



## MG ethanol clean cooking climate finance program (P154440)

AFRICA EAST | Madagascar | Environment, Natural Resources & the Blue Economy Global Practice |  
 Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 2 | ARCHIVED on 20-Nov-2020 | ISR44125 |

Implementing Agencies: Government of Madagascar, Green Development A.S.

## Key Dates

## Key Project Dates

Bank Approval Date: 06-May-2016

Effectiveness Date: 06-May-2016

Planned Mid Term Review Date: 26-Sep-2019

Actual Mid-Term Review Date: 26-Sep-2019

Original Closing Date: 30-Jun-2025

Revised Closing Date: 30-Jun-2025

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the Madagascar Ethanol Clean Cooking Climate Finance Program is to increase household use of ethanol, demonstrate good practice of distillery design and operations, and establish an ethanol production safeguard system for future scale-up in Madagascar.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

## Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Unsatisfactory	<input type="checkbox"/> Moderately Unsatisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Unsatisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

## Implementation Status and Key Decisions

The project is part of multi-country Program of Activities (PoA) for the reduction of emissions from non-renewable fuel from cooking at the household level. The project has made progress during this reporting period as summarized below:

- Stoves distribution:** Stoves distribution in this reporting period is up by 17%.
- Certified emission reductions:** The verification and certification of emission reductions for the third monitoring period (07/1/2018 - 05/31/2019) have been completed. The cumulative CERs are ahead of the target and the project is on track to achieve its PDO. The verification for the fourth monitoring period (06/01/2019 – 05/31/2020) is ongoing.
- Administrative procedures manual.** The manual was developed by different ministerial departments including Industry, Trade, Environment, Customs, and Taxes, and is available since June 2020 from the Secretariat of the Fuel Ethanol Program Technical Unit (CTPNEC). The manual integrated the existing legal and regulatory provisions collected from the various departments concerned.
- Certification of local ethanol micro-distilleries (EMDs).** The project provided support to local producers in the preparation of administrative documents. And the pre-certification was given to several EMDs. After the one-year deadline, however, no local producers were able to obtain local operating permits or took the necessary measures to comply with the project's safeguard requirements. As a result, no local micro-distilleries are certified under the project. No locally produced ethanol can be used to supply the ethanol cookstoves distributed under the project.
- Establishment of local EMD with potential for replication.** Green Development (GD) has been trying to set up a demonstration EMD to produce ethanol fuel and the potential replication for the development of the ethanol sector in the country. A business plan has been developed and being reviewed by the Bank.



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Macroeconomic	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Sector Strategies and Policies	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Technical Design of Project or Program	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Institutional Capacity for Implementation and Sustainability	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Fiduciary	--	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Environment and Social	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Stakeholders	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Overall	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

## Results

### PDO Indicators by Objectives / Outcomes

Increase the use of ethanol by households, demonstrate good practice of distillery				
▶ Daily household ethanol consumption of participating households (annual average) (Liter, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.60	0.60
Date	01-Jun-2017	--	11-Nov-2020	30-Jun-2025
▶ Direct project beneficiaries (people), of which female (%) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	500.00	--	9,790.00	50,000.00
Date	01-Jun-2017	--	11-Nov-2020	30-Jun-2025
Comments:	80% of the direct beneficiaries are female			



**Overall Comments**

A restructuring process is underway to align with the amendments. Once it is approved, the results framework will be updated with the amended targets.

**Intermediate Results Indicators by Components**

Results-based Carbon finance payment				
▶ Ethanol stoves distributed and remaining operational (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	500.00	--	9,790.00	50,000.00
Date	01-Jun-2017	--	11-Nov-2020	30-Jun-2025

Carbon finance payment for program administration and TA				
▶ Environmental, social, and ethanol control safeguard system training provided (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	3.00	36.00
Date	01-Jun-2017	--	11-Nov-2020	30-Jun-2025
▶ Environmental, social, and ethanol control safeguard system spot-check on the value-chain carried out (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	3.00	150.00
Date	01-Jun-2017	--	11-Nov-2020	30-Jun-2025

