

**UKRAINE LEGAL AND POLICY SUPPORT
Development of the Financial Recovery Plan (Task B1)
NIS Institutional Based Services Under the Energy
Efficiency and Market Reform Project
Contract No CCN-Q-00-93-00152-00**

**Ukraine Power Sector Reform
Delivery Order No 18**

Final Report

Prepared for

U S Agency for International Development
Bureau for Europe and NIS
Office of Environment, Energy and Urban Development
Energy and Infrastructure Division

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EXECUTIVE SUMMARY

The Scope of Work for this project includes assisting in the development and implementation of the Financial Recovery Plan (FRP) for the Power Sector of Ukraine. Specifically, Task IV B (1) stated

“Advise USAID, the World Bank, and the Financial Recovery Commission (FRC) in the development of the Financial Recovery Plan, Participate in relevant meetings and draft supporting documents, including financial and action indicators of performance for monitoring the implementation of the Plan ”

The purpose of this report is to provide the documents relating to the FRP. Hagler Bailly played a key role in the development of the plan itself and the tools used to monitor progress once the plan was adopted by the Government of Ukraine. This was accomplished by working closely with USAID, other donors, the World Bank, and advisors throughout the sector.

The Plan was approved by the Cabinet of Ministers Resolution #508 on 18 April 1998 (Attachment A). The Plan itself, included as Attachment B, contains 23 Actions which the Government of Ukraine, several of its ministries, energy sector enterprises, and local governments are responsible for executing. It contains deadlines and expected results for each Action.

The Key Financial Indicators and Benchmarks shown in Attachment C are an integral part of the Plan. They were developed to be used in monitoring the financial recovery process and assume that progress will be made on the actions in the Plan leading to gradual recovery of the sector.

To assist the sector in focusing its efforts, an Implementation Action Plan (IAP) was developed by the advisors and approved by Vice Prime Minister Tyhipko on 3 June 1998. The IAP contains the implementation tasks needed to be completed for each Action along with deadlines for each. Responsible agencies are identified along with the advisors assigned to assist those agencies in the tasks.

Hagler Bailly utilizes all the above tools to monitor progress being made on the Plan. A monthly Financial Recovery Plan Action Monitoring Report is prepared and communicated to the World Bank, donors, advisors and the Government of Ukraine.

APPENDIX A
CABINET OF MINISTERS OF
UKRAINE RESOLUTION #508

(Approving the Financial Recovery Plan)

CABINET OF MINISTERS OF UKRAINE

RESOLUTION

18 April 1998 #508

The City of Kyiv

ON APPROVING FINANCIAL RECOVERY PLAN FOR THE POWER SECTOR OF UKRAINE

The Cabinet of Ministers RESOLVES

To approve the Financial Recovery Plan for the Power Sector of Ukraine (see attached hereto)

Responsibility for the organization of implementation of action stipulated by this Plan should be vested in ministries and other central bodies of executive power according to their scope

The Commission created by Instructions of the Cabinet of Ministers of Ukraine of 19 January 1998 #32 shall control implementation of this Plan and report quarterly to the Cabinet of Ministers on the status of its implementation

A Golubchenko
First Vice-Prime Minister
of Ukraine

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APPENDIX B
FINANCIAL RECOVERY PLAN FOR THE
POWER SECTOR OF UKRAINE

APPROVED

by Resolution of the Cabinet of Ministers
of Ukraine
18 April 1998, #508

**FINANCIAL RECOVERY PLAN FOR
THE POWER SECTOR OF UKRAINE**

Actions	Executors	Control	Deadline	Expected Results
Cost Reduction				
1 Require that all noncash financial settlements, including offsets, be executed by, or on behalf of, electricity companies using NBU bank offset mechanism	Electricity Companies	NBU	1 May 1998 onward	Reduce barter costs, saving UAH100-300 million per year, including the effects of action 2
2 For each generation company, apply all financial resources which remain available after payment of wages, repairs and taxes, to cash fuel procurement	Electricity Companies	Minenergo MinFin	15 May 1998 onward	Reduces electricity production cost by UAH100-300 million per year, including the effects of action 1
3 Generation companies conduct all cash purchases of all types of fuel from suppliers based on competition	Electricity Companies	Minenergo	1 June 1998 onward	Reduces electricity cost by lower prices for given thermal content Ultimately save UAH100 million per year

