

June 10, 2014

Comments from Switzerland--Approval by mail: Maldives - Preparing Outer Islands for Sustainable Energy Development Project (ADB) SREP

Dear Patricia,

Thank you for circulation the decision regarding the POISED program in the Maldives.

We were pleased to see that the project scope and co-financing has been considerably extended compared to the original proposal in the Investment Plan.
We notably positively noticed the dedication of the ADB to provide a USD 38 million grant.

We are happy to support the approval of the project, with the sole restriction that the approval should be revoked in case the ADB grant is not confirmed (i.e. if the ADB Board would not approve the project).

This request is notably related to the (new) practice of over-programming within SREP and should guarantee each pilot country a fair chance to use the SREP funds.

We also have a few questions and comments, as follow:

1. It is not quite clear for what the SREP grant, the ADB grant and co-financing from islamic Development Bank, EIB and the Government of Maldives will be used. Please confirm that the SREP grant will be blended with the ADB grant and other co-financing for the entire POISED program and not serve exclusively to finance the pilot stage of 5 islands.
2. Please confirm that the mentioned objectives are consistent with the SREP financed part of the project and not part of a larger program.
3. How many people will gain access to renewable energy through the program? In the objectives, only the 4600 inhabitants of the pilot islands are included. Why?
4. Please explain the roles of MEE, STELCO and Fenaka in the overall program and the pilot phase. What will be realized by whom?
5. Please confirm that no SREP money will be used to finance the diesel generator part of the program.

Thank you and best regards
Daniel

Daniel Menebhi
Program Manager

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