

**DM2006 Project Implementation
PROGRESS REPORT**

[08/02/2007]

I. Background Information

DM Project Number and Title	02286: Solar Thermal Power	
Report Author's Name (if different from Team Leader)	Amy Mueller	
Total Award	US\$ 129,530	
Amount Disbursed to Date	US\$ 110,101	(85) % of the Total Award)

II. Progress Against Milestones

i) List the milestone objectives in the first column as expressed in the Project Agreement. The second column should indicate the current status of each milestone objective. In the third column, please provide quantitative data and qualitative information describing the status of the project against that particular milestone.

Milestone Objectives (Copy from the Agreement)	Status (Completed/ In Progress)	Descriptive Information on the Status
Second system installed at chosen test site.	Completed	System installed by the end of June, 2007. Testing ongoing through the end of July, 2007. Continued monitoring and improvements are being undertaken by Basotho staff through August-September, 2007.
Results of system monitoring documented.	Ongoing	Testing and monitoring of systems 1 and 2 revealed some technical issues, leading to a re-design of the second system while technical issues are addressed. Ongoing improvements will be monitored and documented.
Design and deployment of a media campaign including website.	Completed	Website deployed June 1, 2007 at www.solarturbinegroup.org (will be continually updated with photos and news).
Documentation of government support and awareness, including any regulations, policies, and subsidies which may be relevant.	Ongoing	Meetings with relevant Ministries and Departments within GoL have taken place and are ongoing. Policy within Lesotho is still being developed, and STG has made efforts to follow these developments and potential outcomes.
Collaboration within Lesotho to develop a microfinance option for rural customers.	Ongoing	Support within Lesotho (among institutions and individuals) is strongly against this option due to previous failures of the model. Loans for small businesses are widely supported, however, so efforts were bifurcated to investigate business development options as well.
Development of Basotho-owned business.	Ongoing	Incorporation of a majority-owned Basotho business is underway. Continued assistance with product development, funding applications, and incorporation processes will be ongoing through the rest of 2007.

ii) If you did not achieve some of your stated milestone objectives, please explain the reasons.

Theft and technical issues forced us to reconsider the type of installations being deployed. System 1 (at Bethel High School) was redesigned to provide 660L hot water for the girls' dormitory. System 2 (at Ha Teboho village) was temporarily reconfigured for high-capacity water heating while problems with some components

available within RSA are addressed.

iii) Has your project's overall accomplishments to date exceeded the original plan?

Yes No

If Yes, describe your achievements:

III. Overall Project Progress

i) What have been the main challenges of your project to date? What, if any, adjustments have you made to your original business plan in order to overcome the challenges and meet your objectives?

Challenges:	Adjustments:
Theft of system parts at project installation site.	Redesign of the system for higher security and movement of the installation to a more secure location. System was simplified and streamlined to deter theft and increased efforts made to communicate with individuals at the installation site about the necessity of security.
High-wind conditions at second install site.	Additional supports designed and installed.
Low quality of parts available in RSA; high cost in time and money when parts fail.	We obtained a small grant in order to continue testing of system components while based in the USA. This should provide a fast-track method for narrowing the field on potential components.
High turnover of staff due to rural location.	Creating a flexible work environment for staff to divide time between the work site and their families. Hiring of students from our partner school as interns/technicians to provide additional labor.

ii) Have any of your objectives changed or have you added new objectives since you signed your Project Agreement? If Yes, explain the changes.

Yes No

One of our milestones was altered; the installation of a third test system was replaced with increased focus on business development within Lesotho.

iii) Do you have any concerns about meeting your next milestone objectives?

Yes No

If Yes, what are the concerns and how do you plan on addressing those challenges?

iii) Although this is an interim report, are there any development outcomes or results of your activities to date that you would like to call attention to?

iv) Reminder: In accordance with Paragraph 3.1.1 of the Project Agreement, each project team is required to submit a statement of account showing the use of the funds within three months after the last disbursement. As a part of periodical expenditure review exercise, please provide an annex with un-audited summary of expenses during this reporting period.

IV. Ancillary Achievements

i) Have you or has your organization received any awards/recognitions or media attention as a result of your DM-funded project during this period?

Yes No

If Yes, please specify the sources and identify the names.

Award /Recognition	Media
<input type="checkbox"/> Local: <input type="checkbox"/> National: <input type="checkbox"/> International:	e.g. <input checked="" type="checkbox"/> International: BBC News on Dec. 3-4, 2003 <input type="checkbox"/> Local: <input type="checkbox"/> National: <input checked="" type="checkbox"/> International:

Explain the Award/Recognition or the Media content:

We have been interviewed by individuals from PBS, the Boston Globe, and several other news outlets. To our knowledge, however, only the Boston Globe story has already been published.

Attach web links/news clips, if available:

ii) Has your organization made any new partnerships as a result of this project during this reporting period?

Yes No

If Yes, specify type of the organization from the list below and describe nature of the partnership:

<input type="checkbox"/> Local Government: <input type="checkbox"/> National Government: <input type="checkbox"/> NGO: <input type="checkbox"/> Bilateral Development Agency:	<input type="checkbox"/> Multilateral Development Agency: <input checked="" type="checkbox"/> Private Corporations: <input type="checkbox"/> Other: e.g. <input checked="" type="checkbox"/> Multilateral Development Agency:
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	Development Marketplace of the World Bank (financial partnership and technical assistance)
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iii) Sustainability and scalability after completion of the DM fund are top of the DM Team’s priorities. Has your organization leveraged new funding or secured future funding during this reporting period?

- Yes announcement. No, however several applications are currently pending

If Yes, provide the following information.

Funding Sources: **Names of the Organizations**
Amounts Funded/Committed: US\$ **000,000**

V. Requests to the DM

i) Do you have any comments on the overall process and support provided by the DM Team or Project Liaison?

Our Project Liaison has provided ample support, including the organization of a second stakeholder meeting held in Maseru on July 19, 2007. His connections throughout the government have provided us with the opportunity to speak with individuals of many relevant Ministries and Departments.

ii) If your contact information has changed, please provide us with the new information.

Contact Name:	Amy Mueller
Title:	Treasurer
Organization:	Solar Turbine Group
Primary Email Address:	amym@mit.edu
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Phone:	(not currently reachable by phone)
Fax:	
Address:	49 Center Street, Bridgewater, MA (USA)
Postal Code:	02324

Annex I. Project Expenses for this Reporting Period

Items	Sub-Totals (USD)
1 Personnel	\$33,307.80
2 Materials and Equipment	\$63,399.82
3 Training	\$554.48
4 Travel	\$18,035.30
5 Evaluation/Information Dissemination	\$1,337.86
6 General Administration/Overhead	\$6,345.40
7 Other	\$4,464.95
Total Expenses	\$127,445.61