

Highlights from the Multilateral Development Banks' Water and Power Pipelines September – November 2009

Compiled by International Rivers

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Note: All monetary figures are given in US dollars.

WORLD BANK

New Proposed Projects

Sources: World Bank Monthly Operational Summary

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:50004501~menuPK:63001537~pagePK:84269~piPK:60001558~theSitePK:84266,00.html>

and

Projects Portfolio

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/0,,menuPK:51563~pagePK:95873~piPK:95910~theSitePK:40941,00.html>

Bangladesh

Inland Water Transport Corridor

The objective will increase and sustain connectivity to economic activities using IWT. With the following components: (a) dredging of main river routes; (b) acquisition of dredging equipment); (c) strengthening of capacity of Dept. of Shipping; (d) acquisition of navigational aid equipment and pilot project to convert river ferries to CNG. Project Preparation is on hold pending.

Environmental Assessment Category A.

Bosnia and Herzegovina

Irrigation Development

The objective is to improve water resources planning and management for sustainable use of the water resources in irrigation and drainage as well flood control. Project Concept Review Meeting scheduled for 19 January 2010. Environmental Assessment Category B.

Cameroon

Lom Pangar Hydropower

The objective is to: (i) improve the availability, reliability and affordability of electricity supply to increase access for households and businesses, and (ii) address effectively the environmental, social and distributional risks of the project. Decision Meeting scheduled for 1 February 2010. Environmental Assessment Category A.

China

Anhui Shaying River Channel Improvement

The objective will upgrade 196.6 km long Shaying River to Grade IV (navigable for 500 DWT vessels) through river training and dredging works, and to improve six existing bridges to create clearance for navigation purpose. Identification scheduled for 15 December 2009. Environmental Assessment Category A.

China

Provincial Energy Efficiency Scale-up Program

The objective is to achieve energy savings through strengthening suitable provincial level policies, institutional and financial mechanisms in Shandong, Shanxi and Jiangxi Provinces. Decision Meeting scheduled for 14 May 2010. Environmental Assessment Category C. Project: P114182. \$0.0 (GEFU).

Guatemala

Guatemala Rural Electrification Program

The objective is to support improve and enhance the implementation of Guatemala's Plan de Electrificación Rural (PER) which commenced in 1999 using output-based payments to fund rural electrification. Environmental Assessment Category B.

Indonesia

Second Water Resources and Irrigation Sector Management

The objective is to: (a) support decentralized river basin and irrigation management; (b) rehabilitate and modernize Jatiluhur irrigation scheme on a partnership model; (c) improve river basin management and flood protection. Project Concept Review Meeting scheduled for 30 November 2009. Environmental Assessment Category B.

Lao People's Democratic Republic

GEF Rural Electrification APL Program Phase II

The objective is to support the Ministry of Energy and Mines (MEM) and Electricite du Laos (EdL) in expanding the national power network as well as off-grid systems. Decision Meeting scheduled for 24 September 2009. Environmental Assessment Category B.

Madagascar

Power Sect. Guarantee Facility

The objective of the Partial Risk Guarantee Facility is to facilitate private sector investment in Hydro Power Generation Facilities in Madagascar. The guarantee will cover the Government's obligations towards the independent Power Producer with regards to payments and regulatory risks. Project Concept Review Meeting scheduled for 21 December 2009. Environmental

Assessment Category A.

Madagascar

Second Power/Water Sectors Recovery and Restructuring APL

The objective is to lay the foundation for a sustainable expansion of a commercially-oriented utility in the most cost-efficient way by investing in strategically important areas such as: (i) HV interconnections of the main load-centres; (ii) preparation of the next large scale hydro facility; (iii) investments and TA necessary. Project Concept Review Meeting scheduled for 15 December 2009. Environmental Assessment Category A.

Peru

Third Programmatic Environmental Development Policy Loan

The objective is to support the Peruvian government's efforts to strengthen environmental governance and institutions and mainstream environmental sustainability in the development agenda of key sectors (mining, fisheries, and urban transport and energy). Concept note tentatively scheduled for May 2010. Environmental Assessment Category U.

Senegal

Electricity Efficiency Enhancement (Kounoune IPP): (Public Sector)

The objective is to improve efficiency in the power sector and meet increasing demand for electricity. An IDA partial risk guarantee of \$7.2 million was offered as an inducement for third-party co-financing of the investment project for which an IDA credit of \$15 million was approved by the Executive Directors on May 2005. Financial closure is pending.

