

## Minutes of the 7<sup>th</sup> National Project Steering Committee (PSC) Meeting.

### Project “Promotion of Waste to Energy (WTE) Applications in Agro-Industries of Tanzania”.

#### A. Date and Location:

- 23<sup>rd</sup> February 2023
- Funguo project Conference Rm, UNDP, Masaki, Dar es Salaam

#### B. Project Information:

- GEF Project ID: 4873
- UNIDO SAP ID: 140077
- Country: United Republic of Tanzania
- GEF Agency: UNIDO

#### C. Abbreviations:

UNIDO: United Nation Industrial Development Organization	REA: Rural Energy Agency
GEF: Global Environment Facility	REF: Rural Energy Fund
VPO-DoE: Vice President Office-Division of Environment	MoE: Ministry of Energy
DoE: Director of Environment	COSTECH: Tanzania Commission for Science and Technology
DIT: Dar es Salaam Institute of Technology	LoA: Letter of Agreement
WtE: Waste to Energy	PMU: Project Management Unit
I&LC: Information and Learning Centre	REDCoT: Renewable Energy Development Company (T) Limited
TANESCO: Tanzania Electric Supply Company Limited	WPP: Wananchi Power Providers
NPC: National Project Coordinator	KFL: Kisiwa Farming Limited
NPA: National Project Assistant	PIL: Purandale Industries Limited
PSC: Project Steering Committee	MD: Managing Director
MTR: Midterm Review	AoB: Any other Business
DIT: Dar es Salaam Institute of Technology	Lol: Letter of Intention
OG: OutGrowers	ToR: Term of Reference
TE: Terminal Evaluation	kW: Kilo Watt
BIF: Bioenergy Incentive Facility	SGS: Société Générale de Surveillance
MoEST: Ministry of Education, Science and Technology	LWG: Local Working Group
PS: Permanent Secretary	MoFP: Ministry of Finance and Planning
TIB: TIB Development Bank	SPPA: Small Power Producer Agreement

## D. Meeting Agenda

GEF5 6th PSC Meeting on 21st October 2021		
Time	Agenda item	Responsible
0845 - 0915	Arrival and Registration	All
0915 - 0925	Introduction of participants	NPC
0925 - 0935	Welcome Remarks	PM Rep.
0935 - 0945	Opening remarks	Chairperson
0945 - 1005	Feedback on Terminal Evaluation	TE Consultants
	<b>GEF 5 Project Developers Feedback Session</b>	
1005 - 1045	Feedback from project developers on Challenges in project	Project Developers
1045 - 1100	Way Forward for Project Developers	TAREA/UNIDO
1100 - 1130	Tea/Coffee Break	All Participants
	<b>GEF 5 PSC Session</b>	
1130 - 1140	Approval of Agenda and previous PSC minutes	Chairperson
1140 - 1150	Matters arising from previous meetings	Chairperson
1150 - 1225	Presentation on project overview/status	PM/UNIDO
1225 - 1240	Status of WtE I & LC at DIT	DIT
1240 - 1255	Demo sites implementation status	PM/UNIDO
1255 - 1300	Status of Bioenergy Incentive Fund	UNIDO
1300 - 1320	Discussion and way forward (need for project extension)	All
1320 - 1330	AOB	All
1330 - 1335	Vote of Thanks	Chairperson/UNIDO
1335 - 1400	Lunch	All

## E. Participants List

	Name	Role to PSC	Title	Organization
<b>A: Permanent Members:</b>				
1	Dr. Andrew Komba	Chairperson	Director for Environment	VPO-DE
2	Mr. Emilian Nyanda	Member (Interim Chair)	Senior Energy Officer	MoE
3	Dr. Gerald Kafuku	Member	Manager of Innovation and Technology	COSTECH
4	Eng. Baraka Kanyika	Member	Research Engineer	TANESCO
5	Jossy Thomas	Member	Project Manager	UNIDO
<b>B: UNIDO Officials</b>				
1	Victor Akim	Secretariat	National Project Coordinator	UNIDO, TZ
2	Doroth Kitutu	Secretariat	National Project Associate	UNIDO, TZ
3	Ms. Alusaria Nkya	Secretariat & Logistics	National Project Assistant	UNIDO, TZ
4	Mr. Dionis Mugabe	Secretariat and Logistics	Project Transport	UNIDO TZ
<b>C. Invited Project Developers</b>				
1	Mr. Darius Boshoff	On-line	MD	Kisiwa Farm Ltd.
2	Mr. Samwel Bongi		GM	Kisiwa Farm



