



GEF Electricity Access and Renewable Energy Expansion Project (P162902)

EAST ASIA AND PACIFIC | Solomon Islands | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 9 | ARCHIVED on 06-Jun-2023 | ISR56484 |

Implementing Agencies: Ministry of Mines, Energy and Rural Electrification, Solomon Islands, Solomon Islands Electricity Authority (Solomon Power)

Key Dates**Key Project Dates**

Bank Approval Date: 05-Jul-2018

Effectiveness Date: 23-Oct-2018

Planned Mid Term Review Date: 31-Oct-2022

Actual Mid-Term Review Date: 15-Aug-2022

Original Closing Date: 31-May-2023

Revised Closing Date: 28-Nov-2025

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to increase access to grid-supplied electricity and increase renewable energy generation in Solomon Islands.

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

No

Components Table

Name

Renewable energy hybrid mini-grids:(Cost \$12.20 M)

Electricity connections in low income areas:(Cost \$2.50 M)

Grid-connected solar power:(Cost \$2.80 M)

Enabling environment and project management:(Cost \$2.45 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Unsatisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

Progress on implementation of five mini-grids and grid-connected solar sub-projects are progressing with delay due to disruptions caused by Covid-19 induced travel restriction. Solomon Power (SP) has relaunched a tender process for all five mini-grids sites combined in a single lot in April 2022 and the contract was awarded in March 2023. Based on present indications, commissioning of the mini-grids is scheduled to take place around September 2025. SP has made good progress with the implementation of Component 2 (Electricity Connections in Low-income Areas) energizing in total of 2,663 connections including 2,469 households, 94 microenterprises, and 100 community service buildings in Honiara, Auki, Taro, Seghe, Munda, Gizo, Noro, Malu'u, and Buala. Under Technical Assistance, preparation of the National Electrification Plan 2023-32 and review of the Electricity Act were completed by MMERE. The Plan has identified the financing needs of US\$273 million to electrify 13,780 urban-



and 53,900 rural households. MMERE plans to organize a launch event for the NEP. Similarly, MMERE is working towards the enactment of an Electricity Act Amendment Bill.

The project restructuring was completed on May 17, 2023 and the project closing date was extended by 30 months from May 31, 2023 to November 28, 2025.

Risks

Systematic Operations Risk-rating Tool

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

Results

PDO Indicators by Objectives / Outcomes

Increase access to grid-supplied electricity				
▶ People provided with new or improved electricity service (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	13,611.00	14,433.00	9,345.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	Progress on household connections has exceeded the target thanks to the steady performance of Component 2 (electricity connections in low-income areas). Progress on the electrification of communities and microenterprises is lagging behind. The team will discuss further with Solomon Power.			
□ People provided with access to electricity under the project by household connections (grid or off-grid). (Number, Corporate Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	11,571.00	12,345.00	7,695.00



Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
□ People provided with access to electricity through Community electricity connections under the project. (Number, Corporate Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,900.00	1,900.00	1,500.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
□ People provided with access to electricity under the project through microenterprises (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	140.00	188.00	150.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

Increase renewable energy generation				
▶ Annual electricity output from renewable energy capacity constructed under the project (Gigawatt-hour (GWh), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.66
Date	30-May-2018	31-Jan-2023	31-Jan-2023	28-Nov-2025
Comments:	Commencement of construction is delayed due to disruptions and challenges presented by the novel coronavirus (COVID-19) pandemic and some challenges encountered with major procurement activities.			

Intermediate Results Indicators by Components

Renewable energy hybrid mini-grids				
▶ Number of mini-grids constructed under the project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	The commencement of construction is delayed due to disruptions and challenges presented by the novel coronavirus (COVID-19) pandemic and some challenges encountered with procurement.			
▶ Percentage of women employed in basic maintenance of solar facilities constructed through the project (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00



Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	The activity has not commenced due to delayed construction of the ground mounted solar as a result of disruptions and challenges presented by the novel coronavirus (COVID-19) pandemic.			

