

**Implementation Status & Results
Nicaragua
Offgrid Rural Electrification (PERZA) (P073246)**

Operation Name: Offgrid Rural Electrification (PERZA) (P073246)	Project Stage: Implementation	Seq.No: 21	Status: ARCHIVED	Last Modified Date: 15-Jul-2011
Country: Nicaragua	Approval FY: 2003			
Product Line: IBRD/IDA	Region: LATIN AMERICA AND CARIBBEAN	Lending Instrument: Specific Investment Loan		
Implementing Agency(ies): Ministerio de Energia y Minas				

Key Dates

Board Approval Date	15-May-2003	Original Closing Date	31-Dec-2008	Planned Mid Term Review Date	Last Archived ISR Date	22-Feb-2011
Effectiveness Date	28-Nov-2003	Revised Closing Date	31-Dec-2011	Actual Mid Term Review Date		

Project Development Objectives

Offgrid Rural Electrification (PERZA) (P073246)

Project Development Objective (from Project Appraisal Document)

To support the sustainable provision of electricity services and associated social and economic benefits in selected rural sites in Nicaragua, and strengthen the GOVERNMENT'S institutional capacity to implement its national rural electrification strategy. This would be accomplished by (i) supporting the Government in the design and implementation of its national rural electrification strategy; (ii) implementing innovative public/private off-grid electricity delivery mechanisms in several pilot sites for later replication on a national scales; and (iii) demonstrating in the pilot areas the potential of targeted rural microfinance and business development services (BDS) to significantly enhance the development impact of rural electrification.

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

- Yes No

Nicaragua Off-Grid Rural Electrification (P075194)

Global Environmental Objective (from Project Appraisal Document)

The Project's global environmental objective is to achieve greenhouse gas (GHG) reductions through the reduction of policy, information, financing and institutional capacity barriers that currently hinder renewable energy technology (RET) dissemination and market development in Nicaragua (GEF Operational Program No. 6). In support of this objective, the Project will engage the private sector in commercially sustainable activities that reduce long-term implementation costs and offer a strong potential for nationwide replication in Nicaragua and other Central American countries.

Has the Global Environmental Objective been changed since Board Approval of the Program?

- Yes No

Component(s)

Component Name	Component Cost
RURAL ELECTRIFICATION AND RENEWABLE ENERGY POLICIES AND STRATEGY	1.10
RURAL ELECTRIFICATION SUB-PROJECTS	17.19
MICROFINANCE SERVICES FOR RURAL SUB-PROJECTS	1.34
BUSINESS DEVELOPMENT SERVICES (BDS) FOR RURAL SUB-PROJECTS	0.68
SOCIAL STRATEGY, CONSULTATIONS AND COMMUNICATION ACTIVITIES	0.89
PROJECT MANAGEMENT AND INSTITUTIONAL STRENGTHENING	1.78

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Satisfactory
Progress towards achievement of GEO	Moderately Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Satisfactory
Overall Risk Rating	NA	

Implementation Status Overview

1. The achievements from PERZA include:

- (a) installation of individual solar home systems (SHS) to provide electricity to 6,863 remote rural households or more than 41,000 people;
- (b) installation of seven solar photovoltaic charging stations;
- (c) completion of three interconnections from isolated systems to the Interconnected National System, two of which are supported by small hydro generation; and
- (d) joint development of the Programa Nacional de Electrificación Sostenible y Energía Renovable para Nicaragua (PNESER).

The closing date has been extended for an additional 18 months, from June 30, 2010 to December 31, 2011.

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Value	Baseline	Current	End Target
1.1 Adoption of a sustainable national rural electrification (RE) strategy by MEM, which integrates off-grid solutions and reflects the social diversity between the Atlantic and the Pacific zones	<input type="checkbox"/>	Text	Value	n/a	met	adopted
			Date			31-Dec-2011
			Comments			
2.7 At least 7,000 total new connections with mini-grids and individual systems (SHS, batteries)	<input type="checkbox"/>	Text	Value	0	met	7,000
			Date		209	31-Dec-2011
			Comments			

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Global Environmental Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
1.1 Actual tons of CO2 abated by pilot projects, reaching a total of 10,000 tons by the end of the PERZA project	<input type="checkbox"/>	Text	Value	0	to be determined	10,000
			Date	01-Jan-2005	31-Dec-2010	31-Dec-2011
			Comments		22,927 kg of CO2 avoided per day	167, 367 tCO2eq/over 20 yrs

