POOR PLANNING - WHY 2/3 OF THE ENERGY PRODUCED IS WASTED

Yes, you read right - two thirds of the energy produced globally is WASTED, according to the World Bank. And every dollar invested in energy efficiency returns from USD3-5 and yields other obvious socio-economic benefits like lower energy poverty and reduced demands on taxpayers. What other investment yields 300% or more? As I type this from the Cayman Islands where all kinds of debates and petitions are underway regarding their energy costs and renewable transition, I am relieved that this Compass Editorial echoes what I have been long-lamenting, even on their platform - that the people of the Cayman Islands must collectively, and ideally unanimously decide what they want their population level to be in the next 10+ years, from which energy and all other infrastructure plans should cascade. Otherwise, with their eyes wide shut, Cayman is sprinting towards a limitless population by default.

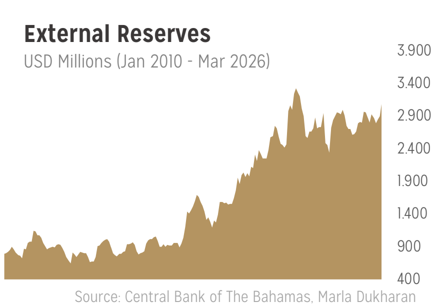
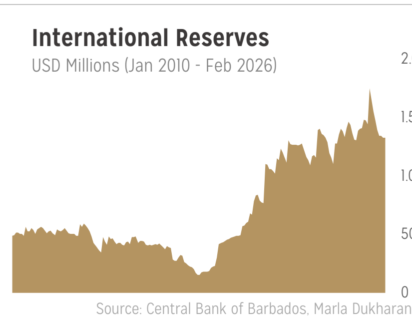
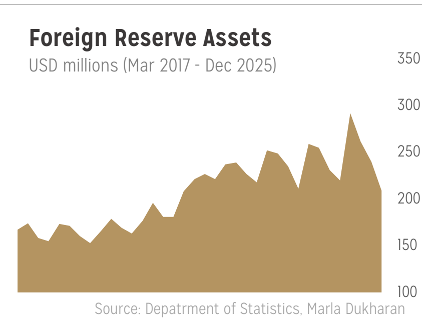
The most important element of any solution to the region's way-higher-than-global-average energy costs therefore, is NOT the transition to renewables, but the urgent reduction of energy waste in the first place, via fixing leaky grids and lowering our energy consumption (from any source) through efficiency and responsible consumption. Most building codes across the region still do not reflect the standards for energy efficient buildings adopted by CARICOM back in 2019. While our Governments perennially wring their hands at external shock after shock, and the resulting effects on our lives that they claim to have no control over, it costs them next to nothing to revise building codes to mandate higher efficiency standards at least for new builds. The EU ResemBid project found that homes that were retrofitted for energy efficiency consumed up to 60% less electricity. So what (vested interests/lobbyists/campaign financiers perhaps?) is really holding our Governments back from mandating and enforcing higher efficiency standards that lower our cost of living, reduce our fuel import bill, and cut subsidy costs to us, the taxpayers?

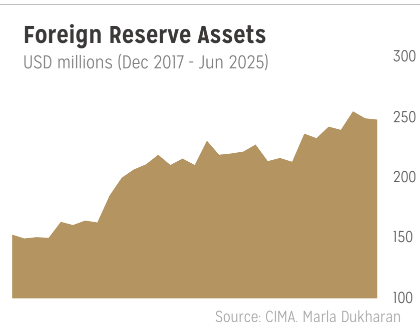
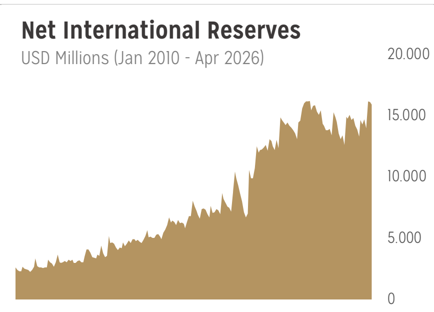
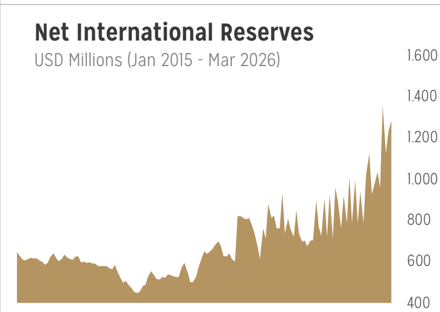
TAXPAYERS PAY TWICE – FOR INEFFICIENT & WASTED ENERGY, AND SUBSIDIES

