



## Bangladesh: MFF - Railway Sector Investment Program (Subproject 1)

Project Name	MFF - Railway Sector Investment Program (Subproject 1)								
Project Number	32234-023								
Country	Bangladesh								
Project Status	Closed								
Project Type / Modality of Assistance	Loan								
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2"><b>Loan 2316-BAN: MFF - Railway Sector Investment Program (Subproject 1)</b></td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 100.00 million</td> </tr> <tr> <td colspan="2"><b>Loan 2317-BAN: MFF - Railway Sector Investment Program (Subproject 1)</b></td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 30.00 million</td> </tr> </table>	<b>Loan 2316-BAN: MFF - Railway Sector Investment Program (Subproject 1)</b>		Ordinary capital resources	US\$ 100.00 million	<b>Loan 2317-BAN: MFF - Railway Sector Investment Program (Subproject 1)</b>		concessional ordinary capital resources lending / Asian Development Fund	US\$ 30.00 million
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concessional ordinary capital resources lending / Asian Development Fund	US\$ 30.00 million								
Strategic Agendas	Inclusive economic growth								
Drivers of Change	Governance and capacity development								
Sector / Subsector	<b>Transport</b> - Rail transport (non-urban)								
Gender Equity and Mainstreaming	No gender elements								
Description									
Project Rationale and Linkage to Country/Regional Strategy									
Impact									

### Project Outcome

Description of Outcome	
Progress Toward Outcome	<p>L2316: Construction of the Tongi-Bhairab Bazar Double Track is completed and under full operation.</p> <p>L2317: Contract for procurement of videoconferencing equipment and other software and hardware awarded in June 2015.</p> <p>The actions as agreed upon in the reform program for BR are under implementation.</p> <p>(1) Restructure BR by Lines of Business (LOB) - An outsourcing/divestiture plan for non-core services has been developed and approved. Performance of LOBs being reviewed.</p> <p>(2) Improve financial governance system - New Acctg and Financial Mgt system implemented in Oct 2013 through ERP software based on the new accounting architecture, although some components need to be upgraded to interface with existing IT systems.</p> <p>(3) Improve human resource governance system - Job description of the LOB Heads has already been approved on 22 Mar 2011. LOB Heads now working according to the job description. Additional modules of the ERP IT System are rolled out progressively and nationwide coverage of the system is under implementation.</p> <p>(4) Improve BR operation and maintenance practices and performance - TA Consultants submitted reports to improve maintenance practices for track and signaling system in Feb 2008, rolling stock in May 2008, and improving train operations efficiency in May 2008 and April 2010. The reports were sent to respective departments to implement at field level. New manuals on New Signalling, Way and Works and LWR, and Operations have been approved. Completion report sent to ADB in July 2013.</p>

### Implementation Progress

Description of Project Outputs

Status of Implementation Progress (Outputs, Activities, and Issues)	2316: Physical Infrastructure- Completed. 2317: New tariff policy is adopted by BR and corporatization of container service is in place.
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Geographical Location

## Summary of Environmental and Social Aspects

Environmental Aspects	<p>Transport, especially vehicle emission, is the highest contributor to Bangladesh's air pollution problems. Improving the railway network will contribute significantly to reducing air pollution associated with vehicle emission especially in Chittagong, Dhaka and Khulna. The other expected potential environmental impacts are related to improving access, which will lead to increasing uncontrolled exploitation of natural resources. However, the gradual improvement in enforcing the Environmental Conservation Act, 1995 is expected to minimize the potential uncontrolled exploitation of natural resources and the environment. Nonetheless, implementation of the Investment Program has environmental consequences due to its physical intervention such as construction of railway networks. In this context, the Investment Project is categorized as a B project in accordance with ADB's Environment Policy, 2002. The initial environmental examination of the sample subproject systematically illustrates the potential environmental impacts, proposed mitigation measures, and how to implement the mitigation measures. The assessment of impacts at the subproject level will become an integral part of managing the Investment Project. The initial environmental examination for the Tongi Bhairab Bazar (64 km) section (as a sample subproject) shows that the environmental impacts associated with construction of additional tracks and formation of additional embankment, including bridge construction, are temporary and will occur only during construction. These impacts require mitigation measures that are manageable and mostly can be incorporated into construction works. 16 Therefore, the environmental management and monitoring plan, which clearly describes the required mitigation measures, will be incorporated in the bidding document to ensure that the contractors implement the mitigation measures properly. The plan provides overall guidance to address environmental impacts related to the sample subproject. For the follow-up subprojects, an environmental assessment review framework was prepared to guide the impacts assessment procedure.</p>
Involuntary Resettlement	<p>The Project will lead to loss of agricultural land and structures both commercial as well as residential, and loss of livelihoods in many cases. To mitigate this adverse impact on the affected population, a resettlement plan was prepared for the core subproject. To address the resettlement impacts of noncore subprojects, a resettlement framework was prepared. Subproject resettlement plans have been prepared during implementation.</p>
Indigenous Peoples	<p>No indigenous people will be adversely affected by the Project.</p>

## Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

## Business Opportunities

Consulting Services	<p>International and national consultants will be required to support the reform and investment projects of the Investment Program. The consultants financed under the MFF loans will be engaged using ADB's quality- and cost-based selection procedures in accordance with ADB's Guidelines on the Use of Consultants. The Government has asked ADB to select the consultants.</p>
Procurement	<p>All contracts will use international competitive bidding. Procurement will be in accordance with ADB's Procurement Guidelines.</p>

## Responsible Staff

Responsible ADB Officer	Islam, Mohammad Nazrul
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission
Executing Agencies	<i>Bangladesh Railway Md. ANM KHASRU Rail Bhaban, Dhaka, Bangladesh</i>

## Timetable

Concept Clearance	-
Fact Finding	-
MRM	-

Approval	-
Last Review Mission	-
PDS Creation Date	18 Mar 2008
Last PDS Update	27 Mar 2017

### Loan 2316-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
13 Feb 2007	15 Feb 2007	24 Apr 2007	30 Jun 2011	09 Oct 2016	04 May 2017

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	132.50	Cumulative Contract Awards			
ADB	100.00	13 Feb 2007	94.14	0.00	94%
Counterpart	32.50	Cumulative Disbursements			
Cofinancing	0.00	13 Feb 2007	99.93	0.00	100%

### Loan 2317-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
13 Feb 2007	15 Feb 2007	24 Apr 2007	30 Jun 2011	09 Oct 2016	04 May 2017

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	30.00	Cumulative Contract Awards			
ADB	30.00	13 Feb 2007	23.49	0.00	98%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	13 Feb 2007	23.99	0.00	100%

Project Page	<a href="https://www.adb.org/projects/32234-023/main">https://www.adb.org/projects/32234-023/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=32234-023">http://www.adb.org/forms/request-information-form?subject=32234-023</a>
Date Generated	22 July 2017

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