

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The major development institutions active in Pakistan are the Asian Development Bank (ADB), Agence Française de Développement (AFD), the European Union, European Investment Bank, Islamic Development Bank (IDB), International Monetary Fund (IMF), Japan International Cooperation Agency (JICA), German development cooperation through KfW, United States Agency for International Development (USAID), and the World Bank. ADB provides broad support to the energy sector—including power generation, transmission, distribution, renewable energy, and energy efficiency—through multitranche financing facilities, and project and program loans. The ongoing financing for the energy sector is \$2.9 billion, which is 43% of the current active ADB portfolio in Pakistan.¹ The World Bank provides technical and financial assistance, mainly for improvement of electricity distribution and transmission capacity; hydropower and other renewable power generation; energy efficiency, reduction of commercial losses and improvements collection and power trade. The IMF provided \$6.6 billion in support to the government during 2013–2016 through its extended fund facility, which included energy sector reforms. JICA funded the modernization of the load dispatch center at the National Power Control Center. German development cooperation KfW invests in small- to medium-scale hydropower plants, power substations, off-grid solutions, and transmission lines. USAID provides strategic grant support (\$187.0 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. Since 2009, Islamic Development Bank has lent about \$1.02 billion for energy projects.

Major Development Partners

Development Partner	Project Name	Duration	Amount (million)
ADB (public sector)	Renewable Energy Development Sector Investment Program T1	2007–2016	\$105.00
	Renewable Energy Development Sector Investment Program Support	2007–2016	\$5.00
	Power Transmission Enhancement Investment Program T1	2006–2013	\$138.75
	Power Transmission Enhancement Investment Program Support	2006–2016	\$10.00
	Power Transmission Enhancement Investment Program T2	2007–2014	\$170.00
	Power Transmission Enhancement Investment Program T3	2011–2016	\$243.00
	Power Transmission Enhancement Investment Program T4	2014–2016	\$248.00
	Power Distribution Enhancement Investment Program T1	2008–2014	\$220.00
	Power Distribution Enhancement Investment Program Support	2008–2018	\$10.00
	Power Distribution Enhancement Investment Program T2	2010–2015	\$172.30
	Power Distribution Enhancement Investment Program T3	2012–2016	\$245.00
	Power Distribution Enhancement Investment Program T4	2013–2017	\$167.20
	Energy Efficiency Investment Program T1	2009–2014	\$30.00
	Energy Efficiency Investment Program Support	2009–2017	\$20.00
	Jamshoro Power Generation Project	2013–2023	\$900.00
	Sustainable Energy Reform Program Subprogram 1	2014–2015	\$400.00
	Sustainable Energy Reform Program Subprogram 2	2015–2016	\$400.00
	Second Power Distribution Enhancement Investment Program Support	2015–2024	\$20.00
	Second Power Distribution Enhancement Investment Program T1	2015–2019	\$380.00
	Second Power Transmission Enhancement Investment Program Support	2016–2026	\$10.00
Second Power Transmission Enhancement Investment Program T1	2016–2020	\$115.00	

¹ ADB Pakistan Country Portfolio Background paper March 2017.

Development Partner	Project Name	Duration	Amount (million)
	Access to Clean energy Investment Program	2017–2021	\$325.00
ADB	New Bong Escape Hydropower	2005–2013	\$37.30
(private sector)	Karachi Electric Supply – Post-Privatization Rehabilitation & Expansion	2007–2012	\$150.00
	Daharki Power Project	2007–2011	\$46.75
	Zorlu Enerji Power Project	2010–2013	\$36.80
	Uch II Power Expansion Project	2010–2014	\$100.00
	Star (Patrind) Hydropower Project	2011–2017	\$97.00
	Foundation Wind Energy Projects	2011–2014	\$66.71
	Gulpur Hydropower Project	2015–2019	\$65.00
	Engro Fast-Track Liquefied Natural Gas Regasification Project	2014–2015	\$30.00
	Triconboston Wind Power Project	2016–2019	\$75.00
AFD	Jaggran II Hydropower Project	2012–2017	\$83.19
	Energy Efficiency First Tranche–CFLs	2012–2014	\$25.00
	Munda Dam Project–First Tranche	2013–2018	\$13.50
	Harpo Hydropower Project	2013–2018	\$65.00
	Mangla Hydropower Training Institute	2013–2016	\$3.25
	Power Transmission Enhancement Investment Program T4	2017–2019	€75.00
EU	Programme for Economic Advancement and Community Empowerment	2013–2016	€40.00
EU/EIB	Keyal Khwar Hydropower Project	2014–2018	\$137.00
Germany	Ghazi Road Gas-Insulated Substation, Punjab	2014–2017	\$15.70
(KfW and GIZ)	PAK Glacier Monitoring Network for KPK and Gilgit-Baltistan	2014–2018	\$8.34
	Hydropower and Renewable Energy Project (decentralized energy KPK)	2013–2017	\$14.00
	128-MW Keyal Khwar Hydropower Project	2008–2018	\$135.00
	Technical Assistance for Renewable Energies and Energy Efficiency	2009–2016	\$12.50
	35-MW Harpo Hydropower Project including Technical Assistance	2014–2018	\$30.00
	Hydropower Development Programme Gilgit-Baltistan and KPK	2011–2017	\$86.80
IDB	Hydropower Projects of Ali Khawar, Khan Khawar, and Dubair Khawar	2008–present	\$150.20
	Neelum–Jhelum Hydropower Plant Project	2009–present	\$357.64
	Uch II Power Expansion Project	Ongoing	\$90.00
	Star (Patrind) Hydropower Project	Ongoing	\$60.00
	Fauji Wind Projects	Ongoing	\$140.00
	Jamshoro Power Generation Project	2014–2019	\$220.00
IMF	Extended Fund Facility	2013–2016	\$6,600.00
JICA	Load Dispatch System Upgrade Project	2005–2014	\$38.39
	Punjab Transmission Lines and Grid Stations Project	2008–2015	\$119.43
	National Transmission Lines and Grid Stations Strengthening Project	2010–2017	\$233.00
	Dadu–Khuzdar Transmission System Project	2006–2015	\$37.02
	Improvement of Training Capacity on Grid System Operation of NTDC	2011–2014	\$3.77
	Sustainable Energy Sector Reform Subprogram 1	2014–2018	\$49.00
	Sustainable Energy Sector Reform Subprogram 2	2015–2016	\$41.32
USAID	Program Support for Energy Generation	2003–2014	\$3.42
	Transmission lines for Wind and Hydro Power Projects	2014–2016	\$7.63
	Pakistan Energy Efficiency and Capacity	2009–present	\$23.49
	Tarbela Dam Repair and Maintenance	2010–2016	\$16.50
	Guddu Thermal Power Station Repair and Maintenance	2010–2015	\$18.07
	Muzaffargarh Thermal Power Station Repair & Maintenance	2010–2015	\$15.19

