Early Warning System

ADB-49216-002

Supporting Electricity Supply Reliability Improvement

Early Warning System

Supporting Electricity Supply Reliability Improvement

ADB-49216-002

Quick Facts

Countries	Sri Lanka
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2016-07-26
Sectors	Climate and Environment
Investment Type(s)	Loan
Investment Amount (USD)	$ 115.00 million

Project Description

DESCRIPTION

The project will directly benefit the development of lagging areas. It will cover 106 rural electrification schemes and 2,372 kilometers (km) of low voltage line extensions. Innovative hybrid mini grids, consisting of wind solar and efficient diesel generation systems coupled with energy storage (lithium-ion batteries), will be implemented in the small isolated islands. As a result, the project will help to ensure inclusiveness and access to electricity by all the population. The project is expected to provide electricity to about 35,710 rural households, including the former conflict-affected Northern and Eastern provinces as well as Uva and North Central provinces where the current electrification level is lower than in other parts of the country. Improvement of the medium voltage network will enhance the quality and reliability of electricity supply to more than 493,000 consumers. The project is consistent with the interim country partnership strategy for Sri Lanka of the Asian Development Bank (ADB). It builds on previous ADB interventions focused on supporting transmission and distribution investments to expand access to clean and reliable electricity, and renewable energy development.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

Sri Lanka has improved its energy sector performance, and achieved a national electrification ratio of 98% in 2014 compared with 29% in 1990. The remaining 2% of electrification is the most difficult to accomplish, and is mainly in underdeveloped areas and small isolated islands around the country. Although some provinces have achieved 100% electrification, the former conflict-affected Northern and Eastern provinces have only 92% and 94% electrification; and Uva and North Central provinces achieved 95%, with several districts falling well below this level. Improvement of the 33-kilovolt (kV) medium voltage network is needed to ensure system reliability and expand power supply into these rural areas, where many poor households remain unconnected and those connected have poor quality of electricity supply. Several small isolated islands with a population of 1,800 4,500 people cannot be provided with electricity through extension of the grid. These islands are supplied by expensive electricity generated by inefficient, old diesel generation sets that provide electricity for limited hours during the day, with an electrification ratio of 38% 60%.

The Government of Sri Lanka aims to ensure sustainable development of energy resources by improving the power supply systems to provide access to electricity services to the entire population. Sri Lanka has a national investment program, including sector investments that are based on the National Energy Policy and Strategies. The National Energy Policy and Strategies includes a sector road map, a long-term investment plan, and policy and reform measures. The country's installed generation capacity of 3,932 megawatts produces 12,357 gigawatt-hours of electricity (2014), adequately covering current demand. Generation capacity is sufficient to expand electricity supply further. The government intends to provide electricity to the population through the grid on the main island and mini-grid systems on small isolated islands. The project will contribute to the government's goal of expanding access to electricity and developing clean energy.

IMPACT

Access to clean, reliable, and affordable power supply in Sri Lanka increased by 2020 (National Energy Policy and Strategies of Sri Lanka)

CONSULTING SERVICES

Recruitment of consultants will be in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time).

The consulting services include recruitment of a firm or NGO and 4 individual consulting contracts.

PROCUREMENT

Investment Description

- Asian Development Bank (ADB)

Grant 0486-SRI: Supporting Electricity Supply Reliability Improvement Project-Renewable Energy Micro-grid
Clean Energy Fund under the Clean Energy Financing Partnership Facility US$ 1.80 million

Grant 9186-SRI: Productive Energy Use for Small Isolated Island and Rural Communities
Japan Fund for Poverty Reduction US$ 2.00 million

Loan 3409-SRI: Supporting Electricity Supply Reliabiity Improvement
Ordinary capital resources US$ 115.00 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 Khamudkhanov, Mukhtor
Responsible ADB Department South Asia Department
Responsible ADB Division Energy Division, SARD
Executing Agencies
Ceylon Electricity Board
3rd Floor, G.O.B.A. Bldg.
#50,Sir Chittampalam A. Gardiner Mawatha
Colombo 02, Sri Lanka

Bank Documents

- Grant Agreement (Externally Financed) for Grant 0486-SRI: Supporting Electricity Supply Reliability [Original Source]
- Grant Agreement (Externally Financed) for Grant 9186-SRI: Supporting Electricity Supply Reliability [Original Source]
- Guarantee Agreement (Ordinary Operations) for Loan 3409-SRI: Supporting Electricity Supply Reliabili [Original Source]
- Loan Agreement (Ordinary Operations) for Loan 3409-SRI: Supporting Electricity Supply Reliability Im [Original Source]
- Project Agreement for Grant 0486-SRI: Supporting Electricity Supply Reliability Improvement Project [Original Source]
- Project Agreement for Grant 9186-SRI: Supporting Electricity Supply Reliability Improvement Project [Original Source]
- Project Disclosure PDF
- Supporting Electricity Supply Reliability Improvement Project: Report and Recommendation of the Pres [Original Source]
- Supporting Electricity Supply Reliability Improvement: Gender Action Plan [Original Source]
- Supporting Electricity Supply Reliability Improvement: Initial Environmental Examination [Original Source]
- Supporting Electricity Supply Reliability Improvement: Initial Poverty and Social Analysis [Original Source]
- Supporting Electricity Supply Reliability Improvement: Procurement Plan [Original Source]
- Supporting Electricity Supply Reliability Improvement: Project Administration Manual [Original Source]
- Supporting Electricity Supply Reliability Improvement: Project Data Sheet (Sinhala Translation) [Original Source]
- Supporting Electricity Supply Reliability Improvement: Project Data Sheet (Tamil Translation) [Original Source]
- Supporting Electricity Supply Reliability Improvement: Project Preparatory Technical Assistance Repo [Original Source]
- Supporting Electricity Supply Reliability Improvement: Resettlement Plan [Original Source]
- Supporting Electricity Supply Reliability Improvement: Resettlement Plan [Original Source]
- Supporting Electricity Supply Reliability Improvement: Resettlement Plan [Original Source]