Somali Electricity Sector Recovery Project (P173088)

EASTERN AND SOUTHERN AFRICA | Somalia | IBRD/IDA | Investment Project Financing (IPF) | FY 2022 | Seq No: 7 | Archived on 11-Apr-2025 | ISR03701

Implementing Agencies: Federal Ministry of Energy and Water Resources (MoEWR), Ministry of Energy and Minerals, Somaliland, Ministry of Finance, Federal Republic of Somalia, Ministry of Finance, Somaliland

1. OBJECTIVE

1.1 Development Objective

Original Development Objective (Approved as part of Approval package on 08-Dec-2021)

The Project Development Objective is to increase access to lower cost and cleaner electricity supply in project areas and to reestablish the electricity supply industry.

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

No

2. COMPONENTS

Name
Component 1 –Subtransmission and distribution network reconstruction, reinforcement and operations efficiency in the major load centers of Mogadishu and Hargeisa:(Cost 75,000,000.00)
Component 2 –Hybridization and battery storage systems for minigrids:(Cost 20,000,000.00)
Component 3 – Stand-alone solar off-grid access to public institutions (health and education):(Cost 40,000,000.00)
Component 4 -Institutional development and capacity building:(Cost 15,000,000.00)

3. OVERALL RATINGS

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

4. KEY ISSUES & STATUS

4.1 Implementation Status and Key Decisions

The project is on track to meet its objectives. Works for solarisation of education and health instituitions is ongoing in several Federal Member States whereas selection of contractors for installation of Solar PV and Battery Energy Storage Systems for selected load centers is ongoing.

5. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval Approval Package - 08 Dec 2021	Last Approved Rating ISR Seq. 06 - 13 Dec 2024	Proposed Rating
Political and Governance	High	High	High
Macroeconomic	Substantial	Substantial	Substantial
Sector Strategies and Policies	Moderate	Moderate	Moderate
Technical Design of Project or Program	Moderate	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	Substantial	Substantial	Substantial
Fiduciary	Substantial	High	High
Environment and Social	High	High	High
Stakeholders	Moderate	Moderate	High
Overall	Substantial	Substantial	Substantial

6. RESULTS

6.1 PDO Indicators by PDO Outcomes

Increase access to lower cost and cleaner electricity, re-establish the electricity supply industry								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Increase in electricity supply (Megawatt hour(MWh))	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	237,000.00	Jul/2027
	Comments on achieving targets		The indicator will track the additional electricity supply provided as a result of: a) technical loss reduction and synchronization under component 1; b) increase in enegy supply from the installed SPV+BESS under Component 2 and c) off-grid solar generation from component 3. Based on on the preliminary designs completed for Componets 2&3, the systems will have the capacity to suppy about 100,000MWh (target to be reviewed at the MTR stage)					
Generation capacity of energy constructed or rehabilitated (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	23.00	Jun/2026
	Comments on achieving targets		This will include (i) Capacity of SPV systems installed under Componnt 2&3. The preliminary designs indicate that at least a capacity of 50MW shall be installed.					
Renewable energy generation capacity (other than hydropower) constructed under the project (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	23.00	Jun/2026
	Comments on achieving targets		This will include (i) Capacity of SPV systems installed under Componnt 2&3. The preliminary designs indicate that at least a capacity of 50MW shall be installed.					
Annual GHG avoided (Metric ton)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	604,000.00	Jun/2026
	Comments on achieving targets		The indicator will track the reduction in GHG emissions resulting from improved efficiency of ESPs operations and establishment of renewable generation replacing diesel based one. Design estimates indicate that the project will lead to more than 900,000Mtons of avoided GHG emmissions.					
	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	30.00	Jun/2026

Decrease in tariffs under the project (Percentage)	Comments on achieving targets		The indicator will track the decrease in the participating ESPs tariffs due to project intervention under Component 2. Preliminary feasibility assesments highlight a likely reduction of upto 50% (Target to be reviewed at MTR)					
Establishment of the Electricity Supply Industry institutions with clear roles and responsibilities (Yes/No)	No	Jul/2021	Yes	29-Nov-2024	Yes	31-Mar-2025	Yes	Jun/2026
	Comments on achieving targets		The indicator will track the reestablishment of the sector institutions with clear mandates. Key milestones will include (a) Adaption of a new ESI Institutional Organization structure (achived); (ii) Establishment of the Somaliland Energy Regulatory Commission and the FGS National Electricity Authority (Achived); (iii) Enactment of FGS Electricity Law/Act (Achieved), and (iv) Licenses issued for generation, transmission and distribution operations.					

