



<b>Project Title:</b>	<b>Advisory Support to the Deputyship of Electricity Affairs at Ministry of Energy</b>
<b>Project Number:</b>	<b>SAU10/122410</b>
<b>Implementing Partner:</b>	Deputyship of Electricity Affairs "Deputyship"
<b>Start Date:</b>	October 2019
<b>End Date:</b>	September 2022
<b>PAC Meeting Date</b>	<b>13 October 2010</b>

**Brief Descr**

**ption: The overall development challenge and the expected results of the project.**

The electricity sector in the Kingdom of Saudi Arabia is witnessing a major transformation with a number of ongoing initiatives which aims to increase efficiency of the sector and the added value, at the time which the energy mix is being diversified in the country. According to the general policies of the Ministry of Energy and the tasks entrusted to it, Deputyship seeks to provide a comprehensive and efficient electrical service -not less than the best global practices-, achieve sustainability, participate in preparation policies and supervision of their implementation to raise the quality of electrical service, provide the necessary electrical safety conditions within the electrical system in the Kingdom, propose policies and strategies for achieving the sustainability of electric energy and follow up their implementation in coordination with the relevant entities. Therefore, the ministry needs to obtain the technical and administrative support in order to contribute to the implementation of national priority initiatives and programs to achieve the vision and objectives of Ministry within the vision of KSA 2030 and the National Transformation Program 2020, with the aim of upgrading electrical services and obtaining high reliability.

This project, which is supported by the United Nations Development Program (UNDP), aims to provide technical and advisory support to Deputyship to improve its efficiency in implementing its tasks, initiatives and plans, and overseeing achievement of its future strategic objectives.

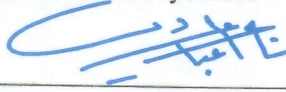
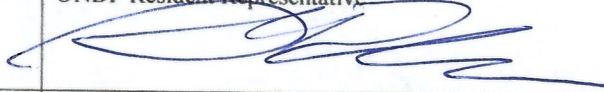
The project will achieve this goal through a six-pronged strategy:

- Prepare and develop policies, strategies, and plans related to electricity sector, and supervise their implementation after the adoption.
- Prepare and conduct the technical studies and consultations related to the electricity sector.
- Provide advisory services to support the implementation of awareness campaigns on the Deputyship's functions.
- Provide the administrative and technical support to the Deputyship's departments.
- Support the cooperation with national and international entities and authorities.
- Strengthen the capacity of the Deputyship.

The six outputs are interlinked and will synergize each other. Overall, the project will complement and accelerate efforts of Saudi Arabia to achieve its goals in Vision 2030, the Sustainable Development Goals (SDGs) and Paris Agreement on climate change.

Contributing Outcome (UNDAF/CPD, RPD or GPD): Improved management of non-oil natural resources and preservation of culture and heritage Indicative Output(s) with gender marker <sup>2</sup> : National capacities developed for better management of non-oil natural resources, Gender Marker 1	<b>Total resources required:</b>	<b>US\$ 16,000,000</b>	
	<b>Total resources allocated:</b>	<b>UNDP TRAC:</b>	
		<b>Donor</b>	
		<b>Government</b>	<b>US\$ 16,000,000</b>

**Agreed by (signatures):**

<b>Government</b>	<b>UNDP</b>
<b>Dr. Naif Mohammed AL-Abbadi</b> Deputy Minister of Electricity Affairs 	<b>Adam Bouloukos</b> UNDP Resident Representative 
<b>Date:</b>	<b>Date: 7 DEC 2019</b>



## **I. DEVELOPMENT CHALLENGE**

The Kingdom of Saudi Arabia has witnessed remarkable economic development and significant GDP growth over the last four decades. Gross Domestic Product (GDP) increased by 89 per cent from SR1,333 billion in 1980 to SR2,520 billion in 2015 in the 2010 constant prices. In the last 15 years, the period of the MDGs, the GDP growth averaged 4.25 per cent for the period 2008-2015, putting the economy among the top 20 global economies in term of size. In addition, high level of macroeconomic stability and a significant improvement of the human and social development indicators were recorded. The Kingdom is ranked among the highest in human development levels according to the global Human Development Index. The Saudi primary energy mix is exclusively based on oil (59%) and natural gas (41%) is met by domestic production. As the gas produced in the Kingdom is mainly associated with oil, gas production is impacted by the Kingdom crude oil production adjustment policy with reduced oil flows resulting in lower gas extraction. According to Saudi Aramco's forecasts, natural gas demand is expected to almost double by 2030 from 2011 levels. Therefore, all current and future supplies (except natural gas liquids) remain dedicated to domestic use, drawing more attention to the need of minimizing the use of crude oil for electric power generation. To realize Saudi Arabia's Economic Vision 2030, the government has adopted a policy of diversifying the economy, and rapidly reducing energy intensity of growth.

The Saudi electricity generation is heavily dependent on hydrocarbons, with crude oil accounting for 19.6% of electricity production in 2017, diesel (4.7%), heavy fuel oil (21.9%) and natural gas providing 53.7% (ECRA, 2017). The electricity sector is the third main consuming sector of oil behind transportation and desalination. It uses around 700,000 bbl/d of oil consumed during the summer peak demand.

The electricity sector in KSA is facing five main challenges. First, the operation and maintenance of 88 thousand megawatt system, providing services for more than eight million and eight hundred thousand subscribers across massive areas in different locations. Second, saving huge amounts of money required for expansion projects in the sector to meet the increasing demand. The expansion plan shows that peak load will be 80 thousand megawatts in 2022. This requires the execution of electricity projects in the next five years with a cost of more than two hundred and fifty billion Riyals. Private sector is expected to contribute with a large share of this cost, especially in electricity generation from traditional and renewable sources. Third, the need to evaluate the sector's current status, to transform it from government-dependent to a commercial self-dependent sector, in order to ensure its sustainability. This requires hard working to provide the suitable legislative, regulatory, and organizational environment for this sector. Fourth, the completion of the reorganization program of the sector and the necessary legislative and organizational requirements, in addition to reviewing and modifying prices, to create an encouraging environment that attracts investment, ruled by fair trade relationships and stated compulsory performance criteria for electricity producers, transporters and distributors alike. Among the most recent achievements in this regard is the recent establishment of a company for buying energy. This company will be responsible for concluding long-term contracts to buy energy from all producers, and putting up the required grid generation capacities for competition in the market, whether from traditional or renewable sources. Fifth, the need to raise the system efficiency in both supply and demand sides, especially the generation plants, in addition to handling the discrepancy between peak loads of summer and winter.

To understand the electricity sub-sector in Saudi Arabia, it is important to look at how it evolved to what it is today. In 1998, the Government announced the reorganization of the electricity sector by establishing a stock-market company, the Saudi Electricity Company (SEC), through the merger into a single joint stock company. The merger included all Saudi electricity companies in the Central, Eastern, Western and Southern regions, the ten small companies operating in the North of the Kingdom and all other electricity operations managed by the General Electricity Corporation. The SEC is the largest utility in Saudi Arabia, mainly owned by the government and Saudi Aramco (81% of SEC shares). SEC accounts for (66%) of the country's total installed capacity (58,224 MW in 2017). The other main electricity producers in the Kingdom are the Saline Water Conservation Corporation (SWCC), with (9%) of the total generation capacity, Hajr for Electricity Production company (5%) and Jubail Water and Power Company (3%). Saudi Aramco, which generates power for its own needs, is among the other producing entities (ECRA, 2017). The Electricity & Cogeneration Regulatory Authority (ECRA) is a financially and administratively independent Saudi organization, in charge of the regulation of the electricity and water desalination industry in Saudi Arabia.



In addition, the Water and Electricity Company (WEC) has been established with the aim of creating an independent entity with a legal character to buy water and electricity from the companies that will own projects for production of both water and electricity. This entity will then sell water to the National Water Company (NWC) and electricity to the Saudi Electricity Company (SEC). The SEC has the monopoly of electricity distribution to consumers in the Kingdom (except in two areas operated by Marafiq company in Jubail and Yanbu). The National Electricity Transmission Company (NETC), wholly owned by SEC, is responsible for planning, building and operating the transmission system.

Saudi Arabia is the largest user of crude oil for power generation in the world because of its heavy reliance on hydrocarbons as feedstock for the electricity sector. The Saudi authorities have recognised the need to review the overall domestic energy policy. In order to meet Saudi Vision 2030 goals and taking into account the Saudi's goals in the Paris Agreement, the electricity sector policy is based on an ambitious diversification program of the energy mix towards alternative and renewable energy. The program is aiming by 2030 to increase the total capacity of PV (to 40 GW), wind energy (to 16 GW), concentrated solar energy (to 2.27 GW), geothermal energy (to 1.15 GW) and nuclear power (to 2.8 GW).

## **II. STRATEGY**

As the Ministry of Energy believes in its pivotal role in developing the electricity sector. The Ministry has started its missions, in close coordination with the relevant bodies, to modernize the electricity system in compliance with the requirements of the next phase to improve services, increase the efficiency of resources utilization, (including fuel efficiency). In addition to moving forward in the privatization of services to promote the contributions of the private sector and enrich competition. Moreover, the Ministry is exerting efforts to localize industries, spare parts, and services relevant to the electricity sector; in addition to focusing on security and safety requirements, conducting and funding studies and researches related to this sector. Furthermore, the Ministry is finalizing the preparation of a strategy for the electricity sector to comply with the "National Transformation Program" and the "Saudi Vision 2030", which aims at diversifying and developing the national economy.

