



Project Summary Information

Date of Document: March 25, 2022

Project Name	Unique Meghnaghat 584MW Combined Cycle Power Plant
Project Number	P000281
AIIB member	People's Republic of Bangladesh
Sector/Subsector	Energy / Conventional Energy Generation (Gas)
Status of Financing	Under Preparation
Project Description	The Project involves the development and operation of a 584 MW combined-cycle gas turbine (CCGT) plant, on a build-own-operate basis. The Project is located at Pirojpur, Sonargaon in the Narayanganj district of Bangladesh. This is being developing jointly by Unique Hotel and Resorts Limited, Nebras Power Investment Management B.V., Strategic Finance Limited, and GE Capital Global Energy Investments B.V., through a special purpose vehicle - Unique Meghnaghat Power Limited (UMPL). U MPL entered into a 22-year Power Purchase Agreement with Bangladesh Power Development Board.
Objective	To support the development of high efficiency power generation to meet the increasing demand and diversify energy resources
Expected Results	The key indicators are: <ul style="list-style-type: none"> • Increase in annual power generation, GWh • Catalyze Private Capital, USD million
Environmental and Social Category	Category A
Environmental and Social Information	The AIIB's Environmental and Social Policy (ESF/ESP 2019), including Environmental and Social Standard 1 (ESS1) on Environmental and Social Assessment and Management, ESS2 on Involuntary Resettlement and the Environmental and Social Exclusion List are applicable to this Project. In accordance with AIIB's ESP, an Environmental and Social Impact Assessment (ESIA) including an

Environmental and Social Management Plan (ESMP) and a Livelihood Restoration Plan (LRP) have been prepared. Though the Project is under construction, a comprehensive environmental and social (ES) due diligence and a Land Audit have also been conducted. A separate Environment and Social Action Plan (ESAP) has been prepared based on the ES due diligence and in accordance with the ESP. The ESAP includes time-bound actions that the client will be required to carry out during the implementation of this Project.

Environmental and Climate Change Aspects. During the construction phase, the project will result in some negative impacts, including air pollution, noise, soil erosion, impacts of landfilling, discharge of wastewater and the disposal of construction wastes. The water abstraction from the Meghna river will not affect other water users and the impact of effluent on water quality and temperature will be minor. Other major environmental impacts during the operation phase include emissions of air pollutants, noise, ecological impact, and solid wastes. The results of emission dispersion modeling showed the impact of this Project on ambient airshed quality is minor. Noise modeling showed the noise level can meet the standards during daytime and has negligible impacts on sensitive receptors during night-time. The critical habitat assessment conducted as part of the ESIA revealed that no critical habitat was triggered in accordance with the Performance Standard 6 of International Finance Corporation (IFC). The mitigation measures have been developed for all negative impacts and are included in the ESMP. The recommendations have also been incorporated into the design of the Project. A risk assessment was also carried out and an Emergency Management Plan was developed as part of the ESIA.

A Cumulative Impact Assessment (CIA) has been conducted to analyze cumulative impacts on ambient airshed quality, noise and water use due to this Project, existing emission sources, those under construction and proposed development activities in the vicinity of the project. The cumulative impacts are not significant and can be negligible, thus, no further mitigation measures are proposed.

The total green-house gas (GHG) emission from various emission sources, during the operation phase is estimated to be about 1,727,452 ton of CO₂eq per year. This equals to 0.37ton CO₂eq per MWh of power generation (the average grid emission factor in Bangladesh is 0.67 tons CO₂/MWh). The Project has adopted climate resilience designs and those adapted to natural hazards, like flooding prevention and water harvest.

Social Aspects. Land has been purchased from 343 landowners in two tranches and related payments made in

full. The widening of an access road, considered an associated facility to the Project, has adversely impacted 63 people, nine of which are informal users. Some landowners who have sold their land and those adversely impacted by the road widening require additional measures to support restoration of their livelihoods, as required by ESS2 and detailed in the LRP. These measures include a combination of financial payments, professional and skills trainings, potential employment for project activities and agriculture assistance, depending on their needs and capacities. Some villagers who rely on fishing, would receive in-kind support as they will lose access to the riverfront, which is critical to their fishing activities. Special considerations and compensation provisions have been made for 26 vulnerable households, 20 of which are women-headed households. A third-party will be retained by UMPL to implement the LRP.

Gender aspects. Dedicated focus group discussions with women surrounding project area were held during the preparation of the ESIA and LRP. The former includes a Gender Action Plan detailing activities requested by female PAPs. The LRP has identified 20 women-headed households who will receive additional compensation. Special provisions for acceptance and handling of complaints related to Gender-based violence, sexual harassment, exploitation, and abuse will be included in the proposed project-level Grievance Redress Mechanism (GRM).

Stakeholder engagement and information disclosure. Public consultations with project-affected people and communities, government agencies and other stakeholders have been carried out during the preparation of ESIA and LRP. Additional consultations will be held during the disclosure of the ESIA and the LRP, as detailed in the Stakeholder Engagement Plan (SEP) to enable meaningful and inclusive participation. The ESIA and LRP in English have been disclosed at the UMPL website¹. The ES documents are also made available for download at AIIB website². The Executive Summary of ESIA and the full LRP are being translated into Bengali language and be disclosed timely on the same websites in due course. Based on stakeholder consultation feedback, the ESIA including ESMP and LRP will be finalized.

¹ <http://www.umplbd.com/>

² <https://www.aiib.org/en/projects/details/2022/proposed/Bangladesh-Unique-584MW-Combined-Cycle-Power-Plant.html>

	GRM. A two-tier GRM is proposed in the ES documentation as the project-level GRM and that has been established by UMPL. Locally appropriate public consultation and disclosure process will be used to timely disseminate information about the project-level GRM and the PPM of AIIB. A separate GRM will be established for workers to address workplace complaints and concerns. A brochure about the GRM and PPM in Bengali language will be prepared and be available from the project office of UMPL.		
Cost and Financing Plan	The total project cost is approximately USD 549 million. AIIB is considering loan amount up to USD 75 million. Balance is funded by the sponsors/ equity investors and other Development Financial Institutions and Export Credit Agencies.		
Borrower	Unique Meghnaghat Power Limited		
Estimated date of first disbursement	To be determined		
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Date of Concept Review Decision	February 2020		
Estimated Date of Final Review Decision	To be determined		
Estimated Date of Financing Approval	To be determined		
Independent Accountability Mechanism	The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. Information on AIIB's PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policyon-theproject-affected-mechanism.html .		