



## Preparatory Assistance Document

### Between the National Oil and Gas Authority and the United Nations Development Programme

<b>Project Title:</b>	Assistance to prepare a study on Energy Conservation potentiality and feasibility for establishing an Energy Conservation and Planning Centre in Bahrain
<b>Expected CP Outcome(s):</b>	Environment and Sustainable development
<b>Expected Output(s):</b>	Strengthened national capacity in the development of participatory implementable and measurable environmental and energy action plans
<b>Executing Entity (NIM):</b>	National Oil and Gas Authority

#### Brief Description

This Preparatory Assistance (PA) is to provide technical assistance for NOGA to prepare a study on Energy Conservation potentiality, develop a feasibility study on the establishment of an Energy Conservation and Planning Centre in Bahrain, and to formulate a programme for NOGA and UNDP to support the establishment of the Energy Conservation and Planning Centre.

Programme Period: 2010  
Key Result Area: Energy  
Atlas Award ID: 00060058  
Start date: June 15 2010  
End Date: September 15 2010

Indicative Planning Figure:	49,440
Total allocated resources:	49,440
• Other:	
○ UNDP	49,440
○ Government	In kind contribution
Including 3% GMS	

Agreed by (National Executing Agency): H.E Dr. Abdul Hussain bin Ali Mirza Minister of Oil and Gas Affairs  
Chairman of the National Oil & Gas Authority

Signature:

Date: 15-6-10

Agreed by (UNDP): Mr. Sayed Aqa, UNDP Resident Representative

Signature:

Date:

15/6/2010

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## I. SITUATIONAL ANALYSIS

There is considerable potential for undertaking energy efficiency and alternative energy initiatives in Bahrain to extend the lifetime of oil and gas reserves and enable long-term planning and implementation.

The precise potential remains unclear, in part because there is an absence of sufficient and centralised databanks on energy that provide complete and standardised information for different sectors of the economy. In addition to that, information on energy in Bahrain is scattered among various organizations like the National Oil and Gas Authority (NOGA), the Electricity and Water Authority (EWA), the Central Information Organization (CIO), the Bahrain Economic Development Board, as well as other private sector entities, which makes it difficult to have a one-stop shop for energy information that could serve various aspects.

In this context, the National Oil and Gas Authority (NOGA) wishes to prepare a study on Energy Conservation potentiality and feasibility for establishing a National Energy Conservation and Planning Centre in Bahrain.

This initiative can gain from various preceded similar examples. One example is the Market Observatory for Energy (MOE) established by the European Commission to support its three-pronged energy strategy of competitiveness, sustainability and security of supply. The mission of this Observatory is to pool information, analyse energy issues and help policy makers evaluate, propose or adjust policies in the light of market developments. It also tracks issues such as demand and supply developments, import, export and trade volumes, and market prices.

NOGA oversees the government petroleum companies like nogaholding, BAPCO, GPIC, BAFCO, BANAGAS, BNGEC, BLOC, and TATWEER PETROLEUM.

Furthermore, the fact that among the main strategic objectives of NOGA which are prescribed in the Royal Decree No (78) with respect to the formation of the Board of Directors of the National Oil & Gas Authority is: 1) the Realization of Long-Term Financial Returns; 2) the Enhancement of the Contribution of the Oil Sector in Supporting the Economy; 3) the provision of Petroleum Legislations & Policies; the Provision of Local Market Petroleum and Gas Product Requirements; and 4) the Preservation of the Kingdom's oil and natural gas resources and at finding out alternatives for the optimum development of such resources and for obtaining the highest return thereon. This situates NOGA at the forefront as the main entity responsible for the sustainability of the Kingdom's Oil and Gas resources.

UNDP has a long history in implementing projects supporting government counterparts in addition to its network and extensive experience in the area of energy efficiency would facilitate the provision of expertise and access to know how in this area.

UNDP has an extensive network of experts in the field of energy in addition to UNDP's experience and support through its wide network of field offices as well as regional and Head Quarters offices can be capitalized by NOGA to prepare a study on Energy Conservation potentiality and design a feasibility study that sets the solid basis for establishing the Energy conservation and planning centre.

This Preparatory Assistance will provide support to NOGA in the field of energy efficiency. It will mobilize the needed experts in energy efficiency, to study Energy Conservation potentiality and subsequently design the feasibility study for establishing the centre. This will include proper cost benefit analysis for the potential establishment of a one stop shop for energy information in the Kingdom through the intended centre.

## **A. Development Objectives**

The development objective of the preparatory assistance is to contribute in improving the standards and efficiency in gathering energy information in delivering both public and inter-governmental services for proper energy planning and energy balance calculations.

## **B. Immediate Objectives**

Study the Energy Conservation potentiality and develop a feasibility study for NOGA for the establishment of a Center for Energy Conservation and Planning over the short, medium and long terms, that could operate in a cost effective and efficient manner using state of the art approach. Formulate a Project Document for the provision of technical assistance by UNDP.