The Ministry is working on updating the "Smart Grid Strategy and Applications" which includes replacing all analogy mechanical meters with smart electronic ones. The Ministry is also working on going forward in overseeing distribution voltage change project being performed to fulfil the Council of Ministers Resolution in this regard. Moreover, the Ministry is following up the execution of the Council of Ministers Resolution regarding thermal insulation in buildings. Efforts are being continued to increase the energy efficiency on supply and demand. This efficiency will be a strong motive to reduce consumption, operational costs, and capital expenditures.

In addition, the Kingdom has been improving its electricity system towards a more competitive power market, to ease the investment burden on public spending with the expected fast-growing electricity demand in the upcoming years.

Saudi Arabia embarked on a series of regulatory changes to achieve a more efficient electricity system. The Saudi government is pushing ahead with plans to restructure the SEC into separate firms overseeing electricity generation, transmission and distribution while the transmission and distribution of electricity to final consumers still falls solely under the SEC. The Saudi authorities are also working on unbundling the domestic power chain (generation, transmission and distribution), to remove entry barriers for new producers, with the aim of achieving greater efficiency and reducing public capital spending in the electricity sector.

Saudi Arabia is also committed in the development of a wider regional interconnection. The Kingdom is the host of the Gulf Cooperation Council Interconnection Authority (GCCIA), aimed at linking the GCC electrical power networks. It provides the necessary investments for the exchange of electrical power in emergency situations. The interconnection of GCC countries' grids is designed to allow the sharing of power on an emergency basis but can enable market participants to ensure grid stability.

Beyond the supply-side and demand-side energy management measures, the main long-term focus of the Kingdom has been oriented towards the diversification of the energy mix, in view of meeting the rising domestic energy demand, extending the lifetime of oil reserves and releasing additional domestic oil resources to exports. Ambitious targets were set for 2030 for the deployment of renewable and nuclear energy. Established by Royal Order in April 2010, the King Abdullah City for Atomic and Renewable Energy (K.A. CARE) is the central body responsible for defining and establishing Saudi Arabia's atomic energy program



with the aim of developing alternative energy capacity and building a domestic supply chain. Also, the Renewable Energy Projects Development Office (REPDO) was established under the Ministry of Energy, in 2017 to achieve the objectives of the National Renewable Energy Program in line with Vision 2030.

Noting the above approach and following on the success of the existing and on-going measures, this project will achieve its goal of providing a comprehensive and efficient electrical service, raising the quality and reliability of electrical service, providing the necessary electrical safety conditions within the electrical system, and improving sustainability in the electricity sector through a six-pronged strategy:

- **Prepare and develop** policies, strategies, and plans related to electricity sector, and supervise their implementation after the adoption.
- **Prepare and conduct** the technical studies and consultations related to the electricity sector.
- **Provide** advisory services to support the implementation of awareness campaigns on the Deputyship's functions.
- **Provide** the administrative and technical support to the Deputyship's departments.
- **Support** the cooperation with national and international entities and authorities.
- **Strengthen** the capacity of the Deputyship.

The six outputs are interlinked and will synergize each other. Overall, the project will complement and accelerate efforts of Saudi Arabia to achieve its Vision 2030 and the Sustainable Development Goals (SDGs).

### **III. RESULTS AND PARTNERSHIPS**

#### **OUTPUTS AND ACTIVITIES**

Based on the above, the project focuses on six outputs:

#### **Output 1: Policies, strategies and action plans related to the electricity sector, and monitoring and evaluation mechanisms for implementation in place**

The success of achieving Vision 2030 will hinge upon how effective the Ministry implements policies and mandated regulatory measures and legislation related to electricity sector. Therefore, the project will support the preparation and development of policies, strategies and action plans in the electricity sector, as well as oversight on implementation.

#### ***Activities:***

- **Activity 1.1:** Review and develop the policies and strategies of the electricity sector in the Kingdom of Saudi Arabia.
- **Activity 1.2:** Prepare, review and develop the long-term plan of electricity sector.
- **Activity 1.3:** Follow up the implementation of the long-term plan of electricity sector.
- **Activity 1.4:** Review, the electricity sector restructuring plan, modify and develop it in the light of approved policies, and follow up the implementation of the tasks pertaining to Deputyship.
- **Activity 1.5:** Determine the optimal energy mix for electricity production in the KSA from an economic perspective.
- **Activity 1.6:** Evaluate the current status of electricity sector, and analyze technical and financial data, and extraction conclusions and recommendations.
- **Activity 1.7:** Prepare a long-term program in coordination with the relevant authorities to support the national supporting industries in the electricity sector, localization of modern technology, increase local content and ensure its implementation.
- **Activity 1.8:** Prepare integrated work plans and the required mechanisms to oversee the implementation of approved policies and strategies by licensees.
- **Activity 1.9:** Provide Support in preparing, documenting, developing databases, statistical data and technical information relevant to the electricity sector, and conducting the necessary surveys.
- **Activity 1.10:** Develop and update key performance indicators (KPIs) and standards for measuring the performance of the electricity sector.
- **Activity 1.11:** Provide advisory services to the Deputyship to revise, develop and amend the electricity sector restructure plan based on approved policies to achieve intended objectives, and oversee plan's implementation after its adoption with regard to the ministry's tasks.



- **Activity 1.12:** Provide support for supervision of licensed entities on the application of policies and action plans for companies engaged in the electricity sector.
- **Activity 1.13:** Provide advisory services for technical and financial data analysis and suggest recommendations.

### **Output 2: The technical studies and consultations related to the electricity sector were prepared and conducted**

#### ***Activities:***

- **Activity 2.1:** Provide support in revising and evaluating the existing policies and legislation related to electricity sector.
- **Activity 2.2:** Provide support in formulating and developing policies, legislation and regulations that reduce the barriers and enhance potential opportunities for investments and engagement in the electricity sub-sector.
- **Activity 2.3:** Improve and develop mechanism and methodology of research and development.
- **Activity 2.4:** Identify priorities and objectives of national transformation initiatives for the electricity sector, propose new initiatives, follow up and implement them.
- **Activity 2.5:** Propose studies, prepare scope of works, and evaluate studies related to the electricity sector and their outputs.
- **Activity 2.6:** Provide technical advice and conduct studies related to the electricity sector.
- **Activity 2.7:** Support the application of the Saudi Building Code in the field of electrical works which fall within the jurisdiction of the Ministry of Energy.
- **Activity 2.8:** Support the implementation of the project of changing electricity distribution voltage from (127/220) volts to the international voltage (230/400) volts.

### **Output 3: Provide advisory services to support the implementation of awareness campaigns on the Deputyship's functions**

To unleash enthusiasm and mobilize the knowledge, expertise, technology and investments in supply-side and demand side energy management, it is important to establish an innovative framework for awareness and partnership.

#### ***Activities:***

- **Activity 3.1:** Support the implementation of awareness campaign to rationalize the consumption of electricity, in coordination with the Saudi Energy Efficiency Center (SEEC).
- **Activity 3.2:** Support the implementation of an awareness campaign for the project changing the voltage of the electricity distribution from (127/220) volts to the international voltage (230/400) volts, in coordination with the Saudi Electricity Company (SEC).
- **Activity 3.3:** Support the implementation of an awareness campaign to implement the electrical requirements of the Saudi Building Code, in coordination with the relevant authorities for implementing the code.
- **Activity 3.4:** Provide support to raise awareness through design of country-wide campaigns to enhance knowledge on demand-side energy management including public behaviour change and energy conservation in industry, transport and residential sectors and particularly in high growth energy-intensive industries.

### **Output 4: Administrative and technical support to the Deputyship's departments**

To organize and develop the Deputyship's works, it should begin by Improving organizational policies and working procedures.

#### ***Activities:***

- **Activity 4.1:** Provide support in preparing and developing regulatory policies, rules, instructions, procedures and time programs related to the works of the Deputyship.
- **Activity 4.2:** Provide support in preparing and developing the guideline of work procedures of the Deputyship's activities and functions, and prepare a job description manual for jobs.
- **Activity 4.3:** Provide support in preparing and developing standards to measure the performance of the Deputyship's activities.



- **Activity 4.4:** Provide support in preparing a plan for the organization and preservation of records, data and statistics relating to the Deputyship's activities, and to take advantage of the technical possibilities to deal with them.
- **Activity 4.5:** Provide support to organize conferences, seminars and workshops organized by the Deputyship.
- **Activity 4.6:** Develop tools for enabling the Deputyship respond adequately to electricity sector challenges, and identifying opportunities for joint partner projects and activities.
- **Activity 4.7:** Provide administrative and technical support to the Deputyship through developing management of policies and procedures, timeframes, terms of reference, performance management standards, job description guide and record keeping system.

#### **Output 5: Cooperation with national and international bodies and authorities**

To establish joint ventures and for localization of modern technology, Deputyship needs to promote joint cooperation and benefit from international experiences.

##### ***Activities:***

- **Activity 5.1:** Review and propose areas of cooperation, memorandums of understanding and joint agreements with national and international Parties and institutions, follow up on their implementation, evaluate them and propose new areas and initiatives for cooperation.
- **Activity 5.2:** Prepare and develop mechanism and methodology of communication between the Deputyship and related parties and companies operating in the electricity sector.
- **Activity 5.3:** Support innovations and Knowledge sharing through cooperation, exchange visits, technology transfer, workshops, conferences, newsletters, white papers and websites, joint actions between Governments and national and International industry.
- **Activity 5.4:** Strengthen capacity of the Deputyship for forging effective partnerships, and develop local and global cooperation with industry.
- **Activity 5.5:** Formalization of partnership with selected local, regional and international centers
- **Activity 5.6:** Provide support to establish an innovative awareness and partnership framework aims to enhance the knowledge, expertise, technology and investments in electricity sector.

