

July 5, 2013

Comments from Norway and Spain on the Proposal for reporting on enabling environments for promoting energy investments

Dear Patricia,

Thank you very much for circulating the document and for giving us the opportunity to share our views about the proposal for Reporting on Enabling Environments for Promoting Energy Investments.

I am writing now in behalf of Spain, but we have discussed it briefly with Bente, who is on holiday (Spain and Norway have a twinning arrangement at the SREP Sub-Committee), and she supported our comments.

Spain agrees with the points raised by Sweden and the Netherlands. We find the proposal is not ambitious enough in terms of cost reduction, compared with the original proposal presented in Washington, where many committee members expressed that a 350.000\$ budget was far too high for the SREP. Furthermore, we specifically asked the WB about the medium term financial scenario (budget after year one), but that has not been specified in the document.

Secondly, as the set of indicators are not identified yet, we find it interesting to consider the possibility of including negative indicators, more concretely fossil fuel subsidies (this issue was also raised in Washington).

Finally, we would like to have some clarification about the Climate Investment Readiness Index. Sweden&Neth refer in their comments to the relation to the IFC Investment Climate Work, what we support.

But we have also seen, that in the Pilot Country Meeting agenda, the WB was going to present a recently developed Index,:

A recent analysis by the World Bank in South Asia produced a Climate Investment Readiness Index (CIRI) which objectively scores and compares countries' enabling environments for private investment in renewable energy and energy efficiency, based on a country's general investment climate as well as specific policies, regulations, incentives, and institutions pertaining to the sectors. In this session, a member of the World Bank team that produced CIRI will present the methodology for assessing countries' enabling environments. Country representatives will then work with their MDB counterparts to complete a short exercise roughly estimating their respective CIRI scores. CIRI scores will be tabulated, the results will be presented to the plenary and participants will share their reactions and discuss the implications for improving and tracking progress on enabling environments in their countries.

We wonder if this work hasn't got synergies with the SREP project, although it is focused only in South Asia. Maybe we have misunderstood something, but it sounds

like this Index is very similar to the one that is going to be developed for SREP countries. In this case, the same methodology could be used and costs could be reduce.

That said, we would like to emphasize that we fully support the project of developing a framework for assessing the enabling environment for promoting investments in sustainable energy in SREP countries.

Kind regards

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