

June 1, 2017

**[Approve by mail]: Bangladesh: Scaling-up Renewable Energy Project (SREP) (World Bank)-
XSREBD076A – proposed decision**

Dear SREP Sub-Committee members,

Please find attached a proposal entitled, *Bangladesh: Scaling-up Renewable Energy Project*, submitted by the Government of Bangladesh and the World Bank for your review and approval of an SREP allocation of USD 29.25 million in funding (USD 2.87 million in grants and USD 26.38 million in loans).

The SREP Sub-Committee is also requested to approve USD 300,000 as the final tranche for project implementation and supervision services.

The World Bank has cancelled the Project Preparation Grant of USD 950,000 and reallocated it to the grant amount.

The objective of the project is to increase the installed capacity of renewable energy in Bangladesh by supporting the development of solar PV, wind and waste-to-energy projects. SREP financing will be critical to address barriers to the scale up of grid-connected projects by providing access to capital, de-risking investments, supporting resource assessment and strengthening institutional capacity. Overall, the project is expected to provide 250 MW of installed capacity and 483 GWh of electricity from renewable energy sources annually.

The World Bank would like to draw the SREP Sub-Committee's attention to Annex 5 of the Project Appraisal Document (PAD) which summarizes how the project meets the SREP investment criteria.

The SREP Sub-Committee is requested to approve the following decision:

The SREP Sub-Committee approves an SREP allocation of USD 29.25 million in funding (USD 2.87 million in grants and USD 26.38 million in loans) for the proposal entitled, *Bangladesh: Scaling-up Renewable Energy Project*, submitted by the Government of Bangladesh and the World Bank.

The SREP Sub-Committee notes the request for Project Implementation and Supervision Services and approves USD 300,000 as the final tranche in such costs.

For your information the following tables summarizes the allocation of SREP resources for Bangladesh under the endorsed investment plan and the overall resource availability in the SREP program. The Trustee has confirmed that there are sufficient resources available for the commitment requested.

SREP Bangladesh			
Allocations		USD million	
SREP Allocation (Endorsed November 11, 2015)		75.00	
IPPG		0.25	
		Non-	
Approved Projects	Grant	Grants	Total
Scaling-Up Renewable Energy (PPG)(WB)*	0.95		
Off-Grid Solar PV Mini-Grids (PPG)(ADB)	0.95		0.95
Projects submitted for funding approval			
Bangladesh: Power System Efficiency Improvement Project – Additional Financing (ADB)	22.22**		22.22
Bangladesh: Scaling Up Renewable Energy Project (WB)	2.87	26.38	29.25
Total approved funding if above requests are approved	26.04	26.38	52.67
Total allocation remaining			22.33

Figures as of May 31, 2017

* World Bank has cancelled the PPG amount as of May 30, 2017

** After trimming of USD 1.78M

SREP Resource Tracking Table

Amounts expressed in USD million

Funds Available to Support SREP Programming (as of 31 Mar 2017)	340.26
Add: Pledges/Contributions Receivable	-
Less: Projects Submitted for Approval	
XSREN504A - Nepal ABC Business Models for Off-Grid Energy Access	7.91
XSREBD076A - Bangladesh Scaling Up Renewable Energy Project	29.55
Less: Projects Pending Approval	
XSRENI053A - Nicaragua Geothermal Development Project (IBRD)	15.13
XSRETZ027A - Tanzania Geothermal Development	21.93
XSRELR032A - Liberia Renewable energy for Electrification in Eastern Liberia Project-Stand-Alone PV	23.73
XSREBD064A - Bangladesh Off-Grid Solar PV-Solar Irrigation	22.43
XSREHT047A - Haiti Renewable Energy and Access for All	8.92
XSREHT050A - Haiti Renewable Energy for the Metropolitan Area	11.30
Subtotal	199.36
Less: Pipeline Projects to be Submitted for Approval 1/	339.51
Level of Overprogramming, if any	(140.15)

1/ Includes projects/programs under endorsed IPs, DGM and PSSA plus projected fees.

Note: The table does not include reserves to cover FX fluctuations (\$45.08M);

Additionally the table does not include the projected administrative budget (\$33.54M)

To provide any comments that you may have on this proposal, please click [here](#). Kindly refer to the attached guidance and FAQ documents.

We have extended the review period for this project by an additional two weeks to give the Sub-Committee members sufficient time to review over the Trust Fund Committee meeting period.

If we do not receive an objection to the proposed decision by close of business on June 29, 2017, the decision will be approved.

Sincerely,

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