#### **Output 6: Capacity of the Deputyship strengthened**

To ensure the works' quality in the Deputyship, capacity of the Deputyship needs to be strengthened. This activity will target the technical, operations and administrative levels of the Deputyship's employees.

##### ***Activities:***

- **Activity 6.1:** Identification of human resources existing capacity gaps and institutional capacity within the Deputyship (staffing and operations) and assessment of capacity needs.
- **Activity 6.2:** Provide the Deputyship with needed competencies and expertise (experts / consultants - engineers - administrative employees) to implement programs and training courses, and identify appropriate devices and tools
- **Activity 6.3:** Provide technical assistance to build national capacities and competencies by organizing study tours and training programs for the Deputyship's staff, including leadership and executive courses, and specialized technical and administrative courses.
- **Activity 6.4:** Provide support to raise productivity the Deputyship's employees, and enhance the capacity of the Deputyship to optimize collective outcomes.
- **Activity 6.5:** Provide technical support for the development of the Deputyship's departments/functions.
- **Activity 6.6:** Strengthen the capacity of the Deputyship and its partners in implement initiatives, action plans and work programs related to electricity sector through building effective leadership.



#### **IV. RESOURCES REQUIRED TO ACHIEVE THE EXPECTED RESULTS**

To achieve expected results, the project modes of engagement across all outputs include the following inputs:

- Capacity building.
- Support to planning and implementing processes.
- Enhancing internal systems and processes.
- Raising awareness and cooperation.

Financial resources will be provided by Deputyship. Experts will be contracted by the project. UNDP will ensure quality assurance and overall management of the project

##### ***Partnerships***

The Project will have the following all partners/stakeholders in electricity sector Electricity & Cogeneration Regulatory Authority (ECRA), Saudi Energy Efficiency Center (SEEC), Renewable Energy Project Development Office (REPDO), King Abdullah City for Atomic and Renewable Energy (K.CARE), Ministry of Municipal and Rural Affairs (MOMRA) in various Governorates, Saudi Electricity Company (SEC). Their interest in relation to the Project should be addressed by the Project considering the potential impact on the Project. The table 1 below also presents the relative priority, which the Project will give to main stakeholder in meeting their interest.

*Table 1. Stakeholder analysis*

<b>Stakeholders</b>	<b>Interests</b>	<b>Potential project impact</b>	<b>Relative priorities of interest</b>
ECRA	Regulation and supervision / Awareness	High	High
SEEC	Regulation and supervision / Awareness	High	High
REPDO	Regulation and supervision	High	High
MOMRA	Implementation of policies	Medium	Medium
K.CARE	Regulation and supervision / Awareness	High	High
SEC	Service Provider	High	High

#### **V. RISKS AND ASSUMPTIONS**

Overall key assumptions are a continued commitment to strengthen the electricity sector at national and local levels; policy dialogue between government and development partners to coordinate and further align development cooperation with national electricity strategy and policy; the Ministry to maintain its strong stewardship role on the entire sector; and the Deputyship is able to build its capacities, in particular, designate, retain and recruit motivated and skilled staff to ensure the sustainability of interventions.

The following assumptions are also made for the Project to be successful, and that are believed to likely happen:

- Adequate human and financial resources will assure a smooth project implementation;



- Stability of the stakeholders and external working environment, which could be shaped by political and economic circumstances, throughout the whole project;
- Priority and importance of the Project is clearly stated and communicated to all parties involved;
- Stability and availability of qualified staff and experts, including staff with the necessary level of authority to make decisions, as and when required during the whole project lifecycle;
- The experts will work closely with the relevant sectors and departments in Deputyship.
- All the necessary communication channels are established within the project and with other stakeholders;
- Appointed project experts fulfill their duties and are available for the required duration, in accordance with the project schedule;
- Continuous high-level support and promotion for the project;
- Requested information and documentation are available and provided;
- No changes in the legislative framework affecting negatively the electricity system.

Apart from the failed assumptions, there may be a few possible risks that may delay or prevent successful or timely achievement of the Project's objectives. A risk, in relation to the Project, can be defined as a possible event that could endanger the planned course or overall objective of the Project. The earlier the potential risks are identified, the quicker the proposed corrective action or mitigation plan can be implemented. The proposed mitigation plan for a risk usually depends on the likelihood of the risk and the measure of impact it will have on the project (*Table 2*).

*Table 2 Risks and mitigation plan*

<b>Description of risk</b>	<b>Probability</b>	<b>Impact</b>	<b>Mitigation plan</b>	<b>Responsible</b>
Lack of governance and capacity gaps to implement and monitor the strategy of the National Transformation Program in the electricity sector	Low	Medium	Policy dialogue and capacity building	Deputyship UNDP
Unavailability of funds to take the project for the full three years	Medium	High	Follow up on budget with clear reporting to show progress	Deputyship
Lack of cooperation on the part of Deputyship or any of the stakeholders	Low	High	Implementation of an efficient project management structure and management processes	Deputyship UNDP
Ineffective communication channels between UNDP/project team and Deputyship	Low	Medium	Pre-defined and approved communication channels	UNDP
Changes to the project requirements during the project	Low	Medium	Implementation of adequate project change management and controlling processes	UNDP



Description of risk	Probability	Impact	Mitigation plan	Responsible
Retention of qualified staff and low commitment of the staff to the implementation of the project	Medium	Medium	Taking measures to assure the availability as well as the requested quantity and quality of human resources  The requirements are clearly defined during the Inception phase by UNDP	Deputyship UNDP
Change or fluctuation in the composition of stakeholders	Low	Low	Continuous and overall stakeholder management during the project	Deputyship UNDP
Changes in the organizational structure of the Ministry of Energy	Low	Low	Providing timely and clear information on relevant changes in the organizational structure	Deputyship
Recruitment of specialized experts fails	Low	High	Advertise ToRs  Expedite issuance of letter of appointment	UNDP
Lack of UNDP reporting	Medium	Medium	Follow up with participating sectors, and link payment to status reporting	UNDP
Change of Deputyship national project manager / coordinator	Low	High	Document and share project documentation with project team, ensure proper handover	Deputyship
Unavailability of subject matter experts in certain scientific areas	Low	Medium	DEPUTYSHIP to post expert ToR ahead of time to avoid any delay	Deputyship UNDP
Major changes to project scope	Low	Medium	Follow a change management process with signed budget revision	Deputyship UNDP
Language barrier	Low	Medium	Careful selection of experts  Effective translation/interpreter service ensured by UNDP if needed	Deputyship UNDP

In addition to the above-mentioned risks that were identified initially, there are a few risks that may become apparent during the implementation of the Project. These can represent minor or major importance. It is assumed that the quality assurance systems of Deputyship and UNDP will be sufficient to manage the small incidental risks that occur during the implementation of the Project. Regarding the management and mitigation of major risks that may arise during Project implementation, that can only be achieved through the development of close collaboration between Deputyship and UNDP and other stakeholders.

## **VI. STAKEHOLDER ENGAGEMENT**

The Project will significantly contribute to provide a comprehensive and efficient electrical service -not less than the best global practices-, achieve sustainability, participate in preparation policies and supervision of their implementation to raise the quality of electrical service, provide the necessary electrical safety conditions



within the electrical system in the Kingdom, and propose policies and strategies for achieving the sustainability of electric energy and follow up their implementation in coordination with the relevant entities.

The Project directly affects:

- The Enhancement of the capacity and the capability of the Deputyship for the development of electricity sector restructuring plan and its implementation.
- The Improvement of the autonomy and capacity of the Deputyship to deal with the electricity sector challenges.
- The Involvement of the Deputyship in the implementation of the targets of the NTP (National transformation program).
- The dynamic influence of the Deputyship on the stakeholders and on public behavior change.
- The more embodiment of the Deputyship with the national and international parties and institutions through partnerships and knowledge share.
- The employees of the Deputyship, whose capabilities will be developed through trainings received through the Project.

The Project will have social and environmental impacts. In addition, it will minimize, mitigate, and manage adverse impacts where avoidance is not possible, and ensure full and effective stakeholder engagement (please refer to UNDP's Social and Environmental Compliance Review and Stakeholder Response Mechanism).

The Project will affect consumers, by ensuring access to better electricity services at better prices. The social impacts of the Project consist mainly of better power being delivered for less current being generated, and less cost with high reliability

#### ***South-South and Triangular Cooperation (SSC/TrC)***

- South-South and Triangular Cooperation (SSC/TrC) is the exchange of resources, technology, and knowledge between developing countries, and exchange of expertise between actors (governments, organizations and individuals).
- The South-South Cooperation is a driver for development in Saudi Arabia. It includes dimensions directly or indirectly related to Saudi Arabia's national priorities. Therefore, it could help to further catalyse and speed up the process of development of Saudi Arabia in various domains, among others those related to the Sustainable Development Goals.
- Sustainable Development Goal (SDG) 7 with targets aiming to ensure universal access to affordable, reliable and modern energy services, increase substantially the share of renewable energy in the global energy mix ,ensure improvement in energy efficiency and enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology
- SDG 12 with targets aiming to ensure sustainable consumption and production patterns, are particularly relevant for Deputyship. The Project's outputs were designed in accordance with the key areas where Deputyship has responsibility for.
- Partnerships with local and global entities will contribute greatly to all.

#### **VII. KNOWLEDGE**

- The project plans to produce a wide database that can be used for information sharing as well as research purposes, including the articles and studies produced by the experts in the project.

#### **VIII. SUSTAINABILITY AND SCALING UP**

Sustainability of the Project requires consideration of the following aspects when addressing long-term impacts and outputs of project implementation:



**Governance:** Who is responsible for the sustainability of the Project? Where is authority predominantly located (i.e. at local or national level)?

