by the Cooperative Movement to create CoopEnergy has been one of foresight and vision, which now positions the Movement to take a leading role in the challenge of enfranchisement for all Barbadian citizens.

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Pexels

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**Offering Statement of  
Barbados Sustainable Energy Co-operative Society Ltd.  
("CoopEnergy")  
March 1, 2023**

**MAXIMUM TOTAL TO BE RAISED UNDER THIS OFFERING STATEMENT: \$200,000,000**

**CoopEnergy** is inviting term deposits for the **Barbados Energy Empowerment Project (BEEP)**.

Prospective Cooperative, and individual BEEP depositors must first become members of CoopEnergy. Corporations and non co-operative organizations may invest Term Deposits without being members of CoopEnergy.

CoopEnergy is the largest renewable energy co-operative in Barbados. The Society was conceived and registered in 2020.

Proceeds from BEEP Deposits will be used to make new acquisitions of national development and energy projects as such opportunities arise on attractive terms. Our five-year Term Deposit will earn a minimum of 3.0% annual interest as outlined in Table 2 on page 12.

There is no established market through which these Deposits and Investments may be sold. Due to the long term characteristics of energy related investments and the restrictions on their transfer, no such market is likely to develop. The directors of **CoopEnergy** have set the terms of this investment invitation.

This Offering Statement expires on June 30, 2023. No further deposits may be accepted after this date, or after the target is met, unless a new Offering Statement is filed.

### **CoopEnergy Barbados**

CoopEnergy was created by the wider Cooperative Movement of Barbados in 2020 to lead the thrust of the sector into the complex, but attractive energy investment arena.



After careful review of the various options available for investment in energy in Barbados, **CoopEnergy** has negotiated working partnerships with a number of key players in the energy and national development spheres.

**CoopEnergy** will focus on facilitating the involvement and enfranchisement of large numbers of citizens through the cooperative movement by leveraging the principles of the movement, while bringing cutting edge technology and knowhow to the table.

*Our key objective is to offer opportunities for all citizens, at whatever levels they can afford to invest, to participate and benefit from the rewarding energy investment developments on the horizon, and to contribute meaningfully to the development of Barbados.*

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## Partnerships

The BAMC is a wholly owned subsidiary of Barbados Agricultural Credit Trust Ltd (BACT), and it manages approximately 40% of lands under sugar cane cultivation in Barbados. In addition to the cultivation of sugar cane and non-sugar crops it also manages and operates the sole sugar mill on the island from its Portvale Factory as well as provides services to the wider industry by way of its sugar and molasses terminal and extension services through its Agronomy Research & Variety Testing Unit.

Effective 19 December 2023, CoopEnergy Barbados becomes the majority shareholder of two new companies which have been created to take over BAMC's operations.

Our new strategic focus now includes the production of sustainable energy via solar, wind, and biofuels as well as a transition from bulk marketing of sugar to direct sales of finished product.

*An investment is an asset or item acquired with the goal of generating income or appreciation. Appreciation refers to an increase in the value of an asset over time. When an individual purchases a good as an investment, the intent is not to consume the good, but rather to use it in the future to create wealth*



## BNOCL

The Barbados National Oil Company Limited (BNOCL) is a 100% Barbadian-owned, private energy company that functions as a key operational instrument for the Government of Barbados (GOB).

BNOCL was incorporated in February of 1983, following the cessation of onshore exploration and production operations in Barbados by Mobil Explorations Inc. The company is 75% owned by the GOB and 25% owned by the National Petroleum Corporation (NPC). The company's main objective is to ensure that Barbadian Energy products, from both traditional and renewable energy sources, are supplied at the most competitive prices on a sustainable, efficient and reliable basis.

BNOCL contributes to the local energy sector as follows:

- Supply of the majority of the fuel utilized in aviation for flights departing from Barbados
- Supply of all of the local refined oil and gas market:
  - Gas stations
  - Fishing vessels
  - Cruise ships
- Supply of all of the fuel oil used for power generation by the local utility grid

- Supply, installation and commissioning of solar photovoltaic (PV) systems at the residential, commercial and utility scale.

Diversification to offer renewable energy solutions has been a necessary step to combat the negative, global effects of climate change and is in direct alignment with the Barbados National Energy Policy (BNEP) goal of 100% Renewable Energy (RE) generation and carbon neutrality by 2030.

#### Solar Power Advantages:

- Solar power is pollution-free and causes no greenhouse gases to be emitted after installation.
- Reduced dependence on foreign oil and fossil fuels.
- Renewable clean power that is available every day of the year, even cloudy days produce some power.
- Return on investment over time.

Our key objective is to offer opportunities for all citizens, at whatever levels they can afford to invest, to participate and benefit from the rewarding energy investment developments on the horizon, and to contribute meaningfully to the development of Barbados.

