Project Summary Information

	Date of Document Preparation: November 10, 2023
Project Name	Rogun Hydropower Development Project – Phase 1
Project Number	P000687
AIIB member	Republic of Tajikistan
Sector/Subsector	Energy / Renewable Energy Generation - Hydropower
Status of Financing	Under Preparation
Project Description	A proposed Project supports the construction of a hydropower plant, currently in progress, with a designed generation capacity of 3,780 MW, a 335-meter-high dam, a reservoir area of 170km^2, and a total reservoir capacity of 13.3km^3. It is located on the Vakhsh River (a tributary of the Amu Darya River), 110 kilometers from the capital city of Dushanbe, upstream of the Nurek Hydropower Plant. The large reservoir can provide seasonal regulation, supplying firm energy during the winter season and reliable electricity to meet growing domestic demands at an affordable cost. Furthermore, it has the potential to export clean energy to Central Asian countries, generating significant export revenue for many years to come. The design of the HPP is assessed for exposure to physical climate risks, and appropriate risk mitigation measures will be incorporated to reduce the plant's vulnerability to climate hazards during construction and especially at the operation stage. The Project has been assessed against European climate policies and confirmed in compliance with the joined MDB Paris Agreement alignment methodology on both climate mitigation (BB1) and climate adaptation (BB2). Rogun HPP can also act as a balancing plant for Tajikistan and the broader Central Asia region, facilitating easier integration of intermittent renewable energy and contributing to decarbonizing the fossil-fuel-dominated Central Asia power systems. In Phase 1, AIIB is considering investing USD 200 million in certain components of the Project. Further phases of development will be reviewed at a later stage by reflecting on the progress to date.
Objective	To enhance national and regional energy security and promote renewable energy, cross-border connectivity, and regional decarbonization by supporting the development of a 3,780 MW hydropower plant in Tajikistan.
Expected Results	Upon completion, the project is expected to add 3,780 MW of renewable energy capacity to the power system of Tajikistan. It will increase the electricity supply to domestic electricity consumers and exports to the Central Asia countries. It will also contribute to reduced carbon emissions in Tajikistan and its neighboring countries.

Environmental and Social Category	Category A
Environmental and Social Information	The Project will be co-financed with the World Bank (WB) and other development partners. The Project's environmental and social (E&S) risks and impacts have been assessed in accordance with the WB's Environmental and Social Framework 2018 (WB's ESF) and relevant E&S Standards (ESSs). To ensure a harmonized approach to addressing E&S aspects of the Project, and as permitted by AIIB's Environmental and Social Policy (AIIB's ESP), the WB's ESF and relevant ESSs will apply to this Project in lieu of AIIB's ESP. In addition, European regulations and directives on climate risk and climate impact assessment will be applied. The Bank has reviewed WB's ESF and ESSs and is satisfied that (i) the WB's ESF and ESSs are consistent with the Bank's Articles of Agreement and materially consistent with the provisions of AIIB's ESP and the relevant ESSs and (ii) the monitoring procedures that are in place are appropriate for the Project. The Project has been categorized as Category A as the anticipated E&S risks and impacts are rated high due to significant social impacts related to land acquisition, physical and economic displacements, resettlement impacts, and community disturbance. The Project is expected to have significant, cumulative, and diverse adverse environmental and social impacts. During the construction, the environmental challenges encompass risks associated with landslides and slope stability, inadequate management of solid, liquid, and hazardous waste, impacts on natural habitats, which might require a biodiversity offset plan, and gaps in the assessment of cultural heritage impacts. Environmental concerns also relate to permanent inundation of the reservoir area, changes in the landscape, changes in hydrology and impacts on river flow, quality and morphology, as well as terrestrial and aquatic ecosystems, pollution and waste disposal, vibrations from blasting tunnels and heavy machinery, dust pollution, etc. The Project is expected to be significantly exposed to physical climate risks, including but not limited to access to water resources, landslides, and extreme weather events triggered by climate change. Adverse social risks and impacts are associated with a larger scale of land acquisition, physical and economic displacements, resettlement, and livelihood restoration. During the construction phase, there are additional social risks related to worker retrenchment, labor management challenges, including labor and working conditions, OHS, and the establishment of safe and effective work camps during the construction phase. The Project will also affect community health and safety, associated with labor influx, with attendant risks related to social tensions, gender-based violence, sexual exploitation, abuse/sexual harassment (GBV/SEA/SH), transmission of disease, and security issues. The potential impacts of project activities on women at the community level have been assessed as part of the updated E&S assessment, and a Gender Gap Assessment is being finalized. Based on the findings, a Gender Action Plan (GAP) will be prepared.

