

April 17, 2012

## **Comments from Switzerland Approval by Mail: Revised SREP Results Framework**

Dear Patricia,

Thank you for sending us the revised results framework for approval by e-mail.

Unfortunately we noticed that our comments, mentioned during the SREP subcommittee meeting in Nairobi and confirmed in writing as a feedback to Oliver (Knight), were not taken into consideration.

As a recollection, this was the message we sent in this respect:

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We would like to remind you however of the comments that we have expressed during the meeting in Nairobi, namely that the Outcome listed in the original Results Framework under 2 (Strengthened enabling environment for renewable energy production and use) and its 2 indicators:

a) Adoption of and implementation of low carbon energy development plans and  
b) Enactment of policies, laws and regulations for renewable energy  
should remain in a revised Results Framework at least in the form of conditions to be fulfilled, notably for recipient countries to be eligible for result based financing.

We do believe that these indicators are relevant on a programmatic level (i.e. they cannot be pushed down onto the individual projects).

We acknowledge that the indicators are difficult to “measure”, hence the idea of defining minimum conditions to be achieved and qualitatively appreciated.

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This objective was included as an outcome in the original SREP Result Framework which was thoroughly discussed and reflected.

It was approved by the SREP and SCF Committees.

We are not introducing anything new, but rather we are eager to prevent that an important aspect is dropped.

So, while we agree on the principle of a simplification of the results framework, notably (as stated during the Nairobi meeting) because most of the indicators can be pushed down onto the project level, this is not the case with the “Strengthened Enabling Environment” which is clearly at the policy level and thus can only be considered at the overall SREP program level.

Our concern is that the quantitative objectives which are measured by the 5 remaining indicators could be achieved through the commissioning (if successful) of a few large power stations which are among the priorities of the recipient countries’ governments,

but that the general conditions for the deployment of renewable energy in these countries are not improved, i.e. the “Enabling Environment” is not strengthened. That is particularly **important because of the transformation effect** we are aiming at with SREP.

Large projects will always get support from governments, MDBS and even the private sector.

But the deployment of renewable energy in the long term will depend also (or even more) on the small or medium sized projects, where the private sector (and particularly the local private sector) has a key role to play.

For that the conditions must be in place, and therefore the **“Enabling Environment” for Renewable Energy must be created and strengthened.**

We are very concerned that **this will not happen if it is not required, planned and measured** – that means included (or better said “kept”) in the Results Framework.

We already have indications, that in certain SREP pilot countries, the conditions for the deployment of RE (if not in the present priorities of the government) are sub-optimal.

And as **SREP is not merely about the financing of a few key projects**, but rather about the **transformation of the energy sector towards RE**, the indicators we are referring to are needed to ensure that private sector initiative is fostered and not restrained.

Therefore we have to insist on maintaining these indicators, which may be done (as mentioned before) with a sort of minimum conditions to be achieved.

Please consider this as a reservation to approve the revised results framework.

Thank you for your understanding.

Best regards  
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