### **CoopEnergy's Investment Committee**

A special committee of experts has been appointed to advise the Board's investment strategy and to guide policy. The members are:

*Bro. Hally Haynes - Chairman*  
*Bro. Cedric Murrell - Co-chair*  
*Bro. Darcy Boyce*  
*Bro. Glyne Harrison Group CEO BPWCCUL*  
*CEO COB Credit Union or Nominee*  
*Bro. Terry Bonnett BWUCCUL*  
*GM BCCUL (Ex officio)*  
*Bro. Trevor Browne (Ex officio.)*

## Investment Opportunities

As investment projects are identified and scheduled, **CoopEnergy** will invite potential co-op, private and individual investors to participate in these various projects by way of five-year Term Deposits. These investments will then be leveraged jointly by CoopEnergy along with funds of our collective membership. ***This will empower even very small investors to participate in the projects.***

Annual investment projections will be determined by CoopEnergy's investment team, and invitations will be issued for investors to match those projections. These projections will be determined by the projects identified, and which have been schedule as shovel-ready.

While proposals for deposits will be treated on a first come, first served basis, and while deposits will be accepted from both members and non-members of CoopEnergy, special consideration will be given to:

- Allowing for small individual investors and small cooperatives to participate wherever possible.
- Facilitating offers from Cooperative societies as a key priority

## Special Investor Categories

### **Category A - Members of CoopEnergy**

- 1 - CoopEnergy Members may invest at any level, from a minimum of \$100.00. Generally, members will be given first refusal for investments in CoopEnergy projects.
- 2 - Application forms must be fully completed and received by CoopEnergy by the deadline date.
- 3 - Investors must make arrangements for payment of the investment funds to the satisfaction of the CoopEnergy. These arrangements must be concluded prior to submission of the completed application form - and by the stipulated deadline.

### **Category B - Members of Credit Unions / Co-ops which are CoopEnergy Members.**

- 1 - Regardless of whether they are members of CoopEnergy individually, or members of Co-op Societies that are themselves CoopEnergy members, investors are encouraged to invest directly through their own Co-op /Credit Union. We provide special incentives to facilitate this approach.
- 2 - Application forms, endorsed by the member's society must be fully completed and received by CoopEnergy by the deadline date .

### **Category C - Non-Member of CoopEnergy (Individual Investor)**

- 1 - Non-Members may participate at any level from a minimum of \$10,000.00.
  - 2 - Application forms must be fully completed and submitted to CoopEnergy
  - 3 - The *CoopEnergy Investment Committee* will make all final determinations on the investments portfolio as guided by the Society's Investment Policy.
  - 4 - Generally, allocations will be made on a first come basis with appropriate consideration being given to compliance with existing Anti Money laundering Regulations and CoopEnergy Policies and Regulations.
  - 5 - Unaccepted funds will be returned to applicants as soon as allocations are completed and within one month of receipt.
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**Category D -Non Member of CoopEnergy (Institutional Investors)**

- 1 - Non-Member Institutions may participate at any level with a minimum of \$50,000.00.
- 2 - Application forms must be fully completed and received by CoopEnergy by the deadline date
- 3 -**CoopEnergy’s Investment Committee** will make all final determinations on the investments portfolio guided by the Society’s Investment Policy.
- 4 - CoopEnergy is predisposed to working with Cooperative institutions and other community type NGOs. Such applications will therefore be given favorable consideration wherever possible in accordance with CoopEnergy policy.
- 5 - Generally, allocations will be made on a first come basis with appropriate consideration being given to Anti Money laundering Regulations and CoopEnergy Policy guidelines.
- 6 - Unaccepted funds will be returned to applicants as soon as allocations are completed and within one month of receipt.





## Project Types -2023-2024 (BNOCL)

### Overview

Types of solar PV systems currently available for investment:

- **Grid-connect system** – The PV system is interconnected to the grid and exports electricity. The client is paid a prescribed Feed-in-Tariff rate per kWh as outlined by the Fair Trading Commission
- **Hybrid PV system** – The PV system exports power to the grid and has a battery to store excess electricity for use when the grid is offline (i.e. a black out).
- **Various Types of Racking Solutions:**
  - **Roof-mounted** – PV modules are mounted on the roof of a house or a commercial building
  - **Ground-mounted** – PV modules are mounted on the ground approx. 5 to 6 feet off the ground
  - **Agrosolar** – PV modules are mounted approx. 10 feet off the ground and allow sunlight underneath for the purposes of growing crops. So this allows for dual use of the land (energy generation and crop cultivation)
  - **Carparks** – PV modules are mounted approx. 10 -12 feet off the ground and allow for cars to park underneath

## Feed-in-Tariff Rate Details

The Fair Trading Commission (FTC) sets the Feed-In-Tariff (FIT) rates at which RE generators sell energy to the sole local utility company, the Barbados Light and Power Company (BLPC) Limited, via a buy-all-sell-all mechanism.