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
C2.2 Investment by new concessionaires (US\$ millions) (Measured as of disbursement commitment to date) (Investments not funded by PERZA)	<input type="checkbox"/>	Text	Value	0		(2004) -1.85 (2005) - 4.57 (2006) - 5.22 (2007) - 6.42 (2008) - 6.42
			Date	23-Apr-2003	15-Jan-2009	31-Dec-2011
			Comments		INVALID INDICATOR	
COMPONENT 3&4: BDS & MFI IMPACT ON ELECTRIFICATION: 3.1 Number of Microfinance Institutions offering loans for home connectionsand other productive uses.	<input type="checkbox"/>	Text	Value	0		(2004) - 3 (2005) - 3 (2006) - 4 (2007) - 4 (2008) - 5
			Date	23-Apr-2003	15-Apr-2009	31-Dec-2011
			Comments		INVALID INDICATOR	
Component 1: Improving Rural Electrification and Renewable Energy Policies and Strategies	<input type="checkbox"/>	Text	Value			
			Date	01-Jan-2003		31-Dec-2011
			Comments			
1.1 Rationalized policies for rural electrification, including price and subsidy policies, officially adopted	<input type="checkbox"/>	Text Sub Type Supplemental	Value	Study finalized in 2005		adopted
			Date			
			Comments			
2.1 At least 1 MW of decentralized systems established at end of Project, operated by private sector	<input type="checkbox"/>	Text Sub Type Breakdown	Value	0	met	1 MW
			Date			31-Dec-2011
			Comments			
1.2 FODIEN reorganized and functioning	<input type="checkbox"/>	Text Sub Type	Value	Study finalized in 2004	met	implemented
			Date			

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Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
		Supplemental	Comments			
1.3 New regulatory framework for off-grid electrification adopted	<input type="checkbox"/>	Text	Value			adopted
		Sub Type	Date			
		Supplemental	Comments			
Component 2: Implementing Rural Electrification Pilot Projects	<input type="checkbox"/>	Text	Value			
			Date			31-Dec-2011
			Comments		4 mini-hydros (two interconnected to the grid, two in construction), one grid extension, 6,863 SHS, and 7 battery stations	
2.2 At least 2 PV companies accredited and marketing systems nationwide, and at least 3,000 additional stand-alone PV systems installed at end Project	<input type="checkbox"/>	Text	Value	0		2 PV companies 3,000 PV systems
		Sub Type	Date		31-Dec-2008	31-Dec-2011
		Breakdown	Comments			
2.3 At least 5 new PERZA private concessionaires	<input type="checkbox"/>	Text	Value	0		5
		Sub Type	Date			31-Dec-2011
		Breakdown	Comments			
2.4 At least 100 kW of total installed PV capacity for all types of users	<input type="checkbox"/>	Text	Value	0		100 kW
		Sub Type	Date			31-Dec-2011
		Breakdown	Comments			
Component 3: Provision of Microfinance Services to Low-income Households and Micro- and Small Business	<input type="checkbox"/>	Text	Value			
			Date			31-Dec-2011
			Comments			
3.1 At least 30% of households and businesses that connect to systems use microfinance services	<input type="checkbox"/>	Text	Value	0		at least 30%
		Sub Type	Date			31-Dec-2011
		Breakdown	Comments			
3.2 Microfinance products and delivery models suited for household and businesses have been developed in pilot areas	<input type="checkbox"/>	Text	Value			adopted
		Sub Type	Date			31-Dec-2011
		Breakdown	Comments			

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3.3 MFIs cover all costs related to providing services to project sites by end of project	<input type="checkbox"/>	Text Sub Type Breakdown	Value		met	completed
			Date			31-Dec-2011
			Comments			
3.4 At least 5 microfinance institutions offering loans for rural electrification	<input type="checkbox"/>	Text Sub Type Breakdown	Value	0		5 - MFI
			Date			31-Dec-2011
			Comments			
Component 4: Provision of Business Development Services	<input type="checkbox"/>	Text	Value			
			Date			31-Dec-2011
			Comments			
4.1 Increased access to BDS (e.g. skills, training and market information) for MSBs in project areas	<input type="checkbox"/>	Text Sub Type Breakdown	Value			
			Date			31-Dec-2011
			Comments			
4.2 Number of clients served by the BDS providers	<input type="checkbox"/>	Text Sub Type Breakdown	Value	0		43
			Date			31-Dec-2011
			Comments			
4.3 BDS Client Satisfaction (at least 80% find BDS satisfactory)	<input type="checkbox"/>	Text Sub Type Breakdown	Value	80%		at least 80%
			Date			31-Dec-2011
			Comments			
Component 5: Promoting Project Communication and Social Participation	<input type="checkbox"/>	Text	Value			
			Date			31-Dec-2011
			Comments			
5.1 A community development action plan is elaborated by thirty percent of community members and enjoys community ownership	<input type="checkbox"/>	Text Sub Type Breakdown	Value	0		completed
			Date			31-Dec-2011
			Comments			
5.2 Seventy five percent of community leaders participate in follow ups and community training during the life of the project	<input type="checkbox"/>	Text Sub Type Breakdown	Value	75%		completed
			Date			31-Dec-2011
			Comments			
Component 6: Support to project management	<input type="checkbox"/>	Text	Value			
			Date			31-Dec-2011

