

CLIMATE INVESTMENT FUNDS

December 1, 2016

**[APPROVAL BY MAIL]: MOROCCO: ONE WIND ENERGY PLAN (CTF) (AfDB)
(XCTFMA057A)-**

RESPONSES RECEIVED FROM THE AFRICAN DEVELOPMENT BANK (AfDB)

Dear Katharina

These are very good news, we sincerely appreciate the efforts on BMZ side to see this through. Despite the delay, the decision is still timely and will allow the Government of Morocco to finalize the financing package for one of the most cost-competitive wind programmes in the world.

I'd also like to take this opportunity to politely clarify elements in your message that may be subject to misinterpretation. First, the request originated in the Government of Morocco and AfDB is only the messenger, as the lead MDB for the programme. AfDB did not start and will not start any competition to price-out other lenders from deals. Quite the contrary, we strictly abide to the principle of minimum concessionality when blending public and private resources, align terms with other financiers when part of a lender club/syndicate and strive to "crowd-in" other financiers, in particular local Banks, with a view to further developing the debt financing landscape for such projects.

We are happy to discuss further offline during the next CTF TFC and look forward to continued close cooperation with Germany on CTF and the wider climate change agenda.

Best,
Joao