

Bangladesh: Power System Upgrade and Expansion Project

1. Project Information

Project ID:	P000088	Instrument ID:	L0088A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Energy	Sub-sector:	Electricity transmission and distribution
Instrument type:	<input checked="" type="checkbox"/> Loan:120.00 US Dollar million <input type="checkbox"/> Guarantee	Co-financier(s):	
ES category:	B	Borrowing Entity:	Ministry of Finance, Bangladesh
Implementing Entity:	Power Grid Company of Bangladesh (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; Sheikh Naveed Ahmed, OSD - Social Development Specialist; Pedro Ferraz, OSD - Environment Specialist; Yunlong Liu, OSD - Procurement Specialist		
Completed Site Visits by AIIB:	Nov, 2018 The team visited the project sites in Chattagram during project preparation stage Dec, 2020 Review meeting conducted virtually Sep, 2021 Review meeting conducted virtually Apr, 2022 Multiple virtual implementation monitoring meetings conducted with PIE		
Planned Site Visits by AIIB:	Aug, 2022 The tentative site visit will be conducted in August 2022		
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2021/09		

2. Project Summary and Objectives

The objective of the project is to upgrade and strengthen power transmission systems in the Chittagong area to ensure an adequate and reliable power supply. Project activities include:

- Constructing double circuit transmission lines: (a) for 400 kilovolts covering a distance of approx. 27 kilometers from Anowara to Anandabazar; and (b) for 230 kilovolts covering in total a distance of approx. 26 kilometers, consisting of the following two underground segments: (i) approx. 10-kilometer long transmission line from Khulshi to Anandabazar, and Anandabazar to Rampur; and (ii) approx. 16-kilometer long

transmission line from Madunaghat to Khulshi.

- Constructing two 230 kilovolts gas-insulated switchgear (GIS) substations: (a) a GIS substation at Anandabazar with transformers of 2x350/450 megavolt ampere; and (b) a GIS substation at Khulshi with transformers of 2x350/450 megavolt ampere and 3x80/120 megavolt ampere.
- Constructing two GIS bay extensions of 230 kilovolts at Madunaghat substation and two GIS bay extensions of 230 kilovolts at Khulshi substation.

After completion of the project, the grid network capacity of Chattogram area will be enhanced. The growing demand of this area will be fulfilled with the reliable power supply to industrial, commercial, and residential load points. This will improve voltage stability of 132kV level in the transmission side along with 33kV in distribution side.

3. Key Dates

Approval:	Mar. 26, 2019	Signing:	Nov. 08, 2019
Effective:	Aug. 03, 2020	Restructured (if any):	
Orig. Closing:	Jun. 30, 2023	Rev. Closing (if any):	Jun. 30, 2025

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	5.18	Most recent disbursement (amount/date):	3.44/Jun. 09, 2022
Undisbursed:	114.82	Disbursement Ratio (%) ¹ :	4.32

5. Project Implementation Update

As per the agreed procurement plan, there are in total three procurement packages, and the bidding process for all the packages has been completed.

Contract agreements for Packages 1 and 3 have been signed. Loan disbursement also started in March 2022 for two contract agreements.

Notification of Award for package 2 has been issued and is pending for contract agreement signing.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Procurement of material & equipment and necessary installation work including design, erection, testing,	1%	The consultant has been onboarded by PGCB (PIE) for ESMP Implementation	The bidding process has been completed. The contract agreement for this package has been signed on December 9, 2021.

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.

and commissioning for Anowara to Anandabazar (New Mooring) 400 kV double circuit overhead line portion: approx. 19.932 km			
Component 2: Procurement of material & equipment and necessary installation work including design, erection, testing, and commissioning for Anowara to Anandabazar (New Mooring) 400 kV double circuit underground cable portion: approx. 5.253 km; Khulshi to Anandabazar, and Anandabazar to Rampur 230 kV double circuit underground cable line: approx. 26 km; and Madunaghat to Khulshi 230 kV double circuit underground cable line: approx. 16km.	0%	The consultant has been onboarded by PGCB (PIE) for ESMP Implementation	The bid evaluation process has been completed. PGCB will take approval from their Board and issue the Notification of Award to the eligible bidder. The contract agreement is expected to be signed within Q4-2022.
Component 3: Procurement of material & equipment and necessary installation works including design, erection, testing, and commissioning for 230/132 kV GIS Substation: Anandabazar (New Mooring) with 2x350/450 MVA 230/132 kV transformer; 230/132/33 kV GIS Substation: Khulshi with 2x350/450 MVA 230/132 kV and 3x80/120 MVA	0%	The consultant has been onboarded by PGCB (PIE) for ESMP Implementation	The bidding process has been completed. The contract agreement for this package has been signed on March 21, 2022.

