

May 24, 2013

Comments from France on Proposal for Development Policy Loan to Promote Inclusive Green Growth and Sustainable Development in Himachal Pradesh Project in India

Dear Patricia and CIF colleagues,

As agreed during the TFC meeting, we very much welcome the opportunity to share our comments on the Proposal for a Development Policy Loan to Promote Inclusive Green Growth and Sustainable Development in Himachal Pradesh Project in India.

We would like to thank again the Indian authorities for their presentation to the Committee and for their very useful early engagement with the CTF trust fund Committee. We share the view that hydroelectricity has an essential role to play in an Indian low-carbon strategy. We also acknowledge the focus put on environmental and social monitoring and evaluation systems, an essential element of projects which have many systemic impacts.

We support many of the specific comments issues raised by the German chair, in particular the idea that the matrix of results may encompass too broad a scope of results and thereby overestimate the actual impact of the project. In our view, this matrix should be precisely tied to the activities associated with the DPL (whose value added needs thereby beforehand to be precisely described), in particular when dealing with the computation of GHG emissions reductions and financial leverage. If the project for example contribute to the acceleration of certain specific procedures, with an impact on the construction timing, it should be very specifically accounted for, with a proper monitoring system. Also, the baseline should be specific to the project.

Kind regards,

Cécile Pot