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Report No: PAD5535

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF SDR 7.7 MILLION
(US\$10 MILLION EQUIVALENT)

TO THE

REPUBLIC OF TAJIKISTAN

FOR THE

ADDITIONAL FINANCING FOR CASA1000 COMMUNITY SUPPORT PROJECT

October 31, 2023

Social Sustainability and Inclusion Global Practice
Europe and Central Asia Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective September 30, 2023)

Currency Unit = TJS

TJS10.97 = US\$1

SDR 0.7605 = US\$1

FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
BT	Barqi Tojik
CASA1000	Central Asia South Asia Electricity Transmission and Trade Project
CDD	Community-Driven Development
CPF	World Bank's Country Partnership Framework for the Republic of Tajikistan for the period FY2019–23 (Report No. 135875-TJ)
CoI	Corridor of Impact
CSP	Community Support Project
E&S	Environmental and Social
EIRR	Economic Internal Rate of Return
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESPMU	Energy Sector Project Management Unit
FM	Financial Management
FY	Fiscal Year
GoT	Government of Tajikistan
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service (WB)
IA	Implementing Agency
IDA	International Development Association
UIFR	Unaudited Interim Financial Report
IPF	Investment Project Financing
M&E	Monitoring and Evaluation
MIS	Management Information System
MoF	Ministry of Finance
NGO	Non-Governmental Organization
NPV	Net Present Value
NSIFT	National Social Investment Fund of Tajikistan
OP	Operational Policy (WB)
PDO	Project Development Objective
POM	Project Operations Manual
PPSD	Project Procurement Strategy for Development
RPF	Resettlement Policy Framework
SIB	Shabakahoi Intiqoli Barq Open Joint-Stock Company
STB	Shabakahoi Taqsimoti Barq Open Joint-Stock Company

Central Asia

Additional Financing for CASA1000 Community Support Project

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BASIC INFORMATION – PARENT (CASA1000 Community Support Project for Tajikistan - P165313)

Country	Product Line	Team Leader(s)		
Central Asia	IBRD/IDA	Luiza A. Nora		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P165313	Investment Project Financing	SCASO (9359)	ECCCA (1608)	Social Sustainability and Inclusion

Implementing Agency: National Social Investment Fund of Tajikistan (NSIFT), OJSC Barqi Tojik, State Enterprise Project Management Unit for the Energy Sector (ESPMU)

Is this a regionally tagged project?	Country (ies)
Yes	Tajikistan

Bank/IFC Collaboration

No

Approval Date	Closing Date	Expected Guarantee Expiration Date	Original Environmental Assessment Category	Current EA Category
21-Mar-2019	29-Dec-2023		Partial Assessment (B)	Partial Assessment (B)

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)



Development Objective(s)

The Project Development Objective is to increase the quality of, and access to, energy, social and economic infrastructure services, and to contribute to the strengthening of local governance in communities in the project area.

Ratings (from Parent ISR)

	Implementation					Latest ISR
	18-Dec-2020	25-Jun-2021	22-Dec-2021	24-Jun-2022	19-Dec-2022	20-Jun-2023
Progress towards achievement of PDO	S	S	S	S	S	S
Overall Implementation Progress (IP)	S	S	MS	MS	MS	S
Overall Safeguards Rating	MS	MS	MS	MS	MS	MS
Overall Risk	S	M	M	M	M	M
Financial Management	S	S	S	S	S	MS
Project Management	S	S	S	S	MS	S
Procurement	S	S	S	S	S	S
Monitoring and Evaluation	S	S	MS	MS	MU	MS

BASIC INFORMATION – ADDITIONAL FINANCING (Additional Financing CASA-1000 Community Support Project Tajikistan - P181346)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
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P181346	Additional Financing CASA-1000 Community Support Project Tajikistan	Cost Overrun/Financing Gap	No
Financing instrument	Product line	Approval Date	
Investment Project Financing	IBRD/IDA	22-Nov-2023	
Projected Date of Full Disbursement	Bank/IFC Collaboration		
29-Dec-2025	No		
Is this a regionally tagged project?		Country (ies)	
Yes		Afghanistan, Kyrgyz Republic, Pakistan, Tajikistan	

Financing & Implementation Modalities

<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD				%
IDA	24.00	19.06	3.86	83 %
Grants	2.00	1.78	0.22	89 %

PROJECT FINANCING DATA – ADDITIONAL FINANCING (Additional Financing CASA-1000 Community Support Project Tajikistan - P181346)



FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	26.00	10.00	36.00
Total Financing	26.00	10.00	36.00
of which IBRD/IDA	24.00	10.00	34.00
Financing Gap	0.00	0.00	0.00

DETAILS - Additional Financing

World Bank Group Financing

International Development Association (IDA)	10.00
IDA Grant	10.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	SML Amount	Guarantee Amount	Total Amount
Tajikistan	0.00	10.00	0.00	0.00	10.00
National Performance-Based Allocations (PBA)	0.00	3.33	0.00	0.00	3.33
Regional	0.00	6.67	0.00	0.00	6.67
Total	0.00	10.00	0.00	0.00	10.00

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[] Yes [] No

Does the project require any other Policy waiver(s)?

[] Yes [] No

**INSTITUTIONAL DATA****Practice Area (Lead)**

Social Sustainability and Inclusion

Contributing Practice Areas

Energy & Extractives

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

PROJECT TEAM**Bank Staff**

Name	Role	Specialization	Unit
Luiza A. Nora	Team Leader (ADM Responsible)		SCASO
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Sana Zia	Team Member	SCASO	
Svetlana Platon	Procurement Team	EECG1	
Zarrina Abdulalieva	Team Member	ECCTJ	
Extended Team			
Name	Title	Organization	Location



I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

1. **Summary.** This project paper seeks the approval of the Board of Executive Directors to provide an International Development Association (IDA) grant to the Republic of Tajikistan in the amount of US\$10 million equivalent as an Additional Financing (AF) for the Central Asia South Asia Electricity Transmission and Trade Project (CASA1000) Community Support Project (CSP), and to extend the original project closing date from December 29, 2023 to August 29, 2025. The proposed AF is designed to contribute to closing the financing gap under the CSP. There is no change in the Project Development Objective (PDO) and the PDO for both the parent project financing and the proposed AF is: “To increase the quality of, and access to, energy, social and economic infrastructure services, and to contribute to the strengthening of local governance in communities in the project area.” The AF will not require any changes in the project’s implementation arrangements, fiduciary, or environmental and social (E&S) aspects.

2. **The CASA1000 CSP was approved in 2019, became effective on April 20, 2020,** and has a closing date of December 29, 2023. It is a benefit sharing program in support of the Central Asia South Asia Electricity Transmission and Trade Project (CASA1000) (P145054). It is financed by an IDA grant of US\$24 million and a Multi-Donor Trust Fund grant of US\$2 million. The CASA1000 CSP has been designed to deliver community-level development activities (such as infrastructure, services, economic activities) based on community needs and using a community-driven development (CDD) approach. Barqi Tojik (BT)¹ through the State Enterprise Project Management Unit for the Energy Sector (ESPMU)² is executing Component 1 of the project. Given its mandate at the time of project preparation to rehabilitate and maintain local energy transmission and distribution networks, BT has overall responsibility for Component 1. As is well-established practice, BT delegated implementation of the Component 1 project to the ESPMU through a project implementation agreement.³ Implementation of all the remaining components (Components 2, 3, and 4) of the project was delegated by the Ministry of Finance (MoF) to the National Social Investment Fund of Tajikistan (NSIFT), the implementing agency (IA). NSIFT implements the distribution of subgrants to villages worth between US\$20,000-US\$175,000 (depending on the village population) per cycle, for two cycles. The average investment per village is about US\$70,000 for each of the two funding cycles.

3. **The project is structured around four components** and their subcomponents, as follows:

- **Component 1: Rural Electricity Supply Improvements** includes: Subcomponent 1A - Village Electricity Supply Improvements in the Corridor of Impact; Subcomponent 1B - Isfara-1 Substation and Village Electricity Supply Improvements in Border Areas; and Subcomponent 1C - Energy-related Project Management, Monitoring and Evaluation, and Communications. Component 1 supports village-level energy investments for communities within the 3 km-wide Corridor of Impact (CoI) of the CASA1000

¹ Barqi Tojik (BT) is the national energy company, an open joint stock company established and operating pursuant to the Statute of the Open Joint Stock Company Barqi Tojik approved by the Government of Tajikistan’s Decree No. 18 dated January 18, 2023.

