

Bangladesh : Dhaka and Western Zone Transmission Grid Expansion Project**1. Project Information**

Project ID:	P000272	Instrument ID:	L0272A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Energy	Sub-sector:	Electricity transmission and distribution
Instrument type:	<input checked="" type="checkbox"/> Loan:200.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	Asian Development Bank
ES category:	A	Borrowing Entity:	Ministry of Finance, Bangladesh
Implementing Entity:	Power Grid Company of Bangladesh Limited (PGCB)		
Project Team Leader:	Raqib Ahmed Chowdhury		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Liu Yang, Project Counsel; Shonell Robinson, OSD - Financial Management Specialist; Pedro Ferraz, OSD - Environment Specialist; Yunlong Liu, OSD - Procurement Specialist		
Completed Site Visits by AIIB:	Apr, 2019 Dec, 2020 Virtual review meeting Feb, 2021 Virtual mission Sep, 2021 Virtual review meeting May, 2022 Virtual mission Sep, 2022 Physical Mission, jointly with ADB Jan, 2023 Physical Meeting with PGCB		
Planned Site Visits by AIIB:	Jun, 2023 Mission		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2022/06		

2. Project Summary and Objectives

The objective of the project is to enhance the reliability and efficiency of power transmission in Dhaka and Western Zone of Bangladesh and strengthen the institutional capacity of PGCB. This project is co-financed with ADB, where ADB is the lead financier. Under AIIB financing, the following components are covered:

- Greater Dhaka Region: Construction of substations with a total capacity of 4,450 MVA and transmission lines of 40 km

- Western Zone: Construction of substations with a total capacity of 2,990 MVA and transmission lines of 368 km and 20 bay extensions

After completion of this project, the grid network capacity of the western region of Bangladesh, as well as the DESCO area of Dhaka city, will be enhanced. The growing demand of these areas will be fulfilled with the reliable power supply to industrial, commercial, and residential load points.

3. Key Dates

Approval:	Jan. 17, 2020	Signing:	Jun. 30, 2020
Effective:	Sep. 28, 2020	Restructured (if any):	
Orig. Closing:	Dec. 31, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	6.08	Most recent disbursement (amount/date):	0.43/Dec. 22, 2022
Undisbursed:	193.92	Disbursement Ratio (%) ¹ :	3.04

5. Project Implementation Update

Under AIIB financing, there are in total 3 packages - Packages 5, 7, and 8; the remaining packages (5 packages) are financed by ADB and other ADB-administered funds.

Contract agreements for all AIIB-financed packages are completed.

The project's regular disbursement (excluding front-end fee-related disbursement) has started from Q3-2022.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Construction of substations with a total capacity of 4,450 MVA and transmission lines of 40 km in Greater Dhaka (USD 67.64 million)	0%	Being complied with	Package 5 is relevant to this component; the Contract agreement for the package is signed. Disbursement has started from Q4-2022.
Component 2: Construction of substations with a total capacity of 2,990 MVA and	0%	Being complied with	Packages 7 and 8 are relevant to this component; Contract agreements for both packages are signed. Disbursements have started

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

transmission lines of 368 km and 20 bay extensions in Western Zone (USD 123.12 million)			from Q3-2022.
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Financial Management:

ADB, as lead co-financier, is administering the entire project and inform AIIB from time to time. The first project's audit report is to be submitted in 2023.

6. Status of the Grievance Redress Mechanism (GRM)

The project-level GRM committee has been formed and is functional; so far PIE hasn't received any grievance cases.

7. Results Monitoring (please refer to the full RMF, which can be found on the last page of this PIMR)

Project Objective Indicators:

1. Power outages reduced
2. Transmission loss reduced
3. Annual Carbon dioxide emissions reduced (average)

Intermediate Results Indicators:

1. Transmission lines constructed (400kV, 230kV, 132kV)
2. Line-bay extensions completed
3. Transmission capacity added

Remarks:

Project Objective Indicators	Indicator level	Unit of Measure	Cumulative Target Values																				Frequency	Responsibility	Comments	
			Baseline		2018		2019		2020		2021		2022		2023		2024		2025		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual
Power outages reduced	Project	No.	2018	60 (Baseline)	60 (Baseline)	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-	-	15	-	End of Project	PIE	
Transmission loss reduced	Project	%	2018	2.76 (Baseline)	2.76 (Baseline)	-	-	-	-	-	-	-	-	-	-	-	-	-	2.5	-	-	2.5	-	End of Project	PIE	
Annual CO2 emissions reduced (on average)	Project	'000 tons	2018	0 (Baseline)	0 (Baseline)	-	-	-	-	-	-	-	-	-	-	-	-	-	455.78	-	-	455.78	-	End of Project	PIE	

Project Intermediate Indicators	Indicator level	Unit of Measure	Cumulative Target Values																				Frequency	Responsibility	Comments	
			Baseline		2018		2019		2020		2021		2022		2023		2024		2025		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual
Transmission line constructed (400 kV, 230 kV, 132 kV)	Project	Km	2018	0	0	-	-	-	-	-	-	-	50	0	200	-	408	-	408	-	-	408	-	Annually	PIE	
Line-bay extensions completed	Project	No.	2018	0	0	-	-	-	-	-	-	-	-	-	10	-	20	-	20	-	-	20	-	Annually	PIE	
Transmission capacity added	Project	MVA	2018	0	0	-	-	-	-	-	-	-	-	-	-	-	7520	-	7520	-	-	7520	-	Annually	PIE	