

CLIMATE INVESTMENT FUNDS

November 25, 2015

Summary of the Co-Chairs
Meeting of the Scaling up Renewable Energy in Low Income Countries Program Sub-Committee
November 11, 2015
Washington, D.C.

Co-Chairs

Mr. Erastus Wahome, Kenya
Mr. Jacob Waslander, Netherlands

Agenda Item 1. Opening

1. The meeting of the SREP Sub-Committee was opened by the Co-Chairs, Mr. Erastus Wahome, the Sub-Committee member from Kenya and Mr. Jacob Waslander, the Sub-Committee member from the Netherlands.

Agenda Item 2. Adoption of Agenda

2. A provisional agenda for consideration by the meeting of the Sub-Committee was circulated as document SREP/SC.14/1. In approving the agenda, the Sub-Committee agreed to consider the SREP *Investment Plan of Mongolia* after the other three investment plans. The Sub-Committee also noted the request by the Sub-Committee member from Switzerland to provide comments on the *Liberia Renewable Access Project* under Other Business.

Agenda Item 3. SREP Semi-Annual Operational Report and Results Report

3. The SREP Sub-Committee reviewed documents SREP/SC.14/3/Rev.1, *SREP Semi-Annual Operational Report* and SREP/SC.14/5, *SREP Results Report*, and welcomes the progress that has been made in advancing the work of the SREP in the pilot countries, in particular progress made in the development of investment plans in the new pilot countries.

SREP Semi-Annual Operational Report

4. The Sub-Committee further welcomes the gender review of the SREP portfolio and notes that the SREP has performed well on all three scorecard indicators of gender analysis, women-specific activities, and gender-disaggregated data. The Sub-Committee recognizes efforts in gender-disaggregated data collection and reporting in SREP, and encourages strengthening of such data systems and reporting going forward and the sharing of lessons learned with other programs.

5. Acknowledging that SREP works in challenging environments with high risks of political, natural and epidemic shocks, the Sub-Committee still expresses concern on the delay in the implementation of investment plans in the SREP pilot countries. The Sub-Committee encourages MDBs to take all possible measures to expedite the implementation of projects and the disbursement of funds and, in making projections of future submissions of projects, take into account the progress made in the past.

6. The Sub-Committee requests the MDBs and the CIF Administrative Unit working with the countries to design investment plans and projects in a manner that enables access to SREP funds as well as other funding channels, including the Green Climate Fund. The Sub-Committee further requests the MDBs to maintain and continue a programmatic and collaborative approach in the preparation and implementation of new investment plans.

7. The Sub-Committee requests the CIF Administrative Unit to include information on the current availability of resources, including resources available to provide grants and the level of over-programming with any approval request for new investment plans as well as program and project funding. The Sub-Committee further requests the CIF Administrative Unit to include projections of future disbursements in the semi-annual operational reports.

8. The Sub-Committee notes that SREP does not have sufficient resources to finance all the investment plans in the new pilot countries and requests the CIF Administrative Unit and MDBs to manage expectations on future resource availability and encourages contributor countries in a position to do so to make additional contributions to the SREP.

9. The AfDB informed the Sub-Committee that it is closely monitoring a fiduciary investigation concerning an SREP implementing partner in Kenya. At the moment, there is no indication that fiduciary problems have occurred and that SREP or AfDB resources are involved.

SREP Results Report

10. The Sub-Committee appreciates the work undertaken for the *2015 SREP Results Report* and notes the expected and achieved results measured through the core and the co-benefit indicators from MDB-approved projects in the SREP pilot countries.

11. The Sub-Committee requests the CIF Administrative Unit to include more detailed and disaggregated data and information on the core and the co-benefit indicators, in particular on issues related to gender and enabling environment.

12. The Sub-Committee requests the CIF Administrative Unit to merge the *SREP Semi-Annual Operational Report* and *Results Report*.