² Through a government decree in 2006, this implementing agency was administratively separated from BT and renamed the State Unitary Enterprise “Energy Sector Project Management Unit.” It reports to the President of Tajikistan, the Ministries of Finance, and Economy and Investment, the Chairperson of BT, and the State Statistical Agency of Tajikistan.

³ In June 2019, as part of the restructuring and unbundling of BT, the Government of Tajikistan (GoT) established a new state-owned electricity transmission company, Shabakahoi Intiqoli Barq Open Joint-Stock Company (SIB) and a state-owned electricity distribution company, Shabakahoi Taqsimoti Barq Open Joint-Stock Company (STB). The ESPMU is coordinating implementation of the project with BT, SIB, and STB.



transmission line. It focuses on improving the quality of electricity supply in (i) 65 villages that lie within the CoI of the CASA1000 transmission line in Tajikistan (supported under Subcomponent 1A), and (ii) 50 communities in Vorukh and Chorkuh jamoats of Isfara district, as well as the construction of the 110/10kV Isfara-1 substation (supported under Subcomponent 1B). Activities under Component 1 are implemented by the ESPMU.

- **Component 2: Community-led Investments in Socio-Economic Infrastructure** is implemented by NSIFT and includes: Subcomponent 2A - Subgrants to Communities in the CoI; and Subcomponent 2B - Subgrants to Communities in Border Areas. Component 2 supports access to socioeconomic infrastructure in the CoI and the border areas of Vorukh and Chorkuh. There are two cycles of subgrants for investments in socioeconomic infrastructure, facilities, and services.
- **Component 3: Community Mobilization, Capacity Building, and Local Governance** is implemented by NSIFT and includes Subcomponent 3A - Community Mobilization, Youth Engagement, and Capacity Building; Subcomponent 3B - Support for Social Accountability and Transparency; Subcomponent 3C - Capacity Building for Improved Local Governance; and Subcomponent 3D - Supplemental Facilitation and Capacity Building for Border Communities.
- **Component 4: Project Management, Monitoring and Evaluation, and Communications** is implemented by NSIFT and includes: Subcomponent 4A - Project Management and Coordination; Subcomponent 4B - Monitoring and Evaluation; and Subcomponent 4C - Communications.

4. **Beneficiaries are spread over the CoI and close to a substation in Isfara district.** The CASA1000 CSP is being implemented in 24 jamoats (located in eight districts in Sughd and Khatlon oblasts (regions) and the city of Dushanbe) encompassing 65 villages that lie within the CoI (with a total population of approximately 130,000 people) and 50 townships (73,000 people) in Isfara district (located near the transmission line as it passes through Batken oblast in the Kyrgyz Republic).

5. **The Project is making steady progress as confirmed in the Mid-Term Review (MTR) conducted in November 2022.** Progress towards achieving the PDO and overall Implementation Progress (IP) are both assessed as “Satisfactory” as the project accelerated the implementation of subprojects and disbursements. The November 2022 MTR further confirmed that the Project is on track however, it will not be able to meet the PDO without additional financing as both IAs will not be able to complete the ongoing works. There is good progress reported against four of the five PDO indicators. The PDO1 is reporting that 60.52 % of projects in target communities have improved access to social and economic infrastructure as a result of project support (end target 90%). The following indicators exceeding the end target of 70%: (i) Under PDO3, 96.4% of beneficiaries in target communities report that their engagement in decision-making over project investments was effective (ii) under PDO4 96.1% of young beneficiaries report that their role/voice in local governance has been enhanced as a result of project support, including women, and (iii) under PDO5 97 % of beneficiaries in target communities report that the CSP is an effective response to the local impacts of the CASA1000 Transmission Line. PDO 2 “People provided with new or improved electricity service” which relates to component 1 energy investments is reporting zero as the supply line has not been operationalized yet and work needs to be completed. Given that there is no change to the scope or activities, the Results Framework and corresponding PDO indicators remain relevant. Only the due dates to achieve the results indicators’ targets will be extended. There are no overdue audit reports or reported ineligible expenditures.

6. **Overall implementation status of the CASA1000 CSP.** NSIFT has completed all social mobilization activities. The participatory community mobilization process has been finalized for the Cycle 2 and Cycle 3 socioeconomic



investments, with a total of 103 subprojects identified under the two cycles. Forty subprojects have been completed and 63 subprojects are at various stages of construction. The ESPMU, although proceeding with the work, has been behind in its implementation of Component 1, mainly because of changes in the original design of the contract for villages electricity supply improvement and other technical issues as detailed below.

- **Component 1:** Overall, the implementation of both electricity infrastructure contracts (Subcomponents 1A and 1B) is advancing well. Due to a budget gap, the original scope of the Subcomponent 1A contract for electricity improvements in the 65 villages was split into two phases. Implementation of Phase 1 is at 80-85 percent and expected to be completed by September 2023—four months before the contract closing date, while the Phase 2 work will start upon securing additional funding which will take 12 months to be completed (the contractor is ready to proceed upon approval of technical design). Implementation of the existing scope of Subcomponent 1B contract for the construction of the Isfara-1 substation and extension of the distribution system in Mohpari town is at 90-95 percent. Testing of part of the substation is ongoing and commissioning is expected to be completed by December 2023. However, additional scope will be added to the contract for Isfara-1 substation to complete water supply to the Isfara 1 substation and improve protection system of the substation to be financed from proceeds of the AF.
- **Component 2:** The participatory community mobilization process has been finalized for the Cycle 2 and Cycle 3 socioeconomic investments, with a total of 103 subprojects identified under the two cycles. Forty-six subprojects have been completed and 57 subprojects are at different stages of completion: 6 subprojects will be completed by December 31, 2023 within original project budget and 51 subprojects require additional financing to complete construction works. Ten target villages did not receive Cycle 3 socioeconomic investments due to the shortage of funds and 51 ongoing subprojects require additional funds for implementation to be completed and facilities to be fully functional.
- **Component 3:** Two cycles of community mobilization and capacity-building activities were finalized. Cycle 3 social mobilization activities were completed in all 65 villages of the Col and 11 mahalla groups in the border areas which included outreach and introduction meetings in 76 communities (at the village level) with the participation of 20,294 community members (of whom 47 percent were women). A total of 1,256 focus group discussions were conducted with the participation of 12,736 community members, and 186 village prioritization meetings were conducted for the selection of village priorities with the participation of 10,582 community members (of whom 48 percent were women). Social mobilization activities to be conducted for the remaining Cycle 3 socioeconomic investments will be in line with the community participatory approach described in the POM.
- **Component 4:** Overall, project management is operating well, with good coordination between NSIFT and the ESPMU. The midline survey conducted by NSIFT in October 2022 and reporting on project implementation and results is acceptable. Project management activities will continue through till the project closing date.

7. **Justification for the proposed AF.** The government requested additional financing on August 1, 2022. The shortage of funds was mainly because of the implementation delays, the significant inflation, exchange rate fluctuations, and technical design changes during the project period:

- Substantial delays in implementation due to the following factors: 13 months of effectiveness delay, disruptions caused by the COVID-19 pandemic, conflict at the border areas, and severe winter weather conditions that affected construction works timeline.
- Significant inflation in the country, large increases in the cost of construction materials and their unavailability partially due to Russia's invasion of Ukraine and geopolitical situation in the region which impacted the market, and USD/XDR exchange rate fluctuations. This has significant impact



on component 2 which prevented the completion of socio-economic investments and ensuring the functionality of the subprojects.

- Changes in technical design under component 1, to address losses in the energy supply and distribution system.

