

# CLIMATE INVESTMENT FUNDS

March 8, 2016

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**APPROVAL BY MAIL: DPSP II KENYA: CONCESSIONAL FINANCE PROGRAM FOR GEOTHERMAL  
GENERATION (CTF) (AFDB)-PCTFKE604B**

Comments Received from Transparency International

Dear Mafalda,

I realise that the comment period has passed but note that a decision will be postponed for two days. Our chapter in Kenya has raised some basic questions and concerns regarding the GDC's operations and practices which are not necessarily tied to the present project under review but which may be of general relevance to the plan. It would be helpful these issues can be clarified.

These are:

Several allegations of corruption have emerged concerning GDC's operations relating to the loss of billions of Kenyan shillings through irregular tendering processes. There are several cases pending in court relating to the same. Accordingly, could the GDC clarify on the measures it has put in place to ensure that such losses are not incurred in the future? How have they streamlined the tendering and procurement process to ensure transparency and accountability?

There also have been accusations of staff mismanagement with some staff accusing the CEO of forcing them to give false information about the achievements of GDC in relation of drilling of wells for geothermal power. How have these been addressed? Are the achievements claimed by the GDC credible and verifiable?

Kind regards,

Lisa

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