- The Project maintains strong ownership of Deputyship in regulation regarding electricity demand and supply, as well energy mix and consumption
- The Project is beneficiary-driven targeting achieving sustainability through participating in preparation policies and supervision of their implementation to raise the quality of electrical service, provide the necessary electrical safety conditions within the electrical system in the Kingdom. In addition to capacity building.
- Strong leadership and governance are required. Leadership at the technical level is as critical as governance at the highest level.

**Funding:** What are the sources of further funding and how will the fund/s be allocated? Is the funding mechanism based on cost-effectiveness and cost-efficiency analyses?

Strengthened coordination of financial / funding sources is essential.

- Encouragement of efficient use of resources.
- Improved multi-sector collaboration.
- Impact of the project on Deputyship, its clients and consumers.
- Development of IT systems and data management.

**Innovation:** Will the Project contribute to promote innovation?

- Sustainability requires institutional capacity building and additional staff with the needed skills and accompanying technology acquisition.

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## **IX. PROJECT MANAGEMENT**

### **Cost Efficiency and Effectiveness**

The selected strategy of the intervention will deliver maximum results within the available funds. The Project is built upon the successful achievement of the approved strategic plans of Electricity Deputy, in addition to the broad scope of international experience and knowledge/awareness of best practices relevant for the project in Saudi Arabia, which UNDP can bring into the intervention through mobilization of its team of experts. International best practices and lessons learnt in benchmark countries will be used to explore different options to achieve the maximum results. UNDP Country Office will ensure the utilization of resources and to cover all budgeted costs of project activities in accordance with the approved project budget.

### **Project Management**

The Project will be administered jointly by Deputyship as Beneficiary and UNDP Country Office in Riyadh. A Chief Technical Advisor / Team Leader will be appointed to manage the project as well as oversee all technical project activities, monitor progress and report to UNDP via progress reports (quarterly and annually too). The National Project Manager will be appointed by the Deputyship and has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Project Board. The National Project Manager is responsible for the day-to-day management and decision making for the Project. The Project Board is the group responsible for making on consensus basis management decisions for the Project when guidance is required by the National Project Manager, including recommendation for approval of project revisions. In addition, internal coordination and monitoring bodies will be established including the necessary working groups and the committees, as needed.



## **V. RESULTS FRAMEWORK**

<b>Intended Outcome as stated in the Program Results and Resource Framework:</b> <i>Improved management of non-oil natural resources and preservation of culture and heritage</i>
<b>Outcome indicators as stated in the Country Program:</b> <i>per-capita energy consumption</i>
<b>Applicable Output(s) from the UNDP Strategic Plan:</b> <i>Access to clean and affordable Energy and close energy Gaps</i>
<b>Project title and Atlas Project Number:</b> SAU10/122410



EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 1: Policies, strategies and action plans related to the electricity sector, and monitoring and evaluation mechanisms for implementation in place, were prepared.</b>								
<b>Activity 1.1</b> Review and develop the policies and strategies of the electricity sector in the Kingdom of Saudi Arabia.	4 strategies	ME Project monitoring report	9	2019	3	6	9	Data from ME and Project monitoring
<b>Activity 1.2</b> Prepare, review and develop the long-term plan of electricity sector.	% of progress of each task (review old long term plan-develop, prepare, results)	ME Project monitoring report	0	2019	30%	100% Develop		Data from ME and Project monitoring
<b>Activity 1.3</b> Follow up the implementation of the long-term plan of electricity sector.	% of progress of implementation	ME SEC ECRA Project monitoring report	1	2021	0	60%	100%	Data from ME and Project monitoring Risk: The implementation of a long term program may need more than 3 years
<b>Activity 1.4</b> Review, the electricity sector restructuring plan, modify and develop it in the light of approved policies, and follow up the implementation of the tasks pertaining to Deputyship.	% of progress of restructuring of electricity sector	ME SEC ECRA Project monitoring report	0	2019	0%	0%	100%	Data from ME and Project monitoring Risk: The implementation may need more years.
<b>Activity 1.5</b> Determine the optimal energy mix for electricity production in the KSA from an economic perspective.	Activity completion ratio (%)	ME SEC ECRA Project monitoring report	0	2019	30%	60%	100%	Data collection: from ME SEC and ECRA Risk: discrepancy between ECRA and SEC data



<b>Activity 1.6</b> Evaluate the current status of electricity sector, and analyse technical and financial data, and extraction conclusions and recommendations.	Activity completion ratio (%)	ME ECRA SEC	tbc	2019	20%	70%	100% conclusion and recommendations	Data from ME ECRA and SEC and Project monitoring
<b>Activity 1.7</b> Prepare a long-term program in coordination with the relevant authorities to support the national supporting industries in the electricity sector, localization of modern technology, increase local content and ensure its implementation.	Activity completion ratio (%)	ME SEC Project monitoring report	0	2019	30%	60%	100% Activity completion	Data from ME and Project monitoring Risk: The implementation of a long term program may need more than 3 years
<b>Activity 1.8</b> Prepare integrated work plans and the required mechanisms to oversee the implementation of approved policies and strategies by licensees.	Activity completion ratio (%)	ME ECRA SEC	0	2019	30%	60%	100% Prepare integrated work plans and mechanisms	Data from ME and Project monitoring Risk: activity 1.8 is linked to activity 1.1
<b>Activity 1.9</b> Provide Support in preparing, documenting, developing databases, statistical data and technical information relevant to the electricity sector, and conducting the necessary surveys.	% of progress of developing databases	ME SEC ECRA Project monitoring report	0	2019	20%	60%	100% Databases and surveys	Data from ME, ECRA and SEC and Project monitoring
<b>Activity 1.10</b> Develop and update key performance indicators (KPIs) and standards for measuring the performance of the electricity sector.	30	ME SEC ECRA Project monitoring report	19	2019	19 update	6 Develop	5 Develop	Data from ME , SEC and Project monitoring
<b>Activity 1.11</b> Provide advisory services to the Deputyship to revise, develop and amend the electricity sector restructure plan based on approved policies to achieve intended objectives, and oversee plan's implementation after its adoption with regard to the ministry's tasks.	Activity completion ratio (%)	ME Project monitoring report	0	2021	0	60%	100% Activity completion	Data from ME and Project monitoring Risk :Activity 1.11 is linked to activity 1.4



<b>Activity 1.12</b> <b>Provide support for supervision of licensed entities on the application of policies and action plans for companies engaged in the electricity sector.</b>	Activity completion ratio (%)	ME ECRA Project monitoring report	0	2019	30%	60%	100%	Data from ME ,ECRA and Project monitoring  Risk: activity 1.12 is linked to activity 1.8
<b>Activity 1.13</b> <b>Provide advisory services for technical and financial data analysis and suggest recommendations.</b>	Activity completion ratio (%)	ME SEC ECRA Project monitoring report	0	2019	30%	60%	100%	Data from ME and Project monitoring



EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 2: The technical studies and consultations related to the electricity sector were prepared and conducted.</b>								
<b>Activity 2.1</b> Provide support in revising and evaluating the existing policies and legislation related to electricity sector.	% of progress of review policies and legislations revised	ME ECRA Project monitoring report	0	2019	30%	60%	100%	Data from ME and Project monitoring, ECRA Risk: activity 2.1 is linked to activity 1.1
<b>Activity 2.2</b> Provide support in formulating and developing policies, legislation and regulations that reduce the barriers and enhance potential opportunities for investments and engagement in the electricity sub-sector.	% of progress	ME ECRA SEC Project monitoring report	0	2019	40%	70%	100%	Data collection: from ME, ECRA, SEC
<b>Activity 2.3</b> Improve and develop mechanism and methodology of research and development.	% of development and improvement progress	ME SEC Universities Project monitoring report	0	2019	20%	50%	100%	Data collection: From research center manager Risk: lack of interest from research center



Activity 2.4 Identify priorities and objectives of national transformation initiatives for the electricity sector, propose new initiatives, follow up and implement them.	0	2019	20%	50%	100%	Data from ME and Project monitoring Risk: the implementation time may need more than 3 years
Activity 2.5 Propose studies, prepare scope of works, and evaluate studies related to the electricity sector and their Activities.	6	2019	2	4	6	Data from ME
Activity 2.6 Provide technical advice and conduct studies related to the electricity sector.	6	2019	2	4	6	Collect all data for previous studies conducted in ME
Activity 2.7 Support the application of the Saudi Building Code in the field of electrical works which fall within the jurisdiction of the Ministry of Energy.	0	2019	20%	80%	100%	Data from ME and Project monitoring support application of SBC related to electrical works.