Development Partner	Project Name	Duration	Amount (million)
	Jamshoro Thermal Power Repair and Maintenance	2010–2013	\$18.36
	Power Distribution Program for DISCOs	2010–2015	\$60.00
	Satpara Mutipurpose Dam Project	2011–2013	\$26.00
	Power Generation and Transmission Improvement Program	2012–2015	\$6.69
	Clean Energy for Pakistan Economy Program	2016–2019	\$70.00
World Bank	Tarbela Fourth Extension Hydropower Project (IBRD)	2012–2018	\$400.00
	Tarbela Fourth Extension Hydropower Project (IDA)	2012–2018	\$440.00
	Natural Gas Efficiency Project (IBRD)	2012–2017	\$100.00
	Natural Gas Efficiency Project (IDA)	2012–2017	\$100.00
	Water Sector Capacity Building and Advisory Services Project (IDA)	2008–2015	\$38.00
	Sustainable Energy Sector Reform Program	2014–2018	\$600.00
	First Power Sector Reform Development Policy Credit	2014–2015	\$600.00
	Dasu Hydropower Stage-1 Project (IDA)	2014–2022	\$588.40
	Second Power Sector Reform Development Policy Credit	2015–2016	\$500.00
	Additional Financing to Tarbela 4th Extension Hydropower Project (IBRD)	2016–2022	\$390.00

ADB = Asian Development Bank, AFD = Agence Française de Développement, CFL = compact fluorescent lamp, DISCO = distribution company, EIB = European Investment Bank, EU = European Union, GIZ = German Society for International Cooperation, IBRD = International Bank for Reconstruction and Development, IDA = International Development Association, IDB = Islamic Development Bank, IMF = International Monetary Fund, JICA = Japan International Cooperation Agency, KPK = Khyber Pakhtunkhwa, MW = megawatt, 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

2. In 2010, the Energy Sector Task Force of Friends of Democratic Pakistan made recommendations for the sustainable recovery of Pakistan's energy sector.² ADB facilitates the quarterly energy sector donors' meeting to coordinate policy dialogue and discuss sector and project issues to continue the coordination that took place during the development of that report. ADB and the World Bank have been requested by the IMF to provide sector analysis as an input to their periodic review and program formulation. ADB has been requested to co-chair the update to the update to the 2010 report with the Ministry of Water and Power.

C. Achievements and Issues

3. ADB's cofinanciers for energy projects in Pakistan include (i) the AFD for the National Compact Fluorescent Lamp Project, (ii) the AFD for Power Transmission Enhancement Investment Program Tranche 4, (iii) the AFD for Access to Clean Energy Investment Program; (iv) IDB for the Jamshoro Power Generation Project, and (v) the World Bank and JICA for the Sustainable Energy Reform Subprograms 1 and 2.

D. Summary and Recommendations

4. ADB has effectively partnered with other development institutions in Pakistan to support the government in achieving its development objectives. ADB will continue working with existing development partners while exploring cofinancing opportunities with other partners.

² Friends of Democratic Pakistan has 26 members. In addition to Pakistan, these are: ADB, Australia, Canada, People's Republic of China, Denmark, Egypt, France, Germany, Iran, Islamic Development Bank, European Union, Italy, Japan, Republic of Korea, Netherlands, Norway, Saudi Arabia, Spain, Sweden, Turkey, United Arab Emirates, United Kingdom, United Nations, United States, and World Bank. Friends of Democratic Pakistan–Energy Sector Task Force. 2010. *Integrated Energy Sector Recovery Report and Plan*. Islamabad.