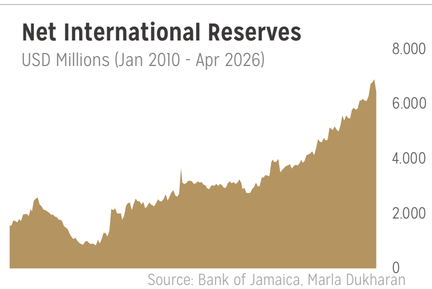
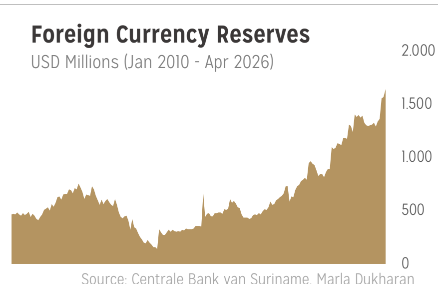
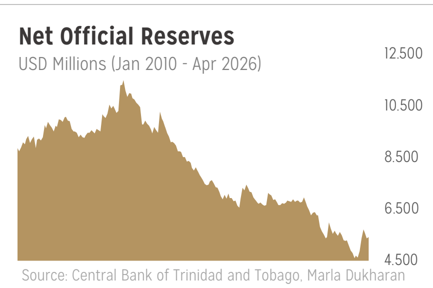
Switching to renewable energy should be the second priority for several reasons beyond lowering emissions. Supporting energy independence reduces reliance on imported fuel, with positive implications for the cost of living and doing business, and foreign exchange reserves, reducing our vulnerability to external (geopolitical) shocks and potential political interference. Renewable energy also provides more stable and predictable energy prices, cuts the billions of taxpayers' income spent on subsidies, and results in better socio-economic outcomes for everyone.

On the issue of energy efficiency, size matters, **but planning matters more**. While rooftop solar under the right conditions can be great for lowering consumers' energy costs, without sufficient (usually costly) battery storage and insurance, we risk the grid instability that Barbados has been battling for some time. The answer, as with most things, rests with proper planning and preparation. Whether a nationwide rooftop and/or utility-scale and/or small-scale solar approach is adopted for our urgent renewable energy transition, the appropriate disaster-readiness, battery storage (distributed and/or utility), and insurance, must factor into the solution from the outset. In general, utility scale solar is more efficient because it is angled perfectly to align (and move) with the sun versus rooftops which angle less precisely, such that a 5MW utility scale solar farm can provide as much energy as 14.5MW in rooftop solar, for example, once energy loss via the grid is minimized. Also, modern utility scale solar installations are generally more disaster-ready than (older) rooftop solar installations, are built fit for purpose, and are insured.

Bottom line, rather than throwing our taxes away on subsidies, our Governments and regulators must do better at updating and enforcing building codes for higher energy efficiency standards, at awarding contracts in a timely manner for urgent energy solutions, and at PLANNING properly alongside their regulated entities, for what the future holds. And this brings me to my final point. Didn't anyone in Barbados think this through - that net-metering and duty waivers on solar would incentivize rooftop installations and inevitably destabilize the grid, in the absence of appropriate battery installations? Hopefully the Cayman Islands and other Caribbean countries will learn from this example and plan their renewable energy transition better, given growing population and energy consumption.

