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**The Federal Democratic Republic of Ethiopia
Audit Services Corporation**

30 December 2019

The President
Development Bank of Ethiopia
Addis Ababa

Dear Sir

**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
MANAGEMENT LETTER
FOR THE YEAR ENDED 30 JUNE 2019**

We have audited the 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, (the Project) for the year ended 30 June 2019.

We attach the following for reference

Independent auditor's report
Statement of sources and uses of funds
Balance Sheet
Designated Account Statements
Notes to the financial statements
Annexes 1 to 4



As part of our audit of the financial statements of the Project, we visited micro finance institutes that are participating in the Project, as well as a number of final beneficiaries residing in the following areas.

Dedebit Credit and Saving Institute Share Company

- a) Dogea Temben Woreda (Hagereslam, Aianbrkekn branch)
- b) Enderta Woreda (Elala branch)
- c) Kilde Awlaelo Woreda (Negash, Kilde Awlaelo branch)

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- 1.1 The loan given to AGAR Credit and Saving Institute (DCSI) was not utilised during the current year.
- 2.1 Insofar as appears from our examination and to the best of our knowledge and belief there are no adverse comments to make on compliance with the financial covenants in the financing agreements and there are no other significant matters that came to our attention.

We would like to express our appreciation to the management and staff of the Project for the assistance and courtesy extended to us during the course of our audit.

Yours faithfully,

Audit Services Corporation





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የሂሳብ ምርመራ አገልግሎት ኮርፖሬሽን

**The Federal Democratic Republic of Ethiopia
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 2019, and 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 and annexes 1 to 4.

Managements' Responsibility for the Financial Statements

Management is responsible for preparation of financial statements that give 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.

Auditors' 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.

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INDEPENDENT AUDITOR'S REPORT TO DEVELOPMENT BANK OF ETHIOPIA (continued)

Opinion

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 2019 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 to 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 relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which the financing was provided;
- goods, works and services financed have been procured in accordance with the relevant financing agreements including specific provisions of the World Bank Procurement Policies and Procedures;
- all necessary supporting documents, records and accounts have been maintained in respect of all Project activities;
- The Designated Accounts have been maintained in accordance with the provisions of the relevant financing agreements and funds disbursed out of the Accounts were used only for the purposes intended in the financing agreements;
- national laws and regulations have been complied with; and
- Except in MFI 9, the financial performance of the project was satisfactory.

Audit Services Corporation

30 December 2019



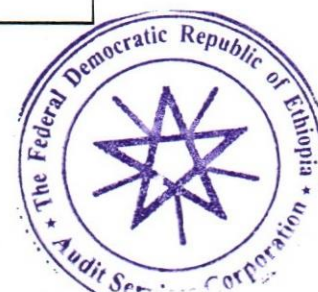
DEVELOPMENT BANK OF ETHIOPIA
ELECTRICITY NETWORK REINFORCEMENT AND
EXPANSION PROJECT
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2
GRANTS TF A2302, TF A4038 and TF A4039
STATEMENT OF SOURCES AND USES OF FUNDS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2019 Ethiopian Birr	2018 Ethiopian Birr
FINANCING			
Gain on foreign exchange	3,908,916	35,628,978	12,407,186
Interest income	<u>23,203,848</u>	<u>72,304,692</u>	<u>12,780,133</u>
TOTAL FINANCING	<u>27,112,764</u>	<u>107,933,670</u>	<u>25,187,319</u>
PROJECT EXPENDITURES			
Modernization support	11,373,790	25,164,420	521,228
Interest expense	<u>7,979,957</u>	<u>32,897,111</u>	<u>6,727,355</u>
TOTAL PROJECT EXPENDITURES	<u>19,353,747</u>	<u>58,061,531</u>	<u>7,248,583</u>
EXCESS OF FINANCING OVER EXPENDITURES	<u>7,759,017</u>	<u>49,872,139</u>	<u>17,938,736</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 2019

	Notes	2019 Ethiopian Birr	2018 Ethiopian Birr
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Long term loans		<u>161,818,225</u>	<u>165,087,342</u>
CURRENT ASSETS			
Cash	3	149,047,265	69,208,588
Short term loans		173,075,790	54,199,547
Debtors	4	<u>311,652,037</u>	<u>266,190,812</u>
		<u>633,775,092</u>	<u>389,598,947</u>
TOTAL ASSETS		<u>795,593,317</u>	<u>554,686,289</u>
<u>LIABILITIES</u>			
GRANT	5	142,900,037	11,987,911
LONG TERM LIABILITIES			
Long term loan	6	599,235,288	497,718,183
CURRENT LIABILITIES			
Ministry of Finance		<u>3,585,851</u>	<u>2,867,073</u>
TOTAL LIABILITIES		<u>745,721,176</u>	<u>512,573,167</u>
NET ASSETS		<u>49,872,141</u>	<u>42,113,122</u>
<u>REPRESENTED BY</u>			
ACCUMULATED FUND		<u>49,872,141</u>	<u>42,113,122</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
NOTES TO THE FINANCIAL STATEMENTS

