

May 7, 2015

Approval by mail: Pacific Regional Program: Sustainable Energy Industry Development Project (SREP) (IBRD)—Comments received from the UK

Dear Mafalda,

Thank you for your submission for approval of the request relating to the Pacific Regional Program: Sustainable Energy Industry Development Project for US\$1.92m in Grant resources and US\$ 0.445m in project supervision and implementation services.

We agree with the importance placed in this programme on improved information and institutional capacity in accelerating the adoption of renewable energy sources. However, we also note the **Substantial risk rating** of this programme, based on the capacity of the partner organisation. The approach to capacity building also seems to largely rely on training, and while we agree that training may have a strong role to play, we consider that a more holistic approach to building capacity and delivery - considering for example also incentives and core competency/outsourcing - will be required in order to achieve results now, and sustain those into the future. We would ask that a comprehensive capacity assessment and strategy is conducted at the outset of the programme in order to ensure that as full a picture as possible is in place of capacity needs in relation to purpose, and that appropriate and innovative approaches are adopted to meet these needs. We would also ask that the filling of the three named posts in order to support the implementation (Project Implementation Officer, Procurement Advisor and Engineering Advisor) are registered in the project workplan, and that these are filled appropriately is a condition for later disbursements under the project.

We do not wish to delay the approval decision so if PPA and IBRD are content with these requests then we would be happy to approve the programme.

Best wishes,

Simon / Steven

Simon Foster

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