				Ltd.
3	Mr. Robert Mupanzi		MD	REDCOT
4	Mr. Satish Purandare		MD	Purandare Industries Ltd.
5	Mr. Fanuel Ndonde		GM	Wananchi Power
6	Mr. Bwire Munubi		National Consultant	Terminal Evaluation Team
7	Mr. Frank Pool	On-line	International Consultant	Terminal Evaluation Team

## F. Summary of Opening Session

### F1. Arrival and Registration:

Participants from some of the member institutions including REA and DIT, were not able to participate due to other pressing engagements. The Chairperson also had another pressing engagement, but was able to meet later with the UNIDO Project Manager and Secretariat, to discuss the decisions made during the PSC meeting and the way forward.

### F2. introduction of participants:

The NPC thanked the participants for attending and expressed appreciation for their presence at the 7<sup>th</sup> PSC meeting and requested all participants to introduce themselves.

### F3. Feedback on Terminal Evaluation

The Terminal Evaluation was presented by the international Consultant Mr. Frank Pool and the national evaluation consultant Mr. Bwire Mutubi. The Consultants provided an overview of the methodology which they used for evaluation of the GEF 5 project. Presentation by the evaluators attached.

#### Conclusions by Evaluation team

Most outputs and targets had not been met  
 Lack of strong national ownership  
 Project ignored contextual changes  
 Project lacked strong local UNIDO leadership  
 Needed change to more proactive results-based approach

#### Recommendations by Evaluation team

Extension of project and adoption of results based approach  
 Develop capacity to conduct political economy analysis  
 Hire part-time CTA to help in moving activities  
 Develop systematic approach to project learning within national executing institutions

#### Discussion on the Evaluation team presentation

Participants questioned some of the issues raised in the Evaluation team presentation including: They wanted clarification on what the evaluators meant by "contextual changes". On the facilitative role of various Government institutions, it was noted that the environment had changed significantly within the last two years and Government was



engaged in consultations/negotiations with a lot of developers within the renewable energy space. Most of the projects were using solar pv, wind and hydropower technologies. In this regard, the participant from Tanzania Renewable Energy Association (TAREA), also underlined this point. TAREA has been at the forefront in representing concerns of the Renewable Energy sector to Government and development partner institutions. The membership of TAREA consists of Renewable Energy Project Developers.

TAREA noted that the environment had changed drastically and, stressed that now was the right time to invest in the renewable energy sector in Tanzania. TAREA noted that, the current Government was continually engaging the private sector in order to reach consensus on issues or perceived problems for the private sector, in all sectors including the energy sector. A lot of dialogue has taken place with Government which has encouraged the private sector to commit to on-going and new project investments.

PSC members questioned the Evaluation team comments on the perceived lack of strong Government ownership and interest expressed in the Evaluation team presentation. PSC members noted that the fact that they had been consistently participating in the PSC meetings, was one of the clear indications, of Government commitment to the Waste to Energy project as well as the Renewable Energy sector, in general.

#### F4. Feedback from Project Developers

Five project developers representatives participated in the consultative workshop and shared their experiences with the Waste to Energy project.

Kisiwa Farm Limited (Mafia) has made the most progress. They are in the final stages of reviewing their SPPA with the national utility company TANESCO. It had been kept on hold during a period when there was substantive expansion of the national electricity grid. The Government was now focusing on all pending negotiations with project developers in the renewable energy sector. However, the climate had changed and Government, at the highest level had signaled a new commitment towards private sector development, including in the energy sector. TANESCO had also been tasked to negotiate with private sector developers and negotiate terms which are mutually beneficial for all sides. The Government through its various institutions, including REA, EWURA. TANESCO is re-engaging with private small power producers to re-negotiate Small Power Production Agreements (SPPAs).