8. **Under component 1, the village electricity supply had cost overrun that was identified during the detail design of the distribution system.** To meet the updated standard of the Barqi Tojik Distribution Company that requires lower level of losses in distribution system, the detailed design of the distribution system resulted in a need for higher size of the distribution lines to achieve better performance. The original scope considered 50mm² ABC lines to be used for the distribution system, but the detailed design calculation showed that such a size of conductor would result in 15% of overall losses which was significantly higher than the allowable threshold. It was recommended to increase the change of conductor sizes to 70 and 95 mm². Also, the design required increased amount of the distribution lines to be changed and installed due to increase in population, expansion of the villages, and deterioration of the distribution system condition compared to result of the original survey which was done during preparation of the project. In addition, four additional transformers needed to be changed due to significant overload, and additional 30,000 meter of ABC cable needed to be replaced, around 50 km additional 10kV lines had to be replaced, an additional 92 km of 0.4 kV lines had to be replaced. The detailed design was reviewed and approved by Barqi Tojik following internal assessment of the design.

9. **The cost of socioeconomic investments under Component 2 has gone up significantly due to price increase.** Based on the quarterly review of prices of materials and services conducted by NSIFT, the project costs increased by 40%. Information on prices was collected and analyzed by NSIFT's purchasing, engineering and financial departments for the period from the beginning of the project until March 2023. In addition, the average estimated prices for basic construction materials by the Committee on Architecture and Construction under the Government of the Republic of Tajikistan, from April 2023 indicated that the increase was about more than 50%, and in some cases more than 60%. Fluctuations in the exchange rate of the dollar and somoni, and the resultant exchange rate differences also affected the implementation of the CSP. Since the MTR, the World Bank team has been working with the ESPMU and NSIFT to develop scenarios for cost savings. Unfortunately, none of the options were seen as adequate for achievement of the PDO and the activities envisaged under each component.

10. **The proposed AF therefore aims to close the financing gap needed to implement CSP** as planned and would support (i) gap financing under Component 1 for the electricity improvement contract (Subcomponent 1A), the Isfara-1 substation contract (Subcomponent 1B), and project management support to the ESPMU for the extended period of the project, (ii) costs of the social infrastructure for the Cycle 2 and Cycle 3 subprojects under Component 2, (iii) cost of the remaining social mobilization activities under Component 3, and (iv) project management support to the NSIFT for the extended period of the project under Component 4.

11. **The objective of the AF is aligned with the World Bank Group's Tajikistan Country Partnership Framework for FY19-23.** The existing activities under the parent project which will be financed by the proposed AF would contribute to Focus Area 1 (Human Capital and Resilience) of the World Bank's Country Partnership Framework for the Republic of Tajikistan for the period FY19–FY23 (Report No. 135875-TJ, discussed by the Board of Executive Directors on May 9, 2019) (CPF).⁴ The AF helps to address risks associated with fragility, conflict, and violence that constrain development progress in Tajikistan, and it will also support local direct job creation during the construction stage and indirect job creation through improved economic opportunities from a more reliable electricity supply. Like the parent CASA-1000 CSP, the proposed AF is aligned with the CPF pillars. The project is

⁴ PLR for FY19-FY23 Tajik CPF is under preparation. The upcoming PLR plans to extend the current CPF period.



closely linked to Pillar 1: Investing in People and Strengthening Social Cohesion through its inclusive, participatory, and community-driven approach, and its focus on improving access to services among the rural poor. Through its emphasis on local governance and local institutional capacity building, the proposed AF also contributes to Pillar 2: Improving the Effectiveness of Public Institutions; and its fundamental underpinning of successful energy sector trade links to Pillar 3: Fostering Investments and Exports by Taking Advantage of Emerging Commercial Opportunities which is supported by the **CASA-1000 project providing regional connectivity Central and South Asia**. The project also contributes to the World Bank’s twin goals of eradicating extreme poverty and boosting shared prosperity through its focus on poverty reduction, particularly among youth and women, in rural areas of Tajikistan. Through its CDD design, and youth-focused and tailored activities in the Isfara border areas, the proposed AF will advance the capacity of the GoT for participatory local development in high-risk regions.

12. **The proposed AF is also strongly aligned with the World Bank Group’s Climate Change Action Plan 2021-2025.** The Climate Change Action Plan puts emphasis on improvement in energy efficiency, improvement in the resilience of energy systems against climate change and extreme events, and investing in projects to increase energy access, technology improvement, and decarbonization techniques, among other priority actions.

II. DESCRIPTION OF ADDITIONAL FINANCING

13. **The proposed AF would contribute towards closing the financing gap** under the CASA1000 CSP in the Republic of Tajikistan, which is estimated at US\$10 million. Given the shortage of funds and the need for the project extension by 20 months to complete the activities (from December 29, 2023 to August 29, 2025), the GoT requested AF for the CASA1000 CSP in August 2022. The financing gap was confirmed during the midterm review in November 2022. There are no changes in the scope of the existing activities of the project. The financing gap is expected to be filled from the following sources (see also Table 1 below):

- a. *Additional US\$ 6.666 million equivalent from the Regional IDA.* This would be delivered through the proposed US\$6.666 million equivalent AF in the form of an IDA grant. The proceeds would be used to cover the financing gaps of ongoing contracts. Of the total AF funds, US\$5 million will cover the financing gaps for the Cycle 2 ongoing subprojects and the Cycle 3 social infrastructure investments and youth-led investments, as well as support post-subproject implementation social mobilization and the remaining project management activities. The remaining US\$1.666 million would contribute to the financing gap for the village electricity improvements under Subcomponent 1A.
- b. *Additional US\$3.333 million equivalent from the National IDA.* This would be delivered through the proposed US\$3.333 million equivalent AF in the form of an IDA grant. The proceeds would be used to cover the remaining financing gap of the contract for the village electricity improvements under subcomponent 1A in the amount of US\$3.333 million and contribute to project implementation support to the ESPMU.

Table 1. Financing Sources for the Proposed AF (US\$ million)

	Regional IDA	National IDA	Total
Component 1	1.666	3.333	5
Components 2, 3, 4	5		5



Total	6.666	3.333	10
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14. **Component 1: Rural Electricity Supply Improvements (estimated US\$5.00 million IDA).** Under Subcomponent 1A: Village Electricity Supply Improvements in the Corridor of Impact, the AF will provide funds to cover the financing gap in the implementation of existing subprojects, primarily to fund the scope of Phase 2 of the contract, which includes medium voltage network rehabilitation, a few minor rehabilitation works at the high voltage substations to improve the quality of the supply to the villages, and minor work at the low voltage distribution networks to improve the safety of the distribution transformers. This work will further support improvement of the quality of the electricity supply and reduction of losses in 50 communities in Vorukh and Chorkuh jamoats of Isfara district and 65 villages that are in the Col in the northern, central, and southern segments of the CASA1000 transmission line in Tajikistan. Part of AF will provide funding under Subcomponent 1B to Isfara-1 Substation and Village Electricity Supply Improvements in Border Areas. The funding will cover water supply to the Isfara 1 substation and improve protection system of the substation for Isfara-I substation. The additional fund will also cover the project management cost under the subcomponent 1C for the extended period of the project.

15. **Component 2: Community-led Investments in Socio-Economic Infrastructure (US\$3.80 million IDA).** The AF will be used for Subcomponents 2A and 2B (Subgrants to Communities in the Corridor of Impact and in Border Areas) to provide funds to cover the financing gap in the implementation of the existing subprojects, the missed second round of subgrants to the villages to support priority small-scale socioeconomic infrastructure investments, and funds for youth-led investments in the Col and border area villages. Communities will follow the participatory and inclusive decision-making processes set out in the Project Operations Manual (POM). Eligible subprojects, as agreed under the parent project, may include, but are not limited to, medical points, kindergartens, street lighting, school improvements, village-level water supply and sanitation, youth centers, small-scale rehabilitation of on-farm irrigation systems and tertiary roads, and economic infrastructure, such as small-scale processing facilities for horticultural products, or farm machinery workshops. The types of work may involve new construction, improvement, upgrading, rehabilitation, demolition, repair, renovation, retrofitting, or maintenance.

16. **Component 3: Community Mobilization, Capacity Building, and Local Governance (US\$0.75 million IDA).** The AF will cover the costs of social mobilization activities that need to be completed post-subproject construction, and additional training and capacity building for communities with a focus on youth and women, as needed. This will include activities on participatory management, oversight and monitoring, and participatory operations and maintenance of the supported social infrastructure.

