

PCR EVALUATION NOTE FOR PUBLIC SECTOR OPERATIONS

1. BASIC INFORMATION			
a. Basic project data			
Project title: BUJAGALI INTERCONNECTION PROJECT			
Project code: P-UG-FAO-002	Instrument number(s): ADF Loan 2100150014594		
Project type: Investment	Sector: Energy / Power		
Country: UGANDA	Environmental categorization (1-3) :1		
Processing Milestones	Key Events	Disbursement and Closing date	
Date approved: 28.06.2007	Cancelled amount: UA 1,027,549.55	Original disbursement deadline: 31.12.2011	
Date signed: 26.10.2007	Supplementary financing: N/A	Original closing date: 31.12.2011	
Date of entry into force : 14.02.2008	Restructuring: N/A	Revised disbursement deadline: 30.09.2015	
Date effective for 1st disbursement: 23.04.2008	Extensions (specify dates): Extension-1 : 23.09.2011 Extension-2 : 28.06.2013 Extension-3 : 23.02.2015	Revised closing date: Extension-1 : 31.12.2013 Extension-2 : 31.03.2015 Extension-3 : 30.09.2015	
Date of actual 1st : 05.06.2008			
b. Financing sources			
Financing source/ instrument (MUA)	Approved amount (MUA) :	Disbursed amount (MUA) :	Percentage disbursed (%) :
Loan:	19.21	18.18	94.6
Grant:	19.21	13.66	71.1
Government:	11.71	14.62	125.0
Other (ex. Co-financiers):			
TOTAL :	50.13	46.46	
Co-financiers and other external partners:JICA			
Execution and implementation agencies: UETCL Uganda Transmission Company			
c. Responsible Bank staff			
Position	At approval		At completion
Regional Director	D.Gaye		G. Negatu
Sector Director	G. Mbesherubusa		B. Baldeh
Sector Manager	A. T. Diallo		H. Ndwiga Richard (OIC)
Task Manager	H. R. Heeroo		A. Wubeshet Zegeye
Alternate Task Manager			D. ISOOBA
PCR Team Leader			Alemayehu WUBESHET ZEGEYE
PCR Team Members			Edward B. SENNOGA Arkins KABUNGO

		Uche DURU
d. Report data		
PCR Date : 26 October 2017		
PCR Mission Date:	From: 9 October 2017	To: 13 October 2017
PCR-EN Date:		
Evaluator/consultant : Ananda Covindassamy	Peer Reviewer/Task Manager:	

2. PROJECT DESCRIPTION

Summary from Appraisal Report including addendum/corrigendum or loan agreement, and taking into account any modification that occurred during the implementation phase.

a. Rationale and expected impacts:

Provide a brief and precise description on the project/programme rationale (concerns/questions raised), expected impacts and the intended beneficiaries (directly or indirectly impacted by the project/programme). Highlight any change that occurred during the execution phase.

Uganda recognized electricity as critical to attain the growth trajectory and socio-economic transformation of its fast growing population. Accordingly, Uganda's Vision 2040 laid out the broad policy directives to develop and generate modern energy to drive the industry and services sectors and improve electricity. The Vision is spelled-out in the 5-years National Development Plan (NDP), to translate the Vision into action. The NDP identified that access to power by the manufacturing sector remains a key constraint to catapult the sector from its current status to a level where it can play a key role especially with respect to processing/adding value to raw materials. This translated into the need for systematic expansion of the power infrastructure and adding more generation capacity with necessary development of the power transmission system. Uganda started the power sector reform in 1997 and during its implementation, the country faced power supply deficit (18 MW in 2003 to 42 MW in 2011) resulting in power rationing to consumers, despite the installation of the emergency thermal power stations of up to 100 MW. Considering the budget constraints and limits on financing capacity of development partners, the GoU emphasized the mobilization of private financing for investments in projects which have the capacity to be financially viable, and in particular in power generation. The development of private sector financed generation capacity requires that suitable transmission lines are in place to evacuate the power. The Bujagali interconnection project was therefore well aligned with GoU's priorities and strategy, as a necessary complement to the development of the Bujagali hydro plant, as well as Bank support to private sector financing.

b. Objectives/Expected Outcomes:

Provide a clear and concise description of the project objectives, expected outcomes, and intended beneficiaries. In so doing, highlight any revision/amendment.

The project outcomes were that all power demand is met by increasing the capacity to transport the power produced by new generation capacity, following the sector least cost investment plan. The commissioning of Bujagali Hydropower Plant (BHP) nearly doubled Uganda's peak electricity supply capacity, eliminating daily load-shedding, provided the power can be transported reliably and efficiently. To ensure power supply reliability, provision of sufficient transmission capacity was addressed under the project to evacuate power from BHP to the existing and future national grid and thereby increasing access to cheaper and more

reliable electricity supply.

The project outcomes were the satisfaction of power demand, the elimination of power outages and the reduction of the cost of supply of electricity.

c. Outputs and intended beneficiaries:

Provide a clear and concise description the expected outputs and intended beneficiaries. In so doing, highlight any revision/amendment.

The project output was the construction of the Bujagali to Kawanda transmission line which is part of a link between the power systems of the three EAC Member States at a voltage of 220 kV. The capacity of the 220 kV transmission system was expected to allow an increase in power that can be exported from Uganda to Rwanda over a future 132 kV line between the two countries.

The beneficiaries are all grid connected clients, and indirectly, most of the Ugandan population through the indirect effects of quality power supply. The project was to contribute to poverty reduction and attainment of the Millennium Development Goals through improving the Ugandan population's access to electricity, which in turn will facilitate water supply, health care delivery, education and rural development. Besides providing a convenient means of lighting, electricity is essential for the operation of equipment in hospitals, schools and water installations. It also improved the productivity of rural enterprises and the agro-processing potential of farmers. The availability of additional power supply as a result of the project enabled the REA to provide electricity to some 220,000 new rural consumers by 2012 through distribution networks connected to the UETCL system. In addition, by the same year, UMEME was expected to be able to distribute power to 60,000 new consumers.

d. Principal activities/Components:

Provide a clear and concise description of the principal activities/components. In so doing, highlight any revision/amendment.

The BIP developed a transmission system which links the Bujagali hydropower station to the country's existing transmission network. The Bujagali substation, the interface between the transmission system and the BHS, were erected as part of the BHS project. The BIP has four components: - A. Transmission Lines, B. Substations, C. Resettlement/Compensation and D. Consultancy Services.

A. Transmission Lines

A.1: Bujagali to Kawanda 220 kV transmission line. Seventy five (75) km of double circuit 220 kV 3 phase overhead transmission line from Bujagali to Kawanda near Kampala..

A.2: Kawanda to Mutundwe 132 kV transmission line. Fifteen (15) km of double circuit 132 kV overhead transmission line from Kawanda to the existing Mutundwe substation.

A.3: Bujagali to Nalubaale 132 kV transmission line. Eight (8) km of double circuit 132 kV overhead transmission line from Bujagali to the existing substation at Nalubaale.