Other developers also complained about the the long process in obtaining environmental certification from NEMC. It appeared that projects were unable to progress, due to none receipt of certificates from NEMC, in spite of several reminders. According to one of the developers, they have been following up with NEMC since 2016. The fact that some of their projects had received significant funding from REA to support the development of their projects, did not help in their efforts at negotiating approvals/agreements with other Government institutions.

### G. Project Steering Committee (PSC) Meeting

#### G1. Introductory remarks by UNIDO Project Manager (PM):

- Welcomed all the participants and expressed appreciation for their commitment to come to the meeting.
- On behalf of UNIDO, also expressed appreciation for the continuing collaboration from the key stakeholders in implementing the project.
- The Project Manager noted that, in the early stages, the project had started out by trying to interest large agro-industries in participating in the Waste to Energy project. However, the Feed-in-Tariff regime, at the time, was not considered to be attractive/viable for



making a reasonable return through electricity production by most of the agro-industries and, therefore many of them backed out.

- The project then went to market to seek additional developers and this resulted in the current set of developers who are now on board in the project.
- The project also went through the COVID 19 period, when a number of initiatives were slowed down due to the pandemic.
- He also noted that there were Policy and Regulatory challenges that needed to be addressed in order to create a more conducive environment for investment in the Waste to Energy sector. The private sector needed to be able to make a return on investment.
- There were challenges faced from institutions such as DIT, who had been unable to get higher approval for establishing the Information and Learning Centre (I&LC). Initially, it had been proposed to set up the Centre at University of Dar es Salaam (UDSM). However, in the spirit of trying to uniformly distribute resources, a different institution was sought and, UDSM was already hosting the Small Hydropower Centre under a different UNIDO GEF 4 project.
- Initially it was proposed to set up a Financial facility, and the possibility of setting up a Credit Guarantee scheme was investigated. Through TIB Development Bank, a meeting was held with the Ministry of Finance to discuss the issue of a Credit Guarantee Facility. Based on the advice and outcome of the meeting it was clear that the Government was in the process of reviewing the existing Guarantee schemes and was not prepared to accommodate additional schemes at the time. TIB, however, suggested that alternatively, a facility could be setup within TIB Development Bank, which could cater for developers in the Bioenergy sector. This led to the creation of a Bioenergy Incentive Facility (BIF) that is currently in the process of being established at TIB Development Bank and will also include the participation of REA, in a technical capacity for reviewing of applications. TIB, through its internal processes has already cleared setting up of the BIF and is now processing clearance through the Attorney General's Office. They have indicated that this will be concluded by mid to end March 2023.
- Project Manager noted that, a number of activities and outputs had not been completed, as indicated by the Evaluation and would require an extension of the project, but under close monitoring of progress.

## G2. Discussions by PSC Interim Chairperson and Members

- The interim PSC Chair noted that the previous discussions had already deliberated extensively on all the issues to be discussed under the project progress and, therefore he proposed that the PSC decide on the way forward for the project, based on the interventions made by the Evaluation team and the project developers.
- Project extension: The first item the PSC made a decision on, was the issue of extension of the project. The PSC members noted that in the prior deliberations including the Evaluation team and project developers, there were different factors that seemed to impede overall progress of the project. The PSC decided that the project should be extended for a period of two years in order to allow the outputs to be achieved. The PSC members also proposed that the project should be closely monitored to ensure progress towards the objectives.
- The PSC also noted that, while there were a number of initiatives in the Renewable energy sector addressing mostly solar, wind and hydropower, there still very few in the Bioenergy/Waste to Energy sector.
- Government Commitment: The PSC again questioned the Evaluation team's perception that there was a lack of strong commitment by the Government. In this regard, the PSC members noted that the Government was undertaking an Energy Sector Reform Program, which confirms the Government's commitment to increase the share of Renewable



Energy in the overall energy mix. The PSC also noted that Government is committed to increasing the diversity of energy sources in the overall mix, in order to enhance energy security. Therefore, Government is committed to ensuring the development of all available options, especially using energy resources that are locally available.

