



Mocha Wind Park Project (P146055)

MIDDLE EAST AND NORTH AFRICA | Yemen, Republic of | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2014 | Seq No: 4 | ARCHIVED on 29-Dec-2015 | ISR22206 |

Implementing Agencies: Ministry of Electricity and Energy

Key Dates

Key Project Dates

Bank Approval Date:07-Mar-2014

Effectiveness Date:21-Aug-2014

Planned Mid Term Review Date:18-May-2016

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2019

Revised Closing Date:30-Jun-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The development objective of the Project is to increase the supply of cost-effective renewable wind electricity.

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

No

Components

Name

Physical Investment (US\$121 million): The proposed component will support the construction of a wind farm at Mocha of approximately 60 MW generation capacity.:(Cost \$121.00 M)

Consulting Services, Capacity Building and Market Development (US\$7.0 million): The proposed component consists of the following sub-components.:(Cost \$7.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Unsatisfactory	● Moderately Unsatisfactory
Overall Implementation Progress (IP)	● Moderately Unsatisfactory	● Moderately Unsatisfactory
Overall Risk Rating	● High	● High

Implementation Status and Key Decisions



The Project was approved by the Board of Directors on March 7, 2014. Grant agreement was signed on April 11, 2014. Implementation of the IDA and Trust Fund financed projects have been greatly affected by the situation prevailing in Yemen since January 19, 2015. As a precautionary measure, the Bank suspended all missions to Yemen as of January 23, 2015, closed the Sana'a office as of February 18th. The power struggle between Houthi forces and those loyal to President Hadi further escalated in March 2015 amid deepening political tensions and an uptick in sectarian violence. Following the Houthi advance towards crucial installations in Taiz and Aden, a coalition of ten countries, led by Saudi Arabia, launched a military campaign on March, 26, 2015, with airstrikes aimed at stopping the Houthis from taking more territory. In response to further deterioration of the security environment, on March 26, 2015, management initiated the next level of security plans and arrangements for remaining Sana'a-based staff, including staff relocation within Yemen or evacuation to Cairo.

The current political/security situation in Yemen has greatly affected the implementation of the projects, and our portfolio more generally. On February 10, the Bank initiated an assessment under OP7.30 on Bank's "Dealings with *de facto* Governments", which concluded that the security situation had deteriorated to the degree that the Bank was unable to exercise effective management over its projects. Specifically, the Bank's ability to communicate and coordinate with government counterparts has declined significantly; government counterparts cannot perform their obligations as agreed under the relevant legal agreements; project implementation areas are not accessible; the security environment is inadequate for Bank presence and supervision, making fiduciary monitoring and oversight extremely difficult. In light of this assessment, and pursuant to the legal agreements of IDA credits and grants, and trust fund grants, read together with the relevant provisions of the applicable General Conditions, and Standard Conditions, the Bank has suspended disbursements under the Yemen portfolio, including all IDA Credits and Grants and Grants administered under the Trust Funds as of March 11, 2015.

The situation also adversely impacted the implementation progress of this project. Specifically, the bid documents for supply and installation of the wind farm were issued in February in 2015, but had to be cancelled. It is not possible to start the technical assistance component as it is extremely unlikely that any consultant would be able to visit the country and participate in the bidding process under the prevailing adverse conditions.

The situation during the last six months (July-December 2015 period) had been practically the same and the Bank had to continue with the status of project's suspension.





Risks

Systematic Operations Risk-rating Tool

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

Results

Project Development Objective Indicators



► Economic Competitiveness of electricity generated by wind power (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.20	0.00	0.00	0.12
Date	01-Mar-2014	31-May-2015	15-Dec-2015	01-Mar-2018

► Electricity generated from wind power (Gigawatt-hour (GWh), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	180.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2018

► Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	920000.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2018

▲ Female beneficiaries (Percentage, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	460000.00

► Generation Capacity of Renewable Energy (other than hydropower) constructed (Megawatt, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00



Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2017
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▲ Generation Capacity of Renewable Energy constructed – Wind (Megawatt, Core Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2017

Overall Comments

Intermediate Results Indicators

▶ Wind capacity Availability (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	97.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2018

▶ Number of Staff trained (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.0	0.0	30 Man-month
Date	01-Mar-2014	31-May-2015	15-Dec-2015	30-Dec-2018



