

CLIMATE INVESTMENT FUNDS

November 30, 2016

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

COMMENTS RECEIVED FROM GERMANY

Dear Mafalda, dear colleagues,

We greatly appreciate the extension of the deadline.

After lengthy and difficult internal discussions, we are ready to accept that the German loan will no longer be required. We hence approve the re-allocation of funds to two wind sub-components under the project entitled, *One Wind Energy Plan for Morocco*, as requested by the Government of Morocco and AfDB.

Nevertheless, the competition for the highest level of concessionality between financial offers from different partners, as in this case, is counterproductive in our view. We therefore require ensuring in the future that CTF-funds are used with the lowest necessary level of concessionality. We consider this to be a central concern and task for the CIF AU and the MDB committee.

Furthermore, we ask the AfDB to take into consideration the financial environment in the future and to not start a competition for the best financial conditions, different from the matter in hand where the requested reallocation of CTF funds ultimately crowds out other funding.

Sincerely,

Katharina

Dr. Katharina Stepping

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