

# ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT

## INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

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**30 JUNE 2024**



DEVELOPMENT BANK OF ETHIOPIA  
Your Development partner!

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**AUDIT SERVICES  
CORPORATION**

**DEVELOPMENT BANK OF ETHIOPIA**

**ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT**

**IDA CREDIT NO. 5126 ET. PARTS 3.1, 3.2, 4.2, AND 4.3**

**IDA CREDIT NO. 5814 ET. PARTS 3.1 AND 3.2**

**GRANTS TF A2302, TF A4038 AND TF A4039**

**INDEPENDENT AUDITOR'S REPORT**

**AND**

**FINANCIAL STATEMENTS**

**30 JUNE 2024**



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Office of the Federal Auditor General  
Audit Services Corporation

**INDEPENDENT AUDITOR'S REPORT  
TO DEVELOPMENT BANK OF ETHIOPIA**

We have audited the accompanying financial statements of Development Bank of Ethiopia, Electricity Network Reinforcement and Expansion Project, financed under IDA credit no. 5126 ET. Parts 3.1, 3.2, 4.2 and 4.3; IDA credit no. 5814 ET. Parts 3.1 and 3.2; and Grants TF A2302, TF A4038 and TF A4039, which comprise the balance sheet as at 30 June 2024, the statement of sources and uses of funds and Designated Account statements for the year then ended, and a summary of significant accounting policies and other explanatory information including annexes 1 to 8.

*Management's Responsibility for the Financial Statements*

Management is responsible for preparation of financial statements that gives a true and fair view under the modified cash basis of accounting as described in note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

ASC

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## **NDEPENDENT AUDITORS' REPORT TO DEVELOPMENT BANK OF ETHIOPIA (continued)**

In our opinion, the financial statements give a true and fair view of the financial position of Development Bank of Ethiopia, Electricity Network Reinforcement and Expansion Project, financed under IDA credit no. 5126 ET. Parts 3.1, 3.2, 4.2 and 4.3; IDA credit no. 5814 ET. Parts 3.1 and 3.2; and Grants TF A2302, TF A4038 and TF A4039, as at 30 June 2024 and of its sources and uses of funds for the year then ended in accordance with the modified cash basis of accounting described in note 2 of the financial statements.

### ***Report on Other Requirements***

In our opinion,

- during the period IDA and Trust Funds have been used in accordance with the conditions of the financial agreements, with due attention to economy and efficiency, and only for the purpose for which the financing was provided;
- goods, works and services financed have been procured in accordance with the relevant financing agreement including specific provisions of the World Bank Procurement Policies and Procedures;
- all necessary supporting documents, records and accounts have been maintained in respective of all Project activities;
- the Designated Accounts have been maintained in accordance with the provision of the relevant financing agreement and funds disbursed out of the account were used for the purpose intended in the financing agreements.
- National laws and regulation have been complied with; and
- The financial performance of the Project is satisfactory;

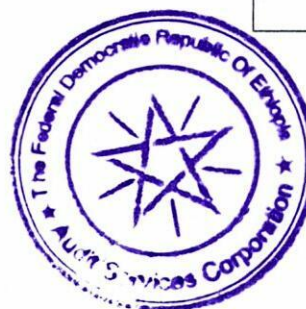
*Auda Services Corporation*

4 December 2024



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
STATEMENT OF INCOME AND EXPENDITURES  
FOR THE YEAR ENDED 30 JUNE 2024

|                                                                          | 2024<br>Ethiopian Birr | Cumulative from<br>12 June 2012 to<br>30 June 2024<br>Ethiopian Birr | 2023<br>Ethiopian Birr |
|--------------------------------------------------------------------------|------------------------|----------------------------------------------------------------------|------------------------|
| <b>INCOME</b>                                                            |                        |                                                                      |                        |
| Gain on foreign exchange                                                 | 699,657                | 60,946,673                                                           | 2,080,519              |
| Loss on foreign exchange from refund<br>of unutilized fund to World bank | -                      | (6,125,995)                                                          | (6,125,995)            |
| Ci-Dev Trust fund TFA4038 and 4039                                       | -                      | 5,685,485                                                            | 228,218                |
| ESME Trust Fund TF0A2302                                                 | -                      | 8,741,508                                                            | -                      |
| ESME Trust Fund TF0A2302                                                 | -                      | 11,679,610                                                           | -                      |
| Interest income                                                          | <u>24,063,788</u>      | <u>205,549,275</u>                                                   | <u>25,150,071</u>      |
| <b>TOTAL INCOME</b>                                                      | <u>24,763,445</u>      | <u>286,476,556</u>                                                   | <u>21,332,813</u>      |
| <b>PROJECT EXPENDITURES</b>                                              |                        |                                                                      |                        |
| Default to ESME                                                          |                        | 11,679,610                                                           |                        |
| Operational Costs                                                        | 800                    | 3,765,993                                                            | -                      |
| Modernization support                                                    |                        | 27,084,792                                                           | 228,218                |
| Interest expense                                                         | 14,038,879             | <u>100,939,527</u>                                                   | <u>14,684,202</u>      |
| <b>TOTAL PROJECT<br/>EXPENDITURES</b>                                    | <u>14,039,679</u>      | <u>143,469,922</u>                                                   | <u>14,912,420</u>      |
| <b>EXCESS OF INCOME<br/>OVER EXPENDITURES</b>                            | <u>10,723,766</u>      | <u>143,006,634</u>                                                   | <u>6,420,393</u>       |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
BALANCE SHEET  
AS AT 30 JUNE 2024