132/33 kV transformer; Two nos. 230 kV GIS bay extension at Madunaghat Substation, two nos. 230kV GIS bay extension at Khulshi Substation.			
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Financial Management:

It is expected to receive the project's first financial report in 2023.

6. Status of the Grievance Redress Mechanism (GRM)

At the PGCB entity level, GRM is in place. Also, a project-level Grievance Redress Committee has been formed.

7. Results Monitoring

Project	Capacity	of	Outcome	transmission	Indicators:
1.	Capacity	of	power	transmission	added
2.	Additional		electricity	transmitted	annually
3.	Daily	load	shedding	in	Chittagong
Project			Output		Indicators:
1.	400	kV	transmission	lines	constructed
2.	230	kV	transmission	lines	constructed
3.	230	kV	GIS	substations	constructed
4. 230 kV line bays constructed					

Project Objective Indicators #1

Capacity of power transmission added (Unit: MVA)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	-	-	
Dec. 31, 2020	-	-	
Dec. 31, 2021	-	-	
Dec. 31, 2022	-	-	
Dec. 31, 2023	-	-	
Dec. 31, 2024	-	-	
Jun. 30, 2025	1400	-	

Project Objective Indicators #2

Additional electricity transmitted annually (Unit: GWh)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	-	-	

Dec. 31, 2020	-	-	
Dec. 31, 2021	-	-	
Dec. 31, 2022	-	-	
Dec. 31, 2023	-	-	
Dec. 31, 2024	-	-	
Jun. 30, 2025	2500	-	

Project Objective Indicators #3

Daily load shedding in Chattogram (Unit: %)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	11.5 (Baseline)	
Dec. 31, 2019	-	-	
Dec. 31, 2020	-	-	
Dec. 31, 2021	-	-	
Dec. 31, 2022	-	-	
Dec. 31, 2023	-	-	
Dec. 31, 2024	-	-	
Jun. 30, 2025	6	-	

Project Objective Indicators #4

400kV transmission lines constructed (Unit: km)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	0	0	
Dec. 31, 2020	0	0	
Dec. 31, 2021	0	0	
Dec. 31, 2022	0	-	
Dec. 31, 2023	15	-	
Dec. 31, 2024	20	-	
Jun. 30, 2025	27	-	

Project Objective Indicators #5

230kV transmission lines constructed (Unit: km)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	0	0	
Dec. 31, 2020	0	0	
Dec. 31, 2021	0	0	
Dec. 31, 2022	0	-	

Dec. 31, 2023	0	-	
Dec. 31, 2024	12	-	
Jun. 30, 2025	19	-	

Project Objective Indicators #6

230kV GIS substations constructed (Unit: No.)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	0	0	
Dec. 31, 2020	0	0	
Dec. 31, 2021	0	0	
Dec. 31, 2022	0	-	
Dec. 31, 2023	0	-	
Dec. 31, 2024	1	-	
Jun. 30, 2025	2	-	

Project Objective Indicators #7

230kV line bays constructed (Unit: No.)

Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	0 (Baseline)	
Dec. 31, 2019	0	0	
Dec. 31, 2020	0	0	
Dec. 31, 2021	0	0	
Dec. 31, 2022	0	-	
Dec. 31, 2023	0	-	
Dec. 31, 2024	1	-	
Jun. 30, 2025	2	-	

Intermediate Result Indicators #1

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Year	Target	Actual	Comments, if any
Dec. 31, 2018	-	-	

Remarks: