

**[APPROVAL BY MAIL]: BANGLADESH: POWER SYSTEM EFFICIENCY IMPROVEMENT
PROJECT – ADDITIONAL FINANCING- OFF GRID SOLAR PV: SOLAR IRRIGATION
(ADB)(SREP)- XSREBD064A**

COMMENTS FROM UNITED KINGDOM

We have a number of questions to ask related to this proposal. These are:

Question 1

Do the proposed solar irrigation pumps replace existing diesel pumps or will they be additional to those currently operational? If they replace existing pumps, how are the diesel pumps disposed of?

Question 2

In the "Low-emissions development" section of the Consistency with the Investment Criteria, reference is made to an amount of 900 million tons of diesel used annually. Is this figure correct?

Question 3

We note that the deployment of solar pumps will reduce the consumption of diesel in this one part of the food production value chain. This is obviously a good thing. However, diesel is used in almost all parts of the value chain. Has any consideration been given to other ways of reducing the dependency on diesel fuel along the food production value chain? Is the replacement of diesel pumps the optimal investment in this sector?

Question 4

The section on the productive use of energy appears to contradict the overall intention of the project in that it suggests an increase in the use of diesel. The proposal states "Access to electricity will improve farmers' technical efficiency promoting greater inclination to use agricultural machinery that could enhance their productivity." It is not clear what is envisaged here, but if this machinery requires diesel as a fuel, it will off-set the diesel savings achieved through solar pumps. It seems that a holistic look along the value chain identifying all the diesel saving opportunities would be worthwhile. Has this been done, and is the proposed intervention the optimal way of saving diesel?