|                                             | Notes | 2024<br>Ethiopian Birr      | 2023<br>Ethiopian Birr      |
|---------------------------------------------|-------|-----------------------------|-----------------------------|
| <b><u>ASSETS</u></b>                        |       |                             |                             |
| <b>NON-CURRENT ASSETS</b>                   |       |                             |                             |
| Long term loans                             | 7     | <u>222,338,624</u>          | <u>233,966,894</u>          |
| <b>CURRENT ASSETS</b>                       |       |                             |                             |
| Cash                                        | 3     | 107,048,163                 | 135,552,845                 |
| Short term loans                            | 7     | 19,245,603                  | 56,778,008                  |
| Debtors                                     | 4     | <u>817,164,410</u>          | <u>778,434,550</u>          |
|                                             |       | 943,458,176                 | 970,765,403                 |
| <b>TOTAL ASSETS</b>                         |       | <b><u>1,165,796,800</u></b> | <b><u>1,204,732,297</u></b> |
| <b><u>LIABILITIES</u></b>                   |       |                             |                             |
| Trust Fund                                  | 5     | 113,883,135                 | 113,883,136                 |
| <b>LONG TERM LIABILITIES</b>                |       |                             |                             |
| Long term loan                              | 6     | 903,134,717                 | 952,445,245                 |
| <b>CURRENT LIABILITIES</b>                  |       |                             |                             |
| Interest payable to the Ministry of Finance |       | 5,772,314                   | 6,121,048                   |
| <b>TOTAL LIABILITIES</b>                    |       | <b><u>1,022,790,166</u></b> | <b><u>1,072,449,429</u></b> |
| <b>NET ASSETS</b>                           |       | <b><u>143,006,634</u></b>   | <b><u>132,282,868</u></b>   |
| <b><u>REPRESENTED BY</u></b>                |       |                             |                             |
| <b>ACCUMULATED FUND</b>                     |       | <b><u>143,006,634</u></b>   | <b><u>132,282,868</u></b>   |



**DEVELOPMENT BANK OF ETHIOPIA**  
**ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT**  
**IDA CREDIT NO. 5126 ET. PARTS 3.1, 3.2, 4.2 and 4.3**  
**IDA CREDIT NO. 5814 ET. PARTS 3.1 and 3.2**  
**GRANTS TF A2302, TF A4038 and TF A4039**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1 PROJECT INFORMATION**

The Project was established to implement specific parts of IDA credit No. 5126ET. Which is jointly financed by the Government of the Federal Democratic Republic of Ethiopia and the International Development Association (IDA). The main objective of these parts of the projects is the establishment and operation of credit facilities providing financing to participating financing institution and private sector enterprises for specific development projects concerned with renewable energy and energy efficient products. In June 2016, additional finance was provided by IDA credit no. 5814 ET and grants (TF A2302, TF A4038 and TF A4039) from the Trust Fund for Energy. Under the term of the new financing agreement, some parts of the Projects are carried out in coordination with the Ministry of Water, Irrigation and Electricity.

**2 SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation

These financial statements have been prepared on a modified cash basis whereby non-monetary assets are expensed when acquired and monetary assets and liabilities are carried at fair value.

b) Currency

These financial statements are presented in Birr. Transactions in foreign currency are translated into Birr at the approximate rate of exchange prevailing at the date of the transaction. Cash balances denominated in foreign currencies are translated into Birr at the exchange rates ruling at the balance sheet date.