A.4: Bujagali to Tororo 132 kV transmission line. Five (5) km of double circuit 132 kV overhead transmission line to connect Bujagali substation with an existing similar line between Nalubaale and Tororo substations.

B. Substations

B.1: Kawanda substation. The newly constructed Kawanda substation will consist of a 132 kV busbar, four feeder bays and a 40 MVA 132/33 kV main transformer. A communication and control system was also be installed for the remote operation of the substation from UETCL's main system control centre.

B.2: Mutundwe substation. Two (2) feeder bays as described above will be erected to connect the existing 132 kV busbar at the substation to the transmission line from Kawanda.

C. **Resettlement/Compensation**

The acquisition of land and easements along the right of way, access roads and substations required a compensation program for structures, crops and fruit trees.

D. **Consultancy Services**

D.1: Supervision to supervise the project.

D.2: Project Audit: An external auditor was recruited to make annual audits of the project accounts.

3. PROJECT PERFORMANCE ASSESSMENT

RELEVANCE

a. **Relevance of the project development objective:**

Evaluation of the relevance ex-ante and ex-post (including during the implementation phase). The relevance of the project objective (during the evaluation ex-ante and the post-evaluation) in terms of alignment with country's development priorities and strategies, the beneficiary needs (including any changes that may have occurred during the implementation), applicable Bank sector strategies, the Bank country/ regional strategy, and general strategic priorities of the Bank. This criterion equally assesses the extent to which the project's development objective was clearly stated and focused on outcomes and the realism of the intended outcomes in the project setting.

The project, as a necessary complement to the BHS was fully aligned with the GoU and Bank priorities to facilitate private sector financing and supply of electricity. The relevance of the project is therefore rated Highly Satisfactory.

The Bujagali Interconnection Project (BIP) was aligned and highly relevant to the development needs of the country in line with the priorities of the Vision 2040, the NDPs as well as the Bank Group's Joint Assistance Strategy (2005 – 2009) for Uganda. The Bank's Joint Assistance Strategy, under Pillar 1 "Enhancing Competitiveness, Production and Incomes" prioritized among others increasing investment in transport infrastructure and in energy systems, and promoting rural development. In addition, the Bank's Country Strategy Paper for Uganda (2011 – 2015 extended to 2016) that sought to support infrastructure development through interventions to address the country's transport, energy and agricultural infrastructure bottlenecks.

b. **Relevance of project design (from approval to completion):**

The evaluator should provide an assessment of the relevance of the project design regardless of the one provided in the PCR. The evaluator will also comment on the PCR conclusion for this section, and will provide an evaluation of the relevance of the project design. The latter assesses the soundness and the timing of eventual adjustments, or technical solutions to ensure the achievement of the intended results (outcomes and outputs), the adequacy of the risk assessment, environmental and social protection measures, as well as the implementation arrangements. For Programme Based Operations (PBO), an assessment will be made on the relevance of the prior actions, the policy dialogue and the extent to which the operation could have been more pro-poor in its design.

The project design was suitable for the intended purpose, in terms of technological choice (220 kV level), coordination with BHS and implementation arrangements. The project is rated Highly Satisfactory, similarly to the PCR.

The BIP was designed as a stand-alone project co-financed by JICA. The selection of the technology was based on a holistic planning approach that was followed during the preparation of feasibility study for the development of the Bujagali Power plant. The project executing agency, which is UETCL, has retained the Bujagali power plant supervision consultant to supervise the BIP, which is essential for ensuring strong coordination among the contractors, financiers and the design and implementation of the power plant. This has ensured proper interfacing of the two major components of the project and timely completion of the overall project. The design was firm and remained unchanged throughout implementation with no adjustments to the scope, implementation arrangements or technical solutions.

The financing plan for BIP was based on co-financing with JICA in addition to counterpart funding from the Government of Uganda. In order to avoid the possible conflict among the procurement rules of the financiers, it was agreed to use the Bank's Procurement Rules. The project was broken down into four components: Transmission Lines, Substations, Resettlement/Compensation and Consultancy Services.

EFFECTIVENESS

c. Effectiveness in delivering outputs:

Evaluation of the extent to which the project achieved its stated results (obtained from the logical framework) based on the last Implementation Progress and Results Report (IPR) and by considering accurate reporting of direct or indirect evidence on intended and unanticipated outputs. In the absence of sufficient data (as direct evidence), indirect evidence (such as project outcomes and other pertinent processes/elements of the causal chain) should be used particularly in the evaluation of the extent to which the project is expected to achieve its stated results/ objectives. The absence of sufficient data to assess the effectiveness should be indicated (and clearly detailed in the PCR quality evaluation section). The PCR score should equally be indicated in this section.

The project delivered all its outputs, below budgeted cost, although with a 7-month delay. Operational performance of project's assets is as expected. The project performance is therefore rated Highly Satisfactory.

The project delivered on all the outputs as planned in the Appraisal Report. The difference in planned (as indicated in the BIP PAR) transmission line length and the actual line length at project completion was due to necessary adjustments undertaken after project approval following the completion of the ground survey by the contractor.

The BIP provided a transmission system linking the Bujagali hydropower station to the country's existing transmission network. The Bujagali switchyard, the interface between the transmission system and the Bujagali Power Station, was constructed as part of the BPS project by the private developer. The BIP had four components and sub-components and the major components were: (A) *Overhead Transmission Lines* to construct 75 km Bujagali to Kawanda double circuit 220 kV line, 15 km Kawanda to Mutundwe double circuit 132 KV transmission line, 8 km Bujagali to Nalubaale double circuit 132 kV transmission line, and 5 km Bujagali to Tororo double circuit 132 kV transmission line; (B) *Substations*, new 132 kV Kawanda substation, extension of Mutundwe; (C) *Resettlement/Compensation* focusing on acquisition of land and easements along the right of way, access roads and substations; and (D) *Consultancy Services* for project supervision and project audit. The BIP was implemented by UETCL. The commercial operations dates (COD) for BIP was achieved in August 2011 and for BHP in July 2012, but the planned COD date was end of 2011. Compensation of Project Affected Persons (PAPs) for the BIP commenced in 2008 and was implemented up to July 31, 2012 when the project achieved COD. While compensation did not derail the BIP's implementation, several challenges were experienced, notably due to disagreements related to land/property valuation and crop, which culminated into a class action lawsuit by 557 PAPs.

Savings from the BIP were allocated to the Bujagali switchyard upgrade project to facilitate interconnectivity between the BHP and the NELSAP Interconnection project, with the Bujagali switchyard

upgrade project being completed in 2015 as planned.

