



## Project Data Sheet

Project 42180-018

Project Name Third Public-Private Infrastructure Development Facility-Tranche 1

Project Number 42180-018

Country / Economy Bangladesh

Project Status Closed

Project Type /  
Modality of Assistance Loan

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### **Loan 3554-BAN: Third Public-Private Infrastructure Development Facility-Tranche 1**

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Source of Funding / Amount Ordinary capital resources US\$ 250.00 million

### **Loan 3555-BAN: Third Public-Private Infrastructure Development Facility-Tranche 1**

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Concessional ordinary capital resources lending US\$ 10.00 million

Strategic Agendas Environmentally sustainable growth  
Inclusive economic growth

Drivers of Change Gender Equity and Mainstreaming  
Partnerships  
Private sector development

Sector / Subsector **Finance** / Infrastructure finance and investment funds

Gender Some gender elements

Description The proposed Third Public-Private Infrastructure Development Facility (PPIDF 3) is a continuation of the work carried out under the Public-Private Infrastructure Development Facility (PPIDF 1) and Second Public-Private Infrastructure Development Facility (PPIDF 2) in addressing the infrastructure deficiencies in Bangladesh. Through the two earlier interventions, ADB has provided long-term debt financing and catalyzing private sector participation through the implementing agency, i.e. Infrastructure Development Company Limited (IDCOL) which substantially contributed to economic growth in the country. The design of the project serves to catalyze commercial financing for public-private partnership (PPP) projects, thereby reducing the pressure of direct financing on the public budget. An additional objective of the facility is to help provide the rural population and small to medium enterprises with clean and affordable electricity either through grid-connected or off-grid energy efficiency and renewable energy solutions. Solar home systems (SHSs) will not be financed under PPIDF 3 given the market saturation and availability of funding from partner donors.

Project Rationale and Linkage to Country/Regional Strategy	A key design element of the proposed Third Public-Private Infrastructure Development Facility (PPIDF3) is the introduction of the multitranche financing facility (MFF) financial intermediary (FI) lending modality. The MFF-FI modality is particularly well suited for FI interventions which provide long-term funding to public-private partnership (PPP) infrastructure projects. These PPP interventions are typically developed in a phased manner based on project implementation requirements. The MFF modality allows the borrower, Infrastructure Development Company Limited (IDCOL), to onlend financing for subprojects based on readiness criteria including finalization of risk-sharing arrangements, readiness of engineering procurement and construction, and phased release of equity. The disbursement to a subproject can take place through multiple tranches with time-slicing given the typical characteristic of staggering of payments, and thereby providing IDCOL the flexibility to plan cost-effective disbursements of subprojects.
Impact	Investments in infrastructure increased (Bangladesh Seventh FiveYear Plan 2016-2020)

### Project Outcome

Description of Outcome	Private sector investments in infrastructure, including RE leveraged
Progress Toward Outcome	<p>a) As of September 2021, a total of \$231 million committed and \$216 million disbursed under 7 subprojects. Total private sector investments on eligible infrastructure subprojects catalyzed under PPIDF3 is \$561.7 million.</p> <p>b) For RE and EE subprojects, \$3.6 million of private sector debt investments and \$5.4 million private sector equity investments were catalyzed.</p>

### Implementation Progress

Description of Project Outputs	<p>Available long-term debt financing for infrastructure projects increased</p> <p>Take-out financing for infrastructure projects catalyzed</p> <p>IDCOL's institutional capacity strengthened</p>
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>1. Long-term debt financing for infrastructure projects catalyzed. As of September 2021, a total of \$241.16 million was committed and \$226.16 million disbursed under 9 subprojects.</p> <p>2. Take-out financing for infrastructure projects catalyzed by means of refinancing in 2 (two) of the 9(nine) aforementioned subprojects.</p> <p>3. Institutional capacity is being strengthened by means of developing several frameworks and arrangement of workshops. 20 Workshops arranged.</p>
Geographical Location	Dhaka

### Safeguard Categories

Environment	FI
Involuntary Resettlement	FI
Indigenous Peoples	FI

### Summary of Environmental and Social Aspects

Environmental Aspects	ADB is reviewing every subproject and will determine the environment categorization accordingly. If triggering category A, the proposed subproject will not be qualified for ADB financing.
Involuntary Resettlement	ADB is reviewing every subproject and will determine the IR categorization accordingly. If triggering category A, the proposed subproject will not be qualified for ADB financing.
Indigenous Peoples	ADB is reviewing every subproject and will determine the IP categorization accordingly. If triggering category A, the proposed subproject will not be qualified for ADB financing.

## Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation	ADB reviews and monitors that every subproject ensures stakeholder communication, participation, and consultation.
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## Business Opportunities

Consulting Services not applicable

Procurement	There will be no procurement directly financed under the facility since procurement will be undertaken by the subproject sponsors in accordance with the procedures established by private sector or commercial practices acceptable to ADB and must align with the core principles of ADB's Procurement Guidelines (2015, as amended from time to time).
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Responsible ADB Officer Al Hasan, Mohammad Rashed

Responsible ADB Department South Asia Department

Responsible ADB Division Bangladesh Resident Mission

Executing Agencies *Ministry of Finance*

## Timetable

Concept Clearance	-
Fact Finding	-
MRM	26 Sep 2016
Approval	11 Aug 2017
Last Review Mission	-
Last PDS Update	28 Sep 2021

## Loan 3554-BAN

### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Aug 2017	19 Nov 2017	14 May 2018	31 Dec 2020	31 Dec 2021	31 Dec 2021

### Financing Plan

### Loan Utilization

Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
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Project Cost	510.00	Cumulative Contract Awards			
ADB	250.00	19 Jan 2023	237.71	0.00	100%
Counterpart	260.00	Cumulative Disbursements			
Cofinancing	0.00	19 Jan 2023	237.71	0.00	100%

#### Status of Covenants

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

#### Loan 3555-BAN

#### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Aug 2017	19 Nov 2017	14 May 2018	31 Dec 2020	31 Dec 2021	31 Dec 2021

#### Financing Plan

#### Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	140.00	Cumulative Contract Awards			
ADB	10.00	19 Jan 2023	10.30	0.00	100%
Counterpart	130.00	Cumulative Disbursements			
Cofinancing	0.00	19 Jan 2023	10.30	0.00	100%

#### Status of Covenants

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

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