

 Early Warning System

AIIB-000642

Bangladesh: Electricity Distribution Modernization (Chattogram and Sylhet Divisions) Project



Quick Facts

Countries	Bangladesh
Specific Location	Chattogram, Sylhet
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	B
Borrower	Government of Bangladesh
Sectors	Energy, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 531.00 million
Loan Amount (USD)	\$ 531.00 million
Project Cost (USD)	\$ 820.26 million



Project Description

According to the AIIB, the objective of the project is to increase delivery, reliability, and efficiency of power supply in selected areas of Chattogram and Sylhet Divisions in Bangladesh.

Bangladesh Rural Electrification Board (BREB), one of the major state-owned entities in the energy sector in Bangladesh, is responsible for extending electricity distribution services to the rural areas of the country. The entity, through its 80 "Palli Bidyut Samities" (PBSs) (i.e., rural electricity clusters) organized under eight divisions, collectively serves more than 77 percent of the country's electricity consumers. Out of 80 PBSs, Chattogram and Sylhet divisions have 19 PBSs that provide services to around 9.2 million consumers (including industrial and commercial users).

These two divisions have developed socio-economically at an accelerated pace in the last 15 years. The Government of Bangladesh's (GoB) has targeted developing 25 Economic Zones (EZs) and other mega infrastructure in the Chattogram division and expanding industrial opportunities in the Sylhet division. BREB anticipates an increase in consumer demand for reliable electricity supply in these two divisions. In order to (i) cater to the expected additional demand, (ii) decongest the network, and (iii) reduce the distribution losses, BREB has initiated this project to increase the capacity and modernize the distribution network.

The following activities are planned in the project scope:

- (1) Installation and augmentation of approximately 135 nos. of 33/11 kilovolt (kV) substations (2,062 megavolt-amperes (MVA));
- (2) Construction and modernization of around 30,000 kilometers (km) of 33/11 kV distribution lines; and
- (3) Installation of River-crossing Towers, Switching Stations, Supervisory Control and Data Acquisition (SCADA) System, and Fault Locators.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

According to the AIIB, the financing gap will be filled by the following investments:

- US\$ 115.94 million (GoB); and
- US\$ 173.32 million (BREB).



Contact Information

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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 \(March 29, 2024\)](#) [Original Source]