

CLIMATE INVESTMENT FUNDS

October 31, 2016

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

COMMENTS RECEIVED FROM UNITED STATES

Dear CIF Admin Unit,

Thank you for the opportunity to review the Seqou Solar PV project. We think that this is a strong project, and are pleased to see that tariff is below the regulated tariff. We would like to know more about the project's sustainability over the long-term. We are happy to approve the project after receiving answers to the following questions:

- The proposal notes that there are no utility-scale solar PV IPPs still in operation in Africa, which implies previous solar PV IPPs of this scale have not been sustainable. What prevented these previous projects from being sustainable? Did any involve concessional support? How will this project address those challenges?
- What is meant by "low levels of on-the-ground capacity" as a challenge to the project, and what steps will be taken to address that challenge?

Danny