Actions	Executors	Control	Deadline	Expected Results
4 Identify as of 1 January 1998 accounts payable of electricity supply and generation companies and provide for this debt to be rescheduled for payment over 5 years in accordance with the effective law	Electricity Companies Minenergo Creditor Ministries	MinFin	15 May 1998 onward to identify and agree debt amounts	Reduces unscheduled claims against Electricity Companies

1 August
1998 to
reschedule
debt and
record in
financial
statements

Retail Tariffs

5 Transit to market-based retail tariffs according to the Electricity Law and the NERC issued licenses, while providing for a single tariff for the population in the entire territory of Ukraine	Oblenergo and other Regulated Tariff Suppliers	NERC	Start 1 May 1998, continue 1 August 1998, to be completed by the end of 1998, on a schedule to be approved by CoM	Ensures customers pay the cost of electricity generation, transmission and supply to create conditions for a full operation of the wholesale market
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Actions	Executors	Control	Deadline	Expected Results
<p>6 Determine amounts due from all electricity suppliers and generators according to the Wholesale Market Rules Enforce provisions for all payments received by Wholesale Market Members to be distributed according to Market Funds Administration Procedure</p>	NDC	NERC	1 May 1998 onward	Allows all well managed Companies to earn a profit and minimises regulatory intervention in the wholesale market operation
<p>7 Draft and submit for consideration in line with the established procedure law to cancel privileged electricity tariffs based on the occupational principle and to set and enforce consumption limits for all remaining classes of privileged customers</p>	<p>Minenergo NERC MinEcon Ministry of Labor</p>		1 June 1998	Annual saving of UAH 53 million
Strengthening of Payment Discipline				
<p>8 Oblenergos to promptly terminate service to all defaulters except as provided by the Law of Ukraine, and local administrations interfering with this process are to be prosecuted</p>	<p>Oblenergos, MinJus</p>		15 May 1998 onward	Improved payment collections
<p>9 Limit supply of electricity to budget-funded customers to no more than the actual amount provided for in cost estimates for this purpose</p>	Oblenergos	<p>Minenergo MinFin</p>	15 May 1998 onward	Termination of unpaid electricity supply

Financial Recovery Plan

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Actions	Executors	Control	Deadline	Expected Results
10 Transfer the Market Funds Administrator from NDC to a new, NERC-licensed Energomarket Enterprise	Minenergo NERC NDC		1 July 1998	Creation of a reliable and transparent structure for administering UAH10 billion per year of wholesale market funds
11 Formalise and enforce compulsory use of clearing accounts for all oblenergog's receipts specified in the Wholesale Market Funds Administration Procedure	Minenergo MinFin NBU		1 June 1998	Assure collection of funds from RTSS
12 Prepare propositions to the Rada to renew responsibility for non-timely electricity payments by budget organisations and residential customers Collect Arrears	Minenergo		1 June 1998	Improve payment discipline, reduce consumer electricity debt

Actions	Executors	Control	Deadline	Expected Results
13 For defaulted state and local budget-funded institutions and organisations, identify and execute offsets with the electricity supply companies For all defaulted state-controlled enterprises identify and execute offsets with the electricity supply companies using the NBU bank offset mechanism	Electricity Companies Minenergo MinFin Local Administrations	NBU	1 June 1998 for all budget-funded organisation s and institutions 1 November 1998 for all self-sustained state enterprises	Reduce arrears
14 For major nonbudget customers who are receiving electricity service, identify arrears over 3 months and reschedule them as legally enforceable, interest bearing, saleable debt instruments	Oblenergos Minenergo		1 May 1998 for all customers with over UAH 1 million arrears 1 August 1998 for all customers with over UAH 100,000 arrears	Accelerate collection of nonbudget arrears
15 Establish collection departments with litigation staffs at all oblenergos to take vigorous, systematic legal actions in the court against all defaulters	NDC Oblenergos Minenergo		1 June 1998	Collect debts due