For the prevailing FIT rates and deadline, see the following links: <sup>1</sup>

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<sup>1</sup> Current Deadline: December 31, 2025

o Fair Trading Commission, Barbados - DECISION – Feed In Tariff for RE Technologies Up to and Including 1MW ([ftc.gov.bb](https://ftc.gov.bb))

Rates:

o [2022-12-30\\_fit\\_decision\\_under\\_1MW.pdf](https://ftc.gov.bb) ([ftc.gov.bb](https://ftc.gov.bb))

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## PORTFOLIO OVERVIEW

BNOCL now has a portfolio of fourteen major projects in various stages of development and completion for a total of 15 Megawatts, and with capital investments of \$48 Million. Additionally, to date there are nine other Renewable energy projects including battery ready systems, for an investment value of \$7.8M.

### Note

The Barbados Light & Power Company (BLPC) has highlighted that the penetration of intermittent renewable energy (RE) systems on the grid has reached the stage where mitigation measures need to be implemented to maintain grid stability. As a result, curtailment or battery storage equivalent to the system's size and a minimum 4-hour energy storage capacity with a 0% to 10% tolerance is now required for i) any system on a feeder which has reached the 5MW capacity, ii) systems over 10kW in areas where the feeders have reached 4.5MW capacity, and iii) any system over 100kW. Hence, the projects listed in *Table 2* may be subject to these requirements. In light of this, BNOCL is currently researching battery storage options which provide an opportunity for investment in distributed battery storage. It is to be noted, however, that feed-in- tariff rates have not yet been released for this opportunity.

**Success & wealth are associated with the ownership of productive enterprise**

**They are NEVER derived from divestment of assets, begging, or borrowing.**

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## BEEP terms and conditions

CoopEnergy, on behalf of the collective Barbados Cooperative Movement, has joined with a number of partners by way of Memoranda of Agreement, and we have set an initial investment target for 2023 for the Cooperative Sector of **\$50 Million** in this bundle of projects. After this point, the terms and conditions may be reviewed by the Board.

To this end, 5-year Term Deposits are invited from cooperatives, members, other organizations and the general public to meet the following targets.

Table 2

<b>BEEP 2023 Investment Targets</b>	<b>TARGET \$millions</b>	<b>Minimum Interest Rate</b>
Cooperative Reserve Funds	<b>20</b>	Market rate plus 2%
Co-op Ordinary Term deposits (5- Yr)	<b>12</b>	Market rate plus 1%
Co-op Demand deposits	<b>10</b>	Market rate plus 0.5%
Member 5-Yr Deposits	<b>5</b>	Market rate plus 1.5%
Member Demand Deposits	<b>1</b>	Market rate plus 0.5%
Institutional Deposits (5 yr)	<b>2</b>	Market rate plus 2 %
<b>Total</b>	<b>\$50 million</b>	

\* **"Market Rate"** means the average of the rates offered by the commercial banks for deposits of the same period as calculated by [CoopEnergy](#).

## Terms and Conditions

A. Term deposits will be considered on a first come, first served basis - all other factors being equal

B. This **BEEP** investment invitation opens on 1 April 2023 and closes on 30 June 2024 or when fully subscribed.

C. The standard order of priority for the acceptance of deposits are:

- CoopEnergy Members
- Cooperatives, and individual members investing through their own Coop.
- Members of other cooperatives (*non members of CoopEnergy*) and BARP
- Approved private institutions
- General Public

### D. Minimum Deposits

- CoopEnergy Members - \$100.00
- Cooperatives - \$5,000.00
- Non-Member individuals - \$10,000.00
- Institutions - \$50,000.00

### E. Interest Terms

Interest Payable to	\$200-1,999	\$2,000 -19,999	\$20,000 -100,000	\$100,000
<i>CoopEnergy Members</i>	3.5%	3.75%	4%	4.25%
<i>Members of member-coops investing through their cooperative **</i>	3.75%	4%	4.25%	4.5%
<i>Members of coops that are <b>NOT</b> CoopEnergy members</i>	3.5%	3.75%	4%	4.25%
<i>Non-Member Cooperatives</i>		3.5%	4%	4.25%
<i>Private Institutions / NGO's</i>		3.5%	3.5%	4.25%
<i>General Public</i>		3.5%	4%	4.25%

Members of Co-operatives which are themselves **CoopEnergy** members are encouraged to invest directly through their own Credit Union or Co-op, even where the individual is also a **CoopEnergy** member. Such investors will receive premium consideration, and special arrangements are available between **CoopEnergy** and their Society to facilitate this.

