



India Energy Efficiency Scale-up Program (P162849)

SOUTH ASIA | India | Energy & Extractives Global Practice | Requesting Unit: SACIN | Responsible Unit: ISAE1
IBRD/IDA | Program-for-Results Financing | FY 2018 | Team Leader(s): Ashok Sarkar, Defne Gencer

Seq No: 5 | ARCHIVED on 21-Sep-2021 | ISR45884 | Created by: Ashok Sarkar on 04-Mar-2021 | Modified by: Ashok Sarkar on 14-Sep-2021

Program Development Objectives

Program Development Objective (from Program Appraisal Document)

The program and project development objectives are to scale up energy savings in residential and public sectors, strengthen EESL's institutional capacity, and enhance its access to commercial financing.

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	☐ Satisfactory	☐ Satisfactory
Overall Implementation Progress (IP)	☐ Satisfactory	☐ Satisfactory

Implementation Status and Key Decisions

The India Energy Efficiency Scale-Up operation was approved by the World Bank Group Board of Directors on May 17, 2018, and became effective on November 6, 2018. The Program is making steady and satisfactory overall implementation progress in Result Areas 1 and 2, and steps have also commenced for achieving results under Result Areas 3 and 4. The COVID-19 disruption has slowed down the overall achievement of Disbursement Linked Results (DLRs). The Program has disbursed about 64 per cent.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P162849	IBRD-88570	Effective	USD	220.00	220.00	0.00	141.57	78.43	64%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P162849	IBRD-88570	Effective	17-May-2018	28-Aug-2018	06-Nov-2018	30-Sep-2022	30-Sep-2022

DLI Disbursement

DLI ID	DLI Type	Description	Coc	DLI Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for DLI
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Loan: IBRD88570-001



1.1	Regular	DLI1 (i) No of LED bulb & tubes sold P1	USD	17,110,000.00	Fully Achieved	17,110,000.00		100 %
1.2	Regular	DLI1 (ii) No of LED bulb & tubes sold P2	USD	19,000,000.00	Partially Achieved	18,888,433.00		99 %
1.3	Regular	DLI1 (iii) No of LED bulb & tubes sold P3	USD	19,090,000.00	Partially Achieved	2,504,509.00		13 %
1.4	Regular	DLI1 (iv) No of LED bulb & tubes sold P4	USD	9,900,000.00	Not Achieved	0.00		
1.5	Regular	DLI1 (v) No of LED bulb & tubes sold P5	USD	900,000.00	Not Achieved	0.00		
2.1	Regular	DLI2 (i) No of EE ceiling fans sold P1	USD	3,400,000.00	Fully Achieved	3,400,000.00		100 %
2.2	Regular	DLI2 (ii) No of EE ceiling fans sold P2	USD	4,540,000.00	Partially Achieved	2,746,498.00		60 %
2.3	Regular	DLI2 (iii) No of EE ceiling fans sold P3	USD	4,990,000.00	Not Achieved	0.00		
2.4	Regular	DLI2 (iv) No of EE ceiling fans sold P4	USD	4,540,000.00	Not Achieved	0.00		
2.5	Regular	DLI2 (v) No of EE ceiling fans sold P5	USD	4,530,000.00	Not Achieved	0.00		
3.1	Regular	DLI 3 (i) No of LED strt lights inst P1	USD	19,250,000.00	Fully Achieved	19,250,000.00		100 %
3.2	Regular	DLI 3 (ii) No of LED strt lights inst P2	USD	19,250,000.00	Fully Achieved	19,250,000.00		100 %
3.3	Regular	DLI3 (iii) No of LED strt lights ins P3	USD	19,250,000.00	Partially Achieved	19,242,000.00		100 %
3.4	Regular	DLI3 (iv) No of LED strt lights ins P4	USD	16,040,000.00	Partially Achieved	8,131,746.00		51 %
3.5	Regular	DLI3 (v) No of LED strt lights ins P5	USD	3,210,000.00	Not Achieved	0.00		
4	Regular	DLI 4 Sustainability Action Imple	USD	14,000,000.00	Fully Achieved	14,000,000.00		100 %
5	Regular	DLI 5 Bus model for Collab Pvt sec ESCO	USD	8,000,000.00	Not Achieved	0.00		
6.1	Regular	DLI6 (i) Est of sus dev unit report	USD	16,500,000.00	Fully Achieved	16,500,000.00		100 %
6.2	Regular	DLI6 (ii) Est of sus dev unit report	USD	15,950,000.00	Not Achieved	0.00		