	THE BAHAMAS	BARBADOS	BERMUDA
UPDATE	The incumbent party won the May 2026 elections, securing 33/41 seats. Fitch affirmed BB- rating with stable outlook in April noting that fiscal consolidation efforts are offset by lower potential growth, heavy reliance on tourism, high interest and debt burdens and exposure to climate shocks. Moody's upgraded rating to Ba3 from B1 with stable outlook in April citing robust tourism, fiscal strengthening, and improved gov't liquidity. GDP growth of 3.8% in 2025 was driven mainly by finance & insurance +19.83%. The largest contributors to GDP: real estate accounting for 16.4% with 2% growth, accomm. & food at 12.3% with 5.2% growth, and wholesale & retail at 12% with 4.9% growth. Domestic credit applications +1.1% y/y in H12025; 95% of loan applications were consumer loan requests +2.7% y/y; residential mortgage applications -24.6%; commercial -21.7%. Goods trade deficit +4.1% in 2025; imports +3% driven by machinery & transport equip. (27.7% of total); exports -1.7%; USA accounted for 81.9% of imports and 82.4% of exports. Inflation was 2.7% in Feb; hotels & rest. +17.1%, household furnishings & mainten. +8.5% and housing & utilities +5.1%. Usable reserves +13% to USD1.4 billion or ~2.5 months of imports.	Real GDP +1.7% y/y in Q1 2026; tradeables +1.6% driven by tourism +3.3% and agriculture +4.1%, manufacturing -2.3%; non-tradeables +1.8% with business services +2.5% (largest single contributor at 34%/GDP), construction +3.5%, and wholesale & retail +0.9%). ~USD260 million IMF staff-level pre-cautionary Stand-By Arrangement signed, to provide insurance and support economic stability and resilience against external shocks. Gov't launched 1 year cost of living cash credit program from April targeting seniors and welfare recipients. USD80 million IDB loan (to be disbursed over 5 years) signed in April to modernise water infrastructure. Inflation was 1.3% y/y in Feb 2026; hotel & restaurant +5.6%, health +4.8%, education +2.4%, and food -1.8%. Net international reserves -5.8% to USD1.3 billion or ~5.8 months of imports in Feb; external gov't debt was >2 times reserves at end-2025 making reserves >200% borrowed. Unemployment was 6.5% in 2025, -0.7% y/y (estimated); labour force participation rate was 63.3%; females at 59.6% and males at 67.4%. Deposit-taking institutions credit to private sector +5.2%, loans/deposit ratio +2.8pp and non-performing loans -0.5pp.	S&P and Kroll Bond Rating Agency (KBRA) affirmed their A+ Government of Bermuda credit rating and revised the outlook to positive from stable. S&P expects a stronger fiscal position over the next 2 years as corporate income tax (CIT) revenues will be used for debt repayment, which will enable the government to return to a net creditor position. Moody's upgraded their credit rating of the government from A2 to A1 and maintained a stable outlook; they anticipate the CIT revenue "will translate into a sustained track record of fiscal surpluses, continued improvement in debt affordability, and a faster and durable reduction in the government's debt burden." The current account (Balance of Payments) surplus +23% in 2025; the goods trade deficit -2%, services trade surplus -3%, and primary income account surplus +15% (driven by compensation to employees). Updates to the Work Permit Policy announced on May 1st include broader English-language requirements, compliance rules, and rigidity on job mobility. The flagship 2026 State of Labour Report highlights policies and initiatives taken to improve job quality in alignment with ILO standards.
TOURISM	Stay-over: 2026: 512,607 (Mar) / +5.2% y/y Cruise: 2026: 3,314,627 (Mar) / +20% y/y	Stay-over: 2025: 727,310 (Dec) / +3.3% y/y Cruise: 2025: 702,278 (Dec) / +13% y/y	Stay-over: 2026: 29,426 (Mar) / +6.4% y/y Cruise: 2026: 13,042 (Mar) / -2.4% y/y
GROWTH	2024: 3.8% / 2025: 2.8% (IMF)	2024: 3.5% / 2025: 2.7% (CBB)	2024: 1.9% / 2025: 2.5% (S&P)
RESERVES			
OUTLOOK	The World Bank and IMF expect 2.1% growth in 2026, then falling < 2% for 2027-2031, with an estimated long run growth potential of 1.5%. Fitch expects 2.2% growth in 2026.	Gov't projects growth of 2.5-3.0% for 2026 and 3.5% annual growth through the medium term on tourism output and investment. IMF expects 2.5% growth in 2026, falling to 2% for the foreseeable future.	S&P expects growth of 2.0% for 2026, then 1.5% for 2027-2029.