17. **Component 4: Project Management, Monitoring and Evaluation, and Communications (US\$0.45 million IDA).** The AF will finance the incremental costs of NSIFT for the additional period for overall project coordination, management, and implementation supervision, and the oversight of the management information system, procurement, and financial management (FM), including project audits, beneficiary feedback, communications, and monitoring and evaluation (M&E) activities to track, document, and communicate the progress and results of the AF project. The indicators and the targets in the results framework are still valid and will remain the same as in the parent project.

18. **Additional financing budget by component.**

Component/Contract	Current Budget Allocated, mln. USD	Additional Financing, mln. USD	Total mln. USD
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Component 1			
Subcomponent 1A: Contract 1A	5.20	2.62	7.82
Subcomponent 1B: Contract 1B	4.00	2.13	6.13
Subcomponent 1C: small contracts with individuals/Communication Firm	0.80	0.25	1.05
Component 2			
Subgrants to communities in Corridor of Impact and in border areas	12.0	3.8	15.80
Component 3			
Community mobilization, youth engagement, social accountability and capacity building: multiple contracts with individuals	2.5	0.75	3.25
Component 4			
Operating Cost including staff remuneration, administrative costs and other	1.5	0.45	1.95
Total:	26.00	10.00	36.00

19. **Implementation arrangements remain unchanged.** The MoF provides the proceeds of the IDA grant to the project implementing agency (ESPMU) through a subsidiary agreement. BT, through the ESPMU, will execute Component 1 of the project. Implementation of all the remaining components of the project will be delegated by the MoF to NSIFT.

20. **The proposed AF will generate important mitigation climate co-benefits.** The proposed AF project has been screened for climate and disaster risks. Major climate risks and natural hazards include extreme weather events, changes in precipitation patterns, melting of glaciers, frequent floods and mudflow hazards, increased drought, and changes in habitat, as well as an increase in earthquakes. The identified climate change risks have been mitigated through careful design and implementation of project activities in line with Tajikistan’s national commitments on climate change.⁵ Tajikistan is projected to experience temperature rises significantly above the global average. Under the highest emissions pathway (RCP8.5), warming could reach 5.5°C more by the 2090s compared to the 1986–2005 baseline. Warming trends are projected to be even stronger for maximum and minimum temperatures, which could adversely impact human lives, livelihoods, and ecosystems. The potential decrease in the country’s mountain glaciers will likely reduce the regularity of waterflows and may result in the drying up of some watersheds, which would negatively impact hydropower generation, a source of electricity on which Tajikistan is highly reliant. Simultaneous flooding issues and associated hazards such as landslides and mudslides are expected to intensify, impacting lives and livelihoods. Without needed adaptation efforts and disaster risk reduction preparedness and planning, the effects of climate change, particularly heat and drought, may result in severe loss and damage in Tajikistan. These risks are also present for the project target area: Sughd, Khatlon, and DRS regions. For physical structures such as schools, technical and vocational training centers, kindergartens, and medical points, checks for seismic resilience was part of the standard construction approval and

⁵ National commitments on climate change are reflected in the National Action Plan for Climate Change Mitigation and under the Paris Climate Agreement. Tajikistan has also communicated its post-2020 climate actions through a National Determined Contribution, under which Tajikistan has committed to not exceed 80–90 percent of the 1990 level by 2030 as a contribution to reducing global greenhouse gas emissions. Actions to meet this target include addressing rural development issues, such as rural energy, agriculture, management of water resources, vulnerability assessments and adaptation measures for climatic events, and awareness raising at the community level.



oversight under the project. The project considered climatic and disaster risks to agriculture-related livelihoods investments, such as flooding and landslides, introducing mitigation measures, such as investments in rehabilitation works that reduce losses in irrigation channels, and protective infrastructure, as appropriate and prioritized by local communities. Energy efficiency measures were implemented as part of the upgrade of infrastructure (such as schools, kindergartens, medical points) under Component 2. Climate co-benefits are also applicable to Component 1—where village-level electrification will help reduce electricity losses in the power grid through the upgrade of networks and transformers. In addition, the youth-led and women community mobilization activities of the project, including training Youth Energy Ambassadors as focal points for issues such as climate change, to enhance awareness, transparency, and communication, increase the general awareness levels and resilience of participating communities.

21. **Change in disbursement estimates and schedule.** The AF disbursement is aligned with revised project activities. The AF funds will cover financing gap for the subproject implementation. The AF funds will be exhausted after cycle 3 activities are identified and implemented. The disbursement estimates by year are updated on page 23 to reflect the new project cost and are reflected in the updated disbursement schedule, aligned with the new proposed closing date of August 29, 2025.

22. **Change in the closing date.** The project will be extended by 20 months, changing the closing date from December 29, 2023, to August 29, 2025. The closing date of all CASA CSP financing sources, including parent (IDA Grant number: D4400) will also be realigned to close on August 29, 2025. This will also allow to align better the timing of the project activities with the CASA-1000 project which has been extended to December 31, 2025, as CSP is meant to accompany CASA-1000 and be present in the transmission line communities.

23. **Other changes.** No other changes.

III. KEY RISKS

24. **The overall risk rating of the AF is assessed as ‘Moderate’. Satisfactory implementation of the Project to-date indicates the effectiveness of original mitigation measures and, as a result, the ratings of risk categories largely is moderate.** No new risks are anticipated under the AF in Tajikistan, as the proposed AF covers the same scope of work as planned under the parent project and will benefit from the same implementation arrangements.

25. **Political and Governance, Macroeconomic, Sector Strategies and Policies, Technical Design of Project, Fiduciary, and Stakeholders, and Other risks are rated as ‘Moderate’.** Under the original project the ratings were Substantial but with effectiveness of original mitigation measures the risks have been minimized. Institutional Capacity for Implementation and Sustainability risk is being upgraded from “Substantial” to “Moderate”, while the Environmental and Social risk remains rated as “Substantial.”

26. **The Institutional Capacity for Implementation and Sustainability is being upgraded to Moderate.** The Project involves two implementing entities – ESPMU (operating under Subsidiary Agreement with BT and MoF) for the Project for Component 1 and NSIFT for Component 2-4. The ESPMU and NSIFT technical supervision has been adequate. The monitoring and evaluation (M&E) arrangements have been weak at the beginning of the parent project but with technical support the capacity of the IAs has improved. The project has now functional MIS where documents and information have been uploaded and staff has been trained on using the MIS to find information and generate data and reports. Operational rules, processes and systems are comprehensive and generally enforced, but occasional delays occurred on decision-making related to important technical and contractual issues,



e.g., review of change order submitted by the contractors but are being addressed and under current mission the risk is being upgraded from substantial to moderate.

27. **The Environmental and Social risk is Substantial.** Social safeguards risks relate to the building of the Isfara-1 Substation, and the new settlement. The project has adopted several risk mitigation measures and a due diligence review has been completed. The CSP alleviates risks of elite capture or exclusionary practices through the participatory and youth- and women-focused processes, as well as community monitoring of inclusion indicators. As with other CSPs, there is substantial risk that communities located outside the CoI may develop expectations that will not materialize. A comprehensive approach to communications is already underway for the Transmission Line. There is also a substantial risk related to activities in Isfara, an area that continues to have cross-border incidents of conflict and violence. To mitigate these risks, the project supports community dialogue on border-area development, social mobilization activities focusing on youth and collaborations with the local jamoats. The project involves large-scale construction of transmission lines along a fresh alignment. In addition to the selection of the alignment, which has already been done, other risks are related to the Occupational Health and Safety (OHS) during the construction of the high-tension lines and related infrastructure, chemicals management, loss of vegetation and attendant biodiversity, and operation phase impacts related to management of chemicals, fire, and risk of shocks. The key remaining tasks for environmental management include, inter alia, treating the slopes in the project area to minimize impacts related to erosion and land slide, checking efficacy of measures introduced in ecologically important stretches – near the lower Pyandj river, and Tigrovaya Balka Nature Reserve and other locations identified in the Environmental and Social Impact Assessments (ESIAs) of north and central segments, as well as restoration of areas currently used for siting construction plants, camps, and storage as the activities come to an end. The ESPMU continues to manage and report on these risks in line with the Environmental and Social Management Plan (ESMP) for the Project. The task team will continue to monitor this for the remaining activities under the Project, including those supported through the proposed AF.

