

CLIMATE INVESTMENT FUNDS

July 27, 2017

**[APPROVE BY MAIL]: HONDURAS: GRID-CONNECTED RE DEVELOPMENT SUPPORT-
TRANSMISSION (ADERC) (PHASE 1) (SREP)(IDB) -- XSREHN007A**

COMMENTS FROM SWITZERLAND

Thank you for your answers to our questions and comments.

Although these do not precisely respond our principal request, namely that the transmission investment to be co-financed with SREP grant shall be traceable to RE investments, we do not object to the approval of this project by the SREP Subcommittee, if there is no other objection brought forward by another member of the subcommittee.

However we require that the Government of Honduras provides reasonable guarantees that:

1. No fossil fueled utility scale power plant exceeding 40 MW capacity shall be connected to the grid areas that benefit from SREP co-financing within two years after the completion of these SREP co-financed investments.
2. Among existing and new power plants, those using renewable energy to generate power shall be prioritized for access and usage of power.

Respective statements shall be provided by the Government of Honduras ahead of the MBD approval of the project and compliance shall be monitored by the IDB.