



Project Summary Information

Date of Document Preparation: September 27, 2019

Project Name	Bangladesh: Ultra-High Voltage Transmission Line “Madunaghat-Bhulta” and Reliable Electricity Access Project
Document Code	PD000325-PSI-BGD
Country	People’s Republic of Bangladesh
Sector/Subsector	Energy / Electricity transmission
Status of Financing	Under Preparation
Project Description	<p>The project aims to build an ultra-high voltage transmission corridor between the major economic centers of Chittagong and Dhaka.</p> <p>Scope of works of the project includes construction of “Madunaghat-Bhulta” 765-kilovolt (kV) double circuit line and the related extension of substations.</p> <p>The use of ultra-high voltage line will (a) help avoid building more transmission lines, thus saving valuable land and minimizing negative social impacts on a densely populated area; (b) allow the transmission of high volumes of electricity for the needs of a rapidly developing economy and (c) improve reliability and decrease system losses.</p>
Objective	Upgrade and strengthen the transmission network between major cities and promote reliable electricity access in Bangladesh.
Expected Results	<p>The project’s outputs can be measured using the following key indicators:</p> <ul style="list-style-type: none"> (i) Length of 765-kV transmission lines constructed (unit: km). (ii) Capacity of substations extended (unit: megavolt-ampere). <p>The project’s outcome can be measured using the following key indicator:</p> <ul style="list-style-type: none"> (iii) Capacity of power transmission added in Bangladesh (unit: megawatt).
Environmental and Social Category	Category B
Environmental and Social Information	Environment and Social Policy (including Standards) and Categorization. The project has been screened and reviewed for the Concept Review with reference to AIIB’s Environmental and Social Policy (ESP) and Environmental and Social Standards (ESS). ESS 1 (Environmental and Social Assessment and Management) is applicable to assessment of environmental and social impacts of project activities. No land acquisition is anticipated, however, this will be reviewed and included in the assessment to determine scope of applicability of ESS 2 (Involuntary Resettlement), since some temporary

	<p>impacts on commercial activities and residential areas may occur at the time of construction a Resettlement Planning Framework (RPF) will be developed. Application of ESS 3 (Indigenous Peoples) is not anticipated. The project is expected to be Category B. AIIB's environmental and social specialists will carry out a field-based environmental and social due diligence to ascertain the applicable Standards and the project's category. An Environmental and Social Impact Assessment (ESIA) with an Environmental and Social Management Plan (ESMP) and RPF will be prepared and reviewed by AIIB for disclosure.</p> <p>Environmental Aspects. The project is expected to generate socioeconomic benefits through improvement of power supply in the area. The ESIA will review all possible impacts on adjoining natural and critical habitats and protected areas. Other negative impacts of the project will be temporary and reversible, occurring during the construction phase, including air pollution, noise, tree cutting and disposal of construction wastes, which will be addressed in the ESMP with indication of institutional arrangement, allocated budget and monitoring plan.</p> <p>Social Aspects. Possible social impacts in terms of disruption in commercial activities/livelihood and temporary impacts on habitations, and access restrictions due to construction activities will be studied. Impacts will also be addressed in terms of mitigation plans and provisions related to occupational health and safety, labor camp and construction site management, traffic and public utility management, etc. To address issues of any physical and economic displacements, either of temporary or permanent nature, guidance will be provided through a Resettlement Policy Framework.</p> <p>Stakeholder Engagement, Consultation and Information Disclosure. Consultations will be held in phases during the preparation of the ESIA and RPF and after the draft ESIA and RPF are completed. Based on community feedback, the ESIA and RPF will be finalized. The draft English ESIA and RPF and Bengali versions of the Executive Summaries of the ESIA and RPF, including the Entitlement Matrix, will be posted on PGCB's and AIIB's websites and made available in hard copy in the project area.</p> <p>Grievance Redress Mechanism. A multi-tier grievance redress mechanism will be constituted for the project in line with the requirements of the ESP, building on the existing complaint mechanisms.</p>
Cost and Financing Plan	Preliminary total project costs are estimated at USD734 million, of which AIIB loan is about USD470 million and the rest is to be funded by the Government of Bangladesh/ PGCB.
Borrower	People's Republic of Bangladesh
Implementing Entity	Power Grid Company of Bangladesh Ltd.

Estimated date of loan closing	March 2025		
Contact Points:	AIIB	Borrower	Implementation Organization
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Date of Concept Decision	September/2019		
Estimated Date of Appraisal Decision	January/ 2021		
Estimated Date of Financing Approval	Q1/2021		

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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