

United Nations Development Programme

Country: Iraq

Project Document

Project Title

Electricity Sector Reconstruction Project in Kurdistan Region (stage II)

UNDAF Outcome(s):

N/A

Expected CP Outcome(s):

N/A

(Those linked to the project and extracted from the CP)

Output 1

Testing equipment delivered and commissioned

Output 2

Mobile substations delivered and commissioned

Output 3

Materials and Equipment for Rehabilitation of the Distribution system completed

Output 4

Substation constructed and operation initiated

Expected Output(s):

(Those that will result from the project)

Executing Entity:

Regional Ministry of Electricity of Kurdistan (RMEK)

Implementing Agencies:

UNDP Iraq (for technical assistance component)

Brief Description

The Project aims to recover the electricity network in the Kurdistan region comprising of three northern governorates of Duhok, Erbil and Sulaimaniyah, through provision of necessary equipment and machinery and rehabilitation for transmission and distribution systems, thereby contributing to improving the levels of reliability and availability of the electricity network and promoting socio-economic stability and expansion. A preparatory project was implemented 2007-2008, operationalising the Partnership Agreement signed between UNDP and Japan International Cooperation Agency (JICA) in October 2007. This Project builds on the success of the preparatory project "Electricity Sector Reconstruction Project in Kurdistan Region." The Project will be implemented through a NEX modality, in which UNDP Iraq's role will be to provide assistance to RMEK in its implementation of the Project with resources made available to the Government by JICA under the Loan Agreement No.IQ-P10, dated June 11, 2008.

Programme Period: Forty months

Key Result Area (Strategic Plan):
Strengthening responsive governing institutions

Atlas Award ID: _____

Start date: _____

End Date: _____

PAC Meeting Date: _____

Management Arrangements: _____

Total resources required: USD 6,449,930

Total allocated resources: USD 6,449,930

- Regular: None
- Other:
 - Government: USD 6,449,930

Unfunded budget: N/A

In-kind Contributions: N/A



Agreed by (Government) _____

Agreed by (Executing Entity): _____

Agreed by (UNDP): _____



Table of Contents

- I. SITUATION ANALYSIS
- II. STRATEGY
- III. RESULTS AND RESOURCES FRAMEWORK
- IV. ANNUAL WORK PLAN
- V. MANAGEMENT ARRANGEMENTS
- VI. MONITORING FRAMEWORK AND EVALUATION
- VII. LEGAL CONTEXT
- VIII. ANNEXES
 1. Risk log
 2. TORs and expected qualifications of experts and project management
 3. TOR attached to the invitation letter from RMEK, dated July 20th, 2008, Ref.No.:5783
 4. Estimated Schedule
 5. Detailed cost estimates for the Services (Table 1 and 2)
- IX. Special Clauses

Attachment:

1. AGREEMENT BETWEEN THE REGIONAL MINISTRY OF ELECTRICITY IN KURDISTAN OF THE GOVERNMENT OF REPUBLIC OF IRAQ AND THE UNITED NATIONS DEVELOPMENT PROGRAMME
2. TECHNICAL AND FINANCIAL PROPOSAL





I. SITUATION ANALYSIS

As a result of the First Gulf War in 1991 and the ensuing internal conflicts, the electricity supply system in the three northern governorates suffered severe damage (e.g. several distribution and transmission lines were put out of commission, many substations were destroyed, power stations were ruined by explosives, etc.). In 1994, the governorates of Duhok, Erbil and Sulaimaniyah had been cut off from the national grid and Erbil and Sulaimaniyah had to rely on the hydropower stations of Dokan and Derbandikhan in the Sulaimaniyah governorate for their power supply (Duhok had no power supply at all for almost one year). By early 1998, the electricity generation, substations and transmission and distribution systems became very weak and power cuts of up to about 5 hours were a regular practice. In certain areas, electricity supply was limited to 3 to 5 hours daily, further reduced to about 1 hour per day or no supply in some areas. The generation capacity of these dams, however, was insufficient to meet the demand. Both dams sustained considerable damage and suffer from lack of spare parts and funds to ensure proper maintenance. The result was a combined shortfall in electricity supply for the three northern governorates of about 350 MW.

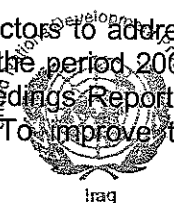
The situation remains critical given the continuously decreasing power supply from a capacity of around 700 MW in 1991, 300 MW in 1998, and approximately 400 MW in 2006. According to RMEK's explanation, about 25 % of the demand of the households connected to the electricity network is currently being met in the three northern governorates but power cuts remain a fact of life. Much of the population in the Kurdistan region put privately-owned small diesel generators to use in their households and workplace as a stop-gap measure. While still very low, it represents a significant improvement over the last three years when only 15 % of the demand of households was being met, due to the impact of the drought on hydro generation.

