Regional: Development of the Pacific Energy Regulators Alliance

Project Name: Development of the Pacific Energy Regulators Alliance
Project Number: 53209-001
Country: Regional
Project Status: Active
Project Type / Modality of Assistance: Technical Assistance
Source of Funding / Amount: TA 9868-REG: Development of the Pacific Electricity Regulators Alliance
Technical Assistance Special Fund
US$ 225,000.00

Strategic Agendas:
- Inclusive economic growth
- Regional integration

Drivers of Change:
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

Sector / Subsector: Energy - Energy sector development and institutional reform
Gender Equity and Mainstreaming: Some gender elements

Description:
The objective of the proposed TA is to promote modern regulation of energy utilities in the Pacific through the development of a regional platform for delivery of capacity-building interventions, the exchange of knowledge and skills, and leveraging of Pacific countries' limited resources to address common challenges. The TA will, in the first instance, elaborate a model for the institutionalization (without prejudice as to eventual legal status) of a Pacific Energy Regulators Alliance, define its administrative and governance structures and scope of activities, determine its resource requirements, and prepare an initial workplan to provide for its sustainability and mechanisms for attraction and management of additional financial resources, including support from other development partners and from members of the Alliance themselves.

The proposed TA will advance the Alliance's development by assignment of consultants to engage with the Alliance's members, the Secretariat of the Pacific Community, and prospective development-partner contributors to:

(i) elaborate a model for the institutionalization of the Alliance (without prejudice as to eventual legal status);
(ii) define its administrative and governance structures and scope of activities;
(iii) determine its resource requirements; and
(iv) prepare an initial workplan to provide for its sustainability and mechanisms for attraction and management of additional financial resources, including support from other development partners and from members of the Alliance themselves.

Additionally, the proposed TA will demonstrate the tangible value of the creation of a regional platform for knowledge sharing and skills development by hosting one regional training workshop on regulatory fundamentals for the benefit of regulatory body employees and/or policymakers from current and prospective Alliance member countries. The workshop will also be the venue for presentation of consultants' findings and recommendations relating to the Alliance's institutionalization and further development and activities.

Project Rationale and Linkage to Country/Regional Strategy:
Regulation of public utilities in the Pacific, including the electricity sector, remains in its infancy. In most instances, electricity services are provided by state-owned vertically integrated natural monopolies, with sector regulatory decisions being driven by political imperatives on an ad hoc and unpredictable basis. Regulatory and sector governance regimes of this nature, especially in capital-constrained environments that typify countries in the Pacific, do not provide for efficient management of scarce resources, nor deliver satisfactory utility sector development and outcomes. Where countries have stated their desire to attract private investment into the sector to supplement or supplant scarce public resources, a robust and predictable regulatory regime becomes all the more important.

Impact:
(i) strong leadership, governance, coordination, and partnerships to effectively overcome coordination, communication, and resource issues;
(ii) improved capacity development, planning, policy, and regulatory frameworks for proper planning and effective policy and regulatory framework to achieve energy security in the Pacific.

Project Outcome:
Description of Outcome: Better energy-sector regulatory environment in Alliance member countries supported
Progress Toward Outcome
Implementation Progress
Description of Project Outputs: Alliance institutional framework defined and operational guidelines agreed and implemented
Status of Implementation Progress (Outputs, Activities, and Issues): Capacity of the Alliance members improved
Geographical Location: Regional
Summary of Environmental and Social Aspects
Environmental Aspects
Involuntary Resettlement
Indigenous Peoples
Stakeholder Communication, Participation, and Consultation

During Project Design

Responsibility ADB Officer: J. Michael Trainor
Responsibility ADB Department: Pacific Department
Responsibility ADB Division: PAEN
Executing Agencies: Asian Development Bank
6 ADB Avenue,
Mandaluyong City 1550, Philippines

Timetable

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TA 9868-REG

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