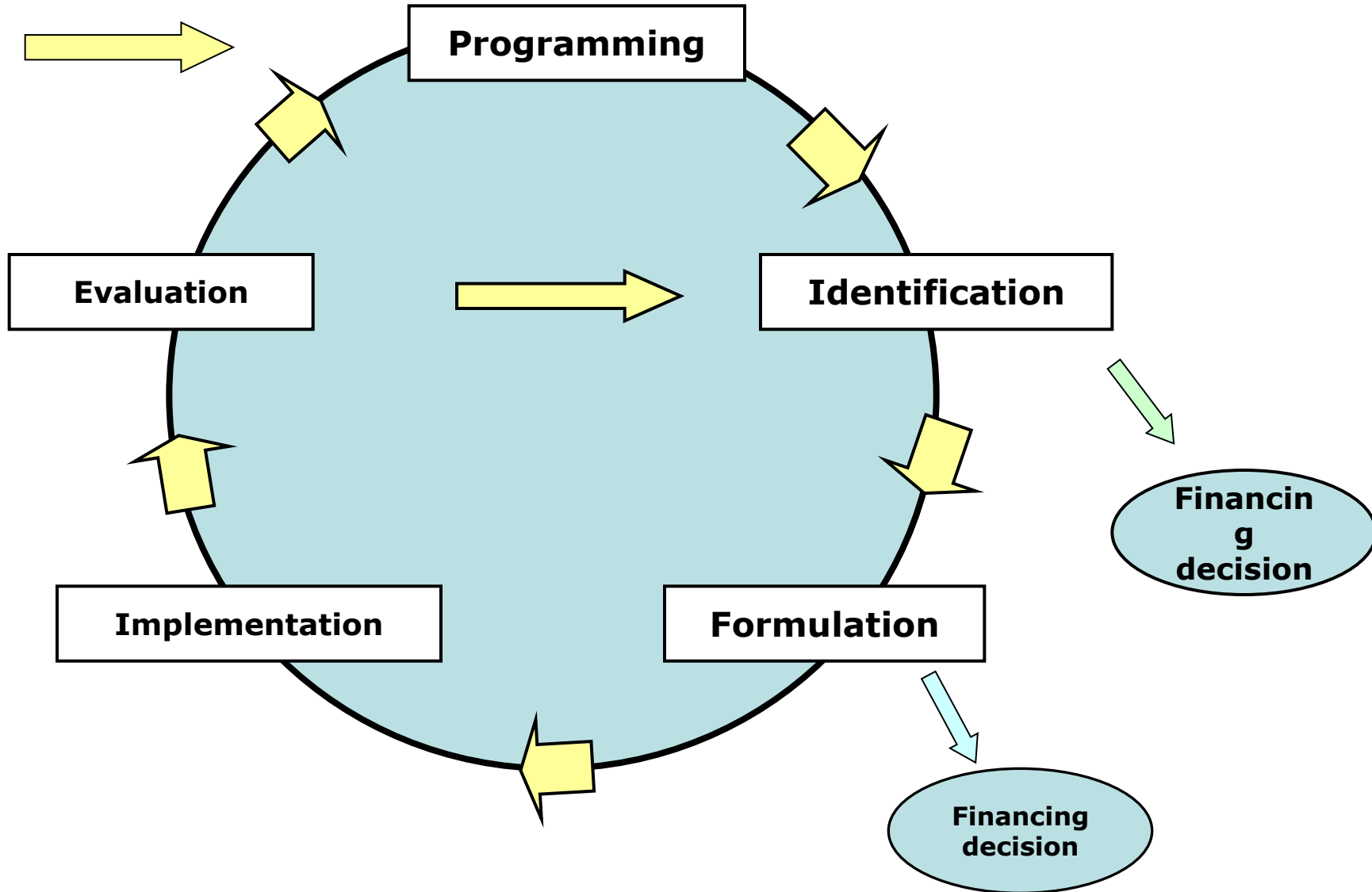


**REGIONAL MEETING ON
SUSTAINABLE ENERGY**
FOR ASIA-PACIFIC LEAST DEVELOPED COUNTRIES

PROJECT PREPARATION SKILLS

The project cycle



Project Cycle Stages

- Project Preparation and Formulation
 - Conception (Identification), Feasibility study, selection, Financing.
- Implementation
 - Consultant recruitment for detail design, procurement of goods and services, construction, Contract Administration, completion of project requirements, operational testing, start up, and training, Project Administration by Bank staff, Evaluation
- Evaluation and Termination
 - Review of Project preparation (relevancy, Feasibility, Sustainability), Appraisal and implementation, Review of Project Benefit

Project Cycle Stages

- World bank and ADB Funded Projects
 - Project Pre-approval Period
 - Project Identification, Project Preparation(Feasibility Study), Appraisal, Loan Negotiation
 - Project Implementation Period
 - Consideration and Loan Approval,
 - Loan Effectiveness,
 - Project Execution
 - Consultant recruitment for detail design, procurement of goods and services, construction, completion of project requirements, operational testing, start up, and training, Project Administration by Bank staff, Evaluation
 - Evaluation
 - Review of Project preparation, Appraisal and implementation, Review of Project Benefit

Project Cycle Stages

- Local banks and Financial Institutions
 - Project Pre-Construction Period
 - Project Identification, Project Preparation(Feasibility Study), PPA, Appraisal, Loan Negotiation, Financial Close, Procuring goods and services,
 - Project Implementation Period
 - Project Execution
 - construction, completion of project requirements, operational testing, start up, and training, Project Administration by Bank staff, Evaluation
 - Evaluation
 - Review of Project preparation, Appraisal and implementation, Review of Project Benefit

Project Preparation.....

