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CONSTRUCTION BEGINS ON KUNDUZ TO TALUQAN TRANSMISSION LINE

TAKHAR, AFGHANISTAN (25 September 2012) – A ceremony to mark the start of construction on an Asian Development Bank (ADB)-funded power transmission line linking the northern Afghanistan cities of Kunduz and Taluqan has taken place at Taluqan in Takhar province.

"Improvements to Afghanistan's power infrastructure are critical in order to bring electricity to homes and to stimulate business activity in this region," said ADB Country Director for Afghanistan Joji Tokeshi. "Power plays a key role in enabling development and reducing poverty, but there's still much work to be done in this region."

The \$27.8-million transmission line is one part of the <u>Energy Sector Development Investment Program</u> approved by the ADB in December 2008. The Investment Program, financed through a multitranche finance facility worth \$570 million, is building and rehabilitating power and energy facilities, as well as supporting capacity building in the Afghan power utility sector.

The project, expected to take 18 months to complete, will extend the existing 157-km power transmission line from Tajikistan to Kunduz. The line was also funded by ADB and has been operational since October 2011.

Other projects due to be financed under the program include a 220-kV transmission line from Kunduz to Taloqan, constructing small hydropower plants in Badakhshan and Bamyan provinces, and rehabilitating gas fields in Sheberghan. The proposed line from Kunduz to Taloqan will bring power to an estimated 40,000 Afghans.

The groundbreaking event was attended by Officials from ADB Afghanistan, H.E. Omar Zakhilwal, Minister of Finance, H.E. Arghandiwal, Minister of Economy, Mr. Abdul Razique Samadi, Chief Executive Officer of Da Afghanistan Breshna Sherkat (DABS), responsible for the construction, and Mr. Subrahmanyam Bonala, Country Manager of the lead contractor, KEC International.

ADB is the largest development partner in the energy sector in Afghanistan and has, committed close to \$700 million in loans, grants and technical assistance since 2002 to rehabilitate and rebuild power supplies across the country.

Since 2002, ADB has approved more than \$2.8 billion in grants, loans, equity investments, and technical assistance for Afghanistan, primarily focused on infrastructure – the backbone of economic and social development – in the transport, energy and water and irrigation sectors. ADB committed to staying engaged in Afghanistan's development efforts after 2014.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration.

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Established in 1966, it is owned by 67 members – 48 from the region. In 2011, ADB approvals including cofinancing totaled \$21.7 billion.

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