Climate Investment Funds

[APPROVE BY MAIL]: TANZANIA: RURAL ELECTRIFICATION EXPANSION PROJECT (SREP) (WORLD BANK) (XSRETZ028A)

COMMENTS RECEIVED FROM UK

Dear Mafalda,

Thank you for circulating this very comprehensive and well written proposal. Before we can approve it there are a number of questions we would like to project team to answer or clarify. There are the following:

- Could the team please clarify why SREP funds are required for this project when it is being funded from numerous other sources? The SREP portion of the funding represents 2% of the National Rural Electrification Programme. What is the SREP additionality? This is not clear in the document.
- The political and governance risk is rated as Substantial. The text on page 25 suggests that "the new government might consider transforming the REA into a rural distribution utility . . . " Is this speculation or has this been proposed (even informally), and what is the likelihood this might occur? This statement and risk rating seems a little inconsistent with the enormous amount of buy-in and consultation that has clearly taken place with the government and the other stakeholders.
- Annex 4, paragraph 6 makes reference to "an acceptable household wiring plan". Can the project team clarify what housing types would be likely to be comply with this requirement? It appears that only more formal housing types could comply. How would informal housing or traditional housing be treated?
- The results framework in Annex10 (page 121) lists the expected results. We assume that these are the results directly attributable to SREP?

Kind regards,

Simon

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