

Social Monitoring Report

Project No. 42378-017
Loan No 3350- BAN
July 2018

Power System Expansion and Efficiency Improvement Investment Program - Tranche 3

Output-2: Transmission System expanded and upgraded

January- June 2018

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SITE LOCATION OF THE PROJECT:

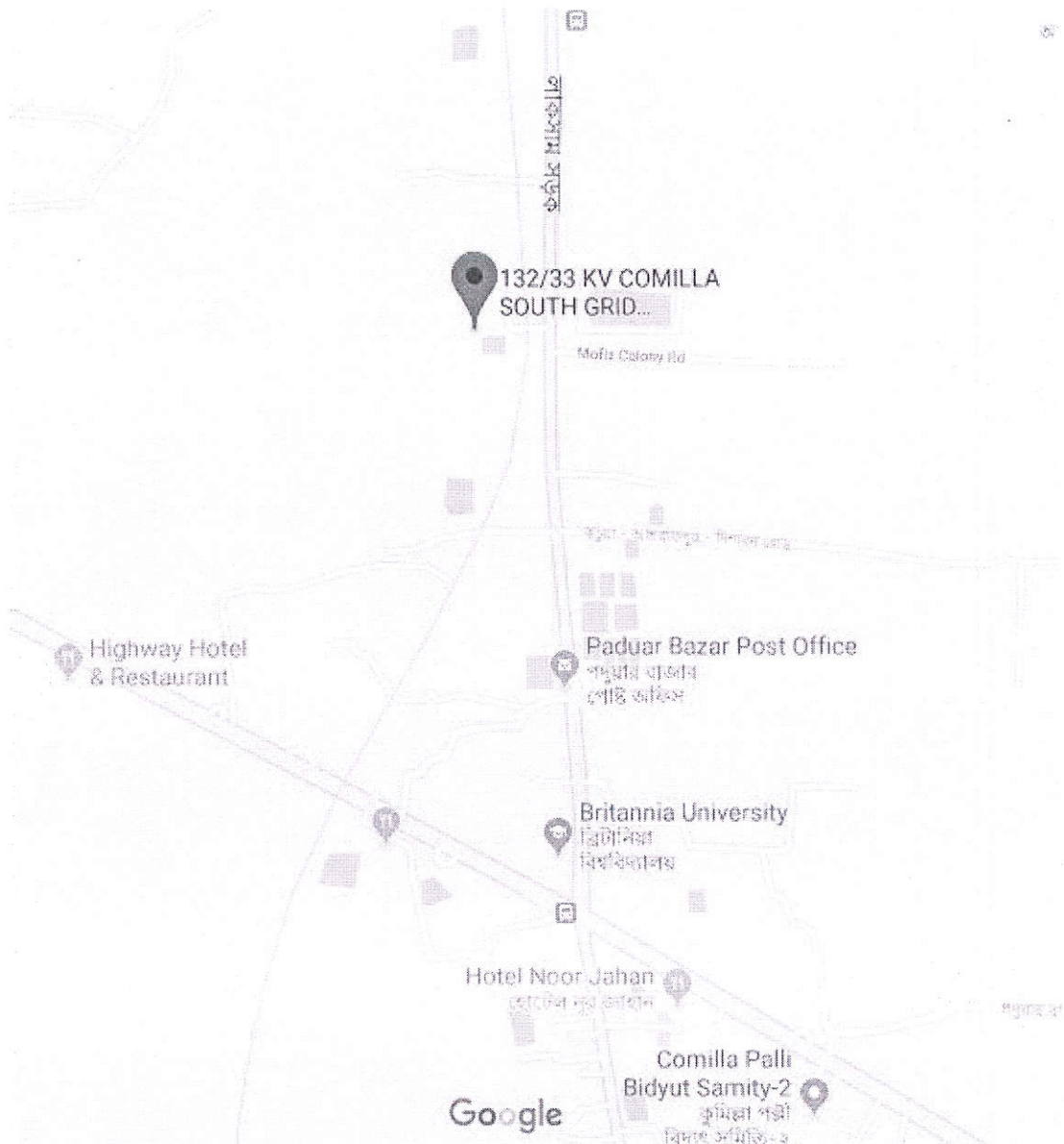


Fig-1: Site Location of 132/33 kV GIS Grid Substation at Comilla (South).

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Fig-1: Site Location of 132/33 kV AIS Grid Substation at Kachua, Chandpur.

(Signature)



Fig-1: Site Location of 132/33 kV GIS Grid Substation at Kalurghat, Chittagong.

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Fig-1: Site Location of 132/33 kV GIS Grid Substation at Madunaghat, Chittagong.

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EXECUTIVE SUMMARY

Power Grid Company of Bangladesh Ltd. (PGCB) is executing this project (400/230/132 kV GND Project). The project is divided into three Packages (Package-1, Package-2 & Package-3). The discussing project (ADB Loan No.: 3350- BAN) is in Package-3. As per DPP this package (Package-3) divided into two Lots like Lot-1 (Sub-station) & Lot-2 (Transmission Line). This project with Foreign Exchange of 43.46 million USD being financed by Asian Development Bank (ADB) and local currency being financed by Government of Bangladesh (GOB) & PGCB funds. A loan agreement was signed between ADB and GOB in this regard on December 22, 2015. The project includes construction of 04 nos. (new 02 nos. & up-gradation 02 nos.) Grid substations and construction of around 72 km Transmission lines to up gradation transmission network of Dhaka & Chittagong and improve the power supply reliability.