1 PROJECT INFORMATION

The Project was established to implement specific parts of IDA credit No. 5126 ET 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 Project is the establishment and operation of credit facilities providing financing to participating financing institutions 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 A 4039) from the Trust Fund for Energy SME Support in Sub-Saharan Africa. Under the terms of the new financing agreements, some parts of the Project 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

	2019 Ethiopian Birr	2018 Ethiopian Birr
3 BANK BALANCES		
National Bank of Ethiopia-		
A/c No.100381040073	125,562,745	3,881,624
A/c No.200011040002	562,653	4,312,653
A/c No.026151560000	2,432,901	2,294,150
A/c No.1011171300038	11,734,890	48,874,054
A/c No.1011713000390	2,914,076	9,846,107
A/c No.101171300045	2,920,000	-
A/c No.101171300043	2,920,000	-
	<u>149,047,265</u>	<u>69,208,588</u>
4 DEBTORS		
Intra-bank account	304,745,696	261,788,027
Interest receivable	6,906,341	4,402,785
	<u>311,652,037</u>	<u>266,190,812</u>
5 GRANT		
Withdrawn amount of a grant of five million United States dollars, representing the proceeds from USD 5200,000.	<u>142,900,037</u>	<u>11,987,911</u>



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

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 40 semi-annual instalments of Birr 13,975,870 each from June 2022 through December 2041.

7 DATE OF AUTHORIZATION

The Vice-President of the Bank authorized the issue of these financial statements on 30 December 2019.



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 period ended	30 June 2019
Account number	026151560000
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credit	IDA 5126 ET
Currency	USD

	USD	Equivalent in Ethiopian Birr
Opening balance at 30 June 2018	83,318.51	2,294,150.18
Add: Gain on foreign exchange	-	<u>138,750.32</u>
Ending balance at 30 June 2019	<u>83,318.51</u>	<u>2,432,900.50</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
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 in Ethiopian Birr
Opening balance at 30 June 2018	1,774,998.60	48,874,053.95
Add: Reimbursements from World Bank	<u>3,592,401.75</u>	<u>101,517,106.80</u>
	5,367,400.35	150,391,160.75
Less: Payments for expenses	<u>4,965,520.52</u>	<u>141,376,403.21</u>
	401,879.83	9,014,757.54
Add: Gain on foreign exchange	-	<u>2,720,133.50</u>
Ending balance at 30 June 2019	<u>401,879.83</u>	<u>11,734,891.04</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
Account number	101171300039
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credits	IDA 5126 ET; TF A2302
Currency	USD

	USD	Equivalent in Ethiopian Birr
Opening balance at 30 June 2018	357,589.05	9,846,107.22
Add: Reimbursements from World Bank	<u>4,479,665.26</u>	<u>125,263,885.89</u>
	4,837,254.31	135,109,993.11
Less: Payments for loan disbursements and expenses	<u>4,737,457.20</u>	<u>133,054,189.95</u>
	99,797.11	2,055,803.16
Add: Gain on foreign exchange	-	<u>858,272.46</u>
Ending balance at 30 June 2019	<u>99,797.11</u>	<u>2,914,075.62</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
Account number	101171300043
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credit / grant	IDA 5126 ET; TF A4039
Currency	USD

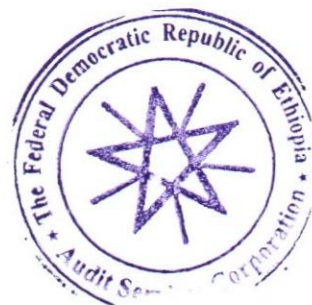
	USD	Equivalent in Ethiopian Birr
Initial deposit from World Bank	100,000.00	2,824,120.00
Add: Gain on foreign exchange	=	<u>95,880.00</u>
Ending balance at 30 June 2019	<u>100,000.00</u>	<u>2,920,000.00</u>