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT

IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3

IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2

GRANTS TF A2302, TF A4038 and TF A4039

NOTES TO THE FINANCIAL STATEMENTS

|                                                                                                                          | 2024<br>Ethiopian Birr | 2023<br>Ethiopian Birr |
|--------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>3 BANK BALANCES</b>                                                                                                   |                        |                        |
| National Bank of Ethiopia-                                                                                               |                        |                        |
| A/c No.0100381040073                                                                                                     | 105,505,707            | 105,505,707            |
| A/c No.0200011040002                                                                                                     | -                      | -                      |
| A/c No.026151560000                                                                                                      | 1,165,353              | 1,109,812              |
| A/c No.1011171300038                                                                                                     | 377,103                | 28,937,325             |
| A/c No.101171300039                                                                                                      | -                      | -                      |
| A/c No.101171300043                                                                                                      | -                      | -                      |
| A/c No.101171300045                                                                                                      | -                      | -                      |
|                                                                                                                          | <u>107,048,163</u>     | <u>135,552,844</u>     |
| <b>4 DEBTORS</b>                                                                                                         |                        |                        |
| Intra-bank account                                                                                                       | 798,677,125            | 761,146,536            |
| Interest receivable                                                                                                      | 10,109,857             | 8,910,586              |
| Collateral support -ESME<br>grant (Fasil Zelalem )                                                                       | <u>8,377,428</u>       | <u>8,377,428</u>       |
|                                                                                                                          | <u>817,164,410</u>     | <u>778,434,550</u>     |
| <b>5 TRUST FUND</b>                                                                                                      |                        |                        |
| Withdrawn amount of a grant of five million<br>United States dollars, representing the proceeds<br>from USD 5,211,286.15 | <u>113,883,135</u>     | <u>113,883,135</u>     |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
NOTES TO THE FINANCIAL STATEMENTS

**6 LONG TERM LOAN**

Ministry of Finance

Unsecured loan, on-lent from IDA, bearing interest at the rate of 1.5% per annum, and repayable in 38 semi-annual instalments of Birr 24,655,264 each from June 2023 through December 2041.

**7 Term Loans**

**7.1 Short Term Loans**

This type of loan is provided to Private Sector Enterprises which is repayable within two years having grace period of six months and interest rate of 12%.

**7.2 Long Term Loans**

This type of loan is provided to Micro Finance Institutions to be repayable within five to twenty years having grace period of one year and interest rate of 8%.

**8 DATE OF AUTHORIZATION**

The President of the Bank authorized the issue of these financial statements on 04 December 2024.



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
DESIGNATED ACCOUNT STATEMENT

|                 |                            |
|-----------------|----------------------------|
| For year ended  | 30 June 2024               |
| Account number  | 026151560000/0101171300035 |
| Depository bank | National Bank of Ethiopia  |
| Address         | Addis Ababa, Ethiopia      |
| Related credit  | IDA 5126 ET                |
| Currency        | USD                        |

|                                 | USD       | Equivalent<br>in Ethiopian Birr |
|---------------------------------|-----------|---------------------------------|
| Opening balance at 30 June 2023 | 20,127.08 | 1,109,812.23                    |
|                                 | -         | -                               |
|                                 | 20,127.08 | 1,109,812.23                    |
| Add: Gain on foreign exchange   | -         | 55,540.68                       |
| Ending balance at 30 June 2024  | 20,127.08 | 1,165,352.91                    |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
DESIGNATED ACCOUNT STATEMENT

|                        |                           |
|------------------------|---------------------------|
| For year ended         | 30 June 2024              |
| Account number         | 101171300038              |
| Depository bank        | National Bank of Ethiopia |
| Address                | Addis Ababa, Ethiopia     |
| Related credit / grant | IDA 5216 ET; IDA 5814 ET  |
| Currency               | USD                       |

|                                                       | USD               | Equivalent<br>in Ethiopian Birr |
|-------------------------------------------------------|-------------------|---------------------------------|
| Opening balance at 30 June 2023                       | 524,795.32        | 28,937,325.44                   |
| Add: Reimbursements from World Bank                   | =                 | -                               |
|                                                       | 524,795.32        | 28,937,325.44                   |
| Less: Payments for loan disbursements<br>and expenses | <u>518,281.93</u> | <u>29,204,338.92</u>            |
|                                                       | 6,513.39          | (267,013.48)                    |
| Add: Gain on foreign exchange                         | <u>-</u>          | <u>644,116.44</u>               |
| Ending balance at 30 June 2024                        | <u>6,513.39</u>   | <u>377,102.96</u>               |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT  
3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
DESIGNATED ACCOUNT STATEMENT

|                       |                           |
|-----------------------|---------------------------|
| For year ended        | 30 June 2024              |
| Account number        | 101171300039              |
| Depository bank       | National Bank of Ethiopia |
| Address               | Addis Ababa, Ethiopia     |
| Related credits/grant | IDA 5126 ET; TF A2302     |
| Currency              | USD                       |

|                                                    | USD | Equivalent<br>in Ethiopian Birr |
|----------------------------------------------------|-----|---------------------------------|
| Opening balance at 30 June 2023                    | -   | -                               |
| Add: Other receipts-refund from traning<br>advance | -   | -                               |
| utilized fund balance of -Grant<br>TF2302          | -   | -                               |
| Add: Gain on foreign exchange                      | -   | -                               |
| Ending balance at 30 June 2024                     | -   | -                               |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
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IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
DESIGNATED ACCOUNT STATEMENT

