

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The major development institutions active in Pakistan's power sector are the Asian Development Bank (ADB), Agence Française de Développement, Islamic Development Bank (IDB), Japan International Cooperation Agency (JICA), Kreditanstalt für Wiederaufbau, United States Agency for International Development (USAID), and the World Bank. ADB provides broad support to the power sector—including power generation, transmission, distribution, renewable energy<sup>1</sup> and energy efficiency—through its five multitrance financing facilities. The on-going financing from these facilities amounts to \$1.7 billion of the \$2.9 billion total facility amount. The World Bank has provided technical and financial assistance, mainly for improvement of distribution and transmission capacity; hydropower and other renewable resources for power generation; energy efficiency, including reduction of commercial losses and improvements in bill collection; intra- and inter-regional power trade; and water resources management.

2. JICA funded the modernization of the Load Dispatch Center at the National Power Control Center by upgrading its data processing system. Their outstanding loan amount is \$290 million. USAID provides strategic grant support (\$187 million) to the sector for capacity development and project financing. In 2010, USAID started to finance the repair and maintenance of government-owned power generation plants. In 2013, the rehabilitation of one oil-fired and three oil and gas dual-fired power generation units in the Jamshoro Thermal Power Station were completed. Since 2008, IDB has lent about \$287 million for the procurement of mechanical equipment for generating energy.

#### Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
ADB (Public Sector)	Power Transmission Enhancement Investment Program T1	2006–2012	236.00
	Renewable Energy Development Sector Investment Program T1	2006–2014	150.00
	Power Distribution Enhancement Investment Program T1	2008–2012	252.00
	Power Transmission Enhancement Program T2	2007–2013	220.00
	Energy Efficiency Investment Program T1	2009–2013	40.00
	Renewable Energy Development Investment Program T2	2010–2013	200.00
	Power Distribution Enhancement Investment Program T2	2010–2015	242.00
	Power Transmission Enhancement Investment Program T3	2011–2016	243.00
ADB (Private Sector)	Power Distribution Enhancement Investment Program T3	2012–2017	245.00
	Karachi Electric Supply – Post Privatization Rehabilitation, Upgrade and Expansion	2007 – 2012	150.00
	New Bong Escape Hydropower Project	2009- 2013	37.30
	Daharki Power Project	2007 – 2011	46.75
	Zorlu Wind Power Project	2010 – 2013	36.80
	UCH II Power Expansion Project	2010 – 2014	100.00
	Star (Partind) Hydropower Project	2011 – 2017	97.00

<sup>1</sup> Six small hydropower projects with total capacity of 40 MW are financed through Renewable Energy Development Sector Investment Program tranche 1. In the private sector, two 50-MW wind power plants and two mid-sized hydropower plants are financed.