6.2 Intermediate Results Indicators by Components

Component 1 –Subtransmission and distribution network reconstruction, reinforcement and operations efficiency in the major load centers of Mogadishu and Hargeisa								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
People provided with access to electricity (Number of people) CRI	0	Jul/2021	0	29-Nov-2024	0	31-Mar-2025	3,150,000	Dec/2026
	Comments on achieving targets		The indicator will track the additional electricity supply provided to existing and new customers as a result of: a) technical loss reduction and synchronization under component 1; b) increase in enegy supply from the installed SPV+BESS under Component 2 and c) off-grid solar generation from component 3. The number is zero (0) as the facilities are yet to be commissioned.					
People provided with access to electricity – Youth (Number of people) CRI	0	Jul/2021	0	29-Nov-2024	0	31-Mar-2025		
	Comments on achieving targets		Assumes 70 percent of the population is youth					
	0	Jul/2021	0	29-Nov-2024	0	31-Mar-2025	1,575,000	Dec/2026

People provided with access to electricity – Female (Number of people) CRI	Comments on achieving targets	The indicator will track the additional electricity supply provided to existing and new customers (female) as a result of: a) technical loss reduction and synchronization under component 1; b) increase in enegy supply from the installed SPV+BESS under Component 2 and c) off-grid solar generation from component 3.The number is zero (0) as the facilities are yet to be commissioned.						
Distribution lines constructed or rehabilitated (Kilometers)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	331.00	Jun/2026
	Comments on achieving targets	The indicator will track progress in the length of distribution network rehabilitation and extension. Designs for the Mogadishu and Hargeisa cities have been completed with the following indicative distribution line to be constructed: Mogadishu-166km and Hargeisa-67.2km. Implementation of this sub-component is behind schedule.The number is zero (0) as the facilities are yet to be commissioned.						
Sub-transmission lines constructed under the project (Kilometers)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	52.00	Jun/2026
	Comments on achieving targets	The indicator will track progress in the establishment of the sub-transmission network in the country. This will include proposed 132KV lines. The feasibility study has recomended the following lines to be constructed: (i)Mogadishu-55km; Hargeisa-30km.Implementation of this sub-component is behind schedule mainly attributed to delay in the ESPs merger discussions.The number is zero (0) as the facilities are yet to be commissioned.						
Generators synchronized (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	48.00	Jun/2026
	Comments on achieving targets	The indicator will track the progress in the synchronization of existing generators improving their efficiency in utilization of available installed capacity. A detailed technical assesment is planned to be undertaken to assess the compatability of the various generator sets that can be synchonised. The number is zero (0) as the facilities are yet to be commissioned.						
Technical loss reduction (Percentage)	40.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	32.00	Jun/2026
	Comments on achieving targets	This indicator will track the reduction in technical losses for ESPs in the program areas resulting from distribution network interconnection and rehabilitation. The network design analysis has indicated an average total network losses of about 35 percent, that can be reduced to about 20 percent by implementing the proposed network reinforcements and prudent revenue managment systems, especialy metering (Target to be reviewed at the MTR).The number is zero (0) as the facilities are yet to be commissioned.						

Number of people benefitting from improved electricity service delivery under component 1 (Number)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	3,150,000.00	Jun/2026
	Comments on achieving targets		This indicator will track the number of people benefitting from improved electricity service delivery.The number is zero (0) as the facilities are yet to be commissioned.					
Component 2 –Hybridization and battery storage systems for minigrids								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Generation capacity of energy constructed or rehabilitated (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	18.00	Jun/2026
	Comments on achieving targets		Feasibility asssesments indicate the potential to install at least 55MWp under Components 2. There are several contracts at the various stages of Procurement (two at Technical Evaluation stage and two at the Request for Bids). These contracts are expected to be effective by June, 30 2025.					
Renewable energy generation capacity (other than hydropower) constructed under the project (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	18.00	Jun/2026
	Comments on achieving targets		Feasibility asssesments indicate the potential to install at least 55MWp under Components 2. There are several contracts at the various stages of Procurement (two at Technical Evaluation stage and two at the Request for Bids). These contracts are expected to be effective by June, 30 2025.					
Capacity of solar PV installed (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	14.00	Jun/2026
	Comments on achieving targets		The indicator will track the installed PV capacity in the program areas. Its estimated to install about 55MWp. There are several contracts at the various stages of Procurement (two at Technical Evaluation stage and two at the Request for Bids). These contracts are expected to be effective by June, 30 2025					
Capacity of BESS installed (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	4.00	Jun/2026
	Comments on achieving targets		The indicator will track the installed BESS capacity in the program areas. Preliminary assesments indicate a total capacity of about 30MW. There are several contracts at the various stages of Procurement (two at Technical Evaluation stage and two at the Request for Bids). These contracts are expected to be effective by June, 30 2025.					

