

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 Cambodia Questions and Comments from Switzerland

## Questions (Q) and comments (C)

- 1. Financing plan
  - i) (Q) What is the requested grant vs non-grant split in the overall IP and in each component/sub-component?
- 2. Expected results
  - (Q/C) Please detail the expected outcomes by indicating for each project the additional generating capacity and expected annual electricity output from renewable energy sources, as well as the number of beneficiaries (men and women) who (improved) access to electricity.
  - ii) (Q/C) Please explain the mechanism by which the expected transformative impact leading to the targets listed in the Results Framework shall be reached. How can the sustainability and replication be assured beyond the direct outcomes of the SREP interventions?
  - iii) (Q) What is the logic behind the estimated 97'000 tCO<sub>2</sub>e/y avoided emissions?
  - iv) (Q) Are there any targets regarding the affordability of energy and in particular electricity?
- 3. Prioritization of renewable energy options
  - i) (C/Q) The ranking of RE options in table 9 is uncomplete because certain options like wind power and small/mini/micro hydro power were excluded beforehand. Has a full ranking of options supporting these exclusions been made or could this be provided?
  - ii) (Q) To what extent is it foreseen that a systematic wind mapping is undertaken as part of the policy support component of the IP? It is only mentioned as a possibility in paragraph 51 p.24.
- 4. Program description
  - i) (Q) It is mentioned that the RGC will continue to subsidize a \$0.20/kWh tariff. To what extent do these subsidies also cover electricity generation from fossil fuel sources? How much of the subsidy is covering transmission and distribution charges? What about the mini-grids?
  - ii) (Q/C) Please detail in what form the SREP funding will be used for each project/subcomponent and the way the SREP funding is expected to trigger private sector investments.
  - iii) (Q/C) Please explain in particular the concept of credit enhancement to be provided by concessional finance to make rooftop solar systems, solar farms and biomass power commercially viable. What are the required degrees of concessionality in each of these cases?
  - iv) (Q) What will be the effect on the sustainability of EDC if rooftop solar systems are promoted through the introduction of net metering to commercial consumers, which we assume provide an essential part of EDC's income?
- 5. Policy support and public awareness component
  - i) (C) This component is welcome, in particular with regards to its potential to enhance the enabling environment for RE in Cambodia.

ii) (C/Q) It is noted that in addition to training, new recruitment is considered at the level of MME. Is it understood that SREP funding will not be used to pay for operating expenses (e.g. salaries) of MME employees?

(C/Q) The IP mentions a comprehensive capacity development program for MME but does not mention capacity development for other involved institutions, notably EDC which is listed as the implementing agency of the projects under the IP. What measures of capacity development are foreseen for EDC? Are other institutions (e.g. banks) foreseen to benefit from capacity development under this IP?

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