Program Action Plan

Action Description	EESL will update EESL Guidelines, Policy and Procedure for Procurement of Goods, Works and Non-Consulting Services ("Guidelines"), Standard Bidding Documents; Standard MOU Template with SOEs and ULBs, and adopt all these Guidelines.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems		EESL	Due Date	31-Mar-2019	Completed



Completion Measurement	This Program Action was delayed beyond the agreed deadline of March 31, 2019 but has now been completed.
Comments	

Action Description	EESL will develop, adopt, and/or disseminate its Quality Assurance Manuals by September 30, 2018 and dispense training on quality assurance in street and domestic lighting and ceiling fans programs to staff and vendors.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems		EESL	Due Date	31-Mar-2019	Completed
Completion Measurement	This Program Action has been completed in January 2019. The Quality Assurance Manuals have been prepared, adopted and hosted on EESL's Website.				
Comments					

Action Description	EESL Audit Committee of the Board (ACB) shall include two independent directors as its members.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems		EESL	Due Date	30-Sep-2018	Completed
Completion Measurement	The Board in its meeting of May 29, 2018 had reconstituted the Audit Committee and included two independent directors.				
Comments	As on date, there are no independent directors on the Board of EESL. Due to certain amendments in the Companies act and rules in India, appointment of independent directors is no longer required for EESL. Hence appointment was not pursued with GoI.				

Action Description	EESL will prepare, adopt and implement finance manual(s) covering all financial management functions in line with current systems and issue an internal notification of their application as of April 1, 2019.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems		EESL	Due Date	31-Mar-2019	Completed
Completion Measurement	The Finance Manuals have been finalized, approved by competent authority (MD) on 25-Sept-2021, and operationalized.				
Comments	Approval of the manuals from the Board of EESL is in process. The action is delayed.				

Action Description	EESL shall ensure that its audit committee approves terms of reference acceptable to the Bank to strengthen EESL's internal audit function; and such internal audit function is performed in accordance with approved terms of reference.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems		EESL	Due Date	30-Sep-2018	Completed



Completion Measurement	The ToR for internal audit was revised about three years back by the Audit Committee and audit was conducted accordingly by a private audit firm. Audit is completed up to FY2020/21 and final report is awaited. A new audit firm is likely to be onboard
Comments	

Action Description	EESL shall develop, adopt and report to the Bank on its strategy on energy efficiency market transformation of residential lighting including reporting on bulk procurement, quality assurance, environmental sustainability, marketing and outreach, etc.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Technical		EESL	Due Date	31-Mar-2019	In Progress
Completion Measurement	This Program Action is Not Yet Completed. The draft Strategy document prepared and submitted by EESL to the World Bank has many gaps and need to be revised.				
Comments					

Action Description	EESL shall produce and make publicly available a report (i) containing an independent review and evaluation of the agricultural EE and DSM models examined/tested by the EESL; and (ii) reporting on EESL's sustainability actions and indicators				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Technical		EESL	Due Date	31-Mar-2020	In Progress
Completion Measurement	EESL has initiated this work in March 2020 with a consultant. The completion timelines will be delayed due to disruption caused by COVID 19 and EESL has requested to move the completion date for this PAP.				
Comments					

Action Description	EESL to develop and implement a plan for systematic and periodic independent evaluation of each of its program under implementation, including program impact assessment, challenge identification, and consumer perspectives collection, and report them.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Other		EESL	Due Date	31-Mar-2020	In Progress
Completion Measurement	EESL has initiated this work but progress got delayed on account of disruption caused by COVID 19. EESL has requested the Bank to extend the compliance date.				
Comments					

Action Description	EESL will develop and adopt a training program, and install a training center, for EE capacity building and training of the EESL's staff, EE private sector targeting private sector ESCOs and other EE service providers, and the EESL's customers.				
Source	DLI#	Responsibility	Timing	Timing Value	Status



Technical		EESL	Due Date	31-Mar-2020	In Progress
Completion Measurement	EESL has established an EESL Knowledge Centre (EKC) learning platform in order to develop the capability of the EESL workforce. Based on the documents provided by EESL to the Bank in May 2020, some gaps remain and need to be completed.				
Comments					

Action Description	EESL will (i) develop a baseline of the number of women it employs at each level (managerial, technical, administrative); and (ii) track, on an ongoing basis, how many women it employs at each level.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems		EESL	Due Date	31-Mar-2020	In Progress
Completion Measurement	The EESL Gender Baseline Report had been prepared in 2019 and submitted to the World Bank. The update with tracking has not been provided.				
Comments					

Action Description	EESL will strengthen, complete and operationalize the complete Environmental, Occupational Health & Safety and Social (EHSS) Manual (details described in #11 in Annex 8 of PAD)				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems		EESL	Due Date	31-Mar-2019	Completed
Completion Measurement	This Program Action was completed. EESL is also continuously updating the EHSS Manual for all activities which qualifies as 'program under implementation' as defined under the program.				
Comments					

