

# CLIMATE INVESTMENT FUNDS

November 10, 2016

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**[APPROVE BY MAIL]: PSSA: MALI: SEGOU SOLAR PV PROJECT (SREP)(AfDB)-  
PSREML502A-**

**COMMENTS RECEIVED FROM SWITZERLAND**

Dear Mafalda,

Thank you for circulating the answers to our additional questions  
We also thank the AfDB the Government of Mali for providing their answers and additional information.

We have no objection to the approval of the proposed USD 25 million contribution from the SREP private sector set-aside for the Ségou Solar PV Project in Mali.  
We also approve the requested USD 175'000 final tranche for project implementation and supervision services.

With regards to the more general context of scaling-up grid connected solar PV powered electricity in Mali, we have the following recommendations:

1. Taking into account the upcoming connection of Ségou solar PV power plant with 33 MW as well as three similar or larger solar PV power plants to the national grid of EDM, a reflection must be made as to the way such additionally generated electricity can be stored for night-time use, as a significant portion of electricity will still be needed during hours when solar PV plants will not produce electricity.
2. The economic NPV calculation disclosed that a significant portion of the benefits related to this project result from additional taxes and duties for the Government of Mali (USD 20 million in relation to an investment of USD 49 million). A reflection should be made as to the contribution the GoM could make to improving the enabling environment for renewable energy by lowering tax rates and eliminating custom duties on RE related investments.

Please inform the AfDB and the Government of Mali of our non-objection and of these recommendations.

Thank you and best regards  
Daniel

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