



Pakistan: Gulpur Hydropower Project

Project Name	Gulpur Hydropower Project		
Project Number	47929-001		
Borrower/Company	MIRA POWER LIMITED		
Country	Pakistan		
Location	Kotli District		
Approval Number	7445/3253		
Type or Modality of Assistance	7445/3253	Loan	US\$ 65.00 million Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Partnerships Private sector development		
Sector / Subsector	Energy - Large hydropower generation		
Gender Equity and Mainstreaming	No gender elements		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Portfolio Management Division, PSOD		
Responsible ADB Officer	Mohammed Hashimi		
Project Sponsor(s)	Korea South East Power Company Lotte Engineering and Construction Daelim Industrial		
Description	The Project involves construction and operation of a 102 MW run-of-the-river hydroelectric power generation facility on Poonch River some 28 kms upstream from Mangla, Pakistan's second largest water storage reservoir. The Project will be developed under Power Policy 2002 under which ADB has financed several projects and will be undertaken on a BOOT basis for a period of 30 years (from the commercial operations date). Total Project cost (including interest during construction, exchange rate variations, and contingencies) is estimated at \$365.1 million.		
Objectives and Scope	The project will provide low-cost generation and additional electricity supply to the national grid of 465 Gigawatt hours per year. The project will generate electricity by using indigenous water resources, and the tariff for electricity supplied by the project will be lower than that for plants that use imported fuel and other renewable energy sources such as wind and solar. The project will also avoid greenhouse gas emissions of almost 240,000 tons of carbon dioxide per year.		
Linkage to Country/Regional Strategy	ADB's support for the project is in line with the country partnership strategy for Pakistan, 2009 2013, which emphasizes energy sector development, private sector participation in infrastructure development, and expansion of ADB's private sector operations in the energy sector. The project is a logical continuation of ADB's development and reform efforts in Pakistan's energy sector, which have been designed to promote a well-regulated, market-oriented power industry, particularly when the country faces challenges in attracting commercial financing. Energy infrastructure has featured prominently in ADB's private sector operations in Pakistan. The project is in line with ADB's Energy Policy, and is particularly consistent with one of the three pillars of that policy maximizing access to energy for all. Access to modern and reliable energy services fosters sustainable human development, economic growth, a higher quality of life, and improved delivery of social services. The project will add generation capacity and increase the reliability of electricity supplies in a country facing a severe power shortage. Electricity tariff for the project will be significantly lower than the average price of power in the country, and will not be affected by the volatility of the international fuel market. The project will promote the use of indigenous water resources, and will contribute to the country's energy security. The project will help ADB to meet its commitment to undertake clean energy investments of \$2 billion per year.		

Safeguard Categories

Environment	A
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	Potential risks on the environment are related to construction and operation activities, which could adversely impact on biodiversity, air quality, water quality, hydrology, and occupational and community health and safety. The Environmental Management and Monitoring Plans for this Project in ESIA will ensure that the necessary measures to address the potential impacts, and maximize potential benefits of the Project. The Project complies with national and local laws and regulations, and safeguard policy of international financial organizations such as ADB and IFC.
Involuntary Resettlement	The project involves the acquisition of 894.53 acres of land broken down as: 801.35 acres of government land, 47.190 acres of communally-owned land and 45.995 acres of privately-owned land. Private land acquisition will lead to displacement of 4 households and will significantly impact on 61 households that are utilizing their land for crop production. There are no users of the government land acquired and although part of the communally-owned land are used for grazing, land acquisition will pose no significant impact to the villagers as a large portion of these land will remain and can be used for grazing. Two businesses will also be impacted by the project. A Land Acquisition and Resettlement Plan was prepared to ensure that the livelihood of affected households will be improved or at least restored and mechanisms for prompt replacement and payment for all affected assets are in place.
Indigenous Peoples	There are no Indigenous Peoples that will be impacted by the project.
Stakeholder Communication, Participation, and Consultation	Series of consultation has been conducted since 2012 involving affected households, local community members, local government and local NGO officials. Upon finalization of the project design, public consultations with the stakeholders were again undertaken during the third and fourth week of February 2014. The activity also involved the distribution of Background Information Document (BID) to different stakeholders containing information on the ESIA process and project details. The BID was made available in English and Urdu. Feedbacks from the communities were considered in the final design of the project and different concerns of the stakeholders were addressed in the ESIA.

Timetable for assistance design, processing and implementation

Concept Clearance	17 Jun 2013
Due Diligence	04 Nov 2013
Credit Committee Meeting	16 Oct 2014
Approval	17 Apr 2015
PDS Creation Date	08 Mar 2014
Last PDS Update	17 Sep 2014

Project Page	https://www.adb.org/projects/47929-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=47929-001
Date Generated	06 July 2017

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.