28. **“Other risk” rated as moderate** is reflecting the conflict in the border areas which has impacted boarder activities under component 2 and 3 and caused minor delays implementation of subprojects. As assessed in the previous mission, there is progress of activities and NSIFT is readjust its social mobilization approaches for boarder communities.

29. **The climate change-related disaster risk is Low.** The Climate and Disaster Risk Screening noted susceptibility to natural disasters, which poses a low risk of harm to social infrastructure investments. Communities will be informed of these risks and advised on design options to safeguard project assets from such risks, and collaborate with the Critical Infrastructure Against Natural Hazards project in Tajikistan to ensure that measures for DRM are incorporated into the standard design of infrastructure investments.

IV. APPRAISAL SUMMARY

A. Economic and Financial (if applicable) Analysis

30. **Economic and financial analysis at appraisal.** An economic and financial analysis was carried out during appraisal for the original project (i) the CDD elements of the project, and (ii) the Isfara-1 substation and nearby village electricity improvements. For the CDD elements, assumptions were made regarding the types of village subprojects that would be chosen based on consultations with the local communities and those assumptions have been validated by the choices that communities made during project prioritization in the first and second cycle.



These were used to calculate the net present value (NPV) and economic internal rate of return (EIRR). The base case EIRR for the village infrastructure investments (based on assumed proportions of electricity, water, education and health, irrigation, and small economic investments) was estimated at 34 percent (ranging from 1 percent for medical points to 167 percent for road rehabilitation) using a 15-year post-implementation period aligned with the lifetime of the Community Development Fund. The NPV of the project net benefit stream, discounted at 10 percent, was US\$63.80 million. A sensitivity analysis shows that the project is robust and moderately sensitive to changes in key assumptions. Benefits would have to decline to 50 percent of their assumed value for the project to generate an EIRR of only 10 percent. Quantifiable economic costs and benefits were estimated for Subcomponent 1B (Isfara-1 Substation and Village Electricity Improvements in Border Areas). All investments had satisfactory economic viability indicators. The EIRR was estimated at between 26-29 percent, with an NPV cost of US\$4.50 million and benefits from enhanced reliability, capacity to supply new demand, and reduced maintenance costs totaling US\$22.00 million over 15 years of substation operation.

B. Technical

31. **The technical assessments carried out at appraisal of the parent project remain valid for the AF.** The technical challenges and soundness of the AF project is similar to the parent project, although the level of implementation challenges will be much lower. For the CDD elements, the village subprojects are identified through a community-driven methodology for which the POM has been prepared and the project implementation unit is in place and has experience in designing and implementing subprojects in collaboration with communities. The scope of the village electricity improvements under the AF is part of the initial scope of the parent project aimed to efficiently meet load growth, address load supply constraints due to distribution system congestion, reduce losses, and improve the reliability and quality of power supply by the installation of new supply-level equipment. It is based on the pre-feasibility study conducted during appraisal of the parent project and updated during the detailed design phase to incorporate STB's requirement of achieving a higher performance benchmark (lower system losses). The contractors had performed satisfactorily under the parent project and their contracts will be amended to implement the scope of additional financing. Village-level investments are technically justified and do not always require higher-level investments to significantly improve services.

C. Financial Management

32. **The ESPMU and NSIFT are responsible for implementation of the financial management (FM) function of the AF, including budgeting, flow of funds, accounting, financial reporting, internal controls, and auditing.** The PIU has extensive prior experience in the implementation of World Bank-financed projects. Financial Management Arrangements, established by the PIU, and including budgeting and planning, accounting and financial reporting, flow of funds, internal controls and external audit have been reviewed regularly during the implementation of the Project, and continuously found to be adequate and acceptable to the Bank. The Project does not have overdue Interim Unaudited Financial Reports (IFRs) or audit reports.

33. **The FM function of the proposed AF will be handled by the ESPMU on the basis of an amendment to the project implementation agreement between BT and the ESPMU and NSIFT signed for the parent CASA1000 CSP.** The FM arrangements established for the parent project are satisfactory and will be replicated for the proposed AF with no changes, with the ESPMU continuing to be responsible for the Financial Management Arrangements.

34. **The FM arrangements in place at the ESPMU and NSIFT were reviewed during preparation of the AF, in parallel with the implementation support and supervision mission for the parent project implemented by the**



ESPMU and NSIFT. The FM capacity and arrangements at the ESPMU have been confirmed to be moderately satisfactory and meet the minimum requirements of the World Bank's Policy and Directive on Investment Project Financing. The project's unaudited interim financial reports (UIFRs) have been submitted to the World Bank on time and were in general acceptable. Only unmodified project audit reports have been issued to date and were also submitted to the Bank by the due date. There are no overdue UIFRs or audit reports under the parent project.

35. **The overall FM risk for the project is assessed as Moderate.** FM arrangements at the ESPMU and NSIFT, continue to be overall adequate for the project implementation. However, they need to be strengthened following the recommendations presented by the auditor the management letter. The PIUs are working to address them.

36. **A separate Designated Account for the AF will be opened in a financial institution acceptable to the Bank.** The project's UIFRs and annual financial statements audit reports will be combined for the parent project financing and the AF. Disbursement procedures will be specified in detail in the Disbursement and Financial Information Letter. The overall FM residual risk for the project is Moderate.

D. Procurement

37. **The activities under the project have been subjected to the World Bank's Procurement Framework.** There will be no change in procurement arrangements for the AF. All procurement of contracts will be conducted using procedures as specified in the World Bank's Procurement Regulations for IPF Recipients-Procurement in Investment Project Financing Goods, Works, Non-Consulting and Consulting Services, dated November 2020 (Procurement Regulations). The project will also be subject to the WB's Anti-Corruption Guidelines, dated July 1, 2016. The procurement and contract management processes will be tracked through the Systematic Tracking of Exchange in Procurement (STEP) system. As required by the Procurement Regulations, the Procurement Plan has been prepared, setting out the selection methods to be followed by the Borrower during project implementation in the procurement of goods, works and non-consulting and consulting services financed by the WB. Project Procurement Strategy for Development (PPSD) prepared for original project will be updated to include procurement activities under AF.

38. **The AF will cover the financing gap for the activities under the parent project.** The contracts with the contractors undertaking the ongoing works under the parent project will be amended to include the works under the AF. The implementing entities' capacity to carry out procurement has been demonstrated to be adequate and acceptable to the World Bank. The staffing of the procurement departments of the ESPMU and NSIFT⁶ is adequate to handle the envisaged activities. Responsibility for the actual implementation and procurement functions of the AF will rest with the ESPMU, the project implementing agency. There will be no planned changes to the existing procurement arrangements, and the ESPMU will continue to appoint a project-specific procurement officer to oversee the implementation of Component 1. The procurement arrangements in place at the ESPMU were reviewed during preparation of the AF, in parallel with the implementation support and supervision arrangements for active projects implemented by the ESPMU (in May 2022) and have been assessed to be acceptable to the

⁶ The ESPMU Procurement Department has three procurement staff—the Head of the Procurement Department, a Lead Procurement Specialist, and a Chief Procurement Specialist. The NSIFT Procurement Department has two procurement staff—a Procurement Manager and a Procurement Assistant.



World Bank. The overall procurement risk for the project given that the type of activity is a continuation of ongoing works is Satisfactory.

39. **Disclosure of procurement information** will follow the requirements of the Procurement Regulations subject to the market approach and selection method. In addition, the project IAs will publish an action report on any complaints received on a quarterly basis.

40. **The Bank team will continue its technical support through reviews of updates to the PPSD and procurement plan.** Procurement supervision will be carried out during the World Bank implementation support missions. The World Bank will prior review contracts as per the prior review thresholds set out in the PPSD/procurement plan. Review of the contracts not subject to World Bank's prior review will be conducted once a year on a 20 percent sample basis. In addition, project procurement staff will be invited to participate in the procurement workshops organized by the World Bank.

