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ASIAN DEVELOPMENT BANK

Project Data Sheet

Project 44426-016

Project Name	Green Energy Corridor and Grid Strengthening Project
Project Number	44426-016
Country / Economy	India
Project Status	Closed
Project Type / Modality of Assistance	Loan

Loan 3365-IND: Green Energy Corridor and Grid Strengthening Project

	Ordinary capital resources	US\$ 500.00 million
	Loan: Green Energy Corridor and Grid Strengthening Project	
Source of Funding / Amount	KfW Bankengruppe	US\$ 625.00 million
	Loan: Green Energy Corridor and Grid Strengthening Project	
	Asian Infrastructure Investment Bank	US\$ 100.00 million
	Loan: Green Energy Corridor and Grid Strengthening Project	
	KfW Bankengruppe	US\$ 223.94 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Partnerships Private sector development	
Sector / Subsector	Energy / Electricity transmission and distribution	
Gender	No gender elements	

Description	<p>The project will fund electric transmission system investments in India, including (i) a portion of the Government of India's "Green Energy Corridor" initiative to facilitate the transfer of power from the renewable energy (RE) rich areas to other parts of the country, consisting of 765 kilovolt (kV) and 400 kV high voltage transmission lines and an associated 765/400kV substation and associated equipment, and (ii) four high voltage direct current (HVDC) terminals (two at 800 kV and two at 320 kV) as part of increased inter-regional connectivity between India's western and southern regional power grids.</p> <p>India's Ministry of New and Renewable Energy and the Forum of Regulators commissioned Power Grid Corporation of India Ltd. (Powergrid) to conduct a Green Energy Corridor study to identify requisite nationwide transmission investments required to accommodate the anticipated additional renewable energy generation capacity targeted during India's 12th Five Year Plan (2013-2017) and beyond. Powergrid is the public sector corporation that is mainly responsible for construction, expansion, operations and maintenance of India's inter-state and inter-regional power transmission network. In order to facilitate transfer of renewable energy from the renewable energy rich states to other states, as well as absorption and smoothing out of the intermittency from such power sources, Powergrid has identified requisite investments in a phased approach to commence during the 12th Five Year Plan.</p> <p>Powergrid also conducted the studies for the proposed HVDC transmission link to further increase inter-regional transmission capacity between the western and the southern regional grids.</p>
Project Rationale and Linkage to Country/Regional Strategy	<p>The project consists of electric transmission system investments in India to facilitate the transfer of renewable energy, as well as increasing interregional connectivity. The total project cost is about \$2.5 billion, for which ADB would provide a \$500 million sovereign guaranteed project loan. Investments will include transmission lines and substations. This project is a subset of India's 'green energy corridor' initiative to ensure that transmission system development is commensurate with renewable energy capacity development over time. The project will also incorporate increasing interregional transmission capacity between the southern and western regional systems via an 800 kV HVDC link. The proposed project will thus improve interstate power flows and system reliability.</p>
Impact	<p>Increased overall efficiency of the Indian power system, expanded access to electricity, increased private investment in renewable energy, and enhanced energy security in India. (Electricity for All, Twelfth Five Year Plan)</p>

Project Outcome

Description of Outcome	Improved and more reliable transmission system capacity in selected regions of India
Progress Toward Outcome	The project outcome was achieved.

Implementation Progress

Description of Project Outputs	1. Green energy corridor transmission system expanded in the northern region 2. Transmission interconnection capacity between the western and southern regional grids expanded
Status of Implementation Progress (Outputs, Activities, and Issues)	Output 1: This output was achieved. Output 2: This output was achieved.
Geographical Location	Nation-wide

Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	Effective measures to avoid, minimize, mitigate, and compensate for the adverse environmental impacts are incorporated in the initial environmental examination, which includes the environmental management plan. Environmental impacts of transmission lines are mostly localized to the right-of-way and can be minimized by careful route selection.
Involuntary Resettlement	For the transmission towers and lines, impacts are temporary and will occur during construction in terms of loss of crops and trees which will be compensated. Effective measures to avoid, minimize, mitigate, and compensate for the adverse impacts are incorporated in the relevant documents.
Indigenous Peoples	Category C

Stakeholder Communication, Participation, and Consultation

During Project Design	Project was cleared by Government of India for Asian Development Bank to undertake due diligence after inter-ministry consultations in 2014. Powergrid has conducted public consultations in applicable project areas and consulted with other stakeholders.
During Project Implementation	Stakeholder consultation is an ongoing process and will continue during project implementation.

Business Opportunities

Consulting Services	Project implementation consultants are not envisaged.
Procurement	Powergrid is the executing and implementing agency. A project management unit is in place, headed by a project director. Goods, equipment and civil works to be financed by the ADB loan were procured in accordance with ADB Procurement Guidelines (2015, as amended from time to time). All the procurement packages have already been awarded. International competitive bidding (ICB) was used for civil works and turnkey contracts. Advanced contracting and/or retroactive financing were applied.
Responsible ADB Officer	Deny, Angelique

Responsible ADB Department South Asia Department
 Responsible ADB Division Energy Division, SARD
 Executing Agencies *Power Grid Corporation of India Limited*

Timetable

Concept Clearance	25 Jun 2014
Fact Finding	01 Jun 2015 to 11 Jun 2015
MRM	22 Sep 2015
Approval	09 Dec 2015
Last Review Mission	-
Last PDS Update	23 Feb 2023

Loan 3365-IND

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
09 Dec 2015	23 Feb 2017	22 Mar 2017	30 Jun 2021	-	22 Jan 2021

Financing Plan

Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	2,581.30	Cumulative Contract Awards			
ADB	500.00	09 Oct 2023	500.00	0.00	100%
Counterpart	2,081.30	Cumulative Disbursements			
Cofinancing	0.00	09 Oct 2023	500.00	0.00	100%

Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

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