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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
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 in Ethiopian Birr
Initial deposit from World Bank	100,000.00	2,824,120.00
Add: Gain on foreign exchange	-	<u>95,880.00</u>
Ending balance at 30 June 2019	<u>100,000.00</u>	<u>2,920,000.00</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
PROJECT RECEIPTS AND USE OF FUNDS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
RECEIPTS			
Deposits to Designated Accounts	232,429,233	742,135,327	50,931,042
Loans to beneficiaries repaid - Annex 4 note a)	146,666,231	420,571,861	75,596,818
Gain on foreign exchange	3,908,916	35,628,979	12,407,186
Interest received, net of paid - Annex 4 note b)	<u>13,439,113</u>	<u>36,087,091</u>	<u>4,926,365</u>
TOTAL RECEIPTS	<u>396,443,493</u>	<u>1,234,423,258</u>	<u>143,861,411</u>
USE OF FUNDS - ANNEX 2			
CREDITS			
Part 3.1 Loans provided to eligible household/ subcredit recipients by MFI's	21,411,174	186,240,768	59,096,149
Part 3.2 Loans provided to eligible private sector enterprises	141,375,682	417,180,210	78,047,822
Part 4.2 Modernization Support	760	9,631,365	385
Part 4.3 Outreach programme - MOWIE	-	3,639,182	-
GRANTS			
Part 2 Technical assistance to MFI's and DBE	<u>11,373,030</u>	<u>11,893,873</u>	<u>520,843</u>
TOTAL PAYMENTS	<u>174,160,646</u>	<u>628,585,398</u>	<u>137,665,199</u>
EXCESS OF RECEIPTS OVER USE OF FUNDS	<u>222,282,847</u>	<u>605,837,860</u>	<u>6,196,212</u>

REPRESENTED BY

Cash at Bank - Designated Accounts	22,921,867
Cash at Bank - Local Accounts	126,125,398
Receivable from Development Bank of Ethiopia - Annex 4 - note c)	304,745,696
Advances to MFI's & PSE's, as yet unutilized - Annex 3	<u>152,044,899</u>
	<u>605,837,860</u>



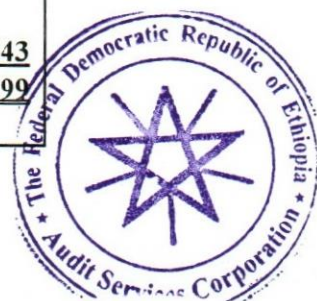
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GRANTS TF A2302, TF A4038 and TF A4039

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
<u>USE OF FUNDS BY PROJECT COMPONENT</u>			
Component 3.1 MFI's			
Loans provided to eligible household/ subcredit recipients by MFI 1 (OCSCO)		21,763,498	15,000,000
Loans provided to eligible household/ subcredit recipients by MFI 2 (Wasasa)	896,158	6,916,643	226,593
Loans provided to eligible household/ subcredit recipients by MFI 3 (DECSI)	14,177,586	23,350,526	3,673,770
Loans provided to eligible household/ subcredit recipients by MFI 4 (ACSI)		85,671,500	25,000,000
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)	8,024	5,000,000	3,767,036
Loans provided to eligible household/ subcredit recipients by MFI 7(HARBU.MF)	1,148,555	2,500,000	631,000
Loans provided to eligible household/ subcredit recipients by MFI 8(PEACE)	1,250,000	3,750,000	2,440,000
Loans provided to eligible household/ subcredit recipients by MFI 9(AGAR MF)		-	-
Loans provided to eligible household/ subcredit recipients by MFI 10(VISION)	<u>3,105,250</u>	10,000,000	6,894,750
Loans provided to eligible household/ subcredit recipients by MFI 11(MEKLIT)	<u>825,600</u>	<u>1,038,600</u>	213,000
Loans provided to eligible household/ subcredit recipients by MFI 12(METEMAMEN)		<u>1,250,000</u>	<u>1,250,000</u>
Sub total	<u>21,411,174</u>	<u>186,240,768</u>	<u>59,096,149</u>



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GRANTS TF A2302, TF A4038 and TF A4039

