

GUYANA: UNSERVED AREAS ELECTRIFICATION PROGRAM (UAEP)			
LOGICAL FRAMEWORK			
Cause & Effect	Performance Indicators	Monitoring & Evaluation	Assumptions
Project Goals			Goal to Super goal
1. Increased socio-economic development and reduced poverty in Guyana	1.1 Increased per capita income 1.2 Increased employment rate 1.3 Increased productivity in industry, agriculture 1.4 Improved health services 1.5 Increased access to electricity 1.6 Improved educational opportunities	1.1.1- Bureau of Statistics / National 1.2.1 surveys	1
Project Purpose			Purpose to Goal
1. Improved quality of life and increased economic activity for target population (previously unserved low-income areas)	1.1 All new consumers use electricity instead of kerosene and other means for lighting purposes 6 months after they have been served, measured annually. 1.2 65% of recently served households achieve 90% of national average for ownership of electrical appliances by 2010. 1.3 30% of the newly connected schools in coastal areas have information technology by 2008, 60% by 2010, 80% by 2012 1.4 2 community centers in the hinterland have access to electricity and computer by the end of 2009 1.5 Newly connected areas reach 80% of national level for small businesses by 2015, based on a baseline from 2004	1.1.1 GPL's consumer portfolio for data on UAEP consumers. 1.2.1 Bureau of Statistics/ special survey 1.3.1 Administrative data of Ministry of Amerindian Affairs. 1.4.1 Ministry of Local Government 1.5.1 Bureau of Statistics for baseline data (2004) /special survey	1. Other infrastructure (information and communications technology) and social programs (education and health) in Guyana are completed according to their purpose. 2. Adequate macro-economic framework 3. Stable social and political conditions

Cause & Effect	Performance Indicators	Monitoring & Evaluation	Assumptions
Project Outputs	Output to Purpose		
<p>1. Investment component</p> <p>(a) Grid Connections : Electrification program in the coastal region implemented and operational</p> <p>(b) Loss Reduction: (i) Assessment and prioritization of loss reduction activities completed; (ii) GPL received technical and institutional support; and (iii) non-transmission investments in loss reduction carried out.</p> <p>(c) PPA negotiations: Independent Power Producers supply power to the grid.</p> <p>(d) Performance Indicators: GPL's quality of service and overall efficiency improved.</p>	<p>1.1 Installation of new connections by GPL; 6,000 in 2005, 6,000 in 2006, 8,000 in 2007, 8,000 in 2008, 2,000 in 2009</p> <p>1.3 (i) Loss reduction strategy approved by GPL's Board by August 2005; and (ii) GPL losses reduced to 35% by December 2006, and to 30% by December 2008.</p> <p>1.4 GPL receive support for negotiation of at least 2 Power Purchase Agreements from international legal specialists by March 2005.</p> <p>1.5 GPL achieve: (i) Net System Average Interruption Frequency Index of 120 by 2005, 100 by 2006, 80 by 2007 and 55 by 2008; (ii) Net Customer Average Interruption Frequency Index of 200 by 2005, 160 by 2006, 140 by 2007 and 96 by 2008; (iii) Average Availability of 80% in 2005 and 85% in 2008; (iv) billing complaints and queries resolved by GPL within 35 days by December 2005 and 28 days by December 2006; and (v) Bills issued to consumers and revenue for sale of electricity collected within days of billing period as follows: 69 in 2005, 66 in 2006, 63 in 2007, and 60 in 2008.</p>	<p>1.1.1 GPL quarterly reports to Office of the Prime Minister (OPM)</p> <p>1.3.1 (i) Contracts with loss reduction specialists and the respective reports; (ii) GPL's loss reduction strategy; (iii) Loss reduction implementation plan; (iv) Monthly management reports; (v) Annual report; and (vi) any performance report submitted to the Public Utilities Commission (PUC) or GPL's Board.</p> <p>1.4.1 Contract with legal specialists and signed PPAs.</p> <p>1.5.1 GPL's monthly management reports, Annual report and any performance report submitted to the Public Utilities Commission (PUC).</p>	<p>1.1 Ability and willingness by consumers to pay the connection and electricity charges</p> <p>1.2 Newly connected consumers use the electricity provided in an economically and socially productive manner</p> <p>1.3 GPL will make timely availability of generation and transmission investments.</p> <p>1.3. The loss reduction techniques will produce (i) the contemplated benefits.</p> <p>1.4 GPL will be able to satisfy collateral requirements of Independent Power Producers.</p> <p>1.5 The regulatory mechanisms are adequate to effectively monitor GPL's compliance with operating standards.</p>

