

May 12, 2011

Approval of South Africa, Eskom Renewable Support Project

Dear CTF Trust Fund Committee members:

At the CTF Trust Fund Committee meeting held on November 12, 2010, the Committee adopted the following decision regarding the *South Africa, Eskom Renewable Support Project* (document CTF/TFC.6/8).

The CTF Trust Fund Committee reviewed the project proposal, *South African, Eskom Renewable Support Project* (document CTF/TFC.6/8) and conditionally approves a CTF allocation of US\$350 million for the project subject to questions to be submitted by Trust Fund Committee Members being answered after appraisal.

The Trust Fund Committee welcomes this important project and recognizes its potential to be a high quality investment with transformative impacts. The Trust Fund Committee agrees that the African Development Bank and the World Bank should proceed with appraising the project on the understanding that questions submitted by the Trust Fund Committee Members in writing by November 19, 2010, will be responded to during the appraisal process. Written replies to the questions of the Trust Fund Committee Members should be prepared by the Government of South Africa and the MDBs and disseminated by the CIF administrative Unit to members of the Trust Fund Committee.

As requested by the Trust Fund Committee, the Government of South Africa, the African Development Bank, and the International Bank for Reconstruction and Development prepared responses to questions submitted by Trust Fund Committee members which were circulated on May 2, 2011.

No additional questions, but several comments supportive of the project, have been received. These are posted on the password protected website.

The conditions for approval of CTF funding for the *South Africa, Eskom Renewable Support Project* have, therefore, been met, and the project is approved as of May 12, 2011.

Sincerely,

CIF Administrative Unit

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