Action Description	EESL, with financial advisors' support, shall develop, and its management shall approve, a long-term financial resource mobilization plan.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Other		EESL	Due Date	31-Mar-2019	In Progress
Completion Measurement	The work on this Program Action is under progress. . The draft financial resource mobilization plan for EESL and document detailing the Funding Options was sent by EESL to the World Bank but has not yet been finalized.				
Comments					

Risks

Systematic Operations Risk-rating Tool



Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	□ Low	□ Low
Macroeconomic	--	□ Low	□ Low
Sector Strategies and Policies	--	□ Low	□ Low
Technical Design of Project or Program	--	□ Moderate	□ Moderate
Institutional Capacity for Implementation and Sustainability	--	□ Low	□ Low
Fiduciary	--	□ Moderate	□ Moderate
Environment and Social	--	□ Moderate	□ Moderate
Stakeholders	--	□ Moderate	□ Moderate
Other	--	□ High	□ High
Overall	--	□ Moderate	□ Moderate

Comments

Based on the Guiding principles in risk assessment and the application of the Systematic Operations Risk-Rating Tool (SORT) in World Bank Operations from April 2020, risk ratings in SORT have been recalibrated. The Overall risk to achievement of the PDOs continues to be rated as Moderate based on the following recalibration of the risks.

Political and Governance risk continues to be rated as low as most of the important decisions regarding the Program have been taken and the Program benefits from continued political and government commitment to the subject of energy efficiency. Macroeconomic risk rating remains to be Low as financing for achievement of the Disbursement Linked Results (DLRs) is available and 58 percent disbursement already completed demonstrating that the Program is insulated from the broader macroeconomic risks. Sector Strategies and Policies risk continues to be rated as Low. The Risk related to Technical Design of the Program remains to be Moderate. The Program loan has progressed well, while the Guarantee component for mobilizing commercial financing, which is one of the PDO indicators, has not yet been activated. The ongoing engagement with EESL on utilization of the guarantee is expected to mitigate the design risk and help EESL mobilize commercial financing. The Risk related to Institutional Capacity for Implementation and Sustainability remains to be Low because EESL has demonstrated its robust institutional and implementation framework and associated capacity in delivering the results satisfactorily. The Fiduciary and Environmental and Social Risks continue to be rated as Moderate. The Stakeholders and Other Risk Ratings are retained as Moderate and High respectively. A well-functioning energy efficiency ecosystem, which is required for the Operation, is essentially multi-stakeholder based. The current uncertainties associated with Covid-19 and its widespread economic impacts will affect the stakeholders, including commercial financiers, that the Guarantee would target. Despite Bank's engagement and implementation support to EESL, the extent and likelihood of impact of COVID19 on commercial capital mobilization by EESL is challenging to estimate at this time.

Results

PDO Indicators by Objectives / Outcomes

To scale up energy savings in residential and public sectors				
► PDO Indicator 1- Projected lifetime energy savings from LED bulbs, tube lights, EE ceiling fans and LED Street Lights sold via EESL programs. (Gigawatt-hour (GWh), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	197,900.00	224,252.00	224,252.00	403,400.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022



Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020.			
► PDO Indicator 2- Avoided CO2 emissions associated with projected lifetime savings from LED bulbs, LED tube lights, energy efficient ceiling fans and LED street lights sold via EESL programs (Metric ton, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	160,700,000.00	181,644,314.50	181,644,314.50	326,800,000.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022
Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020.			
Enhance EESL's access to commercial financing				
► PDO Indicator 3- Amount of commercial financing leveraged by the IBRD guarantee (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	200,000,000.00
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2022
Comments				
Strengthen EESL's institutional capacity				
► PDO Indicator 4 - Establishment of Sustainable Development Unit and report on implementation of updated EHSS Manual covering all EESL programs under implementation (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2022
Comments	Only Part (i) of the DLI 6 associated with this indicator has been achieved. Part (ii) of DLI 6 associated with this indicators remains to be completed (as of September 2021)			

Intermediate Results Indicators by Results Areas

RA 1- Energy savings and EE market transformation in the residential sector				
► IR Indicator 1.1- Number of LED bulbs and tube lights sold via EESL program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	216,000,000.00	344,448,362.00	344,448,362.00	437,000,000.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022



Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			
► IR Indicator 1.2- Estimated number of beneficiaries (of which women) of LED bulbs sold via EESL program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	336,000,000.00	539,479,101.00	539,479,101.00	656,000,000.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022
Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			
► IR Indicator 1.3 - Number of energy efficient ceiling fans sold via EESL program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	587,795.00	2,215,735.00	2,215,735.00	6,408,000.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022
Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			
► IR Indicator 1.4- Approval of EESL strategy for sustainable LED market transformation in residential lighting, including set of indicators EESL will monitor and track (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2022
Comments				
► IR Indicator 1.0- Direct employment (number of jobs) created of which women (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	366.00	366.00	366.00	500.00
Date	31-Mar-2017	31-Mar-2017	10-Sep-2021	31-Mar-2022
Comments	This data will be obtained from EESL during the MTR mission in mid-October 2021.			