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Actions	Executors	Control	Deadline	Expected Results
16 Assure financing to pay budget arrears for electricity and heat within 5 years by means including Treasury promissory note program and promissory notes of local state administrations	MinFin CoM of the Crimea Oblast Administrat ions Kiev and Sevastopol City Administra- tions		1 October 1998	Provides assured cash flow to Electricity Companies against which they can borrow
Privatisation				
17 Transfer to winners of competitions and tenders management of state owned blocks of shares in the Electricity Companies to be privatised, using Section 104 of the State Privatisation Program, providing for the control interest to be held by investors	SPF Minenergo		Within two months after sales of each company's first block of shares	Improve efficiency of management of Electricity Companies and increase the value of state shares of electricity enterprises to be privatised

Actions	Executors	Control	Deadline	Expected Results
<p>18 For all oblenergos, sell by open tenders or competitions against investment commitments on a schedule specified by the State Property Fund and Minenergo, at least 25% of the shares plus one share, providing for a possibility of transferring management of state shares to the winner Provide by the terms of tenders and competitions for an amount not less than the initial selling price to go for companies' development</p> <p>For efficient sale of shares, divide oblenergos into two groups</p>	<p>SPF MinFin Minenergo</p>		<p>First six months of 1999, complete all sales in line with the procedures stipulated by law</p> <p>By 1 January 1999, complete sale of the 1st group of 15 of companies</p>	<p>Implement Privatisation Program to obtain maximum proceeds from sales of state shares and financial recovery of the power sector to the state budget</p>
<p>19 Sell at least 24% of 4 fossil generators against investment commitments by tenders and competitions Provide by the terms of tenders and competitions for an amount not less than 50% of the initial selling price to go for companies' development</p>	<p>SPF Minenergo MinFin</p>		<p>First six months of 1999, complete all sales in line with the procedures stipulated by law</p>	<p>Implement Privatisation Program to obtain maximum proceeds from sales of state shares and financial recovery of the power sector to the state budget</p>

Financial Recovery Plan

18 April 1998 #508

Actions	Executors	Control	Deadline	Expected Results
20 Review the results of items 17-19 of this Plan's implementation and prepare draft electricity company privatisation plan for 1999 for consideration by CoM	FRC		15 November 1998	Improve efficiency of privatisation program implementation
Management				
21 Financial Recovery Commission ("FRC") to control implementation of the Financial Recovery Plan and report quarterly to the CoM on the process of its implementation	FRC		1 May 1998 onward	Improve effectiveness and credibility of the Plan implementation
22 Prepare financial performance indicators of the industry's financial recovery process as is set forth in the Appendix	Minenergo		15th calendar day of each month for the prior month	Provide systematic monitoring of reaching the key financial indicators

Actions	Executors	Control	Deadline	Expected Results
23 Draft appeal to the World Bank to reinstate EMDP loan based on the initial performance of the Financial Recovery Plan, including a request for reallocation of loan proceeds for acquisition of metering and communication technology required to implement hourly tariffs and voluntary demand curtailment	Minenergo MinFin		1 August 1998	\$ 241 million available under the EMDP loan

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APPENDIX C
KEY FINANCIAL INDICATORS
AND BENCHMARKS

KEY FINANCIAL INDICATORS AND BENCHMARKS

	1997			1998								1999						
	Q3	Dec	Q4	Jan	Feb	March	Q1	April	May	June	Q2	July	Aug	Sept	Q3	Q4	Q1	Q2
1 Oblenergo electricity collection rate to transit accounts excl Kievenergo [% of amount billed]																		
1 1 Total	94	108	100	55	84				100	100	100	102	102	102	102	104	106	106
1 2 Cash	10	13	11	8	12				15	16	15	17	18	19	18	22	25	30
2 Energoatom collection rate [% of amount billed]																		
2 1 Total	107	122	90	44	65				100	100	100	102	102	102	102	104	106	106
2 2 Cash	9	8	7	6	6				15	16	15	17	18	19	18	22	25	30
3 Four fossil generators collection rate [% of amount billed]																		
3 1 Total	88	112	88	61	138				100	100	100	102	102	102	102	104	106	106
3 2 Cash	8	9	8	7	6				15	16	16	17	18	19	18	22	25	30
4 Retail tariff adherence [actual tariff as % of market tariff]	84	84	84	84	84	84	84	84	92	92	87	92	100	100	95	100	100	100
5 Fuel Cost 4 Fossil Generators [1997\$/MWh sold]	[28]	[28]	[28]	[28]	[28]	[28]	[28]	[28]	27	27	27	26	26	25	26	24	24	22
6 After tax profit of 4 fossil generators [1997\$/quarter million]	5										10				20	30	50	50
7 Oblenergo debt to Energomarket [1997\$ million]	1,368	1,320	1,320	1,450	1,484						1,290				1,280	1,227	1,120	1,006
8 Oblenergo debt to Energomarket [days annual]		120	120	120	135						118				118	112	102	92
9 Energomarket debt to generators [1997\$ million]	1,321	1,295	1,295	1,438	1,484						1,290				1,288	1,227	1,120	1,006
Information Indicators																		
10 Wholesale Purchase Price (from Fossil Generators) [US cents/kWh]	3 22	3 15	3 18	3 15	3 00													
11 Energoatom Sale Price [US cents/kWh]	2 4	2 4	2 4	2 7	2 7													
12 Hydro Sale Price [US cents/kWh]	0 96	0 96	0 96	0 96	0 96													
13 Wholesale Price (to Suppliers) [US cents/kWh]	2 93	2 93	2 93	3 03	2 89													
14 Average retail tariff (NERC planned) [US ce	3 76	3 76	3 76	3 95	3 95													

