



Pakistan: Strengthening the Central Power Purchasing Agency

Project Name	Strengthening the Central Power Purchasing Agency
Project Number	48066-001
Country	Pakistan
Project Status	Active
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	TA 8772-PAK: Strengthening the Central Power Purchasing Agency Technical Assistance Special Fund US\$ 1.50 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development Private sector development
Sector / Subsector	Energy - Energy sector development and institutional reform
Gender Equity and Mainstreaming	No gender elements
Description	The objective of the TA project is to support and enable the establishment and initial operationalization of an autonomous CPPA in Pakistan. This will be achieved by embedding the required international and national consultants in the CPPA to provide management support, capacity building, access to expert resources and training for CPPA's management team and employees.
Project Rationale and Linkage to Country/Regional Strategy	<p>This TA project supports the new government's priorities of reforming the energy sector, as well as restoring sustainability in the power sector. Reforming the energy sector is a key objective of Pakistan's Country Partnership Strategy (CPS) 2009 to 2013 and is aligned with Strategy 2020 of the Asian Development Bank (ADB). This TA project is included in Pakistan's Country Operations Business Plan 2014 to 2016.</p> <p>The power sector unbundling in late 1990s led to the formation of the National Transmission and Despatch Company (NTDC), licensed to undertake power transmission, system operation and despatch functions, and act as a single purchaser and a seller of power. A dedicated unit within NTDC currently completes all electricity market settlement and payment functions. This Technical Assistance (TA) project will assist the establishment and initial operationalization of the Central Power Purchasing Authority (CPPA) as an autonomous settlements company in Pakistan's power sector, with well-defined governance and financial structures.</p>
Impact	Improved financial management and governance in Pakistan's power sector.

Project Outcome

Description of Outcome	CPPA operates an autonomous and transparent electricity settlement system in Pakistan.
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	CPPA roadmap for establishment and operationalization prepared. CPPA Management and organizational structure established. CPPA's initial information and technology system plan prepared. Standard market agreements drafted. Internal and external training manuals and activities completed.
Status of Implementation Progress (Outputs, Activities, and Issues)	Initial training on electricity market design for CPPA-G has been completed. Next market model design and stakeholder consultation is expected to be completed by June 2017.
Geographical Location	Pakistan

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design	The scope, delivery timetable and implementation arrangements have been discussed with the Ministry of Water and Power.
During Project Implementation	A communication and stakeholder management plan will be prepared by the consultants during the initial stages of the assistance to facilitate the participation of stakeholders and the dissemination of knowledge.

Business Opportunities

Consulting Services	An international consulting firm has been engaged to deliver the TA outputs. Aside from the firm, individual consultants (power regulatory, legal and market/financial experts) have been engaged. The consultants are involved in CPPA-G's initial operations and primarily based in Islamabad.
Procurement	No procurement necessary.

Responsible Staff

Responsible ADB Officer	Inoue, Yuki
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Energy Division, CWRD
Executing Agencies	<i>Ministry of Water and Power Block A Secretariat Bldg. Islamabad, Pakistan</i>

Timetable

Concept Clearance	20 Jun 2014
Fact Finding	-
MRM	-
Approval	03 Dec 2014
Last Review Mission	-
Last PDS Update	24 Mar 2017

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
03 Dec 2014	25 Dec 2014	25 Dec 2014	31 Jul 2016	31 Mar 2018	-

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,500,000.00	0.00	0.00	0.00	0.00	0.00	1,500,000.00	03 Dec 2014	711,807.01

Project Page <https://www.adb.org/projects/48066-001/main>

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Date Generated 06 July 2017

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