Electricity connections in low income areas

▶ Number of households connected to electricity through the project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,030.00	2,469.00	1,350.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

☐ Number of female headed households connected to electricity through the project (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	203.00	247.00	135.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

▶ Number of micro-enterprises connected to electricity through the project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	70.00	94.00	75.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

Comments: Progress to meet the end target is tracking slightly behind. No female headed microenterprises have been connected to electricity through the project.

☐ Number of female headed micro-enterprises connected to electricity through the project (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7.00	9.00	8.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

Grid-connected solar power

▶ Generation capacity of energy constructed or rehabilitated (Megawatt, Corporate)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.40
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

Comments: Construction has not commenced due to disruptions and challenges presented by the novel coronavirus (COVID-19) pandemic and some challenges encountered with major procurement activities.



<input type="checkbox"/> Renewable energy generation capacity (other than hydropower) constructed under the project (Megawatt, Corporate Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.40
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
<input checked="" type="checkbox"/> Net greenhouse gas emissions (Tons/year, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	13,800.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Enabling environment and project management				
<input checked="" type="checkbox"/> Access strategy study completed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	Preparation of the access strategy study has been completed by MMERE.			
<input checked="" type="checkbox"/> Tariff review completed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	22-Mar-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	The cost of service and tariff review study was completed in March 2021. The new tariff regulations were gazette in May 2021. The new charges to electricity are reflected on Solomon Power's website and are updated on a monthly basis.			
<input checked="" type="checkbox"/> Project-supported organization(s) publish reports on inputs and effect of consultation on project/policies (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025
Comments:	<p>The overall aim of the awareness sessions is to reduce the waiting time for the customers to be energized online and hence increasing the effectiveness and the efficiency of the OBA program. The future reports would indicate the effect of consultation in reducing the waiting time as part of the satisfaction survey taken simultaneously during the consultation.</p> <p>Solomon Power publishes reports on consultations with project-affected stakeholders.</p> <ul style="list-style-type: none"> Project safeguards reports: https://solomonpower.com.sb/projects/environmental-safeguard-esmp-arap-reports/ 			



- Solomon Power corporate annual reports focus on customer services activities: <https://solomonpower.com.sb/wp-content/uploads/2020/12/Final-REPORT-10.07.20b-Lr-1.pdf>
 - In addition, we have instances of customer concerns identified in Output Verification Reports (OVRs) addressed by the company.
- Going forward, Solomon Power will enhance its semi-annual reporting of this aspect.

► Percentage of women in technical or managerial roles within SP (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	6.00	6.00	6.00	10.00
Date	31-May-2018	31-Jan-2023	31-May-2023	28-Nov-2025

► Percentage of staff that believe domestic violence is never acceptable (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	31.00	31.00	31.00	41.00
Date	31-May-2018	31-Jan-2023	31-Jan-2023	28-Nov-2025

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P162902	IDA-62500	Effective	USD	5.55	5.55	0.00	0.00	5.21	0%
P162902	IDA-D3270	Effective	USD	4.75	4.75	0.00	3.18	1.48	68%
P167381	TF-A7418	Effective	USD	0.95	0.95	0.00	0.26	0.68	28%
P162902	TF-A7425	Effective	USD	7.10	7.10	0.00	0.45	6.65	6.4%
P162902	TF-A7860	Closed	USD	1.60	0.00	1.60	0.00	0.00	0%

