



**The World Bank**

Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000) (P145054)

REPORT NO.: RES29565

RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
CENTRAL ASIA SOUTH ASIA ELECTRICITY TRANSMISSION AND TRADE PROJECT (CASA-1000)  
APPROVED ON MARCH 27, 2014  
TO  
ISLAMIC REPUBLIC OF AFGHANISTAN

ENERGY & EXTRACTIVES

SOUTH ASIA

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## ABBREVIATIONS AND ACRONYMS

ARTF	Afghanistan Reconstruction Trust Fund
CSP	Community Support Program
DABS	Da Afghanistan Breshna Sherkat of Afghanistan
PIU	Project Implementing Unit



**BASIC DATA**

**Product Information**

Project ID P145054	Financing Instrument Investment Project Financing
Original EA Category Full Assessment (A)	Current EA Category Full Assessment (A)
Approval Date 27-Mar-2014	Current Closing Date 30-Jun-2020

**Organizations**

Borrower Islamic Republic of Afghanistan, Ministry of Finance, Islamic Republic of Pakistan, Kyrgyz Republic	Responsible Agency Da Afghanistan Breshna Sherkat, National Electric Grid of Kyrgyzstan, Barki Tajik, National Transmission and Despatch Company (NTDC)
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**Project Development Objective (PDO)**

Original PDO

The objective of the project is 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.

**Summary Status of Financing**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-54090	27-Mar-2014	11-May-2015		30-Jun-2020	120.00	0	114.09
IDA-54380	27-Mar-2014	24-Apr-2015	29-Jan-2018	30-Jun-2020	38.25	0	36.43
IDA-H9270	27-Mar-2014	24-Apr-2015	24-Jan-2018	30-Jun-2020	316.50	2.34	296.93
IDA-H9410	27-Mar-2014	24-Apr-2015		30-Jun-2020	45.00	0	41.07
IDA-H9420	27-Mar-2014	24-Apr-2015	29-Jan-2018	30-Jun-2020	6.75	0	6.41
TF-A4615	14-Sep-2017	14-Sep-2017	14-Dec-2017	30-Jun-2020	1.00	0	1.00



TF-A4613	12-Sep-2017			30-Jun-2020	.10	0	.10
TF-A4614	02-Aug-2017	02-Aug-2017	02-Aug-2017	30-Jun-2020	1.00	.10	.90
TF-16252	29-Jul-2014	29-Jul-2014	24-Nov-2014	30-Jun-2017	.50	.50	0
TF-16254	28-Jul-2014	05-Aug-2014	04-Nov-2014	30-Jun-2017	.65	.65	0

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No

**I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING**

1. This restructuring in the form of amendment is to the Financing Agreement between the International Development Association (IDA) and Islamic Republic of Afghanistan (the Recipient) (Grant No H927-AF, hereinafter – Financing Agreement), signed on April 24, 2015, for the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000, P145054).

2. The CASA-1000 Project was approved on March 27, 2014 and became effective on January 24, 2018. In Afghanistan, all three components under the Project have been making progress. Under Part A-(Construction of High Voltage Transmission Infrastructure), three contracts for the HVDC line in Afghanistan were signed on December 11, 2017. Survey and design activities under the initial phase of the contracts are underway. Under Part B-Technical Assistance and Project Implementation Support- Da Afghanistan Breshna Sherkat of Afghanistan (DABS), the project implementing entity has set up a CASA Project Implementing Unit (CASA PIU). CASA PIU has been instrumental in the on-going preparation of the country specific ESIA and selection of consultant to support the Resettlement Action Planning for the HVDC line. The CASA PIU has been also coordinating its work closely with the Ministry of Rural Rehabilitation and Rural Development which is implementing the CASA Community Support Program (CSP) supported by the CASA-1000 Community Support Program Project (P149410) funded by a US \$40million grant financing from the Afghanistan Reconstruction Trust Fund (ARTF). However, since effectiveness of the CASA Project and the closing of the Project Preparation Grant (PPG), no disbursement has been made for the consultant services and eligible expenditure under Part B due to the lack of clarity in regard to the condition of disbursement in the Financing Agreement as described below

3. The amendment is to introduce a definition of “Project Management Firm” which was not defined in the Financing Agreement. This will allow the Recipient to meet the condition of disbursement for eligible expenditures under Part B (Technical Assistance and Project Implementation Support) of the Project and hence to use the project funds for pending project eligible expenditure. The request for the proposed amendment dated March 31, 2018 was received from Ministry of Finance, Afghanistan.



**II. DESCRIPTION OF PROPOSED CHANGES**

4. The Section IV.B.1(b) of Schedule 2 to the Financing Agreement stipulates that no withdrawal of funds under the Category (2) of the Project shall be made unless a Project Management Firm has been selected in accordance with the provisions of paragraph C of Section III of Schedule 2 of the Financing Agreement. Category (2) covers goods, non-consulting services, consultants’ services, training and workshops and Incremental Operating Costs for Part B of the Project. The Financing Agreement does not include a definition of the term “Project Management Firm”.

5. This condition of disbursement was to ensure that DABS has sufficient management support before launching project implementation. Due to a lack of clarity regarding the term “Project Management Firm” in the Financing Agreement, it was agreed between the Bank Team and DABS, that DABS had the option to select either a firm, or a group of individual consultants for the project management support. DABS decided to choose the latter approach. At present, a team of such consultants has been put in place within the CASA PIU.

6. To allow for disbursing of funds and to enhance the implementation of the CASA-1000 Project, the Ministry of Finance in its letter dated March 31st, 2018 requested the World Bank to add in the Financing Agreement a definition of the term “Project Management Firm”. It is proposed to include the following definition in Section I of the Appendix to the Financing Agreement:

*“Project Management Firm” means a firm or group of individual consultants selected to support the Project Implementing Entity to implement the Project, referred to in Section IV.B.1(b) of Schedule 2 to the Financing Agreement.”*

**III. SUMMARY OF CHANGES**

	Changed	Not Changed
Other Change(s)	✓	
Change in Implementing Agency		✓
Change in DDO Status		✓
Change in Project's Development Objectives		✓
Change in Results Framework		✓
Change in Components and Cost		✓
Change in Loan Closing Date(s)		✓
Cancellations Proposed		✓



Reallocation between Disbursement Categories		✓
Change in Disbursements Arrangements		✓
Change in Disbursement Estimates		✓
Change in Overall Risk Rating		✓
Change in Safeguard Policies Triggered		✓
Change of EA category		✓
Change in Legal Covenants		✓
Change in Institutional Arrangements		✓
Change in Financial Management		✓
Change in Procurement		✓
Change in Implementation Schedule		✓
Change in Economic and Financial Analysis		✓
Change in Technical Analysis		✓
Change in Social Analysis		✓
Change in Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**