|                        |                           |
|------------------------|---------------------------|
| For year ended         | 30 June 2024              |
| Account number         | 101171300043              |
| Depository bank        | National Bank of Ethiopia |
| Address                | Addis Ababa, Ethiopia     |
| Related credit / grant | IDA 5126 ET; TF A4038     |
| Currency               | USD                       |

|                                         | USD     | Equivalent<br>in Ethiopian Birr |
|-----------------------------------------|---------|---------------------------------|
| Opening balance at 30 June 2023         |         |                                 |
| Additional deposit from World Bank      | _____ - | _____ -                         |
| Less: Payments for expenses             |         |                                 |
| Refund of unutilized fund to World bank |         |                                 |
| Add: Gain on foreign exchange           | _____   |                                 |
| Ending balance at 30 June 2024          | _____ - |                                 |



**DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND  
EXPANSION PROJECT**

**IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3**

**IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2**

**GRANTS TF A2302, TF A4038 and TF A4039**

**DESIGNATED ACCOUNT STATEMENT**

|                        |                           |
|------------------------|---------------------------|
| For year ended         | 30 June 2024              |
| Account number         | 101171300045              |
| Depository bank        | National Bank of Ethiopia |
| Address                | Addis Ababa, Ethiopia     |
| Related credit / grant | IDA 5126 ET; TF A4039     |
| Currency               | USD                       |

|  | USD | Equivalent<br>in Ethiopian Birr |
|--|-----|---------------------------------|
|--|-----|---------------------------------|

Opening balance at 30 June 2023

Additional deposit from World Bank

Less: Payments for expenses

Refund of unutilized fund to World bank

Add: Gain on foreign exchange

Ending balance at 30 June 2024



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
PROJECT RECEIPTS AND USE OF FUNDS  
FOR THE YEAR ENDED 30 JUNE 2024

|                                                                 | 2024<br>Ethiopian Birr | Cumulative from<br>12 June 2012 to<br>30 June 2024<br>Ethiopian Birr | 2023<br>Ethiopian Birr |
|-----------------------------------------------------------------|------------------------|----------------------------------------------------------------------|------------------------|
| <b>RECEIPTS</b>                                                 |                        |                                                                      |                        |
| Deposits to Designated Accounts-net                             |                        | 1,169,184,265                                                        | 30,594,931             |
| Refund to World Bank                                            |                        | (9,694,371)                                                          | (9,694,371)            |
| Loans repaid by beneficiaries                                   |                        |                                                                      |                        |
| Annex 4 note a)                                                 | 143,335,557            | 1,301,927,944                                                        | 134,023,922            |
| Refund Collection from Agar MFI                                 |                        | (1,250,000)                                                          |                        |
| Gain on foreign exchange                                        | 699,657                | 60,946,675                                                           | 2,080,519              |
| Interest received, net of paid -                                |                        |                                                                      |                        |
| Annex 4 note b)                                                 | 8,478,522              | 100,269,365                                                          | 7,254,413              |
| <b>TOTAL RECEIPTS</b>                                           | <b>152,513,736</b>     | <b>2,621,383,878</b>                                                 | <b>164,259,414</b>     |
| <b>USE OF FUNDS - ANNEX 2</b>                                   |                        |                                                                      |                        |
| <b>CREDITS</b>                                                  |                        |                                                                      |                        |
| Part 3.1 Loans provided to                                      |                        |                                                                      |                        |
| eligible household/<br>subcredit recipients by MFI's (Annex 2a) |                        | 191,750,189                                                          | -                      |
| Part 3.2 Loans provided to                                      |                        |                                                                      |                        |
| eligible private sector<br>enterprises (Annex 2b)               | 28,894,856             | 873,400,962                                                          | 18,720,134             |
| Loan Transfer to HO                                             |                        | (21,650,196)                                                         | (8,577,390)            |
| Part 4.2 Modernization Support (Annex 2b)                       |                        | 9,634,391                                                            |                        |
| Part 4.3 Outreach programme                                     |                        |                                                                      |                        |
| - MOWE                                                          |                        | 3,639,182                                                            | -                      |
| <b>GRANTS</b>                                                   |                        |                                                                      |                        |
| Default to ESME                                                 |                        | 11,679,610                                                           | -                      |
| Part 2 Technical assistance to                                  |                        |                                                                      |                        |
| MFI's and DBE                                                   |                        | 11,890,928                                                           | -                      |
| Under TFA4038:in support of domestic biogas ERPA                |                        |                                                                      |                        |
| Component 1- Operational Support                                |                        | 1,128,188                                                            | -                      |
| Component 2- Operational Support                                |                        | 2,637,004                                                            | -                      |
| Under TFA4039: Capacity building under the off-grid ERPA        |                        |                                                                      |                        |
| Component 2- Operational Support                                | 800                    | 1,921,092                                                            | 228,218                |
| MoF Borrowing Payments                                          | 49,310,528             | 122,491,834                                                          | 49,310,528             |
| <b>TOTAL PAYMENTS</b>                                           | <b>78,206,184</b>      | <b>1,208,523,184</b>                                                 | <b>59,681,490</b>      |
| <b>EXCESS OF RECEIPTS</b>                                       |                        |                                                                      |                        |
| <b>OVER USE OF FUNDS</b>                                        | <b>74,307,552</b>      | <b>1,412,860,694</b>                                                 | <b>104,577,924</b>     |
| <b>REPRESENTED BY</b>                                           |                        |                                                                      |                        |
| Cash at Bank - Designated Accounts                              |                        | 1,542,456                                                            |                        |
| Cash at Bank - Local Accounts                                   |                        | 105,505,707                                                          |                        |
| Collateral Support -ESME grant (Fasil Zelalem )                 |                        | 8,377,428                                                            |                        |
| Receivable from Development Bank of Ethiopia -                  |                        |                                                                      |                        |
| Annex 4 - note c)                                               |                        | 798,677,125                                                          |                        |
| Advances to MFI's & PSE's, as yet unutilized -                  |                        |                                                                      |                        |
| Annex 3                                                         |                        | 498,757,978                                                          |                        |
|                                                                 |                        | <b>1,412,860,694</b>                                                 |                        |