Regarding land acquisition proper compensation and resettlement are pertinent issues. Achieving the Right of Way (ROW) for transmission line abiding by the laws and regulation is also a major concern. However, formation of a Grievance Redress Committee especially for paying the compensation needs to be considered with priority.

Accordingly, issues like social safeguards, safeguards for small ethnic community people, labor standards were included in the contracts with the contractors to be in compliance with applicable standards. Simultaneously, Project officials and contractors working in the field are regularly monitoring the compensation issues, conducting public meetings with local people and administration.



1.0 Introduction:

1.1 Scope of Report

The report includes brief description of the project, status of the project implementation, implementation schedule. This report emphasises on land requisition procedure, land requisition act, compliance with legal and policy requirements and social safeguard covenants.

1.2 Project Description

The objectives of the Project include:

- To increase the power supply reliability of Comilla, Chandpur (Kachua) and Chittagong (Kalurghat & Madunaghat) area.
- To meet the growing demand of Comilla, Chandpur (Kachua) and Chittagong (Kalurghat & Madunaghat) area.
- To strengthen the power evacuation arrangement & increase power supply stability, reliability & Transmission capability in Comilla, Chandpur (Kachua) and Chittagong (Kalurghat & Madunaghat) area.

Scope of Work of the Project:

- **Lot-1 (Sub-station):**
 - a) New 132/33 kV, 2x50/75 MVA AIS Grid Sub-station at Kachua.
 - b) New 132/33 kV, 2x50/75 MVA GIS Grid Sub-station at Kalurghat.
 - c) Up gradation of 132/33 kV AIS substation to GIS substation at Madunaghat.
 - d) Up gradation of 132/33 kV AIS substation to GIS substation at Comilla(S).
- **Lot-2 (Transmission Lines):**
 - a) Madunaghat-Kalurghat 132 kV Double Circuit Underground Transmission Line: 7 km
 - b) Re-conductoring of Existing Comilla(South)-Chandpur 132 kV Double Circuit Overhead Transmission Line: 65 km

The Foreign exchange & BDT component of the contract cost is being financed from ADB's Power System Expansion and Efficiency Improvement Investment Program (Trance 3) Loan no. 3350-BAN, signed between ADB and Government of Bangladesh (GOB) under Subsidiary Loan Agreement (SLA) with PGCB, whereas the local currency & CD/VAT expenses are being financed by GOB and Other overhead expenses are being financed by PGCB.

The details of the said project are given in Table-1.1. Initial and revised estimated costs of the Project are given in Table-1.2.



Table-1.1: Project at a Glance

Project Title	:	400/230/132 kV Grid Network Development Project (Power System Expansion and Efficiency Improvement Investment Program- Tranche 3, Loan No: 3350-BAN)
Ministry/Division	:	Ministry of Power, Energy and Mineral Resources/Power
Executing Agency	:	Power Grid Company of Bangladesh Limited (PGCB)
Location of the Project	:	District: Comilla, Chandpur & Chittagong. Upazilla : Comilla Sadar, Hajiganj, Hathajari, Chandgaon.

Tenders were invited for the implementation of the project by two lots: Lot-1 for substations and Lot-2 for transmission lines. After systematic and successful tendering processes turnkey contract were signed with the approval of ADB as follows:

- **Lot-1 (Sub-station):**

Construction and Completion of 132/33 kV AIS Substation at Kachua, 132/33 kV GIS Substation at Kalurghat and Upgradation of Existing 132/33 kV Madunaghat and Comilla (S) AIS Substation to GIS Substation on Turnkey Basis (Contract No. PSEEIP (TRANCH-3)/ADB/PGCB/P03/SS) has been signed between PGCB and M/s. ABB India Ltd., India.

- **Lot-2 (Transmission Lines):**

Design, Supply, Erection, Testing & Commissioning of Madunaghat-Kalurghat 132 kV Double Circuit Underground Transmission Line and Re-conductoring of Existing Comilla(S)-Chandpur 132 kV Double Circuit Overhead Transmission Line on Turnkey Basis. (Contract No. PSEEIP (TRANCH-3)/ADB/PGCB/P03/TL) has been signed between PGCB and M/s. CCCE-ETERN-HANBAEK Consortium.

2.0 Project Status:

2.1 Status of Project Implementation

General Information:

Lot-1 (Substation):

Contract No: PSEEIP (TRANCH-3)/ADB/PGCB/P03/SS

Construction and Completion of 132/33 kV AIS Substation at Kachua, 132/33 kV GIS Substation at Kalurghat and Upgradation of Existing 132/33 kV Madunaghat and Comilla (S) AIS Substation to GIS Substation on Turnkey Basis (Contract No. PSEEIP (TRANCH-3)/ADB/PGCB/P03/SS) has been signed between PGCB and M/s. ABB India Ltd., India on .