The initial plan (as indicated in the approval PAR for BIP) was to commission BHP by end-2011. However, due to an implementation delay of 7 months, implementation of new customer connections was also delayed, which explains why only 198,867 new customers were connected to the grid by end-2012. Following the commissioning of all the five BHP generators in July 2012, a total of 293,634 new customers had been connected to the national grid. At end-2016 a total of 696,546 new consumers were connected to the national grid.

d. Effectiveness in delivering outcomes:

Evaluation of the extent to which the project achieved its intended set of outcomes (including for Program Based Operations (PBOs) where complementary measures are necessary for their implementation, namely public awareness, policy dialogue and institutional arrangements for instance). The evaluator should make an assessment based on the results of the last project Implementation Progress and Results (IPR). The evaluator shall indicate the degree to which project outcomes (intended and unanticipated) as well as reasons for any eventual gap were discussed in the PCR.

All project outcomes materialized as expected or above. The project performance is rates Highly Satisfactory, similarly to the PCN.

All the programmed outcomes were surpassed, except for the connection of additional consumers, which was due to the 7 months implementation delay in the commissioning of the BHP. As indicated earlier, the targeted additional new consumer connections to the national grid was achieved in 2013 following the full commissioning of the BHP. In line with its objectives, the BIP enabled Uganda to overcome the energy crisis and the resultant heavy reliance on expensive and environmentally unfriendly diesel power thermal plants that experienced prior to the completion of the BHP and BIP. In addition, the project beneficiaries (existing and future customers) have benefited from the reduced tariff and reliable power supply leading to the elimination of power rationing. Other beneficiaries like (BEL, UETCL, UMEME) also benefited from the cost-reflective tariffs and the subsequent improvements in financial sustainability.

e. Project development outcome:

The ratings derived for outcomes and output are combined to assess the progress the project has made towards realizing its development objectives, based on the rating methodology recommended in the Staff Guidance Note on project completion reporting and rating (see IPR Guidance Note for further instruction on development objective rating).

The project has made progress as scheduled for the materialization of its development outcomes. Its performance is rated Highly Satisfactory. All development outcomes have been exceeded.

Power rationing has been eliminated since the commissioning of the Bujagali Hydropower station and associated power lines. Currently, Uganda has reserve power of 339.09 MW (generation capacity is 922.5 MW whereas the peak demand registered in 2017 is 596 MW).

f. Beneficiaries:

Using evidence, the evaluator should provide an assessment of the relevance of the total number of beneficiaries by categories and disaggregated by sex.

The project permitted the connection of new customers in a number exceeding the target. Moreover, the cost of supply nation-wide has been reduced, with benefits accruing to all direct or indirect users of electricity. The impact of the project on beneficiaries was Highly Satisfactory.

The initial plan (as indicated in the approval PAR for BIP) was to commission BHP by end-2011. However, due to an implementation delay of 7 months, implementation of new customer connections was also delayed, which explains why only 198,867 new customers were connected to the grid by end-2012. Following the

commissioning of all the five Bujagali hydropower plant generators in July 2012, a total of 293,634 new customers had been connected to the national grid in 2013, surpassing the targeted 280,000 new customers at full deployment of the BHP. Out of the newly added 198,867 customers, 179,755 are domestic (household) customers. Gender disaggregated data are not available, therefore estimates of the share of women in total population are used in this PCR. Given that women account for 52% of Uganda's population and the number of persons per household is about 4.8, at least 448,668 women benefited from the new connections at the completion of the project (end of 2012). In addition, industries, microenterprises and businesses have been relieved from frequent power cuts and rationing, thereby promoting economic activities including among women and allowing girls and boys to devote less time to collection of firewood and more time on educations.

Following the full commissioning of BHP in July 2012, the Government of Uganda made a decision to remove energy/tariff subsidies. Thus, the current electricity tariff is cost reflective, which makes the tariff reduction following the completion of the BHP and BIP an impressive development outcome.

g. Unanticipated additional outcomes (positive or negative, not taken into consideration in the project logical framework):

This includes gender, climate change, as well as social and socio-economic-related issues. Provide an assessment of the extent to which intended or unanticipated additional and important outcomes have been taken into consideration by the PCR. The assessment should also look at the manner the PCR accounted for these outcomes.

Upon request from the Government, the Bank reallocated BIP savings amounting to UA 4.245 million to the upgrading of the Bujagali switchyard substation to 220 kV to facilitate the future operation of the Bujagali-Kawanda transmission line at 220 kV. Completion of this upgrade in 2015 enabled regional interconnection through the NELSAP Interconnection project and allowed Uganda to increase the transmission capacity from Bujagali to Kampala via the Kawanda substation. This increased the power capacity leading to power supply efficiency, cost effectiveness, and reliability.

Another unanticipated benefit is that thanks to the commissioning of BHS and BIP, subsidies to the power sector could be eliminated without tariff increase.

EFFICIENCY

h. Timeliness:

The timeliness of project implementation is based on a comparison between the planned and actual period of implementation from the date of effectiveness for first disbursement. For Programme Based Operations (PBOs), the timely release of the tranche(s) are assessed through this same criterion.

The initial project execution time was 42 months, which was extended to 68 months in an attempt to use project savings, although the core project was complete. The timeliness is therefore Highly Unsatisfactory because of the project items added after completion of the initial project components. The rating Highly Satisfactory in the PCR is not consistent with the required extension of project closing date.

The extensions of the project closing date to 2015 was needed in order to execute the project component added in order to use project savings.

Implementation period for the Bujagali Interconnection Project exceeded the planned implementation schedule mainly due to land acquisition disputes on the transmission line corridor. All the transmission lines and substations works were completed in 37 months (on 31 August 2011) compared to the planned 27 months. Although the Engineering, Procurement and Construction (EPC) contract commencement date that was planned, 1 January 2008, as per the PAR has been moved to 16 July 2008 due to delay by the contractor on timely submitting the Bank guarantees and failure by the client to pay the Contractor's advance payment

within the contractual dates. With all these delays the transmission lines and substations were completed six-months ahead of the commissioning and operational date of the first generator (29 February 2012) of the power plant.

i. Resource use efficiency:

Provide an assessment of physical implementation (based on outputs delivered) against resources used (based on cumulative commitments) at completion for all contributors to the project (the Bank, Government, and others). This criterion would normally not apply to PBOs, as there is often no direct link between the outputs and the amount of contribution (in which case the rater would indicate N/A).

The project was satisfactorily completed below cost estimates. Resource use efficiency is rated Highly Satisfactory.

The project total cost at completion is the equivalent of UA 46.47 million, about 92.7% of the initial cost estimated at appraisal (about UA 50.13 million). The reduction in the actual cost is due to a conservative cost estimate at appraisal and good competitive prices the EPC contract. The generous cost estimate at appraisal is primarily due to the lack of detailed ground survey for transmission lines at feasibility and bidding documents preparation, that led the client and the consultant to estimate the costs based on desktop analysis. The competitive contract prices are due to strong international competition. The project, in addition to its original scope, through the loan savings has upgraded the 132 kV Bujagali switchyard to 220 kV level to enable the country to interconnect with Kenya through 220 kV lines. This contributed to the project to achieve >100% of physical implementation of RLF outputs.

