

# CLIMATE INVESTMENT FUNDS

June 1, 2015

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**[APPROVAL BY MAIL]: BUILDING RESILIENCE OF MOZAMBIQUE'S POWER SECTOR THROUGH PRIVATE SECTOR INVESTMENT (PPCR) (IFC)**  
**Comments Received from Germany**

German comments on proposed project:

Mozambique

## **Building Resilience of Mozambique's Power Sector Through Private Sector Investment**

### **Summary**

Germany has **no major** objections to the implementation of the project. However, we have a few comments, which we would like to see incorporated during project implementation.

Moreover, we recommend considering our earlier comments on the SPCR for Mozambique, submitted on 30 June 2011.

### **Individual comments on the proposed project**

- We welcome the proposed approach to build resilience of Mozambique's power sector through private sector investment, combining mitigation and adaptation aspects in one project. However, partly due to its brevity, the proposal does not always clearly articulate how it differs from a conventional renewable energy project and how it actually contributes to building climate resilience. **We therefore recommend stating more clearly which potential future climate change impacts are expected for the target region and the foreseen specific sites. Moreover, we suggest explaining in greater detail how the resilience of the proposed local PV plant and grid will directly be supported** by describing more technical details of the proposed system (e.g. related to flood risks and subsequent erosion; operations during extreme weather events etc.) and clearly stating how these are better able to cope with the expected impacts of climate change. In the same vein, **we kindly ask outlining clearly how the resilience for specific target groups and communities in the Mocuba District will be enhanced.**
- We appreciate the overall objective to strengthen the private sector involvement in using the great potential of solar energy in the country. The proposal, however, does not specify who the project partners in the private sector are or how funds are being distributed among them. **Therefore, we suggest elaborating in greater detail the sources of co-financing, who has committed to them and how exactly funding is being channelled through the private sector.**
- We acknowledge that IFC's environmental and social management framework is mentioned in the proposal. However, this only refers to the gender dimension. Concerning sustainability, the proposal does not explicitly outline how technical sustainability in the post-project context is ensured (such as long-term operations & maintenance). Also, no details are provided on an envisaged Environmental Impact Assessment (EIA) or any similar pre-assessments already carried out. **Thus, we recommend describing how technical sustainability is ensured and stating the key facts related to any past or planned sustainability assessments (e.g. EIA).**

### **Comments on cross-cutting issues**

#### **Gender**

- The proposed project emphasizes the objective to decrease women's and girls' vulnerability to extreme weather events by diversifying the energy mix and providing decentralized energy supply. However, there is no detailed gender-differentiated impact in direct relation to this project but rather a general estimation. **Hence, we kindly suggest specifying the impact on women and girls, how their resilience is increased in direct relation to the proposed PV project and to what extent their participation in the proposed project is ensured.**

### **Synergies with German climate change related engagement in the country / region**

- Since 2005, the energy access partnership Energising Development (EnDev), currently funded by the Netherlands, Germany, Norway, Australia, United Kingdom, Switzerland and Sweden, promotes the grid densification, pico and micro hydro power plants, small PV systems and clean cook stoves in Mozambique. As of today, more than 160.000 people in the country have gained access to electricity through this approach. **Therefore, we strongly suggest coordinating with the EnDev programme in Mozambique to make use of valuable learning and promote synergies to the greatest extent possible.**