Note The payments collection benchmarks for Energoatom are to be finalized following EBRD's Operation Commission review of the proposed Khmelnytsky 2/Rovno 4 nuclear completion project

APPENDIX D
IMPLEMENTATION ACTION PLAN
FOR THE FINANCIAL RECOVERY PLAN

APPROVED BY
Vice Prime Minister
Tyhipko
3 June 1998
#10865/31

IMPLEMENTATION ACTION PLAN
26 May 1998
FOR FINANCIAL RECOVERY PLAN
FOR THE POWER SECTOR OF UKRAINE

Consultants are to both monitor and assist, except where noted.

* means not in consultants current scope of work.

(*) means in current scope, but to be withdrawn absent agency cooperation.

Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
Cost Reduction			

Financial Recovery Plan
Draft - 30 March 1998

Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
<p>1 Require that all noncash financial settlements, including offsets, be executed by, or on behalf of, the Electricity Companies using the NBU bank offset mechanism</p>	<p>Minenergo NERC Electricity Companies (executors) NBU (control) CL PHB (advisors)</p>	<p>1 MFA notifies all Market Members of the new offset procedure*</p> <p>2 Set up and implement MFA procedure to enforce use of NBU offset process*</p> <p>3 Interaction with authorised commercial banks for organisation of practical actions for making offsets after approval of the offset procedure by COM*</p>	<p>1 5 June 1998</p> <p>2 By 5 June 1998</p> <p>3 10 June 1998 on</p>
<p>2 For each generation Company, apply all financial resources which remain available after payment of wages, repairs, and taxes, to cash fuel procurement</p>	<p>Electricity Companies (executors) Minenergo MinFin (control) HB (advisor)</p>	<p>1 Minenergo order to companies to comply (*)</p> <p>2 Develop and implement mechanism for reporting availability and use of company cash through Minenergo or creditors' committee</p>	<p>1 5 June 1998</p> <p>2 1 July 1998 [15 May 1998 on]</p>

Financial Recovery Plan
Draft - 30 March 1998

Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
3 Generation Companies conduct all cash purchases of all types of fuel from suppliers based on competition	Electricity Companies (executors) Minenergo (control) HB (advisor)	1 Identify genco(s) for power coal program [done] 2 Prepare competitive fuel procurement manual and Minenergo orders implementation (*) 3 Conduct initial competitive fuel procurement (*)	1 15 May 1998 2 1 July 1998 3 1 Sep 1998 [1 June 1998 on]
4 Identify as of 1 January 1998 accounts payable of electricity supply and generating companies and provide for this debt to be rescheduled for payment over 5 years in accordance with the effective law	Electricity Companies Minenergo Creditor Ministries (executors) MinFin (control) Eastern (Zakhid monitor) ??? (other genco advisors)	1 Select one genco and assist to reschedule debt to major state- controlled fuel suppliers and record in financial statements* 2 Other gencos follow precedent	1 1 Oct 1998 2 1 Dec 1998 [1 August 1998]
Retail Tariffs			