The project implementation was satisfactory in all its components, included the added upgrading of the Bujagali switchyard substation to 220 kV.

j. Cost-benefit analysis:

Provide an assessment of the timeliness of the development outputs, and the extent to which costs of the costs have been effective and have been provided in the most efficient manner. The PCR rating should be discussed. The evaluator should verify whether the benefits of the project (achieved or expected) exceed its actual costs. To achieve this, evidences will mainly be based on a comparison between Economic Rates of Return (ERR) calculated at appraisal, the mid-term review and completion. When commenting PCR ratings, the degree of utilization of valid sources for evidence justifying the rating assigned should be taken into consideration. The evaluator should ensure of the validity of assumptions and that the same model was used for the calculation of others ERRs. For PBOs for which this calculation model does not apply, an assessment could be done with regards to the contribution of policy reforms to economic growth. In the absence of sufficient evidence, an appropriate rating should be assigned.

The initial economic analysis of the project was incorrect, and the PCN evaluation as well. Although the project, jointly with the BHS was economically justified, as they are part of the sector least cost development plan, because of the flawed economic analyses, the project is rated Unsatisfactory, although the PCN rating is Highly Satisfactory.

The Bujagali Interconnector project was appraised in 2007. At the time of appraisal, the economic analysis was conducted by comparing the “without-” and “with-project” scenarios. The “without project” scenario assumed a higher cost of energy to end users that reflected the system unreliability and inadequacy to evacuate power at that time. In the “with- project” scenario, the analysis had demonstrated significant benefits with huge savings in the costs and this can be inferred from the higher 2007 baseline tariff above. At time of review of the project, the electronic version of the model was not available, together with the various assumptions that were presented in the technical annexes. A reassessment of the project was undertaken estimating the impact of the project in the broader context of what would result if the transmission line was not implemented. PCR findings indicated that the implementation of the line reduced interruptions, increase reliability in the system. While the Bujagali TL was largely envisaged as a dedicated line to Bujagali Hydro power project, the project, together with the BHS, had significant impact on the tariff of the power sector of

Uganda. With the project and BHS in place, the government removed subsidies on power tariffs (~40% of the tariff), and decommissioned old expensive thermal power plants. To estimate the economic benefits of the project, in the post evaluation analysis, consideration of the evolution of the sector tariff over the project time horizon has been taken into account, which is methodologically incorrect, as it is the willingness to pay which should be taken into account. The lower EIRR (B) is due to UGX currency depreciation against the USD since 2015.

The methodology in the initial evaluation of the EIRR, on the basis of the Annex to the PAD was also incorrect, using the tariff to value unserved energy. However, it correctly calculate the overall return of the project, including the power plant, as both investments are inseparable. Nevertheless, applying the correct methodology, the EIRR would be higher, as the willingness to pay is significantly higher than the tariff. The calculation of the FIRR, on the other hand, is acceptable.

k. Implementation progress:

The assessment of the Implementation Progress (IP) on the PCR is derived from the updated IPR and takes into account the all applicable IP criteria assessed under the three categories : i) Compliance with covenants (project covenants, environmental and social safeguards and audit compliance), ii) project systems and procedures (procurement, financial management and monitoring and evaluation), and iii) project execution and financing (disbursement, budget commitments, counterpart funding and co-financing).

The overall implementation rating over the years is an average of 3.81, which is equivalent to Highly Satisfactory. The assessment of the PCR is correct.

All project covenants have been complied with. Procurement under the project went smoothly. Funds from the project co-financers was available in a timely manner, the counter-part fund for compensation payments and implementation of RAP was deposited in escrow accounts to prevent implementation slippages, and no delays in disbursement were encountered during the project implementation period. The Bank found financial management of the project acceptable. Some loan savings amounting to equivalent UA 6.57 million (ADF loan UA 1.03 million and JICA loan 5.54 million) were cancelled after completion of the project. There was no complexity in the project and the executing agency monitored the project well.

SUSTAINABILITY

l. Financial sustainability:

Provide an assessment of the extent to which funding mechanisms and modalities (eg. Tariffs, user fees, maintenance fees, budgetary allocations, other stakeholder contributions, aid flows, etc.) have been put in place to ensure the continued flow of benefits after completion, with particular emphasis on financial sustainability. For PBOs, the assessment should focus on financial sustainability of reforms, as well as the Bank's policy dialogue to promote financial sustainability of the reforms.

The financial sustainability of the project as one of the lines operated and maintained by a financially viable UETCL is therefore high and the rating of the financial sustainability of the project is therefore Highly Satisfactory, particularly after the reduction in the cost of supply of electricity allowed by the implementation of the BHS and the Bujagali interconnection project.

At appraisal stage, the financial sustainability of the project was assessed considering the financial viability of UETCL and its capacity to operate and maintain the power line. The financial sustainability depends upon the electricity tariff and the capacity of UETCL to cover its cost of operation and the capital cost of the project. The power tariff has been adjusted by the Regulator to a level at or close to full cost recovery with limited Government contribution. Based on past experience, it is safe to assume that the Regulator will continue setting tariffs at full cost reflective level, including the transmission tariff of UETCL.

m. Institutional sustainability and strengthening of capacities:

Provide an assessment of the extent to which the project has contributed to the strengthening of institutional capacities – including for instance through the use of country systems – that will continue to facilitate the continued flow of benefits associated with the project. An appreciation should be made with regards to whether or not improved governance practices or improved skills, procedures, incentives, structures, or institutional mechanisms came into effect as a result of the operation. For PBOs, this should include an assessment on the contributions made to building the capacity to lead and manage the policy reform process; the extent to which the political economy of decision making was conducive to reform; the Government’s commitment to reform; and how the design reinforced national ownership.

The operator of the line, UETCL and the Regulator have good track records. They have been further reinforced under the project. The institutional sustainability of the project is therefore rated Highly Satisfactory, above the rating of the PCR, as GoU has implemented all the changes requested under the BHP and BIP projects and little is to be added in the short run.

The Executing Agency is the UETCL which is the single electricity buyer/wholesaler, and transmission system operator at the center of Uganda’s power sector. In addition, in its role as transmission system operator, UETCL’s mandate includes: (a) operation and maintenance (O&M) of the high voltage transmission grid (66 kV and above); (b) dispatch of generation plants to meet the demand on the system on an ongoing basis; (c) planning of the expansion of transmission network; and (d) preparation and implementation of transmission projects. UETCL as owner and operator of the project is institutionally sustainable, with a good institutional, managerial and operational track record. The sector Regulator ERA, has also a strong track record of competency ensuring that UETCL will continue to operate in an institutionally stable and effective framework.

n. Ownership and sustainability of partnerships:

Provide an assessment of whether the project has effectively involved relevant stakeholders, promoted a sense of ownership amongst the beneficiaries (both men and women) and put in place effective partnerships with relevant stakeholders (eg. local authorities, civil society organizations, private sector, donors) as required for the continued maintenance of the project outputs. For PBOs, the assessment should measure the extent to which the Government’s capacity to conduct consultations during policy dialogue and the extent to which the Bank supported the Government in deepening the consultation processes.