In the International Compact for Iraq (ICI), the Government of Iraq proclaimed to "develop an Energy Sector Master Plan on the basis of an Energy Balance that will: • Assess the needs of the oil, gas, and electricity sub-sectors as an interdependent energy complex; • Determine the highest national investment priorities based on holistic view of the energy sector; • Lay out a plan for the most effective and efficient development of the energy sector; • Quantify financing requirements and identifies public and private sources including domestic and foreign investors; • Develop policies and supporting legislation for management of energy demand including improving energy efficiency.

The Economic Reform and Diversification (ERD) Sector Assistance Strategy in the UN Assistance Strategy for Iraq 2008-2010 also acknowledges the electricity sector as a key priority area for economic development and transition to a knowledge-based and market economy. The ERD Strategy identifies "Strengthened electricity and transportation sector plans for rapid economic growth" as one of its three Outcomes, and commits to engage in targeted technical assistance and capacity development to realize the Output "National capacities and institutions strengthened for rapid recovery of the electricity sector."

The Government of Japan's announcement to provide a loan of a total of 14,747 million Yen for Electricity Sector Reconstruction Project in Kurdistan Region (KRG) meets the timely needs and contributes to the enhancement of the efforts of the sector. Proceedings of the loan will be utilized by KRG to procure electrical plant and equipment for rehabilitation and development of the Electricity Distribution and Transmission sectors in the 3 northern Governorates (Dohuk, Erbil and Sulaimaniyah) of Iraq and the technical assistance (consulting services) described in this Project Document to be provided by UNDP.

RMEK of KRG identified several projects in the Distribution and Transmission sectors to address urgent and critical needs of the power distribution system, based on the plan for the period 2006-2015 to use its own resources to increase generation capacity. (See the "Proceedings Report of the Conference in Support of Electricity Mater Plan held November 2006"). To improve the



availability of electricity to end users in the Kurdish Region, it is required to assist RMEK to implement these projects successfully. The beneficiaries will be both the RMEK staff, whose capacity will be built, and the people of Northern Iraq, who will profit from the improvement of their access to electricity. Through provision of UNDP's assistance services, it is expected that RMEK's capacity to implement future projects will be built as well.

II. STRATEGY

UNDP Iraq has been supporting Iraq's electricity sector through the implementation of major projects since the mid 90s and especially since 1997. UNDP implemented Electricity Network Rehabilitation Program (ENRP) in the 3 northern Governorates from 1997. Under this program UNDP implemented approximately USD 450 million worth projects in electricity generation, transmission, substations and distribution sectors. Generation covered rehabilitation of 2 major hydro power stations, construction of 3 power plants with total capacity of about 90 MW and provision of more than 1000 diesel generators for operation of essential services. Backbone 132kV transmission system and the substations were reinforced with new constructions and rehabilitated assets. Reliability and capacity of the distribution networks were improved by adding a large number of new transformers and distribution lines and equipment.

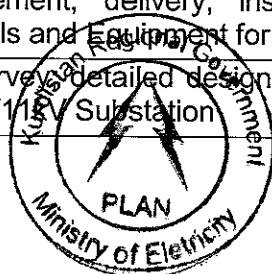
In addition, through UNDP, a variety of other areas were supported, including generation rehabilitation (1 unit in Mussaib, 3 in Taji, 2 in Hartha and 2 in Mosul); emergency interventions (supply of emergency power to critical humanitarian infrastructure); training/capacity building; support to development plan preparation and discussion (such as workshops and conferences); project assessment/definition; and preparation of budgets.

During the discussions with RMEK of KRG, it was observed that the Ministry of Electricity (MoE) and KRG did not possess comprehensive technical specifications for electrical plant & equipment required for international competitive bidding. They also observed that they use various standards and specifications (old Iraqi, IEEE, and others) for their current procurement, and requested UNDP of assistance. MoE themselves also recognized their need to improve their qualified staff's capacity, as raised in the recommendations of the November 2006 Conference in Support of Electricity Master Plan. UNDP Iraq's loan management preparatory project of 2007-2008, based on the Partnership Agreement with JICA, successfully assisted in the equipment procurement and enhancement of RMEK staff capacity. The existing standards/specifications were reviewed and technical specifications were prepared using international best practices, essential and critical for international competitive bidding. RMEK staff were provided with on-the-job-training, ensuring their sustainable capacity enhancement for even more Iraqi-led investment efforts in the future.

