Twitter Thread by Mohsin Amin





THREAD

I received numerous questions regarding my yesterday's post. Why regional transmission projects are always given priority over the development of indigenous generation, knowing that Afghanistan will remain dependent on imported power? What went wrong?

I have already described the disadvantages of relying on imported electricity in this thread.

The legitimate question we all have is, why did the Afghan government and international donors opt for bringing electricity from the neighboring countries? https://t.co/VD5RXUC1WE

THREAD

The electricity-exporting countries Uzbekistan, Tajikistan, Turkmenistan and Iran mostly sell their surplus electricity to Afghanistan. When they no longer have a surplus, they stop supplying.

— Mohsin Amin (@MohsinAmin_) July 27, 2020

The answer is not easy and includes a mix of bureaucratic, social, economic and political considerations. Since 2002, energy sector planning efforts have been undertaken by a number of international development partners.

This has allowed for significant levels of investment and expertise to be placed in the service of Afghanistan's power sector. At the same time, the role of the Afghan government has often been marginal, as a plethora of donors have pursued their own agendas and projects.

As a result, this has led to a lack of coordination, off-budget project financing, insufficient planning and prioritization of projects, and a process that has lent itself to wasteful spending and unmet goals.

The larger issue, however, with regard to international partners' role in Afghanistan's energy sector is the lack of a unified and agreed-upon development agenda. As each donor has tended to pursue its own mission and development mandate,

the focus has been on narrowly defined goals, as opposed to the Afghan government's development goals, plans and priorities. One could argue that the Afghan gov did not have a clear agenda for its development & reconstruction, and hence, donors had their own plans.

This was true for a period of time. From 2002 to 2007, Afghanistan did not have a realistic plan for the energy sector to present to international partners for implementation. The country was undergoing a break from war and conflict. However, Afghanistan did have a plan by 2008.

The problems arising from a lack of coordination were supposed to be addressed in the Afghanistan National Development Strategy (ANDS) which was established and endorsed by key stakeholders in 2008. The development of ANDS, however, did not substantially change things.

One instance of how donors devised plans and spent money contrary to ANDS, is the construction of Tarakhil 105 MW diesel power plant by <u>@USAIDAfghan</u> in Kabul, which I explained in this thread ■. <u>https://t.co/Ob0huukMEp</u>

THREAD

A shocking story of a power generation project and overlooking the utilization of indigenous resources in Afghanistan. The Tarakhil 105 MW diesel power plant in Kabul. This is 1 instance of how donors devised plans and spent money contrary to ANDS in 2008.

— Mohsin Amin (@MohsinAmin_) July 30, 2020

In 2004, the Afghan government and international donors decided to go for a fast-track solution to immediately bring power to major cities, especially the capital, Kabul. At that time, they thought import power from neighboring countries is the only quick solution.

Donors and the Afghan government were aware that constructing hydropower plants take at least six to eight years, and perhaps more, with the uncertain security situation in many of the prospective sites and requires up front huge budgets.

Dam and reservoir construction often requires the resettlement of local populations, previous examples have shown how poorly Afghan authorities have handled compensations and the distribution of alternative land for house building and agriculture.

Water sharing agreements with neighbors remains an additional major bottleneck, given disputes over dividing the water flow of major rivers. Donors refrained from engaging in resolving transboundary waters, thus eliminated the development hydropower plants from their plans.

Also, there is the issue of regional planning mandate of donors. Multilateral Development Banks active in the region (@WorldBank, <u>@ADB_HQ</u>) are interested in regional interconnection projects because they have regional funds they can use to finance such projects.

The challenges posed by having multiple funders, off-budget projects, and sizable carryover balances in the national budget are both cause and consequence of ineffective planning among domestic agencies and international organizations.

Moreover, the large role played by @mediaoffice_mof and international funders places them in a decision making role, while other entities such as MEW, MoMP, DABS act largely as executing agencies.

This creates a gap in the institutional and policy framework in the energy sector, while undermining existing strategies found in ANDS, and plans such as the Power Sector Master Plan.

These strategies and plans end up underutilized while funding decisions are often made by one or two actors without following a specified framework.