

CLIMATE INVESTMENT FUNDS

SREP/SC.7/4
April 16, 2012

Meeting of the SREP Sub- Committee
Washington, DC
May 1, 2012

Agenda Item 5

SEMI-ANNUAL REPORT ON SREP OPERATIONS

Proposed Decision by the SREP Sub-Committee

The Sub-Committee reviewed document SREP/SC.7/4, *Semi-Annual Report on SREP Operations*, and takes note of the progress that has been made in advancing the work of the SREP in the pilot countries. The Sub-Committee looks forward to the further development and submission of project proposals for approval of SREP funding under the investment plans.

I. INTRODUCTION

1. The purpose of this report is to provide the SREP Sub-Committee information on the status of SREP activities. This is the third semi-annual operational report presented to the SREP Sub-Committee, and it covers the period from October 1, 2011 to March 31, 2012.

II. STATUS OF ACTIVITIES IN THE PILOT COUNTRIES

Country Programming and Endorsement of Investment Plans

2. As of March 2012, five countries investment plans (Ethiopia, Honduras, Kenya, Mali, and Nepal) have endorsed.

3. The Sub-Committee will review at its meeting in May 2012 additional information provided by the Government of Ethiopia in response to questions raised by the Sub-Committee members.

4. The investment plan for Maldives was scheduled to be presented to the Sub-Committee in March 2012, but due to the political situation in the country, submission of the plan has been postponed. A representative from the Government of Maldives made a presentation at the intersessional meeting in March 2012. The Sub-Committee welcomed the presentation on the development of its investment plan and requested the Government and MDBs to take into account comments provided by members of the Sub-Committee in the further development of the program in Maldives.

5. Table 1 provides a summary of the approvals of country preparation grants for the investment plans as well as resources being requested by the pilot countries to support the implementation of their investment plans.

Table 1: Status of Investment Plans from the Pilot Countries

Country	Investment Plan Preparation			Investment Plan Implementation		
	Preparation grant (US\$)	Approval date	IP endorsement date	Requested grant (US\$ million)	Requested credit (US\$ million)	Total requested (US\$ million)
Ethiopia			3/2012	48*	2*	50
Honduras	375,000	3/3/2011	11/2011	20	10	30
Kenya			9/2011			50
Maldives	315,000	4/5/2011				
Mali	200,000	3/23/2011	11/2011; confirmed 3/2012	40	0	40
Nepal	375,000	4/5/2011	11/2011; confirmed 3/2012	40	0	40
Total	1,265,000			148	12	210

* The breakdown between grant and credit will be adjusted during project preparation.

SREP Funding Approval

6. To date, one SREP project has been submitted to the Sub-Committee for funding approval: the Menengai Geothermal Development Project in Kenya with the African Development Bank. SREP funding of \$25 million was approved by the Sub-Committee in November 2011. The project was approved by AfDB in December 2011.

7. In addition, a total of US\$7.3 million in SREP funding has been approved by the Sub-Committee as project preparation grants. See Table 2 for details.

Table 2: Summary of Project Preparation Grant Approvals
(As of March 2012)

Project Code	Country	Project Title	MDB	Sector Class	TFC Approval Date	Grant Amount (\$ million)
XSREET002A	Ethiopia	Aluto Langano Geothermal Project	AFDB	Public	Mar-12	0.9
XSREET004A	Ethiopia	Assela Wind Farm Project	AfDB	Public	Mar-12	1.7
PSREET005A	Ethiopia	Clean Energy SME Capacity Building and Investment Facility	IFC	Private	Mar-12	0.4
XSREHN007A	Honduras	Grid-Connected RE Development Support(ADERC)-transmission	IDB	Public	Nov-11	0.2
PSREHN008A	Honduras	Grid-Connected RE Development Support(ADERC)-generation	IDB	Private	Nov-11	0.2
XSREHN010A	Honduras	Sustainable Rural Energization(ERUS)	IBRD	Public	Nov-11	0.3
PSREML015A	Mali	Solar PV IPP	AFDB	Private	Nov-11	0.5
					Mar-12	0.5
XSREML017A	Mali	Mini/Micro Hydro Project	AFDB	Public	Nov-11	0.7
					Mar-12	1.5
XSREML016A	Mali	Rural Electrification Project	IBRD	Public	Nov-11	0.3
					Mar-12	0.3
Total						7.3

III. STATUS OF ADDITIONAL PILOTS

8. At its meeting in November 2011, the Sub-Committee agreed that the countries on the SREP reserve list may begin work to develop investment plans for scaling up the use of renewable energy, recognizing that resources may not necessarily be available to finance those plans under the SREP but that financing may be available through other sources of climate finance.

9. At the intersessional meeting in March 2012, the Sub-Committee agreed to the prioritization of additional pilots on the reserve list. The Sub-Committee approved Tanzania as the seventh SREP pilot country, and noted that once the investment plan for Tanzania is endorsed, the Government and the MDBs may initiate work to develop the projects foreseen in the investment plan.

10. Regarding the scope of a Pacific regional program, the Sub-Committee agreed that Solomon Islands and Vanuatu should be invited to participate in a Pacific regional program and to prepare country investment plans. Furthermore, the Sub-Committee agreed that a small and “light” regional component for knowledge sharing and some capacity building in the other countries in the region may be proposed if such a component would have a clear value-added to achieving the objectives of SREP.

