

 Early Warning System

ADB-38456-034

Power Distribution Enhancement Investment Program - Tranche 3



### Quick Facts

<b>Countries</b>	Pakistan
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2012-12-14
<b>Sectors</b>	Energy, Infrastructure
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 245.00 million



### Project Description

#### DESCRIPTION

The project proposed for financing under the requested PFR are:

1. Secondary Transmission Grid (STG)
  - a. Augmentation replacement of power transformers with higher capacity transformer;
  - b. Extension addition of power transformers;
  - c. Conversion of existing 66-kV substations to 132-kV substations with enhanced transformation and current carrying capacity; and
  - d. Addition of new 132-kV grid station.
2. STG transmission lines:
  - a. Conversion of existing 66-kV transmission lines to 132-kV transmission lines;
  - b. Replacement of existing transmission lines to increase load carrying capacity; and
  - c. Extension addition of transmission lines.

#### PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

The project is urgently needed to further alleviate the power distribution system bottlenecks and to reduce prolonged outages and load shedding.

#### CONSULTING SERVICES

The DISCOs and PEPCO will be supported by the facility management consultant, already hired under the MFF Support Component, in monitoring the project and providing guidance and technical support to the executing agency and implementing agencies.

#### PROCUREMENT

The procurement plan for the Tranche has been prepared for the first 18 months. There will be 23 ICB packages. Procurement experts working in the PMUs have reasonable expertise and have been provided with extensive training by ADB in the past three years. These staff have been actively involved in procurement of goods and turnkey contracts during the previous two tranches. Being familiar with ADB's standard bidding documents and to amplify project readiness, the DISCOs have prepared the first draft bidding documents for ICB contracts. It is expected that a few of the ICB packages will be advertised within Q4 of 2012, and the remaining during Q1 of 2013.

Advance contracting and retroactive financing of expenditures for the first and subsequent tranches (up to 20% of the proceeds from individual loans under the MFF) were approved by ADB, provided that those expenditures are incurred in accordance with agreed procedures and during the 12 months before the signing of the corresponding individual loan agreement and loan effectiveness under the MFF. Because of the urgent nature of the project, retroactive financing will cover eligible expenditures including works carried out under the categories of turnkey and equipment. Such financing will be subject to compliance with involuntary resettlement requirements stated in the LARPs. The government and the DISCOs were informed that approval of advanced contracting and retroactive financing does not commit ADB to finance any of the proposed subprojects. The DISCOs were also advised that they must comply with all ADB procurement procedures in order to qualify for retroactive financing.



### Investment Description

- Asian Development Bank (ADB)

Loan 2972-PAK: Power Distribution Enhancement Investment Program - Tranche 3

Ordinary capital resources US\$ 245.00 million



### Contact Information

#### ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>

#### CONTACTS

Responsible ADB Officer Khattak, Ehtesham Zafar  
Responsible ADB Department Central and West Asia Department  
Responsible ADB Division Pakistan Resident Mission  
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### Bank Documents

- [Loan Agreement for Power Distribution Enhancement Investment Program - Project 3](#) [Original Source]
- [Power Distribution Enhancement Investment Program - Tranche 3](#) [Original Source]
- [Power Distribution Enhancement Investment Program - Tranche 3: Audited Project Financial Statements](#) [Original Source]
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- [Power Distribution Enhancement Investment Program - Tranche 3: Biannual Environmental Monitoring Rep](#) [Original Source]
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- [Power Distribution Enhancement Investment Program - Tranche 3: Biannual Environmental Monitoring Rep](#) [Original Source]
- [Power Distribution Enhancement Investment Program - Tranche 3: Biannual Social Monitoring Report, FE](#) [Original Source]
- [Power Distribution Enhancement Investment Program - Tranche 3: Biannual Social Monitoring Report, GE](#) [Original Source]
- [Power Distribution Enhancement Investment Program - Tranche 3: Biannual Social Monitoring Report, HE](#) [Original Source]



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### Other Related Projects

- ADB-38456-037 Power Distribution Enhancement Investment Program - Tranche 4