

THE UNITED REPUBLIC OF TANZANIA

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In reply please quote:



**VICE-PRESIDENT'S OFFICE
P. O. BOX 5380
DAR ES SALAAM
TANZANIA.**

7th March 2003

Our Ref BD.78/201/01/10

Chief Executive Officer and Chairman
GEF Secretariat
1818 H Street NW
Washington DC 20 20433
USA
Fax No. 1 202 473 8178

**RE: ENDORSEMENT FOR GEF FULL PROJECT: "TRANSFORMATION OF
THE RURAL PHOTOVOLTAICS (PV) MARKET IN TANZANIA"**

Reference is made to the above captioned subject.

The United Republic of Tanzania attaches great importance to the above mentioned project proposal. The project will enhance the national efforts towards the reduction of greenhouse gas emissions and poverty eradication.

The Government is therefore pleased to endorse the request for a grant of USD 2,250,000 to implement the above-captioned project.

I thank you for your continued cooperation.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'R.O.S. Mollel'.

R.O.S. Mollel
PERMANENT SECRETARY

C C: Permanent Secretary
Ministry of Energy and Minerals
Dar es Salaam



SVERIGES AMBASSAD

7 March 2003

U11/1.3.3-12

**Embassy of Sweden
Dar es Salaam**

DCD

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United Nations Development Programme

Attention: Ms Katrin Lervik

P.O. Box 9182

Dar es Salaam

SWEDISH SUPPORT TO FACILITATION OF RURAL ENERGY

Dear Katrin,

Sweden is one of Tanzania's long-term cooperation partners in the energy sector. Sida's current country strategy for Tanzania specifies a redirection of the energy cooperation from support to large hydropower projects to rural energy. This support has three main directions; (i) Institutional support; (ii) Renewable energy; and (iii) Rural electrification.

A 27 MSEK Agreement on support to "Facilitation of PV Market Development in Rural Tanzania" was signed between the Embassy of Sweden and the Ministry of Finance on 17 February 2003. Please find attached the Executive Summary of the Project Document. The Development Objective is "Increased demand for PV technology to meet basic electricity needs in rural areas as a means to improve living standards and community development".

Following previous Swedish support to the elaboration of the new energy policy, our cooperation with the Ministry of Energy and Minerals now includes a programme aimed at an implementation of the energy policy, which will include a Rural Energy Agency and Fund. Sweden signed a 20 MSEK Agreement to finance this programme on 20 July 2001. Please find attached the Executive Summary of the Project Document.

If you have any further questions about the Swedish Support to the Tanzanian Energy Sector, please don't hesitate to contact us.

Yours cordially

Ralph Karhammar

Regional Infrastructure Adviser

Sida