Agenda Item 4. SREP Investment Plan for Bangladesh

13. The SREP Sub-Committee, having reviewed document SREP/SC.14/6, *SREP Investment Plan for Bangladesh*, endorses the investment plan as a basis for the further development of the projects and programs foreseen in the plan and takes note of the request for USD 75 million in SREP funding.¹

14. The Sub-Committee recalls its decision on the distribution of grant and non-grant resources to the SREP new pilot countries and reaffirms that the amount of grant funding for the implementation of the investment plan should not exceed USD 33.75 million.

15. The Sub-Committee requests the Government of Bangladesh, in the further development of the proposed projects and programs, to take into account comments made at the meeting and any additional written comments submitted by Sub-Committee members by

¹ USD 300,000 in SREP funding has already been approved for the development of the investment plan.

November 27, 2015, and to respond in writing to questions raised during the meeting and in subsequent written comments.

16. The SREP Sub-Committee

- a) reaffirms that all allocation amounts are indicative for planning purposes and that approval of funding will be on the basis of high-quality investment plans and projects, subject to the availability of funds;
- b) notes that in case projects under the investment plan cannot be funded with SREP resources, the development of high-quality renewable energy projects could be a basis to seek funding from other climate finance sources, such as the Green Climate Fund;
- c) approves USD 950,000 as preparation grant for the project entitled, *Grid-Connected Renewables* (World Bank);
- d) approves USD 950,000 as preparation grant for the project entitled, *Off-Grid Solar PV* (ADB);
- e) takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Grid-Connected Renewables* (World Bank), and approves USD 128,000 as a first tranche of funding for such services;
- f) takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Off-Grid Solar PV: Mini-Grid* (ADB), and approves USD 214,000 as a first tranche of funding for such services; and
- g) further takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Off-Grid Solar PV: Solar Irrigation* (ADB), and approves USD 214,000 as a first tranche of funding for such services.

Agenda Item 5. SREP Investment Plan for Rwanda

17. The SREP Sub-Committee, having reviewed document SREP/SC.14/7/Rev.1, *SREP Investment Plan for Rwanda*, endorses the investment plan as a basis for the further development of the projects and programs foreseen in the plan and takes note of the request for USD 50 million in SREP funding.²

18. The Sub-Committee recalls its decision on the distribution of grant and non-grant resources to the SREP new pilot countries and reaffirms that the amount of grant funding for the implementation of the investment plan should not exceed USD 22.5 million.

² USD 300,000 in SREP funding has already been approved for the development of the investment plan.

19. The Sub-Committee requests the Government of Rwanda, in the further development of the proposed projects and programs, to take into account comments made at the meeting and any additional written comments submitted by Sub-Committee members by November 27, 2015, and to respond in writing to questions raised during the meeting and in subsequent written comments.

20. The Sub-Committee

- a) reaffirms that all allocation amounts are indicative for planning purposes and that approval of funding will be on the basis of high-quality investment plans and projects, subject to the availability of funds;
- b) notes that in case projects under the investment Plan cannot be funded with SREP resources, the development of high-quality renewable energy projects could be a basis to seek funding from other climate finance sources, such as the Green Climate Fund;
- c) approves USD 800,000 as preparation grant for the project entitled, *Renewable Energy Fund (REF)* (World Bank); and
- d) takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Renewable Energy Fund (REF)* (World Bank), and approves USD 128,000 as a first tranche of funding for such services.

Agenda Item 6. SREP Investment Plan for Uganda

21. The SREP Sub-Committee, having reviewed document SREP/SC.14/8, *SREP Investment Plan for Uganda*, endorses the investment plan as a basis for the further development of the projects and programs foreseen in the plan and takes note of the request for USD 50 million in SREP funding.³

22. The Sub-Committee recalls its decision on the distribution of grant and non-grant resources to the SREP new pilot countries and reaffirms that the amount of grant funding for the implementation of the investment plan should not exceed USD 22.5 million.

23. The Sub-Committee requests the Government of Uganda, in the further development of the proposed projects and programs, to take into account comments made at the meeting and any additional written comments submitted by Sub-Committee members by November 27, 2015, and to respond in writing to questions raised during the meeting and in subsequent written comments. The Sub-Committee also requests the Government of Uganda to provide an update on the progress of the development of the geothermal component of the investment plan in a year's time for a possible review of the component.