Financial Recovery Plan
Draft - 30 March 1998

Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
<p>5 Transit to market-based retail tariffs according to the Electricity Law, the NERC issued licenses, while providing for a single tariff for the population in the entire territory of Ukraine</p>	<p>Oblenergo and other Regulated Tariff Suppliers (executors) NERC (control) HB (advisor)</p>	<p>1 NERC issues retail tariff implementation order 2 Market-based retail tariffs become effective with transitional regional cross-subsidies 3 Regional cross-subsidies ended</p>	<p>1 15 May 1998 2 1 June 1998 3 1 January 1998 [1 Jan 1999]</p>
<p>6 Determine amounts due from all electricity suppliers and to all generators according to the Wholesale Market Rules Enforce provisions for all payments received by Wholesale Market Members to be distributed according to Market Funds Administration Procedure</p>	<p>NDC (executor) NERC (control) CL HB (advisors)</p>	<p>1 Develop mechanism for monitoring adherence to the Market Rules and the MFP, based on complains to NERC and on NDC reports to NERC 2 Prepare brief monitoring inception report based on sample days and user interviews</p>	<p>1 1 June 1998 2 1 July 1998 [1 June 1998]</p>
<p>7 Draft and submit for consideration in line with the established procedure to cancel privileged electricity tariffs provided based on the occupational principle and to set and enforce consumption limits for all remaining classes of privileged customers</p>	<p>Minenergo NERC Minecon Ministry of Labour (executors) HB (advisor)</p>	<p>1 Draft circulated to agencies 2 Agencies agree and submit to Rada</p>	<p>1 1 June 1998 2 1 July 1998 [1 June 1998]</p>

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Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
Strengthening of Payment Discipline			
8 Oblenergos to promptly terminate service to all defaulters except as provided by the Law of Ukraine, and local administrations interfering with this process are to be prosecuted	Oblenergo MinJus (executors) HB (advisor)	1 Minenergo (Darchuk) letter to all oblenergos, including reporting requirements and spot investigation arrangements 2 Publish monthly report of all defaulted customers still getting service	1 20 May 1998 2 1 Jul 1998 on [15 May 1998 on]
9 Limit supply of electricity to budget-funded customers to no more than the actual amount provided for in cost estimates for this purpose	Oblenergos (executors) Minenergo MinFin (control) HB (monitor)	1 Assist Minenergo to establish mechanism for monitoring compliance versus budget for 20 largest budget-funded customers*	1 15 June 1998 [15 May 1998 on]
10 Transfer the Market Funds Administrator from NDC to a new, NERC-licensed Energomarket Enterprise	NERC Minenergo NDC (executors) CL (advisor)	1 MFA transfer plan approved by the responsible agencies 2 MFA transfer completed	1 1 July 1998 2 1 Dec 1998 [1 July1998]

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Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
11 Formalise and enforce compulsory use of clearing accounts for all oblenergos' receipts specified in the Wholesale Market Funds Administration Procedure	Minenergo MinFin NBU (executors) CL (advisor)	1 Determine documents required to formalise transit accounts, draft and get approval* 2 Develop and apply mechanisms to assure oblenergo compliance*	1 1 Jun 1998 2 1 Sep 1998 [1 Jun 1998]
12 Prepare propositions to the Rada to renew responsibility for non-timely electricity payments by budget organisations and residential customers	Minenergo (executor) HB (advisor)	1 Draft prepared for discussion with NERC 2 Agencies agree and submit to Rada	1 1 Jun 1998 2 1 Jul 1998 [1 Jun 1998]
Collect Arrears			
13 For all defaulted state and local budget-funded institutions and organisations, identify and execute offsets with the electricity supply companies For all defaulted state-controlled enterprises identify and execute offsets with the electricity supply companies using the NBU bank offset mechanism	Electricity Companies Minenergo MinFin Local Administrations (executors) NBU (control) EWE (advisor)	1 Minenergo (Kadanieva) to identify target customers for offsets 2 Begin offsets with target budget-funded customers 3 Begin NBU offsets with state-controlled enterprises 4 Implement system to impose rescheduling developed and approved by Minenergo	1 30 May 1998 2 1 Jul 1998 3 1 Aug 1998 4 1 Oct 1998 [1 Nov 1998]