Vietnam

Clean Production and Energy Efficiency

The objective is to reduce greenhouse gas (GHG) emissions through market-based mechanisms to scale-up the adoption of energy-efficient technologies in new and existing industrial facilities, and support energy efficiency improvement in large commercial and residential sectors, including promotion of more efficient electrical appliances. Project identification is underway. Environmental Assessment Category C.

INTERNATIONAL FINANCE CORPORATION

New Proposed Projects

Source: IFC Projects Database

<http://www.ifc.org/projects>

<http://www.ifc.org/disclosure>

Nepal

Butwal Power Co

<http://www.ifc.org/ifcext/spiwebsite1.nsf/f451ebbe34a9a8ca85256a550073ff10/2be84126bc3ccd b48525765800517059?opendocument>

The Andhi Khola Hydroelectric Project is a run-of-river installation located in Syangja District in western Nepal constructed by a development agency – the United Mission to Nepal – with second-hand equipment provided by the Norwegian government and commissioned in 1991. The project was originally conceived, and continues to operate, as a developmental anchor for rural

electrification, irrigation and small enterprise development initiatives in Syangja District. BPC proposes to upgrade the installed capacity of the existing project (“the Project”) from 5.1 MW to 9.4 MW by: installing new generation and electro-mechanical equipment in the underground powerhouse; increasing the volume of water diverted to the powerhouse by increasing the height of a diversion structure in the Andhi Khola stream up river of the powerhouse by 2.3 meters and improving other headwork structures, including the expansion of the desilting basin; and enlarging the tailrace that discharges water from the powerhouse to the Kali Gandaki River. Environmental Category B.

Panama

Pando Montelirio

<http://www.ifc.org/ifcext/spiwebsite1.nsf/f451ebbe34a9a8ca85256a550073ff10/af1ea9884de161a985257678007f78e7?opendocument>

The Pando and Monte Lirio power projects comprise a hydroelectric power development on the Chiriquí Viejo River (“CVR”) in Western Panamá. The Project involves the construction of two run-of-river hydroelectric power plants to be operated in cascade, totaling 85 MW in installed capacity (Pando, 33 MW and Monte Lirio, 52 MW) and 57.4 MW in firm capacity. The Project is expected to produce on average approximately 430 GWh per annum.

Pando is in the upper part of the CVR catchment area (@ 184 km²). The main dam of the project would be located about 4 km downstream and west from the city of Volcan. The development includes the construction of a 28 m high dam, 150 m long at the crest and 90 meters long at its foundation, that will create a daily regulation reservoir with a total capacity of 900,000 m³, a useful volume of 440,000 m³ with an average storage of 8 hours and covering an area of 180,000 m², a tunnel of 3.0 m in diameter and 5.1 km length, a 2.1 km long penstock and diameters of 2.4 to 1.9 meters; a 60 m high oscillation tank and a powerhouse with 32 MW of installed capacity split in two units. Monte Lirio would be immediately downstream of Pando with a catchment area of approximately 275 km². This development includes a 15 m high by 46 m long dam, total capacity of 90,000 m³, and a total surface area of approximately 1,500 m², a tunnel with a 3.2 m diameter and 8.2 km length; a 65.5 m high oscillation tank, penstock of 2.69 km long and diameters of 2.8 to 2.2 m, and a powerhouse with 52 MW of installed capacity split in two units.

Additionally, the Project also involves the construction of a 19 km of 230 Kv TL from the plant to an interconnection substation with the Central American Interconnection System (“SIEPAC”). The Project is being developed by Electron Investment S.A. (“EISA” or the “Company), a Panamanian company.

The Project cost is estimated to be \$291.7 million, of which \$109 million will be in equity from the Sponsors, \$153 million will be in senior debt, and US\$30 million will be in subordinated debt. The Project is expected to be financed on a 63:37 total debt/equity ratio. IFC’s proposed investment consists of a \$25 million A loan, a \$15 million C Loan and an IFC Swap with an initial loan-equivalent exposure amount of up to \$5 million. Environmental Category A. Projected Board date: January 28, 2010.

***The IADB is also considering support for this project, as noted in the June – August 2009 MDB Water and Power Pipeline update.*

ASIAN DEVELOPMENT BANK

New Proposed Projects

Sources: ADB Business Opportunities, Proposed Projects
<http://www.adb.org/Business/Opportunities/prprjcs.asp> and
ADB Projects Search, Proposed Projects
<http://www.adb.org/Projects/summaries.asp>

