

**Memorandum of Understanding**

**between**

**Department of Energy, United States of America**

**and**

**INTERNATIONAL FINANCE CORPORATION**

**Dated 11 April, 2011**

## **MEMORANDUM OF UNDERSTANDING**

MEMORANDUM dated 11 April, 2011 between:

- (1) The Department of Energy, a department of the government of the United States of America (the “DOE”); and
- (2) INTERNATIONAL FINANCE CORPORATION, an international organization established by Articles of Agreement among its member countries (“IFC”).

### **WHEREAS**

- (A) IFC, a member of The World Bank Group, is an international organization whose mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people’s lives.
- (B) The DOE is a department of the government of the United States of America whose purpose is to advance the national, economic, and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex.
- (C) The DOE and IFC will be involved in the development and implementation of the Solar and LED Energy Access initiative (the “Project” or “SLED”).
- (D) The purpose of this Memorandum is to document the role and contribution of the DOE and IFC towards the Project.

### **I. Project description**

- a) SLED is an initiative associated with the Clean Energy Ministerial, which to date involves collaboration between twenty-three (23) countries and the European Commission on initiatives aimed at accelerating the world's transition to clean energy technologies.
- b) The goal of SLED is to transform the global market for affordable, clean, and quality off-grid energy devices by addressing fundamental barriers to market development.
- c) With an initial focus on replacing dirty, fossil-fuel-based light sources like kerosene lanterns with solar-powered LED lights, the program aims to facilitate access to improved lighting services for at least ten (10) million people within five (5) years by building on existing programs like the Lighting Africa project, a

World Bank Group initiative which supports the private sector to develop, accelerate, and sustain the market for modern off-grid lighting technologies tailored to the needs of African consumers.

## II. Funding pledges

Facilitated by the DOE, so far two countries involved in the Clean Energy Ministerial (Italy and the United States of America), have made funding pledges to SLED totaling \$40 million over five years:

- a) The Italian pledge is thirty million dollars (US\$30,000,000), of which ten million dollars (US\$10,000,000) have been committed to date.
- b) The United States contribution is expected to be ten million dollars (US\$10,000,000) over the five-year time period.

These two countries have agreed to work with IFC to implement SLED.

## III. Roles and responsibilities

- a) IFC will act as the primary implementing organization for SLED. Its responsibilities are described in the legal agreements that it signs with the individual donors.
- b) The DOE is contributing to SLED through the provision of technical support, especially in areas related to the development of a global quality assurance program. This contribution includes in-kind contributions in the form of staff time. As part of the ten-million-dollar (US\$10,000,000) U.S. government contribution to SLED, the DOE will manage a budget totaling four million dollars (US\$4,000,000) over the five-year period for activities in support of the initiative. The associated activities will be carried out in close collaboration with the IFC.

## IV. Fraud and corruption

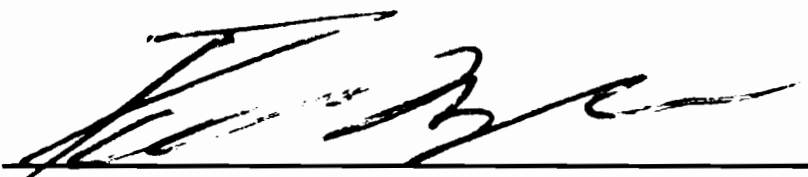
IFC has always worked to avoid fraud and corruption in all of its activities and continues to strengthen its governance and anti-corruption work. IFC's procedures for addressing allegations of fraud and corruption in IFC projects can be found at [www.ifc.org/anticorruption](http://www.ifc.org/anticorruption).

## V. No Commitment.

The parties hereby acknowledge and agree that this Memorandum is not legally binding. It is not the parties' intention to create, and nothing herein shall be construed as creating, legal rights and obligations or any commitment whatsoever. Each party shall have the discretionary right to terminate at any time any discussion whatsoever regarding the Project or this Memorandum.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be signed in their respective names as of the date first above written.


**DEPARTMENT OF ENERGY, UNITED STATES OF AMERICA**

By : 

Name: Richard Duke

Title : OAS for Climate Policy

**INTERNATIONAL FINANCE CORPORATION**

By : 

Name: MONIKA WEBER-FAHR

Title : SI MANAGER