<p><b>Activity 2.8</b>  <b>Support the implementation of the project of changing electricity distribution voltage from (127/220) volts to the international voltage (230/400) volts.</b></p>	<p>Activity completion ratio (%)</p>	<p>ME SEC MOMRA Project monitoring report</p>	<p>0</p>	<p>2019</p>	<p>20%</p>	<p>80%</p>	<p>100% support implementation of the project.</p>	<p>Data from ME and Project monitoring  Note: The executive stage of the project duration is 15 years.</p>
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EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 3: Provide advisory services to support the implementation of awareness campaigns on the Deputyship's functions.</b>								
<b>Activity 3.1</b> Support the implementation of awareness campaign to rationalize the consumption of electricity, in coordination with the Saudi Energy Efficiency Center (SEEC).	% of progress in the campaign implementation	ME SEEC Project monitoring report	0	2019	20%	50%	100%	Data from ME SEEC Project monitoring
<b>Activity 3.2</b> Support the implementation of an awareness campaign for the project changing the voltage of the electricity distribution from (127/220) volts to the international voltage (230/400) volts, in coordination with the Saudi Electricity Company (SEC).	% of progress in the campaign implementation	ME SEC Project monitoring report	0	2019	20%	50%	100%	Data from ME and SEC Project monitoring
<b>Activity 3.3</b> Support the implementation of an awareness campaign to implement the electrical requirements of the Saudi Building Code, in coordination with the relevant authorities for implementing the code.	% of progress in the campaign implementation	ME MOMRA MOI	0	2019	20%	50%	100%	Data from ME and relevant authorities Data collection: from MOI concerning accident installation failures. Risk: no data available
<b>Activity 3.4</b> Provide support to raise awareness through design of country-wide campaigns to enhance knowledge on demand-side energy management including public behaviour change and energy conservation in industry, transport and residential sectors and particularly in high growth energy-intensive industries.	% of progress in the campaigns implementation	ME Project monitoring reports	0	2019	20%	50%	100%	Data from ME Project monitoring



EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 4: Administrative and technical support to the Deputyship's departments.</b>								
<b>Activity 4.1</b> Provide support in preparing and developing regulatory policies, rules, instructions, procedures and time programs related to the works of the Deputyship	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 4.2</b> Provide support in preparing and developing the guideline of work procedures of the Deputyship's activities and functions, and prepare a job description manual for jobs	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 4.3</b> Provide support in preparing and developing standards to measure the performance of the Deputyship's activities.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 4.4</b> Provide support in preparing a plan for the organization and preservation of records, data and statistics relating to the Deputyship's activities, and to take advantage of the technical possibilities to deal with them.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 4.5</b> Provide support to organize conferences, seminars and workshops organized by the Deputyship.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring



<p><b>Activity 4.6</b>  <b>Develop tools for enabling the Deputyship respond adequately to electricity sector challenges, and identifying opportunities for joint partner projects and activities.</b></p>	<p>Activity completion ratio (%)</p>	<p>ME Project monitoring reports</p>	<p>0</p>	<p>2019</p>	<p>20%</p>	<p>60%</p>	<p>100%  Develop tools</p>	<p>Data from ME  Project monitoring</p>
<p><b>Activity 4.7</b>  <b>Provide administrative and technical support to the Deputyship through developing management of policies and procedures, timeframes, terms of reference, performance management standards, job description guide and record keeping system.</b></p>	<p>Activity completion ratio (%)</p>	<p>ME Project monitoring reports</p>	<p>0</p>	<p>2019</p>	<p>20%</p>	<p>60%</p>	<p>100%  developing management programs</p>	<p>Data from ME  Project monitoring</p>



EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 5: Cooperation with national and international bodies and authorities.</b>								
<b>Activity 5.1</b> Review and propose areas of cooperation, memorandums of understanding and joint agreements with national and international Parties and institutions, follow up on their implementation, evaluate them and propose new areas and initiatives for cooperation.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 5.2</b> Prepare and develop mechanism and methodology of communication between the Deputyship and related parties and companies operating in the electricity sector.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 5.3</b> Support innovations and knowledge sharing through cooperation, exchange visits, technology transfer, joint actions, conferences, newsletters, white papers and websites between Governments and local and International industry.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring and Government /Ministry industry reviews
<b>Activity 5.4</b> Strengthen capacity of the Deputyship for forging effective partnerships, and develop local and global cooperation with industry.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring
<b>Activity 5.5</b> Formalization of partnership with selected local, regional and international centers.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	20%	60%	100%	Data from ME Project monitoring



Activity 5.6 Provide support to establish an innovative awareness and partnership framework aims to enhance the knowledge, expertise, technology and investments in electricity sector.	Activity completion ratio (%)	ME Project monitoring reports ECRA SEC	0	2019	20%	60%	100% innovative awareness and partnership framework	Data from ME Project monitoring
EXPECTED OUTPUTS / ACTIVITIES	OUTPUT / ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 Sep 2020	Year 2 Sep 2021	Year 3 Sep 2022	
<b>OUTPUT 6: Capacity of the Deputyship strengthened.</b>								
Activity 6.1 Identification of human resources existing capacity gaps and institutional capacity within the Deputyship (staffing and operations) and assessment of capacity needs.	Activity completion ratio (%)	ME Project monitoring reports	20%	2019	60%	80%	100% provision of competencies and expertise	Data from ME Project monitoring
Activity 6.2 Provide the Deputyship with needed competencies and expertise (experts / consultants - engineers - administrative employees) to implement programs and training courses, and identify appropriate devices and tools.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	60%	80%	100% Identification and assessment of capacity needs	Data from ME Project monitoring
Activity 6.3 Provide technical assistance to build national capacities and competencies by organizing study tours and training programs for the Deputyship's staff, including leadership and executive courses, and specialized technical and administrative courses.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	30%	80%	100% Completed target	Data from ME Project monitoring
Activity 6.4 Provide support to raise productivity the Deputyship's employees, and enhance the capacity of the Deputyship to optimize collective outputs.	Activity completion ratio (%)	ME Project monitoring reports	0	2019	60%	80%	100% Realize productivity target	Data from ME Project monitoring



<p><b>Activity 6.5</b>  <b>Provide technical support for the development of the Deputyship's departments/functions.</b></p>	<p>% of progress of working development</p>	<p>ME Project monitoring reports</p>	<p>0</p>	<p>2019</p>	<p>20%</p>	<p>60%</p>	<p>100%  Development of Deputyship's departments</p>	<p>Data from ME Project monitoring</p>
<p><b>Activity 6.6</b>  <b>Strengthen the capacity of the Deputyship and its partners in implement initiatives, action plans and work programs related to electricity sector through building effective leadership.</b></p>	<p>Activity completion ratio (%)</p>	<p>ME Project monitoring reports</p>	<p>0</p>	<p>2019</p>	<p>60%</p>	<p>80%</p>	<p>100%  Realize target of building effective leadership</p>	<p>Data from ME Project monitoring</p>



## VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

### Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
<b>Track results progress</b>	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		0
<b>Monitor and Manage Risk</b>	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		0
<b>Learn</b>	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.		0
<b>Annual Project Quality Assurance</b>	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		0
<b>Review and Make Course Corrections</b>	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		0
<b>Project Report</b>	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved	Quarterly, Annually, and at the end of the project (final report)			0



	against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.					
<b>Project Review (Project Board)</b>	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.			0

**Evaluation Plan**

<b>Evaluation Title</b>	<b>Partners (if joint)</b>	<b>Related Strategic Plan Output</b>	<b>UNDAF/CPD Outcome</b>	<b>Planned Completion Date</b>	<b>Key Evaluation Stakeholders</b>	<b>Cost and Source of Funding</b>
Mid-Term Evaluation	Deputyship/UNDP			December 2020	Deputyship	\$ 10,000
Terminal Evaluation	Deputyship/UNDP			June 2022	Deputyship	\$ 25,000



## VII. MULTI-YEAR WORK PLAN 2019-2022

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q4/2019	2020	2021	Q1-Q3/2022		Funding Source	Budget Description	Amount
<b>Output 1:</b> <b>Policies, strategies and action plans related to the electricity sector, and monitoring and evaluation mechanisms for implementation in place, were prepared.</b>	1.1 Review and develop the policies and strategies of the electricity sector in the Kingdom of Saudi Arabia.					Deputyship	governmental	Energy experts, electrical engineers, economic analyst and legal advisor	
	1.2 Prepare, review and develop the long-term plan of electricity sector.								
	1.3 Follow up the implementation of the long-term plan of electricity sector.								
	1.4 Review, the electricity sector restructuring plan, modify and develop it in the light of approved policies, and follow up the implementation of the tasks pertaining to Deputyship.								
	1.5 Determine the optimal energy mix for electricity production in the KSA from an economic perspective.								
	1.6 Evaluate the current status of electricity sector, and analyse technical and financial data, and extraction conclusions and recommendations.								
	1.7 Prepare a long-term program in coordination with the relevant authorities to support the national supporting industries in the electricity sector, localization of modern technology, increase local content and ensure its implementation.								
	1.8 Prepare integrated work plans and the required mechanisms to oversee the implementation of approved policies and strategies by licensees.								
	1.9 Provide Support in preparing, documenting, developing databases, statistical data and technical information relevant to the electricity sector, and conducting the necessary surveys.								
	1.10 Develop and update key performance indicators (KPIs) and standards for measuring the performance of the electricity sector.								
	1.11 Provide advisory services to the Deputyship to revise, develop and amend the electricity sector restructure plan based on approved policies to achieve intended objectives, and oversee plan's implementation after its adoption with regard to the ministry's tasks.								
	1.12 Provide support for supervision of licensed entities on the application of policies and action plans for companies engaged in the electricity sector.								