IV. PROJECT PIPELINE AND APPROVAL CALENDAR FOR FY13

11. Based on the five investment plans that have been endorsed by the Sub-Committee, an SREP pipeline has been constituted, consisting of projects identified in the five plans. Annex 1 provides details of the SREP project pipeline. The pipeline currently consists of 21 projects from Ethiopia, Honduras, Kenya, Mali, and Nepal, with a total request of US\$177.4 million in SREP funding, plus one approved project with US\$25 million in SREP funding. The pipeline will be updated on a quarterly basis.

12. A project approval calendar for FY13 has been proposed by the MDBs (Annex 2). It consists of 15 projects with a total request of US\$114 million in SREP funding from the five endorsed investment plans.

Annex 1: SREP Project Pipeline
(As of March 2012)

Project Code	Country	Project Title	MDB	Sector Class	SC Approval	Board Approval	SREP Funding (\$ million)
Project Pipeline							
XSREET001A	Ethiopia	Aluto Langano Geothermal Project	IBRD	Public	Dec-12	Mar-13	23.6
PSREET005A	Ethiopia	Clean Energy SME Capacity Building and Investment Facility	IFC	Private	Jan-13	Mar-13	3.6
PSREET003A	Ethiopia	Geothermal Sector Strategy	IFC	Private	Feb-13	Apr-13	1.5
XSREET004A	Ethiopia	Assela Wind Farm Project	AfDB	Public	Sep-14	Dec-14	18.3
XSREHN006A	Honduras	Strengthening the RE Policy and Regulatory Framework(FOMPIER)	IDB	Public	Sep-12	Oct-12	0.9
PSREHN011A	Honduras	Sustainable Rural Energization(ERUS)-cookstoves	IDB	Private	Sep-12	Oct-12	2.0
PSREHN009A	Honduras	Grid-Connected RE Development Support(ADERC)	IFC	Private	Jan-13	Mar-13	6.2
XSREHN010A	Honduras	Sustainable Rural Energization(ERUS)	IBRD	Public	Jun-13	Aug-13	9.8
XSREHN007A	Honduras	Grid-Connected RE Development Support(ADERC)-transmission	IDB	Public	Sep-13	Nov-13	3.9
PSREHN008A	Honduras	Grid-Connected RE Development Support(ADERC)-generation	IDB	Private	Sep-13	Oct-13	6.4
XSREKE013A	Kenya	Menengai Geothermal Project	IBRD	Public	Dec-12	Mar-13	15.0
XSREKE014A	Kenya	Hybrid Mini-Grid Systems	IBRD	Public	Apr-13	Aug-13	10.0
PSREML018A	Mali	Strategic Coordination Unit	AFDB	Public	Mar-13	Jun-13	1.5
XSREML017A	Mali	Mini/Micro Hydro Project	AFDB	Public	Oct-13	Nov-13	8.8
PSREML015A	Mali	Solar PV IPP	AFDB	Private	Sep-14	Feb-15	11.1
XSREML016A	Mali	Rural Electrification Project	IBRD	Public	tbd	tbd	15.0
XSRENP021A	Nepal	Mini and Micro Initiatives: Off Grid Electricity(Solar PV)	ADB	Public	Nov-12	Dec-12	5.0
XSRENP022A	Nepal	Mini and Micro Initiatives: Off Grid Electricity(Mini/micro hydro)	ADB	Public	Nov-12	Dec-12	7.0
PSRENP019A	Nepal	Small Hydropower Development	IFC	Private	Nov-12	Jan-13	10.0
PSRENP020A	Nepal	Small Hydropower Development	ADB	Private	Feb-13	Mar-13	10.0
XSRENP023A	Nepal	Extended Biogas Program	IBRD	Public	Mar-13	Jul-13	8.0
Subtotal							177.4
Approved Project							
XSREKE012A	Kenya	Menengai Geothermal Project	AFDB	Public	Nov-11	Dec-11	25.0
Subtotal							25.0
Total							202.38

Annex 2: Proposed Project Approval Calendar for FY13
(As of March 2012)

Project Code	Country	Project Title	MDB	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
XSREET001A	Ethiopia	Aluto Langano Geothermal Project	IBRD						23.6							23.6
PSREET005A	Ethiopia	Clean Energy SME Capacity Building and Investment Facility	IFC							3.6						3.6
PSREET003A	Ethiopia	Geothermal Sector Strategy	IFC								1.5					1.5
XSREHN006A	Honduras	Strengthening the RE Policy and Regulatory Framework(FOMPIER)	IDB			0.9										0.9
PSREHN011A	Honduras	Sustainable Rural Energization(ERUS)-cookstoves	IDB			2.0										2.0
PSREHN009A	Honduras	Grid-Connected RE Development Support(ADERC)	IFC							6.2						6.2
XSREHN010A	Honduras	Sustainable Rural Energization(ERUS)	IBRD												9.8	9.8
XSREKE013A	Kenya	Menengai Geothermal Project	IBRD						15.0							15.0
XSREKE014A	Kenya	Hybrid Mini-Grid Systems	IBRD										10.0			10.0
PSREML018A	Mali	Strategic Coordination Unit	AFDB									1.5				1.5
XSREN021A	Nepal	Mini and Micro Initiatives: Off Grid Electricity (Solar PV)	ADB					5.0								5.0
XSREN022A	Nepal	Mini and Micro Initiatives: Off Grid Electricity (Mini/micro hydro)	ADB					7.0								7.0
PSREN019A	Nepal	Small Hydropower Development	IFC					10.0								10.0
PSREN020A	Nepal	Small Hydropower Development	ADB								10.0					10.0
XSREN023A	Nepal	Extended Biogas Program	IBRD									8.0				8.0
Total				0	-	2.8	-	22.0	38.6	9.8	11.5	9.5	10.0	-	9.8	114.0