



ASIAN DEVELOPMENT BANK

Bangladesh: Railway Rolling Stock Operations Improvement Project

Project Name	Railway Rolling Stock Operations Improvement Project		
Project Number	50312-003		
Country	Bangladesh		
Project Status	Proposed		
Project Type / Modality of Assistance	Loan Technical Assistance		
Source of Funding / Amount	Loan: Railway Rolling Stock Operations Improvement Project		
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 6.00 million	
	Ordinary capital resources	US\$ 354.00 million	
	TA: Railway Rolling Stock Operations Improvement Project		
	Asian Clean Energy Fund under the Clean Energy Financing Partnership Facility	US\$ 500,000.00	
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Governance and capacity development Partnerships		
Sector / Subsector	Transport - Rail transport (non-urban) - Transport policies and institutional development		
Gender Equity and Mainstreaming	No gender elements		
Description	The Government of Bangladesh proposed a project for Asian Development Bank (ADB) financing to improve the operational efficiency of Bangladesh Railway through the procurement of modern rolling stock, preparation of investment projects to enhance its rolling stock maintenance capacity and support for the ongoing railway reform. The project will contribute to the increase in railway share as a core transportation mode of the country and to the modal shift from roads to rail. The modal shift and the efficient rolling stock will reduce carbon dioxide (CO2) emission.		
Project Rationale and Linkage to Country/Regional Strategy	Bangladeshi transport system consists of roads, railways, inland waterways, seaports for maritime shipping and civil aviation facilities. Historically, the railway enjoyed a monopoly as a carrier and transported most principal commodities, but the railway began losing market share declining from 30% in 1975 to mere 4% in 2015 for both passenger and freight transports. The drop in the market share of the railway as a carrier is the result of the long-term underinvestment in railway infrastructure and operational improvement of Bangladesh Railway. Recognizing the virtues of the railway as a cheaper, safer and fuel-efficient transportation mode, the government places special emphasis on railway development and set targets to increase railway market share through prioritized investment in railway infrastructure, focusing on network capacity improvement, operational capacity improvement and railway reform implementation. The project aims at improving the operational capacity and efficiency of Bangladesh Railway. The project is aligned with ADB's country partnership strategy for Bangladesh 2016-2020 which emphasizes the importance of easing infrastructure constraints by undertaking transformational investments and promoting policy reform in key sectors such as energy, transport and urban development as a priority investment area.		
Impact	A balanced 3R (Rail, River & Road) based multimodal transport infrastructure system developed GHG emission in the power, transport, and industry sectors reduced		
Outcome	Operational and energy efficiency of Bangladesh Railway improved		
Outputs	Modern rolling stock procured Investment plans for maintenance facilities of locomotives/diesel electric multiple units developed Capacity of Bangladesh Railway officials and locomotive drivers on energy efficient rolling stock operations improved ERP IT system for accrual accounting is used and adequately maintained		
Geographical Location	Nation-wide		

Safeguard Categories	
Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects
Involuntary Resettlement
Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design
During Project Implementation

Business Opportunities

Consulting Services	An international firm shall be recruited by following ADB's Guidelines on the Use of Consultants (2017, as amended from time to time).
Procurement	Procurement for contracts to be financed under the project will be carried out in accordance with ADB's Procurement Guidelines (2015, as amended from time to time).

Responsible ADB Officer	Sakai, Tsuneyuki
Responsible ADB Department	South Asia Department
Responsible ADB Division	Transport and Communications Division, SARD
Executing Agencies	<i>Bangladesh Railway 16 Abdul Gani Road Bangladesh Railway, Rail Bhaban, Dhaka, Bangladesh</i>

Timetable

Concept Clearance	19 Apr 2017
Fact Finding	16 May 2017 to 24 May 2017
MRM	18 Jul 2017
Approval	-
Last Review Mission	-
Last PDS Update	27 Sep 2017

Project Page	https://www.adb.org/projects/50312-003/main
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