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Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
14 For major nonbudget customers who are receiving electricity service, identify arrears over 3 months, and reschedule them as legally enforceable, interest bearing, saleable debt instruments	Oblenergos Minenergo (executors) HB (2-4 LEC advisor) Kantor (Kievobl monitor) EWE (Minenergo advisor)	1 Minenergo to identify target enterprises fir rescheduling 2 Mechanism to impose rescheduling developed by Minenergo 3 Apply to customers over UAH 1 mil 4 Apply to customers over UAH 100k	1 10 June 1998 2 1 Jun 1998 3 1 Aug 1998 [1 Aug 1998] 4 1 Oct 1998 [1 Aug 1998]
15 Establish collection departments with litigation staffs at all oblenergos to take vigorous, systematic legal actions in the court against all defaulters	NDC Oblenergos Minenergo (executors) HB (Lviv advisor) Kantor (Kiev advisor)	1 Minenergo to draft generic order to all oblenergos* 2 Kievoblenergo and Lvivoblenergo set up as examples 3 All oblenergos set up*	1 1 July 1998 2 1 Sep 1998 3 1 Nov 1998 [1 Jun 1998]

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Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
16 Assure financing to pay budget arrears for electricity and heat within 5 years by means including Treasury promissory note program and promissory notes of local state administrations	MinFin CoM of the Crimea Oblast State Administrations Kiev and Sevastopol City State Administrations PHB (monitor)	1 MinFin financing plan developed	1 1 Oct 1998 [1 Oct 1998]
Privatization			
17 Transfer to winners of competitions and tenders management of state owned blocks of shares in the Electricity Companies to be privatised, using Section 104 of the State Privatization Program, providing for the control interest to be held by investors	SPF Minenergo (executors) PW EWE (advisors)	1 SPF and Minenergo develop form management contract and form sale of share and management rights for investor control 2 Include the transfer of a controlling management share in each oblenergo and genco privatisation	1 1 Jul 1998 2 1 Jul 1998 on [Two months after each block sold]

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Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
18 For all oblenergos, sell by open tenders or competitions against investment commitments on a schedule specified by the SPF and Minenergo, at least 25% of the shares plus one share, providing for a possibility of transferring management of state shares to the winner Provide by the terms of tenders and competitions for an amount not less than the initial selling price to go for companies' development For efficient sale of shares divide oblenergos in two groups	SPF MinFin Minenergo (executors) PW (advisor)	1 Complete sale of first group of 15 oblenergos 2 Complete sale of all 27 oblenergos	1 1 Jan 1999 2 1 Jul 1999 [1 Jul 1999]
19 Sell at least 24% of 4 fossil generators against investment commitments by tenders and competitions Provide by the terms of tenders and competitions for an amount not less than 50% of the initial selling price for companies development	SPF Minenergo MinFin (executors) PW (advisor)	1 Hire banker for Donbassenergo 2 Hire banker for Centerenergo 3 Hire bakers for Zakhidenergo 4 Complete sales of all gencos	1 10 June 1998 2 1 Jul 1998 2 1 Oct 1998 4 1 Jul 1999 [1 Jul 1999]

Actions	Responsible Agency/Advisor	Implementation Tasks	Task Deadlines [Action Deadline]
20 Review the results of items 17-19 of this Plan's implementation and prepare draft electricity company privatisation plan for 1999 for consideration by CoM	FRC (executor) PW PHB (advisors)	1 Prepare initial draft 1999 plan 2 Final recommended plan to CoM	1 15 Oct 1998 2 15 Nov 1998 [15 Nov 1998]
Management			
21 Financial Recovery Commission ("FRC") to control implementation of the Financial Recovery Plan and report quarterly to the CoM on the process of its implementation	FRC (executor) PHB (advisor)	1 First quarterly report	1 18 Jul 1998 [1 May 1998 on]
22 Prepare financial performance indicators of the industry's financial recovery process as set forth in the Appendix	Minenergo (executor) EWE (advisor)	1 First monthly report	1 15 May 1998 [15 th of each month]
23 Draft appeal to the World Bank to reinstate EMDP loan based on initial performance of this Financial Recovery Plan, including a request for reallocation of loan proceeds for acquisition of metering and communications technology required to implement hourly tariffs and voluntary demand curtailment	Minenergo MinFin (executors) PHB (advisor)	1 Minenergo prepares draft with evidence of substantial FRP compliance for agency review 2 Letter to World Bank	1 15 Jul 1998 2 1 Aug 1998 [1 Aug 1998]