

SBF Project Implementation Monitoring Report

Bangladesh: Distribution System Upgrade and Expansion Project

1. Project Information

Project Name:	Distribution System Upgrade and Expansion Project	Project No:	000003
Region/Country:	South Asia / Bangladesh	Sector(s):	Energy
Year of Approval:	FY 2016	Financing Type:	SBF
Financing Instrument:	Loan	Co-financier(s):	-
Project Team Leader:	Hongliang Yang	Implementing Agency:	Bangladesh Rural Electrification Board (BREB) for component 1; Dhaka Electric Supply Company Ltd. (DESCO) for component 2.
Field Visits	September 20, 2018 March 20, 2019		

2. Project Objectives

The objectives of the Project are to enhance distribution capacity and to increase the number of rural and urban electricity consumers in Bangladesh.

3. Key Dates

Loan Approval:	June 24, 2016	Loan Signing:	November 11, 2016
Effectiveness:	February 6, 2017	Restructuring (if any):	-
Orig. Closing:	December 31, 2019	Rev. Closing (if any):	-

4. Disbursement Summary

Net Commitment:	USD165.0 million	Rev. Amount (if any):	-
Disbursed Amount:	USD 123.5 million ¹	Disbursed (last quarter):	USD19.3 million
Undisbursed Balance:	USD 41.5 million	Disbursement Ratio:	75%

5. Project Implementation Status

Overall project implementation is progressing well although it is slightly behind the original schedule. Progress of each component is provided below.

Components	Physical Progress	Safeguards Compliance	Procurement	Financial Management	Remarks
Component 1: Provision of 2.5 million service connections (USD98.89 million)	100%	Complied	Complete	No issue	By June 2018, 2.5 million service connections were installed. There is a loan savings of around USD13 million.

¹ By June 30, 2019.

Component 2: Upgrade of two substations from 250 MVA to 480 MVA and installation of 85 KM underground cables (USD66.11 million)	40%	Complied	Complete	No issue	Construction is ongoing. Installation and testing of two 132kV transformers are completed.
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6. Status of the Grievance Redress Mechanism (GRM)

GRM has been functioning well. No issues have been recorded during this reporting period.

7. Results Monitoring

Project Objective Indicators	Baseline 2016	2017		2018		2019		Others, if any
		Target	Actual	Target	Actual	Target	Actual	
Number of rural and urban electricity users increased (unit: million)	0	4.0	2.5 ²	10.0	12.5 ³	12.5	12.5	
Project Result Indicators	Baseline 2016	2017		2018		2019		Others, if any
		Target	Actual	Target	Actual*	Target	Actual	
Indicator #1: Number of service connections installed (unit: million)	0	0.8	0.5 ⁴	2.0	2.5 ⁵	2.5	2.5	
Indicator #2: number of small low-voltage transformers installed (unit: 1000)	0	20	20	52	65	65	65	
Indicator #3: upgrade of two grid substations from 250 MVA to 480 MVA	250	250	250	250	250	480	N/A	
Indicator #4: length of 33 kV underground cable installed	0	5	3	50	8	85	N/A	

² As of October 31, 2017.

³ Accumulated figure until June 30, 2018.

⁴ As of October 31, 2017.

⁵ Accumulated figure until June 30, 2018.