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6.1 Monitoring and Evaluation of the Project adequately performed by MEM and reflected in progress reports	<input type="checkbox"/>	Text Sub Type Breakdown	Comments			
			Value	0		completed
			Date			31-Dec-2011
6.2 PMU manages pilot projects competently and in a timely manner	<input type="checkbox"/>	Text Sub Type Breakdown	Comments			
			Value	0		completed
			Date			31-Dec-2011
Volume of Bank Support: Lines of Credit - Microfinance	<input checked="" type="checkbox"/>	Amount(USD)	Comments			
			Value	0.00		
			Date			
Volume of Bank Support: Institutional Development - Microfinance	<input checked="" type="checkbox"/>	Amount(USD)	Comments		In the process of gathering the information	
			Value	0.00		
			Date			

Data on Financial Performance (as of 31-May-2011)

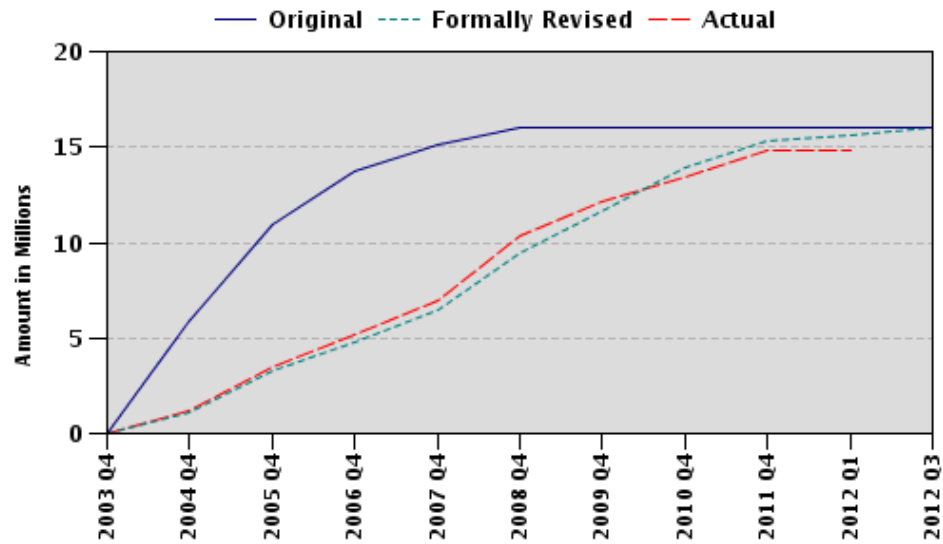
Financial Agreement(s) Key Dates

Project	Loan No.	Status	Approval Date	Signing Date	Effectiveness Date	Closing Date
P073246	IDA-37600	Effective	15-May-2003	27-May-2003	28-Nov-2003	31-Dec-2011
P073246	IDA-3760A	Closed	15-May-2003	27-May-2003	28-Nov-2003	31-Dec-2008
P075194	TF-51960	Effective	27-May-2003	27-May-2003	28-Nov-2003	31-Dec-2011

Disbursements (in Millions)

Project	Loan No.	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P073246	IDA-37600	Effective	USD	11.15	11.15	0.00	10.88	1.67	98.00
P073246	IDA-3760A	Closed	USD	0.85	0.85	0.00	0.93	0.00	109.00
P075194	TF-51960	Effective	USD	4.02	4.02	0.00	3.03	0.99	75.00

Disbursement Graph



Key Decisions Regarding Implementation

None.

Restructuring History

Level one Approved on 24-Jun-2010

Related Projects

P075194-Nicaragua Off-Grid Rural Electrification