



Afghanistan: Energy Supply Improvement Investment Program Tranche 4 (Formerly Multitranchise Financing Facility II: Energy Development 2014-2023)

Project Name	Energy Supply Improvement Investment Program Tranche 4 (Formerly Multitranchise Financing Facility II: Energy Development 2014-2023)
Project Number	47282-006
Country	Afghanistan
Project Status	Active
Project Type / Modality of Assistance	Grant
Source of Funding / Amount	Grant 0556-AFG: Energy Supply Improvement Investment Program (Formerly Multitranchise Financing Facility II: Energy Development 2014-2023) Afghanistan Infrastructure Trust Fund US\$ 60.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development
Sector / Subsector	Energy - Electricity transmission and distribution
Gender Equity and Mainstreaming	No gender elements
Description	Technical and capacity constraints in Afghanistan have inhibited electrification rate at 32%, which is among the lowest 5% globally. 20 out of 34 provinces are not connected to grid supply which increases cost of doing business, deteriorates environment, and subdues sustainable development indicators. This constrains growth; creates disparities; and fuels ethnic and regional tensions, insecurity, and discontent. The proposed tranche will extend the national grid into eastern provinces with a population of nearly 2 million, and will allow evacuation of indigenous generation and extension of power interconnection towards Pakistan. The Tranche 4 will construct a 220-kilovolt (kV) transmission line between Kabul and Jalalabad. An additional transformer of 200 MVA (megavolt amperes) will be installed at this substation.
Project Rationale and Linkage to Country/Regional Strategy	The Project will finance extension of the north east power grid to country's eastern load centers, interconnect isolated networks into a unified grid, and underpin power system stability. The transmission line would (i) evacuate power from multiple photovoltaic solar projects (under implementation and planned) in the region, (ii) provide sustainable power to two industrial parks in east, and (iii) enable grid stability by interconnection with transmission lines in adjoining provinces. The transmission line will have capacity to energize additional 300,000 new connections to residential, commercial and industrial consumers.
Impact	Access to sustainable energy supply across Afghanistan improved.
Project Outcome	
Description of Outcome	Power supply to eastern Afghanistan increased
Progress Toward Outcome	Attainable. No issues anticipated at this stage.
Implementation Progress	
Description of Project Outputs	Transmission capacity expanded in eastern Afghanistan Power distribution capacity increased in Nangarhar province
Status of Implementation Progress (Outputs, Activities, and Issues)	The 2 turnkey contracts under the Project (i) Kabul to Jalalabad 220-kV double circuit transmission line and (ii) 200 MVA 220/110/20-kV substation in Jalalabad, are under procurement. Contracts are expected to be awarded in Q2 2019 and thereafter it will take 3 years to commission the Project. Both outputs will be achieved upon project completion.
Geographical Location	Jalalabad, Kabul

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	The Project will be CAT B under ADB's Safeguards Policy Statement 2009. The Initial Environmental Report is under preparation by the project preparatory consultants. Report will be disclosed after necessary public consultation in Q3 2017.
Involuntary Resettlement	The Project will be CAT B under ADB's Safeguards Policy Statement 2009. The Land Acquisition and Resettlement Plan is under preparation by the project preparatory consultants. Report will be disclosed after necessary public consultation in Q3 2017.
Indigenous Peoples	The Project will be CAT C with no impact on Indigenous Peoples envisaged. No reports will be prepared.

Stakeholder Communication, Participation, and Consultation	
During Project Design	Will be undertaken after Q2 2019
During Project Implementation	Will be undertaken during physical construction expected in 2019 - 2021.
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 Chaman Houzouri, Kabul, Islamic Republic of Afghanistan</i>

Timetable	
Concept Clearance	-
Fact Finding	-
MRM	02 Nov 2017
Approval	07 Dec 2017
Last Review Mission	-
Last PDS Update	26 Sep 2018

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
07 Dec 2017	25 Jul 2018	22 Aug 2018	31 May 2022	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	65.00	Cumulative Contract Awards			
ADB	0.00	07 Dec 2017	0.00	0.00	0%
Counterpart	5.00	Cumulative Disbursements			
Cofinancing	60.00	07 Dec 2017	0.00	0.00	0%

Project Page	https://www.adb.org/projects/47282-006/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=47282-006

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