

# Press release

Abu Dhabi, November 16, 2020

## Siemens Energy signs agreement to develop Afghanistan as an energy hub

- Implementation will improve access to reliable, efficient, and sustainable electricity
- Will incorporate renewable energy resources
- Aims to develop Afghanistan as a central Asian energy hub

Siemens Energy has signed a multi-phase agreement with Afghanistan to establish the country as an energy hub in central Asia by developing a modern, sustainable, and cost-effective power system, incorporating the massive potential of renewable energy generation.

The agreement was signed by Abdul Habib Zadran, Deputy Minister of Finance, Mahmood Qadri, current Acting Director and Director of Finance and Administration Department of Da Afghanistan Breshna Sherkat (DABS), and Khan Mohammad Takal, Head of Energy Services Authority, in Afghanistan, and Dietmar Siersdorfer, Middle East Managing Director of Siemens Energy, and Michael Bueker, Senior Vice President Finance of Siemens Energy, in Abu Dhabi. The signing ceremony was witnessed by H.E Ashraf Ghani, President of Islamic Republic of Afghanistan, and Christian Bruch, CEO of Siemens Energy.

It builds on a Memorandum of Understanding that Siemens signed with the Government of Afghanistan in January 2019, to support the country's sustainable development.

As part of the Afghanistan Energy Hub agreement, through a three-phased plan, Siemens Energy will support Afghanistan's power sector by

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## Press release

developing a reliable and affordable electricity supply, whilst addressing the efficient use of natural resources, to improve revenue streams back to the government.

Siemens Energy will also collaborate with the Government to develop training and vocational programs for the people of Afghanistan, supporting the creation of a skilled and competitive local workforce for the development of infrastructure and industries.

The goal is to increase the access to electricity to unlock the potential of Afghanistan and stimulate economic and industrial growth. The plan will also enable Afghanistan to generate new income by leveraging its geo-strategic positioning as energy transit hub and exploiting abundant domestic renewable energy resources.

Currently, parts of Afghanistan's electricity grid network are fragmented and supplied as passive islands with power fed from neighboring countries. Presently only around 28% of the 37 million people living in Afghanistan have access to electricity.

His Excellency Ashraf Ghani, Afghanistan President: "Energy is not only the infrastructure of infrastructure, it is the fundamental condition for the formation, expansion, and development of all of our capitals, whether it is human capital, social capital or financial capital. We will build an Afghanistan where citizen can look forward to reliable power, not only for their homes and offices, but to ensure that their products, whether agricultural, industrial, or services, can rely on sustained, 24-hour energy, 7 days a week, 365 days a year."

Christian Bruch, CEO of Siemens Energy: "The development of this plan will provide long lasting benefits in Afghanistan which will be felt for generations to come. The electrification of Afghanistan will be done sustainably and efficiently, turning the nation into a beacon for energy advancement and transforming the country into a regional energy hub. This project is symbolic of Siemens Energy's goals; to take a holistic

approach to energizing society, in an efficient, cost-effective and decarbonizing way.”

The first phase of the Afghanistan Energy Hub will focus on establishing the commercial and technical feasibility.

The second phase will focus on grid expansion and stabilization, completing a national grid with international connections and the formation of local generation hubs utilizing renewable energy.

The third phase will focus on developing the renewable energy sector as well as further sustainable and cost-effective energy production.

The creation of the Afghanistan Energy Hub supports Siemens Energy’s goal of energizing society in a sustainable, decarbonizing and cost effective way, and is aligned with the ‘10 priorities for a successful energy transformation pathway’ set out by Siemens Energy following the MEA Energy week conference in October.

This press release and a press picture are available at

<https://bit.ly/3px4leV>

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**Siemens Energy** is one of the world’s leading energy technology companies. The company works with its customers and partners on energy systems for the future, thus supporting the transition to a more sustainable world. With its portfolio of products, solutions and services, Siemens Energy covers almost the entire energy value chain – from power generation and transmission to storage. The portfolio includes conventional and renewable energy technology, such as gas and steam turbines, hybrid power plants operated with hydrogen, and power generators and transformers. More than 50 percent of the portfolio has already been decarbonized. A majority stake in the listed company Siemens Gamesa Renewable Energy (SGRE) makes Siemens Energy a global market leader for renewable energies. An estimated one-sixth of the electricity generated worldwide is based on technologies from Siemens Energy. Siemens Energy employs more than 90,000 people worldwide in more than 90 countries and generated revenue of around €27.5 billion in fiscal year 2020. [www.siemens-energy.com](https://www.siemens-energy.com).