During preparation of the BHP and BIP projects, extensive consultation was conducted with all stakeholders, both male and female independently. All grievance cases were handled individually and satisfactorily. The sustainability of partnerships is therefore rated Highly Satisfactory. .

The ultimate responsibility for the implementation of the project rested with UETCL, but with support from the Project Supervision Consultant. These parties had to work in close tandem to ensure full coordination among not only the contractors involved, but also other stakeholders such as the project financiers, communities and other government authorities. The government and the project-implementing agency have shown and continued showing the required ownership including provision of budget for compensation. In general, even though there was resistance from NGOs particularly on the implementation of the power plant, the project involved extensively the relevant stakeholders and in the last five years has ensured and kept good maintenance and management of the project outputs.

During the BIP preparation and appraisal, the Bank conducted consultation with stakeholders, Development Partners (DPs) and the communities to allow them express their needs and concerns and these were captured and prioritized. The Bank, the co-financier and other DPs have demonstrated their partnership spirit in supporting the energy sector in Uganda, even after completion of the project all of them are providing fund for further development of the sector and the institutions that are key player to the sector

The sponsors of the power plant and the financiers of the plant communicated very effectively with the project, particularly considering that the sponsor of the power plant is the operator of the power line on behalf of UETCL. The high visibility of the project including the plant and the transmission lines made that all stakeholders paid particular attention to the social and environmental aspects of the project in a remarkably cooperative spirit. The stakes were equally high for the Government, who was and still is, fully supportive of the project.

o. Environmental and social sustainability:

Provide an assessment of the objectivity of the PCR rating on the project's implementation of environmental and social mitigation/enhancement measures with regard to the Environmental and Social Management Plan (ESMP), the capacity of country institutions and systems, as well as the availability of funding to ensure the environmental and social sustainability of the operation. This criterion would normally only apply to Environmental Category I and II projects.

Project's social and environmental aspects were handles with special care and attention. All grievances were handles on a case by case basis. The project is rated Highly Satisfactory. In light of the level of effort deployed and success, the rating of the PCR is too low.

In line with the applicable legal and regulatory frameworks as well as the requirements of the different financiers of the project, the project implementation was carried out to meet the "best practices" on environmental and social safeguards. With respect to environmental requirements, the project was implemented in accordance with the National Environmental Laws and the contractors worked in conjunction with the relevant government agencies including the National Environmental Management Authority and the National Forest Authority. These provisions were also complemented by routing supervision and advisory provided by the different international financial institutions involved in the project. This in general led to well informed management of environmental resources especially reserved forest areas in line with international best practices. The project submitted routinely environmental and social monitoring reports that described the monitoring activities and the results of monitoring. The parameters monitored were based on the ESMP including air quality; water quality; noise; flora and fauna; land use, landscape and visual impacts; soil, archaeology; occupational health and safety; and the socio-economic impacts of the project. Latest supervision activities noted and provided advisory on minor non-compliance items with the Bank's requirements, mainly these were the hazardous waste management procedures and other routine safety issues.

The project faced considerable challenge in the context of associated involuntary resettlement and compensation which is typical of such large scale projects which traverse large surface areas and contiguous to personal properties. In 2009, claimants filed suit related to land transactions in the Ugandan courts claiming that the state-owned transmission utility, UETCL, had undercompensated them for land and crops impacted by the 100 km of transmission lines built by UETCL simultaneously with the Bujagali project to evacuate its power. The claim involved 514 land transactions. The complainant and UETCL agreed to an out of court settlement supported by the mediation capacities of the Bank and other financiers.

The power plant and associated investment, including the power line, have been special targets for international NGOs with a political agenda and became a "cause célèbre" world-wide and a test of the capacity of Governments and international financing institutions to resist politically motivated pressure from NGOs. The project social and environmental impacts have been strenuously studies and discussed at world and local level, and all legitimate concerns were heard and addressed. As a result, the project (the plant and the lines) has incorporated the most exacting socio-environmental standards. The project has been brought to the attention of the World Bank Panel several time and claims were rejected, the most detailed complains have been heard and addressed by independent external experts, making the project a model of perfect application of the most demanding social and environmental standards.

4. PERFORMANCE OF STAKEHOLDERS

a. Bank performance:

(Preparation/approval, ensure of Quality at Entry (QAE) : quality of the supervision, completion) : Provide observations on the objectivity of the PCR ratings and feedback provided by the Borrower, and if necessary, re-assess the Bank's performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to 7 criteria defined in the PCR Guidance Note.

The Bank performance was therefore Highly Satisfactory.

The quality of the project at entry was excellent, as evidenced by the high quality of the Project Appraisal Report. The Bank provided close and extensive project supervision and review missions throughout the period of implementation of the project. The Bank, supervised the project twice a year and assisted the Executing Agency to address managerial and technical aspects of the Project that helped to complete the project. In each of the missions, field inspections were conducted followed by an analysis and discussion of observations including debriefing sessions held with the GOU officials, the results of which were co-signed in the respective Aide Memoires of the missions. COUG also played a major role in facilitating implementation of project activities and ensuring that the process was compliant with the Bank's Rules of Procedures. The Bank also, throughout implementation, provided prompt response to GOU requests and was proactive in its monitoring. Overall, the Bank has shown good support throughout the project starting from the appraisal phase. The Bank approved the Government's request for utilization of the savings to upgrade the Bujagali switchyard.

b. Borrower performance:

Provide observations on the objectivity of the PCR ratings, and if necessary, re-assess the Borrower's performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to questions defined in the PCR Guidance Note.

In the particular circumstances surrounding the project, the performance of the Government is considered Highly Satisfactory. The project rating in the PCR is Satisfactory, but as there is little the GoU should or could have done differently for the benefit of the project, a higher rating is warranted.

The performance of the Government of Uganda, through MoFPED and UETCL as the project implementing agency, has been satisfactory in ensuring overall project implementation and achievement of the results indicated in this report. The government put into escrow account the required counter-part fund and this has helped the project for timely availability of the counter-part fund and government did well above in terms of disbursement of counterpart funding. The GOU ensured that the project was prepared and implemented in compliance with covenants, agreements and safeguards agreed with the Bank, and further did well in terms of its responsiveness to supervision recommendations.

c. Performance of other stakeholders:

Provide observations on the objectivity of the PCR ratings, and if necessary, re-assess the other shareholders' performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to relevant questions specific to each stakeholder (co-financiers, NGO, contractors and service providers).

The performance of the other stakeholders in a very controversial socio-environmental context was Highly Satisfactory in following and supporting costly and time consuming due process, despite the futility of many of the claims made at the instigation of politically motivated international NGOs against the project.

The performance of the contractor, supervision consultant, and the Bujagali hydropower contractor was satisfactory as evidenced by coordinated implementation of the project, quality of the completed works and

their financial and technical capacity to execute the project. The co-financer (JICA) came in time to finance the project and its disbursement was smooth and without delay.

