| **SURINAME****SUPPORT TO THE INSTITUTIONAL AND OPERATIONAL STRENGTHENING OF THE ENERGY SECTOR III** **(SU-L1036)****VERIFICATION MATRIX** |
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| **Objectives** | **Conditions for****Third Programmatic PBL (2016)[[1]](#endnote-1)** | **Means of Verification** | **Responsibility** |
| **I. Macroeconomic Stability** |
| I.1. Maintain a stable general Macroeconomic Framework | 1. Macroeconomic framework is consistent with the objectives of the program and with policy letter
 | Valid Independent Assessment of Macroeconomic Conditions (IAMC) at the time of requesting the disbursement. | IDB - MOF |
| **II. Development of a Sustainable Power Sector Framework**  |
| II.1. Define the regulatory and legal framework to contribute to a more effective power sector with increased efficiency, transparency and accountability. | 1. The Power Sector Policy that establishes the basic principles for a sustainable growth of the energy sector, consistently with its new legal and institutional structure has been approved.
 | Copy of the Presidential Resolution approving the Power Sector Policy. | MNH |
| 1. The proposed draft legislation to regulate the Energy sector is presented to Parliament for its approval.
 | Official letter confirming that the draft legislation to regulate the Energy sector has been presented to Parliament with a copy of the draft legislation attached.  | MNH |
| II.2. Implementation of institutions with a view to having a commercially-based operation and clear social, economic and financial incentives to achieve efficiency. | 1. The proposed draft legislation to create an Energy Sector entity to regulate and manage the energy sector affairs is presented to Parliament for its approval.
 | Official letter confirming that the draft legislation that creates the Energy Authority of Suriname has been presented to Parliament with a copy of the draft legislation attached. | MNH |
| 1. Price setting principles are reflected in the tariff schedule implemented by EBS.
 | 1. Official communication sent from the Council of Ministers to MNH confirming that the tariff adjustment has been approved.
2. Sample electricity bills before and after tariffs have been adjusted.
3. Screenshot from EBS’s website showing monthly publication of adjusted tariffs.
 | EBS and MNH |
| II.3. Update the expansion strategy of the sector to improve supply efficiency. | 1. The new contract model has already been used for the purchase of additional power by EBS.
 | (i) Letter from EBS describing the Memorandum of Understanding (MOU) signed between EBS and Independent Power Producers (IPPs) in which the new PPA model will be used.(ii) Copy of the Memorandum of Understanding (MOU) signed between EBS and Independent Power Producers (IPPs) in which the new PPA model will be used.(iii) Letter from EBS informing the procedure to be followed by EBS in order to sign Power Purchase Agreements (PPA) with Independent Power Producers (IPPs), according to the provisions set forth in the Electricity Law. | EBS |
| 1. Environmental and social sustainability principles are being implemented throughout the project cycle (planning to execution).
 | 1. Copy of letter from EBS’s CEO attaching approved progress reports from EBS’s Environmental Unit which describes how project plans have taken into account environmental and social sustainability assessment principles.
2. Copy of EBS’s Waste Management Plan that confirms that environmental and social sustainability principles are being implemented in the project cycle.
3. Copy of the Environmental Social Assessment (ESA) Report and the Environmental and Social Management Plan (ESMP) describing the mitigation measures to be implemented during the life of the substation construction and rehabilitation projects planned within the EPAR network under SU-L1039.
 | EBS |
| 1. At least one feasibility study for the implementation of Renewable Energy Technologies (RETs) to increase energy access has been completed.
 | 1. Letter from MNH confirming that a feasibility study has been completed for the implementation of RETs to increase energy access.
2. Copy of feasibility study for the implementation of RETs to increase energy access.
 | MNH |

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| **III. Strengthen Sector Corporate Capabilities** |
| III.1. Strengthen utility’s capabilities to operate by contributing to improvements in technical tools and corporate governance, transparency and accountability. | 1. The EBS expansion plan is being executed.
 | 1. A letter from EBS’s CEO reporting on progress regarding the implementation of expansion projects as included in EBS Strategic Business Plan.
2. A Progress Report regarding the implementation of expansion projects, as included in the EBS Strategic Business Plan.
 | EBS |
| 1. Fundamental technical recommendations from corporate assessment are being implemented.
 | 1. Letter from EBS’s CEO describing the progress on the implementation of technical recommendations from corporate assessment.
2. Copy of the Annual Operations Plan 2016 for the Program that supports the implementation of the EBS Investment Plan, and the 2015 semi-annual reports for the Program that supports the improvement of the sustainability of the electricity service, including actions towards the implementation of technical activities.
 | EBS |
| 1. EBS is undertaking an update of its corporate and operational instruments, codes and laws, according to findings from corporate internal assessments.
 | 1. Letter from EBS’s CEO describing the ongoing activities related to the update of corporate instruments, according to findings from corporate internal assessments.
2. Copy of the document *Herpositionering, Herstructurering & Reorganisatie van N.V. Energiebedrijven Suriname* (Repositioning, Restructuring and Reorganization of EBS) addressing recommendations from previous corporate assessment studies.
3. Copy of the Annual Operations Plan 2016 for the Program that supports the implementation of the EBS Investment Plan, which includes actions towards EBS corporate restructuring.
 | EBS |

1. These conditions correspond to the outputs for the Third Programmatic PBP (SU-L1036, Policy Matrix). [↑](#endnote-ref-1)