	E&S risks, including identified legacy issues, will be addressed and managed by developing adequate and proportional instruments in collaboration with and in compliance with the WB E&S policies and the European climate regulations and directives. The following E&S instruments will be updated and prepared: 1) Environmental and Social Impact Assessment (ESIA), including the Environmental and Social Management Plan (ESMP) and other associated E&S management plans; 2) an updated Resettlement Policy Framework (RPF), including livelihood restoration framework (LRF), Resettlement Action Plan (RAP) and livelihood restoration plan (LRP); 3) Stakeholder Engagement Plan (SEP); 4) Gender Action Plan (GAP); 5) Labor Management Procedures (LMP); and 6) Environmental and Social Commitment Plan (ESCP), as well as a benefit-sharing study and other plans and studies (climate, biodiversity, etc), as required by the Lenders' ESPs. All E&S documents such as updated ESIA, ESMP, RPF/RAP, SEP, and a Non-Technical Summary (NTS) of the ESIA both in English and local language will be disclosed in a timely and appropriate manner. Hard copies of those documents will also be made available in the project area. The Bank will provide links to the client's and the WB websites, where those documents can be accessed. In addition, a multi-tier project-specific Grievance Redress Mechanism (GRM) is being established to handle complaints and issues, with a separate GRM for project workers. Dedicated communication materials will be developed in the local language to inform interested parties and stakeholders about the grievance redress channels and procedures. Detailed E&S monitoring and reporting arrangements will be determined during the appraisal stage.
Cost and Financing Plan	The total cost of Rogun HPP completion, per the current construction schedule, is estimated at around USD 6.1 billion. Various MDBs, such as WB/IDA, EIB, the Islamic Development Bank, and other development partners of Tajikistan have expressed significant interest in financing Rogun HPP. The overall program of completing the construction of Rogun HPP will be phased and structured in two phases linked to key milestones. • Phase 1 includes achieving by 2028 a dam height of 1,185 masl and installed capacity of 1,660MW (including 400MW for temporal generating units 5 & 6 and 1,260MW for newly installed permanent generating units 3 and 4). The estimated cost of Phase 1 is USD 2.44 billion. • Phase 2 includes achieving by 2035 a dam height of 1,300 masl and an installed capacity of 3,780MW (630MW x all six permanent generating units). The estimated cost of Phase 2 is USD 3.66 billion. The Project will consist of four main components:

	• **Component 1**: Construction activities, including all major civil works and hydromechanical contracts. • **Component 2**: Project implementation support. • **Component 3**: Implementation of ESMP requirement, involuntary resettlement, and grievance mechanisms • **Component 4**: Technical assistance for dam safety, E&S, and improvement of the capacity of the Project implementing entities.			
Borrower	Republic of Tajikistan			
Implementing Entities	• Project Management Group for Energy Facilities Construction under the President of the Republic of Tajikistan (PMG) • Rogun HPP Open Joint Stock Company (Rogun OJSC) • Directorate of the Flooding Zone of Rogun HPP (Rogun DFZ)			
Estimated date of loan closing	June 2036			
Contact Points:	**AIIB**	**World Bank**	**Borrower**	**Implementation Organizations (representative)**
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Date of Concept Decision	September 2023			

Estimated Date of Appraisal Decision	March 2024
Estimated Date of Financing Approval	Q2 2024

Independent Accountability Mechanism	The proposed Project will be co-financed with the World Bank. The Bank has agreed that the WB's ES policies and procedures will apply to this Project. Pursuant to the agreement with the WB, the WB's independent accountability mechanism (IAM), Inspection Panel, will handle submissions relating to E&S issues under the Project. Consequently, in accordance with the Bank's Policy on Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM. Information on WB's Inspection Panel is available at Home | Inspection Panel.