UNDP Iraq is thus best placed to build on the preparatory project and assist to recover the electricity network in the Kurdistan region, comprising three northern governorates of Duhok, Erbil and Sulaimaniyah. The project will provide necessary equipment and machinery and rehabilitate transmission and distribution systems, thereby contributing to improving the levels of reliability and availability of the electricity network and promoting socio-economic stability and expansion.

The Project consists of the following four subprojects in order to achieve the project objectives:

Subproject 1	Procurement, delivery, commissioning and acceptance of Testing Equipment for Substation
Subproject 2	Procurement, delivery, installation, commissioning and acceptance of Mobile Substations (132/33kV, 132/11kV and 33/11kV)
Subproject 3	Procurement, delivery, installation, commissioning and acceptance of Materials and Equipment for Rehabilitation of the Distribution system
Subproject 4	Site survey, detailed design, specification, procurement and construction of 132/33/11kV Substation



The detailed methodology of the Project is described in the attached Technical Proposal.

The responsibilities of the partners will be as follows:

Regional Ministry of Electricity in Kurdistan (RMEK)

RMEK is in charge of implementation, operation and maintenance (O&M) of the electricity networks in Kurdistan region (Governorates of Duhok, Erbil and Sulaimaniyah). The Project Management Committee (PMC) established in RMEK in 2007 and headed by the Directorate General of Planning will support project management activities with the assistance of UNDP Iraq. Directorate General of Distribution and Directorate General of Transmission of the Headquarter in Erbil will manage the implementation of the project across the three Governorates. RMEK as a whole shall maintain overall responsibility, with the assistance of UNDP Iraq, for all the activities in the Project including: overall project coordination, procurement management, asset management (including tracing and reporting of each item to be procured under JICA ODA Loan), financial management (including checking of all accounts and preparation of disbursement requests to JICA), arrangement of audit, monitoring and evaluation, and preparation of reports such as Progress Reports (P/R), in collaboration with the related office of RMEK.

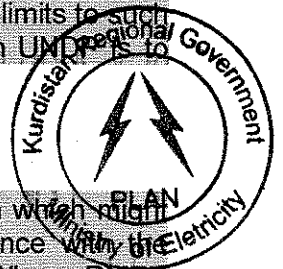
UNDP Iraq

UNDP Iraq will maintain the Team engaged in the JICA partnership loan management project as the Project Management Team (PMT) of this Project and immediately start working for RMEK based on the TOR attached to the invitation letter, dated July 20th, 2008, Ref. No.:5783 (attached as Annex 3). The PMT based in Amman is to provide overall technical and administrative services for the implementation and management of each sub-project in order to meet the expected completion dates described in the project schedule and assuring the overall quality of works. It will consist of technical and administrative/financial management supports and act as a coordinator between RMEK and JICA, which would surely contribute to accelerating the JICA procedures. The Project Manager will be stationed in Erbil and will overall be responsible for the supervision of all UNDP project staff at the site and the project activities. UNDP Iraq will assign suitably qualified personnel, in consultation with RMEK, to fully comply with the TOR. The responsibilities of the PMT and each personnel are described in Annex 2.

UNDP is to act as a faithful adviser to RMEK. RMEK may delegate to UNDP more or less authority to act on its behalf, from full responsibility to make final decisions as an independent engineer, to that of advisor to RMEK with little authority to make decisions. The nature of and the limits to such delegation of authority to UNDP, as well as the nature of the responsibilities which UNDP is to assume, are defined in the TOR (attached as Annex 3)

UNDP fully understands the following requirements;

- To report to RMEK and JICA promptly the occurrence of any event or condition which might delay or prevent completion of any significant part of the project in accordance with the schedules and to indicate what steps shall be taken to meet the situation. Where RMEK receives such a report from UNDP, RMEK shall immediately forward a copy of it to JICA, together with its comments on the report and an outline of the steps the report proposes shall be taken (In case of serious hindrances)
- To confirm or revise the number of staff required and the professional staff-months necessary, based on the appreciation of the project schedule
- To provide the services by suitably qualified and experienced personnel as required by the work involved and approved by RMEK, which approval shall not be unreasonably withheld or delayed.
- To submit CVs of the personnel proposed as soon as they may reasonably be required by the progress of the contracts for works executed by RMEK
- To make allowances to cover absences of staff on leave by rotating staff assigned to the project
- The equipment to be purchased will be transferred to RMEK after the project