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
3.1 MFI's - sub total	<u>21,411,174</u>	<u>186,240,768</u>	<u>59,096,149</u>
Component 3.2 PSE's			
DAMA Trade		63,774,353	10,525,803
Temesgen Ayana Erena	5,536,350	5,536,350	
Universal Electronics		22,695,715	-
Rensys Engineering and Trade		20,807,004	14,718,338
Birtukan Yirga Yitayaw	8,277,049	8,277,049	
Meseret Mare Gebre	4,132,660	4,132,660	
Alphasol Mdular Energy	11,760,843	11,760,843	
Green Scene energy Plc.	1,396,424	1,396,424	
Tigest Tadesse G/Mariam	2,653,950	2,653,950	
Wondewosen Deneke Aboye	2,015,331	2,015,331	
BCAD Consulting Managment Plc	4,810,189	4,810,189	
DRHS General Business Plc.	8,938,125	8,938,125	
Green Hope trading Plc.	4,018,579	4,018,579	
Alviol General Trading Plc.	10,793,525	10,793,525	
MESAF Trading Plc	3,263,516	3,263,516	
EZOP- EL Engineering PLC		298,031	-
Vera International Business	54,365,749	165,968,520	28,386,803
Biftu Adugna Business SC		21,721,060	-
Lydet Co. PLC	19,413,391	43,794,909	16,092,802
Genet Nigussie (ETHIO-ADD)		2,200,000	-
SAT Import Trading PLC		8,324,076	8,324,076
Sub total	<u>141,375,682</u>	<u>417,180,210</u>	<u>78,047,822</u>
Component 4.2 Modernization Support			
Training and workshops		6,796,176	-
Operating costs	<u>760</u>	<u>2,835,189</u>	<u>385</u>
Sub total	<u>760</u>	<u>9,631,365</u>	<u>385</u>
Component 4.3 Outreach Programme - MOWIE			
Technical Assistance	=	<u>3,639,182</u>	=
Grant component 2			
Technical Assistance	<u>11,373,030</u>	<u>11,893,873</u>	<u>520,843</u>
Grand Total	<u>174,160,646</u>	<u>628,585,398</u>	<u>137,665,199</u>



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 IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2
 GRANTS TF A2302, TF A4038 and TF A4039
 ANALYSIS OF LOANS TO MFI's AND PSE's

	<u>Beginning</u> <u>advance</u> <u>balance</u> <u>ETB</u>	<u>Advances to</u> <u>MFI's</u> <u>ETB</u>	<u>Loans</u> <u>provided to</u> <u>beneficiaries/</u> <u>subcredits by</u> <u>MFI's</u> <u>ETB</u>	<u>Ending</u> <u>advance</u> <u>balance</u> <u>ETB</u>
To MFI's				
MFI 1 OCSSCO	3,750,000	3,750,000		7,500,000
MFI 2 Wasasa	896,159	1,250,000	896,158	1,250,001
MFI 3 DECSI	15,827,060		14,177,586	1,649,474
MFI 4 ACSI	21,250,000	17,500,000		38,750,000
MFI 5 OMO Microfinance	-			-
MFI 6 SPECIALIZED.F	1,258,024	3,750,000	8,024	5,000,000
MFI 7 HARBU.MF	1,148,555	1,250,000	1,148,555	1,250,000
MFI 8 PEACE	-	7,500,000	1,250,000	6,250,000
MFI 9 AGAR MF	1,250,000			1,250,000
MFI 10 VISION	605,250	5,000,000	3,105,250	2,500,000
MFI 11 MEKLIT	1,037,000	1,250,000	825,600	1,461,400
MFI 12 METEMAMEN	-	1,250,000		1,250,000
Sub-total	<u>47,022,048</u>	<u>42,500,000</u>	<u>21,411,174</u>	<u>68,110,874</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
ANALYSIS OF LOANS TO MFI's AND PSE's

To PSE's	<u>Beginning</u>	<u>Loans made</u>	<u>PSE</u> <u>documents or</u>	<u>Ending</u>
	<u>advance</u>	<u>(LC opened etc)</u>	<u>invoices</u>	<u>advance</u>
	<u>balance</u>	<u>by DBE</u>	<u>obtained/ LC</u>	<u>balance</u>
	<u>ETB</u>	<u>ETB</u>	<u>ETB</u>	<u>ETB</u>
Temesgen Ayana Erena	5,536,350		5,536,350	-
Universal Electronics		14,699,946		14,699,946
Rensys Engineering and Trade				-
Birtukan Yirga Yitayaw		11,390,379	8,277,049	3,113,330
Meseret Mare Gebre		7,161,320	4,132,660	3,028,660
Alphasol Mdular Energy		11,760,843	11,760,843	-
Green Scene energy Plc.		1,396,424	1,396,424	-
Solartech Renwable EnergyPlc		1,686,118		1,686,118
Tigest Tadesse G/Mariam		2,653,950	2,653,950	-
Wondewosen Deneke Aboye		2,015,331	2,015,331	-
BCAD Consulting Managment Plc.		12,100,596	4,810,189	7,290,407
DRHS General Business Plc.		13,266,828	8,938,125	4,328,703
Green Hope trading Plc.		4,018,579	4,018,579	-
Alviol General Trading Plc.		10,793,525	10,793,525	-
MESAF Trading Plc		3,263,516	3,263,516	-
Vera International Business		64,203,006	54,365,749	9,837,256
Lydet Co. PLC		19,413,391	19,413,391	-
Ever Bright Plc		2,617,103		2,617,103
Abebaye Abate Wasse		6,649,192		6,649,192
Hedasia Telecom share Company		23,547,628		23,547,628
BMLA Trading Plc		3,733,372		3,733,372
Genet Nigussie (ETHIO-ADD)		3,402,310		3,402,310
Sub-total	<u>5,536,350</u>	<u>219,773,357</u>	<u>141,375,682</u>	<u>83,934,025</u>
Sub-total - MFI's	<u>47,022,048</u>	<u>42,500,000</u>	<u>21,411,174</u>	<u>68,110,874</u>
Grand Total	<u>52,558,398</u>	<u>262,273,357</u>	<u>162,786,856</u>	<u>152,044,899</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

a) LOANS TO BENEFICIARIES REPAID

Loans provided to eligible private sector enterprises are short term. This is the total amount repaid through 30 June 2019.

