



Thailand: Bangkok Mass Rapid Transit Project (Pink and Yellow Lines)

Project Name	Bangkok Mass Rapid Transit Project (Pink and Yellow Lines)			
Project Number	51274-001			
Borrower/Company	Eastern Bangkok Monorail Company Limited Northern Bangkok Monorail Company Limited			
Country	Thailand			
Location	Bangkok			
Approval Number	3669/3669, 3672/3672			
Type of ADB Assistance / Amount	3669	Ordinary capital resources	THB 2,273.00 million	Approved
	3669	Ordinary capital resources	THB 2,677.00 million	Approved
	3672	Ordinary capital resources	THB 2,260.00 million	Approved
	3672	Ordinary capital resources	THB 2,690.00 million	Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth			
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development			
Sector / Subsector	Transport - Urban public transport			
Gender Equity and Mainstreaming	Some gender elements			
Responsible ADB Department	Private Sector Operations Department			
Responsible ADB Division	Infrastructure Finance Division 2			
Responsible ADB Officer	Hashizume, Shuji			
Project Sponsor(s)	BTS Group Holdings Public Company Limited (BTS Group) Ratchaburi Electricity Generating Holding Public Company Limited (Ratchaburi Electricity) Sino-Thai Engineering and Construction Public Company Limited (Sino-Thai)			

Description	<p>The Thai government approved the implementation of PPP Net Cost scheme for the monorail system of the MRT Pink Line and Yellow Line projects in Bangkok in March 2016, in which the Mass Rapid Transit Authority of Thailand (MRTA) will be responsible for provision of the land and the right of way whereas the private sector will invest in all civil works, M&E systems, and rolling stocks, including operations & maintenance services. The two projects are feeder lines to diversify the transport modality of the city, and to feed passengers to the main MRT lines, in particular those that connect to Bangkok CBD. The projects will mitigate traffic congestion and associated environmental issues, provide convenient and cost-effective public transportation system, and reduce the government's fiscal burden. The projects are parts of the government's stimulus measures to improve infrastructure which is an essential part of the country's sustainable development.</p> <p>The MRTA announced invitations for tender of the MRT Pink Line and Yellow Line projects in July 2016. Although the tender process was undertaken separately for the two lines, the BSR Joint Venture (BSR) submitted the most competitive proposal and was selected as the preferred bidder for both lines in December 2016. BSR has entered into the concession agreements with MRTA for the MRT Pink Line and Yellow Line projects, respectively, in June 2017. Under the concession, BSR will obtain the rights to operate the lines, and be entitled to receive farebox revenues, commercial development fees, and parking fees during the concession period.</p> <p>BSR comprises BTS Group Holdings Public Company Limited (BTS Group), the market leader in mass transit business, operating existing Green line, Sino-Thai Engineering and Construction Public Company Limited (Sino-Thai), major construction company, and Ratchaburi Electricity Generating Holding Public Company Limited (Ratchaburi Electricity), one of the largest energy investment company.</p> <p>The MRT Pink Line will operate between Min Buri district (Bangkok) and Khae Rai (Nonthaburi province), it will connect with existing MRT lines (e.g. Purple Line, Green Line), and new MRT lines (e.g. Red Line, Orange Line). The entire route length is about 34.5 kilometers, and the project components include 30 stations, one depot and stabling yard, and one park & ride building. The MRT Yellow line will operate between Lat Phrao (Bangkok) and Samrong (Sumut Prakarn province), it will connect with existing MRT lines (e.g. Green Line, Airport Rail Link), and new MRT lines (e.g. Blue Line, Orange Line). The entire route length is about 30 km., with 23 stations, one depot, and one park & ride building.</p> <p>The government will provide subsidies during the first 10 years of the operation when the ridership is most uncertain. To further mitigate the ridership risk, ADB will extend a loan tranche whose door-to-door tenor is longer than the commercial banks to reduce the annual schedule repayment amount during the period following the expiry of the government subsidies.</p>
Objectives and Scope	The project entails the construction and operation of the mass rapid transit (MRT) Pink Line and Yellow Line in Bangkok.
Status of Development Objectives	The borrowers will report on key performance indicators, including the outcome and outputs indicators identified in the design and monitoring framework.
Status of Operation/Construction	Commercial operations of the Pink and Yellow Lines are expected to commence in 2021.
Linkage to Country/Regional Strategy	<p>The project is in line with ADB's country partnership strategy for Thailand, 2013-2016, and its country operations business plan, 2018-2020, both of which promote the support for private sector development and uphold two key core strategic areas for ADB's focus: infrastructure development, and environmentally sustainable development.</p> <p>The project is also in line with ADB's Sustainable Transport Initiative, which promotes a transport system that is efficient, safe, environmentally friendly, and has urban transport as one of the key pillars for ADB operations in the sector.</p>

Safeguard Categories	
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Environment	A
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
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Environmental Aspects	<p>Environmental and social impact assessments (ESIAs) for the Pink Line and Yellow Line were prepared in accordance with domestic procedures and were approved by the government in March 2015 for the Pink Line and February 2016 for the Yellow Line. Additional analyses on noise; biodiversity; climate change risks; cumulative and induced impacts; and the public information, participation, and complaints management system were conducted to ensure compliance with ADB's Safeguard Policy Statement (2009). The potential impacts from the project have been identified and effective measures to avoid and mitigate the adverse impacts are in the ESIA addendums, environmental and social management plans (ESMPs), social safeguards compliance audit report, and supplemental social assessment.</p>
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Involuntary Resettlement	Land acquisition and resettlement activities commenced when the royal decree was issued in 2014 and 2015, and the compensation started in May/June 2017 prior to ADB's involvement in August 2017. Based on this time line, it is established that land acquisition and resettlement activities are not in anticipation of ADB financing and, therefore, do not fall within the ambit of ADB's Safeguard Policy Statement requirements. An audit of the land acquisition process was undertaken to determine if there are risks associated with MRTA-led land acquisition and resettlement. The audit found the MRTA practices based on the Ministry of Transport compensation manual and other applicable national legal frameworks are in line with ADB's Safeguard Policy Statement requirements.
Indigenous Peoples	The project will not affect indigenous peoples communities.
Stakeholder Communication, Participation, and Consultation	Information disclosure and numerous consultation activities were conducted as part of the environmental impact assessment preparation. Information was disclosed in TV, radio, print media, leaflets, brochures, video, exhibition boards, and a dedicated website. Consultation meetings were held with communities along the route, local government officials, business operators, and private service providers. The MRTA (i) conducted a census and full asset inventory, disclosed information, and consulted meaningfully with affected people; and (ii) offered compensation payments for land, structure, and lost income due to business disruption at replacement cost. The MRTA is implementing a robust grievance mechanism where requests for changes in design are being implemented to minimize impacts.

Timetable for assistance design, processing and implementation

Concept Clearance	15 Sep 2017
Due Diligence	
Credit Committee Meeting	12 Apr 2018 to 12 Apr 2018
Approval	05 Jun 2018
Last PDS Update	18 Oct 2018

Project Page	https://www.adb.org/projects/51274-001/main
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