UNDP Iraq will work for RMEK to meet the expected completion dates of the project schedule and to conduct the following services in general (the details of which is provided in the Detailed Work Program and Methodology in Section 3 of the Technical Proposal):

(1) Project implementation: To assist in design review, procurement process, contract and project management and execution, incorporating supervision of construction and commissioning, including the warranty (defect liability) period in the following

- Carrying out site reconnaissance to analyze and understand the site situation and security situation in order to finalize the scope, cost, etc
- Assistance with preparation of technical specifications and bid documents
- Assistance with preparation of necessary documents related to procurement to be submitted to JICA in accordance with the Loan Agreement
- Assistance with bid process of advertisement, pre-tender meeting, response to bidders, evaluation, and award of contract
- Design review and approvals
- Inspection, testing and delivery control during manufacture
- Construction supervision
- Review and check on works progress for certification of progress payments
- Assistance with preparation of necessary documents related to disbursement to be submitted to JICA in accordance with the Loan Agreement
- Supervision of commissioning and acceptance tests
- Assistance during defects liability period

(2) Transfer of technology and Operation and Maintenance: To develop and arrange adequate training programs for RMEK in order to ensure proper operation and maintenance

- Transfer of technology to RMEK personnel
- Establishment of inventory control system at warehouses for materials and equipment

(3) Reporting: To prepare the following required reports

- Monthly progress reports
- Quarterly progress reports
- Sub-project completion reports
- Project completion report



(4) Co-ordination: To assist RMEK to maintain proper co-ordination and communication between RMEK and JICA

- Preparation of necessary documents related to procurement and disbursement to be submitted to JICA
- Coordination with JICA on behalf of RMEK to accelerate obtaining JICA's concurrence on necessary documents

Difference of opinion

In the case of a difference of opinion between RMEK and UNDP on any important matters involving professional judgement that might affect the proper evaluation or execution of the project, RMEK shall allow UNDP to submit promptly to RMEK a written report and, simultaneously, to submit a copy to JICA. RMEK shall forward the report to JICA with its comments in time to allow JICA to study it and communicate with RMEK before any irreversible steps are taken in the matter. In cases of urgency, UNDP has the right to request RMEK and/or JICA that the matter discussed immediately between RMEK and JICA.

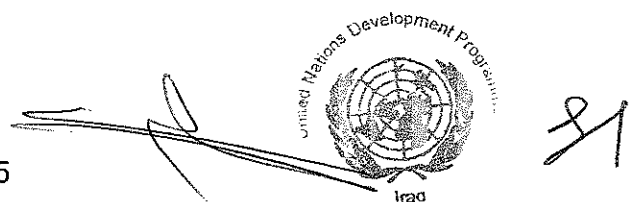
RMEK and UNDP understand the following conditions of JICA:

- JICA may monitor the Services as necessary to ensure compliance with appropriate standards and acceptable data. As appropriate, JICA may take part in discussions between RMEK and UNDP. However, JICA shall not be liable in any way for the performance of the Services by reason of such monitoring or participation in discussions. Neither RMEK nor UNDP shall evade

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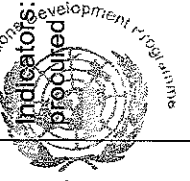
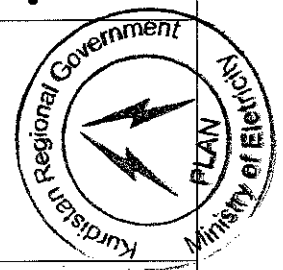
any responsibility for this Project Document by reason of JICA's monitoring or participation in discussions.

- The commencement conditions of the Services are the following:
 - Review and concurrence of this Project Document and the related agreement by JICA
 - Receipt by UNDP of the first payment described in the payment schedule
- RMEK shall obtain JICA's concurrence before making any substantial changes in this Project Document, such as its objectives, activities, implementation agreements, budget, etc. Such changes in the Project Document must be made in writing.



