

ENERGY DPG

November 12TH 2013

PAF 13: ENERGY REVIEW

CLUSTER I

S/N	KPA	Assessment Method Agreed by Sector Leads	Data Source & Frequency Assessment Date	Assessed by	Comments	Progress	Sector Review: Date & Venue
2	Restoring financial health of the energy sector	<p>i) Energy subsidy policy proposal completed by MEM by September 2013 (draft 1 published),</p> <p>ii) In FY2014, Government shall use a combination of tariff increases, commercial borrowing, and government subsidies to cover the financing gap in TANESCO. Government subsidies shall not exceed 2.5% of total expenditures (excluding consolidated funds services, wages, and development foreign),</p> <p>iii) Government, and TANESCO as</p>	Annual, Energy sector review, October 31, 2013	GBS (Lead - Sweden, UK). EDPG: Meeting with EDPG members and GBS on Nov. 11, 2013	<p>ii) 2014 refers to the budget year 2013/14. For 2013/14, the rating will be made against the budget.</p>	<p>i) Achieved - the draft 1 has been prepared;</p> <p>ii) The current rating is “not achieved”, but waiting for subsidy cap calculations from the Ministry of Finance. Upon receipt of the calculations (with references to information sources) from MOF, the assessment will be finalized.</p> <p>iii) Achieved, based on the information about the location and specifics of a gas-to-power plant received from TANESCO by e-mail on Nov. 6, 2013, as follows:</p> <ul style="list-style-type: none"> · Location: Mukuranga, Temeke district, Dar es Salaam · Plant capacity: 200MW · The size will depend on 	The joint energy sector review workshop was held on Oct. 31. The consultant finalizes the report and it will be submitted before the end of Nov.2013.

		<p>appropriate, have adopted concrete measures (including training, hiring transaction advisors if necessary, and completing necessary studies) to improve its technical and commercial capacity to develop PPP projects in the energy sector through transparent and competitive process, as well as to evaluate unsolicited proposals (where they have merits), including subjecting them to a competitive process.</p>				<p>the design and TANESCO will provide land</p> <ul style="list-style-type: none"> · The connection point will be at Mukuranga at 400kV voltage level · A gas supply will be from the gas pipeline which is under construction and will pass near the project site. The exact distance to be provided later · Two options for water supply will need to be assessed: Extension of water pipeline by the national water utility (DAWASCO) or a dip wells to be drilled near the project site. · Feasibility studies and ESIA will need to be carried out and financing assistance will be required. <p>There is an agreement between GBS and EDPG that this indicator will be re-assessed in January for the final rating.</p>	
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CLUSTER I

S/N	Outcome Indicator	Target	Assessment Method Agreed by Sector Leads	Data Source & Frequency	Assessment Date	Assessor	Assessment	Sector Review: Date & Venue
7	Total electricity installed capacity and availability in MW (MEM)	1,482 MW	The total installed capacity to generate electricity in MW by end October	TANESCO (monthly operational data for utilisation); verified by the sector group	Sector group - October 31	GoT: EDPGs:	Achieved	The same as above
8	% of population with a household connected to electricity (MEM)	17%	Methodology and definitions agreed - baseline to be constructed after which targets for 2013 and 2014 can be agreed.		Sector group - October 31	GoT: EDPGs:	Not assessed	The same as above
9	Plant Availability (%) (MEM)	80%	Actual availability (MW)/ installed generation capacity (MW) in September/October	TANESCO (annual operational data report); to be reviewed by the sector group	Sector group - October 31	GoT: DPs: Sweden	Preliminary assessed as achieved, awaiting the annual operational data report from TANESCO.	The same as above