RA 2- Energy savings and EE market transformation in street lighting

► IR Indicator 2.1- Number of LED street lights installed under SLNP (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1,967,000.00	7,462,431.00	7,462,431.00	9,167,000.00



Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022
Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			
► IR Indicator 2.2 - Number of municipalities/towns/villages/gram panchayats with LED street lights installed through SLNP (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	500.00	700.00	700.00	1,250.00
Date	31-Mar-2017	31-Dec-2019	10-Sep-2021	31-Mar-2022
Comments	These results are calculated based on verified results of Disbursement Linked Indicators 1, 2 and 3, as reported by EESL for the period up to December 31, 2020, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			

RA 3- Development of sustainable business models in new EE market segments

► IR Indicator 3.1 - EESL implementation of the three EE AC sustainability actions approved (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	Yes	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	30-Sep-2021
Comments				
► IR Indicator 3.2 - EESL approval of business model for collaboration with private sector ESCOs in the implementation of EESL's Building EE activities (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2020
Comments				

RA 4- Institutional strengthening for sustainable EE scale-up

► IR Indicator 4.1- Periodic independent evaluations of EESL programs (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2022
Comments				
► IR Indicator 4.2- Approval of capacity building and training program for EE private sector to facilitate support and participation in EE market segments (Yes/No, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2020
Comments				
► IR Indicator 4.3 - Adoption by EESL managemnet of standardized procurement documents "Guidelines", SBDs and MOU formats (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	17-Jun-2020	10-Sep-2021	31-Mar-2019
Comments	The relevant and associated PAP action # 1 has been delayed beyond its deadline of Match 31, 2019.			

Disbursement Linked Indicators

► DLI 1 DLI 1- Number of LED bulbs and tube lights sold by EESL under the UJALA program (Output, 66,000,000.00, 54%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022 (Cumulative number)
Value	216,000,000.00	344,348,362.00	344,348,362.00	439,000,000.00
Date	--	31-Dec-2019	10-Sep-2021	--
Comments	These results are based on verified results as reported by EESL for the period up to December 31, 2019, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			

► DLI 2 DLI 2- Number of energy efficient ceiling fans sold by EESL under the UJALA program (Output, 22,000,000.00, 27%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022 (Cumulative number)
Value	590,000.00	2,215,735.00	2,215,735.00	6,410,000.00
Date	--	31-Dec-2019	10-Sep-2021	--
Comments	These results are based on verified results as reported by EESL for the period up to December 31, 2019, through their Results Notification letter of April 29, 2020.			

► DLI 3 DLI 3- Number of LED steet lights installed by EESL under the SLNP program (Output, 77,000,000.00, 66%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022
Value				
Date				
Comments				



				(Cumulative number)
Value	2,000,000.00	7,462,431.00	7,462,431.00	9,200,000.00
Date	--	31-Dec-2019	10-Sep-2021	--
Comments	These results are based on verified results as reported by EESL for the period up to December 31, 2019, through their Results Notification letter of April 29, 2020. No additional DLRs were achieved for these DLIs 1, 2 and 3 in CY2021.			

► DLI 4 DLI 4- EESL implementation of EE AC sustainability actions (Process, 14,000,000.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022 (Cumulative number)
Value	No	No	Yes	Yes
Date	--	17-Jun-2020	10-Sep-2021	--
Comments				

► DLI 5 DLI 5- Business model for collaboration with private sector ESCOs in the implementation of EESL's Building EE Program (Output, 8,000,000.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022 (Cumulative number)
Value	No	No	No	Yes
Date	--	17-Jun-2020	10-Sep-2021	--
Comments				

► DLI 6 DLI 6 - Establishment of Sustainable Development Unit (Process, 32,450,000.00, 51%)				
	Baseline	Actual (Previous)	Actual (Current)	Six Months Period ending 31-Mar-2022 (Cumulative number)
Value	No	No	No	Yes
Date	--	17-Jun-2020	10-Sep-2021	--
Comments	Part (i) of the DLI 6 has been achieved. Hence \$16.5 million (of the total \$32.45 million) has been disbursed. Part (ii) of DLI 6 remains to be completed.			