An NGO (InterAid Uganda Limited) was appointed as an independent observer to witness compensation packages and weigh their fairness and to assist in dispute resolutions and mediations. The NGO properly fulfilled its responsibilities until the completion of the project despite persisting complaints by PAPs. The NGO played an even major role in the handling of the appeasement ceremony for the displaced spirits.

5. SUMMARY OF OVERALL PROJECT PERFORMANCE

a. **Overall assessment:**

Provide a summary of the project/programme's overall performance based on the PCR 4 key components (Relevance, Effectiveness, Efficiency and Sustainability). Any difference with the PCR and the reasons that have resulted in them should be mentioned. For cases with insufficient evidence (from the PCR and other documents) available, the evaluator should assign a partly satisfactory rating (to be revised) until a post project performance evaluation (e.g. PPER, PER or PRA) is complete.

The overall performance of the project was Highly Satisfactory, as it exemplifies cooperation between the private sector (BHP) and public sector (BIP) to address well identified power sector issues in full alignment between GoU and Bank objectives. It is also a good example of cooperation between development institutions (JICA, World Bank and others). The project is performing satisfactorily and was completed slightly below budget.

Relevance: The project was highly relevant as the least cost option to meet the growing power demand, supporting the capacity of the Government to increase access to electricity, making electricity affordable by reducing the cost of supply, and supporting job creating commercial and industrial activities.

Effectiveness: The project was highly effective in supporting the least cost option for power transmission.

Efficiency: the project was efficient in completing the construction of the transmission line on time and at a cost slightly below cost estimates.

Sustainability: The financial and institutional sustainability of the project is good, in a context of good management of tariffs by the Regulator and near full cost recovery for each segment of the system, including UETCL.

b. **Design, implementation and utilization of the M&E (appreciation of the evaluator):**

Provide an assessment of planned and actual cost of the design, implementation and utilization of the M&E system. Design : To which extent the project M&E system was explicit, adequate and realistic to generate and analyse relevant data ; Implementation : To which extent relevant data was collected – Elements of M&E implementation and effectiveness in the PCR ; Utilization : degree of utilization of data generated for decision-making and resource allocation – elements of M&E utilization in the PCR.

The M&E system was Satisfactory, providing timely information to the Bank. Reporting by the consultants in charge of project supervision and of UETCL was satisfactory.

6. EVALUATION OF KEY LESSONS LEARNED AND RECOMMENDATIONS

a. **Lessons learned:**

Provide a brief description of any agreement/disagreement with all or part of the lessons learned from the PCR after analysis of the project performance with regards to each of the key components of the evaluation (Relevance, Effectiveness, Efficiency, and Sustainability). List the PCR main new and/or reformulated pertinent (and generic) lessons learned for each of these components here. It is recommended that no more than five lessons learned are discussed. Key questions and targeted audience must also be specified for each lesson learned.

The overall project target was to reduce the tariff from 22 US cents in 2007 to 15 US cents in 2012. However, the current trend of uncoordinated sub-sector investments from different sources (financing) and at different times is leading the sector to excess generation capacity with take-or-pay contracts (PPA) and unbalanced supply and demand situation that will seriously impacts the financial position of bulk buyer (UETCL) and increase the tariffs due to excess investments. In this regard, MEMD and the regulator (ERA) have to prioritize the timing of investments in generation and transmission and their implication on the future end- user tariff. This could be done through well-coordinated power sector planning for which MEMD has to play important role.

The current capacity of UETCL to implement its infrastructure investment plans still needs reinforcement, which is caused by its existing structure focusing only on O&M of the existing transmission system and insufficient attention given to the existing PIU. Therefore, the Government shall closely monitor and take action needed to strengthen UETCL's structure, technical and managerial capacity to manage future investments.

The current practice on submitting the project audit is not satisfactory. This is due to the involvement of the Auditor General on appointing external auditor to conduct project audit. In other countries, where the executing agencies are mandated for selection and appointing of external auditor, the projects audit are submitted on timely manner. Therefore, the GoU shall give this mandate to the project implementing agencies to improve and avoid the delay on submission project audit.

In the past interventions infrastructure projects (power, road, etc.), several mechanisms for handling acquisition of land and compensation payments were put in place for smooth implementation of projects like maintaining escrow accounts and implementation of compensation of PAPs in segments. The Government may consider taking clear decisions concerning the rules to be applied for the compensation of PAPs, including amending the relevant legislation for the acquisition of right-of-way and compensations payments. Other measures include indexing compensation payments for inflation and standardizing payment rates across projects and sectors.

It should be noted that the resettlement and compensation issues contributed to 13-months in project delays and an increase by 29% the counterpart fund. Lessons learnt in the light of this scenario points to the importance of stronger mechanisms to handle verification and supervision of resettlement and compensation related aspects of project implementation.

b. Recommendations:

Provide a brief description of any agreement/ disagreement with all or part of the recommendations from the PCR. List the PCR main new and/or reformulated recommendations (requiring more actions by the Borrower and/or the Bank) here.

The main recommendations made in the PCR are:

- The Government should always plan compensation and resettlement earlier than the signature of EPC Contracts to address the issue of preparedness and the Bank should consider this as one of the conditions in the loan or grant agreements.
- Both the government and the private sector are actively involved in the development of the power generation. However, the investment in the transmission and distribution systems and the demand growth are not corresponding to the generation capacity that will be added in the next few years. This is mainly due to unavailability of coordinated sector investment plan. The excess generation capacity and the PPAs based on take-or-pay contract will lead to affect the financial sustainability of the power off-taker and possibly, to increase the end-users tariffs. Therefore, a system-wide planning

arrangement is needed to help address the interdependencies of generation, transmission, and demand, and improve the sequencing and cost-efficiency of investments from the country's perspective and based on internationally accepted practices of keeping the supply – demand balance.

- Adequately staffing the Chief Government Valuer will greatly expedite the implementation of RAP and compensation payments and minimizes the inflation due to approval delay of asset valuation and actual payments.

These recommendations are well taken. Concerning the recommendations related to PAPs and resettlement, one should take into account the special case of the Bujagali project and the well-known political instrumentalization of grievances of some of the PAP.

