



U.S. TRADE AND DEVELOPMENT AGENCY

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MEDIA INQUIRIES:

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USTDA GRANTS PROMOTE RENEWABLE ENERGY IN PAKISTAN

USTDA to Award Grants Totaling \$1.4 Million in Pakistan's Power Sector



AEDB Chairman Air Marshal (Retd) Shahid Hamid (seated left), U.S. Ambassador to Pakistan Anne W. Patterson (seated center), and NEPRA Chairman Lt. Gen. (Retd) Saeed uz Zafar (H.I) M. (seated right) prior to the award of two USTDA grants promoting the development of the renewable energy sector in Pakistan.

ISLAMABAD, PAKISTAN – (August 27, 2007) Today, USTDA signed two of three grants with Pakistan, totaling over \$1.4 million, that the agency has approved in direct support of President George W. Bush's commitment to Pakistan's economic development under the U.S.-Pakistan Strategic Dialogue. The grants, which were awarded to Pakistan's National Electric Power Regulatory Authority (NEPRA) and the Alternative Energy Development Board (AEDB), will assist in developing Pakistan's renewable energy sector, meeting its growing demand for power, and enhancing its energy security.

The grants were conferred during a signing ceremony held at the Serena Hotel in Islamabad. Ambassador Patterson signed both grant agreements on behalf of the U.S. Government. NEPRA Chairman, Lt. Gen. (Retd) Saeed uz Zafar (H.I) M. and AEDB Chairman Air Marshal (Retd) Shahid Hamid signed the respective grant agreements for their agencies on behalf of the Government of Pakistan.

At present, Pakistan's installed power generating capacity is about 19,000 megawatts (MW), which is insufficient to meet demand. In response to the nation's need for new electric power supplies, Pakistan is seeking to utilize indigenous renewable energy sources over more costly power generation based on imported gas, coal and fuel oil. In 2006, the Government of Pakistan announced an energy policy that set a goal of increasing the share of power generated from non-hydro renewable energy sources from less than one percent to ten percent by 2015.

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To further this objective, USTDA awarded a \$263,000 grant to NEPRA to fund a review of renewable energy projects and the development of tariff-setting procedures. The USTDA-funded assistance will also include recommended changes to the legal framework affecting the renewable energy sector.

Under a separate \$325,000 grant to the AEDB, USTDA is funding the development of detailed cost/implementation schedule estimates and tender documents for a proposed 5-10 MW waste-to-energy power plant near Karachi. The study will also examine municipal solid waste disposal options, provide an assessment of the environmental and developmental impact of the proposed plant, and review legal, regulatory, financing, and institutional aspects of the project.

Today's grants support the renewable energy priorities identified through the U.S.-Pakistan Strategic Dialogue, which was launched by President George W. Bush and President Pervez Musharraf during President Bush's visit to Pakistan in March 2006. In addition to the grants awarded today, USTDA has approved [funding for a study on the development of a 150 MW coal-fired power plant](#) as well as a secure supply of coal for the power plant from the Lakhra coalfields in Pakistan.

The opportunities to provide assistance to NEPRA and the AEDB under the grants awarded today will be competed on the Federal Business Opportunities website at www.fbo.gov. Interested U.S. firms should submit proposals following the instructions in the Federal Business Opportunities announcements. NEPRA and the AEDB will each select a U.S. firm to provide the USTDA-funded assistance associated with their respective grant.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.