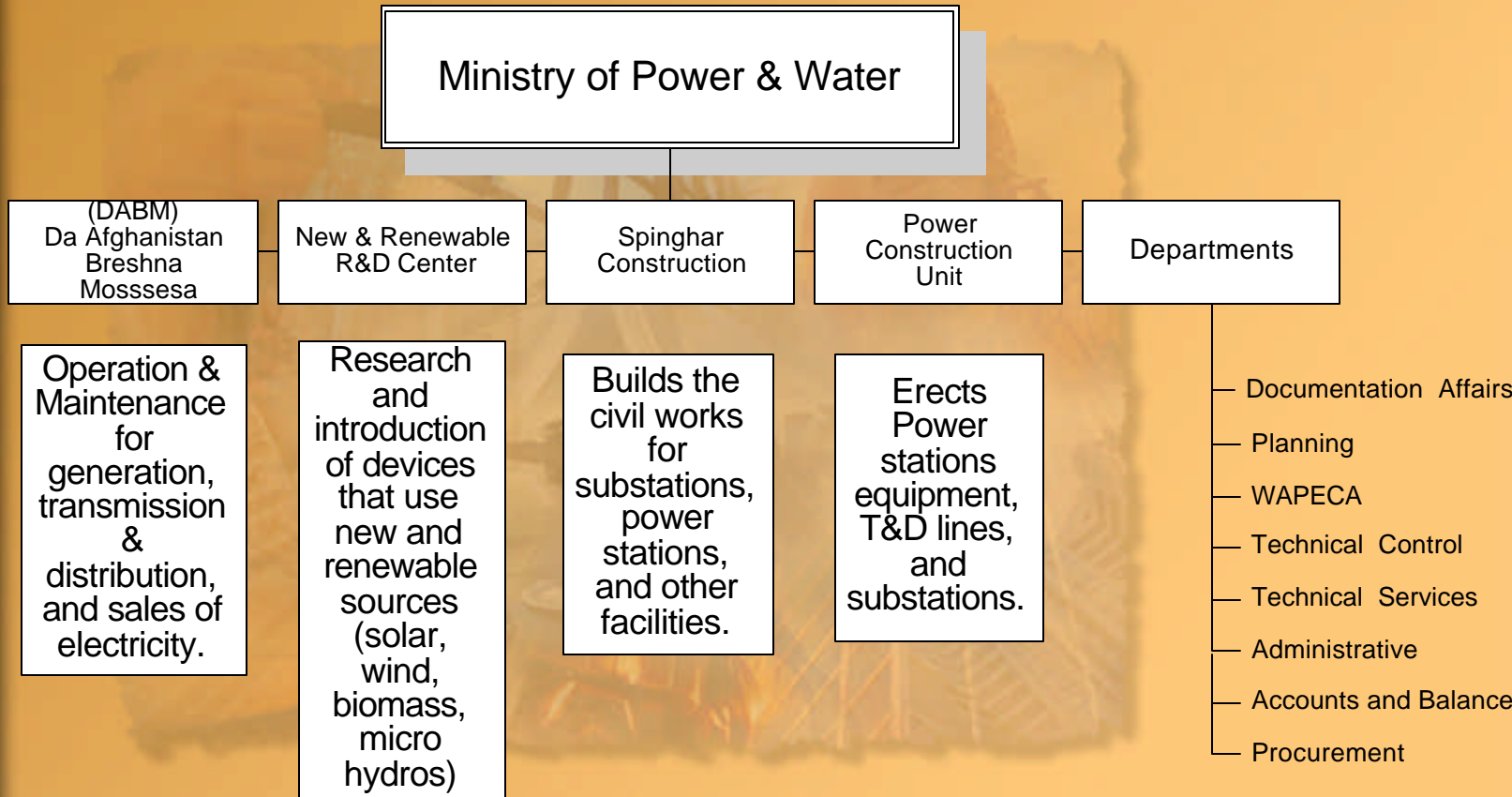


Ministry of Water & Power Enterprises and Departments

Ministry of Power & Water



Sector Policy

Electricity is the backbone to any economic recovery.

TODAY



TOMORROW (2010)

Existing Sector

- Unavailable and Unreliable Service.
- Heavily subsidized by Government and donors.
- Inadequate budget.

Enabling tools

- Restructuring
- Unbundling
- Regulatory Framework
- Commercialization
- Privatization

New Sector

- Autonomous, financially viable.
- Reliable Service.
- Low Cost Service.
- Available to all Afghan citizens.
- Environmentally responsible.
- Sound Business Practice.
- Promotes private sector involvement.



Priority Power Generation Projects

Potential Projects

The Water and Power Ministry has created a master list of 58 power sector projects to bring power to the Afghan people, valued at over \$400 million. Not all of these projects have identified financing yet.

The presentation below will cover the World Bank funded Secondary Cities Emergency Power Project.

The other project opportunities will be discussed during one-on-one meetings later in the conference.



Priority Power Generation Projects

Project Outline

Afghanistan's power grid has been severely damaged by years of war, and only about 6% of its population currently has access to electricity.

The objective of the priority power generation projects, as identified by the Ministry of Water and Power, is to restore and modernize the electricity wholesale and retail distribution system in Afghanistan.



Secondary Cities Emergency Power Project

Project Outline

The World Bank funded Secondary Cities Emergency Power Project is designed to improve infrastructure facilities and delivery and lay the foundations for sector reforms and institution building.

In addition to the creation of suitable legal and regulatory frameworks, capacity building efforts supported by the project would help to create absorptive capacity for handling donor assistance.



Secondary Cities Emergency Power Project

Technical Description

The proposed grant will finance the most urgent reconstruction and technical assistance requirements in the urban infrastructure and energy sub-sectors.

The Power component of the proposed project would consist of the following five parts:

Transmission and Distribution Materials (US\$6.5 million equivalent)

Essential Tools and Equipment (US\$1.5 million equivalent)

Hydropower Station Repairs (US\$2.5 million equivalent)

Recommissioning of NW Kabul Gas Turbine Plant (US\$3.7 million equivalent)

Engineering Support (US\$0.8 million equivalent)



Secondary Cities Emergency Power Project

Project Site

The project sites are various secondary cities in Afghanistan in dire need of power.

Project Status/Timeline

Ten procurement contracts totaling \$ 8,617,000 have been awarded. An additional \$7 Million remains for procurement.



Secondary Cities Emergency Power Project

Equipment & Services

Although some procurement has already taken place, the following equipment and services are still required:

- Gas turbines
- Transmission and distribution materials for the implementation of repairs in some secondary cities, and the replacement of insulators and conductor on transmission lines
- Strategic spare parts and consumables, and their installation for hydropower stations
- Technical and engineering assistance for design works



Secondary Cities Emergency Power Project

Project Financing

The total estimated project cost is \$15 million.

Contracts will be financed through the World Bank. They will be subject to the World Bank's procurement policies and rules, and will be open to firms from any World Bank country.