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.





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የሂሳብ ምርመራ አገልግሎት ኮርፖሬሽን

**The Federal Democratic Republic of Ethiopia
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 2019, and 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 and annexes 1 to 4.

Managements' Responsibility for the Financial Statements

Management is responsible for preparation of financial statements that give 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.

Auditors' 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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**INDEPENDENT AUDITOR'S REPORT
TO DEVELOPMENT BANK OF ETHIOPIA (continued)**

Opinion

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 2019 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 to 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 relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which the financing was provided;
- goods, works and services financed have been procured in accordance with the relevant financing agreements including specific provisions of the World Bank Procurement Policies and Procedures;
- all necessary supporting documents, records and accounts have been maintained in respect of all Project activities;
- The Designated Accounts have been maintained in accordance with the provisions of the relevant financing agreements and funds disbursed out of the Accounts were used only for the purposes intended in the financing agreements;
- national laws and regulations have been complied with; and
- Except in MFI 9, the financial performance of the project was satisfactory.

Audit Services Corporation

30 December 2019



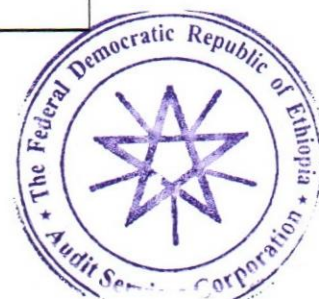
DEVELOPMENT BANK OF ETHIOPIA
ELECTRICITY NETWORK REINFORCEMENT AND
EXPANSION PROJECT
IDA CREDIT NO. 5126 ET, parts 3.1, 3.2, 4.2 and 4.3
IDA CREDIT NO. 5814 ET, parts 3.1 and 3.2
GRANTS TF A2302, TF A4038 and TF A4039
STATEMENT OF SOURCES AND USES OF FUNDS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2019 Ethiopian Birr	2018 Ethiopian Birr
FINANCING			
Gain on foreign exchange	3,908,916	35,628,978	12,407,186
Interest income	<u>23,203,848</u>	<u>72,304,692</u>	<u>12,780,133</u>
TOTAL FINANCING	<u>27,112,764</u>	<u>107,933,670</u>	<u>25,187,319</u>
PROJECT EXPENDITURES			
Modernization support	11,373,790	25,164,420	521,228
Interest expense	<u>7,979,957</u>	<u>32,897,111</u>	<u>6,727,355</u>
TOTAL PROJECT EXPENDITURES	<u>19,353,747</u>	<u>58,061,531</u>	<u>7,248,583</u>
EXCESS OF FINANCING OVER EXPENDITURES	<u>7,759,017</u>	<u>49,872,139</u>	<u>17,938,736</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 2019

	Notes	2019 Ethiopian Birr	2018 Ethiopian Birr
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Long term loans		<u>161,818,225</u>	<u>165,087,342</u>
CURRENT ASSETS			
Cash	3	149,047,265	69,208,588
Short term loans		173,075,790	54,199,547
Debtors	4	<u>311,652,037</u>	<u>266,190,812</u>
		<u>633,775,092</u>	<u>389,598,947</u>
TOTAL ASSETS		<u>795,593,317</u>	<u>554,686,289</u>
<u>LIABILITIES</u>			
GRANT	5	142,900,037	11,987,911
LONG TERM LIABILITIES			
Long term loan	6	599,235,288	497,718,183
CURRENT LIABILITIES			
Ministry of Finance		<u>3,585,851</u>	<u>2,867,073</u>
TOTAL LIABILITIES		<u>745,721,176</u>	<u>512,573,167</u>
NET ASSETS		<u>49,872,141</u>	<u>42,113,122</u>
<u>REPRESENTED BY</u>			
ACCUMULATED FUND		<u>49,872,141</u>	<u>42,113,122</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
NOTES TO THE FINANCIAL STATEMENTS