## ANNEX 2 a

DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039

|                                                                                    | 2024<br>Ethiopian Birr | Cumulative from<br>12 June 2012 to<br>30 June 2024<br>Ethiopian Birr | 2023<br>Ethiopian Birr |
|------------------------------------------------------------------------------------|------------------------|----------------------------------------------------------------------|------------------------|
| <b>USE OF FUNDS BY PROJECT COMPONENT</b>                                           |                        |                                                                      |                        |
| <b>Component 3.1 MFI's</b>                                                         |                        |                                                                      |                        |
| Loans provided to eligible household/ subcredit recipients by MFI 1 (OCSCO)        |                        | 21,763,498                                                           | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 2 (Wasasa)       | -                      | 6,916,643                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 3 (DECSI)        | -                      | 25,000,000                                                           | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 4 (ACSI)         | -                      | 85,671,500                                                           | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 5(OMO)           |                        | 25,000,000                                                           | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 6(SPECIALIZED.F) |                        | 5,000,000                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 7(HARBU.MF)      |                        | 2,500,000                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 8(PEACE)         |                        | 7,398,547                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 9(AGAR MF)       |                        |                                                                      | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 10(VISION)       |                        | 10,000,000                                                           | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 11(MEKLIT)       |                        | 1,250,000                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 12(METEMAMEN)    | =                      | 1,250,000                                                            | -                      |
| Loans provided to eligible household/ subcredit recipients by MFI 12(ESHET)        |                        |                                                                      | -                      |
| Sub total                                                                          | =                      | <u>191,750,188</u>                                                   | =                      |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039