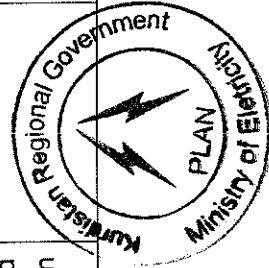
III. RESULTS AND RESOURCES FRAMEWORK

<p>Intended Outcome as stated in the Country Programme Results and Resource Framework: Refer to I. Situation Analysis</p> <p>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Refer to I. Situation Analysis</p> <p>Applicable Key Result Area (from 2008-11 Strategic Plan): 2.2 Strengthening responsive governing institutions; 4. National, regional and local levels of governance expand their capacities to reduce conflict and manage the equitable delivery of public services</p> <p>Partnership Strategy: N.A.</p> <p>Project title and ID (ATLAS Award ID):</p>				
INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p>Output 1</p> <p>Testing equipment delivered and commissioned</p> <p>Baseline: NA</p> <p>Indicators: 19 items of testing Equipment procured</p>	<p>Targets (year 1)</p> <ul style="list-style-type: none"> - Procurement process to select a supplier completed <p>Targets (year 2)</p> <ul style="list-style-type: none"> - Procurement, delivery, commissioning and acceptance of the Testing Equipment completed 	<p>1 A supplier selected and the contract initiated</p> <ul style="list-style-type: none"> Prepare a draft bidding document Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA <p>2 Testing Equipment procured</p> <ul style="list-style-type: none"> Delivery of Testing Equipment to the warehouses Complete testing and commissioning at site 	<p>Directorate General of Planning, Directorate General of Transmission and Directorate General of Distribution</p>	<p>Consulting services</p> <p>89,000 USD</p> <ul style="list-style-type: none"> International engineer (3M/M) National engineer (4M/M)
<p>Output 2</p> <p>Mobile substations delivered and commissioned</p> <p>Baseline: NA</p> <p>Indicators: 13 Mobile Substations procured</p>	<p>Targets (year 1)</p> <ul style="list-style-type: none"> - Procurement process to select a supplier completed <p>Targets (year 2)</p> <ul style="list-style-type: none"> - Procurement, delivery, installation, commissioning and acceptance of the Mobile Substations completed 	<p>1. A supplier selected and the contract initiated</p> <ul style="list-style-type: none"> Prepare a draft bidding document Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA <p>2. Mobile Substations procured</p> <ul style="list-style-type: none"> Delivery of MSS to the warehouses Complete testing, installation and commissioning at site 	<p>Directorate General of Planning and Directorate General of Transmission</p>	<p>Consulting services</p> <p>321,000 USD</p> <ul style="list-style-type: none"> International engineer (12M/M) National engineer (6M/M) National Commissioning Engineer (3M/M)



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<p>Output 3 Materials and Equipment for Rehabilitation of the Distribution system completed</p> <p>Baseline: NA</p> <p>Indicators: 9 items of the Materials and Equipment for rehabilitation of the distribution system procured</p> <p>15 engineers trained for distribution planning system</p> <p>6 months OJT training for health & safety provided</p>	<p>Targets (year 1)</p> <ul style="list-style-type: none"> - Procurement process to select a supplier completed - Trainings provided <p>Targets (year 2)</p> <ul style="list-style-type: none"> - Procurement, delivery, installation, commissioning and acceptance of the Materials and Equipment for Rehabilitation of the Distribution system completed 	<p>1. A supplier selected and the contract initiated</p> <ul style="list-style-type: none"> Prepare a draft bidding document Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA <p>2. Trainings provided</p> <ul style="list-style-type: none"> Select a system vendor to provide the training for distribution planning system Purchase distribution system planning software Provide the training course to 15 engineers by the selected system vendor in Amman Select a training expert to provide the OJT training for health & safety in three governorates Provide OJT training for 6 months <p>3. Materials and Equipment for rehabilitation of the distribution system procured</p> <ul style="list-style-type: none"> Delivery of Materials and Equipment for rehabilitation of the distribution to the warehouses Complete testing, installation and commissioning at site 	<p>Directorate General of Planning and Distribution</p>	<p>Consulting services and capacity building 939,600 USD</p> <ul style="list-style-type: none"> International engineer (12M/M) International Planning Engineer (6M/M) National engineers (3 engineers X 4M/M) Trainings (261,600USD) Purchase of distribution system planning software (204,000USD)
<p>Output 4 Substation constructed and operation initiated</p> <p>Baseline: NA</p> <p>Indicators: Construction of one new Substation in Sulaimaniyah completed</p>	<p>Targets (year 1)</p> <ul style="list-style-type: none"> Site survey, detailed design, specification and the procurement process to select a supplier including a prequalification process completed <p>Targets (year 2 and 3)</p> <ul style="list-style-type: none"> - Construction commissioning and acceptance of the new Substation (132/33/11KV) 	<p>1. A supplier selected and the contract initiated</p> <ul style="list-style-type: none"> Prepare a draft bidding document Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA <p>2. Construction of a new Substation completed</p> <ul style="list-style-type: none"> Delivery and Completion of construction works 	<p>Directorate General of Planning and Distribution</p>	<p>Consulting services 741,000 USD</p> <ul style="list-style-type: none"> International engineer (24M/M) International commissioning engineer (3M/M) National Civil engineer (8M/M) National Electrical