## **C. Outputs and Activities**

The following key outputs and activities have been identified for implementation of the PA:

- Mobilize national and international experts
- Conducting national consultations with support from NOGA to build consensus on the main objectives having the Energy Conservation and Planning Centre.
- Formulating the long term vision and the strategic objectives of a National Centre for Energy Conservation and Planning.
- Studying the Energy Conservation potentiality and developing a feasibility study for the Centre taking into consideration the institutional and legal implications as well as market needs and service delivery.
- Formulate the programme for NOGA and UNDP to support the establishment of the Energy Conservation and Planning Centre.

## **D. Inputs**

### **1. Project Inputs:**

- International consultant
- National Consultant
- National workshop

### **2. Government Inputs:**

- Communication Facilities
- Premises
- Mobilizing national concerned institutions
- Providing available data, information and documentation

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## II. STRATEGY

The project will provide two or three months of international and national consultants, including at most three visits by the international expert to Manama as well as remote work and coordination with the national expert. The project will also lend assistance to NOGA in studying the Energy Conservation potentiality and designing the mandate and mission of the Centre for Energy Conservation and Planning, gaining from similar experiences abroad.

As a conclusion of this PA, UNDP and NOGA will study the Energy Conservation potentiality and assess the feasibility of creating a full scale Conservation and Planning Centre through carrying a full scale project. In this case a fully fledged Project Document will be formulated.

### Budget:

Activity	Description	Cost in US \$
International Consultant	45 working days	33,000
National Expert	30 working days	10,000
Workshop	National consultation with relevant national authorities and actors	5,000
GMS	3% Facilities & Admin. Fee	1,440
	<b>TOTAL</b>	<b>49,440</b>

## RESULTS & RESOURCES FRAMEWORK

<p><b>Intended Outcome as stated in the Country Programme Results and Resource Framework:</b>  <i>Outcome 4- Environment and Sustainable development</i></p>			
<p><b>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:</b>  The prepared action plans for the Energy Centre updated and implemented by stakeholders.</p>			
<p><b>Applicable Key Result Area (from 2008-11 Strategic Plan):</b>  <i>4.1 National capacities strengthened for equitable use, protection and sustainable management of natural resources</i></p>			
<p><b>Partnership Strategy:</b>  <i>UNDP and the National Oil and Gas Authority will be working together towards the achievement of the objectives of the Participatory Assistance.</i></p>			
<p><b>Project title and ID (ATLAS Award ID):</b>  <i>Assistance to prepare a study on Energy Conservation potentiality and feasibility for establishing an Energy Conservation and Planning Centre in Bahrain</i></p>			
INTENDED OUTPUTS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p>Prepare a study on Energy Conservation potentiality and feasibility for establishing an Energy Conservation and Planning Centre in Bahrain.</p>	<ol style="list-style-type: none"> <li>1. Conducting national consultations with support from NOGA and building consensus on the main objectives having the Energy Conservation and Planning Centre</li> <li>2. Formulating the long term vision and the strategic objectives of a National Centre for Energy Conservation and Planning.</li> <li>3. Studying the Energy Conservation potentiality and developing a feasibility study for the Centre taking into consideration the institutional and legal implications as well as market needs and service delivery.</li> <li>4. Consultation Workshop</li> <li>5. Formulate the programme for NOGA and UNDP to support the establishment of the Energy Conservation and Planning Centre.</li> </ol>	<p>UNDP and the National Oil and Gas Authority</p>	<p>Consultants (National and International)</p> <p>Premises</p> <p>Communication Facilities</p> <p>National Workshop</p>

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### **III. Management Arrangements**

The project will be Nationally Implemented (NIM) by the National Oil & Gas Authority and UNDP will support NOGA in the implementation process.

The UNDP will oversee the implementation and provide their support in the activities with possible participation of other UN Agencies. All recruitment will prioritise national staff and will be conducted by UNDP with the participation of the National Oil & Gas Authority.

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### **IV. Legal Context**

The participants agree that this PA shall be governed by:

1. The Standard Assistance Agreement (SBAA) signed between the Government of the Kingdom of Bahrain and UNDP on August 3rd, 1978.
2. The Decree No. 78 of the year 2005 related to the authorities of the National Oil & Gas Authority and Ministry Decision No. (2) dated April 2009 about the formation of the Energy Conservation Committee in the Kingdom of Bahrain, and other laws and regulation in the Kingdom of Bahrain.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

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### **V. Annexes**

#### **1. Risk Log**

## 1. Risk Log

<b>Project Title:</b> Assistance to prepare a study on Energy Conservation potentiality and feasibility for establishing an Energy Conservation and Planning Centre in Bahrain	<b>Award ID:</b> 00060058	<b>Date:</b>
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Suitable Consultants not found.		Organizational	Hinders the timely implementation.	Ensure that the ToR are clear when advertised.	Project Management Team			
2	Cost of project exceeds the allocation		Financial	Incompletion of the full project.	Mobilize the necessary funds.	Project Management Team			
3	Allocated duration of project exceeds recommended time.		Operational	Extension of the project upon the consensus of both parties,	Agree with counterpart on necessity of extending project.	Project Management Team			