

**CARIBBEAN DEVELOPMENT BANK**

**LOAN AND PROJECT SUMMARY**

**POWER PROJECT - SURINAME  
(ELECTRICITY SYSTEM UPGRADE AND EXPANSION)**

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## LOAN AND PROJECT SUMMARY

### POWER PROJECT - SURINAME (ELECTRICITY SYSTEM UPGRADE AND EXPANSION)

<b>Financial Terms and Conditions</b>			
<b>Borrower:</b>	Government of Suriname (GOS)	<b>Amortisation Period:</b>	17 years (Ordinary Capital Resources [OCR]) after grace period. 20 years [Special Funds Resources (SFR)] after grace period.
<b>Executing Agency:</b>	N.V. Energie Bedrijven Suriname (EBS)	<b>Grace Period:</b>	5 years (OCR) 5 years (SFR)
		<b>Disbursement Period:</b>	September 1, 2017 to September 30, 2021.
<b>Source</b>	<b>Amount [USD million (mn)]</b>		
<b>OCR - Loan:</b>	58.157	<b>Interest Rate</b>	2.97 percent (%) per annum (p.a.) variable.
<b>SFR - Loan</b>	6.843	<b>Interest Rate</b>	2.5% p.a. fixed
<b>Counterpart:</b>		<b>Commitment Fee: OCR</b>	1% p.a. on the undisbursed balance of the OCR portion, commencing from the 60 <sup>th</sup> day after the date of the Loan Agreement.
<b>EBS</b>	16.532		
<b>GOS</b>	16.793		
<b>Total:</b>	<b>98.325</b>		
<b>Sector Code:</b>	23630  23230	<b>Sector:</b>	Electric Power Transmission and Distribution.  Solar Energy
<b>Risk Management</b>			
Country Rating: Outlook:	This information is withheld in accordance with one or more of the exceptions to disclosure under the Bank's Information Disclosure Policy.		
<b>Lending to Country as at October 31, 2016</b>		<b>(USD mn)</b>	
Undisbursed:		18.3	
Outstanding Loans:		50.4	
Exposure:	This information is withheld in accordance with one or more of the exceptions to disclosure under the Bank's Information Disclosure Policy.		
<b>Office of Risk Management Commentary:</b>			
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<b>Project at a Glance</b>			
<b>Project Outcome/Description:</b>			
The outcome of the Project will be improved reliability, increased capability and operational flexibility of EBS' sub-transmission and distribution network on the Energie Voorziening Paramaribo (EPAR) and the Energie Voorziening Nickerie (ENIC) power systems, in the delivery of quality power supply to customers in an efficient manner. Additionally, the Project will result in the utilisation by EBS of self-owned renewable energy (RE) plants for electricity production.			

Under the Project, sections of the sub-transmission and distribution network on the EPAR and the ENIC power systems will be upgraded and expanded. The Project components include:

1. EPAR Power System Upgrade and Expansion;
2. ENIC Power System Upgrade and Expansion;
3. 2 x 1 megawatts (MW) Solar Photovoltaic (PV) Plants – Nickerie;
4. 1 x 300 kilowatts (kW) Solar PV Plant – Coronie;
5. Land;
6. Engineering Services;
7. Project Management; and
8. Technical Assistance – Dynamic Stability Study; Master Grid Study.

**Alignment to Strategic Focus:**

The Project is consistent with CDB's:

- (a) Strategic Objective of supporting inclusive and sustainable growth and development;
- (b) Corporate Priority of strengthening and /or modernising social and economic infrastructure;
- (c) Cross cutting theme of energy security;
- (d) The Special Development Fund (SDF) 8 core theme of inclusive and sustainable growth; and
- (e) Energy Sector Policy objective of providing adequate affordable, reliable, sustainable and clean energy services.

**Exceptions to CDB policies:**

The contractors for the substation and transmission line turnkey contracts shall be selected under an international competitive bidding process conforming to CDB Guidelines for Procurement (January 2006) and eligibility requirements. However, some of the key plant and equipment for the power system upgrade will need to be provided by specific manufacturers in order to be standardised with that already in use by EBS as well as that being provided under ongoing IDB-financed projects with which some of the components of the Project are interlocked. Therefore, in consideration of the eligibility restrictions under the associated IDB-financed projects, a waiver is sought to extend the eligibility of the source and the origin of such plant and equipment to IDB member countries, which are not CDB member countries.

**CDB/SDF Contribution to Country Outcomes – Key Outputs:**

Social and Economic Infrastructure

- (i) 36.6 kilometres of sub-transmission and distribution lines upgraded;
- (ii) 5 new substations built;
- (iii) 3 existing substations expanded/upgraded; and
- (iv) RE Capacity Addition – 2.3 MW.

**Gender Marker Summary**

<b>Gender Marker</b>	<b>Analysis</b>	<b>Design</b>	<b>Implementation</b>	<b>Monitoring and Evaluation</b>	<b>Score</b>	<b>Code</b>
	0.75	0.5	0.5	0.0	<b>1.75</b>	MM <sup>1</sup>

<sup>1</sup> MM - Marginally Mainstreamed. The project has limited potential to contribute to gender equality.