



Dominica Geothermal Risk Mitigation Project (P162149)

LATIN AMERICA AND CARIBBEAN | Dominica | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 1 | ARCHIVED on 04-Jun-2019 | ISR37266 |

Implementing Agencies: The Government of the Commonwealth of Dominica, Dominica Geothermal Development Company

Key Dates

Key Project Dates

Bank Approval Date: 18-Mar-2019

Effectiveness Date: --

Planned Mid Term Review Date: --

Actual Mid-Term Review Date: --

Original Closing Date: 28-Feb-2026

Revised Closing Date: 28-Feb-2026

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the proposed Project is to help: a) diversify the domestic power generation mix in Dominica by integrating clean, renewable geothermal energy; and b) demonstrate the potential of larger development of the geothermal resource.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

DEVELOPMENT OF DOMESTIC GEOTHERMAL POWER GENERATION CAPACITY (SGPP):(Cost \$41.50 M)
CONTINGENT FINANCING IN AID OF ADDITIONAL DRILLING:(Cost \$9.00 M)
TECHNICAL ASSISTANCE FOR ADVANCING LGPP TO DEVELOPMENT STATUS AND SOLICITING PRIVATE SECTOR INVESTMENT:(Cost \$0.95 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● Substantial

Implementation Status and Key Decisions

The Project in the amount of US\$17.2 million IDA credit and 9.953 million CTF grant was approved by the Bank on March 18, 2019 with the objective to help: a) diversify the domestic power generation mix in Dominica by integrating clean, renewable geothermal energy; and b) demonstrate the potential of larger development of the geothermal resource. The Legal Agreements were signed on May 3, 2019 and effectiveness is awaiting the: (i) Submission to the Bank of a finalized Project Operations Manual (POM); (ii) Execution of the Subsidiary Agreement between the Government and DGDC to transfer funds lent/grated by the Bank and other sources ; (iii) Execution of the Power Purchase Agreement (PPA) between the Dominica Geothermal Development Company (DGDC) - the implementing agency - and the national power utility (DOMLEC), for the

sale of geothermal electricity produced by the Small Geothermal Power Plant (SGPP) to be constructed under the project; and, (iv) Cabinet approval of the Concession Agreement between the Government and DGDC for the use of the geothermal resource. While the project is yet to reach effectiveness, procurement activities are well advanced. The Bank has completed the review of bidding documents for the procurement of the EPC contract to be used for construction of SGPP, and recommended some selected revisions. DGDC is expected to resubmit the RfP by end of May, 2019 to the Bank for no-objection. Substantial progress has been achieved on the conditions precedent to the effectiveness and the team will continue to work closely with the Counterparts to meet the conditions and effectiveness deadline.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Moderate	--	● Moderate
Macroeconomic	● Substantial	--	● Substantial
Sector Strategies and Policies	● Moderate	--	● Moderate
Technical Design of Project or Program	● Substantial	--	● Substantial
Institutional Capacity for Implementation and Sustainability	● Substantial	--	● Substantial
Fiduciary	● Substantial	--	● Substantial
Environment and Social	● Substantial	--	● Substantial
Stakeholders	● Substantial	--	● Substantial
Other	● Substantial	--	● Substantial
Overall	● Substantial	--	● Substantial

Results

PDO Indicators by Objectives / Outcomes

Generation capacity of geothermal energy constructed under the Project (MW)				
► Generation Capacity of Geothermal Energy Constructed Under the Project (Megawatt, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	7.00
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Increased share of renewable energy capacity in the domestic generation mix (percentage)				
► Share of Renewable Energy Capacity in the Domestic Generation Mix (Percentage, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	24.70	--	24.70	51.00
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Preliminary feasibility of larger development of the geothermal field ascertained

►Preliminary Feasibility of Larger Development of the Geothermal Field (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Estimated GHG emissions reduction compared to a business-as-usual baseline (tCO2)

►Estimated GHG Emissions Reduction Compared to A Business-As-Usual Baseline (Tones/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	38,223.00
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Increased income generating opportunities for women

►Share of women employed in tourism activities facilitated by the project and/or by the Government in proximity of the power plant (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	60.00
Date	01-Jan-2019	--	20-May-2019	20-Dec-2028
Comments:	Women employment in activities planned to be financed by the Community Development Fund to be established under the Project.			