**Members of Cooperatives which are not CoopEnergy members will receive special consideration as long as the coop remains a non-member.**

## Interest on Deposits

Interest on investments will be payable annually in January.

Interest rates offered by CoopEnergy [are subject to change](#) and will apply after commencement of the project by **CoopEnergy**. Funds received before that date will attract interest at the minimum rates specified in table 3 on page 13.



**“Bringing Power to The People”**

THE BARBADOS SUSTAINABLE ENERGY COOPERATIVE SOCIETY LIMITED  
**Barbados Energy Enfranchisement Project 2023**

**B.E.E.P. 2023**

**APPLICATION FORM**

I hereby make application to place the following **Renewable Energy Term Deposit** with **CoopEnergy**, under the terms and conditions outlined in this **BEEP 2023** Investment Memorandum.

**Please complete in BLOCK CAPITALS**

1. Mr/Mrs/Miss/Ms/other - specify \_\_\_\_\_ CoopEnergy Member No: \_\_\_\_\_  
Surname (or Organization) \_\_\_\_\_  
First Names (Contact) \_\_\_\_\_  
Address \_\_\_\_\_  
Post Code \_\_\_\_\_ Telephone No. \_\_\_\_\_ Email \_\_\_\_\_  
My Credit Union \_\_\_\_\_ Via Credit Union (Y/N ) \_\_\_\_\_
2. I wish to invest Bds \$ \_\_\_\_\_ in  
**CoopEnergy's - B.E.E.P. 2023** for a Term of five (5) years.  
  
My investment will be made as : \_\_\_ Cheque. \_\_\_ CU Transfer. \_\_\_ Bank Transfer \_\_\_ Cash  
  
My Investment Date (yy/mm/dd) \_\_\_\_\_.  
  
*I understand that this commitment is non-binding to either party and that final investment decisions will be completed when approved Term Deposits are accepted by **CoopEnergy**.*
3. **Renewable Energy Term Deposits** are issued subject to Terms and Conditions and the rules of **The Barbados Sustainable Energy Cooperative Society Limited**, and are part of the Society's share capital. The balance on a member's share account plus all Deposits held by that member may not exceed 10% of the Society's Share capital. The Society provides online statements to its members and deposit holders of the nature of their investment and any change affecting it. **CoopEnergy Barbados** reserves the right to decline an application for any investment at its sole discretion and without further explanation.
4. **Signed:** \_\_\_\_\_ **Dated:** \_\_\_\_\_

\*\* Please complete page 2

**PLEASE RETURN COMPLETED FORM TO:** Barbados Sustainable Energy Cooperative Society Limited,  
**C/O The Barbados Cooperative & Credit Union League, Upper Collymore Rock, St Michael, Barbados.**

Or, (if a *CoopEnergy member*.) log in and complete the form online at [www.coopenergy.org](http://www.coopenergy.org)

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THE BARBADOS SUSTAINABLE ENERGY COOPERATIVE SOCIETY LIMITED  
**B.E.E.P. 2023**

**A.M.L. Documentation Which Will Be Required**

Provide 2 certified copies of documents from the lists shown below, (one from each list).

**\*\*Please note that you cannot use the same document to confirm both your name and address.**

**To confirm your name**

- Current Barbados Identity Card or passport
- Current Photo Card driver's license

**To confirm your address**

- Recent systems generated or signed documentation from a regulated financial services sector firm indicating that the account/investment/insurance relationship exists and which contains your current address
- Current tax bill
- A recent (not more than 3 months old) utility bill (Excludes mobile telephone bills)
- Current tenancy agreement

**\*\* Members of local Credit Unions or Cooperatives who have already satisfied the AML requirements with their society and who submit their application through their society can ignore this section.**

**Other AML Requirements**

**Payment details, Source of Funds and Origin of Wealth**

The following information is required under Anti-Money Laundering Regulations to safeguard against unlawful investment.

**Please complete parts A & B below.**

**Part A. Source(s) of your payment**

- A. Bank or Credit Union deposit \_\_\_\_\_
- B. Other (please specify) \_\_\_\_\_

**Part C. Origin of wealth**

- A. Borrowings, investment income, sale of property, sale of investments (*please specify*)
- B. Other (*please specify*) *Specify* \_\_\_\_\_.

*Signed.* \_\_\_\_\_ *Date* \_\_\_\_\_

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## BOARD OF DIRECTORS



Bro Hally Haynes



Sis Juliet Best-Brathwaite



Bro Oriel Doyle



Bro Trevor Browne



Bro Cedric Murrell



Bro Hugh McClean



Bro Aidan Rogers

## SUPERVISORY COMMITTEE



Bro Al Johnson Chairman



Bro Rivelino Simmons



Sis. Dara Haynes



Bro Grantley Haynes



Sis. Destine Gay