1 PROJECT INFORMATION

The Project was established to implement specific parts of IDA credit No. 5126 ET 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 Project is the establishment and operation of credit facilities providing financing to participating financing institutions 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 A 4039) from the Trust Fund for Energy SME Support in Sub-Saharan Africa. Under the terms of the new financing agreements, some parts of the Project 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

	2019 Ethiopian Birr	2018 Ethiopian Birr
3 BANK BALANCES		
National Bank of Ethiopia-		
A/c No.100381040073	125,562,745	3,881,624
A/c No.200011040002	562,653	4,312,653
A/c No.026151560000	2,432,901	2,294,150
A/c No.1011171300038	11,734,890	48,874,054
A/c No.1011713000390	2,914,076	9,846,107
A/c No.101171300045	2,920,000	-
A/c No.101171300043	<u>2,920,000</u>	<u>=</u>
	<u>149,047,265</u>	<u>69,208,588</u>
4 DEBTORS		
Intra-bank account	304,745,696	261,788,027
Interest receivable	<u>6,906,341</u>	<u>4,402,785</u>
	<u>311,652,037</u>	<u>266,190,812</u>
5 GRANT		
Withdrawn amount of a grant of five million United States dollars, representing the proceeds from USD 5200,000.	<u>142,900,037</u>	<u>11,987,911</u>



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

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 40 semi-annual instalments of Birr 13,975,870 each from June 2022 through December 2041.

7 DATE OF AUTHORIZATION

The Vice-President of the Bank authorized the issue of these financial statements on 30 December 2019.



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 period ended	30 June 2019
Account number	026151560000
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credit	IDA 5126 ET
Currency	USD

	USD	Equivalent in Ethiopian Birr
Opening balance at 30 June 2018	83,318.51	2,294,150.18
Add: Gain on foreign exchange	-	<u>138,750.32</u>
Ending balance at 30 June 2019	<u>83,318.51</u>	<u>2,432,900.50</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
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 in Ethiopian Birr
Opening balance at 30 June 2018	1,774,998.60	48,874,053.95
Add: Reimbursements from World Bank	<u>3,592,401.75</u>	<u>101,517,106.80</u>
	5,367,400.35	150,391,160.75
Less: Payments for expenses	<u>4,965,520.52</u>	<u>141,376,403.21</u>
	401,879.83	9,014,757.54
Add: Gain on foreign exchange	=	<u>2,720,133.50</u>
Ending balance at 30 June 2019	<u>401,879.83</u>	<u>11,734,891.04</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
Account number	101171300039
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credits	IDA 5126 ET; TF A2302
Currency	USD

	USD	Equivalent in Ethiopian Birr
Opening balance at 30 June 2018	357,589.05	9,846,107.22
Add: Reimbursements from World Bank	<u>4,479,665.26</u>	<u>125,263,885.89</u>
	4,837,254.31	135,109,993.11
Less: Payments for loan disbursements and expenses	<u>4,737,457.20</u>	<u>133,054,189.95</u>
	99,797.11	2,055,803.16
Add: Gain on foreign exchange	=	<u>858,272.46</u>
Ending balance at 30 June 2019	<u>99,797.11</u>	<u>2,914,075.62</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
Account number	101171300043
Depository bank	National Bank of Ethiopia
Address	Addis Ababa, Ethiopia
Related credit / grant	IDA 5126 ET; TF A4039
Currency	USD

	USD	Equivalent in Ethiopian Birr
Initial deposit from World Bank	100,000.00	2,824,120.00
Add: Gain on foreign exchange	=	<u>95,880.00</u>
Ending balance at 30 June 2019	<u>100,000.00</u>	<u>2,920,000.00</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
DESIGNATED ACCOUNT STATEMENT

For period ended	30 June 2019
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 in Ethiopian Birr
Initial deposit from World Bank	100,000.00	2,824,120.00
Add: Gain on foreign exchange	-	<u>95,880.00</u>
Ending balance at 30 June 2019	<u>100,000.00</u>	<u>2,920,000.00</u>



ANNEX 1

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 2019

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
RECEIPTS			
Deposits to Designated Accounts	232,429,233	742,135,327	50,931,042
Loans to beneficiaries repaid - Annex 4 note a)	146,666,231	420,571,861	75,596,818
Gain on foreign exchange	3,908,916	35,628,979	12,407,186
Interest received, net of paid - Annex 4 note b)	<u>13,439,113</u>	<u>36,087,091</u>	<u>4,926,365</u>
TOTAL RECEIPTS	<u>396,443,493</u>	<u>1,234,423,258</u>	<u>143,861,411</u>
USE OF FUNDS - ANNEX 2			
CREDITS			
Part 3.1 Loans provided to eligible household/ subcredit recipients by MFI's	21,411,174	186,240,768	59,096,149
Part 3.2 Loans provided to eligible private sector enterprises	141,375,682	417,180,210	78,047,822
Part 4.2 Modernization Support	760	9,631,365	385
Part 4.3 Outreach programme - MOWIE	-	3,639,182	-
GRANTS			
Part 2 Technical assistance to MFI's and DBE	<u>11,373,030</u>	<u>11,893,873</u>	<u>520,843</u>
TOTAL PAYMENTS	<u>174,160,646</u>	<u>628,585,398</u>	<u>137,665,199</u>
EXCESS OF RECEIPTS			
OVER USE OF FUNDS	<u>222,282,847</u>	<u>605,837,860</u>	<u>6,196,212</u>