Intermediate Results Indicators by Components

Small Geothermal Power Plant (SGPP)

►Small Geothermal Power Plant (SGPP) Constructed (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	1.00
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028



Steam Above Ground System (SAGS)				
▶Steam Above Ground System (SAGS) Constructed (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100.00
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Insurance for Contingent Drilling				
▶Insurance for Contingent Drilling Established (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

(Pre) feasibility Study for the Large Geothermal Power Plant (LGPP)				
▶(Pre) feasibility Study for the Large Geothermal Power Plant (LGPP) Completed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Outreach to Market to Solicit Private Sector Interest to Invest in DGDC				
▶Outreach to Market to Solicit Private Sector Interest to Invest in DGDC Completed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Jan-2019	--	20-May-2019	29-Dec-2028

Gender and Geothermal Energy Workshop				
▶Gender and Geothermal Energy Workshop Conducted (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	01-Jan-2019	--	30-Apr-2019	20-Dec-2028



Data on Financial Performance

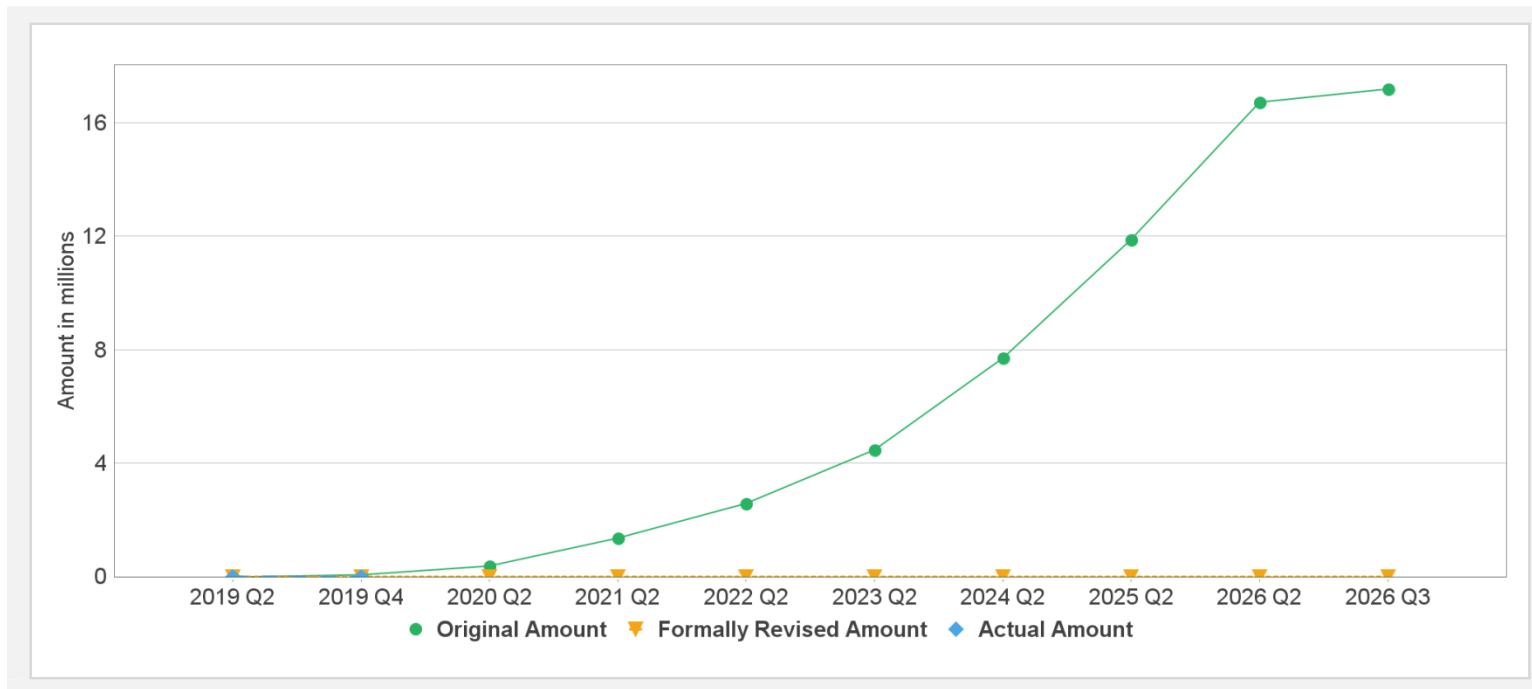
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P162149	IDA-63760	Not Effective	USD	17.20	17.20	0.00	0.00	16.97	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P162149	IDA-63760	Not Effective	18-Mar-2019	--	--	28-Feb-2026	28-Feb-2026

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)



There are no related projects.