**Overall Comments**

A restructuring process is underway and changes are proposed in the result framework

**Performance-Based Conditions**

**Data on Financial Performance**



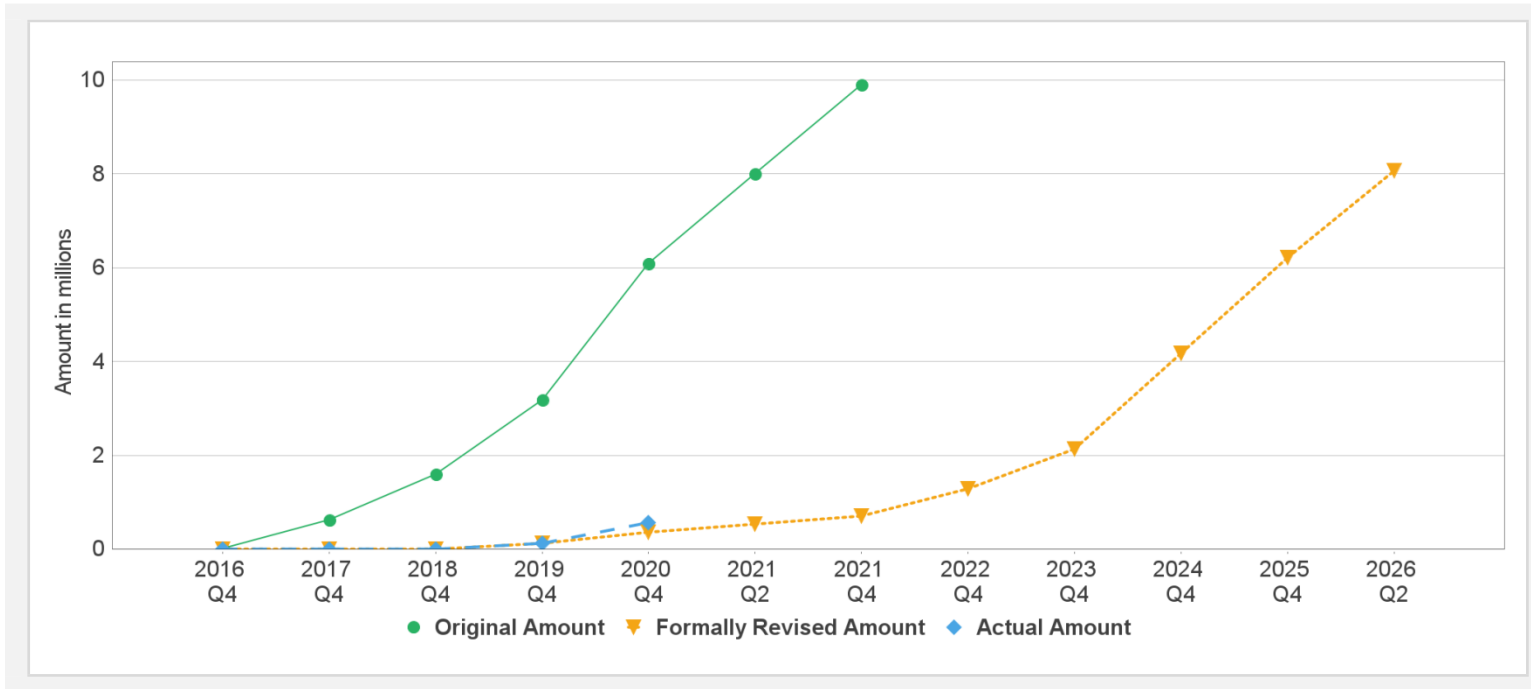
**Disbursements (by loan)**

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P154440	TF-A2574	Effective	USD	10.45	10.45	0.00	1.12	9.33	11%

**Key Dates (by loan)**

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P154440	TF-A2574	Effective	06-May-2016	06-May-2016	06-May-2016	30-Jun-2025	30-Jun-2025

**Cumulative Disbursements**



**PBC Disbursement**

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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### Restructuring History

There has been no restructuring to date.

### Related Project(s)

There are no related projects.

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