Key issues (max 5, add rows as needed)	Key lessons learned	Comment
<i>Sector Financial Viability</i>	The overall project target was to reduce the tariff from 22 in 2007 US cents to 15 US cents in 2012. This has been achieved. However, as the current trend of uncoordinated sub-sector investments from different sources (financing) and at different times is leading the sector to excess generation capacity with take-or-pay contracts (PPA) and unbalanced supply and demand situation that seriously impacts the financial position of bulk buyer (UETCL) and increases the tariffs due to excess investments. In this regard, MEMD and the regulator (ERA) have to prioritize the timing of investments in generation and transmission and its implication on the future end- user tariff. This could be done through well-coordinated power sector planning for which MEMD has to play important role.	Tariff reduction was not the overall target, which was to meet the demand. The large increment in generation capacity in small systems is unavoidable in order to develop least cost generation sources. It is normal that during the first years, there is an apparent excess capacity, which is absorbed as demand grows. In the case of Bujagali, (i) the temporary excess capacity can be exported to neighboring countries, and the project also reinforces export capacity on the regional market; (ii) the place of Bujagali plant and line was strenuously studies and reviewed by top world experts and the riming ws found optimum.
<i>Long-term institutional capacity</i>	The current capacity of UETCL to implement its infrastructure investment plans is inadequate, which is caused by its existing structure focusing only on O&M of the existing transmission system and insufficient attention given to the existing PIU. This contributed to UETCL for not being able to increase efficiency and effectiveness in project and contract management.	The performance of UETCL was satisfactory and cooperation with BHP sponsors was good. Moreover, the line will be operated by the project sponsor in the future, not by UETCL, making the remark void as far as the project is concerned.
<i>Project Audit Reports need to be submitted in a timely manner</i>	The current practice on submitting the project audit is not satisfactory. This is due to the involvement of the Auditor General on appointing external auditor to conduct project audit. In other countries, where the executing agencies are mandated for selection and appointing of external auditor, the projects audit are submitted on timely manner.	Agree
<i>Acquisition of right-of-way and compensations payments</i>	In the past interventions infrastructure projects (power, road, etc.), several mechanisms for handling acquisition of land and compensation payments were put in place for smooth implementation of projects like maintaining escrow accounts and implementation of compensation of PAPs in segments. However, as evidenced by the PAPs	The remarks are correct in general, but not in the case of Bujagali. The project was singled out as a target and test case for obstruction on socio-environmental grounds at a time of strong opposition by

complaints and disagreement, these mechanisms have not been successful and projects have suffered delay on completion. This has consequently affected the country's development program. Therefore, the Government considering several measures to reduce the compensation of PAPs, including amending the relevant legislation for the acquisition of right-of-way and compensations payments. In addition, the Government could consider gazetting infrastructure corridors in advance of project resource mobilization to avoid implementation delays. Other measures include indexing compensation payments for inflation and standardizing payment rates across projects and sectors.

Additionally, the terms of valuation and relevant milestones, durations and cut-off dates should be clearly agreed, publicized and documented.

international NGOs to any hydro project, and Bujagali was selected as a test of their capacity to block a project. The handling of the socio-environmental problems in the project is on the contrary an example of how clear procedures and good management can successfully address grievances.

Resettlement and compensation issues

It should be noted that the resettlement and compensation issues contributed to 13-months in project delays and an increase by 29% the counterpart fund. Lessons learnt in the light of this scenario points to the importance of stronger stakeholder's engagement, verification and supervision of resettlement and compensation related aspects of project implementation.

This comment is true in general, but does not apply to Bujagali, which was the subject of one of the more exacting standards in terms of consultations, processing of socio-environmental aspects, management of grievances. Resettlement and compensation aspects were monitored on a real time basis by the Bank and the World Bank. Numerous frivolous cases to obstruct progress and seek to block the project were brought to World Bank Panel and were always rejected.

7. COMMENTS ON PCR QUALITY AND TIMELINESS

The overall PCR rating is based on all or part of the criteria presented in the annexe and other: The quality of the PCR is rated as highly satisfactory (4), satisfactory (3), unsatisfactory (2), and highly unsatisfactory (1). The timeliness of the PCR is rated as on time (4) or late (1). The participation of the Borrower, co-financier, and the bank's external office(s) are rated as follows: Very Good (4), Good (3), Fair (2), Poor (1).

The quality of the PCR is Highly Satisfactory, except for the evaluation of the EIRR and economic NPV of the project. It is particularly thorough, detailed to the right level and thoughtful. The participation of the Borrower to the preparation of the PCR was good as well, as evidenced by the level of details obtained and reflected in the document.

8. SUMMARY OF THE EVALUATION

This is a summary of both the PCR and IDEV ratings with justification for deviations/comments. Appropriate section of the PCR Evaluation should be indicated in the last column in order to avoid detailed comments. The evaluator must provide a reasonable explanation for each criterion the PCR rating is not validated by IDEV. Consequently, the overall rating of the project could be "equally satisfactory".

Criteria	PCR	PCREN	Reason for disagreement/ Comments
RELEVANCE	4	4	
Relevance of project development objective	4	4	
Relevance of project design	4	4	

EFFECTIVENESS	4	4	
Development objective (DO)	4	4	
EFFICIENCY	3.75	4	
Timeliness	4	1	The project closing date was extended, leading to a project execution time of 68 months instead of 42 months.
Resource use efficiency	4	4	
Cost-benefit analysis	4	1	Methodology for the cost benefit analysis is incorrect, although the project itself, jointly with the BHS was economically justified.
Implementation progress (IP)	4	4	
SUSTAINABILITY	3.25	4	
Financial sustainability	3	4	The tariff adjustments and good performance of the regulator concerning pricing of transmission services were linked to some extent to the project and provide good assurance regarding financial sustainability
Institutional sustainability and strengthening of capacities	3	4	UETCL and the regulator are well-established and viable institutions
Environmental and social sustainability	3	4	
OVERALL PROJECT COMPLETION RATING	4	4	
Bank performance:	4	4	
Borrower performance:	3	4	The tariff adjustments and measures to ensure UETCL's viability are commendable actions by the Government, in addition to its efforts to fund adequately the local costs of the project.
Performance of other shareholders:	4	4	
Overall PCR quality:		4	

9. PRIORITY FOR FUTURE EVALUATIVE WORK: PROJECT FOR PERFORMANCE EVALUATION REPORT, IMPACT EVALUATION, COUNTRY/SECTOR REVIEWS OR THEMATIC EVALUATION STUDIES:

- Project is part of a series and suitable for cluster evaluation
- Project is a success story
- High priority for impact evaluation
- Performance evaluation is required to sector/country review
- High priority for thematic or special evaluation studies (Country)
- PPER is required because of incomplete validation rating

Major areas of focus for future evaluation work:

- a) Performance evaluation is required for sector/ country review
- b) Cluster evaluation (institutional support)
- c) Sector evaluation (budgetary support or public finance management reforms)

Follow up action by IDEV:

Identify same cluster or sector operations; organize appropriate work or consultation mission to facilitate a), b) and/or c).

