

December 1, 2015

**Approval by mail: Colombia: Efficient Energy Demand Management in Non-Interconnected Zones- San Andres, San Andres, Providencia and Santa Catalina Archipelago Pilot Program (CTF) (IDB) – Comment from the UK**

Mafalda,

Thank you for the below proposal. Firstly we'd like to highlight that we think the proposal is well structured and comprehensive. We were also pleased to note that the development impacts were articulated in terms of the SDGs.

Could the project team provide a response to the below questions before we give our approval?

- Is it possible to provide more detail on how the % emissions reductions were calculated? e.g. what emission factor was used for the baseline? What proportion of GHG savings come from energy efficiency, and what proportion come from investment in Solar?
- Is there a potential for there to be a rebound effect from the energy efficiency measures, where more energy is consumed when it is cheaper? We think that it's important to consider this, and potentially should be included in the GHG reduction calculations.
- Do you have any information on whether there is research to suggest that consumers would definitely be willing to participate in the program? (Perhaps there could be a risk that consumers would be unwilling to take the time registering/ purchasing and disposing of appliances, if the savings in energy individually are not considered to be sufficiently large)
- It is noted that the programme will create employment. However, these are not captured in the Results Matrix to be quantified and tracked. We think the number of jobs created could be significant particularly related to the Energy Efficiency elements of the programme, and think therefore that this should be included in the Results Matrix. Is this something that the project team is happy to include? If not, could you provide a reason behind the decision?
- We'd be interested to know how the number of target users for the SAPSC archipelago component was estimated? 3,000 users in the first five years seems somewhat low given the size of the investment?
- Could you please provide further details on the how CTF money will fund additional activities which will not already be covered by the Government's own plans?

Kind regards,

Kate