



Afghanistan: Energy Sector Development Investment Program - Tranche 5

Project Name	Energy Sector Development Investment Program - Tranche 5
Project Number	42094-075
Country	Afghanistan
Project Status	Active
Project Type / Modality of Assistance	Grant
Source of Funding / Amount	Grant 0377-AFG: Energy Sector Development Investment Program - Tranche 5 concessional ordinary capital resources lending / Asian Development Fund US\$ 49.10 million
Strategic Agendas	Inclusive economic growth Regional integration
Drivers of Change	
Sector / Subsector	Energy - Electricity transmission and distribution
Gender Equity and Mainstreaming	No gender elements
Description	The project consists of construction and commissioning of a 500-kV/220-kV substation at Dashte Alwan (near Pul-e-Khumri in Baghlan province in northern Afghanistan) to connect to a 500-kV transmission line traversing the Hindukush mountains via the Salang Pass route. The project will augment the existing 300-MW transmission capacity between northern and southern Afghanistan by an additional 1,000 MW, to initially allow indigenous generation, as well as power import from Tajikistan, Turkmenistan, and Uzbekistan to supply Afghanistan's domestic needs.
Project Rationale and Linkage to Country/Regional Strategy	The project is related to another ADB-assisted power project, the North-South Power Transmission Enhancement Project, which will construct a (i) 225-km 500-kV transmission line from north to south Afghanistan, and (ii) 500-kV substation at the southern end of this 500-kV line in south west Kabul. The project is identified in Afghanistan power master plan (2012-32) and in the Afghanistan National Energy Supply Program as the link most needed to meet the country's future power needs.
Impact	Better and cost-effective power supply to all customers

Project Outcome

Description of Outcome	Sustainable power supply in northern, eastern and southern Afghanistan
Progress Toward Outcome	The EPC contract has been awarded in December 2015. The mobilization advance was only approved by the National Procurement Commission of the Government of Afghanistan in early May 2016 and mobilization advance was disburse on 21 June 2016. Contractor has been fielded in August 2016 and the design work is in progress is on track. Construction activities will begin from April 2017.

Implementation Progress

Description of Project Outputs	Commissioning of a 500-kV substation at Dashte Alwan
Status of Implementation Progress (Outputs, Activities, and Issues)	Target is achievable in the requisite timeframe.
Geographical Location	Dashte Alwan

Safeguard Categories

Environment	B
Involuntary Resettlement	B

Summary of Environmental and Social Aspects

Environmental Aspects	Environmental categorization of the project is B in accordance with ADB's Safeguard Policy Statement (SPS 2009). An IEE was prepared and disclosed on ADB's website on 22 August 2013 in accordance with SPS. The draft LARP was disclosed on the ADB website on 22 August 2013. The IEE and environment monitoring plan will be updated prior to construction activity. The substation site has low environmental sensitivities with no significant environmental impacts expected during construction and operation phases. The environmental management plan has been prepared as part of the IEE to ensure that adequate resources are allocated to handle the environmental impacts. PMO staff is involved in similar projects financed by ADB and they have sufficient capacity to manage the environmental safeguards. Environmental specialists of the implementation consultants will also provide support to the PMO. Once the construction activities begin, the Environmental management Plan will be updated and posted on ADB's website bi-annually.
Involuntary Resettlement	The project is category B for involuntary resettlement safeguard. A LARP has been prepared based on project design, in close consultation with affected farming community, and disclosed on ADB's website on 22 August 2013. A socioeconomic survey was carried out in June 2013. DABS will update the LARP after finalizing the detailed design and submit it to ADB for approval before physical works can begin. The contractor preparing the design to order the equipment. Construction activities will begin from April 2017.
Indigenous Peoples	The project is categorized C for indigenous peoples safeguard. The field social survey found no ethnic minority, as described in SPS 2009, involved 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 the siting of infrastructure in relation to land acquisition.
During Project Implementation	Consultations with all stakeholders will be undertaken during implementation and construction works. A process and modality for such consultative process of dialogue is already institutionalized under the earlier 4 tranches of MFF. The land acquisition and resettlement plans and environment management plans will be updated in requisite intervals.

Business Opportunities

Consulting Services	The PMO established in DABS under previous tranches will be responsible for project implementation. An implementation consultant will be recruited to assist the PMO. Consultants will be engaged in accordance with the Guidelines on the Use of Consultants by ADB and Its Borrowers (2013, as amended from time to time). Implementation consultant will be recruited using the quality- and cost-based selection method. Least-cost selection will be used for auditing services.
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 turnkey contract 500-kV substations 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	-
Fact Finding	-
MRM	11 Sep 2013
Approval	04 Dec 2013
Last Review Mission	-
Last PDS Update	28 Mar 2017

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
04 Dec 2013	14 Dec 2013	10 Mar 2014	30 Jun 2017	28 Nov 2018	-

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	53.00	Cumulative Contract Awards			
ADB	49.10	04 Dec 2013	49.10	0.00	100%
Counterpart	3.90	Cumulative Disbursements			
Cofinancing	0.00	04 Dec 2013	11.47	0.00	23%

Project Page <https://www.adb.org/projects/42094-075/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=42094-075>

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