E. Social (including Safeguards)

41. **Because the AF is to address a financing gap, and the activities and their nature remain the same as that of existing activities, there are no changes to the triggered safeguards policies or category and no changes in the environmental and social risks.** Since the design and nature of the activities under the three major components of the AF will remain the same as the parent project, the social safeguards policies triggered (OP/BP 4.12) for the parent project and the assigned social risk category of "Substantial" will remain unchanged. In compliance with the Resettlement Policy Framework (RPF), the social screening and monitoring carried out during the parent project identified no resettlement impacts within the subprojects being implemented under Component 1. The subprojects under Component 2 however have resettlement impacts including about 50 subprojects with new construction that will be implemented within the footprint of existing social facilities, while others will require land acquisition. While the project is expecting that the GoT will make land available, due diligence is required to ensure that there are no resultant physical or economic displacements. Risks related to this will need to be avoided or reduced or, if involuntary acquisition is inevitable, then it will have to be addressed as per the project RPF, including the preparation of Resettlement Action Plans (RAPs). The completed social screening forms for the subprojects requiring land acquisition will be part of the ESIA/ESMPs.

42. **In addition, the IAs should incorporate the labor requirements and worker health and safety measures into** the bidding documents and agreements to be signed with contractors and monitor their implementation. Though no labor influx issues have been identified, the project is employing female workers and therefore should ensure safe working conditions for them, including the provision of separate toilet and rest facilities. The PIU staff has been trained and workers will continue to be trained on the grievance redress mechanism (GRM). Specific GRM for any complaints related to sexual exploitation and abuse and sexual harassment has already been established, PIU staff has received training in 2022, and the GRM will continue to be available during the AF period.

43. Since the parent project has implemented the first round of sub projects, the probability of other possible social impacts like unmet expectations of benefit-sharing by local communities residing outside of the jamoats through which the Col passes; depriving individuals of land and other assets in the guise of voluntary donations; health hazards; and labor issues (including relying on child labor for agricultural activities) is low as the next round sub projects which will be similar in nature as the first round, and will be implemented in the same communities, and the necessary mitigation measures for avoiding above mentioned social risks are already in place. The E&S rating is MS because the PIUs need to improve E&S reporting and documentation. During the last mission the issue was raised by the Bank team and WB organized a dedicated session to guide the E&S staff on E&S progress



reporting. The risk rating was given as MS in the last mission due to lack of proper documentation of E&S related activities by the client. The client has now submitted a much more detailed progress report which may help to revise the Rating as Satisfactory. The project will continue to provide good quality E&S monitoring reports during the AF period.

44. **Both the ESPMU and NSIFT have environmental specialists on board who oversee social safeguards.** These agencies are strongly recommended to improve the E&S monitoring and reporting on the subprojects under implementation. A clear system of regular monitoring and gathering of relevant information from the project sites is already in place and the PIU has been trained on collecting, storing and analysing data information, and has operational MIS which covers also safeguard documentation and information. Considering the increase in the number of subprojects and necessity to strengthen the E&S implementation monitoring capacity, the IAs need to hire separate social specialists to strengthen E&S monitoring of the project activities.

45. **Citizen engagement.** The AF will continue to engage citizens through inclusive community-based committees, participatory needs assessment and decision-making processes to ensure that subprojects address community-identified needs and project monitoring. The project will continue to measure the success of citizen engagement activities through a number of indicators in the results framework that enable beneficiaries to report back on project investments and participatory processes.

46. **Gender.** The parent project was Gender Tagged, and the relevant gender-related components and indicators are still applicable and unchanged from the parent project. The project will continue to focus on closing two gender gaps: (i) the gender gap in voice and participation at the community level and in local governance decision-making; and (ii) gender gaps in access to services. The project has made substantial progress towards achieving the target of equal participation of women. Although at the beginning of the project, there were concerns that women would not participate effectively, the project managed to overcome the inclusiveness challenge by employing proficient social mobilizers and carefully analyzing and finding solutions to the barriers that hinder women's participation. These include holding project-related meetings at flexible hours that take into account childcare and household chore responsibilities, supporting female role models of local women who participate in project activities, closely collaborating with village authorities to ensure awareness, and showcasing the impacts of participation in project activities. As a result, the share of female participants is higher in some of the project activities than the share of men.

F. Environment (including Safeguards)

47. **Environmental risks and impacts associated with the activities remain the same as for the parent project.** Since the design and nature of the activities under the three major components of the AF will remain the same as the parent project, the environmental safeguards policies triggered (OP/BP 4.01 and OP/BP 7.50) for the parent project and the assigned environmental category "B" will remain unchanged. Likewise, there is no change in project location for the proposed AF, and the activities will continue to be implemented in the jamoats with villages that lie within the CoI. The proposed AF will be used to cover the financing gap of the activities within the scope of the parent project and will be used largely to complete the ongoing civil works under Components 1 and 2. The activities under Component 1 for the AF include: medium voltage network rehabilitation; a few minor rehabilitation works at high voltage substations; improvement works for the electricity supply and reduction of transmission losses. Under Component 2, the AF will provide funds to implement the existing subprojects to support priority small-scale socioeconomic infrastructure investments, such as medical points, kindergartens, street lighting, school improvements, village-level water supply and sanitation, small-scale rehabilitation of on-



farm irrigation systems and tertiary roads, and economic infrastructure, such as small-scale processing facilities for horticultural products or farm machinery workshops. The types of work involve new construction, improvement, upgrading, rehabilitation, demolition, repair, renovation, retrofitting, or maintenance. As noted above, all the project activities are the same as for the parent project; thus, the potential adverse environmental impacts of the project are assessed to be the same, and include noise, dust, air and water pollution, solid waste management, degradation of vegetation, traffic disruption, and worker safety. These likely impacts are typical for small-scale construction and rehabilitation works and for village-level energy supply or energy efficiency activities. Further, the environmental risks and impacts are assessed to be site-specific, moderate, and short-lived, with low to moderate probability and severity of harm. These potential impacts and risks can be addressed with sound engineering and construction; and preparing and implementing adequate mitigation measures for potential environmental risks. Given this, the Environmental and Social Assessment Framework (ESMF) prepared by the Client at the design stage of the parent project will remain relevant and applicable for the AF. During implementation of the parent project, the Client prepared an ESIA in accordance with the ESMF guidance and World Bank safeguards requirements prior to commencing implementation of the Isfra-1 substation work under Subcomponent 1B. In addition, the Client has prepared 75 site-specific ESMPs applying the ESMF checklists, tools, and guidelines, and in consultation with the relevant stakeholders.

48. **E&S implementation is the joint responsibility of BT via the ESPMU, NSIFT, the local government entities (the Jamoat Project Commissions), and subproject implementers and beneficiaries.** The Client has established an adequate institutional setup for overseeing the E&S requirements for the parent project. Both of the IAs (the ESPMU and NSIFT) have separate and dedicated environment specialists who are responsible for implementing safeguards requirements in the field as per the ESIA, ESMF, and ESMPs.

49. **The recent World Bank mission conducted in September 2023 noted that the Client’s E&S monitoring system is effective in general and includes several levels of regular onsite and documentary controls.** These institutional arrangements and monitoring mechanisms will continue for the AF as well. However, during AF implementation, the Client will be required to strengthen and improve certain areas, such as timely disclosure of safeguards instruments and properly documenting lessons learned while implementing E&S measures in the field. The overall ratings for safeguards is Moderately Satisfactory in order to push the IAs to improve the documentation. Following the mission, the client has submitted substantially improved progress report which will help to upgrade the rating as Satisfactory during next mission.

Other Safeguards Policies (if applicable)

50. **The International Waterways OP (7.50) is also triggered.** OP/BP 7.50 applies to the original project and this Additional Financing. Given that the AF contributes to closing a financing gap and project activities remain unchanged, the activities financed by the AF are covered by the exception to the notification requirement that was approved for the original project on December 12, 2018.”

51. No other safeguards policies are applicable to the project.

V. WORLD BANK GRIEVANCE REDRESS

52. **Grievance redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank’s



Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.



