

**United Nations Development Programme – INDIA
CPAP 2008-2012**

Annual Work Plan 2011 (January - December)

(REVISED)



Project Title: Removal of Barriers to Biomass Power Generation in India

Award ID: 00043810

Project ID: 00051271

Project Start and End Date: 01.04.2007 to 31.12.2012

Corresponding CP Outcome(s): Progress towards Meeting National Commitment under Multilateral Environmental Agreements.

Corresponding CP Output(s): National Development Efforts with Co-benefits of Mitigating Climate Change

Project Results description as outlined in approved project brief:

Project outputs	Indicators	Baseline
Technology Package Benchmarking and Validation for different bio-mass power technologies	Review of state-of the-art technologies commercially available worldwide and Documentation of operating performance parameters including 'Good Practices' on various aspects of sub MW biomass power plants	Poor reliability and inadequate information of biomass power technologies, both captive and distributed and on projects available to the major stakeholders.
	Mapping of Biomass for power generation in different states	Non-availability of consistent and dependable data / estimates of surplus biomass for all geographic areas in different states
Enhanced Confidence of Project Promoters, Financial Institutions, Regulators, Policy Makers, SNAs, other Stakeholders through Effective Information Development & Dissemination Program	Review of Policy Framework currently in place for promotion of use of biomass for generation of power and Development of Generic Documents and Guidelines for different types / sub-sectors of biomass power	Wide variation in Policy & Regulatory environment and inadequate information on various aspects of BPP and bagasse cogeneration in sugar industries, to project developers and other key stakeholders
	Organizations of Business Meets & Workshops, Study Tours / Fellowships / participation in International Events for capacity building at national level and in targeted states	Inadequate information, orientation and technical skills available to the major stakeholders
Development of Institutional Framework	Development of Business, Commercial and Support Services Networks for creation of effective Institutional Framework in different states	Inadequate Institutional Framework at National, Regional and Local Levels for large scale multiplication of biomass power technology and projects

Creation of Fund for Contingent Financing	Short listing of specific FIs at National and focused state levels for Creation of Fund for Contingent Financing and Development of restructured financial models	Inadequate skills, experience and commitment to provide finance to biomass power projects
Model Investment Projects (MIPs)	Implementation of MIPs models for demonstration of biomass power technologies	Models for implementing BPP do not exist either for captive or distributed biomass resources
Project Management Unit	Project Staff in place	None

Project and AWP 2011 BUDGET:

UNDP funds	Government funds*		Total
5,650,000	5,240,000		USD 10,890,000 (for entire project duration)
850,950	-	-	USD 850,950 (for 2011)

*Mention donor between brackets

* 4,000,000 (GOI)

Project budget	Actual exp in 2007	Actual exp in 2008	Actual exp in 2009	Expected exp in 2010	Budget 2011	Budget 2012
5,650,000	594,870	1,073,330	367,566	-270,000	850,950	

Agreed by (Implementing Partner): **Ministry of New and Renewable Energy**

Hash. Khush 30/8/2011
 सचिव / Joint Secretary
 नवीन और नवीकरणीय ऊर्जा मंत्रालय
 Ministry of New and Renewable Energy
 भारत सरकार / Govt. of India
 नई दिल्ली / New Delhi-110003

Agreed by UNDP:

