

CA 5497 PK
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ISLAMIC REPUBLIC OF PAKISTAN
NATIONAL TRANSMISSION AND DISPATCH COMPANY, LTD
WATER AND POWER DEVELOPMENT AUTHORITY

, 2014

International Development Association
1818 H Street NW
Washington, DC 20433
United States of America

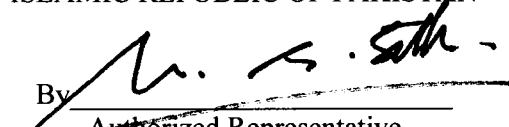
**Re: Credit Number 5498-PK and 5497-PK
(Dasu Hydropower Stage I Project)
Performance Monitoring Indicators**

Dear Sir/Mesdames:

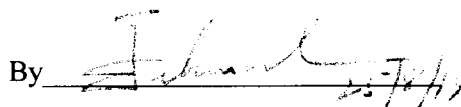
We refer to Section II A of the Schedule 2 of the Financing Agreement (Dasu Hydropower Stage I Project) between the Islamic Republic of Pakistan ("Recipient") and the International Development Association ("Association") and Section II A.1 of the Schedule to the Project Agreement between the Association and the National Transmission and Dispatch Company Ltd ("Project Implementing Entity") and Section II.A.1 of the Schedule to the Project Agreement between the Association and Water and Power Development Authority ("Project Implementing Entity") of even date herewith for the above-mentioned Project.

We hereby agree that the Performance Monitoring Indicators to monitor and evaluate the carrying out of the above-mentioned Project and the achievement of the objectives thereof are those set forth in the Attachment to this letter.

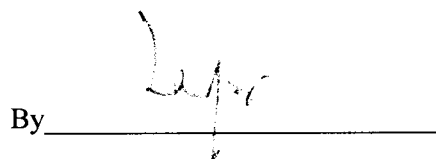
Very truly yours,
ISLAMIC REPUBLIC OF PAKISTAN

By 
Authorized Representative

NATIONAL TRANSMISSION AND DISPATCH COMPANY, LTD
Authorized Representative

By 
25/7/11

WATER AND POWER DEVELOPMENT AUTHORITY
Authorized Representative

By 

Attachment

Results Framework and Monitoring

DASU HYDROPOWER PROJECT (DHP)

Project Development Objective (PDO): The overall project development objective is to facilitate the expansion of electricity supply of hydro-power in Pakistan. The Project would also improve access to socio-economic services for local communities in the project area and build WAPDA's capacity to prepare future hydropower projects. This would be achieved by installing a 2,160 MW hydropower plant on the main Indus River, which can be expanded to 4,320 MW in future at very low cost. The Project is a "high-risk-high reward" operation aimed at providing low cost non-carbon renewable energy.

PDO Level Results Indicators*	Unit of Measure	Baseline	Cumulative Target Values**							Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)	
			YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7					
Indicator One: Annual electricity supply renewable energy annually	GWh	0	0	0	0	0	0	0	4,000	12,000	Annually	Project reports, monitoring reports by M&ECs	WAPDA, Monitoring & Evaluation Consultants	
Indicator Two: Number of additional people in the project area with improved socio-economic services	Number	0	2,000	3,000	5,000	8,000	10,000	10,000	15,000	20,000	Annually	Same as above	Same as above	
Indicator Three: Number of large hydropower project on the Indus River prepared by WAPDA	Number	0	0	0	0	0	0	0	0	1	Annually	Project report M&E	Same as above	

INTERMEDIATE RESULTS

Intermediate Result Indicator One: Construction of main hydraulic structure	Percent progress	0	0	10	30	50	80	80	95	100	Same as above	Same as above	Same as above	
Intermediate Result Indicator two: Construction of intake, waterways and power house	Percent progress	0	0	10	30	50	80	80	95	100	Same as above	Same as above	Same as above	
Intermediate Result Indicator Three: Number of 360 MW power units installed	Number	Zero	0	0	0	0	0	0	3	6	Same as above	Same as above	Same as above	
Intermediate Result Indicator Four: Private/Commercial Capital Mobilized (cumulative figures)	US\$ million	0	700	1000	1,500	2,450	2,450	2,450	2,450	2,450	Same as above	Same as above	Same as above	
Intermediate Result Indicator Five: Construction of RAR KKH 1, KKH2, Power line, colonies	Percent progress	0	10	30	50	80	100	100	100	100	Same as above	Same as above	Same as above	

<i>Intermediate Result Indicator Six: Double Circuit Transmission Line constructed 250 Km and Rehab. 100 KM.</i>	<input type="checkbox"/>	KM	0	0	100	200	350	350	350	350	Same as above	Same as above	
<i>Intermediate Result Indicator Seven: Implementation of SRMP and EMP</i>	<input type="checkbox"/>	Percent completion	Zero	10	20	50	80	100	100	100	Same as above	Same as above	Same as above
<i>Intermediate Result Indicator Eight: Percentage of agreed local development plan implemented</i>		Percent completion	Zero	10	20	40	70	80	90	100	Same as above	Same as above	Same as above
<i>Intermediate Result Indicator eight: Hydropower project with detailed design, environmental and social safeguards studies completed</i>	<input type="checkbox"/>	Number	0	0	0	0	0	1	Regular Support and monitoring	Regular Support and monitoring	Same as above	Same as above	Same as above
<i>Intermediate Result Indicator Two: Capacity Building of WAPDA</i>	<input type="checkbox"/>	Percent completion of capacity building	0	10	30	50	80	100	Regular Support and monitoring	Regular Support and monitoring	Same as above	Same as above	Same as above