

**Meeting of SREP Pilot Countries
October 30, 2012 - Istanbul, Turkey**

Progress Updates from SREP Pilots

Country: ETHIOPIA

Investment Plan:

- X Endorsed
- Endorsement date: May 2012

Briefly outline three major advances, challenges and lessons learned arising from your investment planning and/or implementation process since the last meeting of SREP pilots.

Three Projects approved by the Sub-committee:

- Development of Aluto Langanu Geothermal Field and Geothermal Sector Study (Long-term Strategy)
- Assela Wind Power Project (development through technology transfer)
- Clean Energy SME's Capacity building and Investment Facility

Advances:

1. The wind development through technology transfer is ongoing- the bid preparation opening and evaluation process has been finalized and submitted to the Utility management for approval.
2. Geothermal Development and Long term Strategy: continuous discussion has been made with World Bank and from October 8-19/2012 World Bank Energy sector mission came to the country and are now drafting an agreement to implement the proposed geothermal project.
3. The SME's is in preparation stage: IFC has discussed with Ethiopian private Banks and other partners like InfoDev discussed on project coordination on SMEs' capacity building and financial implementation.

Challenges:

1. Delay in process according to the initial schedule
2. establishment of PIU longer time than expected
3. Temporary local currency liquidity challenge at private banks in the country

Lessons learned:

1. Attention must be given to the right institutional arrangements and requirements
2. Need to be proactive in building collaborations and networks among concerned stakeholders

What is the most important value added /or benefit from the SREP process in your country?

Encourage private sector participation in wind technology manufacturing and geothermal development, attracting SME's involvement in the clean energy development.

Briefly outline the institutional arrangements for the coordination and oversight of the implementation of the investment plan as a program. What works and what needs improvement?

Institutional Arrangement

- Ministry of Finance and Economic Development (over all coordinator on financing)
- Environmental Protection Authority (focal Point on climate investment)
- Ministry of Water and Energy (coordinator and implementing agency)
- Ministry of Mines (implementing agency on up-stream geothermal exploration)
- Ethiopian electric power corporation (implementing agency)
- Private sector (wind manufacturers)
- Ethiopian local private banks
- Civil societies

What works

- Coordination with development partners (AfDB, WB, and IFC) private sector.

What needs improvement

- Coordination between implementing agencies- upstream and downstream geothermal development

If you have an endorsed investment plan, which of your projects have progressed the most in terms of preparation/implementation and what are the 3 main factors that have contributed to this progress?

Project: 100 MW Assela wind development project

With AfDB support the bid Preparation, general procurement notice, bid submission, and evaluation was done according to schedule.

What are the 3 major tasks ahead for your investment plan during the next 6-12 months?

1. Approval of the bid document for wind study
2. Preparation of detail implementation plan for geothermal development together with the WB
3. Implementing clean energy SMEs' capacity building in collaboration with InfoDev