<p>Output 5 Project completed as scheduled Baseline: NA Indicators: Project completed in 36 months Baseline survey on the Electricity Sector in Kurdistan Region completed before and after the project implementation</p>	<p>completed</p>	<p>Targets (year 1) - All procurement processes for all subprojects completed - Baseline survey completed before the project implementation - Provide all trainings Targets (year 2) - Three subprojects completed (subproject 1, 2 and 3) Targets (year 3) - Construction of a new Substation (132/33/11kV) completed - Baseline survey completed after the project implementation</p>	<p>• Complete testing, installation and commissioning at site 1. Contractors for all subprojects selected and the contracts initiated ▪ Complete all the procurement processes to meet the estimated schedule 2. All subprojects completed • Delivery of equipments to the warehouses • Completion of construction works • Complete testing, installation and commissioning at site • Prepare a project completion report 3. Trainings provided to RMEK officials • Select appropriate trainers/venue for the trainings • Organize and supervise the training courses 4. Baseline survey on the Electricity Sector in Kurdistan region completed before and after the project implementation • Select an Economist to conduct baseline survey • Conduct baseline survey before and after the project implementation</p>	<p>Directorate General of Planning, Directorate General of Distribution and Directorate General of Transmission</p>	<p>Engineer (16M/M) Consulting services and capacity building 3,578,050 USD The main components are in the following; • Project Management Team (internationals) (60M/M) • International Project Manager (30M/M) • International Procurement Specialist (8M/M) • International Economist (7M/M) • International Environmental Specialist (6M/M) • Travel Expenses (337,910 USD) • Miscellaneous (616,540 USD)</p>
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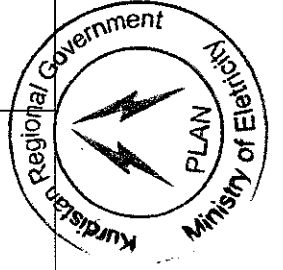


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IV. ANNUAL WORK PLAN

Year: 2008

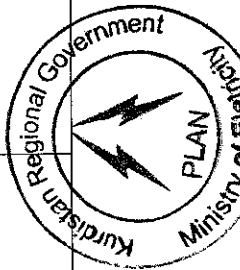
EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Budget Description Amount (USD)
Output 1 Testing equipment delivered and commissioned Baseline: N/A Indicators: Targets:	1. Activity Result: Procurement process to select a supplier initiated. -Activity action: Prepare draft bidding document. -Activity action: Advertise the bid.				X	Directorate General of Planning, Directorate General of Transmission, and Directorate General of Distribution UNDP Iraq PMT	RMEK	NA
Output 2 Mobile substations delivered and commissioned Baseline: N/A Indicators: Targets:	1. Activity Result: Procurement process to select a supplier initiated. -Activity action: Prepare draft bidding document. -Activity action: Advertise the bid.				X	Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	NA
Output 3 Materials and Equipment for Rehabilitation of the Distribution system completed Baseline: N/A Indicators: Targets:	1. Activity Result: Procurement process to select a supplier initiated. -Activity action: Prepare draft bidding document. -Activity action: Advertise the bid.				X	Directorate General of Planning and Directorate General of Distribution UNDP Iraq PMT	RMEK	NA

Output 4 Substation constructed and operation initiated Baseline: N/A Indicators: Targets:	1. Activity Result: Prequalification process to select a supplier initiated. -Activity action: Prepare draft PQ bidding document. -Activity action: Advertise the bid.					X	Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	NA	NA
Output 5 Project completed as scheduled and baseline survey completed Baseline: N/A Indicators: Targets:	1. Activity Result: Recruiting Project Management Team. Project Manager and international specialists and the technical assistance initiated. -Activity action: Start Recruiting process of project personnel. - Activity action: Assist RMEK in project implementation					X	UNDP Iraq PMT	RMEK	Personnel	78,000
TOTAL										78,000

Year: 2009

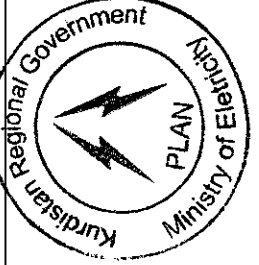
EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description Amount	
Output 1 Testing equipment delivered and commissioned Baseline: N/A Indicators: Targets:	1. Activity Result: A supplier selected <ul style="list-style-type: none"> Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA 2. Activity Result: The contract initiated	X	X			Directorate General of Planning, Directorate General of Transmission and Directorate General of Distribution UNDP Iraq PMT	RMEK	NA NA	
Output 2 Mobile substations delivered and commissioned	1. Activity Result: A supplier selected and the contract initiated <ul style="list-style-type: none"> Prepare a draft evaluation report for the bid Prepare a draft contract Prepare all the necessary requests to be submitted to JICA JICA	X	X			Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	Personnel	159,000



