

SBF Project Implementation Monitoring Report

Pakistan: Tarbela 5 Hydropower Extension Project

1. Project Information

Project ID:	000005	Investment Number:	L0005A
Member:	Pakistan	Region:	Southern asia
Sector:	Energy	Sub-sector:	Large hydropower generation
AIIB Financing Type:	Loan: 300 USD million	Co-financier(s):	WB (IBRD)
E&S category:	A	Borrower:	Islamic Republic of Pakistan
Red Flags Assigned:	3	Monitoring Regime:	Watchlist
Implementing Agency:	Water and Power Development Authority (WAPDA), National Transmission and Dispatch Company (NTDC)		
Project Team Leader:	Ghufran Shafi		
Project Team Members:	Giacomo Ottilini, Principal Procurement Specialist Liu Yang, Project Counsel - Investment Operations Marife Principe, Senior Social Development Specialist Shonell Robinson, Financial Management Specialist Zhixi Zhu, Environmental Specialist		
Completed Site Visits by AIIB:	Nov, 2017 May, 2019 Visits by WB Oct, 2019 Visits by WB		
Planned Site Visits by AIIB:	TBD		

2. Project Summary and Objectives

To facilitate the sustainable expansion of Pakistan's electricity generation capacity providing a low cost, clean, renewable energy option. The Project will add capacity of 1,410 Megawatt (MW), with annual electricity generation of over 1,800 Gigawatt-hours (GWh), primarily during the summer season when demand is highest. The total capacity at Tarbela with the induction of Tarbela 5 Hydropower extension will become 6,928 MW and annual average generation is expected to increase to 19,000 GWH.

3. Key Dates

Approval:	Sep. 27, 2016	Signing:	Jan. 18, 2017
Effective:	Aug. 11, 2017	Restructured (if any):	
Orig. Closing:	Jun. 30, 2022	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

a) Committed:	300	b) Cancellation (if any):	
c) Disbursed:	3.39	d) Most recent disbursement: (amount / date)	0
e) Undisbursed:	296.61	f) Disbursement Ratio(%) ¹ :	1.12

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

Project implementation has started, but currently is behind original schedule, mainly due to delays in procurement of the Construction Supervision Consultant (CSC). As a result, the selection of EPC contractors, whose procurement was tied to CSC, is also delayed and EPC contracts have not been signed. The CSC has come onboard and advanced the detailed design significantly using additional investigation findings and site investigations. CSC has also prepared a brief note including an updated forecast of electricity generation, confirmation of the constructability of the project and mitigation measures for risks identified during project preparation. The analysis confirms the strong economic returns of the T5HP and that the costs are within the budget provided for the project at approval in 2016. Pre-qualification of the contractors for Civil and Electrical & Mechanical Works have been completed and WB has given No Objection for the pre-qualified contractors. Tendering will commence after acceptance of bidding documents which are presently under review (expected in Q3-2021)

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component A: Powerhouse and Tunnel Works (USD133.2 M)	0	No issue	Delayed. However, WAPD has Completed the pre-qualification of civil contractors. CSC have completed the civil works bidding documents which are under WB's and WAPDA review.
Component B1: Turbines generators and related equipment (USD110.6 M)	0	No issue	Delayed. However, WAPD has Completed the pre-qualification of E&M contractors. CSC have completed the EPC tender documents which are under WB's and WAPDA review.
Component B2: Transformers, switchyard electrical connection (USD30.1 M)	0	No issue	Delayed. However, WAPD has Completed the pre-qualification of E&M contractors. CSC have completed the EPC tender documents which are under WB's and WAPDA review.

Financial Management:

No Issue

6. Status of the Grievance Redress Mechanism (GRM)

A Project-specific Grievance Redress Mechanism will be used for the Project. It will address any complaints from the community during the implementation phase. A tripartite Grievance Redress Committee on labor issues has been operational during Tarbela 4 Hydropower Project and will continue to address labor complaints and employment issues under the Project. Health hazards to labor will be managed through comprehensive training and provision of protective equipment. Further, labor camps required during the construction phase will be carefully built or existing sites will be upgraded to ensure that living conditions are healthy and do not lead to any conflicts. A Labor Monitoring Plan will also ensure that suitable working conditions are in place.

7. Results Monitoring

Project implementation is delayed and major works are still under procurement. There is therefore no results to report.

Baseline Year: Jan. 1, 2017 End Target Year: Jun. 30, 2020

Project Objective Indicators	Year	Target	Actual	Others, if any
Indicator #1: Generation Capacity of Hydropower Constructed Under the Project (MW)	Jan. 1, 2022	1410	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2018	17,200GWh	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2019	17,200GWh	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2020	17,200GWh	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2021	19,000GWh	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2022	19,000GWh	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2018	4,888MW	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2019	4,888MW	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2020	4,888MW	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2021	6,298MW	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2022	6,298MW	-	
Indicator #4: Preparation of hydropower project, completion of pilot solar project and capacity building program (%)	Jan. 1, 2018	40%	-	
Indicator #4: Preparation of hydropower project, completion of pilot solar project and	Jan. 1, 2019	60%	-	

capacity building program (%)				
Indicator #4: Preparation of hydropower project, completion of pilot solar project and capacity building program (%)	Jan. 1, 2020	80%	-	
Indicator #4: Preparation of hydropower project, completion of pilot solar project and capacity building program (%)	Jan. 1, 2021	100%	-	
Indicator #4: Preparation of hydropower project, completion of pilot solar project and capacity building program (%)	Jan. 1, 2022	100%	-	
Indicator #1: Generation Capacity of Hydropower Constructed Under the Project (MW)	Jan. 1, 2017	0 MW	-	
Indicator #2: Electricity supply of renewable energy annually (GWh)	Jan. 1, 2017	14,175GWh	-	
Indicator #3: Availability of generation capacity during summer months (MW)	Jan. 1, 2017	3,478MW	-	
Indicator #4: Preparation of hydropower project, completion of pilot solar project and capacity building program (%)	Jan. 1, 2017	20%	-	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2018	20%	-	
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2019	40%	-	
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2020	80%	-	
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2021	100%	-	
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2022	100%	-	
Indicator #2: Component A. Construction of intake modification for Tunnel 5	Jan. 1, 2019	20%	-	
Indicator #2: Component A. Construction of intake modification for Tunnel 5	Jan. 1, 2020	40%	-	
Indicator #2: Component A. Construction of intake modification for Tunnel 5	Jan. 1, 2021	80%	-	
Indicator #2: Component A. Construction of intake modification for Tunnel 5	Jan. 1, 2022	100%	-	
Indicator #3: Component B. Installation of number of power units on Tunnel 5	Jan. 1, 2021	3	-	
Indicator #3: Component B. Installation of number of power units on Tunnel 5	Jan. 1, 2022	3	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2018	20%	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2019	40%	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2020	80%	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2021	100%	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2022	100%	-	
Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2018	20%	-	
Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2019	40%	-	
Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2020	80%	-	

Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2021	100%	-	
Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2022	100%	-	
Indicator #1: Component A. Construction of T5 power house and connection to Tunnel 5	Jan. 1, 2017	0	-	
Indicator #2: Component A. Construction of intake modification for Tunnel 5	Jan. 1, 2017	0	-	
Indicator #3: Component B. Installation of number of power units on Tunnel 5	Jan. 1, 2017	0	-	
Indicator #4: Component B. Construction of T5 Switchyard	Jan. 1, 2017	0	-	
Indicator #5: Component B. Transmission line for power evacuation	Jan. 1, 2017	0	-	

Remarks:

Since the project implementation is still under procurement stage, no result has been generated.