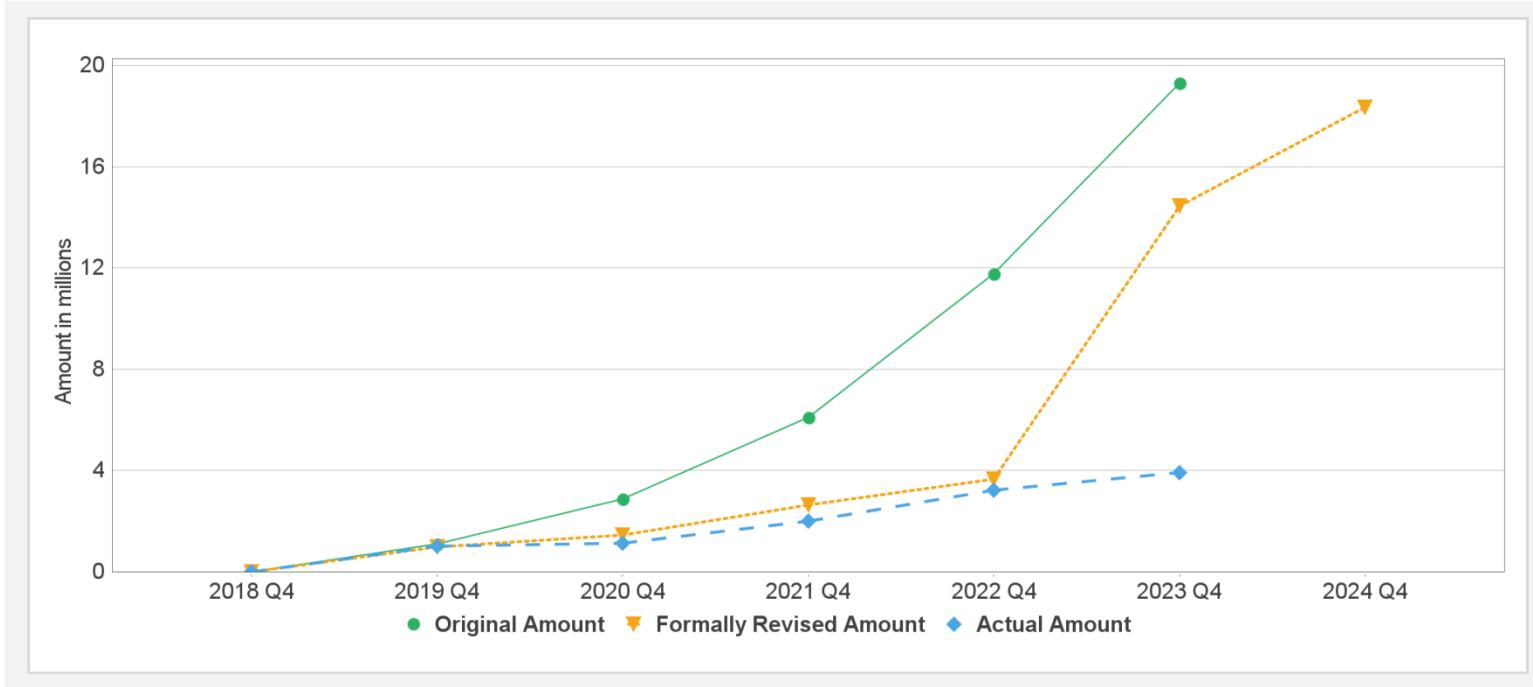
Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P162902	IDA-62500	Effective	05-Jul-2018	26-Jul-2018	23-Oct-2018	31-May-2023	28-Nov-2025
P162902	IDA-D3270	Effective	05-Jul-2018	26-Jul-2018	23-Oct-2018	31-May-2023	28-Nov-2025
P167381	TF-A7418	Effective	05-Jul-2018	26-Jul-2018	23-Oct-2018	31-May-2023	28-Nov-2025
P162902	TF-A7425	Effective	05-Jul-2018	26-Jul-2018	23-Oct-2018	31-May-2023	28-Nov-2025



P162902	TF-A7860	Closed	05-Jul-2018	26-Jul-2018	23-Oct-2018	30-Jun-2020	29-Apr-2022
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Cumulative Disbursements



Restructuring History

Level 2 Approved on 29-Jun-2020 ,Level 2 Approved on 13-Apr-2021 ,Level 2 Approved on 17-May-2023

Related Project(s)

P167381-GEF Electricity Access and Renewable Energy Expansion Project