

**PROJECT IMPLEMENTATION REPORT (PIR)
FY 2022**

GEF - IDB

IMPORTANT: The reporting period is GEF Fiscal Year 2022 (July 1st, 2021 to June 30th, 2022)

of PIR: 9th

PROJECT GENERAL INFORMATION

Project Name:	Development of Renewable Energy, Energy Efficiency and Electrification		
Project's GEF ID:	4497	Project's IDB ID:	SU-G1001; GRT/FM-13774-SU
Country/ies	Suriname		
GEF Focal Area	Climate Change		
Executing Agency	MINISTRY OF NATURAL RESOURCES (MNH)		
Project Finance Disbursements:	GEF Trust Fund	\$ 4,400,000	
	Co-finance at CEO Endors. / Approv.	\$ 21,100,000	
	TOTAL Project Cost (GEF Grant + co-finance)	\$ 25,500,000	
	Total disbursements of GEF Grant resources as of end of June 30 th , 2022 (cumulative)	\$ 3,357,478.37	
Project Dates:	Date of First Disbursement	4/23/2014	
	Agency Approval Date	4/11/2013	
	Effectiveness (Start) Date	5/8/2013	
	Original Last Disbursement Expiration Date ¹ (OED)	5/8/2019	
	Current Expiration Date (CED)	5/8/2023	
	Estimated Operational Close Date ² (EOC)	8/6/2023	
	Actual Date of EOC, if applicable	n/a	

¹ For the GEF, this is equivalent to the project's "Expected Completion Date".

² For the GEF, this is equivalent to the project's "Expected Financial Closure Date".

Project Evaluation:	Mid-term Date (Expected or Actual)	1/30/2020
	Terminal evaluation Date (Expected)	12/31/2023

DEVELOPMENT OBJECTIVE RATING (DO) & ASSESSMENT

This project will support the development of a legal and regulatory framework to promote the use of RE (hydro, solar and bioenergy) and EE programs by i) Technical, institutional and regulatory strengthening to promote the use of RE technologies and support for pilot projects, ii) Technical, institutional and regulatory strengthening for the local promotion and development of EE initiatives, iii) Support the use of RE for the electrification of the Hinterlands, iv) Dissemination of findings.

Make an overall assessment and provide a rating³ of “likelihood of achieving project objective” during the period (2021-2022). Describe any significant environmental or other changes attributable to project implementation.

OVERALL (DO) ASSESSMENT	PREVIOUS RATING	NEW RATING
<p>The likelihood of achieving the project’s development objective for the period 2021-2022 is rated as Satisfactory (S) given the following considerations:</p> <p>The Program has two main outputs: (i) the elaboration of a wind resource assessment (Wind Atlas) for the coastal area in Suriname and (ii) the implementation of an off grid solar plant to provide 24/7 electricity in an isolated village located in the interior of the country (Godo Holo).</p> <p>The contract to develop the Wind Atlas was signed, 6 wind measuring stations were installed in March 2021 and the monthly wind reports from April to March 2022 have been submitted. The training in Operation and Maintenance (O&M) of wind measuring stations was held online by the firm RINA from 16 Nov - 18 Nov 2021. Compiling of the Wind Atlas is expected to be completed by the end of August 2022 and a stakeholder presentation will be conducted in early September 2022.</p> <p>A Memorandum of Understanding (MoU) has been extended until December 2022, between Ministry of Natural Resources (MNH) and the Meteorological Service Department from the Ministry of Civil Works, who is providing technical support and will be in charge of the operation and maintenance (O&M) of the wind measuring stations after the completion of the project.</p> <p>The contract to design, supply and install the solar mini grid in Godo Holo was signed in October 2021, the final engineering design was finalized and approved in 2021. As of June 2022, the plant has been completed as well as the Distribution Network and is pending official commissioning, which is expected by September 2022.</p> <p>There has been several engagement and awareness campaigns conducted in Godo Holo during the period April-June 2022 by the MNH, to ensure that villagers understand and accept the project.</p>	S	S

³ See Annex 1: Definition of Ratings.

IMPLEMENTATION PROGRESS RATING (IP) & ASSESSMENT

Make an assessment and provide ratings⁴ of overall Implementation Progress, including information on progress, challenges and outcomes on project implementation activities from July 1st 2021 until June 30th, 2022. As applicable, please include **information on issues and solutions related to COVID-19**.