<p>2. Hinterland project preparation component Sustainable, cost-efficient and socio-environmentally friendly electrification program for hinterland communities developed and demonstration projects completed.</p>	<p>2.1 Evaluation of the options and requirements for hinterland electrification completed by end of second quarter in 2005.</p> <p>2.2 Comprehensive strategy for Hinterland Electrification approved by Cabinet and made public by OPM by third quarter 2005.</p> <p>2.3 Two (2) sustainable demonstration projects based on the strategy for Hinterland Electrification and independent supervision and evaluation of the projects completed by December 2006 and two (2) additional systems completed by December 2008 to bring the total up to at least four (4).</p>	<p>2.1.1 Consultant's report.</p> <p>2.2.1 Strategy-paper for Hinterland Electrification issued by OPM on its web site and Cabinet decision</p> <p>2.3.1 M & E reports, site visits</p>	<p>2.1 Community cooperation and willingness to ensure sustainability of institutional model applied.</p>
<p>3. Institutional strengthening and capacity building Legal, Regulatory and Institutional Reforms developed and implemented.</p>	<p>3.1 Steering Committee at OPM functional and Project Implementation Unit (PIU) at OPM and dedicated UAEP staff at GPL operational by October 2004.</p> <p>3.2 New wiring regulations and technical standards for the electricity sector brought into effect by December 2004.</p> <p>3.3 Electrical Inspector's Department restructured and training provided to vocational technical institutions and electrical inspectors by June 2005.</p> <p>3.4 Government's re-privatization strategy completed by December 2005 and the privatization process initiated by the 1st quarter of 2006.</p>	<p>3.1.1 Minutes of meetings of the Project Steering Committee.</p> <p>3.2.1 Supervision reports on training and training program</p> <p>3.3.1 Supervision reports and staff contracts</p> <p>3.4.1 (i) Copy of Government's privatization strategy; (ii) Contract with specialists on privatization; and (iii) Information Memorandum regarding privatization.</p>	<p>3.1 Government's support for institutional reforms, including privatization. Foreign and local investors are willing to invest in electric utilities in developing countries.</p>

Cause & Effect	Performance Indicators	Monitoring & Evaluation	Assumptions
Project Activities	Inputs		Activity to Output
INVESTMENT COMPONENT	Output 1: US\$ 25.998 million		
1.1 Physical works to expand distribution system.	1.1 US\$ 15,500,000	1.1.1- Budgets and timetables, Work 1.1.3 Plan, M & E system	1 Availability of skilled labour, competent trainers and trainees
1.2 Project Implementation Unit at GPL to be established and operational	1.2 US\$ 1,400,000	1.1.4 Respective bid documents and award of contracts	2 Villages and squatter schemes are regularized prior to selection of subproject for electrification
1.3 Tariff rebalancing carried out within the full scope of GPL's license with less than full rebalancing only for lifeline rates	1.3 US\$ 0	1.1.5 GPL's interim and final return certificates. Annual and mid-term reviews.	3 The terms and conditions of the Project Agreement between GoG and GPL are implemented
1.4 GPL PPA support	1.5 US\$ 250,000		4 GPL has adequate plans for addressing generation and transmission requirements projected in its Development & Expansion Programme
1.5 Assessment and prioritisation of loss reduction and investments	1.6 US\$ 8,198,000		5 Active and coordinated support by GOG and sector institutions as well as operational support by GPL
1.6 Technical and Institutional Support for Loss Reduction	1.7 US\$ 400,000		6 GPL operations and investments conducted according to approved Environmental Management System
1.7 Financial and operational audits	1.8 US\$ 125,000		
HINTERLAND PROJECT PREPARATION	Output 2: US\$ 3.618 million		
2.1 Assessment of options and definition of a strategy for demonstration projects	2.1 US\$ 198,000		7 GOG fosters full community participation in Hinterland Project Development, and establishes a framework for sustainable, administration, operation and maintenance of Demonstration Projects.
2.2 Feasibility studies and technical designs of selected demonstration projects	2.2 US\$ 150,000		
2.3 Construction of demonstration projects	2.3 US\$ 3,200,000		
2.4 Independent supervision of projects	2.4 US\$ 70,000		

INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING		Output 3: US\$ 1.982 million		
3.1	Project Implementation Unit at OPM to be established	3.1 US\$694,000		8 Appropriate legal, regulatory and institutional reforms are enacted and implemented
3.2	Review of legal, regulatory and institutional framework	3.2 US\$ 50,000		9 Trained personnel will remain in their jobs after completion of the training
3.3	Framework for a monitoring and evaluation system of the complete UAEP	3.3 US\$ 200,000		
3.4	Technical Assistance and Capacity Building	3.4 US\$ 300,000		
3.5	Reprivatisation Advisory Services	3.5 US\$ 500,000		
3.6	PPF GY 0067 PPA studies	3.6 US\$ 238,000		
OTHER COSTS		Output 4: US\$ 2.802 million		
4.1	Contingencies	4.1 US\$ 2,117,000		
4.2	Financial costs	4.2 US\$ 685,000		