³ USD 300,000 in SREP funding has already been approved for the development of the investment plan.

24. The Sub-Committee

- a) reaffirms that all allocation amounts are indicative for planning purposes and that approval of funding will be on the basis of high-quality investment plans and projects, subject to the availability of funds;
- b) notes that in case projects under the investment plan cannot be funded with SREP resources, the development of high-quality renewable energy projects could be a basis to seek funding from other climate finance sources, such as the Green Climate Fund;
- c) approves USD 2.3 million as preparation grant for the project entitled, *Decentralized Renewables Development Program (AfDB)*;
- d) approves USD 1.875 million as preparation grant for the project entitled, *Wind Resource Map and Pilot-Wind Power Development Project (AfDB)*;
- e) takes note of the estimated budget of USD 420,000 for MDB project preparation and supervision services for the project entitled, *Uganda: 130 MW Geothermal Development Program (AfDB)*, and approves USD 210,000 as a first tranche of funding for such services;
- f) takes note of the estimated budget of USD 150,000 for MDB project preparation and supervision services for the project entitled, *Decentralized Renewables Development Program (AfDB)*, and approves USD 75,000 as a first tranche of funding for such services; and
- g) takes note of the estimated budget of USD 150,000 for MDB project preparation and supervision services for the project entitled, *Wind Resource Map and Pilot-Wind Power Development Program (AfDB)*, and approves USD 75,000 as a first tranche of funding for such services.

Agenda Item 7. SREP Investment Plan for Mongolia

25. The SREP Sub-Committee, having reviewed document SREP/SC.14/4, *SREP Investment Plan for Mongolia*, endorses the investment plan as a basis for the further development of the projects and programs foreseen in the plan and takes note of the request for USD 30 million in SREP funding.⁴

26. The Sub-Committee requests the Government of Mongolia to revise the results framework in the investment plan based on the comments made at the meeting, including expected targets for improved energy access and private sector involvement. The revised

⁴ USD 300,000 in SREP funding has already been approved for the development of the investment plan.

results framework will be circulated to the Sub-Committee for information by the CIF Administrative Unit by December 14, 2015.

27. The Sub-Committee requests that the proposed projects and programs under the investment plan should include

- a) a detailed clarification on how the tariffs would work in conjunction with SREP funding;
- b) a description on how SREP projects would lead to a scaling-up of private sector investments; and
- c) detailed information on how SREP projects contribute to poverty alleviation and improved energy access.

28. The Sub-Committee

- a) reaffirms that all allocation amounts are indicative for planning purposes and that approval of funding will be on the basis of high-quality investment plans and projects, subject to the availability of funds;
- b) notes that in case projects under the investment plan cannot be funded with SREP resources, the development of high-quality renewable energy projects could be a basis to seek funding from other climate finance sources, such as the Green Climate Fund;
- c) approves USD 1 million as preparation grant for the project entitled, *Upscaling Rural Renewable Energy* (ADB);
- d) approves USD 0.5 million as preparation grant for the project entitled, *Upscaling Rural Renewable Energy* (World Bank);
- e) takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Upscaling Rural Renewable Energy* (ADB), and approves USD 214,000 as a first tranche of funding for such services;
- f) takes note of the estimated budget of USD 428,000 for MDB project preparation and supervision services for the project entitled, *Solar PV* (World Bank), and approves USD 128,000 as a first tranche of funding for such services; and
- g) further takes note of the estimated budget of USD 140,000 for MDB project preparation and supervision services for the project entitled, *Technical Assistance* (World Bank), and approves USD 70,000 as a first tranche of funding for such services.

Agenda Item 8. Other Business

29. The Sub-Committee member from Switzerland provided comments on the *Liberia Renewable Access Project*.

Agenda Item 9. Closing

30. The meeting was closed on Wednesday, November 11, 2015.