Number of people to benefit from improved electricity service delivery under component 2 (Number)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	2,564,000.00	Jun/2026
	Comments on achieving targets		This indicator will track the number of people benefitting from improved electricity service delivery.The number is zero (0) as the facilities are yet to be commissioned.					
Component 3 – Stand-alone solar off-grid access to public institutions (health and education)								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Health facilities connected under the project (Number)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	205.00	Jun/2026
	Comments on achieving targets		The indicator will track the number of health facilities provided with Solar PV connectivity under the project. 194 (FGS-150, Somaliland-46) health institutions are expected to benefit with an estimated installed capacity of 5.36MWp. FGS contracts have been signed (estimated contracs value US$19.40 million), whereas for Somaliland, the bid evaluation is ongoing and the contract expected to be effective by May 15, 2025.					
Education facilities connected under the project (Number)	0.00	Jul/2021	0.00	30-May-2024	0.00	31-Mar-2025	380.00	Jun/2026
	Comments on achieving targets		The indicator will track the number of health facilities provided with SHS connectivity under the project. A total of 273 (FGS-215; Somaliland-57) education institutionswith an estimated installed capacity of 3.11MWp are expected to benefit. FGS contracts have ben awarded (estimated cost US$5.0 million) whereas for Somaliland the Invitation for Bids is ongoing and contract expected to be effective by June 30, 2025.					
Number of people benefitting from improved electricity service delivery through health and educational facilities (Number)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	2,565,000.00	Jun/2026
	Comments on achieving targets		This indicator will track the number of people benefitting from improved electricity service delivery through health and educational facilities.The number is zero (0) as the facilities are yet to be commissioned.					
Generation capacity of energy constructed or rehabilitated (Megawatt)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	5.00	Jun/2026
	Comments on achieving targets		The total capacity of SPV to be installed is estimated at 8.47MWp .					
	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	5.00	Jun/2026

Renewable energy generation capacity (other than hydropower) constructed under the project (Megawatt)	Comments on achieving targets	The total capacity of SPV to be installed is estimated at 8.47MWp.

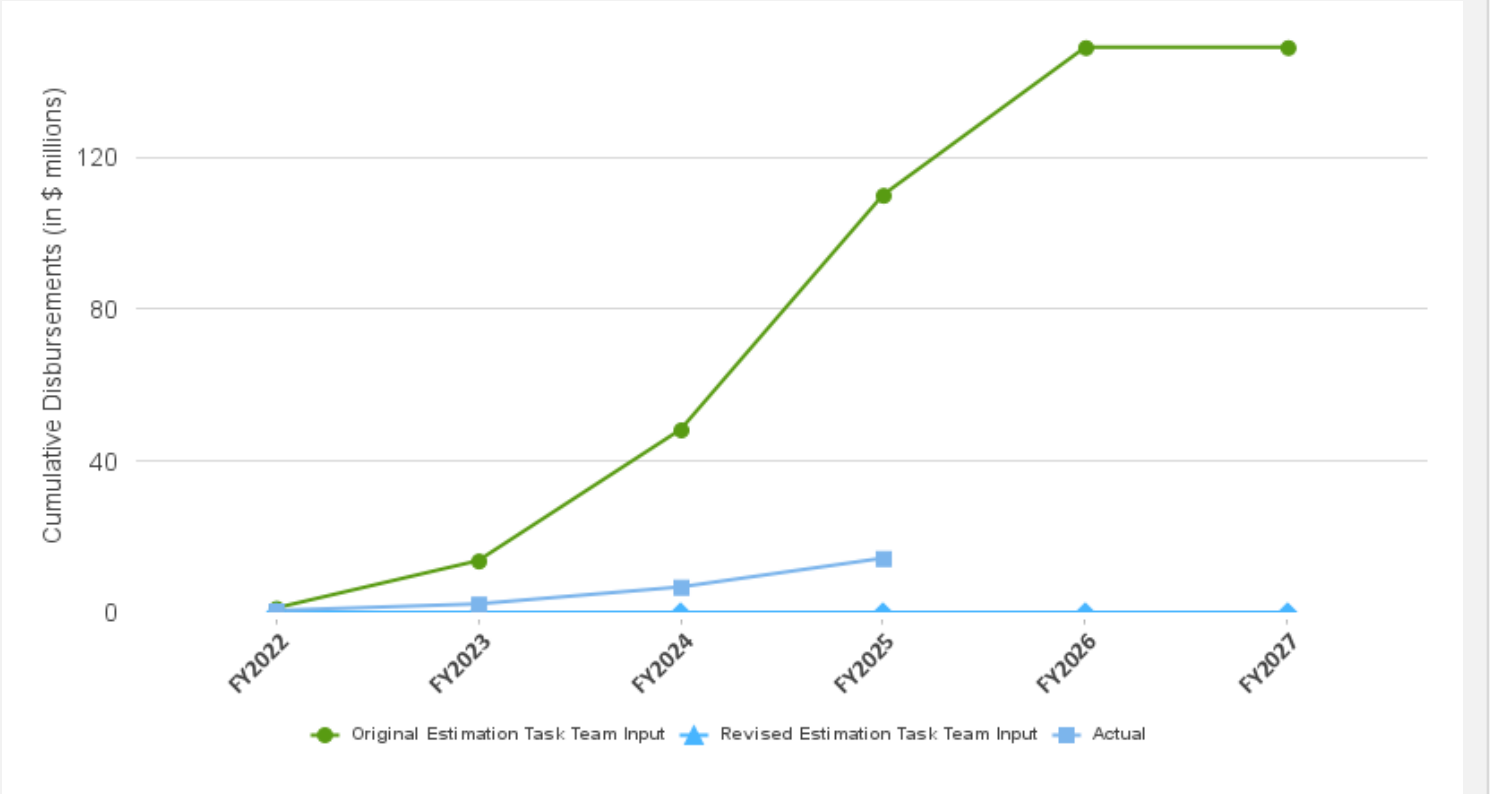
Component 4 -Institutional development and capacity building

Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Establishment of the Somaliland Energy Regulatory Commission and the FGS National Electricity Authority (Yes/No)	No	Jul/2021	Yes	29-Nov-2024	Yes	31-Mar-2025	Yes	Jun/2026
	Comments on achieving targets		The indicator will track the establishment and operationalization of sector regulatory authorities. Somaliland Energy Commission (SEC) and Somalia National Electricity Authority (NEA) have been established and are operational.					
Adoption of secondary legislation stemming from the Electricity Act (Yes/No)	No	Jul/2021	Yes	29-Nov-2024	Yes	31-Mar-2025	Yes	Jun/2026
	Comments on achieving targets		The indicator will track the adoption of the secondary legislation for sector operations. Both SEC and NEA are now issuing licences.					
Adoption of sector integrated Least-Cost Plan (Yes/No)	No	Jul/2021	No	29-Nov-2024	No	31-Mar-2025	Yes	Jun/2026
	Comments on achieving targets		The indicator will track the adoption of the fundamental sector planning instruments for sector recovery and development. This will partly be informed by the ongoing Somalia Generation and Transmission Development Plan that is under preparation (expected to be completed by April 30, 2025)					
Completion of the detailed Diagnostic Gender Assessment (Yes/No)	No	Jul/2021	Yes	29-Nov-2024	Yes	31-Mar-2025	Yes	Jun/2026
	Comments on achieving targets		The indicator will track the completion of the Gender Diagnostic Assessment (GDA). GDA final reports have been submitted.					
Increase in women's employment in the energy sector (Percentage)	0.00	Jun/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	20.00	May/2026
	Comments on achieving targets		The indicator will track progress in the female workforce participation in energy sector institutions in the country as supported by project activities.					

Beneficiaries that feel project investments reflected their needs (%) (Percentage)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	50.00	Jun/2026
	Comments on achieving targets		This is a Citizen Engagement indicator which will measure the satisfaction of project beneficiaries (ESPs customers under Component 1 and 2, and beneficiaries of improved services of health and education facilities within the project areas. Baseline survey to be completed by December 31, 2025.					
Satisfaction of enterprises in beneficiaries survey (Percentage)	0.00	Jul/2021	0.00	29-Nov-2024	0.00	31-Mar-2025	50.00	Jun/2026
	Comments on achieving targets		This is a Citizen Engagement indicator which will measure the satisfaction of enterprises beneficiaries of project activities under Component 1 and 2. Baseline survey expted to be completed by December 31, 2025.					

7. DATA ON FINANCIAL PERFORMANCE

7.1 Cumulative Disbursements



7.2 Disbursements (by loan)

Loan/Credit/TF	Status	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
IDA-D9310	Effective	150.00	142.03	0.00	14.30	127.61	10.08%

7.3 Key Dates (by loan)

Loan/Credit/TF	Status	Approval	Signing	Effectiveness	Orig. Closing	Rev. Closing
IDA-D9310	Effective	08-Dec-2021	17-Dec-2021	30-Mar-2022	31-Dec-2026	31-Dec-2026

8. KEY DATES

Key Events	Planned	Actual
Approval	08-Dec-2021	08-Dec-2021
Effectiveness	30-Mar-2022	30-Mar-2022
Mid-Term Review No. 01	26-May-2025	
Operation Closing/Cancellation	31-Dec-2026	

9. RESTRUCTURING HISTORY

10. ASSOCIATED OPERATION(S)

There are no associated operations