



Afghanistan: North-South Power Transmission Enhancement Project (formerly Power Distribution Project)

Project Name	North-South Power Transmission Enhancement Project (formerly Power Distribution Project)									
Project Number	46392-001									
Country	Afghanistan									
Project Status	Active									
Project Type / Modality of Assistance	Grant									
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">Grant 0374-AFG: North-South Power Transmission Enhancement</td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 99.00 million</td> </tr> <tr> <td colspan="2">Grant 0375-AFG: North-South Power Transmission Enhancement</td> </tr> <tr> <td>Afghanistan Infrastructure Trust Fund</td> <td>US\$ 117.00 million</td> </tr> </table>		Grant 0374-AFG: North-South Power Transmission Enhancement		concessional ordinary capital resources lending / Asian Development Fund	US\$ 99.00 million	Grant 0375-AFG: North-South Power Transmission Enhancement		Afghanistan Infrastructure Trust Fund	US\$ 117.00 million
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Afghanistan Infrastructure Trust Fund	US\$ 117.00 million									
Strategic Agendas	Inclusive economic growth Regional integration									
Drivers of Change	Partnerships									
Sector / Subsector	Energy - Electricity transmission and distribution									
Gender Equity and Mainstreaming	No gender elements									
Description	<p>The project will construct a 500-kV transmission line about 225 km long across the Hindukush mountain range between the northern town of Dashte Alwan and Kabul, at the southern end. It will include a new 500-kV / 220-kV substation to connect to the grid in Kabul, Afghanistan's capital. The project will add 1,000-1,300 MW to the existing 300 MW of transmission capacity between northern and southern Afghanistan. The new line will transmit electricity produced domestically by hydropower and fossil fuel generation in the country's northern region, as well as accommodate power imports from neighboring Tajikistan, Turkmenistan, and Uzbekistan to supply Afghanistan's domestic needs. The project will complement a second ADB power project under the proposed tranche 5 of ADB's Energy Sector Development Investment Program to build a 500-kV substation to connect to the grid at the northern end of the line in Dashte Alwan.</p> <p>The Project is ranked as the top priority in Afghanistan Power Sector Masterplan (2012-32) as well as in the National Energy Supply Program (NESP) of the Government of Afghanistan.</p>									
Project Rationale and Linkage to Country/Regional Strategy	<p>Afghanistan is a net energy importer. While indigenous renewable energy and fossil fuels resources exist, these need to be developed. By 2032, the power demand in Afghanistan is forecast to reach 3,500 MW and electric consumption to touch 18,400 GWh, and meeting this demand requires development of all viable import and local generation. The project will connect imported power supply sources from the country's northern neighbors to the eastern and southern load centers in Afghanistan.</p> <p>The transmission line and substation to be provided under the project, combined with the substation needed to complete the system to be financed under tranche 5 of the Energy Sector Development Investment Program, will be central to the envisaged regional power trade and Afghanistan's important future role in it as an energy resource corridor connecting Central Asia's electricity systems with its own and those of South Asia.</p>									
Impact	Increased power trade between Afghanistan and its neighbors, and a higher rate of electrification within the country									

Project Outcome

Description of Outcome	Supply of power from the north of Afghanistan to the south and east increased
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Progress Toward Outcome The turnkey contract for transmission line has been awarded in Q2 2016 and the turnkey contract for substation is under financial bid evaluation stage, and expected to be awarded before end Q2 2017. The implementation supervision consultant contract was signed on 06 August 2016 and the consultant was fielded in October 2016 and the work progress is on track. Physical works under the project are 15% complete.

Implementation Progress	
Description of Project Outputs	A 500-kV transmission line from Baghlan to Kabul (Dashte Alwan to Arghundy) commissioned, including a 500-kV/220-kV substation in Arghundy, Kabul
Status of Implementation Progress (Outputs, Activities, and Issues)	500-kV Transmission Line: Both technical and financial bids are evaluated and contract awarded in November 2015 and signed in 07 June 2016. 500-kV Substation: Both technical and financial bids are evaluated and contract award is expected before end Q2 2017. Consulting Package: Both technical and financial bids are evaluated. the contract was signed 07 June 2016 and the contractor was mobilized in October 2016.
Geographical Location	Dashte Alwan

Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The project is classified category B for environment. DABS prepared an initial environmental examination (IIE) report, including an environmental management plan (EMP) in accordance with ADB's Safeguard Policy Statement (2009). The environmental impacts anticipated during the construction are site-specific and temporary and can be mitigated through implementation of the EMP. Potential environmental impacts of the project during operations include fragmentation of the bird habitats and the electrocution or injury of birds through collision and contact with wires in the vicinity of Salang-Kotal bird habitat. The EMP mitigation measures are adequate and include the careful routing of the transmission line to be undertaken during detailed design, which will consider a baseline ornithological survey in the vicinity of Salang-Kotal bird habitat; specially designed poles, conductors, and insulators; and the provision of bird diverters. The draft initial environmental examination report was disclosed on the ADB's website on 23 August 2013. The current security situation along the line route has made it difficult to consult effectively with communities. The public consultations will be conducted and the IIE and EMP updated prior to construction. Implementation of the EMP will be reported through environmental monitoring reports, which will be submitted to ADB semiannually. Environmental specialists of the implementation consultant will provide additional support to the PMO.
Involuntary Resettlement	The project is category B for involuntary resettlement. Based on the preliminary project design, a land acquisition and resettlement plan (LARP) has been prepared in close consultation with 12 affected households. It was disclosed on ADB's website on 22 August 2013, in accordance with ADB's Safeguard Policy Statement. A detailed socioeconomic survey was carried out in May 2013. Once the contractor completes the detailed design, DABS will update the LARP and submit it to ADB for approval. No civil works will start until the LARP is fully implemented by DABS. The transmission line will run mainly through government land along the existing 220-kV transmission line. The substation site is owned by the government. Implementation of the LARP will be monitored semiannually and a report will be submitted to ADB. The report will include the number of affected households that have been paid compensation, the amount paid, and the locations where compensation was completed and structures demolished, if any.
Indigenous Peoples	No impact on indigenous peoples is expected. The project is category C for indigenous peoples. The field social survey found that no ethnic minority, as defined by ADB's Safeguard Policy Statement (2009), will be involved in or affected by the project.

Stakeholder Communication, Participation, and Consultation

During Project Design	The project has limited scope for stakeholder engagement since it involves construction of upstream power sector infrastructure. Information sharing will relate to land acquisition based on the siting of infrastructure. The current security situation along the line route has made it difficult to consult effectively with communities. The public consultations will be conducted and the IIE and EMP updated prior to construction. The project benefits will accrue across the board to the entire population as more people are later connected to networks distributing the additional power which the project transmission system will bring from the north.
During Project Implementation	Information sharing will relate to land acquisition based on the siting of transmission infrastructure. The project benefits will accrue across the board to the entire population as more people are later connected to networks distributing the additional power which the project transmission system will bring from the north.

Business Opportunities

Consulting Services	All consultants will be engaged in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). Consulting firms will be recruited using quality- and cost-based selection under a full technical proposal.
Procurement	Procurement of works and goods to be financed under the project will be undertaken in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). International competitive bidding will be used for the 500-kV transmission line and the 500-kV and 220-kV substation turnkey contract package.

Responsible Staff

Responsible ADB Officer	Aleem, Asad
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Energy Division, CWRD
Executing Agencies	<i>Da Afghanistan Breshna Sherkat (DABS)</i> <i>RAZIQUE.SAMADI@DABS.AF</i> <i>Chaman Houzouri,</i> <i>Kabul,</i> <i>Islamic Republic of Afghanistan</i>

Timetable

Concept Clearance	30 May 2013
Fact Finding	04 Jun 2013 to 11 Jun 2013
MRM	11 Sep 2013
Approval	25 Nov 2013
Last Review Mission	-
Last PDS Update	28 Mar 2017

Grant 0374-AFG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
25 Nov 2013	14 Dec 2013	10 Mar 2014	30 Jun 2017	30 Jun 2019	-

Financing Plan			Grant Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	103.00		Cumulative Contract Awards			
ADB	99.00		25 Nov 2013	6.66	0.00	7%
Counterpart	4.00		Cumulative Disbursements			
Cofinancing	0.00		25 Nov 2013	0.00	0.00	0%

Grant 0375-AFG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
25 Nov 2013	14 Dec 2013	10 Mar 2014	30 Jun 2017	30 Jun 2019	-

Financing Plan			Grant Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	117.00		Cumulative Contract Awards			
ADB	0.00		25 Nov 2013	0.00	117.00	100%

Counterpart	0.00	Cumulative Disbursements			
Cofinancing	117.00	25 Nov 2013	0.00	32.63	28%

Project Page <https://www.adb.org/projects/46392-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=46392-001>

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