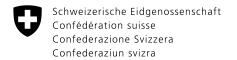
Climate Investment Funds

November 5, 2015

SREP INVESTMENT PLAN FOR RWANDA

COMMENTS FROM SWITZERLAND



Swiss Confederation

Federal Department of Economic Affairs, Education and Research EAER

State Secretariat for Economic Affairs SECO

Economic Cooperation and Development Infrastructure Financing

SREP Investment Plan for Rwanda

Ouestions and Comments from Switzerland 5 November 2015

Questions (Q) and comments (C)

- 1. Financing plan
 - i) (Q) What is the requested grant vs non-grant split in the IP?
 - ii) (Q) Which MDB's support which sub-components with how much co-financing?
 - iii) (C/Q) It is noted that the SREP IP for Rwanda foresees to leverage \$2.66 for each \$1 of SREP funding. This is below the SREP target of 4.0. In particular the cofinancing from MDBs seems to lack ambition. Why is this so?
 - iv) (C/Q) Given that the mini-grid component may be assimilated to community development, it would be expected that the GoR supports this with co-financing. Why is the GoR not co-financing the mini-grids?
- 2. Results Framework
 - i) (Q) For which years are the baseline and target figures?
 - ii) (C/Q) The SREP program outcomes include a direct increase of annual electricity output from renewable sources of 42 GWh. Why is the annual offset of fossil fuel generated electricity thereby only 22 GWh?
 - iii) (Q) If the average emission factor on the grid is 0.5 and the annual offset of fossil fuel electricity is 22'000 MWh, how is the annual offset of CO₂ emissions of 20'000 tons justified?
- 3. Stand-alone solar systems
 - i) (Q) Who are the recipients of SREP funds? Consumers? Businesses? Developers? RE entrepreneurs?
 - ii) (Q) How will stand-alone solar PV systems increase the productive use of electricity?
 - (C) In order for the program to be sustainable, stand-alone solar systems should be provided to customers as a package including maintenance support at an affordable price (not free). A good way to provide this is the use of RE entrepreneurs or NGOs taking care of solar system installation and maintenance paid by monthly installments from beneficiaries and pre-financed by micro-credits in the name of the beneficiaries. Successful examples exist in various African countries.
- 4. Mini-grids
 - (Q) Will the mini-grids be powered exclusively by solar PV or are other RE sources (e.g. mini/micro hydro or biomass) foreseen/possible?
- 5. Enabling environment
 - (C) At the project stage a more detailed description of capacity building and TA activities targeted at improving the enabling environment must be provided.