

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: Pacific Operations Division

TA No. and Name TA No. 3748-TIM: Preparing the Power Sector Development Plan - Phase 1			Amount Approved: \$400,000		
			Revised Amount: \$400,000		
Executing Agency United Nations Transitional Administration in East Timor (UNTAET) / East Timor Transitional Administration (ETTA)	Source of Funding: Japan Special Fund		TA Amount Undisbursed \$39,250.99	TA Amount Utilized \$360,749.01	
Date			Completion Date		
Approval	Signing	Fielding of Consultants	Original	Actual	
22 October 2001	25 April 2002	15 January 2003	30 June 2002	31 March 2005	
			Closing Date		
			Original	Actual	
			30 June 2002	30 September 2005	
Description					
<p>In the democratic consultation of 30 August 1999, the people of East Timor voted overwhelmingly for independence. This resulted in a campaign of destruction in the latter part of 1999 during which much of the country's infrastructure was destroyed. In an emergency response, the internationally funded "Trust Fund for East Timor" (TFET) was established under the trusteeship of the International Development Association to finance measures to address the physical and social dislocation. The Asian Development Bank (ADB)-administered Emergency Infrastructure Rehabilitation Project was drawn from this fund, and simultaneously a number of technical assistance (TA), including TA No. 3748: Preparing the Power Sector Development Plan (PSDP) Phase 1 were financed to assist in longer term infrastructure planning.</p>					
Objectives and Scope					
<p>The TA was to develop a least-cost and technically optimum strategy for the development and expansion of the power networks throughout East Timor (now Timor-Leste) with the objectives of supporting the economic and social development of the country. Primary performance target was to develop a least cost development strategy for the power sector to facilitate economic development and poverty reduction. The scope included (a) preparing a detailed survey of the energy sector in East Timor; (b) determining a least cost development strategy for the power sector; (c) preparing a 20-year demand growth model; (d) preparing a 20-year power system master plan study; and (e) preparing a technical and economic feasibility study for prioritized investment requirements. The TA was to focus on affordability and sustainability of the proposed power system, and address poverty reduction, effective delivery of social services and support to commerce and trade. The TA was to be carried out over a period of 6 months utilizing 13 person-months of international consulting services and 6 person-months of domestic consulting services. Emphasis was placed on skills relating to rural communities and their need for electrification and community-level service delivery mechanisms.</p>					
Evaluation of Inputs					
<p>The Terms of Reference (TOR) were comprehensive and quite extensive in relation to the budget provided. The consultants carried out an exhaustive analysis of the power sector, and also identified and evaluated the potential of onshore gas and oil sources on the southern coast for fuelling the power sector in the future. A competent pipeline of priority projects and studies was identified, including studies to exploit the above potential oil and gas reserves. Soon after the completion of the PSDP, Sector Investment Plans (SIPs) were prepared for all sectors of the Timor-Leste economy. ADB and World Bank jointly prepared the SIPs for all infrastructure sectors including power and energy. Preparation of SIPs was a significant and far reaching exercise, and the PSDP was found to be an invaluable and accurate source-document for this purpose. While UNTAET/ETTA was originally the executing agency for the TA, the disbanding of these interim administrations resulted in ADB taking over administration of the TAs for the duration of their execution period. The performance in the provision of inputs by ADB was rated satisfactory, as was the performance of the Executing Agency (EA) and consultants.</p>					

Evaluation of Outputs

The PSDP is presented in four substantial volumes. It has been found by the SIP teams of both ADB and World Bank to be accurate, comprehensive, and with certain minor deviations (which were corrected by the consultants after submission of ADB comments), to satisfactorily meet the requirements of the TOR. To ensure full compatibility, the final Executive Summary of the PSDP was synchronized with the SIP document's findings so as to include the wider scope of the SIP exercise in the PSDP. This was to avoid any possible presentational conflict. Subsequently, an ADB publication was prepared from the PSDP Executive Summary called "Power Sector Development Plan for Timor-Leste". This publication was made available to the public. Due to constant requests for support from the Government, there was a delay in TA completion.

Overall Assessment and Rating

The TA was acclaimed by the Government, ADB staff, World Bank, and other power sector donors as successful. Considering the overall environment in Timor-Leste, the TA is rated successful.

Major Lessons Learned

Taking into account the difficult situation prevailing in East Timor at the time of the execution of the study, it has been found to be entirely satisfactory. The consultant provided able assistance in the consolidation of the PSDP results with the wider SIP studies.

A key lesson was that in terms of timing, it was very beneficial to the Government to have such a comprehensive study completed in advance of (or at least ready for) the Government's readiness to make decisions with medium-term and long-term impacts. Having good data available early in the Government's policy formulation for the sector assisted in sensitizing Government to the key issues. It also helped to mobilize resources and keep donors interest in the sector. Preparing the comprehensive study during the time when the country was still in an emergency response period was beneficial as it was available to the Government when the Government felt able to manage the transition from the emergency phase to the development phase.

Recommendations and Follow-Up Actions

The Follow-Up Actions consisted of the preparation of the SIPs and the initiation of numerous studies and investments arising from the PSDP recommendations.

ADB should continue to maintain the SIP studies in the sector and continue to pursue Government interest in the sector. ADB could continue to support the Government by updating the SIP at appropriate intervals.

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