



PSSA: Kopere Solar Park

Country / Region: **Kenya** | Project Id: **PSREKE503A** | Fund Name: **SREP** |

MDB : **African Development Bank**

Comment Type	Commenter Name	Commenter Profile	Comment	Date
Comment 1	Simon Foster	United Kingdom	<p>We would like to understand a bit further the shareholder relationships stated in the proposal before approving, and have the following questions:</p> <ul style="list-style-type: none"> • Can you briefly explain what the independent “KYC” process is please, and why and by whom this was initiated? Was this part of normal AFD due diligence processes? • What is the role of a development partner? • What (if any) conditions are required to be met for a development partner to hold a % stake in the SPV? <p>Thanks Simon</p>	Dec 17, 2018
Response 1	Leandro Azevedo	AFDB	<p>[UK]: Can you briefly explain what the independent “KYC” process is please, and why and by whom this was initiated? Was this part of normal AFDB due diligence processes?</p> <p>[AfDB]: The independent "Know Your Customer (KYC) Process is an undertaking that align with AfDB's Integrity Due Diligence Policy approved in early 2016. This review was conducted in November 2016 by a third party following a request by AfDB's Credit Risk Committee.</p> <p>The objective of the proposed investigation was to identify any potential causes for concern or reputation risk linked to the project. The independent review did not identify any indication that the project participants have been associated with corruption, fraud, money-laundering or other serious wrongdoing.</p> <p>[UK]: What is the role of a development partner?</p> <p>The Development Partner has been involved in the transaction since inception of the project development phase. In particular, the partner has assisted the project in: (i) finding suitable land and land agreements in the locations strategically defined for the project, (ii) engaged with land owners on the discussion or terms for the lease agreements, (iii) engaged with local communities on social and environmental activities and agreements, (iv) addressed local authorities on project specific consulting and permitting activities, (v) engaged in PPA discussions with the off-taker and regulator.</p> <p>[UK]: What (if any) conditions are required to be met for a development partner to hold a % stake in the SPV?</p> <p>[AfDB]: At financial close, it is imperative that all lenders agree with the outcomes of the KYC process described above.</p>	Dec 20, 2018