<p><b>Provide advisory services to support the implementation of awareness campaigns on the Deputyship's functions.</b></p>	<p>3.2. Support the implementation of an awareness campaign for the project changing the voltage of the electricity distribution from (127/220) volts to the international voltage (230/400) volts, in coordination with the Saudi Electricity Company (SEC).</p>	<p>electrical engineers and public relations and media specialist</p>	<p>2,640,000</p>	
	<p>3.3. Support the implementation of an awareness campaign to implement the electrical requirements of the Saudi Building Code, in coordination with the relevant authorities for implementing the code.</p>			
	<p>3.4. Provide support to raise awareness through design of country-wide campaigns to enhance knowledge on demand-side energy management including public behaviour change and energy conservation in industry, transport and residential sectors and particularly in high growth energy-intensive industries.</p>			
	<p><b>Sub-Total for Output 3</b></p>			
<p><b>EXPECTED OUTPUTS</b></p>	<p><b>PLANNED ACTIVITIES</b></p>	<p><b>RESPONSIBLE PARTY</b></p>	<p><b>PLANNED BUDGET</b></p>	
	<p>4.1. Provide support in preparing and developing regulatory policies, rules, instructions, procedures and time programs related to the works of the Deputyship</p> <p>4.2. Provide support in preparing and developing the guideline of work procedures of the Deputyship's activities and functions, and prepare a job description manual for jobs</p> <p>4.3. Provide support in preparing and developing standards to measure the performance of the Deputyship's activities.</p> <p>4.4. Provide support in preparing a plan for the organization and preservation of records, data and statistics relating to the Deputyship's activities, and to take advantage of the technical possibilities to deal with them.</p> <p>4.5. Provide support to organize conferences, seminars and workshops organized by the Deputyship.</p> <p>4.6. Develop tools for enabling the Deputyship respond adequately to electricity sector challenges, and identifying opportunities for joint partner projects and activities.</p> <p>4.7. Provide administrative and technical support to the Deputyship through developing management of policies and procedures, timeframes, terms of reference, performance management standards, job description guide and record keeping system.</p>	<p>2020</p> <p>2021</p> <p>Q1-Q3/2022</p>	<p>910,000</p> <p>680,000</p> <p>200,000</p>	
<p><b>Output 4:</b></p> <p><b>Administrative and technical support to the Deputyship's departments.</b></p>	<p>4.1. Provide support in preparing and developing regulatory policies, rules, instructions, procedures and time programs related to the works of the Deputyship</p> <p>4.2. Provide support in preparing and developing the guideline of work procedures of the Deputyship's activities and functions, and prepare a job description manual for jobs</p> <p>4.3. Provide support in preparing and developing standards to measure the performance of the Deputyship's activities.</p> <p>4.4. Provide support in preparing a plan for the organization and preservation of records, data and statistics relating to the Deputyship's activities, and to take advantage of the technical possibilities to deal with them.</p> <p>4.5. Provide support to organize conferences, seminars and workshops organized by the Deputyship.</p> <p>4.6. Develop tools for enabling the Deputyship respond adequately to electricity sector challenges, and identifying opportunities for joint partner projects and activities.</p> <p>4.7. Provide administrative and technical support to the Deputyship through developing management of policies and procedures, timeframes, terms of reference, performance management standards, job description guide and record keeping system.</p>	<p>Deputyship</p>	<p>governmental</p>	<p>Amount</p>
	<p><b>Sub-Total for Output 4</b></p>	<p>210,000</p> <p>270,000</p> <p>210,000</p> <p>30,000</p> <p>720,000</p>		



EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q4\2019	2020	2021	Q1-Q3\2022		Funding Source	Budget Description	Amount
<b>Output 5:</b> <b>Cooperation with national and international bodies and authorities.</b>	5.1 Review and propose areas of cooperation, memorandums of understanding and joint agreements with national and international Parties and institutions, follow up on their implementation, evaluate them and propose new areas and initiatives for cooperation.					Deputyship	governmental	Energy expert and public relations specialist	
	5.2 Prepare and develop mechanism and methodology of communication between the Deputyship and related parties and companies operating in the electricity sector.								
	5.3 Support innovations and knowledge sharing through cooperation, exchange visits, technology transfer, conferences, newsletters, white papers and websites joint actions between Governments and National and International industry.								
	5.4 Strengthen capacity of the Deputyship for forging effective partnerships, and develop local and global cooperation with industry.								
	5.5 Formalization of partnership with selected local, regional and international centers.								
	5.6 Provide support to establish an innovative awareness and partnership framework aims to enhance the knowledge, expertise, technology and investments in electricity sector.								
	<b>Sub-Total for Output 5</b>	<b>140,000</b>	<b>200,000</b>	<b>160,000</b>	<b>655</b>				<b>500,000</b>
<b>EXPECTED OUTPUTS</b>	<b>PLANNED ACTIVITIES</b>	<b>Planned Budget by Year</b>				<b>RESPONSIBLE PARTY</b>	<b>PLANNED BUDGET</b>		
		Q4\2019	2020	2021	Q1-Q3\2022		Funding Source	Budget Description	Amount
<b>Output 6:</b> <b>Capacity of the Deputyship strengthened.</b>	6.1 Identification of human resources existing capacity gaps and institutional capacity within the Deputyship (staffing and operations) and assessment of capacity needs.					Deputyship	governmental	Energy experts, engineers, quality specialist and performance	
	6.2 Provide the Deputyship with needed competencies and expertise (experts / consultants - engineers - administrative employees) to implement programs and training courses, and identify appropriate devices and tools.								







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## **VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS**

### **Execution Arrangements**

The Project will be nationally executed through the Ministry of Energy. The Deputyship will assume implementation responsibilities with UNDP for recruitment of international and national advisors and other activities as noted in the annual work plan. All project activities will be done through standard project board mechanism to serve as a steering committee between The Deputyship and UNDP to ensure coherence of all activities under the project. UNDP will provide technical support to all activities through the UNDP Country Office in Riyadh and other related resources as appropriate.

### **Project Board**

The Project Board is the group responsible for making on consensus basis management decisions for the Project when guidance is required by the National Project Manager, including recommendation for approval of project revisions. Project reviews by this group are made on annual basis, or as necessary when raised by the National Project Manager. The group is consulted by the National Project Manager for decisions. This group has two roles, one for executive representing the project ownership to chair the group, and senior supplier role to provide guidance regarding technical assistant to the project.

### **Project Assurance**

Project assurance is the responsibility of each Project Board member, but the role can be delegated to a staff within each organization. The project assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensure appropriate project management milestones are managed and completed. The Assistant Resident Representative (ARR) UNDP Saudi Arabia will hold the Project Assurance role for the UNDP, and an appointed coordinator of the Deputyship would undertake this role for Ministry of Energy. The National Project Manager and Project Assurance roles will never be held by the same individual in the deputyship.

### **National Project Manager**

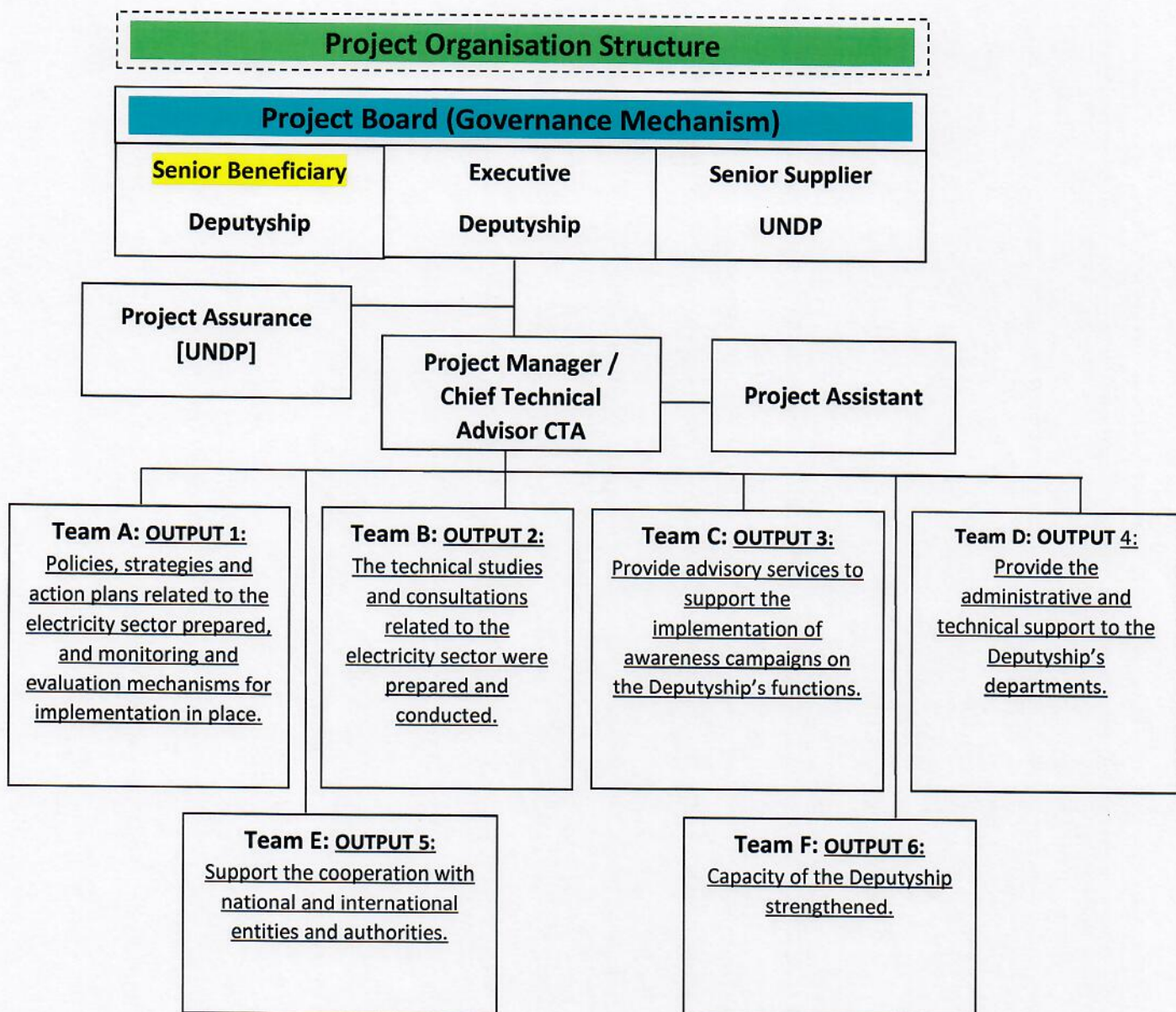
The National Project Manager will be appointed by the Deputyship and has the authority to run the Project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Project Board. The National Project Manager is responsible for the day-to-day management and decision making for the Project.

