

## Scaling Up Renewable Energy in Low Income Countries

### Summary – Preparation Grant Proposal for the Development of the Investment Plan

<b>1. Country/Region:</b>	Republic of Maldives	<b>2. CIF Project ID#:</b>	(Trustee will assign ID)
<b>3. Date of the Scoping Mission (if applicable)</b>	<i>January 24-27, 2011 (actual)</i>		
<b>4. Date of the First Joint Mission (if applicable):</b>	<i>June 5-10, 2011 (planned)</i>		
<b>5. Funding Request (USD):</b>	<i>315,500</i>	<i>MDB: World Bank</i>	
<b>6. Type of request</b>	<i>Advance preparation grant: Yes</i>		
	<i>Full preparation grant: No If yes, please indicate the amount and date of the previous requests for the preparation grant:</i>		
<b>7. MDB SREP Focal Point and Project/Program Task Team Leader (TTL):</b>	<i>Headquarters-SREP Focal Point:</i>		<i>TTL:</i>
	<b>Gevorg Sargsyan</b> SREP Coordinator World Bank, Washington		<b>Abdulaziz Faghi</b> Operations Officer World Bank, Washington
	<b>Jiwan Acharya</b> SREP Focal Point ADB, Manila		<b>Len George</b> Energy Specialist ADB, Manila
	<b>Noleen Dube</b> SREP Coordinator IFC, Washington		<b>Pavol Vajda</b> Operations Officer IFC, Colombo
<b>8. National Implementing Agency:</b>	The executing agency for the preparatory grant will be the Ministry of Housing and Environment (MHE).		

9. **Description of activities covered by the preparation grant:**

i. Consultancy support to develop the SREP investment plan and the projects' concept notes including technology selection, environmental and social assessments, economic / financial analyses, and legal / policy support. This will entails: (a) review of the framework for clean energy investments recently completed on the basis of previously conducted studies and reports available in the Maldives; (b) gathering additional information and data required to complete the clean energy sector investment plan; and (c) preparation of the SREP IP under the guidance and supervision of MHE. Specifically, the grant will finance an international consultancy firm to support MHE with preparation and completion of the SREP IP. The services are expected to be completed in September 2011. The budget includes an estimate of the consultant's professional fees and reimbursable expenses (including travel). In addition, the grant will provide local consultants to support regional utilities with conducting surveys, data collection and other inputs required for the SREP IP.

ii. Support to build consensus among, and strengthen capacity of stakeholders at the national levels for preparation of the SREP IP. The main objective is to ensure the involvement, participation and ownership of main stakeholders of all steps of the elaboration of the SREP IP through the organization of specific meetings/workshops with civil society and private sector representatives, national and local institutions, etc. This will also include a donor / investor conference to inform bilateral, multilateral and private financiers and investors about the Maldives carbon neutrality plans and present them with an opportunity to pledge support and additional resources to co-finance SREP projects. The intention is to crowd in private sector, bilateral and other financing to achieve significant leverage of SREP resources.

iii. Operating costs for MHE project management team and office equipment for the implementation of grant activities.

10. **Expected outcomes:** The expected outcomes of these Grant activities are :

- Key stakeholders are consulted and involved in the preparation of the IP;
- Investor/donor conference is held
- An Investment Plan to scale-up renewable energy in Maldives is developed and submitted for SREP Sub-committee approval.

11. **Deliverables and timeframe:** The Government intends to formally submit the SREP IP to the SREP Sub-committee in October 2011 (at the latest) for approval at the sub-committee meeting in November 2011. The following is the planned schedule for ensuring timely submission of the SREP IP:

- By April 4, 2011: Commence preparation of SREP IP by MHE with support from consultants
- By May 30, 2011: First draft of SREP IP on the basis of the results of the scoping mission and the stocktaking exercise
- June 5-10, 2011: Conduct first Joint Mission and discuss first draft of SREP IP
- September 5-9, 2011: Conduct second Joint Mission and hold Donor / Investor conference
- By September 19, 2011: Publication of SREP IP for public consultations and submission for formal review by MDBs and an external reviewer
- By September 30: Finalize SREP IP on the basis of comments received from the public consultations
- October 3, 2011: Submission of SREP IP to CIF Administrative Unit

12. **Budget (indicative):**

<b>Expenditures<sup>1</sup></b>	<b>Amount (USD) - estimates</b>
Consultants	236,000
Equipment	15,300
Workshops/seminars	14,000
Travel/transportation	16,500
Others (admin costs/operational costs)	5000
Contingencies (max. 10%)	28,700
<b>Total Cost</b>	<b>315,500</b>
Other contributions:	
• Government	
• MDB	
• Private Sector	
• Maldives Climate Change Trust Fund	100,000
<b>Total – Other contributions:</b>	<b>100,000</b>

13. **Timeframe (tentative) –milestones**

Tentative Date for Final Joint Mission: September 5-9, 2011

Investment Plan for SREP Sub-Committee Endorsement: October 3, 2011

14. **Other Partners involved in the Investment Plan design and implementation<sup>2</sup>:**

State Electricity Company (STELCO) and regional utilities, Maldives Energy Authority, UNDP, Department of National Planning, Ministry of Finance and Treasury, local private sector developers

<sup>1</sup> These expenditure categories may be adjusted during project preparation according to emerging needs.

<sup>2</sup> Other local, national and international partners expected to be involved in design and implementation of the Investment Plan.

15. **If applicable, explanation for why the grant is MDB executed:**

N/A

16. **Implementation Arrangements** (incl. procurement of goods and services):

The grant will be executed by MHE, specifically by the Energy and Climate Change Department which has a designated project management team in place, which has been working on parallel donor-funded activities including the World Bank. The funds will be channeled by the World Bank which has a field office in Maldives with procurement and financial management support from Colombo as well.