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AFGHANISTAN

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FACT SHEET

Kabul Electricity Support Improvement Project (KESIP)

OVERVIEW

USAID is assisting the Government of the Islamic Republic of Afghanistan (GIROA) in commercializing and better managing the Kabul Electricity Directorate (KED), which is part of the newly formed national electricity utility, Da Afghanistan Breshna Sherkat (DABS). Along with The World Bank and other international donors, the U.S. Government has worked closely with GIROA to establish DABS as a commercialized public entity that will further increase the amounts of electricity available for Afghan homes and businesses. KED's historically low rates of cost recovery for the electricity it provides jeopardize the financial and operational sustainability of DABS. The resulting lack of cash for operations is a serious constraint on the system's ability to procure imports of electricity from neighboring countries, maintain network assets, and expand services to new customers.

CURRENT ACTIVITIES

- Assist DABS in corporate business planning, human resources, performance improvement, and finance and accounting, including the implementation of computer-based systems
- Install a customer information system at KED for customer billing and collection
- Verify which individuals and businesses use electricity through GIS applications and field verification
- Install 50,000 customer revenue meters, as well as distribution transformers to replace over-loaded equipment and improve service
- Develop a fleet management operation

ACCOMPLISHMENTS

- Helped DABS to appoint a board of directors and establish corporate bylaws and procedures
- Installed a modern accounting system at DABS
- Converted 215,000 customers to a computerized automated billing system
- Procured 44 vehicles to assist KED in field activities
- Installed a LAN system at headquarters to facilitate data transfer and communications among departments, including over 200 workstations, with training on various computer applications
- Installed 2,000 new revenue meters for customer billing
- Improved efficiency of DABS/KED with the following results:
 - Increased energy sales (KWH delivered) by 18 percent
 - Increased revenue collected by 30 percent
 - Reduced aggregate technical and commercial losses by six percent
 - Improved overall efficiency (cash collected per kilowatt hour in the Kabul system) by eight percent