	2. Activity Result: The contract initiated					X															
Output 5 Project completed as scheduled and baseline survey completed Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Project personnel recruited and technical assistance in progress • Assist RMEK in project implementation <ul style="list-style-type: none"> 2. Activity Result: Trainings provided to RMEK officials • Select appropriate trainers/venue for the trainings • Organize the training courses <ul style="list-style-type: none"> 3. Activity Result: Baseline survey completed before the project implementation • Recruit an economist • Conduct baseline survey before the project implementation 	X	X	X	X																
TOTAL																			1,956,700		

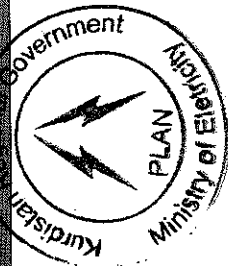
Year: 2010

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET															
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount													
Output 1 Testing equipment delivered and commissioned Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Testing Equipment procured - Deliver Testing Equipment to the warehouses - Complete testing and commissioning at site 	X	X																			
						Directorate General of Planning, Directorate General of Transmission and Directorate General of Distribution UNDP Iraq PMT	RMEK	Personnel														89,000



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Output 2 Mobile substations delivered and commissioned Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Mobile Substations procured • Delivery of MSS to the warehouses • Complete testing, installation and commissioning at site 	X	X				Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	Personnel	162,000
Output 3 Materials and Equipment for Rehabilitation of the Distribution system completed Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Materials and Equipment for rehabilitation of the distribution system procured • Delivery of Materials and Equipment for rehabilitation of the distribution to the warehouses • Complete testing, installation and commissioning at site 	X	X				Directorate General of Planning and Directorate General of Distribution UNDP Iraq PMT	RMEK	Personnel	126,500
Output 4 Substation constructed and operation initiated Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Construction of a new Substation in progress • Delivery of construction works • 	X	X	X	X		Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	Personnel	301,000
Output 5 Project completed as scheduled and baseline survey completed Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: 3 subprojects completed (subproject 1, 2 and 3) • Delivery of equipments to the warehouses • Complete testing, installation and commissioning at site • Assist RMEK in project implementation 	X	X	X	X		Directorate General of Planning and Directorate General of Distribution and Directorate General of Transmission UNDP Iraq PMT	RMEK	Personnel	681,000
TOTAL										1,369,500

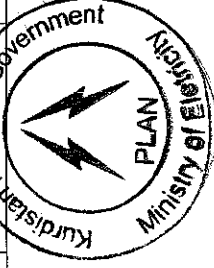


Year: 2011

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount
Output 4 Substation constructed and operation initiated Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Construction and testing of the new Substation completed <ul style="list-style-type: none"> • Delivery and Completion of construction works • Complete testing, installation and commissioning at site 	X	X	X	X	Directorate General of Planning, Directorate General of Transmission and Directorate General of Distribution UNDP Iraq PMT	RMEK	Personnel	440,000
Output 5 Project completed as scheduled and baseline survey completed Baseline: N/A Indicators: Targets:	<ul style="list-style-type: none"> 1. Activity Result: Construction and testing of the new Substation completed (subproject 4) <ul style="list-style-type: none"> • Delivery and Completion of construction works • Complete testing, installation and commissioning at site • Assist RMEK in project implementation 2. Activity Result: Baseline survey after the project implementation initiated 	X	X	X	X	Directorate General of Planning and Directorate General of Transmission UNDP Iraq PMT	RMEK	Personnel	732,000
TOTAL									1,212,000

Year: 2012

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount
Output 5 Project completed as scheduled and baseline survey completed Baseline: N/A	<ul style="list-style-type: none"> 1. Activity Result: Project completion report prepared 	X	X			UNDP Iraq PMT Directorate General of Planning	RMEK	Personnel	68,000



