

World Bank Iraq Trust Fund
Integrated National Energy Strategy Technical Assistance (INESTA) (TF095802/ P111074)
October 2011

Project Summary Sheet

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|--------------------------------------|---|-----------------------|--------------|---------------------|-----------|
| Title | Integrated National Energy Strategy Technical Assistance (INESTA) | | | | |
| Implementing Agency | Prime Minister's Advisory Commission (PMAC) | | | | |
| Location | N/A | | | | |
| Sector code (OECD DAC) | 23010 Energy Policy and administrative management | | | | |
| Compact Priority | 4.5 Energy (Oil, Gas and Electricity) | | | | |
| Project Cost | US\$6.9 million | | | | |
| Duration | 29 months | | | | |
| Approval Date | December 2009 | Effective Date | January 2010 | Closing Date | June 2012 |
| Project Description | <p>The INESTA Project, and resulting Integrated National Energy Strategy (INES), is a response to requests from the GOI, through the Prime Minister's Advisory Commission (PMAC), a part of the Prime Minister's Office (PMO).</p> <p>Development of coordinated policy and strategy in the energy sector is a key part of the country's recovery strategy. The World Bank will provide the funding and independent quality control needed by the GOI to procure the high quality consultants needed to formulate an INES. Use of highly qualified international consultants to develop the INES is necessary to reinforce inadequate capacity in the country, to address the importance and magnitude of the Iraqi energy sector, and to provide the necessary independent and global perspective.</p> | | | | |
| Beneficiaries | The beneficiaries are the GOI (funding), and the Iraqi population in terms of the broader project outcomes and an improved energy sector. | | | | |
| Near Term Employment Creation | N/A | | | | |

Strategic Context and Donor Coordination

The international dimensions of Iraq's energy sector policies are particularly important. Iraq is one of the world's largest holders of low cost oil and gas resources, and it interacts closely with global energy markets, and the world economy.

Project Development Objective

Improve the ability of the GOI to develop an energy strategy that is designed to increase the contribution of the sector to sustainable development

Outputs, Key Activities and Procurement

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| Outputs | <ul style="list-style-type: none"> The production and dissemination of an Integrated National Energy Strategy (INES) incorporating the analysis of the energy sector, assessment of strategic options, and recommendations for key policies and actions to review and implement the proposed strategy. The GOI's adoption and execution of the Implementation Plan produced within the INES. |
| Activities | <ul style="list-style-type: none"> Funding of technical assistance for the development of an integrated energy |

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| | <p>strategy for Iraq's oil, gas and power sectors (the INES)</p> <ul style="list-style-type: none"> Support the PMT in project management, monitoring and evaluation through training, consultant services, including project audit and financing of operating costs |
| Procurement | <p>Consultants' Services and Training: US\$ 4.50 million</p> <p>Incremental Operating Expenses: US\$ 0.25 million</p> <p>Unallocated: US\$ 0.25 million</p> |

Financial Data

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|------------------------------|-----------------|-----------------------|----|
| Funds Committed | US\$6.2 million | % approved | 90 |
| Funds Disbursed | US\$2.8 million | % approved | 41 |
| Forecast Closing Date | June 2012 | Delay (months) | |

Progress against Indicators

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| Development of INES | The PMT's Consultant will soon submit its Final Report for the Project which will present its analysis and recommendations on energy sector strategic directions. The PMAC and World Bank team will review the Consultants final report through January 2012 before the Iraq governments begins an internal review and consultation process on the energy sector strategy. | % of planned | 75 |
| Consultation with energy sector stakeholders | Will commence after completion of the INES, in early 2012. | | |

Qualitative Assessment of Project Performance

Work on a final Integrated National Energy Strategy is moving closer to completion. A final INES report will be reviewed by the PMAC, supported by the World Bank, through January 2012. .

The Government of Iraq (PMAC) has performed strongly in the project and is continuing to ensure broad input and ownership of Government stakeholders in the Integrated National Energy Strategy development. The Government is now preparing for a process of internal review and consultation around the INES final report. The World Bank is continuing to support the Government in maintaining strong ownership of this process.

Major Implementation Obstacles

Formation of a new Iraqi government has not affected implementation progress and strong Government engagement in the Project has continued.