



Timor-Leste: Multitranche Financing Facility - Electricity System Strengthening and Sustainability Program (Tranche 1)

Project Name	Multitranche Financing Facility - Electricity System Strengthening and Sustainability Program (Tranche 1)		
Project Number	49177-003		
Country	Timor-Leste		
Project Status	Proposed		
Project Type / Modality of Assistance	Loan		
Source of Funding / Amount	Loan: Multitranche Financing Facility - Electricity System Strengthening and Sustainability Program (Tranche 1)		
	Ordinary capital resources	US\$ 30.00 million	
Strategic Agendas			
Drivers of Change			
Sector / Subsector	For classification - For classification		
Gender Equity and Mainstreaming			
Description	The proposed investment program will finance investments in Electricidade de Timor-Leste (EDTL), Timor-Leste's state-run electric utility) to improve electricity service reliability, expand access to modern energy services, and improve performance of EDTL's management, maintenance, and revenue-collection systems throughout Timor-Leste. Achievement of these objectives will substantially reduce the fiscal drain of the power sector on Timor-Leste's budget. Investments will be financed consistent with a sector development strategy and investment roadmap, to be prepared as a key output of project preparatory technical assistance (PPTA).		
Project Rationale and Linkage to Country/Regional Strategy	The principal weaknesses in the power sector are the high cost of generation, inefficient distribution, low level of revenue generation, ongoing need for substantial fiscal subsidies, and excessive technical and non-technical network losses. These problems are, to some extent, the result of other weaknesses in the institutional, legal and regulatory environment, namely the absence of proper commercial practices within EDTL and poor implementation of the legal and regulatory frameworks for the sector. The bulk of capital investments to be financed under Tranche 1 may be implemented by EDTL within the framework of the proposed PPP arrangement. The Government of Timor-Leste is expected to retain ownership of EDTL and most of its assets. Tranche 2 investments in any new generation assets (i.e. other than conversion of existing generation from diesel to natural gas) are expected to be complemented by private-sector investment.		
Impact			
Outcome			
Outputs			
Geographical Location			
Safeguard Categories			
Environment		B	
Involuntary Resettlement		B	
Indigenous Peoples		C	
Summary of Environmental and Social Aspects			
Environmental Aspects			
Involuntary Resettlement			
Indigenous Peoples			

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Responsible ADB Officer	Trainor, James Michael
Responsible ADB Department	Pacific Department
Responsible ADB Division	Transport, Energy and Natural Resources Division, PARD
Executing Agencies	<i>Min of Transport, Communications and Public Works Telecom Building Dili, Timor-Leste</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	16 Aug 2019
Approval	-
Last Review Mission	-
Last PDS Update	26 Sep 2018

Project Page	https://www.adb.org/projects/49177-003/main
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