



District Heating Efficiency Improvement Project (P132443)

EUROPE AND CENTRAL ASIA | Moldova | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 2 | ARCHIVED on 07-Dec-2015 | ISR21472 |

Implementing Agencies: Ministry of Economy, Moldova Energy Projects Implementation Unit (MEPIU), Ministry of Economy, Termoelectrica

Key Dates

Key Project Dates

Bank Approval Date:21-Nov-2014

Effectiveness Date:14-Aug-2015

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2020

Revised Closing Date:30-Jun-2020

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the proposed project is to contribute to improved operational efficiency and financial viability of the District Heating company and to improve quality and reliability of heating services delivered to the population of Chisinau.

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

No

Components

Name

Component 1: Investments to District Heating System:(Cost \$33.30 M)

Component 2: Support for streamlining operations:(Cost \$5.60 M)

Component 3: Project Management:(Cost \$1.50 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Moderately Unsatisfactory
Overall Risk Rating	● Substantial	● Substantial



Implementation Status and Key Decisions

The Project was declared effective on August 14, 2015 following the fulfillment of the effectiveness conditions provided under the Loan Agreement, thus enabling project's implementation and use of project proceeds.

The DH tariff needs to increase as agreed before the 2015/2016 heating season to ensure financial sustainability of Termoelectrica and allow the company maintaining a positive cash flow, and to be compliant with the legal agreement. The DH tariff is also necessary in order to allow the World Bank to continue its support to the Government of Moldova on the District Heating debt restructuring.

Technical assistance will be continued to support the corporate restructuring process of the newly integrated utility, Termoelectrica.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Substantial	● Substantial
Sector Strategies and Policies	--	● Substantial	● Substantial
Technical Design of Project or Program	--	● Low	● Low
Institutional Capacity for Implementation and Sustainability	--	● Substantial	● Substantial
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	--	--
Overall	--	● Substantial	● Substantial

Results

Project Development Objective Indicators

- Reduction in network heat losses (GCal) (Number, Custom)

Baseline

Actual (Previous)

Actual (Current)

End Target



Value	360000.00	0.00	0.00	330000.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	30-Jun-2020

► Debt Service Coverage Ratio (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.45	--	0.00	1.20
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020

► Projected lifetime fuel savings (Mega Joules (MJ), Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	9603288368.00
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020

► Projected lifetime energy savings (Megawatt hour(MWh), Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	2849208.00
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020

► Percentage of households that reported improved quality of service in buildings where IHSs were installed (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	30-Jun-2020



► Projected lifetime reduction in CO2 emissions due to investments financed under the project (tCO2) (Tones/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	685299.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	16-Feb-2046

► District Heating systems breakdown rate (Number/km) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.36	1.36	1.36	0.90
Date	23-Oct-2014	17-Apr-2015	19-Nov-2015	30-Nov-2019

Overall Comments

Intermediate Results Indicators

► People that gained access to more energy-efficient cooking and/or heating facilities (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	27000.00	--	27000.00	109000.00
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020

▲ People that gained access only through fuel switching (Number, Core Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	27000.00	--	27000.00	109000.00
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020



▶ Actual fuel savings (GCal) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	--	0	79138
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2020

▶ Self-financing ratio (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	55.00	--	--	25.00
Date	16-Feb-2015	--	--	30-Jun-2020

▶ Termination of CHP-1 operations (Date, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	16-Feb-2015	--	31-Mar-2016	31-Mar-2016
Date	16-Feb-2015	--	31-Mar-2016	31-Mar-2016

▶ Reduction in Heat Consumption due to transition from Group Heating Substations to Individual Heating Substations (GCal) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	709.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	30-Jun-2020



► Government institutions reconnected to DH system (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	44.00
Date	16-Feb-2015	--	19-Nov-2015	30-Jun-2018

► Staff who received re-training (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	648.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	30-Jun-2020

► Staff who received severance payment (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	898.00
Date	16-Feb-2015	17-Apr-2015	19-Nov-2015	30-Jun-2020

