

November 30, 2010

Comments from Carbon Finance Working Group (private sector observer)

Dear Co-Chairs;

1. I recall that item “e” of the seventh paragraph, which reads “*Countries may program beyond these ranges with a view to encouraging funding from other development partners to support their investment plans and to seeking additional SREP resources from the reserve.*”, arose from the case when pilots have more ambitious investment plans than the funding range proposed and when they could demonstrate corresponding implementation condition/speed that may allow them to demand more fund. The reserve resource in this case is any additional funding from contributors and that amount truncated from the original funding distribution proposed for each pilot (\$60million).

Likewise we have also discussed the case when pilots couldn’t perform (due either to failure of submitting investment plans, or have investment plans not approved or fail to actually implement investment plans within a certain time frame etc), in which case idle funds will go to the reserve resource in time to be re-allocated for the additional pilots. I think this one is missing?

2. Similarly "a" of paragraph seven states, "Approval of funding will be on the basis of high quality investment plans and projects." I think "high quality" should be pegged to counter refer to the requirement (of IPs and projects/programmes) in meeting all the key SREP objectives stated under the modalities documents.

Kind regards

Ambachew F. Admassie
Observer SREP (PS-South)
CFWGDear Sub-Committee Members,