The Project Manager's prime responsibility is to ensure that the Project produces the results specified in the Project Document, to the required standard of quality and within the specific constraints of time and cost. The National Project Manager is appointed by the Deputyship through letter to UNDP. The Deputyship will also provide counterpart staff, offices facilities and necessary office equipment (including computers) for project staff appointed from the Deputyship's staff, and any other project support facilities as deemed necessary.

### **Project Assistant**

The Project Assistant will be appointed by the Deputyship with the responsibility to carry on the day-to-day administrative and financial project support.







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## IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement (SBAA) between the Government of (Saudi Arabia) and UNDP, signed on (4 January 1976). All references in the SBAA to "Executing Deputyship" shall be deemed to refer to "Implementing Partner."

This project will be implemented by the Deputyship at Ministry of Energy ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

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## X. RISK MANAGEMENT

### Option a. Government Entity (NIM)

1. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- 1) 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;
  - 2) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. 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 the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no 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/sc/committees/1267/qa\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/qa_sanctions_list.shtml).

This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.

4. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
5. The Implementing Partner shall: (a) conduct project and program-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or program to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.



6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).
9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

11. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection



process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

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## **XI. ANNEXES**

- 1. Social and Environmental Screening Template**
- 2. Standard Letter of Agreement for the Provision of Support Services**
- 3. Project Board Terms of Reference and TORs of key management positions**
- 4. Capacity Assessment: Results of capacity assessments of Implementing Partner**
- 5. Schedule of Payment**



## Annex [1]. SOCIAL AND ENVIRONMENTAL SCREENING TEMPLATE

### Project Information

<b>Project Information</b>	
1. Project Title	The technical and advisory support for works of Deputyship
2. Project Number	SAU10/122410
3. Location (Global/Region/Country)	Saudi Arabia

### Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

**QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?**

*Briefly describe in the space below how the Project mainstreams the human-rights based approach*

The project is designed to help the Deputyship in the Ministry of Energy improve its efficiency in delivering its mandate through participation in preparation policies and strategies for achieving the sustainability of electric energy and follow up their implementation, and contribution to the implementation of national priority initiatives and programs to achieve the vision and objectives of Ministry within the vision of KSA 2030 and the National Transformation Program 2020, with the aim of upgrading electrical services and obtaining high reliability.

*Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment*

This project's objectives do not differentiate between genders and serves the population at large

*Briefly describe in the space below how the Project mainstreams environmental sustainability*

This project will enhance and develop ways to environmental sustainability



## Part B. Identifying and Managing Social and Environmental Risks

<p><b>QUESTION 2: What are the Potential Social and Environmental Risks?</b>  <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i></p> <p><b>Risk Description</b></p>	<p><b>QUESTION 3: What is the level of significance of the potential social and environmental risks?</b>  <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p> <p><b>Impact and Probability (1-5)</b></p>	<p><b>Significance (Low, Moderate, High)</b></p>	<p><b>QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</b></p> <p><i>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</i></p>
<p>Risk 1: Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups</p>	<p>I = P =</p>	<p>Low</p>	<p>Preservation of living organisms and that by finding out the causes and treatment system helps the environment</p>
<p>Risk 2 : none</p>	<p>I = P =</p>		
<p>Risk 3: ....</p>	<p>I = P =</p>		
<p>Risk 4: ....</p>	<p>I = P =</p>		
<p>[add additional rows as needed]</p>			
<p><b>QUESTION 4: What is the overall Project risk categorization?</b></p>			
<p>Select one (see <b>SESP</b> for guidance)</p>			<p><b>Comments</b></p>
<p>Low Risk <input type="checkbox"/></p>			
<p>Moderate Risk <input type="checkbox"/></p>			
<p>High Risk <input type="checkbox"/></p>			
<p><b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b></p>			



Check all that apply		Comments
<i>Principle 1: Human Rights</i>	<input type="checkbox"/>	
<i>Principle 2: Gender Equality and Women's Empowerment</i>	<input type="checkbox"/>	
<i>1. Biodiversity Conservation and Natural Resource Management</i>	<input type="checkbox"/>	
<i>2. Climate Change Mitigation and Adaptation</i>	<input type="checkbox"/>	
<i>3. Community Health, Safety and Working Conditions</i>	<input type="checkbox"/>	
<i>4. Cultural Heritage</i>	<input type="checkbox"/>	
<i>5. Displacement and Resettlement</i>	<input type="checkbox"/>	
<i>6. Indigenous Peoples</i>	<input type="checkbox"/>	
<i>7. Pollution Prevention and Resource Efficiency</i>	<input type="checkbox"/>	

### Final Sign Off

<i>Signature</i>	<i>Date</i>	<i>Description</i>
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.



## SESP Attachment 1. Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>		
<b>Principles 1: Human Rights</b>		<b>Answer (Yes/No)</b>
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	NO
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? <sup>1</sup>	NO
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	NO
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	NO
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	NO
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	NO
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	NO
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	NO
<b>Principle 2: Gender Equality and Women's Empowerment</b>		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	NO
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	NO
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	NO
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?  <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	NO

<sup>1</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.



<b>Principle 3: Environmental Sustainability:</b> Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?  <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	NO
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	NO
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	NO
1.4	Would Project activities pose risks to endangered species?	NO
1.5	Would the Project pose a risk of introducing invasive alien species?	NO
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	NO
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	NO
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water?  <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	NO
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	NO
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	NO
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area?  <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	NO
<b>Standard 2: Climate Change Mitigation and Adaptation</b>		
2.1	Will the proposed Project result in significant <sup>2</sup> greenhouse gas emissions or may exacerbate climate change?	NO

<sup>2</sup> In regards to CO<sub>2</sub>, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]



2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	NO
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)?  <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	NO
<b>Standard 3: Community Health, Safety and Working Conditions</b>		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	NO
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	NO
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	NO
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	NO
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	NO
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	NO
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	NO
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	NO
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	NO
<b>Standard 4: Cultural Heritage</b>		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	NO
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	NO
<b>Standard 5: Displacement and Resettlement</b>		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	NO
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	NO



5.3	Is there a risk that the Project would lead to forced evictions? <sup>3</sup>	NO
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	NO
<b>Standard 6: Indigenous Peoples</b>		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	NO
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	NO
6.3	<p>Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?</p> <p><i>If the answer to the screening question 6.3 is "yes" the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i></p>	NO
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	NO
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	NO
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	NO
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	NO
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	NO
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	NO
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	NO
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	NO

<sup>3</sup> Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.



7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs?  <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	NO
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	NO
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	NO



## **ANNEX [2].**

### **AGREEMENT BETWEEN UNDP AND THE GOVERNMENT FOR THE PROVISION OF SUPPORT SERVICES**

- 1) Reference is made to consultations between officials of the Government of the Kingdom of Saudi Arabia (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant programme support document or project document, as described below.
- 2) The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.
- 3) The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
  - a. Identification and/or recruitment of project and programme personnel;
  - b. Identification and facilitation of training activities;
  - c. Procurement of goods and services.
- 4) The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies, and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the programme support document or project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project, the annex to the programme support document or project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.
- 5) The relevant provisions of the Agreement between the Government of the Kingdom of Saudi Arabia and the United Nations Development Programme signed in 4<sup>th</sup> January 1976 (the “SBAA”), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the programme support document or project document.
- 6) Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.
- 7) The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the programme support document or project document.
- 8) The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.
- 9) Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.



- 10) If you are in agreement with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

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**On Behalf of the United Nations Development Programme (UNDP)  
UNDP Resident Representative**

Signature:



**Dr. Adam Bouloukos**

Date:

7 Dec. 2019

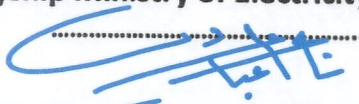
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**On Behalf of the Kingdom of Saudi Arabia Government**

**Ministry of Energy (ME)**

**Deputyship Ministry of Electricity Affairs**

Signature:



**Dr. Naif Mohammed Al-Abbadi**

Date: 7 Dec. 19



## **ANNEX [3].**

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### **A- TERMS OF REFERENCE FOR PROJECT BOARD**

#### **Role and Main Functions**

The Project Board is the group responsible for making on consensus basis management decisions for the Project when guidance is required by the National Project Manager, including recommendation for approval of project revisions. Project reviews by this group are made on annual basis, or as necessary when raised by the National Project Manager. The group is consulted by the National Project Manager for decisions. This group has two roles, one for executive representing the project ownership to chair the group, and senior supplier role to provide guidance regarding technical assistant to the project.

The Project Board will be responsible for the overall co-ordination, direction and oversight of the Project. The Project Board will guide The Deputyship and UNDP Technical Assistance Team in achieving the project activities and tasks, monitors progress of the project activities and ensures timely achievement of results as set out in the Project Document.

The role and main functions of the Project Board will be:

- To assess project progress and monitor all activities of the Project, as stipulated in the Project Document;
- To assess the performance of the Technical Assistance Team, consider the progress reports, and make recommendations as appropriate;
- To jointly discuss any critical points or bottlenecks for further project implementation and to propose and discuss remedy actions to be taken in order to tackle problems;
- To guide the development and monitor the implementation of individual schedules or work plans of the project, and jointly take decisions affecting timing, cost or project contents;
- To ensure close co-operation with relevant ministries and institutions, partner organisations, and other relevant actors, taking into account the complexity and ensuring transparency of the project;
- To facilitate access to the required institutions and information needed for the project implementation;
- To ensure that all reporting requirements of both the UNDP and the national authorities are met;
- To ensure compliance with the legal, regulatory and technical requirements in the Kingdom of Saudi Arabia.