OVERALL (IP) ASSESSMENT	PREVIOUS RATING	NEW RATING
<p>The project is progressing in a satisfactory mode and has achieved important milestones, including the installation of the wind measuring stations and start of the works for the solar mini grid in Godo Holo. There was a disbursement processed at the beginning of 2022 in the amount of USD 1,521,901.00. The current amount disbursed by June 2022 is US\$ 3,357,478.37 (76.31%) from which US\$ 1,204,695.00 has been utilized. Next disbursement is expected to be in September of 2022 for the total remaining amount.</p> <p>In April 2022, the Program was extended for 12 months. The current closing date is May 8th, 2023.</p> <p>COMPONENT 1. Strengthening of institutional framework to implement RE and EE technologies (Main output: development of a Wind Atlas for the coastal area of Suriname):</p> <p>The 6 wind measuring stations were installed in March 2021 and RINA has sent the monthly wind reports for the months of April to March 2022 for compilation of the WindAtlas.</p> <p>The contract for the supervision of the monthly wind measuring reports and Wind Atlas was extended. The MoU between MNH and Ministry of Public Works has been extended until December 2022.</p> <p>COMPONENT 2. Implementation of pilots for on-grid and rural electricity supply using RETs (Main output: Construction of a solar plant to provide 24 hours electricity to the isolated community of Godo Holo):</p> <p>The contract for the solar plant (250 kW) was signed in September 2020, with the company JGH for an amount of US\$ 1,155,644. The plant has been completed and commissioning is expected in September 2022. Due a technical error this took longer than estimated.</p> <p>The contract for the distribution network was signed in January 2022 and the works have been completed and tested as well.</p>	S	S

⁴ See Annex 1: Definition of Ratings.

<p>MNH conducted several field visits to Godo Holo for awareness campaigns activities to inform the local villages on the progress and on the household electrical installations.</p> <p>Component 3: Strengthening of business models and stakeholder skills to implement RE/EE technologies in Suriname This component will finance the design and implementation of a suitable business model to ensure the long-term sustainability of the solar plant, as well as to be a model to replicate the project in other regions of Suriname</p> <p>The Terms of Reference for a Rural Electrification Plan (REP) has been approved and the EU will re-start the procurement process, this will support to define the business model for Godo Holo, current and new renewable energy projects in rural areas. This output is expected to be completed by 2023.</p>		
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RISK RATING & ASSESSMENT

*For fiscal year 2022, make any adjustments necessary to the assessment ratings⁵ of overall **Project Risk⁶** that you provided in the last PIR (2010-2021). Please include details and remedial measures for High and Substantial Risks, specifying who will be responsible for these measures.*

OVERALL RATING FOR PROJECT RISK	PREVIOUS RATING	NEW RATING
<p>For the period 2020-2021, the remaining project’s risks were assessed as Modest due to the following reasons, which have not changed much from last report:</p> <p>High level decision making: It is very complicated to get a consensus on some decisions due to political implications. A specific example case is the execution of the Rural Electrification Plan procurement process. Eventually this was put on hold due different opinion of the Ministry. Mitigating measure: Continue the dialogue engagement with the minister of MNH.</p> <p>Public Management and Governance: Lengthy approval procedures within the government (bureaucracy). In Suriname, all payments must be approved by the Ministry of Finances, which slows the implementation of projects (Single Treasury Account). Mitigating measure: Discussions between the IDB and the Ministry of Finances are ongoing with the aim to accelerate payments and other bureaucratic issues.</p>	M	M

⁵ See Annex 1: Definition of Ratings.

⁶ These should include risks identified at CEO Endorsement AND any new risks identified during implementation.

<p>Also, as a mitigation for bureaucratic delays, it has been agreed with the Bank and PEU to make a <i>direct payment to a supplier</i> whose payments processed by the Central Bank were returned.</p>		
<p>Technical capacity: The Ministry of Natural Resources has limited managerial and technical capacity. This lack of capacity caused delays in the project execution due to difficulties to prepare technical documents and take strategic decisions. This also creates a risk in the supervision of the works.</p> <p>Mitigating measure: Technical support is being provided by the Meteorological Service Department and the EBS through MoU's. Hiring as much of external consultants to provide technical support and supervise some contracts.</p>		

STAKEHOLDER ENGAGEMENT

*Please add information on any progress, challenges and outcomes with regards to stakeholder engagement, based on the project's activities during its implementation through the 2010-2022 GEF Fiscal Year. As applicable, please include **information on issues and solutions related to COVID-19.***

To assure the long-term sustainability of the solar plant in Godo Holo it is critical that the community takes ownership of the project. The MNH continues to implement several engagement campaigns during 2021 and 2022 with the objective to explain the project and the Operation and Maintenance of the solar plant and ensure the project's sustainability once it is closed.

GENDER

Please add information on any progress, challenges and outcomes with regards to any and all gender-responsive measures that were undertaken in the project's activities during the 2021-2022 GEF Fiscal Year. Also: Were indicators on gender equality and women's empowerment incorporated in the project's results framework? (Yes/No). If applicable, include the indicator with its baseline, target and current value (2021-2022).

The Program did not include gender equality disaggregated indicators in its results matrix.

KNOWLEDGE

Please add information on knowledge activities and products developed in relation to the project (with GEF or non-GEF resources), with special emphasis on activities carried out during the 2021-2022 GEF Fiscal Year. As applicable, please include *information on issues and solutions related to COVID-19.*

The Wind Atlas for the north shore of Surinam has been developed in 2022 with a 100% GEF funds. Once a formal presentation of this atlas is launched to main stakeholders in September 2022, a link to this publication will be shared within next PIR 2023.

