

NEWS RELEASE



Engconsult Ltd.

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Engconsult wins Asian Development Bank (ADB) project in Afghanistan January 12, 2006

Engconsult Ltd., Canada and ECL Consultants Ltd., Bangladesh signed a US\$710,000 technical assistance (TA) project contract with Asian Development Bank on January 12, 2006 for *Small to Medium Sized Hydropower development Project* in Afghanistan.

The objective of the TA is to assist Ministry of Energy and Water (MEW) in undertaking feasibility studies on a cross section of small to medium-sized hydropower plants and prepare the analytical work required. The TA will have three main components: (i) preparation of a sector analysis; (ii) undertaking and ranking of prefeasibility and feasibility studies of selected subprojects; and (iii) diagnostic assessment and development of an institutional strengthening and capacity development plan for MEW and other relevant agencies. The TA will be implemented over 6 months, with 20.5 person-months international input and 25 person-months domestic input.

Engconsult is responsible for:

- Undertake a sector review assessment to address issues such as the power shortage in rural and off-grid areas, demand assessment for power in potential subproject areas, marginal cost pricing, tariff and cost recovery, willingness to pay, affordability, subsidization of consumption, regulation, conflict in uses.
- Prepare a policy brief or matrix to address these issues in off-grid and rural areas, including an assessment of the institutional capabilities for implementing the required policy changes.
- Review all possible project proposals and carry out prefeasibility studies; and prepare other relevant documents to define the scope of five small to medium sized hydropower plants including generation, transmission, and distribution as required for financing under an ensuing loan.
- Undertake technical and engineering assessments of a minimum of three hydropower plants, including geology, geotechnical aspects, civil works, hydrology, and electrical engineering.
- Carry out an initial environmental assessment and environmental impact assessment to ensure that the environmental assessment complies with ADB's guidelines; suggest environmental mitigation measures if necessary; and prepare environmental assessment summaries.
- Undertake financial and economic analyses of selected subprojects and the ensuing overall loan project according to ADB policies and guidelines, and other requirements.
- Prepare a social and poverty reduction impact assessment, resettlement plans, and indigenous people's plans, if warranted, in accordance with ADB's guidelines and prepare draft final report, final report, and all other required reports incorporating comments from the Government, ADB, and other stakeholders as necessary.