

March 27, 2013

**Comments from United Kingdom on Approval by Mail: Chile Large-Scale Photovoltaic Program (IDB/IFC)**

Dear Patricia,

The UK is pleased to approve this project, which clearly sets out how it meets the CTF investment criteria. However, we have a couple of comments/requests for clarification.

- The project proposal gives a satisfying level of detail with respect to the assumptions for potential GHG emission savings. However, if the photovoltaic projects will largely satisfy unmet demand rather than replacing other sources of energy, actual emission savings could turn out to be lower (while potentially having other positive effects such as improved access to energy and energy security). More detail on what level of additionality is assumed and if there is any evidence for the assumption would be desirable.
- In addition, the project proposal doesn't say whether there is an intention to seek carbon credits. The CDM currently has a 30MW PV plant in Northern Chile, i.e. considerably lower in scale. However, to emphasise the project's additionality to the existing 30MW PV project under the CDM (apart from the increase in scale) a clearer illustration of how institutional learning (both by the IFC and the IDB) will be achieved in order to facilitate replication would be desirable.

Kind regards

Kate

Kate Hughes  
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