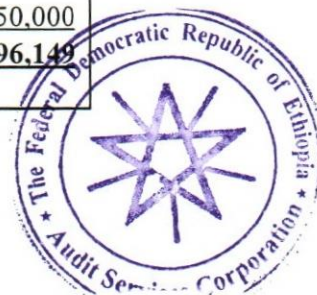
REPRESENTED BY

Cash at Bank - Designated Accounts	22,921,867
Cash at Bank - Local Accounts	126,125,398
Receivable from Development Bank of Ethiopia - Annex 4 - note c)	304,745,696
Advances to MFI's & PSE's, as yet unutilized - Annex 3	<u>152,044,899</u>
	<u>605,837,860</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

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
<u>USE OF FUNDS BY PROJECT COMPONENT</u>			
Component 3.1 MFI's			
Loans provided to eligible household/ subcredit recipients by MFI 1 (OCSCO)		21,763,498	15,000,000
Loans provided to eligible household/ subcredit recipients by MFI 2 (Wasasa)	896,158	6,916,643	226,593
Loans provided to eligible household/ subcredit recipients by MFI 3 (DECSI)	14,177,586	23,350,526	3,673,770
Loans provided to eligible household/ subcredit recipients by MFI 4 (ACSI)		85,671,500	25,000,000
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)	8,024	5,000,000	3,767,036
Loans provided to eligible household/ subcredit recipients by MFI 7(HARBU.MF)	1,148,555	2,500,000	631,000
Loans provided to eligible household/ subcredit recipients by MFI 8(PEACE)	1,250,000	3,750,000	2,440,000
Loans provided to eligible household/ subcredit recipients by MFI 9(AGAR MF)		-	-
Loans provided to eligible household/ subcredit recipients by MFI 10(VISION)	<u>3,105,250</u>	10,000,000	6,894,750
Loans provided to eligible household/ subcredit recipients by MFI 11(MEKLIT)	<u>825,600</u>	<u>1,038,600</u>	213,000
Loans provided to eligible household/ subcredit recipients by MFI 12(METEMAMEN)		<u>1,250,000</u>	<u>1,250,000</u>
Sub total	<u>21,411,174</u>	<u>186,240,768</u>	<u>59,096,149</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

	2019 Ethiopian Birr	Cumulative from 12 June 2012 to 30 June 2018 Ethiopian Birr	2018 Ethiopian Birr
3.1 MFI's - sub total	<u>21,411,174</u>	<u>186,240,768</u>	<u>59,096,149</u>
Component 3.2 PSE's			
DAMA Trade		63,774,353	10,525,803
Temesgen Ayana Erena	5,536,350	5,536,350	
Universal Electronics		22,695,715	-
Rensys Engineering and Trade		20,807,004	14,718,338
Birtukan Yirga Yitayaw	8,277,049	8,277,049	
Meseret Mare Gebre	4,132,660	4,132,660	
Alphasol Mdular Energy	11,760,843	11,760,843	
Green Scene energy Plc.	1,396,424	1,396,424	
Tigest Tadese G/Mariam	2,653,950	2,653,950	
Wondewosen Deneke Aboye	2,015,331	2,015,331	
BCAD Consulting Managment Plc	4,810,189	4,810,189	
DRHS General Business Plc.	8,938,125	8,938,125	
Green Hope trading Plc.	4,018,579	4,018,579	
Alviol General Trading Plc.	10,793,525	10,793,525	
MESAF Trading Plc	3,263,516	3,263,516	
EZOP- EL Engineering PLC		298,031	-
Vera International Business	54,365,749	165,968,520	28,386,803
Biftu Adugna Business SC		21,721,060	-
Lydet Co. PLC	19,413,391	43,794,909	16,092,802
Genet Nigussie (ETHIO-ADD)		2,200,000	=
SAT Import Trading PLC		8,324,076	8,324,076
Sub total	<u>141,375,682</u>	<u>417,180,210</u>	<u>78,047,822</u>
Component 4.2 Modernization Support			
Training and workshops		6,796,176	-
Operating costs	<u>760</u>	<u>2,835,189</u>	<u>385</u>
Sub total	<u>760</u>	<u>9,631,365</u>	<u>385</u>
Component 4.3 Outreach Programme - MOWIE			
Technical Assistance	=	<u>3,639,182</u>	=
Grant component 2			
Technical Assistance	<u>11,373,030</u>	<u>11,893,873</u>	<u>520,843</u>
Grand Total	<u>174,160,646</u>	<u>628,585,398</u>	<u>137,665,199</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
 ANALYSIS OF LOANS TO MFI's AND PSE's

