

CR - 5409 - PK

ISLAMIC REPUBLIC OF PAKISTAN
NATIONAL TRANSMISSION AND DESPATCH COMPANY LTD

May 11, 2015

International Development Association
1818 H Street, N.W.
Washington, DC 20433
United States of America

PAKISTAN: IDA Credit No. 5409-PK
Central Asia South Asia Electricity Transmission and
Trade Project
Performance Monitoring Indicators

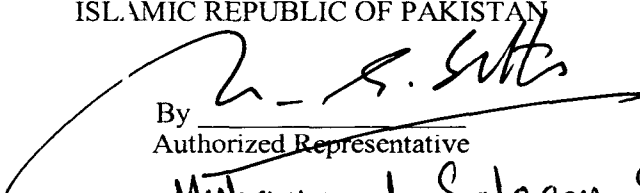
Dear Sirs and Mesdames:

We refer to Section I.A of Schedule 2 of the Financing Agreement between the Islamic Republic of Pakistan (the Recipient) and the International Development Association (the Association) and Section II A.1 of Schedule to the Project Agreement between the International Development Association and the National Transmission and Despatch Company Ltd. (Project Implementing Entity), of even date herewith, for the above-captioned Project.

Unless agreed otherwise with the Association, the Recipient shall monitor and evaluate implementation of the above-mentioned Project in accordance with the Performance Monitoring Indicators attached to this letter.

Very truly yours,

ISLAMIC REPUBLIC OF PAKISTAN

By 
Authorized Representative

Muhammad Saleem Sethi
Secretary, EAD

NATIONAL TRANSMISSION AND DESPATCH COMPANY LTD

By 
Authorized Representative

Managing Director NTDC
WAPDA House Lahore.

Results Framework and Monitoring

Central Asia South Asia Electricity Transmission and Trade Project (CASA 1000)

Project Development Objective (PDO): to create the conditions for sustainable electricity trade between the Central Asian countries of Tajikistan and Kyrgyz Republic and the South Asian countries of Afghanistan and Pakistan.												
PDO Level Results Indicators	Core	Unit of Measure	Baseline (CY 2013)	Cumulative Target Values					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				CY 2014	CY 2015	CY 2016	CY 2017	CY 2018-2020				
Indicator One: Trade initiated between the participating countries	<input type="checkbox"/>	Yes/No	No	No	No	No	No	Yes	Annual	NTCs/utility database	NTCs	Commercial flows of electricity traded under at least one of the PPA between at least one of the sellers and one of the buyers.
Indicator Two: Commercial framework between the countries is established and operational	<input type="checkbox"/>	Text	Not established	Master Agreement and PPAs signed	Master Agreement and PPAs effective	Master Agreement and PPAs effective	Account Bank Agreements signed and Technical Code Finalized	All Core Project agreements including Account Bank, Technical Code finalized	Annual	NTCs/utility database	NTCs/IGC Secretariat	Number of commercial framework agreements signed and implemented.
Indicator Three: Institutional mechanism for project sustainability is in place	<input type="checkbox"/>	Text	IGC Secretariat and JWG established	IGC and JWG established	IGC Secretariat and JWG strengthened	IGC and JWG meetings held	IGC and JWG meetings held	IGC and JWG meetings held	Annual	IGC/JWG Meetings	IGC Secretariat	Ensure coordination and decision-making processes and capacity are established
Indicator Four: Transmission lines constructed under the Project	<input checked="" type="checkbox"/>	km	0	0	0	0	700	1,300	Cumulative	NTCs/utility database	NTCs/IGC Secretariat	Total extension of new transmission lines constructed under the Project

INTERMEDIATE RESULTS														
Intermediate Results Indicators	Core	Unit of Measure	2013	2014	2015	2016	2017	2018	2019	2020	Frequency	Data Source/ Methodology	How Data Collection	Description (Indicator definition etc.)
Component A: Construction of a High Voltage Transmission Infrastructure														
Intermediate Result indicator One: Construction contracts signed for HVDC converter stations		Yes / No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Cumulative	NTCs/utility database	NTCs/IGC Secretariat	
Intermediate Result indicator Two: Construction contracts signed for HVDC line		Yes / No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Cumulative	NTCs/utility database	NTCs/IGC Secretariat	
Intermediate Result indicator Three: Converter stations constructed under the Project		Number	0	0	0	0	2	3	3	3	Cumulative	NTCs / utility database	NTCs/IGC Secretariat	
Intermediate Result indicator Four: HVDC line constructed under the Project		km	0	0	0	0	750	750	750	750	Cumulative	NTCs/utility database	NTCs/IGC Secretariat	
Intermediate Result indicator Five: HVAC line between the Kyrgyz Republic and Tajikistan constructed under the Project		km	0	0	0	0	0	475	475	475	Cumulative	NTCs/utility database	NTCs/IGC Secretariat	
Intermediate Result indicator Six: Indirect Project Beneficiaries ¹	<input checked="" type="checkbox"/>	number	0	0	0	0	0	27,500,000	28,500,000	30,000,000	Annual	NTCs/utility database	NTDC, DABS	Electricity consumers in Pakistan and Afghanistan benefiting from increased electricity supply.
Component B: Project Management and Capacity Building														

¹ The mandatory core indicator 'Direct Project Beneficiaries' is not applicable. Direct benefits for the end-user are difficult to define due to the nature of the project which does not finance electricity distribution. Therefore, it is more accurate to define the total customer base in Afghanistan and Pakistan as *indirect* project beneficiaries.

INTERMEDIATE RESULTS														
Intermediate Results Indicators	Code	Unit of Measure	Baseline (FY 2013)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Frequency	Data Source/ Methodology	How Data Collection	Description (Indicator Definition)
<i>Intermediate Result indicator One:</i> Owners Engineers hired and in place		Yes/No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	n/a	NTCs / IGC Secretariat	NTCs / IGC Secretariat	
<i>Intermediate Result indicator Two:</i> Timely Audits carried out of the Entity Audits within 9 months of the closure of financial year		Yes/No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	n/a	NTCs / IGC Secretariat	NTCs / IGC Secretariat	
<i>Intermediate Result indicator Three:</i> Number of staff receiving knowledge transfer on HVDC technology/ Transmission Dispatch		0	0	0	10	10	40	40	40	40	Annual	NTCs / IGC Secretariat	NTCs / IGC Secretariat	Number of NTCs/national consultants/contractor staff involved in HVDC activities and Transmission dispatch during design and construction phases
Component C: Community Support Program														
<i>Intermediate Result indicator One:</i> Development of operational manual for the Community Support Programs		Yes/No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	n/a	NTCs / IGC Secretariat	NTCs / IGC Secretariat	
<i>Intermediate Result indicator Two:</i> Agreement on financing for operations phase		Yes/No	No	No	No	Yes	Yes	Yes	Yes	Yes	n/a	NTCs / IGC Secretariat	NTCs / IGC Secretariat	