VI. SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Disbursements Arrangements	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓

VII. DETAILED CHANGE(S)

COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Component 1. Rural Electricity Supply Improvements	10.00	Revised	Component 1. Rural Electricity Supply Improvements	15.00
Component 2. Community-led Investments in Socio-Economic Infrastructure	12.00	Revised	Component 2. Community-led Investments in Socio-	15.80



			Economic Infrastructure	
Component 3. Community Mobilization, Capacity Building and Local Governance	2.50	Revised	Component 3. Community Mobilization, Capacity Building and Local Governance	3.25
Component 4. Project Management, Monitoring and Evaluation, and Communications	1.50	Revised	Component 4. Project Management, Monitoring and Evaluation, and Communications	1.95
TOTAL	26.00			36.00

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-D4400	Effective	29-Dec-2023	29-Dec-2023	29-Aug-2025	29-Dec-2025
TF-A9568	Effective	30-Jun-2020	29-Dec-2023	29-Dec-2023	29-Apr-2024

DISBURSEMENT ARRANGEMENTS

Change in Disbursement Arrangements

Yes

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2019	0.00	0.00
2020	0.00	0.00
2021	1,644,414.54	1,644,414.54
2022	4,772,168.87	6,416,583.41
2023	10,275,356.67	16,691,940.08
2024	11,414,445.93	28,106,386.01
2025	7,393,613.99	35,500,000.00



2026	500,000.00	36,000,000.00
SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)		
Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Moderate
Fiduciary	● Moderate	● Moderate
Environment and Social	● Substantial	● Substantial
Stakeholders	● Moderate	● Moderate
Other	● Moderate	● Moderate
Overall	● Moderate	● Moderate

LEGAL COVENANTS – Additional Financing CASA-1000 Community Support Project Tajikistan (P181346)

Sections and Description

No information available

Conditions		
Type	Financing source	Description
Effectiveness	IBRD/IDA	<p>The Additional Conditions of Effectiveness consist of the following:</p> <ol style="list-style-type: none"> 1. the Subsidiary Agreements have been updated to take into account this additional financing and executed on behalf of the Recipient and the Project Implementing Entities; and 2. the Project Implementation Agreement has been signed on behalf of BT and ESPMU.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Central Asia

Additional Financing CASA-1000 Community Support Project Tajikistan

Project Development Objective(s)

The Project Development Objective is to increase the quality of, and access to, energy, social and economic infrastructure services, and to contribute to the strengthening of local governance in communities in the project area.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Increased quality of, and access to, energy, social and economic infrastructure								
(PDO1) % of target communities with improved access to social and economic infrastructure as a result of project support (Text)		0.00	0% Y1	20% Y2	30% Y3	40% Y4	80% Y5	90% Y6
Action: This indicator has been Revised	Rationale: The targets have been revised based on the need for more time to implement the project and to complete the subprojects. The end target date has been extended to correspond with the end date of the project.							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
People provided with new or improved electricity service (CRI, Number)		0.00	0.00	0.00	0.00	60,000.00	100,000.00	120,000.00
Action: This indicator has been Revised	Rationale: <i>The targets have been revised based on the need for more time to implement the project and to complete the energy investments. The end target date has been extended to correspond with the end date of the project.</i>							
Strengthened community engagement, inclusion and local governance capacity								
(PDO3) % of beneficiaries in target communities who report that their engagement in decision-making over project investments was effective (Text)		0.00	20% Y1 total 20% Y1 women	40% Y2 total 40% Y2 women	60% Y3 total 60% Y3 women	70% Y4 total 70% Y4 women	70% Y5 total 70% Y5 women	70% total Y6 70% women Y6
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to correspond with the end date of the project.</i>							
(PDO4) % of young (women and men) beneficiaries who report that their role/voice in local governance has been enhanced as a result of project support (Text)		0.00	20% Y1 total 20% Y1 young women	40% Y2 total 40% Y2 young women	50% Y3 total 50% Y3 young women	60% Y4 total 60% Y4 young women	70% Y5 total 70% Y5 young women	70% total 70% young women
Action: This indicator has been Revised	Rationale: <i>The end target date has been revised to correspond with the end date of the project.</i>							
CASA1000/CSP interventions bring energy, economic, social, stability benefits to target communities								



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
(PDO5) % of beneficiaries in target communities who report that the CSP is an effective response to the local impacts of the CASA1000 Transmission Line (Text)		0.00	20% Y1	40% Y2	60% Y3	70% Y4	70% Y5	0.70
Action: This indicator has been Revised	Rationale: The end target date has been revised to correspond with the end date of the project.							

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Component 1: Village Electricity Supply Improvements								
(IR1) % of target communities with reduced power outages (Text)		0.00	0% Y1	0% Y2	0% Y3	10% Y4	30% Y5	0.90
Action: This indicator has been Revised	Rationale: The targets have been revised as the completion of the energy investments have been delayed, and end target date has been revised to correspond with the end date of the project.							
(IR2) Isfara-1 substation and surrounding infrastructure is: (i) designed and procured; (ii) constructed;		No substation	(i) Designed and procured	Under construction	Under construction	Under construction	Constructed	(iii) Supplying electricity to target communities



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
and (iii) supplying electricity to target communities (Text)								
Action: This indicator has been Revised	Rationale: <i>The end target date has been revised to correspond with the end date of the project.</i>							
Component 2: Community-Led Investments in Socio-Economic Infrastructure								
(IR3) % of beneficiaries in target communities who report that project investments met their needs (Text)	0.00	20% Y1 total 20% Y1 women	40% Y1 total 40% Y1 women	60% Y1 total 60% Y1 women	70% Y4 total 70% Y4 women	70% Y5 total 70% Y5 women	70% total 70% women	
Action: This indicator has been Revised	Rationale: <i>The end target date has been revised to correspond with the extended closing date of the project.</i>							
(IR4) Number of beneficiaries in target communities with improved quality of water supply as a result of project investments (Text)	0.00	-----	6,000 Y2 total 3,000 Y2 women	10,000 Y3 total 5,000 Y3 women			10,000 total 5,000 women	
Action: This indicator has been Revised								
(IR5) Number of women's group priorities that become a functioning facility, service, or infrastructure (Text)	0.00	-----	36 Y2	36 Y3	60 Y4	70 Y5	72.00	
Action: This indicator has been Revised	Rationale:							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<i>The end target date has been extended to align it with the new closing date of the project.</i>								
(IR6) Number of subprojects that support climate change adaptation or mitigation (Text)	0.00	-----	15 Y2	20 Y3	20 Y4	20 Y5	20.00	
Action: This indicator has been Revised	Rationale: The end target date has been extended to align it with the new extended end date of the project.							
(IR7) Number of women able to earn income as a result of project investments in kindergartens (Text)	0.00	-----	0 Y2	0 Y3	10 Y4	60 Y5	70.00	
Action: This indicator has been Revised	Rationale: The end target date has been extended to be aligned with the new extended date of the project. The targets have been revised as women could not earn income until kindergarten construction has been completed.							
Component 3: Community Mobilization, Capacity Building, and Local Governance								
(IR8) % of target communities effectively completing the agreed community mobilization and social accountability process (Text)	0.00	30% Y1	60% Y2	70% Y3	80% Y4	80% Y4	0.80	
Action: This indicator has been Revised	Rationale: The end target date has been extended to be aligned with the new extended date of the project.							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
(IR9) Total number of women engaged in: (i) Village Project Committees, (ii) Jamoat Project Commissions, (iii) social accountability roles (Text)		0.00	(i) 300 (ii) 80 (iii) 40 Total: 420	(i) 325 (ii) 100 (iii) 45 Total: 470	(i) 350 (ii) 120 (iii) 50 Total: 520	520 Y4	520 Y5	520.00
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project.</i>							
(IR10) % of target jamoats completing agreed local governance training curriculum (Text)		0.00	-----	50% Y2	70% Y3	90% Y4	90% Y5	0.90
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project.</i>							
(IR11) % of beneficiaries in target communities who report enhanced trust in local institutions as a result of specifically defined Project activities (Text)		0.00	-----	40% Y2 total 40% Y2 women	50% Y3 total 50% Y3 women	60% Y4	60% Y5	60% total 60% women
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project.</i>							
(IR12) % of beneficiaries in Isfara target communities reporting that subproject investments have improved cross-border cooperation, connectivity, youth		0.00	-----	10% Y2	15% Y3	20% Y4	25% Y5	0.30



