



Project Information Sheet Rural Electric Association Development Project

Rehabilitation and development through commercialization of the rural electric system

Implementing Partner	AEAI
Project Start Date	April 10, 2005
Anticipated Finish Date	Open

Objective

The Electricity Sector Policy adopted in 2003 by the Ministry of Energy and Water promotes the commercialization of the electric system to help speed rehabilitation and encourage entrepreneurship. The Rural Electric Association Development (REA) project provides the institutional framework to deliver electricity supply through a community effort that focuses on reliable service and community growth and development.

The Government of Afghanistan (GOA) recognizes the need to provide essential services throughout the country. The rationale of REA is to establish a mechanism to address rural electrification in Afghanistan. This project provides a crucial first step in bringing critical services to rural Afghan communities. It offers a comprehensive, decentralized approach to rural electricity by means of a model that will engage communities, increase efficient electricity supply awareness and promote local democracy building.

Project Description:

After more than 25 years of armed hostilities, the electric infrastructure in Afghanistan has been virtually destroyed. Along with the destruction of the infrastructure, the technical capacity to build, operate and maintain electricity supply was severely diminished. Today, only about 15% of the population has access to electricity. In major centers such as Kabul and Kandahar electric distribution is spotty and unreliable. In rural towns electric service is virtually non-existent.

Da Afghanistan Brishna Moasisa (DABM), the national utility, was tasked with providing electric services to the rural areas. However, the comparative magnitudes of need have required DABM to focus on urban areas first, Rural communities remain isolated with little, if any, electricity supply, and few resources to remedy the situation.



Old Russian Generator providing power to Aybak



Main electric feeder pole – serves all of Aybak

The REA Project was initiated to recommend a comprehensive rural electrification approach that avoids many of the deficiencies encountered when providing access to electricity, including the social ambivalence common to governmental electricity supplies and the singular profits/rate of return focus of unregulated private electric supply. The project goal is to define, demonstrate and refine a sustainable organizational model to accomplish a rural electrification approach that promotes democracy, engages communities, and maximizes provision of services.

The Afghan culture is fundamentally community oriented. The strategy for developing the REAs builds upon this orientation by offering electric energy development managed by the community.



Specific tasks are:

- Design an effective program outline for use in rural towns that employs the concepts of local cooperative ownership
- Map a strategy to implement the approach
- Identify key and required resources
- Diagram a plan of action
- Implement a REA model in selected communities
- Evaluate and refine the model for replication
- Provide essential advisory services and technical assistance needed to launch the pilot REAs

The REA development project is furnishing the basic essentials necessary to establish the rural electrification program in Aybak. The emergent REAs will require continued support, advisory services and detailed technical assistance to master the complexities of electricity supply. Continued assistance will be required to entrench the cooperative principals in the REA and in the community.

Project Status and Impact

The REA Development Project is implementing a number of tasks to accomplish the project goals:

- Introduce the basic REA model in Aybak, Tirin Kot and Qalat
- Establish the business entity, basic management and operational functions
- Develop a baseline strategic plan
- Identify an interim Board of Directors
- Schedule regular monthly and annual meetings, and formal election procedures
- Evaluate metering systems, practices and procedures
- Identify line-loss, and improve revenues
- Identify needs and initiate training of staff and directors
- Implement a standardized

monthly billing and collection practice and theft and diversion enforcement

- Introduce economic development and productive uses of electricity

Project Accomplishments

Most project activities remain in-progress, however, the basic concept and strategy layout of the REA has been created. A comprehensive rural electrification approach has been recommended. A general structure is shown in the diagram below.

Further, a sustainable organizational model has been designed, demonstrated and refined, blending community control with utility operations and maintenance. In Aybak, for example, the Board of Directors has been established; and training was provided by USAID/SARI/E for: governance, management, finance and accounting. Initial system technical training has also been provided.

Establishing a functional cooperative at the three pilot sites will require the efforts of a number of specialists and experts. The continuation of the REA project will allow additional technical assistance and capacity building that will strengthen weaknesses and increase capabilities within the newly established REAs. Additional technical assistance will greatly increase the probability of a self-sustaining and long-term success for rural Afghanistan.