	THE CAYMAN ISLANDS	DOMINICAN REPUBLIC	GUYANA
UPDATE	Growth of 2.8% y/y recorded for Q1-Q3 2025; health and social work +5.1%, gov't services +4%, real estate +3.9%. Active work permits +0.2% y/y in Sept 2025 driven by +178 in finance & insurance and +140 in accomm. and food services. Public Sector overall surplus +22% y/y in Q1 2026, 22% above budget, driven by higher financial services fees and stamp duties; revenues +13%, expenses +4%; 'other' company fees and mutual & private fund fees each accounted for 21% of gov't revenue, followed by partnership fees at 12%. Salaries and outputs purchased from state authorities & gov't authorities accounted for 32% and 20% of expenses respectively. Unemployment reached 2.6% in Q4 2025, up slightly y/y; Caymanians made up 39.1% of the labour force, +2pp y/y; 63.4% of workers had post-secondary and university education; labour force participation +2.6pp to 83.4%, Caymanian participation +3.8pp to 71.9% and non-Caymanian +2.4pp to 93.3%. 14 new international licenses issued to insurance companies in Q1 2026 bringing total to 722. Gov't to implement a 3-phase plan to reduce electricity costs and dependence on imported fuel. March 2026 saw the most stayover visitors in any other month ever, and April 2026 was the best April ever.	Fitch affirmed BB- rating and revised outlook to stable from positive, citing inflationary potential of higher energy prices, which keep interest rates high, hindering growth. The Monthly Indicator of Economic Activity +4.0% y/y for Jan–Apr (+3.8% y/y in April 2026); mining +10.7% on higher gold and silver extraction volumes; construction +4.6%; free trade zone manufacturing +3.7%; local manufacturing +3.6%; services +4.4% led by financial services +6.2% and accomm. & restaurants +5.9% supported by over 2.6 million tourist arrivals in Q1 - the highest arrivals ever for that period. Central Bank expects tourism revenue >USD12.5 billion in 2026. Net new jobs +2.3% y/y in Q1 2026. Formal workers made up 17.3% of new jobs, while informal workers contributed 82.7% of additional positions. Informality was 54.1% in Q1 2026, similar to Q1 2025. Unemployment was 5% in Q1 2026, up 0.1pp y/y. Inflation was 5.11% y/y in April 2026 - above the 4.0% ± 1.0% target; hotel and restaurants +8%, food +7%, and education +7%. The monetary policy rate was maintained at 5.25% at the end of April, however. Remittances +4.1% y/y reaching USD4.1 billion for Jan-Apr 2026. Reserves were USD15.9 billion or ~5.3 months of imports in April.	IMF expects growth to remain strong at 16.2% and 19.7% for 2026 and 2027 respectively. **Guyana is the only country in the world with a double-digit IMF growth forecast for 2026**. World Bank reports: "oil driven expansion of Guyana…is widening divergence relative to economies that depend heavily on tourism." ECLAC reports Guyana had the lowest tax/GDP ratio in the LAC region in 2024 at 9.2% (-2.4pp y/y) vs 21.7% regional average. Citibank to open a representative office in Guyana, expecting growth in "critical areas such as infrastructure and export financing." Credit to private sector +20% y/y in March; loans to businesses +12.1%, to individuals +38.6%, and mortgages +27.1%. Total deposits by residents +18.5% y/y and foreign deposits -0.13%. Inflation was 2.7% in March; food +5.4%, health +2.3%, housing -0.9%, and transport -0.8%. USD399 million was withdrawn from the NRF in March, bringing the closing balance to USD4.1 billion at the end of April. Gov't issued an RFP for the Amaila Falls Hydro Project which is expected to deliver a minimum installed capacity of 165MW. Foreign exchange reserves +63% y/y to USD1.28 billion in March; roughly 1 month of imports.
TOURISM	Stay-over: 2026: 208,219 (Apr) / +11.3% y/y Cruise: 2026: 588,824 (Apr) / +9.7% y/y	Stay-over: 2026: 2,603,644 (Mar) / +12% y/y Cruise: 2026: 1,095,625 (Mar) / +9.1% y/y	Stay-over: 2025: 453,489 (Dec) / +22.2% y/y Cruise: n/a
GROWTH	2024: 3.1% / 2025: 2.6% (ESO)	2024: 5.0% (CB) / 2025: 2.1% (CB)	2024: 43.7% (IMF) / 2025: 19.3% (MoF)
RESERVES	 Source: CIMA. Marla Dukharan	 Source: Central Bank of the Dominican Republic, Marla Dukharan	 Source: Bank of Guyana, Marla Dukharan
OUTLOOK	The Economics and Statistics Office (ESO) expects growth at 2.2% for 2026 and between 2.2-2.5% for 2027-2030	Growth expected at 4.5% in 2026 and 2027 according to the WB. IMF expects growth of 3.7% for 2026 but average 5% for 2027-2031	The IMF and Gov't expect growth of 16.2% respectively for 2026. Growth is expected to avg 13.4% for 2027-31 (IMF). Gov't expects non-oil growth of 10.8% for 2026.

