

January 10, 2014

**Comments from the Netherlands—Approval by Mail: SREP Ethiopia: Lighting Ethiopia (IFC)**

Dear Patricia,

Thank you very much for this proposal.

We appreciate the focus of the proposal on rural lighting, especially lighting for productive uses, as well as the orientation on SMEs.

We do have a few comments and questions:

1. There seems to be no clear and urgent reason to submit this proposal as “confidential”. We prefer SREP to be completely transparent and SREP information public, in order to allow for maximum synergy and alignment. Would it be possible to lift the confidentiality?
2. The proposal is one of two proposals that give content to the component “Clean Energy SMEs Capacity Building and Investment Facility” of the original investment plan. This component was to be financed partly as grant and partly as loan. We observe that the two proposals presented are grant only. Can this be clarified?
3. The proposal does not describe the ownership of the government of Ethiopia and the participation of Ethiopian stakeholders in its design. Can this be clarified?
4. The proposal is not clear on the feasibility and suitability of the Lighting Africa approach for the specific context in Ethiopia. It is not clear how the proposal builds on lessons learned with rural lighting in Ethiopia and work in synergy with other programs (such as EnDev). Can this be clarified?
5. The proposal intends to build on the success of the Lighting Africa approach in Kenya. We have however not seen an independent evaluation of Lighting Africa (in Kenya, Ghana and the other countries where it has been active to date) and have not seen the “internal project completion document” that the proposal refers to. Can these documents be made available?
6. We welcome the focus of the proposal on promotion of lighting for income generating activities of women and would advise a budget shift from disproportionately heavy budget elements “consumer education” and “program management” to specific interventions in this field.
7. The proposal describes co-funding by IFC. It is unclear whether this is actually co-funding from the Netherlands through the Netherlands-IFC Partnership Program. Can this be clarified?

We appreciate further details on the issues raised above.

Best regards, Frank