



Pakistan: Power Transmission Enhancement Investment Program Tranche 2

Project Name	Power Transmission Enhancement Investment Program Tranche 2
Project Number	37192-033
Country / Economy	Pakistan
Project Status	Closed
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan 2396-PAK: MFF-Power Transmission Enhancement Investment Program PFR2 Ordinary capital resources US\$ 165.00 million
Strategic Agendas	Environmentally sustainable growth
Drivers of Change	Governance and capacity development
Sector / Subsector	Energy / Electricity transmission and distribution
Gender	No gender elements
Description	Pakistan's power system continues to operate under stressed conditions. The transmission network, the power system's backbone, requires renovation and expansion in order to meet the objective to supply reliable and high-quality power and meet rising demand from industrial, commercial, agricultural, and domestic customers. Investments under the project will continue to address the immediate priorities of the primary transmission system improvement, dealing with the capacity shortfalls that currently result in regular system outages and supply interruptions to customers. These investments are consistent with the Government's strategy to achieve the following outcomes: (i) a more efficient power system; (ii) high-quality power supply through a more reliable and stable system; (iii) greater geographic coverage of power supply; and (iv) greater access to affordable electricity, by bringing hydroelectric and coal-fired thermal energy to load centers.
Project Rationale and Linkage to Country/Regional Strategy	Power is an essential commodity for growth and expansion and in turn for the economic and social development of Pakistan. Historically, power generation has received much more attention than transmission. This Investment Program seeks to (i) rehabilitate, augment, and expand parts of the system to meet current generation capacities; (ii) expand and augment the system to cope with future power generation stations; and (iii) ensure continued operation and maintenance in accordance with best international practices.
Impact	Enhanced power transmission operations and management in Pakistan.

Project Outcome

Description of Outcome	Primary transmission systems rehabilitated, augmented and expanded.
Progress Toward Outcome	Out of the 10 subprojects, 9 subprojects have been energized as of the previous loan closing date on 31 Dec 2014. Loan was extended to 29 Feb 2016 to complete the remaining activities under ADB-14 and ADB-49B, and process outstanding payments for these and other contracts. The remaining lots under ADB-56 were cancelled from the loan.

Implementation Progress

Description of Project Outputs	Substation constructed and rehabilitated. Transmission line commissioned. Augmentation and system stabilization.
Status of Implementation Progress (Outputs, Activities, and Issues)	As of the previous loan closing in Dec 2014, substations substantially done. Loan extended to 29 Feb 2016 to complete installation of telecoms equipment for T.T. Singh and Okara substations. DG Khan substation commissioned in July 2014. Jarwar-Sadiqabad transmission line commissioned on 24 June 2009. SVC at Lahore (ADB-14) delayed. After a court case between the contractor and subcontractor, works resumed in Feb 2015. Loan was extended to 29 Feb 2016 to complete the works.
Geographical Location	Dera Ghazi Khan, Dera Ghazi Khan, Ghazi Barotha, Jarwar, Lahore, Loralai, Okara, Ravi Town, Rohri, Sadiqabad, Toba Tek Singh

Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The 10 subprojects are far apart, and therefore, there is no significant potential for cumulative impacts in the design, construction, or operational phases. NTDC ensured that the (i) subprojects were constructed and operated following national and local environmental procedures and guidelines and ADB's Safeguard Policy; (ii) subprojects are designed, constructed, and operated following the environment management plans (EMPs) as reflected in the initial environment examinations and the Environment Assessment Review Framework; (iii) EMPs were incorporated in bidding documents and civil work contracts, and implemented; and (iv) environmental performance reports were submitted to ADB during construction. An independent monitoring agency acceptable to ADB conducted monitoring and evaluation of environmental and social safeguards.
Involuntary Resettlement	Of the 10 subprojects, four were assessed to trigger ADB's Safeguard Policy. None of these subprojects, however, required housing relocation, or severely affected more than 200 people. A due diligence report documenting land acquisition modalities and circumstances was prepared. Under civil works contracts, all LARFs and RPs were complied with per ADB Policy and Government procedures. All payments were made prior to commencing civil works for all subprojects. NTDC submitted 7 due diligence reports which were approved by ADB. The contract for External Monitoring Consultants under Tranche 1 was extended to cover monitoring for Tranche 2.
Indigenous Peoples	No indigenous peoples were affected in any of the subprojects.

Stakeholder Communication, Participation, and Consultation	
During Project Design	Stakeholder analysis was undertaken. All stakeholders have been actively involved to reduce grievances and to ensure that benefits are distributed fairly.
During Project Implementation	The forms of public consultation and participation during implementation were information sharing and consultations.

Business Opportunities	
Consulting Services	All consulting services to be financed under the Facility shall be procured in accordance with the Guidelines on the Use of Consultants by Asian Development Bank and Its Borrowers, February 2007, as amended from time to time.
Procurement	All goods and services to be financed will be procured in accordance with ADB's Procurement Guidelines, February 2007, as amended from time to time.

Responsible ADB Officer	Luo, Tianhua
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Energy Division, CWRD
Executing Agencies	National Transmission & Despatch Company Limited *Mr. Ameer-ur-Rehman CEO@NTDC.COM.PK Rm. 414, WAPDA House, Shahrah-e-Quaid-e Azam, Lahore

Timetable	
Concept Clearance	08 Sep 2005
Fact Finding	-
MRM	-
Approval	17 Dec 2007
Last Review Mission	-
PDS Creation Date	11 Nov 2008
Last PDS Update	30 Mar 2016

Loan 2396-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
17 Dec 2007	20 May 2008	17 Apr 2009	31 Dec 2013	29 Feb 2016	22 Aug 2016

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	221.00		Cumulative Contract Awards			
ADB	165.00		17 Jun 2022	156.84	0.00	100%
Counterpart	56.00		Cumulative Disbursements			
Cofinancing	0.00		17 Jun 2022	156.84	0.00	100%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	Satisfactory	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

Project Page	https://www.adb.org/projects/37192-033/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=37192-033
Date Generated	05 June 2023

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.