Overall Comments

Data on Financial Performance

Disbursements (by loan)

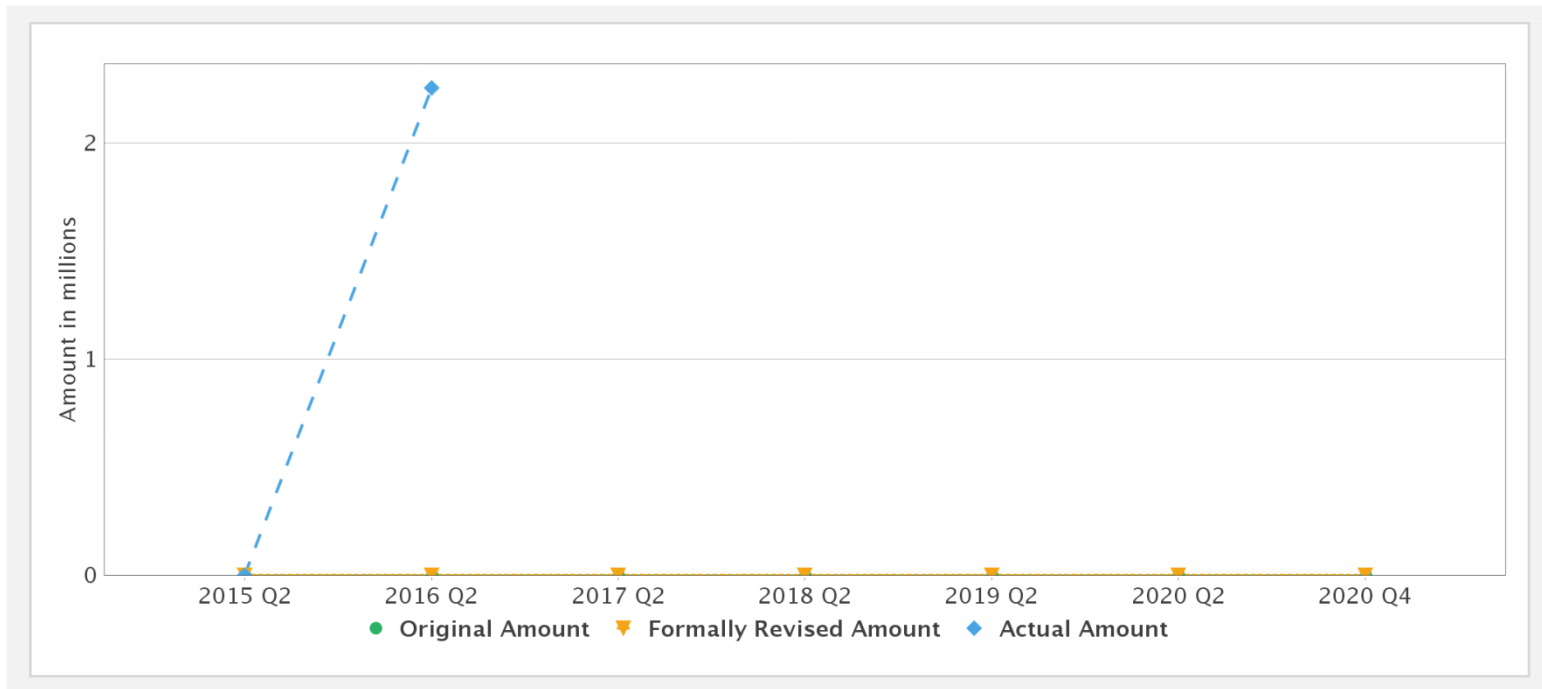
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P132443	IBRD-84510	Effective	USD	40.50	40.50	0.00	2.36	38.14	6%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P132443	IBRD-84510	Effective	21-Nov-2014	15-Apr-2015	14-Aug-2015	30-Jun-2020	30-Jun-2020



Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.