- **Frequency of PSC Meetings:** The PSC also agreed that the frequency of PSC meetings should be increased to allow closer monitoring of project progress and to enable the members to take appropriate intervention, when and as required. The members proposed to increase the frequency of meetings to twice a year, with the option of having adhoc PSC meetings. The PSC members also noted that they had access to several institutions such as the National Environment Management Council (NEMC), TANESCO and the Energy and Water Regulatory Agency (EWURA), which might be needed to assist in addressing any impediments to the project.
- **Component on Capacity Development and Knowledge Management:** On the Component for Capacity development and Knowledge management, the PSC identified that the fact that DIT had not been able to establish the I&LC. In this regard, the PSC instructed the Secretariat to write formally to DIT, giving them one month to respond with positive movement on the establishment of the Information and Learning Centre (I&LC). If, after the month period, there was no positive action/movement on the part of DIT, the PSC requested UNIDO to immediately organize a visit with selected members from the PSC, to Arusha Technical College and University of Dodoma, to determine the potential and possibility of one of these institutions for hosting the I&LC. A decision would be made within two weeks of the planned visit. In this regard, COSTECH offered to help in linking the project to the two institutions. If required, the PSC members also offered to write a letter to these institutions on behalf of UNIDO.
- **On the issue of reasonable electricity tariffs,** PSC members noted that the Government through the Ministry of Energy was currently implementing an Energy Sector Reform Program, which amongst other issues, was meant to address the issue of tariffs, particularly technology-based tariffs, which would take into account the technologies used for producing electricity.
- **The PSC also tasked UNIDO to get updated information on the status of the demo projects from developers and to identify the ones that were still viable and work with these to help them reach completion.** In this regard, the PSC members also recommended that occasional visits be organized involving PSC members in order to assess the situation on the ground and to better understand some of the developer concerns

#### H. AOB

There were no AOBs for the meeting

#### I. Vote of Thanks

The PSC Interim Chairperson thanked all members for their very active engagement in the project and requested UNIDO to feel free to contact them for any further issues they might need assistance on. He requested UNIDO to move quickly in order to begin addressing issues raised during the meeting.

The project manager thanked the PSC members for the frank discussions and cooperation provided and, he requested that this close cooperation continue in future.



## J. Resolutions Passed Made During the PSC Meeting:


	Action Items	Responsible	Timeline
1	UNIDO to process extension of the project by 2 years	UNIDO	March 2023
2	Followup with DIT and give them one-month ultimatum, before seeking other host institutions for the Information an Learning Centre (I&LC). Institutions to be targeted: Arusha technical Institute and University of Dodoma.	UNIDO	March 2023
3	Secretariat together with key members of PSC to create a technical committee for undertaking due diligence on demonstration project developers and cancel any non performing contracts.	UNIDO/PSC	Beginning March 2023
4	The technical committee to undertake monitoring visits the sites on a regular basis.	UNIDO/PSC	April-2023 onwards
5	PSC to meet at least twice a year and organize any ad hoc meetings as and when required.	UNIDO/PSC	

## K. Minutes Preparation and Approval

### K1. Minutes Preparation

Secretariat Name 1: Mr Victor Akim, UNIDO NPC

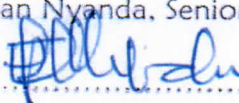
Signature and Date:

 6/3/2023

### K2: Minutes Approved By

Chairperson Name: Mr. Emilian Nyanda, Senior Energy Officer, Ministry of Energy

Signature and Date:



### UNIDO Secretariat Meeting with the PSC Chairperson, Dr. Andrew Komba, Director of Environment, Vice President's Office

The UNDO Secretariat also met with Dr. Andrew Komba, Director for Environment, Vice president's office and regular Chairperson of the PSC, as he had arrived late due to other pressing engagements. The purpose of the meeting was to brief him on the decisions reached at the PSC Meeting. Dr. Komba also underlined his agreement to project extension, on a no-cost extension basis.

Dr. Komba also informed the UNIDO Secretariat that the Vice President's Office was now giving priority to GEF implementing agencies and projects that provided for more national ownership in the execution of GEF projects. Implementing agencies were being encouraged to design GEF projects which allow for larger role for executing institutions. The Director noted that a model they were following in some of the GEF projects involved implementing agencies overseeing Capacity enhancement activities, Monitoring and Evaluation and

Technical Assistance activities, while national executing institutions focused on operational activities, such as workshops and undertaking local studies.