Division Manager clearance

Director signing off

Data source for validation:

- Task Manager/ Responsible bank staff interviewed/contacted (in person, by telephone or email)
- Documents/ Database reports

Attachment:

- PCR evaluation note validation sheet of performance ratings
- List of references

PROJECT COMPLETION REPORT EVALUATION NOTE

Validation of PCR performance ratings

PCR rating scale:

Score	Description
4	Very Good – Fully achieved with no shortcomings
3	Good – Mostly achieved despite a few shortcomings
2	Fair – Partially achieved. Shortcomings and achievements are roughly balanced
1	Poor – very limited achievement with extensive shortcomings
UTS	Unable to score/rate
NA	Non Applicable

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
RELEVANCE	Relevance of the project development objective (DO) during implementation	4	4	
	Relevance of project design (from approval to completion)	4	4	
OVERALL RELEVANCE SCORE		4	4	
EFFECTIVENESS*	Effectiveness in delivering outcomes			
	Outcome1 All power demand is met by increasing the capacity to transport the power produced by new generation capacity		4	
	Outcome2 Power outages are eliminated		4	
	Outcome 3 Cost of supply is reduced		4	
	Effectiveness in delivering output			
	Output1 Construction of transmission line and ancillary sub-stations	4	4	
	Output2			

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
	Development objective (DO)			
	Development objective rating	4	4	
	Beneficiaries			
	Beneficiary1 All grid connected consumers		4	
	Beneficiary2			
	Unanticipated outcomes (positive or negative not considered in the project logical framework) and their level of impact on the project (high, moderate, low)			
	Institutional development			
	Gender			
	Environment & climate change			
	Poverty reduction		4	Reduction of the cost of supply was not one of the stated objectives but the reduction of subsidies to the power sector benefits the entire economy and contributed to poverty reduction
	Private sector development		4	The strong complementarity between the project and BHP supported private sector development.
	Regional integration		4	The BIP permits exporting power during he early years of the project.
	Other (specify)			
EFFECTIVENESS OVERALL SCORE		4	4	
EFFICIENCY	Timeliness (based on the initial closing date)	4	1	The extension of the closing date in order to use project savings results in a low timeliness rating and a mandatory “1” rating, although the main project was completed nearly on time
	Resource used efficiency	4	4	
	Cost-benefit analysis	4	1	The economic evaluation and re-evaluation of the project are not correct from the methodological stand point and should have examined the extensive economic analysis work done as part of the preparation of BHP.
	Implementation progress (from the IPR)	4	4	
	Other (specify)			
OVERALL EFFICIENCY SCORE		3.75	4	
SUSTAINABILITY	Financial sustainability	3	4	The tariff adjustments and good performance of the regulator concerning pricing of transmission services

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
				were linked to some extent to the project and provide good assurance regarding financial sustainability
	Institutional sustainability and strengthening of capacities	3	4	UETCL and the regulator are well-established and viable institutions
	Ownership and sustainability of partnerships		4	
	Environmental and social sustainability	3	4	The intense interaction with stakeholders during and after cproject completion, necessary because of the visibility of the project ensures a high quality level of handling social and environmental matters.

*The rating of the effectiveness component is obtained from the development objective (DO) rating in the latest IPR of the project (see Guidance Note on the IPR).

The ratings for outputs and outcomes are determined based on the project's progress towards realizing its targets, and the overall development objective of the project (DO) is obtained by combining the ratings obtained for outputs and outcomes following the method defined in the IPR Guidance Note. The following method is applied: Highly satisfactory (4), Satisfactory (3), Unsatisfactory (2) and Highly unsatisfactory (1).

Criteria	Sub-criteria	PCR Work score	IDEV review	Reasons for deviation/comments
BANK PERFORMANCE	Proactive identification and resolution of problems at different stage of the project cycle		4	
	Use of previous lessons learned from previous operations during design and implementation		3	
	Promotion of stakeholder participation to strengthen ownership		4	
	Enforcement of safeguard and fiduciary requirements		4	
	Design and implementation of Monitoring & Evaluation system		3	
	Quality of Bank supervision (mix of skills in supervisory teams, etc)		4	
	Timeliness of responses to requests		4	
OVERALL BANK PERFORMANCE SCORE		3	4	The Bank executed numerous supervision missions, coordinated closely with other donors and GoU and showed flexibility in the redeployment of project savings.
BORROWER PERFORMANCE	Quality of preparation and implementation		4	
	Compliance with covenants, agreements and safeguards		4	
	Provision of timely counterpart funding		3	

	Responsiveness to supervision recommendations		4	
	Measures taken to establish basis for project sustainability		4	
	Timeliness of preparing requests		3	
OVERALL BORROWER PERFORMANCE SCORE		3	4	The tariff adjustments and measures to ensure UETCL's viability are commendable actions by the Government, in addition to its efforts to fund adequately the local costs of the project.
PERFORMANCE OF OTHER STAKEHOLDERS	Timeliness of disbursements by co-financiers		4	
	Functioning of collaborative agreements		4	
	Quality of policy dialogue with co-financiers (for PBOs only)		4	
	Quality of work by service providers		4	
	Responsiveness to client demands		4	
OVERALL PERFORMANCE OF OTHER STAKEHOLDERS		4	4	
The overall rating is given: Very Good, Good, Fair and Poor.				
(i) Very Good (HS) : 4				
(ii) Good (H) : 3				
(iii) Fair (US) : 2				
(iv) Poor (HUS): 1				

DESIGN, IMPLEMENTATION AND UTILIZATION OF MONITORING AND EVALUATION (M&E)

Criteria	Sub-criteria	IDEV Score	Comments
M&E DESIGN	M&E system is in place, clear, appropriate and realistic	4	M&E system was particularly well designed and used because of the pressure exercised by NGOs to derail the project and the requirement to keep high quality records in order to respond to claims and complains.
	Monitoring indicators and monitoring plan were duly approved	4	
	Existence of disaggregated gender indicator		
	Baseline data were available or collected during the design	3	
	Other, specify		
OVERALL M&E DESIGN SCORE		3	
M&E IMPLEMENTATION	The M&E function is adequately equipped and staffed	3	

Criteria	Sub-criteria	IDEV Score	Comments
OVERALL M&E IMPLEMENTATION SCORE		3	
M&E UTILIZATION	The borrower used the tracking information for decision	3	
OVERALL M&E UTILIZATION SCORE		4	
OVERALL M&E PERFORMANCE SCORE		3	

PCR QUALITY EVALUATION

Criteria	PCR-EVN (1-4)	Comments
QUALITY OF PCR		
1. Extent of quality and completeness of the PCR evidence and analysis to substantiate the ratings of the various sections	4	
2. Extent of objectivity of PCR assessment score	4	
3. Extent of internal consistency of PCR assessment ratings; inaccuracies; inconsistencies; (in various sections; between text and ratings; consistency of overall rating with individual component ratings)	4	

4. Extent of identification and assessment of key factors (internal and exogenous) and unintended effects (positive or negative) affecting design and implementation	3	The PCR did not take into account the controversy surrounding the project and its politicization by foreign NGOs
5. Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization	4	
6. Extent of soundness of data generating and analysis process (including rates of returns) in support of PCR assessment	1	Methodology for the economic evaluation is not correct.
7. Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)	4	
8. Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis)	4	
9. Extent of overall clarity and completeness of the PCR	4	
Other (specify)		
PCR QUALITY SCORE	4	
PCR compliance with guidelines (PCR/OM ; IDEV)		
1. PCR Timeliness (On time = 4; Late= 1)	1	PCR two years after closing date
2. Extent of participation of borrower, Co-financiers & field offices in PCR preparation	3	
3. Other aspect(s) (specify)		
PCR COMPLIANCE SCORE	3	
*** rated as Very Good (4), or Good (3), or Fair (2), or Poor (1)		

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