<b>Development Partner</b>	<b>Project Name</b>	<b>Duration</b>	<b>Amount (\$ million)</b>
	Foundation Wind Energy Projects	2011 – 2014	66.70
AFD	Rehabilitation of Jabban Hydro Power Plant	2011–2013	34.35
	Jaggran II Hydro Power Project	2012–2017	83.19
	Technical Assistance to Hydro Electric Board	2011–2016	0.43
	Energy Efficiency First Tranche–CFLs	2012–2014	27.00
	Munda Dam Project–First Tranche	2013–2018	13.50
	Harpo Hydropower Project	2013–2018	65.00
	Mangla Hydropower Training Institute	2013–2016	3.25
IDB	Hydropower Projects of Ali Khawar, Khan Khawar, and Dubair Khawar	2008–ongoing	150.20
	Neelum–Jhelum Hydropower Plant Project	2009–ongoing	357.64
	Uch II Power Expansion Project	Ongoing	90.00
	New Bong Escape Hydropower Project	Ongoing	37.30
	Star (Partind) Hydropower Project	Ongoing	60.00
	Fauji Wind Projects	Ongoing	140.00
JICA	Load Dispatch System Upgrade Project	2005–2013	40.50
	Punjab Transmission Lines and Grid Stations Project	2008–2015	126.00
	National Transmission Lines and Grid Stations Strengthening Project	2010–2017	257.17
	Dadu–Khuzdar Transmission System Project	2006–2015	39.00
	Project for Improvement of Training Capacity of Grid System Operation and Maintenance of NTDC	2011–2014	5.00
KfW	Ghazi Road Gas-Insulated Substation	2008–2013	15.41
	Substation Ghakkar 500 kV	2004–ongoing	69.81
	Study and Expert Fund VII (Renewable Energy)	2006–ongoing	6.83
	Study and Expert Fund VI (Feasibility Study for Keyal Khwar Hydropower Project)	1998–ongoing	3.49
	Keyal Khwar Hydropower Project	2008–2013	132.55
	Technical Assistance for Renewable Energies and Energy Efficiency	2009–2011	3.55
	Technical Assistance for Harpo Hydropower Project	2011	.83
	Trappi Hydropower Project	2011–2017	1.16
USAID	Program Support for Energy Generation	2003–2014	3.42
	Pakistan Energy Efficiency and Capacity	2009–ongoing	23.49
	Tarbela Dam Repair and Maintenance	2010–ongoing	16.50
	Guddu Thermal Power Station Repair and Maintenance	2010–ongoing	18.07
	Muzaffargarh Thermal Power Station Repair & Maintenance	2010–ongoing	15.19
	Jamshoro Thermal Power Repair and Maintenance	2010–ongoing	18.36
	Power Distribution Program for DISCOs	2010–2013	60.00
	Satpara Mutipurpose Dam Project	2011–2013	26.00
	Power Generation and Transmission Improvement Program	2012- 2015	6.69
World Bank	Electricity Distribution and Transmission Improvement Project (IBRD)	2008–ongoing	135.41

Development Partner	Project Name	Duration	Amount (\$ million)
	Electricity Distribution and Transmission Improvement Project (IDA)	2008–ongoing	59.20
	Tarbela Fourth Extension Hydropower Project (IBRD)	2012–2018	400.00
	Tarbela Fourth Extension Hydropower Project (IDA)	2012–2018	440.00
	Water Sector Capacity Building and Advisory Services Project	2008–2014	19.15

ADB = Asian Development Bank, AFD = Agence Française de Développement, CFL = compact fluorescent lamp, DISCO = distribution company, IBRD = International Bank for Reconstruction and Development, IDA = International Development Association, IDB = Islamic Development Bank, JICA = Japan International Cooperation Agency, KfW = Kreditanstalt für Wiederaufbau, kV = kilovolt, NTDC = National Transmission and Despatch Company, T = tranche, USAID = United States Agency for International Development.

Source: Asian Development Bank.

## B. Institutional Arrangements and Processes for Development Coordination

3. In 2010 the Friends of Democratic Pakistan Energy Sector Task Force made recommendations for the sustainable recovery of Pakistan's energy sector.<sup>2</sup> In a continuation of the coordination that took place during the development of that report, ADB facilitates the quarterly energy sector donors meeting to coordinate policy dialogue and discuss sector and project issues. ADB and the World Bank have been requested by the International Monetary Fund to provide sector analysis as an input to their periodic review and program formulation.

## C. Achievements and Issues

4. Agence Française de Développement is a partner in the Energy Efficiency Investment Program, with a cofinancing commitment of €100 million. The first tranche experienced delays but all contracts have now been awarded. ADB has also actively sought cofinancing opportunities with other donors, including the Japan International Cooperation Agency and the Islamic Development Bank.

<sup>2</sup> Friends of Democratic Pakistan consists of 26 members. In addition to Pakistan, these are: the ADB, Australia, Canada, People's Republic of China, Denmark, Egypt, France, Germany, Iran, IDB, the European Union, Italy, Japan, the Netherlands, Norway, the Republic of Korea, Saudi Arabia, Spain, Sweden, Turkey, the United Arab Emirates, the United Kingdom, the United States of America, the United Nations, and the World Bank.