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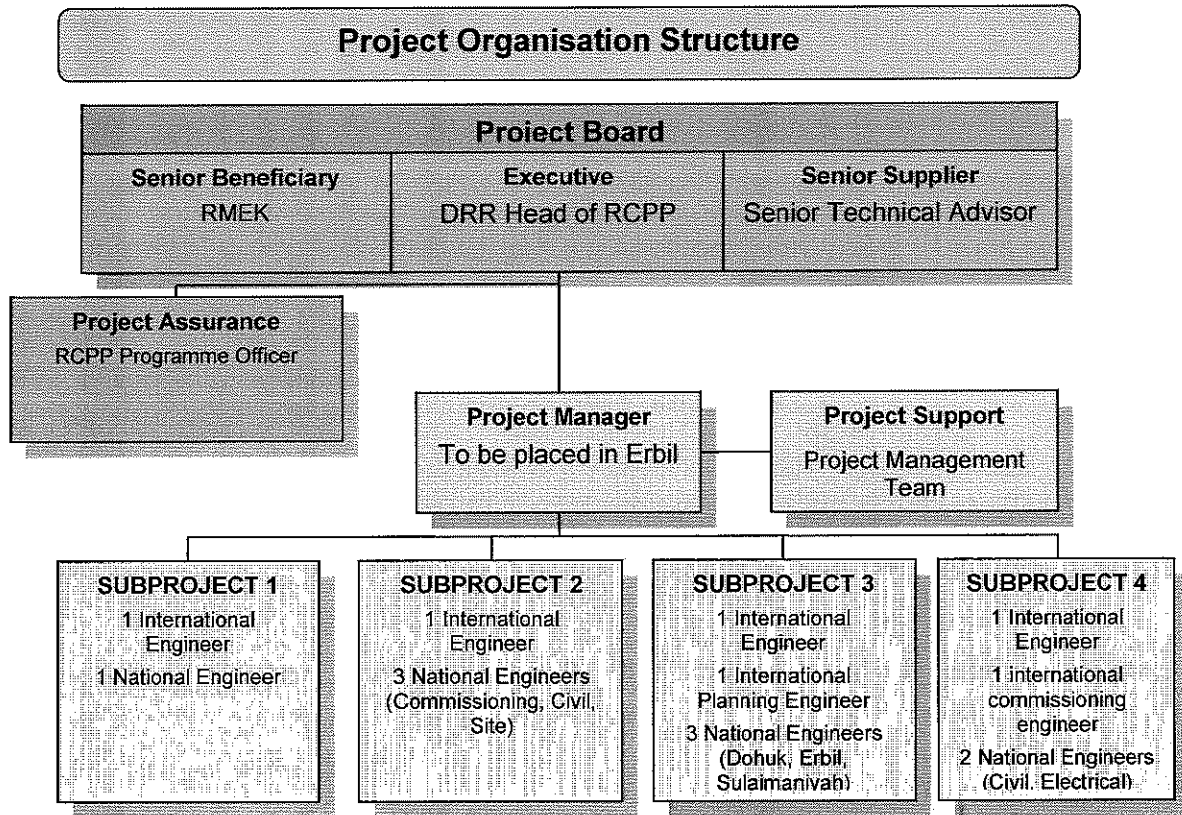
Indicators: Targets:	2. Activity Result: Baseline survey after the project implementation completed	X				UNDP Iraq PMT Directorate General of Planning	RMEK	Personnel	40,000
TOTAL									108,000

Travel Expenses: 337,910
 Indirect Cost Miscellaneous: 616,540
 Security (2% of Project budget excluding indirect cost): 101,042
 Agency Management Support Cost (7% of Project budget): 396,806
 Contingency (Project budget): 283,433

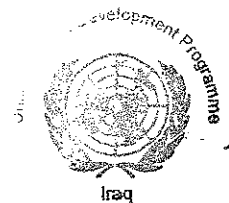
Total budget: 6,449,930. The detailed of the Total Budget is described in the attached Financial Proposal.



V. MANAGEMENT ARRANGEMENTS



See Section II. Strategy as well as the ToRs attached in the Annex 2 for the roles and responsibilities of the parties involved in managing the project.



VI. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

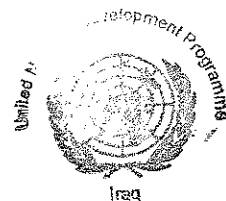
- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events such as site visits and supervision of construction and tests.

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.



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Quality Management for Project Activity Results

Replicate the table for each activity result of the AWP to provide information on monitoring actions based on quality criteria. To be completed during the process "Defining a Project" if the information is available. This table shall be further refined during the process "Initiating a Project".

OUTPUT 1:		
Activity Result 1 (Atlas Activity ID)	<i>Short title to be used for Atlas Activity ID</i>	Start Date: End Date:
Purpose	<i>What is the purpose of the activity?</i>	
Description	<i>Planned actions to produce the activity result.</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>




VII. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Iraq and UNDP, signed on 20 October 1976.

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.

The executing agency shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