- Planning for :
 - Relevance
 - Feasibility
 - Sustainability

Relevance....

- Why this Project?

What is Relevance?

- Problems versus Needs
(Final Beneficiaries)
 - Policy objectives
 - Reservoir, Peaking, ROR
 - Transmission and Distribution
 - Proof from lessons (evaluations)

Feasibility.....

What is Feasibility?

Technical

Financial and Economic

Environmental

Sustainability

What is Sustainability?

- Policy match
- Ownership (socio – cultural – gender)
 - Appropriate Technology
 - Environment
 - Management
 - Finance

How to build Robust Project Pipeline

- River basin Master Plan with Cascade Development and Priority of the Project
- Project Design and Level of Study: DPR, Feasibility
- Transmission Master Plan for Evacuation
- Distribution Master Plan for consumption
- Infrastructure Development Plan

Financing Modality

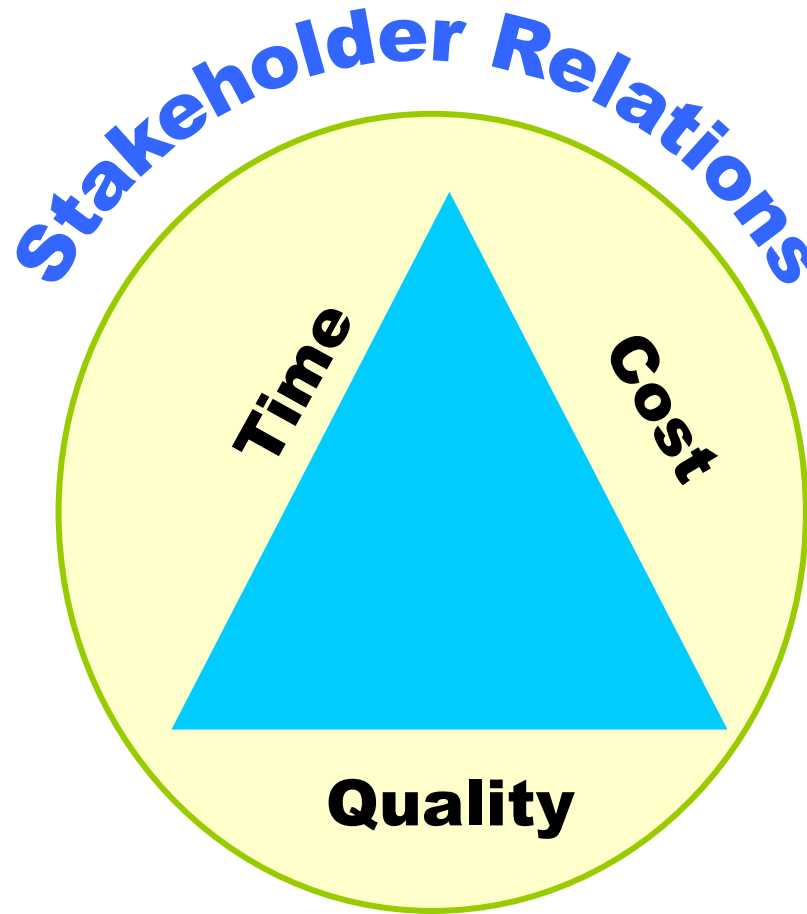
- Allocate projects for :
 - Local Financing : Attractive Projects
 - FDI
 - EPCF
 - Grant

Challenges

- Licensing Regime
- Consultant
- Project Selection
- Market
- Cross-boarder Trade
- Infrastructure
- Geology
- Cost

THANK YOU

The triple constraint



Project Cycle- Time Period

- Formulation or preparation
 - Long period : 10 years for upper seti, Upper Tamakoshi, Khimti Dhalkebar 220 kV TL, Chamelia, Kulekhani III, Rahughat
 - Consultant selection Process- long
 - Study process
 - Uncertainty in financial resources
 - Political intervention
- Mobilization
 - Study, financing, Procuring
 - Preconstruction activities takes more than the construction period
 - Rahughat and Chamelia, Kulekhani III
- Construction
 - Planning, organizing, scheduling, monitoring, control
 - Variation, Geological risk, Contractor Risk,
- Evaluation and Termination

Project Development Mode

- Sequential Traditional Approach
- Fast Track Development Approach

Project selection

- Technical and Financial Viability
- Proven Technology
- Socio political context
- Accessibility
- Ease of financial Management and construction
- Time for construction
- Multiple Benefits