	<u>Beginning</u> <u>advance</u> <u>balance</u> <u>ETB</u>	<u>Advances to</u> <u>MFI's</u> <u>ETB</u>	<u>Loans</u> <u>provided to</u> <u>beneficiaries/</u> <u>subcredits by</u> <u>MFI's</u> <u>ETB</u>	<u>Ending</u> <u>advance</u> <u>balance</u> <u>ETB</u>
To MFI's				
MFI 1 OCSSCO	3,750,000	3,750,000		7,500,000
MFI 2 Wasasa	896,159	1,250,000	896,158	1,250,001
MFI 3 DECSI	15,827,060		14,177,586	1,649,474
MFI 4 ACSI	21,250,000	17,500,000		38,750,000
MFI 5 OMO Microfinance	-			-
MFI 6 SPECIALIZED.F	1,258,024	3,750,000	8,024	5,000,000
MFI 7 HARBU.MF	1,148,555	1,250,000	1,148,555	1,250,000
MFI 8 PEACE	-	7,500,000	1,250,000	6,250,000
MFI 9 AGAR MF	1,250,000			1,250,000
MFI 10 VISION	605,250	5,000,000	3,105,250	2,500,000
MFI 11 MEKLIT	1,037,000	1,250,000	825,600	1,461,400
MFI 12 METEMAMEN	-	1,250,000		1,250,000
Sub-total	<u>47,022,048</u>	<u>42,500,000</u>	<u>21,411,174</u>	<u>68,110,874</u>



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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
ANALYSIS OF LOANS TO MFI's AND PSE's

To PSE's	<u>Beginning</u>	<u>Loans made</u>	<u>PSE</u> <u>documents or</u>	<u>Ending</u>
	<u>advance</u>	<u>(LC opened etc)</u>	<u>invoices</u>	<u>advance</u>
	<u>balance</u>	<u>by DBE</u>	<u>obtained/ LC</u>	<u>balance</u>
	<u>ETB</u>	<u>ETB</u>	<u>cancelled</u> <u>ETB</u>	<u>ETB</u>
Temesgen Ayana Erena	5,536,350		5,536,350	-
Universal Electronics		14,699,946		14,699,946
Rensys Engineering and Trade				-
Birtukan Yirga Yitayaw		11,390,379	8,277,049	3,113,330
Meseret Mare Gebre		7,161,320	4,132,660	3,028,660
Alphasol Mdular Energy		11,760,843	11,760,843	-
Green Scene energy Plc.		1,396,424	1,396,424	-
Solartech Renwable EnergyPlc		1,686,118		1,686,118
Tigest Tadesse G/Mariam		2,653,950	2,653,950	-
Wondewosen Deneke Aboye		2,015,331	2,015,331	-
BCAD Consulting Managment Plc.		12,100,596	4,810,189	7,290,407
DRHS General Business Plc.		13,266,828	8,938,125	4,328,703
Green Hope trading Plc.		4,018,579	4,018,579	-
Alviol General Trading Plc.		10,793,525	10,793,525	-
MESAF Trading Plc		3,263,516	3,263,516	-
Vera International Business		64,203,006	54,365,749	9,837,256
Lydet Co. PLC		19,413,391	19,413,391	-
Ever Bright Plc		2,617,103		2,617,103
Abebaye Abate Wasse		6,649,192		6,649,192
Hedasia Telecom share Company		23,547,628		23,547,628
BMLA Trading Plc		3,733,372		3,733,372
Genet Nigussie (ETHIO-ADD)		3,402,310		3,402,310
Sub-total	<u>5,536,350</u>	<u>219,773,357</u>	<u>141,375,682</u>	<u>83,934,025</u>
Sub-total - MFI's	<u>47,022,048</u>	<u>42,500,000</u>	<u>21,411,174</u>	<u>68,110,874</u>
Grand Total	<u>52,558,398</u>	<u>262,273,357</u>	<u>162,786,856</u>	<u>152,044,899</u>



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a) LOANS TO BENEFICIARIES REPAID

Loans provided to eligible private sector enterprises are short term. This is the total amount repaid through 30 June 2019.

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.