China

Developing Low Carbon Economy in Yunnan Province

<http://pid.adb.org/pid/TaView.htm?projNo=43051&seqNo=01&typeCd=2#addbo>

One of the key priorities of the 11th Five Year Plan (FYP) of the PRC is to improve energy efficiency by 20%, which is a flagship program of the PRC to address climate change and environmental challenges due to rapid economic growth. In 2006, five energy intensive industries consumed about 8.1 million TCE and accounted for about 85% of total energy consumption in Kunming. The Five Energy-intensive Industries are (i) iron and steel, consuming about 3.09 million TCE and accounting for about 33.7% of total energy consumption in Kunming; (ii) power generation, about 1.61 million TCE and 17.6%; (iii) chemical, about 1.49 million TCE and 12.3%; (iv) building material, about 1.04 million TCE and 11.4%; and (v) non-ferrous metal, 0.87 million TCE and 9.5%. The Mission and the provincial government agencies agreed to focus on these five energy-intensive industries, and reached a common understanding on the impact, outcome, scope of work, key activities and implementation arrangements of the TA. TA \$400,000 (Climate Change Fund).

China

Energy Efficiency Improvements in Inner Mongolia Autonomous Region

<http://pid.adb.org/pid/TaView.htm?projNo=40634&seqNo=03&typeCd=2#addbo>

The Project consists of the following: (i) rehabilitation of inefficient and polluting district heating systems; (ii) construction of natural gas distribution systems; (iii) comprehensive utilization of geothermal resources energy; and (iv) implementation of district heating sector reforms and capacity building. The possibility of qualifying clean development mechanism (CDM) under Kyoto Protocol for some subprojects will also be examined. TA \$500,000 (Climate Change Fund); Loan \$150 million (Ordinary Capital Resources).

China

MFF: Guangdong Energy Efficiency and Environment Improvement Investment Program -Tranche 2

<http://pid.adb.org/pid/LoanView.htm?projNo=39653&seqNo=03&typeCd=3#addbo>

To address the power shortage and environmental problems, both the PRC and Guangdong Provincial Governments have given the highest priority to energy efficiency. In the PRC's 11th Five-Year Plan, the Government has set an aggressive energy efficiency target for reducing energy consumption relative to economic growth by 20% between 2006 and 2010. Guangdong, being a relatively energy efficient province, has a target of improving energy efficiency by 16% between 2006 and 2010.

The outcome of this project will be an improvement in energy efficiency in industry and commercial sectors in Guangdong. The outputs include (i) establishment of an onlending model

that will enable an efficiency power plant (EPP) to be developed with annual 532 GWh energy savings and an equivalent 107 MW capacity, (ii) development of the energy service sector in Guangdong, (iii) development of capacity for promoting and assessing energy efficiency projects, and (iv) replication of the EPP model in other provinces. Implementation of the EPP will avoid consumption of 175,813 tons/year (t/y) of coal, resulting in emission reductions of 415,560 t/y of CO₂, 1,785 t/y of total suspended particulates, 4,795 t/y of SO₂, and 1,068 t/y of NO_x. Loan \$22.06 million (Ordinary Capital Resources).

Regional

Economics of Climate Change and Low Carbon Growth Strategies in Northeast Asia

<http://pid.adb.org/pid/TaView.htm?projNo=43421&seqNo=01&typeCd=2#addbo>

Republic of Korea, Japan, Mongolia and Peoples Republic of China. TA \$1 million (TA Special Fund).

INTER-AMERICAN DEVELOPMENT BANK

New Proposed Projects

Source: Projects Gateway, Projects in Preparation

<http://www.iadb.org/projects/index.cfm?language=English>

Barbados

Support for Sustainable Energy Framework for Barbados first phase (I)

<http://www.iadb.org/projects/project.cfm?id=BA-L1022&lang=en>

Category A, 2010. Ordinary Capital Policy Base Loan \$30 million.

Chile

Sustainable Energy in Chile

<http://www.iadb.org/projects/project.cfm?id=CH-L1048&lang=en>

Category A, 2010. Ordinary Capital Investment Loan \$35 million.

El Salvador

Access to Renewable Energy for Poor Communities in El Salvador

<http://www.iadb.org/projects/project.cfm?id=ES-S1015&lang=en>

The project wants to contribute to the economic and social improvement of groups located in areas of extreme poverty in the San Simon county, by means of facilitating their access to electric energy by the construction of a small hydroelectric unit (PCH) and the necessary equipment in the homes of that community under a scheme of project finance with a developer. Category A, 2010. Fund for Special Operations SEP and Small Project Financing \$1 million; Fund for Special Operations Nonreimbursable \$250,000.

AFRICAN DEVELOPMENT BANK

New Proposed Projects

Source: ADB Business Bulletin

<http://www.afdb.org/fr/documents/project-related-procurement/afdb-business-bulletin/>

The last ADB Business Bulletin available on the AfDB website is from May 2009.