|                                 | 2024<br>Ethiopian Birr | Cumulative from<br>12 June 2012 to<br>30 June 2024<br>Ethiopian Birr | 2023<br>Ethiopian Birr |
|---------------------------------|------------------------|----------------------------------------------------------------------|------------------------|
| <b>3.1 MFI's - sub total</b>    |                        | <u>191,750,189</u>                                                   |                        |
| <b>Component 3.2 PSE's</b>      |                        |                                                                      |                        |
| DAMA Trade                      |                        | 63,774,353                                                           | -                      |
| Temesgen Ayana Erena            |                        | 5,536,350                                                            | -                      |
| Universal Electronics           |                        | 51,834,394                                                           | -                      |
| Rensys Engineering and Trade    |                        | 45,304,901                                                           | -                      |
| Birtukan Yirga Yitayaw          |                        | 28,065,639                                                           | -                      |
| Meseret Mare Gebre              |                        | 20,859,705                                                           | -                      |
| Alphasol Mdular Energy          |                        | 11,760,843                                                           | -                      |
| Green Scene energy Plc.         |                        | 1,396,424                                                            | -                      |
| Tigest Tadesse G/Mariam         |                        | 8,746,250                                                            | -                      |
| Wondewosen Deneke Aboye         |                        | 2,015,331                                                            | -                      |
| BCAD Consulting Managment Plc.  |                        | 12,100,596                                                           | -                      |
| DRHS General Business Plc.      |                        | 39,032,499                                                           | -                      |
| Green Hope trading Plc.         |                        | 11,712,712                                                           | -                      |
| Alviol General Trading Plc.     |                        | 41,013,266                                                           | 18,720,134             |
| MESAF Trading Plc               |                        | 3,263,516                                                            | -                      |
| EZOP- EL Engineering PLC        |                        | 298,031                                                              | -                      |
| Vera International Business     |                        | 188,393,307                                                          | -                      |
| Biftu Adugna Business SC        |                        | 21,721,059                                                           | -                      |
| Lydet Co. PLC                   |                        | 59,727,200                                                           | -                      |
| Genet Nigussie (ETHIO-ADD)      |                        | 5,602,310                                                            | -                      |
| SAT Import Trading PLC          |                        | 21,683,210                                                           | -                      |
| Abebaye Abate Wassie            |                        | 13,072,806                                                           | -                      |
| Solartech Renewable Energy PLC  |                        | 1,686,118                                                            | -                      |
| Hidasie Telecom Share Co.       |                        | 47,621,463                                                           | -                      |
| Ever Bright PLC                 |                        | 2,617,103                                                            | -                      |
| Leykun Menkir Gizaw             | 14,410,699             | 21,323,673                                                           | -                      |
| BMLA Trading PLC                |                        | 3,733,372                                                            | -                      |
| Awuraris Getaneh Lakew          |                        | 5,786,286                                                            | -                      |
| Bright Future Solar Trading PLC |                        | 12,173,843                                                           | -                      |
| Apex Energy Technologies PLC    |                        | 4,934,397                                                            | -                      |
| Everything Trading PLC          |                        | 10,788,074                                                           | -                      |
| Workneh Mekonnen Wubneh         |                        | 20,596,572                                                           | -                      |
| Dawit Teka/Highlight Trading    |                        | 10,660,646                                                           | -                      |
| B Four Family Trading           |                        | 24,915,898                                                           | -                      |
| Fasil Zelalem Addis             |                        | 15,387,767                                                           | -                      |
| Yared Bisrat (Jupiter Trading)  |                        | 19,776,891                                                           | -                      |
| belew wondifraw fanta           | <u>14,484,157</u>      | <u>14,484,157</u>                                                    | -                      |
| <b>Sub total</b>                | <u>28,894,856</u>      | <u>873,400,962</u>                                                   | <u>18,720,134</u>      |
| <b>Totals carried forward</b>   | <u>28,894,856</u>      | <u>1,065,151,151</u>                                                 | <u>18,720,134</u>      |



## DEVELOPMENT BANK OF ETHIOPIA

## ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT

IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3

IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2

GRANTS TF A2302, TF A4038 and TF A4039

|                                                            | 2024              | Cumulative from<br>12 June 2012 to<br>30 June 2024 | 2023              |
|------------------------------------------------------------|-------------------|----------------------------------------------------|-------------------|
|                                                            | Ethiopian Birr    | Ethiopian Birr                                     | Ethiopian Birr    |
| Totals brought forward                                     | <u>28,894,856</u> | 1,065,151,151                                      | 18,720,134        |
| ESME Grant Component                                       |                   |                                                    |                   |
| Collateral Support Facility                                |                   | 11,679,610                                         | -                 |
| Component 4.2 Modernization Support                        |                   |                                                    |                   |
| Training and workshops                                     |                   | 6,796,176                                          | -                 |
| Operating costs                                            |                   | <u>2,838,614</u>                                   | <u>400</u>        |
| Sub total                                                  |                   | <u>9,634,790</u>                                   | <u>400</u>        |
| Component 4.3 Outreach Programme - MOWE                    |                   |                                                    |                   |
| Technical Assistance                                       |                   | <u>3,639,182</u>                                   | -                 |
| Grant component 2                                          |                   |                                                    |                   |
| Technical Assistance                                       |                   | <u>11,890,928</u>                                  | -                 |
| Grant TFA4038:in support of domestic<br>biogas ERPA        |                   |                                                    |                   |
| Component 1-Biogas user survey                             |                   | <u>1,128,188</u>                                   | -                 |
| Component 2-Operational Support                            |                   | <u>2,637,004</u>                                   | -                 |
| Grant TFA4039:Capacity Building under<br>the off-grid ERPA |                   |                                                    |                   |
| Component 2-Operational Support                            |                   | <u>1,919,872</u>                                   | <u>227,798.00</u> |
| Grant Total                                                | <u>28,894,856</u> | <u>1,107,680,725</u>                               | <u>18,948,332</u> |