► Wind Measurement masts installed (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2017

► Consulting services for market development performed (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2017

► Progress in procuring engineering consultant (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	Y	N	Y
Date	--	31-May-2015	15-Dec-2015	--

► Procurement Progress (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2015



► Construction Progress (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100.00
Date	01-Mar-2014	31-May-2015	15-Dec-2015	31-Dec-2017

► SPC created and operational (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	01-Mar-2014	31-May-2015	15-Dec-2015	30-Jun-2017

Overall Comments

Data on Financial Performance

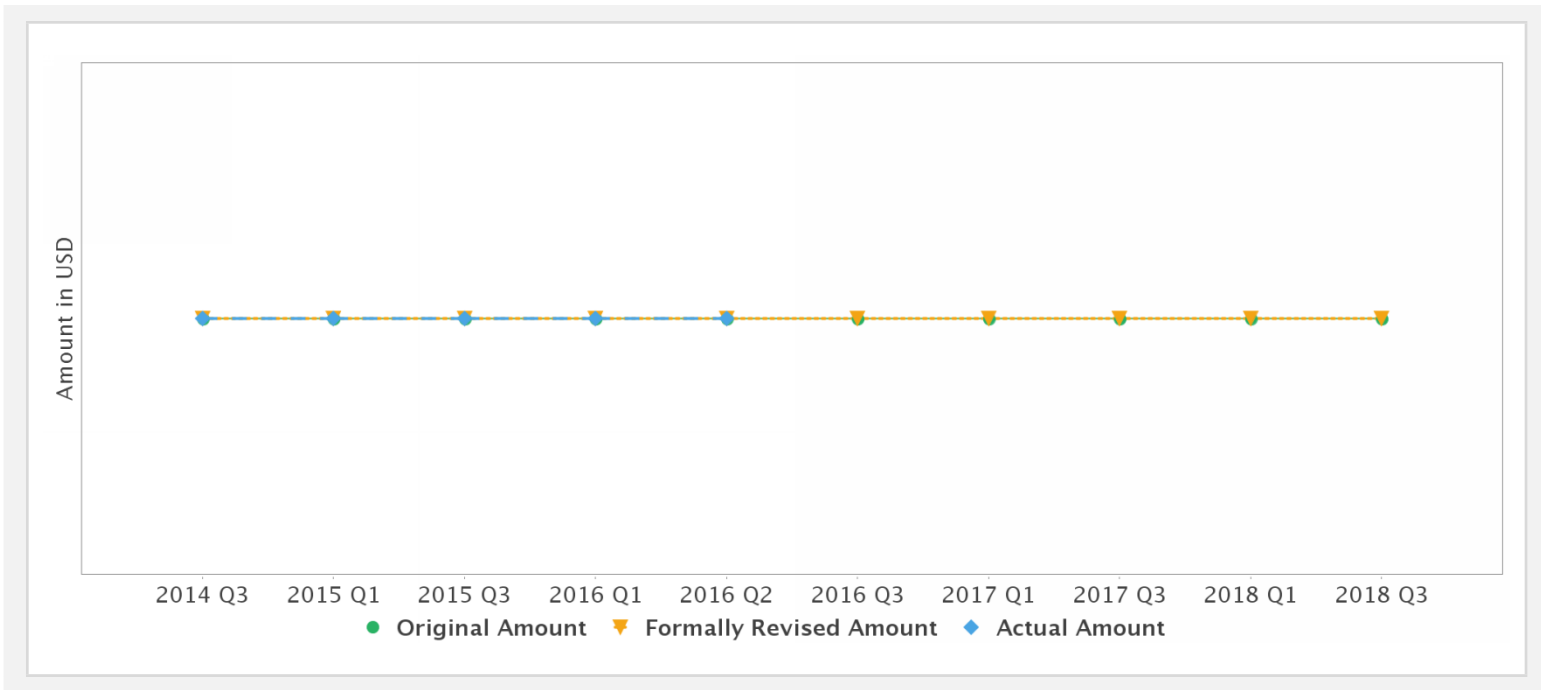
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P146055	IDA-H9180	Effective	XDR	13.00	13.00	0.00	0.00	13.00	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146055	IDA-H9180	Effective	07-Mar-2014	11-Apr-2014	21-Aug-2014	30-Jun-2019	30-Jun-2019

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.