

April 1, 2014

**Comments from the United States—Approval by Mail: SREP Maldives:  
Accelerating Sustainable Private Investments in Renewable Energy (ASPIRE)  
IBRD**

Dear Patricia et al.,

Thank for you the chance to comment on the proposal for the ASPIRE program in the Maldives. We think this program is particularly interesting because it is one of the first proposals in the CIFs to address the particular challenges of developing renewable energy development in small island countries. If successful, the ASPIRE program could provide a useful example for other countries to help displace dirtier sources of energy while maintaining and improving energy access.

There are a number of aspects of the proposal that are unclear, however, and we have some clarifying questions we'd like to ask before approving. The proposal does not clearly address the degree to which solar PV installation will displace diesel fuel use on Male and Hulhumale islands and the corresponding financial benefits to the country. We ask that the AsDB provide a more focused explanation of the financial impact of replacing diesel with solar PV, including cost savings to the government and estimated savings to end users, both annually and over the lifetime of the project. This explanation should include some further discussion of the impact of market volatility and how ASPIRE will protect against it. We would also like more of an explanation about how the guarantee portion of the SREP funding will be structured.

We look forward to reviewing the responses to our questions. Cheers.

danny

Daniel F. Morris  
Office of Environment and Energy  
US Department of the Treasury  
[Daniel.Morris2@treasury.gov](mailto:Daniel.Morris2@treasury.gov)  
202.622.9352 (o) Washington, D.C. 20433  
[www.climateinvestmentfunds.org](http://www.climateinvestmentfunds.org)