United Nations Development Programme

30 Aug 2011

Project Targets for 2011 Remember to ensure that targets are 'SMART'	PLANNED ACTIVITIES Remember to add M&E activities and procurement activities, as applicable	Indicative month of completion	RESPONSIBLE PARTY (where possible)/Account Code	Budget (USD)
Technology Improvements	Establishment of Test Centre and Regional Test Centres for Performance Evaluation, Benchmarking of Design and Equipment of sub MW biomass system.	Dec. 2011	PMc/MNRE	
	<ul style="list-style-type: none"> Development of MW capacity Biomass Gassifier system Study on Utilization of IC Engine Exhaust for Heating and / or Cooling 	Dec. 2011	71300 71600 72100 74500	10000 5000 75000 5000
Increase Information and Knowledge	<ul style="list-style-type: none"> Preparation of Detailed Project Report for setting up MIPs. Resource and Risk Assessment studies for MIPs. Evaluation of Fuel Supply Networks for Machinery and Equipment Package for harvesting, collection, transportation, processing and storage of biomass / crop residues. Publication of BioEnergy Magazine 	Dec. 2011	PMc/MNRE 71300 71600 72100 74500	50000 5000 40000 5000
		Sub-total 1		95000
Capacity Building	<ul style="list-style-type: none"> Organization of 4-6 dissemination programmes (business meets / workshops) Study tours, fellowship trainings and participation in international events(two each) involving major stakeholders - Project Promoters, Financial Institutions, State Nodal Agencies, Technical Institutions, and Local Entrepreneurs / Self help Groups (SHGs) etc. 	Dec. 2011	PMc/MNRE 71600 72100 74500	5000 15000 5000
		Sub-total 2		100,000
Business and Commercial Networks	Organisation of capacity building activities for selected institutions/farmers cooperative/entrepreneurs/Self help Groups (SHGs) for mainstreaming their activities for promotion of Fuel Supply Linkages.	Dec. 2011	PMc/MNRE 72100	25,000
		Sub-total 3		25,000
Creation of Fund for Contingent Financing	Development of Financial Models for MIPs and finalisation of Financial Institutions for Operation of Funds for Contingent Financing.	Dec. 2011	PMc/MNRE 71300	15,000
		Sub-total 4		25000
	Sub-total 5			15000

		Dec. 2011	PMC/MNRE	
MIP's	Establishment of MIPs based on Fuel Supply Linkages, 1-2 MW Biomass Cogeneration/DDG, Grid Connected Biomass Power and Cogeneration in small capacity sugar mills.		71300 71600 72100 72800	10000 5000 10000 457950
Sub-total 6				
Project Management Unit	Project Management <ul style="list-style-type: none"> • Two Technical Officers/Project Consultants each @ Rs. 50,000 pm • Technical /Project Assistant @ Rs. 25000 pm • Deployment of Support Staff • Misc PMU support activities 	Dec. 2011	PMC/MNRE 71300 71600 72100 74500	40000 10000 10000 4050
Communication, Audit, Monitoring and Evaluation				
Sub-total 7				
AWP Grand Total in USD				850,950
108000				

Notes:

As decided in the 3rd meeting of PSSC held on 14.12.2010, upto 25 % of the total investment support to be sanctioned for setting up MIPs towards innovative/critical imported components and/or mitigation of investment risk will be met out of GEF funds.

Fund Flow arrangements

At the request of the National Project Director, UNDP will release payments directly to the separate Project Account opened by National Project Coordinator, IREDA (Indian Renewable Energy Development Agency). UNDP will advance the funds on a quarterly basis as per the approved work plan at the request of the National Project Director or a designated authority in the form of duly filled and signed 'Fund Authorization and Certificate of Expenditures' Report (FACE-Report). Separate books of account shall be maintained in order to ensure accurate reporting of expenditure and providing a clear audit trail. Any interest accrued on the project funds will be ploughed back into the project.

Bank account number:

62034166749

Bank Name:

State Bank of Hyderabad

Branch:

IHC, Lodhi Road Branch, New Delhi

INTER OFFICE MEMORANDUM

To Ms. Caitlin Wiesen
Resident Representative a.i.

Date: 30 August 2011

Through:

Achana

Step 1: MSU after reviewing Atlas, Budgets and approving Implementing Modalities

Step 2: DCD- Programme for certification

S. N. Srinivas

From:

for
Preeti Saini
ACD

PO

S. N. Srinivas

Subject: Approval of revised AWP for GEF Biomass project

Please find enclosed the revised Annual Workplan of the GEF supported project- on Removal of Barriers to Biomass Power Generation in India , for your review and approval. The AWP has been revised at the request of the partner. Detailed Note to File dated 4 August 2011 is attached.

