

 Early Warning System

AIIB-000454

India: West Bengal Electricity Distribution Grid Modernization Project



Quick Facts

Countries	India
Specific Location	West Bengal
Financial Institutions	Asian Infrastructure Investment Bank (AIIB), World Bank (WB)
Status	Proposed
Bank Risk Rating	B
Borrower	Republic of India
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 135.00 million
Loan Amount (USD)	\$ 135.00 million
Project Cost (USD)	\$ 385.70 million



Project Description

According to the bank documents, the objective of this project is to improve the operational efficiency and reliability of electricity supply in 14 districts of West Bengal. The project aims to modernize West Bengal's electricity distribution system by providing financial and technical support for investments in:

- (i) High voltage distribution system, aerial bunched cabling, 33/11 kilovolt gas-insulated substations, and underground cables
- (ii) Smart consumer meters, deployment of distribution automation technologies, and improving the existing commercial and enterprise information technology solutions
- (ii) Technical assistance for institutional development and capacity building

The project will be co-financed with the World Bank, as the lead co-financier.

ENVIRONMENTAL AND SOCIAL INFORMATION

To ensure a harmonized approach to addressing environmental and social aspects of the project, as permitted by AIIB's Environmental and Social Policy (ESP), the World Bank's new Environment and Social Framework (ESF) and Grievance Redress Service, will apply to the project in lieu of AIIB's ESP. AIIB has reviewed the World Bank's ESF and is satisfied that (i) the World Bank's ESF is consistent with AIIB's Articles of Agreement and materially consistent with the provisions of AIIB's ESP and the relevant ES Standards; and (ii) the monitoring and reporting procedures that are in place are appropriate for the project.

World Bank has rated both the environmental and social risk as "Moderate" which is equivalent to Category B as per AIIB's ESP.

Accordingly, the World Bank has adopted a Framework approach, and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) has prepared an Environmental and Social Management Framework (ESMF) which is being reviewed by World Bank internally. WBSEDCL has also prepared a Resettlement Policy Framework (RPF), a Tribal Peoples Policy Framework (TPPF), a Gender Development Policy (GDP), and a Stakeholder Engagement Plan (SEP) to guide and avoid/minimize adverse impacts.

Based on the ESMF, Environment and Social Impact Assessments (ESIAs) studies for ten districts (out of fourteen) have been prepared. The project districts are spread across the entire geography of West Bengal and therefore there will be varying geographical contexts ranging from coastal areas to flood plains, from forest lands (having tribal populations) to foothill areas. Appropriate measures will be taken to address the contextual issues pertaining to biodiversity, tribal peoples, and forest areas. The commitment for the preparation of these Mitigation Plans will be included in the Environmental and Social Commitment Plan (ESCP).

World Bank has triggered the ESSs in two categories: a) General Assessment and b) Specific Risks and Impacts. Under the General Assessment category, World Bank has triggered ESS 1 (Environmental and Social Assessment and Management) and ESS 10 (Stakeholder Engagement and Information Disclosure). Under the Specific Risks and Impacts category, World Bank has triggered ESS 2 (Labour and Working Conditions), ESS 3 (Resource Efficiency and Pollution Prevention and Management), ESS 4 (Community Health and Safety), ESS 5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement), ESS 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources), ESS 7 (Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities), and ESS 8 (Cultural Heritage).

The project will have a Grievance Redress Mechanism to address the concerns of the affected people.



People Affected By This Project

According to the bank's assessment, the potential ES impacts are mostly associated with construction and related activities such as site selection, construction, and operation of substations, as well as installation of underground cables and they, are temporary in nature, localized, and reversible in nature. The social issues have been assessed to be minimal as the project requires small quantities of land, and these are mostly being arranged through government lands with no or minimal informal settler issues, using the flexibility options in the site location.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)
- World Bank (WB)



Contact Information

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IMPLEMENTING ENTITY

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides 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 Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- [Project Summary \(March 11, 2021\)](#) [\[Original Source\]](#)



Other Related Projects

- WB-P170590 West Bengal Electricity Distribution Grid Modernization Project