CHANGES TO PROJECT DESIGN AND IMPLEMENTATION

IDB’s policies apply throughout the execution of GEF projects. Most changes considered “minor amendments” by GEF would, according to IDB’s regulations, norms, and policies, require EITHER no contractual adjustment at all [e.g., small changes in outputs or parallel co-financing] OR a contractual adjustment that does not require Board approval [e.g., extension of date of last disbursement]. These changes should be reported in the PIR for the Fiscal Year during which the changes took effect.

Please indicate in the table below (with an ‘x’ under Yes or No) which aspects of the project were affected by the changes and provide a short description, as well as a reference to any supporting material uploaded into the Bank’s systems:

In the Reporting Year, were any changes made that affected:	YES	NO	If YES, please briefly describe changes made:	Link to supporting material
Results Matrix/ Outputs: P(a) EOP values, wording of outputs, or addition of outputs?		x		
Component Cost: funding allocated per component (vs. originally approved)?		x		
GEF Co-financing: changes in sources and/or amounts expected?		x		
Dates reported to GEF (e.g., effectiveness, first/ extension of last disbursement, midterm evaluation)?	x		The last Disbursement date was extended by the IDB to May 8, 2023.	EZSHARE-1290549060-4642 EZSHARE-1290549060-4646
Executing mechanism (e.g., change of Executing Agency or function of advisory committee)?		x		
Other implementation arrangements (e.g., coordination with other GEF projects)?		x		

Financial [risk] management (e.g., waiver for annual audit or change in % to be justified)?

Management of E&S risks and impacts (e.g., changes to ESMP)?

Management of other risks (e.g., changes due to health/ Covid-19 or security concerns)?

	x
	x
	x

Please note: Should the request or need for any changes arise that, by IDB’s regulations, norms and policies, require authorization at the Manager level or above [see OA-420, OA-421, OA-430 and OA-431], project teams should invariably get in touch with the IDB-GEF Coordination team, preferably prior to discussing such changes with counterparts to ensure proper coordination with and reporting to the GEF.

Examples include, but are not limited to: (i) All substantial and fundamental changes covered by the OA-430; (ii) Changes to the general or specific project objective(s) or to the project’s area of intervention; (iii) Results Matrix/ Outcomes & Impacts: P(a) value, wording of existing or addition of Outcomes, Outcome Indicators, Impacts and/or Impact Indicators; (iv) Components: changes in types of activities that may be financed with project funding (eligibility of expenses); (v) Total Amount of Project Financing (above originally approved amount).

LESSONS LEARNED / BEST PRACTICES

*If the project generated any lessons learned or best practices during the 2021-2022 GEF Fiscal Year, please provide a short description. **As applicable, please include information on issues and solutions related to COVID-19.***

TOPIC/THEME	LESSONS
Technical	The MNH has low technical capacity and requires hiring external technical expertise in different areas such as, supervision of the Wind Atlas, inspection of wooden poles. Support from Meteorological Service Department (component 1) and EBS (component 2) is crucial for project execution.
Technical	Transportation of the goods to Godo Holo is very challenging and require very skilled boatmen. Goods needs to be transported during rainy season due to the water level in the river. Also, the collaboration of villagers of Godo Holo to transport some of the heaviest goods to the final destination was necessary.

Procurement	MNH has low procurement capacity and training provided by the Bank is necessary. Before launching a tender process, it is necessary to have a session to review all steps and distribute responsibilities within the executing unit.
Quality Control	There were some defective equipment detected (Auto Voltage Regulator) onsite in Godoholo on the electrical side and it was decided to have frequent inspection visits by MNH together with EBS and discuss with the contractor to increase onsite supervision of the works for their side.

ANNEX 1. DEFINITION OF RATINGS

Development Objective Ratings

1. **Highly Satisfactory (HS):** Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.
2. **Satisfactory (S):** Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
3. **Marginally Satisfactory (MS):** Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.
4. **Marginally Unsatisfactory (MU):** Project is expected to achieve **some** of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.
5. **Unsatisfactory (U):** Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits.
6. **Highly Unsatisfactory (HU):** The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

Implementation Progress Ratings

1. **Highly Satisfactory (HS):** Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.
2. **Satisfactory (S):** Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that are subject to remedial action.
3. **Marginally Satisfactory (MS):** Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.
4. **Marginally Unsatisfactory (MU):** Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action.
5. **Unsatisfactory (U):** Implementation of **most** components is not in substantial compliance with the original/formally revised plan.
6. **Highly Unsatisfactory (HU):** Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

Risk ratings

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

1. **High Risk (H):** There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.
2. **Substantial Risk (S):** There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.
3. **Modest Risk (M):** There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.
4. **Low Risk (L):** There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.