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
engagement, and/or safety/security (Text)								
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project. The targets have been revised as there has been a conflict at the boarder areas and activities had to be delayed.</i>							
Component 4: Project Management, Monitoring and Evaluation, and Communications								
(IR13) Number of women in: (i) CDA roles, and (ii) project staff roles in the project implementation team (Text)	(i) 0 (ii) 3	(i) 0 (ii) 3	(i) 22 (ii) 8	(i) 22 (ii) 12	30 Y4	34 Y5	34.00	
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project.</i>							
(IR14) % of target communities where community monitoring is contributing to Project M&E (Text)	0.00	-----	50% Y2	60% Y3	70% Y4	70% Y5	0.70	
Action: This indicator has been Revised	Rationale: <i>The end target date has been extended to be aligned with the new extended date of the project.</i>							
(IR15) % of target communities demonstrating an understanding of CSP objectives and parameters (Text)	0.00	20% Y1	40% Y2	60% Y3	80% Y4	80% Y5	0.80	



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<i>Action: This indicator has been Revised</i>	<i>Rationale: The end target date has been extended to be aligned with the new extended date of the project.</i>							

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
(PDO1) % of target communities with improved access to social and economic infrastructure as a result of project support	Data is collected through the calculation of completed subprojects. (based on the number of projects completed and transferred into O&M/NSIFT MIS database). The previous ISR reported 67.9% improvement. However, during the latest mission WB discovered that there was an error how NSIFT has calculated the indicator hence the incorrect reporting. The value of the indicator should have been 35,5% as the indicator is	Annual	Progress reports Technical review	M&E review of subproject proposals. Technical checklist completed by specialists/engineers.	NSIFT



	based on the share of projects completed and transferred to O&M to relevant public structures and not include ongoing or not fully completed projects.				
People provided with new or improved electricity service		Data not available yet	M&E Specialists of BT/ESPMU Independent evaluation	Asset handover documentation; village population data, including no. of women.	BT/ESPMU
(PDO3) % of beneficiaries in target communities who report that their engagement in decision-making over project investments was effective	Denominator is total number of respondents. Numerator is number that reported satisfactory or above (gender/age/location disaggregated)	Annual Midline and Endline	Community scorecards; independent evaluation	Community scorecard methodology and quantitative/qualitative evaluation criteria defined in the POM.	NSIFT
(PDO4) % of young (women and men) beneficiaries who report that their role/voice in local governance has been enhanced as a result of project support	Measures the effectiveness of youth engagement in community mobilization, social accountability and capacity building. Will track increasing role/voice of young women.	Annual Midline and Endline	Community scorecards; independent evaluation	Community scorecards methodology, and quantitative and qualitative evaluation criteria defined in the POM.	NSIFT
(PDO5) % of beneficiaries in target communities who report that the CSP is an effective response to the local impacts of the CASA1000 Transmission Line	Measures community support for the overall package of CASA1000 interventions	Annual; Midline and Endline	Community scorecard; Independent evaluation	Community scorecard methodology and quantitative and qualitative evaluation	NSIFT/ESPMU



	(gender/age/location disaggregated). Denominator is total number of respondents. Numerator is number that reported satisfactory or above.			criteria defined in the POM.	
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Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
(IR1) % of target communities with reduced power outages	Improved power supply is not only measured by the total level of electricity supplied, but also by the reliability of supply. Reliability is measured by the frequency of power outages, following the implementation of electricity projects.	Annual	Technical review Village mapping	Technical review by BT/ESPMU based on inputs from BT branch offices and ESPMU technical and M&E specialists. BT/ESPMU specialists will also track the percentage of women headed households with less power outages.	BT/ESPMU
(IR2) Isfara-1 substation and surrounding infrastructure is: (i) designed and procured; (ii) constructed; and (iii) supplying electricity to target communities	Measures whether substation implementation is progressing.	Annual	Procurement documentation, technical monitoring reports.	Supervision by BT and ESPMU staff reports and M&E checks.	BT/ESPMU



(IR3) % of beneficiaries in target communities who report that project investments met their needs	Denominator is total number of respondents. Numerator is number that reported satisfactory or above (gender/age/location disaggregated).	Annual; Midline and Endline	Community scorecards; independent Evaluation	Community scorecard methodology and quantitative and qualitative evaluation criteria defined in the POM. Gender disaggregated.	NSIFT/ESPMU
(IR4) Number of beneficiaries in target communities with improved quality of water supply as a result of project investments	Quantifies the beneficiaries of improved quality of water supply and disaggregated by gender/age/location. Tracks the gender gap re services.	Annual (starting year 2)	Sub-project proposals and village population data	Technical review and verification of baseline, midline and endline male/female population.	NSIFT
(IR5) Number of women's group priorities that become a functioning facility, service, or infrastructure	Tracks whether women's priorities at being selected for investment, and proceeding through implementation process.	Annual (starting year 2)	FGD/community meeting/JPC/ tender EC minutes; list of sub-project proposals financed	Review of village and jamoat project documentation.	NSIFT
(IR6) Number of subprojects that support climate change adaptation or mitigation	Measures contribution to enhanced resilience (e.g. of roads infrastructure, approved designs), as well as climate change mitigation.	Annual	PIU reports; technical checklists	Subproject criteria defined in POM. Technical review of sub-project designs.	NSIFT/ESPMU
(IR7) Number of women able to earn income as a result of project investments	Measures if women are able to work as a result of	Annual (starting	Subproject proposals;	CDAs/monitors in villages constructing	NSIFT



in kindergartens	project investments in kindergartens	year 2)	community monitoring	kindergartens.	
(IR8) % of target communities effectively completing the agreed community mobilization and social accountability process	Tracks if communities are following defined procedures by location.	Annual	PIU field reports; minutes/photos of community meetings; community scorecards/audits	Collated field reports/data from CDAs; review of minutes of community meetings, social audit meetings, review of scorecard results.	NSIFT
(IR9) Total number of women engaged in: (i) Village Project Committees, (ii) Jamoat Project Commissions, (iii) social accountability roles	Measures progress against 50% women targets at community/Jamoat level.	Annual	Membership lists for VPCs, JPCs, social accountability roles, and energy efficiency focal points	Count of women participants in membership lists.	NSIFT
(IR10) % of target jamoats completing agreed local governance training curriculum	Measure progress of training and capacity building activities for target jamoats.	Annual (starting year 2)	Progress reports Minutes and evaluations of jamoat training sessions	Review of participant lists, minutes, and evaluations of project training sessions for jamoats (gender/youth/location disaggregation).	NSIFT
(IR11) % of beneficiaries in target communities who report enhanced trust	Measures improvements in trust in local institutions	Annual; Midline,	Social audits; independent	Community scorecard methodology,	NSIFT



in local institutions as a result of specifically defined Project activities	attributed to different project activities: (i) community mobilization; (ii) social accountability; (iii) youth activities; and/or (iv) investments (gender/age/location disaggregated).	Endline	evaluation	quantitative and qualitative evaluation criteria defined in the POM.	
(IR12) % of beneficiaries in Isfara target communities reporting that subproject investments have improved cross-border cooperation, connectivity, youth engagement, and/or safety/security	Measures impact of investments in border region (gender/age disaggregated). Denominator is total number of respondents. Numerator is number of beneficiaries that reported satisfactory or above. Targets for women beneficiaries included.	Annual; Midline, Endline	Community scorecards; independent evaluation	Community scorecard methodology and quantitative/qualitative evaluation criteria defined in the POM.	NSIFT
(IR13) Number of women in: (i) CDA roles, and (ii) project staff roles in the project implementation team	Measures progress of gender action plan commitments to increase number of women in project team.	Annual	Project implementation team contracts/hires	Review of lists/contracts for each category.	NSIFT
(IR14) % of target communities where community monitoring is contributing to Project M&E	This indicator measures whether community scorecards/social audits are tracking progress and improving processes. Denominator is total number of target	Annual (starting year 2) Midline and Endline	Community scorecards; social audit meeting results; progress reports	Review of minutes of social audit meetings by staff/M&E specialists; feedback fro CDAs.	NSIFT



	communities. Numerator is number of communities that utilized scorecard/audit results to make adjustments to their village decisions.				
(IR15) % of target communities demonstrating an understanding of CSP objectives and parameters	Measures effectiveness of CSP communications materials and awareness building	Annual	Community scorecards; independent evaluation	Community scorecards methodology and quantitative/qualitative evaluation criteria defined in the POM.	NSIFT/ESPMU

