

**United States Position**  
**Botswana – Morupule B Generation and Transmission Project**  
AfDB October 28; World Bank October 29, 2009

This project is being considered at a time when the public debate as to whether MDBs should be lending for any coal power generation is intensifying with the approach of the Copenhagen climate meeting.

The United States position on this project is strongly influenced by the severe national energy security threat that Botswana is facing, which could be damaging to its national economy, unless there is urgent action. This kind of shock leaves few options. Renewables take time to develop, and energy efficiency measures can only squeeze out so much.

The United States agrees that the project uses the best available technology for its size. In addition, the U.S. welcomes the work of the MDBs with the Botswana authorities on developing a number of actions that will potentially reduce the carbon intensity of the sector, including by funding feasibility studies for concentrated solar power, coal bed methane, and carbon capture storage. However, most of these actions are very preliminary and some years off. The United States hopes the Botswana authorities will commit to the shutdown of Morupule A by 2020 or earlier.

This project also triggers a number of significant safeguards. The United States is satisfied that the issues raised in the environmental impact assessment have been comprehensively addressed in the environmental management plan. The position is also based on the loan covenants relating to ensuring air quality monitoring and the water collection system.

In conclusion, the United States supports this project as an exceptional national emergency response to a severe supply shock, and is pleased that the World Bank and African Development Bank have used this opportunity to re-engage with Botswana to develop options for pursuing a low-carbon growth strategy. Bringing low carbon energy options to fruition based on domestic resources will also help to meet Botswana's energy security needs.