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 PD- AAD-147-B1

CLASSIFICATION  
 PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-447

1. PROJECT TITLE  Karnaphuli Third Unit	2. PROJECT NUMBER  388-0018	3. MISSION/AID/W OFFICE  USAID/Bangladesh
	4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) <u>79-8</u>	
<input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION		

5. KEY PROJECT IMPLEMENTATION DATES	6. ESTIMATED PROJECT FUNDING	7. PERIOD COVERED BY EVALUATION
A. First PRO AG or Equipment FY <u>76</u> B. Final Obligation expected FY <u>79</u> C. Final Input Delivery FY <u>81</u>	A. Total \$ <u>11,100,000</u> B. U.S. \$ <u>9,500,000</u>	From (month/yr.) <u>January, 78</u> To (month/yr.) <u>March, 79</u>
		Date of Evaluation Review <u>3p.</u>

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR		
A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
1. Maintain surveillance over the Power Development Board (PDB) to insure that taka payments are made promptly to the contractor in accordance with the terms of the loan and that the BDG does not unnecessarily hold up items in customs.	RDE	Continuing
2. Supervise both consultant and contractor during the construction period. Maintain close surveillance over construction and consultants' assignment of personnel.	RDE	Continuing

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input checked="" type="checkbox"/> Other (Specify) <u>None</u>
<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	
<input type="checkbox"/> Contract Agreement	<input type="checkbox"/> PIO/P	

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

A.  Continue Project Without Change

B.  Change Project Design and/or  Change Implementation Plans

C.  Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

C. Groceman, Dep. Chief, RDE

P. O'Farrell, RDE; E. Callahan, Chief, RDE

Larry Crandall, Deputy Program Officer

William T. Oliver, Program Officer

Richard L. Podol, Deputy Director

12. Mission/AID/W Office Director Approval

Signature [Signature]

Typed Name Joseph S. Toner

Date 3-20-79

13. SUMMARY: Following the previous evaluation in December, 1977 the project was redesigned and an additional \$7 million was obligated. A copy of that PES is attached for reference. It took approximately one year to negotiate and approve the related Loan Agreement Amendment.

A construction contract has been awarded to Vinnell Corp in the amount of \$4,846,538 U.S. and 14,458,238 Taka. The Notice to Proceed (NTP) was made effective on January 25, 1979, approximately three months behind schedule. Twenty-three months are allowed Vinnell to install the 50 MW unit.

The A/E consulting contract was awarded to Sverdrup and Parcel in the amount of \$1,172,310 and 1,523,000 Taka. These services will be concurrent with construction.

At present the construction contractor is mobilizing.

14. EVALUATION METHODOLOGY: As there has been very little project activity since the last evaluation, this PES is meant only to update the previous one and report on actions taken as a result of that evaluation.

Data for this PES were gathered from the project files and from periodic visits to the site by Paul O'Farrell, Capital Development Officer, and C.H. Groceman, Engineer.

15. EXTERNAL FACTORS: Under the original agreement, the Power Development Board was to be responsible for implementing the project. It proved incapable of doing so, and in accordance with the findings of the first evaluation, the project was redesigned to have a U.S. contractor provide the necessary construction services with a second U.S. contractor as an A/E consultant.

16. INPUTS: The equipment and parts that AID supplied under the original agreement arrived on time but nothing was done to install same. Vinnell, the construction contractor, is mobilizing and should begin work at Karnaphuli in April 1979. At this time five Vinnell personnel are at site involved with the mobilization effort.

17. OUTPUTS: Not pertinent at this time.

18. PURPOSE: To increase power generation in the Eastern Grid of Bangladesh.

No progress can be made toward this purpose until the 50 MW unit is installed.

19. SUB-GOAL: To contribute towards the improvement of electric power availability for both industrial and residential consumers in the Eastern Transmission Grid.

Same as above.

20. BENEFICIARIES: The direct beneficiaries of the project will be the urban and rural consumers of all classes. Beneficiary effects cannot be measured yet.

21. UNPLANNED EFFECTS: None

22. LESSONS LEARNED: The BDG should not be given responsibility for implementing a highly technical project such as this until they have demonstrated effective performance on construction of less technical installations.

Until this project is well organized and construction is proceeding satisfactorily, the Mission should devote considerable time to supervising the project. The Mission should also have available qualified technical personnel for this purpose.

23. ATTACHMENT: FY 78 PES of Karnaphuli project. Four pages.