	JAMAICA	SURINAME	TRINIDAD & TOBAGO
UPDATE	Real GDP -5.91% y/y in Q1 2026 due to lingering Hurricane Melissa effects. Goods producing industries -11.2%: mining & quarrying -26.6% due to 26.4% less bauxite and 30.3% less alumina production, and agriculture -20.3% with Hurricane Melissa damage estimated at JMD43.9 billion. Service industries +4.1% driven by accomm. & food services -20.4% (stopovers -27.5%, cruise arrivals -1.1%, and total visitor expenditure -21.3%); electricity and water -10.3%, and financial & insurance +1.8%. Monetary policy rate held at 5.5% in May. BoJ notes that higher commodity prices are expected to affect external accounts but reserves are sufficient support the foreign exchange market and contain imported inflation. Inflation was 4.3% y/y (within the 4-6% target) in April; education +8.3%, food +6.8%, and housing maintenance and repair +6.2%. Remittances +4% y/y reaching USD562 million for Jan-Feb 2026. Labour force -2.2% y/y in Q1 2026; unemployment was 3.6%, up from 3.3% in Q4 2025; youth unemployment -1.6pp to 10.7%. Labour force participation -1.6pp y/y to 66.8%; males 72.7% and females 61.2%. Reserves +10% y/y to USD6.45 billion or 26.4 weeks of goods and services imports.	IMF Technical Assistance report finds progress made on strengthening the fiscal framework ahead of expected oil boom but warns of institutional capacity constraints, incomplete legislation, and inadequate political engagement. Total Energies notes Gran Morgu offshore project is on track to deliver first oil in H1 2028: 30% of the total work completed and 60% floating production facility completed. Inflation was 10.9% y/y in April; health +59.1%, housing and utility +13.9%, alcohol +12.2%, and food +9.1%. Monthly Economic Activity +4.1% y/y in Sept 2025; construction +39% driven by public infrastructure projects, finance & insurance +26.7%, accommodation and food services +17.4%, mining -7.9% (on lower gold ore extraction), manufacturing +6.6%, and wholesale & retail +5.3%. SRD money supply continues to exceed targeted levels, 20.1% above target in March, +6.3% y/y, mainly due to higher bank reserves and banknotes in circulation. FX reserves +17% in April to USD1.92 billion or ~8.5 months of imports. Economic Oversight Board cautions that continuous primary fiscal deficits and high debt ratio (118%/GDP in Jan 2026) can limit fiscal space and increase vulnerability to external shocks. The SRD appreciated from SRD38.15:USD1 (Jan) to SRD37.56:USD1 (Apr).	Moody's withdrew its rating of the National Gas Company of T&T in May 2026 due to "insufficient information"; NGC's rating of Ba2 was affirmed and outlook revised from stable to negative in Dec 2025. IMF lowered its growth estimate for 2025 and 2026 to 0.78% and 0.77% (from 1% and 1.2% respectively). March inflation was 0.7% y/y; alcohol +25.4%, rec. & culture +4%, food +0.8%, and transport -1.6%. Carnival tourist arrivals -0.06% y/y. Natural gas production +1% y/y, Ammonia +7.7%, Urea +28%, and Methanol -16% for Jan-Nov 2025 (latest data avail.); LNG +5% y/y in 2025. Adjusted gov't debt outstanding +2.5% y/y in Q1 2026; external debt +5.3%, and adjusted debt/GDP ratio +2.1pp to **the highest level on record of 84.9%.** Sales of FX to the public by author. dealers exceeded purchases by USD1.43 billion for 2025, with CBTT injecting USD1.3 billion; For Jan-Apr 2026, sales exceeded purchases by 36% with CBTT injections covering 81% of the shortfall. BoP current account surplus +93% y/y; energy exports +6.6% and non energy exports -15%; Net errors and omissions remain large and negative at >USD500 million for 2025 and >USD25 billion since 2011. FX Reserves +2.5% y/y to USD5.4 billion, 6.3 months of imports in Apr 2026.
TOURISM	Stay-over: 2026: 321,395 (Feb) / -31.4% y/y Cruise: 2026: 325,051 (Feb) / -5.9% y/y	n/a	Stay-over: 2026: 124,826 (Apr) / -3.5% y/y Cruise: 2026: 8,865 (Feb) / +5.3% y/y
GROWTH	2024: -0.5% (IMF) / 2025: -0.06% (IMF)	2024: 1.7% (IMF) / 2025: 1.5% (IMF)	2024: 2.5% (IMF) / 2025: 0.78% (IMF)
RESERVES			
OUTLOOK	The IMF expects GDP will contract by 0.06% 2026 but recover with 3.1% growth for 2027 and average 1.6% for 2028-2031	The IMF and World Bank expect growth at 3.7% and 3.9% respectively in 2026. For 2028 and 2029, growth is expected to average 36%.	IMF expects growth of 0.77% for 2026 and to average 2.6% for 2027-2031. We expect growth below 2% for the foreseeable future, failing any major policy improvement.