Thanks and regards

Achana

NOTE TO FILE

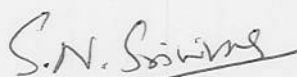
(Revision of AWP 2011)

REMOVAL OF BARRIERS TO BIOMASS POWER GENERATION IN INDIA (Sept 2006-Dec 2012)

Annual Work Plan 2011 was made for 1,508,950 USD. This was ambitious and much higher than the previous years. During the year (2011), most activities are on track except implementation of Model Implementation Project (MIP). MIP is actually providing implementation support to projects that establish biomass based power generating units which are innovative in nature, and can provide lessons for replications. The process of procuring required approvals to set up a MIP was envisaged to take about three months after the Detailed Project Report of the promoter of MIP was approved by MNRE. However, it was realized by the project team that there are about nine approvals required to be taken (clearances from State Nodal Agency, State Pollution Control Board, State Electricity Board, etc.) to implement a biomass power project even of capacity of 1 to 2 MW. Apart from these, the promoters also need to enter into long term agreements with farmers/fuel suppliers for supply of biomass, and PPA (Power Purchase Agreements) with industry/end user to sell electricity. All these processes are taking about eight to ten months time. MNRE is keen to address issue of approvals at least for the category of 1 to 2 MW and has held several consultations with some of the relevant agencies. However, till some reliefs are formulated and approved, the projects currently under consideration need to pass through existing approval processes. The major revisions in budgets sought are due to delay in MIPs and one of the components being passed on to MNRE budget. The details are given in table below;

SN	Outcome	AWP 2011 (in USD)	AWP 2011 (revised) (in USD)	Reasons for reduction
1	Technology improvements	130,000	20,000	Establishment of test centers has been taken up by MNRE funds
2	MIPs	1,000,000	600,000	Major revision
	Total	1,130,000	620,000	

Several consultations were held during June/July with NPC and NPD to review progress of project. Several options to expedite the activities were reviewed. After careful consideration after these consultations, MNRE felt that the target set is ambitious and it may not be possible to achieve this target. Hence the target was reduced from 1,508,950 USD to 850,950 USD. Given the above reasoning, we feel the revised budget of 850,950 USD for year 2011, may kindly be approved.



S. N. SRINIVAS
4 August 2011


for SRINIVASAN IYER

भारत सरकार

नवीन और नवीकरणीय ऊर्जा मंत्रालय

Government of India

MINISTRY OF NEW AND RENEWABLE ENERGY

ब्लॉक नं. 14, केन्द्रीय कार्यालय परिसर, लोदी रोड़, नई दिल्ली-110003
BLOCK NO. 14, C.G.O. COMPLEX, LODI ROAD, NEW DELHI - 110 003

Sup - 13985654

Fax : 011-24361298

Telegram : RENEWABLE

सं.

F. No- 11/5/PMC/BM/2009

No.

दिनांक 29.08.2011

Dated


Dr. SN Srinivas
Programme Officer
Energy & Environment Unit
United Nations Development Programme (UNDP)
55 Lodhi Estate, New Delhi-110003

Subject: Annual Work Plan for the Year 2011 - Revision of Budget- Reg.

Dear Sir,

Revised budget for the Annual Work Plan (AWP) for the Year 2011 in respect of UNDP/GEF assisted Biomass Power Project duly signed by the NPD is sent herewith.

2. You are requested to kindly get it signed on behalf of UNDP and return the same for our records.

United Nations Development Programme New Delhi-INDIA					
30 AUG 2011					
	RR	CD.	DDP	DDP	<i>[Signature]</i>
N					
A					

Yours faithfully,

[Signature]

(V.K. Jain)

Director & NPC

Telefax: 011-24369788

Email: jainvk@nic.in