The Chief Technical Advisor / Team Leader will organise Project Board meetings every six months, if not required and agreed otherwise. The Chief Technical Advisor / Team Leader will invite the Project Board members for the meetings. Minutes of meetings will be taken and distributed to all attendees.

The Chief Technical Advisor / Team Leader will submit the Progress Reports to the members of the Project Board at least one week prior to Project Board meetings. The Project Board will review the reports, advise, give guidance and ensure that appropriate measures are put in place to maximize the benefits of the project.



## **Membership**

The Project Board shall be made up by the following:

- Chaired by Deputyship at (ME)
- United Nations Development Programme (UNDP)
- Technical Assistance Team (TAT)



## **Annex [3].**

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### **B- Terms of Reference for Chief Technical Advisor / Team Leader**

#### **Main Tasks**

The Chief Technical Advisor / Team Leader acts as the head of the Technical Assistance Team that ensures the achievement of the programme goals and responsible for the mobilisation, the supervision and the coordination of all experts foreseen under the contract. A Chief Technical Advisor / Team Leader will be appointed by National Project Manager to manage the project as well as oversee all technical project activities, monitor progress. She/he reports to UNDP via progress reports (quarterly and annually) and is directly responsible for the tasks related to planning and coordination of the technical assistance requirements of the programme.

The Team Leader will be based at the Deputyship and will have the dual task of assisting the beneficiary in the implementation of the project, and coordinating the technical assistance inputs. Both tasks will entail the development of extensive working relationships with all the Deputyship's departments and other stakeholders relevant to the project.

The main tasks assigned to the Team Leader are as follows:

- Develops and maintains a productive work environment for the project team;
- Ensures the quality of technical assistance inputs;
- Ensures the good performance of the project team, notably through the promotion of a productive working relationship with counterparts at national and local levels and the observance of a service approach to technical assistance;
- Monitors the performance of the project team;
- Reports immediately to UNDP any issue requiring its attention;
- Ensures the timely fulfilment of technical assistance activity planning and reporting requirements. In particular, the Team Leader supports the Deputyship in preparing/updating annual plans of activities and related financial requirements for project activities and expert mission costs.
- Provides relevant documentation and briefings to UNDP in advance of meetings or events in which it is to be represented;
- Performs other managerial tasks, especially in relation to the delivery of project activities foreseen in the Project Document;
- Organizes Project Board meetings and invites the Project Board members for the meetings.

#### **Individual Requirements**

##### **Qualifications**

- Electrical Engineer, or management degree with a Master's degree in or equivalent. Doctorate or PhD is an asset.

##### **General Professional Experience**



- A minimum of 10 years relevant professional experience with 5 years relevant international experience in at least three transition / emerging countries.
- Relevant experience in the Middle East is an asset.
- A minimum of 3 years experience as team leader in international development programs/projects.

### **Specific professional experience**

- Strong experience in electricity systems development and energy policies development, planning and implementation.
- Proven experience in public private partnerships in the Energy sector.
- Specific applied knowledge and practical experience of energy management and system development techniques and strategic design.
- Experience with sector analysis and institutional capacity building.
- Experience in sector-wide approaches involving donor coordination and incorporating aid effectiveness.
- Experience in M&E schemes in the area of Electric policy is an asset.
- Experience of Energy governance of the regulatory system in a decentralization context is an asset.
- Experience in the preparation of research proposals is an asset.
- Specific experience in other technical areas covered by the project is an asset.

### **Skills**

- Ability to work in a changing, multi-cultural environment and establish harmonious and effective working relationships
- Excellent presentation skills
- Proficient user level computer skills of Office and other software
- An excellent verbal and written command of English is essential. Knowledge of Arabic language would be an added advantage.
- Proven experience in the management of international teams of experts of different technical backgrounds.
- Ability to interact in different cultural and multi-professional academic and institutional environments and to create good working relationships with peers and with political and professional hierarchies.

### **Position specification**

UNDP offers a full-time position until December 2019 with a three-month probation period. The contract is renewable until December 2022 depending on performance and upon agreement with UNDP and the Electricity Deputy. The position is based in Riyadh, the Kingdom of Saudi Arabia.



**ANNEX [4].**

**Capacity Assessment: Results of capacity assessments of Implementing Partner**

Partner Capacity Assessment Tool - Step 1: Pre-Requisites for Partnering - applicable to all Partners						
<a href="#">Return to PCAT Overview page</a>						
<b>Applicability:</b> This 'Pre-requisites for Partnering' section should be completed for all UNDP partners, regardless of whether they are IPs, RPs, Other Partners or grant recipients.						
<b>Responsibility &amp; Timing:</b> The Project Developer should complete this 'Pre-requisites for Partnering' as early as possible in the Project Design phase to ensure that the proposed partner is not a prohibited organization and does not engage in practices that are inconsistent with UNDP's social & environmental standards and code of ethics.						
Background Information (Enter this information here and it will be carried throughout the PCAT - no need to enter it again)						
Region	Arab States	Comments: (Optional)				
Office	Saudi Arabia	The Project aims at:				
Programme Start	15-Sep-19	<ul style="list-style-type: none"> <li>preparing and developing of policies, strategies and action plans related to the electricity sector, and supervising their implementation after the adoption.</li> </ul>				
Programme End	14-Sep-22	<ul style="list-style-type: none"> <li>Preparing and conducting the technical studies and consultations related to the electricity sector.</li> </ul>				
Partner Name	Deputyship	<ul style="list-style-type: none"> <li>Providing advisory services to support the implementation of awareness campaigns on the Deputyship's functions.</li> </ul>				
Partner budget for this Project (USD)	\$ 16,000,000	<ul style="list-style-type: none"> <li>Providing the administrative and technical support to the Deputyship's departments.</li> <li>Supporting the cooperation with national and international entities and authorities.</li> <li>Strengthening the capacity of the Deputyship.</li> </ul>				
ERM Risk Category	Risk being addressed	Q. #	Pre-requisites for Partnering Questions	What to review to determine your response	Response	Action Needed
Regulatory (6.3, FRR)	Violation of UN sanctions	1	Is the organization listed on the Consolidated United Nations Security Council Sanctions List, the UNDP vendor sanctions list or the UN Global Marketplace Ineligibility List?	<a href="#">UN Sanctions List</a> <a href="#">UNDP Vendor Sanctions List</a> <a href="#">UN Global Marketplace Ineligibility List (accessible to UNDP Buyer Roles)</a>	No	Continue to Question 2
Comments						



<p>Strategic (7.5 Code of conduct &amp; ethics), Social &amp; Environmental (1.1-1.12)</p>	<p>Violation of programming principles and ethical standards</p>	<p>2 Is there any credible evidence that the organization persistently commits acts that violate: (i) UNDP's social and environmental standards (human rights, gender equality, labor conditions, environmental sustainability standards); or (ii) code of conduct/ethics standards to such an extent that UNDP's association with the organization cannot be adequately managed or justified?</p>	<p>* Internet/press search                  * Donor evaluations, assessments                  * Significant criticism from donors/CSOs/ media/social media or other significant partners of UNDP locally or globally                  * Significant criticism from governmental agencies / political parties that makes UNDP's partnering politically sensitive                  * Recurring local or global public events against the organization (e.g. local demonstrations, online protests, etc)                  * Relevant legal case in progress/in court etc.</p>	<p>No evidence found</p>
<p>Strategic (7.6 Public opinion &amp; media)</p>	<p>Damage to UNDP's reputation</p>	<p>3 Has an internet/donor evaluation report search revealed any credible and significant adverse publicity or controversy about the organization that could damage UNDP's reputation by association to such an extent that the association cannot be adequately managed or justified?</p>	<p>No adverse publicity found</p>	
<p>Regulatory (6.3, FRR)</p>	<p>Absence of neutrality</p>	<p>4 If the Partner is a CSO/NGO or private sector organization, is there any credible evidence that the organization has political affiliations that could compromise UNDP's neutrality, perceived or actual, in a way that cannot be adequately managed and justified?</p>	<p>No neutrality concerns found</p>	
<p>Financial (2.3 Corruption &amp; Fraud); Strategic (7.5 Code of Conduct &amp; Ethics)</p>	<p>Fraud, corruption and potential damage to UNDP's reputation</p>	<p>5 If there is a history of fraud, corruption, money laundering, financing terrorism or other fraudulent practices and/or any potential Conflicts of Interest (CoI) in relation to this organization, have they been reviewed and satisfactorily resolved or if not, can they be adequately managed or justified in the context of this specific project? (Consider such as issues as the organization employing any individual/s who is/are currently holding any position in UNDP or the UN OR any individual/s who is/are related by blood or affinity to any UNDP or UN staff member.)</p>	<p>No evidence of fraud or conflicts found</p>	
<p>Conclusion on 'Pre-Requisites for Partnering' &amp; Next Steps</p>			<p>Proceed with this Partner. Continue to 'Section 2: Capacity Assessment Scoping'</p>	



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**ANNEX [5].**

**Schedule of Payment**

<b>Date</b>	<b>Amount</b>	<b>Contributor</b>
<b>To be paid upon signature</b>	<b>\$ 5,136,000</b>	<b>Deputyship at ME</b>
<b>To be Paid 2020</b>	<b>\$ 5,600,000</b>	
<b>To be Paid 2021</b>	<b>\$ 4,287,000</b>	
<b>To be Paid 2022</b>	<b>\$ 977,000</b>	
<b>Total</b>	<b>\$ 16,000,000</b>	

**NOTE:** In the event of a budget surplus, it should be refunded to the government "Deputyship"



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**Dr. Naif Mohammed Al-Abbadi**