



Bangladesh: Reliance Bangladesh Liquefied Natural Gas and Power Project

Project Name	Reliance Bangladesh Liquefied Natural Gas and Power Project			
Project Number	50253-001			
Borrower/Company				
Country	Bangladesh			
Location	Kutubdia Island, Meghnaghat			
Approval Number	7536/3609, 7535/3608			
Type of ADB Assistance / Amount	3608	Ordinary capital resources	USD 20.00 million	Approved
	3608	Ordinary capital resources	USD 60.00 million	Approved
	3608	Ordinary capital resources	USD 180.00 million	Approved
	3609	Ordinary capital resources	USD 70.00 million	Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration			
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development			
Sector / Subsector	Energy - Conventional energy generation			
Gender Equity and Mainstreaming	Some gender elements			
Responsible ADB Department	Private Sector Operations Department			
Responsible ADB Division	Infrastructure Finance Division 1			
Responsible ADB Officer	Tang, Sonali			
Project Sponsor(s)				
Description	The proposed Project will include a natural gas fired power plant (CCPP) and a liquefied natural gas (LNG) terminal. The LNG terminal, located near Kutubdia Island, consists of a mooring point, jetty and pipeline infrastructure to connect an off-shore FSRU to the mainland. The 718 MW CCPP, utilizing re-gasified LNG (RLNG) as fuel, is proposed to be located on land allotted by Bangladesh Power Development Board (BPDB), in Meghnaghat, Narayanganj District.			
Objectives and Scope	The Project is expected to generate significant development impact for Bangladesh: easing a key energy infrastructure constraint; generating employment during construction and operation; providing an alternative to depleting domestic gas reserves and creating conditions for greater private sector participation. The Project also contributes to increasing the supply of clean energy to Bangladesh and thereby result in improved social and economic conditions.			
Linkage to Country/Regional Strategy	The project will support economic growth in Bangladesh, promote private sector development in the energy sector, catalyze long-term private financing, which are in line with ADBs country partnership strategy (CPS) 2016-2020. The Project is fully aligned with Strategy 2020 Midterm Review as it belongs to one of ADBs core areas of operations (infrastructure) and is structured on a PPP basis.			

Safeguard Categories

Environment	A
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The project is classified category A for impacts on environment. While the impacts are not unprecedented and the project is not expected to adversely affect an environmentally sensitive area, they are diverse and the potential construction, operational and safety risks due to the nature and scale of the project are considered significant. The environmental impact assessment reports showed that key environmental issues concerning biodiversity, air emissions, effluent quality, domestic waste, and noise pollution can be reduced and mitigated through adequate measures taken during the design phase and implementation of sound engineering practices during the construction and operational phases, which are presented in the Environmental management plans. Stakeholder consultations with communities and affected people have been conducted at project locations and will be continued during project implementation. Reliance Power Limited has a well-established environment, health and safety (EHS) cell at the corporate level which will support Reliance Bangladesh LNG and Power Limited and Reliance Bangladesh LNG Terminal Limited for management of EHS issues at project sites. Occupational and community health, safety and security procedures are in place including the establishment of an Emergency Response and Disaster Management Plan.
Involuntary Resettlement	The project is classified as category B for involuntary resettlement in compliance with ADB's Safeguard Policy Statement (2009). No land acquisition or involuntary resettlement impacts are envisaged from the power plant and the LNG terminal. Land acquisition of approximately 3.97 acres belonging to 23 households will be required for development of land based custody transfer metering system which is connected to the LNG terminal through a pipeline. The land acquisition and resettlement for the pipeline will be undertaken by Petrobangla and is expected to be completed in 2018. Based on the assessment of the preliminary pipeline alignment, involuntary resettlement impacts are not expected to be significant given that all land acquired for the pipeline will be compensated at replacement costs and will also be available to land owners for continued use after the laying of pipeline is completed. Petrobangla will prepare and implement a Resettlement Plan (RP) following the Resettlement Framework, consistent with World Bank Operational Policies and ADB's SPS to address involuntary resettlement impacts.
Indigenous Peoples	The project is classified Category C for impacts on Indigenous Peoples. The ESIA confirms that there are no indigenous communities in the project locations that will be impacted due to the project. The project is not expected to affect territories or natural and cultural resources owned, used, occupied, or claimed by indigenous peoples as their ancestral domain.
Stakeholder Communication, Participation, and Consultation	Meaningful consultations with relevant stakeholders at the project sites were conducted and information disclosure done in accordance with ADB SPS. Community liaison officers will be deployed to develop, implement and manage the stakeholder engagement and grievance redress mechanisms in the project.

Timetable for assistance design, processing and implementation

Concept Clearance	10 Aug 2016
Due Diligence	
Credit Committee Meeting	20 Oct 2017 to 20 Oct 2017
Approval	-
Last PDS Update	03 Oct 2018

Project Page	https://www.adb.org/projects/50253-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=50253-001
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