DEVELOPMENT BANK OF ETHIOPIA  
 ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
 IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
 IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
 GRANTS TF A2302, TF A4038 and TF A4039  
 ADVANCE TO MFI FROM REVOLVING FUND

|                        | <u>Beginning<br/>advance<br/>balance<br/>ETB</u> | <u>Advances to<br/>MFI's<br/>ETB</u> | <u>Loans<br/>provided to<br/>beneficiaries/<br/>subcredits by<br/>MFI's<br/>ETB</u> | <u>Ending<br/>balance<br/>ETB</u> |
|------------------------|--------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------|
| To MFI's               |                                                  |                                      |                                                                                     |                                   |
| MFI 1 OCSSCO           | (27,619,585)                                     | 7,500,000                            | (12,120,400)                                                                        | (32,239,985)                      |
| MFI 2 Wasasa           | (4,430,725)                                      | -                                    | (2,268,882)                                                                         | (6,699,607)                       |
| MFI 3 DECSI            | (16,909,111)                                     | -                                    |                                                                                     | (16,909,111)                      |
| MFI 4 ACSI             | (716,760,678)                                    | -                                    |                                                                                     | (716,760,678)                     |
| MFI 5 OMO Microfinance | (81,814,385)                                     |                                      |                                                                                     | (81,814,385)                      |
| MFI 6 SPECIALIZED.F    | 25,436,788                                       | 22,500,000                           | (24,409,710)                                                                        | 23,527,078                        |
| MFI 7 HARBU.MF         | 10,576,992                                       | 9,375,000                            | (7,731,243)                                                                         | 12,220,749                        |
| MFI 8 PEACE            | 9,099,615                                        | 25,000,000                           | (32,440,889)                                                                        | 1,658,726                         |
| MFI 9 AGAR MF          | 172,200                                          | 850,000                              |                                                                                     | 1,022,200                         |
| MFI 10 VISION          | (15,588,443)                                     | 5,324,693                            | (19,837,650)                                                                        | (30,101,400)                      |
| MFI 11 MEKLIT          | 26,915,082                                       | 5,937,500                            |                                                                                     | 32,852,582                        |
| MFI 12 METEMAMEN       | 4,720,923                                        | -                                    | (1,811,600)                                                                         | 2,909,323                         |
| MFI 13 ESHET MF        | 1,577,841                                        | 3,204,731                            | (3,046,570)                                                                         | 1,736,002                         |
| Sub-total              | <u>(784,623,486)</u>                             | <u>79,691,924</u>                    | <u>(103,666,944)</u>                                                                | <u>(808,598,506)</u>              |



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
ADVANCE UTILIZATION OF PSE'S

| To PSE's                        | <u>Beginning<br/>advance<br/>balance<br/>ETB</u> | <u>Loans made<br/>(LC opened etc)<br/>by DBE<br/>ETB</u> | <u>PSE<br/>documents or<br/>invoices<br/>obtained/ LC<br/>cancelled<br/>ETB</u> | <u>Ending<br/>advance<br/>balance<br/>ETB</u> |
|---------------------------------|--------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|
| Temesgen Ayana Erena            | -                                                | -                                                        | -                                                                               | -                                             |
| Universal Electronics           | -                                                | -                                                        | -                                                                               | -                                             |
| Rensys Engineering and Trade    | -                                                | -                                                        | -                                                                               | -                                             |
| Birtukan Yirga Yitayaw          | -                                                | -                                                        | -                                                                               | -                                             |
| Meseret Mare Gebre              | -                                                | -                                                        | -                                                                               | -                                             |
| Alphasol Mdular Energy          | -                                                | -                                                        | -                                                                               | -                                             |
| Green Scene energy Plc.         | -                                                | -                                                        | -                                                                               | -                                             |
| Solartech Renwable EnergyPlc    | -                                                | -                                                        | -                                                                               | -                                             |
| SAT Import Trading PLC          | -                                                | -                                                        | -                                                                               | -                                             |
| Wondewosen Deneke Aboye         | -                                                | -                                                        | -                                                                               | -                                             |
| BCAD Consulting Managment P     | -                                                | -                                                        | -                                                                               | -                                             |
| DRHS General Business Plc.      | -                                                | -                                                        | -                                                                               | -                                             |
| Green Hope trading Plc.         | -                                                | -                                                        | -                                                                               | -                                             |
| Alviol General Trading Plc.     | -                                                | -                                                        | -                                                                               | -                                             |
| MESAF Trading Plc               | -                                                | -                                                        | -                                                                               | -                                             |
| Vera International Business     | -                                                | -                                                        | -                                                                               | -                                             |
| Lydet Co. PLC                   | -                                                | -                                                        | -                                                                               | -                                             |
| Ever Bright Plc                 | -                                                | -                                                        | -                                                                               | -                                             |
| Abebaye Abate Wasse             | -                                                | -                                                        | -                                                                               | -                                             |
| Hedasia Telecom share Company   | -                                                | -                                                        | -                                                                               | -                                             |
| BMLA Trading Plc                | -                                                | -                                                        | -                                                                               | -                                             |
| Genet Nigussie (ETHIO-ADD)      | -                                                | -                                                        | -                                                                               | -                                             |
| Awuraris Getaneh Lakew          | -                                                | -                                                        | -                                                                               | -                                             |
| Bright Future Solar Trading Plc | -                                                | -                                                        | -                                                                               | -                                             |
| Everything Trading PLC          | -                                                | -                                                        | -                                                                               | -                                             |
| Workneh Mekonnen Wubneh         | -                                                | -                                                        | -                                                                               | -                                             |
| Apex Energy Technologies PLC    | -                                                | -                                                        | -                                                                               | -                                             |
| Dawit Teka/Highlight Trading    | -                                                | -                                                        | -                                                                               | -                                             |
| B Four Family Trading           | -                                                | -                                                        | -                                                                               | -                                             |
| Fasil Zelalem Addis             | -                                                | -                                                        | -                                                                               | -                                             |
| Yared Bisrat (Jupiter Trading)  | -                                                | -                                                        | -                                                                               | -                                             |
| Leykun Menkir gizaw             | 14,410,299                                       |                                                          | (14,410,299)                                                                    |                                               |
| belew wondifiraw fanta          |                                                  | 14,483,757                                               | (14,483,757)                                                                    |                                               |
| Sub-total                       | 14,410,299                                       | 14,483,757                                               | (28,894,056)                                                                    | =                                             |
| Sub-total - MFI's               | (784,623,486)                                    | 79,691,924                                               | (103,666,944)                                                                   | (808,598,506)                                 |
| Grand Total                     | (770,213,187)                                    | 94,175,681                                               | (132,561,000)                                                                   | (808,598,506)                                 |



**DEVELOPMENT BANK OF ETHIOPIA**  
**ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT**  
**IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3**  
**IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2**  
**GRANTS TF A2302, TF A4038 and TF A4039**

**a) LOANS TO BENEFICIARIES REPAYED**

Loans provided to eligible private sector enterprises are short term and those provided to MFIs is Long term. This is the total amount repaid through reporting period ended 30 June 2024.

**b) INTEREST RECEIVED, NET OF PAID**

Interest is charged on loans given to beneficiaries and is payable at a lower rate of interest to the Ministry of Finance under a subsidiary loan agreement.

**c) RECEIVABLE FROM DEVELOPMENT BANK OF ETHIOPIA**

This balance is an intra-bank account which the Project has with the banking division of the Bank. It is comparable to cash at bank.



DEVELOPMENT BANK OF ETHIOPIA  
ELECTRICITY NETWORK REINFORCEMENT AND EXPANSION PROJECT  
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3  
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GRANTS TF A2302, TF A4038 and TF A4039

Annex 5

|                       | Balance at 1<br>July 2023 | Amount utilized | Refund to WB | Balance at 30<br>June 2024 |
|-----------------------|---------------------------|-----------------|--------------|----------------------------|
|                       | Birr                      | Birr            | Birr         | Birr                       |
| TFA2302 ESME Grant    | 113,883,136               |                 |              | 113,883,136                |
| TFA4038 Clean Cooking | -                         | -               |              |                            |
| TFA4039 off-grid      | -                         | -               |              | -                          |
|                       | <u>113,883,136</u>        |                 |              | <u>113,883,136</u>         |



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 IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
 GRANTS TF A2302, TF A4038 and TF A4039  
 Schedule of Default Collateral Support Facility

| Item No. | Name of collateral support facility user | Description                                                                  | Total Approved amount | Currency of Expenditure | Loan         | % of Collateral Support | CSF Amount          |
|----------|------------------------------------------|------------------------------------------------------------------------------|-----------------------|-------------------------|--------------|-------------------------|---------------------|
| 13       | Fasil Zelalem Addis                      | Collateral Support Facility For Renewable Energy & Energy Efficient products |                       | ETB                     | 8,791,040.05 | 95.30%                  | 8,377,428.00        |
|          |                                          | <b>TOTALS</b>                                                                |                       |                         |              |                         | <b>8,377,428.00</b> |



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 IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
 GRANTS TF A2302, TF A4038 and TF A4039  
 LIST OF ASSETS ACQUIRED FROM THE PROJECT FUNDS

| DESCRIPTION                          | Pieces | Cost              |                            |
|--------------------------------------|--------|-------------------|----------------------------|
|                                      |        | Ethiopian<br>Birr | United<br>States<br>Dollar |
| <u>FROM Grant TF A4038</u>           |        |                   |                            |
| Licence for Microsft SQL Server 2019 | 4      | 1,026,000         | 22,335                     |
| <u>FROM Grant TF A4039</u>           |        |                   |                            |
| Lap Top Core i7-7000 Family          | 6      | 189,960           | 5,155                      |



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IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2  
GRANTS TF A2302, TF A4038 and TF A4039  
WITHDRAWAL APPLICATION

Withdrawal  
Application No.

USD

Amount  
ETB