Contract Price: USD 21,875,940.38 plus BDT 380,569,600.00

Contract Award:

The contract was awarded to M/s. ABB India Ltd. on 07th June, 2017.



Implementation Schedule:

The project completion date is August, 2019 which is 730 days from the effective date of the contract.

Lot-2 (Transmission Lines):

Contract No: PSEEIP (TRANCH-3)/ADB/PGCB/P03/TL.

Design, Supply, Erection, Testing & Commissioning of Madunaghat-Kalurghat 132 kV Double Circuit Underground Transmission Line and Re-conductoring of Existing Comilla(S)-Chandpur 132 kV Double Circuit Overhead Transmission Line on Turnkey Basis

Contract Price: USD 12,290,399.91 plus BDT 32,171,049.33

Contract Award:

The contract was awarded to M/s. CCCE-ETERN-HANBAEK Consortium on 09th April, 2017.

Implementation Schedule:

The project completion date is March, 2019 which is 540 days from the effective date of the contract.

Present Status:**Financial Progress:**

Lot-1 (Substation):	
Contract Price	USD 21,875,940.38 plus BDT 380,569,600.00
Total Expenditure up to June, 2018 (ADB Fund)	mUSD 2.09 + mBDT 76.64
Lot-2 (Transmission Lines):	
Contract Price	USD 12,290,399.91 plus BDT 32,171,049.33
Total Expenditure up to June, 2018 (ADB Fund)	mUSD 6.27 + mBDT 3.32

Physical Progress:**Lot-1 (Substation):**

- (i) Land Development work for Kachua & Comilla(S) substation has been completed.
- (ii) Land Development work for Madunaghat & Kalurghat is going on.
- (iii) Pre-section measurement of Kachua & Comilla(S) substation has been completed.
- (iv) Pile & Pile cap casting of CRB has been completed for Comilla(S) substation.
- (v) First floor Beam, Column and Roof casting of CRB has been completed for Comilla(S) substation.
- (vi) Ansar Barrack foundation and Column casting has been completed for Comilla(S) substation.
- (vii) CRB and Dormitory building Piling work is going on at Kachua Substation.



Lot-2 (Transmission Lines):

- (i) Total 23795 nos. Top Slab Casting & 15463 nos. Inter-locking Block casting has been completed for Madunaghat-Kalurghat 132 kV Underground Transmission line project.
- (ii) Required Underground Cable reached at site.

Resettlement Plan:

ADB safeguard policy statements 2009 (SPS 2009) has been followed in Land Acquisition and Resettlement process. As the selected locations for substations are basically empty & shallow lands, compensations have been paid to the landowners as per provision of the existing law for the value of land and to meet their losses of crops, trees or any other valuables on the land with mutual discussion with land owners. According to the PGCB resettlement plan (2013) the land acquisition for substations involve 30 APs will be economically displaced due to the project and all of them will be compensated with additional 50% of market price of the land along with the market price.

As per Electricity Act 1910 and Telegraph Act 1885, permanent land acquisition will not be required for the transmission line. No permanent structure will be affected as the selected route of the transmission line runs basically through crops field and low land area, no resettlement will be necessary. However, compensation will have to be paid to the landowners as per provision to meet their losses of crops and trees.

Compensation for Resettlement Budget:

Item of Work		Quantity	Price of the acquired land	Compensation	Remarks
Substation	Kachua 132/33 kV AIS Substation	5.00 acre	mBDT 102.92	mBDT 51.46	Additional 50% of the market price of the land for compensation

3.0 Performance Monitoring:

3.1 Compliance with Legal and Policy Requirements

Land Acquisition Rules and Regulations:

All land acquisition for power sector development work is done by the land acquisition department of Deputy Commissioner Office by following the acquisition of immovable Property Rules, 1982. As a public limited company PGCB follows the rules of land acquisition strictly and land acquisitions are conducted and compensations are paid through respective DC office.

For any kind of development work land acquisition is a requirement. For a country like Bangladesh which is one of the most densely populated countries land acquisition becomes a difficult task. Under this process Land acquisition for new substation Dhamrai & Shyampur Substations has been completed. In order to meet the social safeguard guideline of ADB, the Grievance Redress Committee needs to be formed, which is under process. Once the committee is formed, complains will be more properly



managed and recorded. ADB SPS 2009 and address whether top up payments were delivered on top of DC's CCL to ensure replacement cost at current market price.

3.2 Compliance with Social Safeguards Convent

Para	Description	Compliance
5.3	All land and all rights-of-way required for the Project, and all Project facilities are made available to the Works contractor in accordance with the schedule agreed under the related Works contract and all land acquisition and resettlement activities are implemented in compliance with (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the Involuntary Resettlement Safeguards; (c) the RF; and (d) all measures and requirements set forth in the respective RP, and any corrective or preventative actions set forth in a Safeguards Monitoring Report.	Being Complied
5.4	No physical or economic displacement takes place in connection with the Project until: (a) compensation and other entitlements have been provided to affected people in accordance with the RP; and (b) a comprehensive income and livelihood restoration program has been established in accordance with the RP.	Being Complied
5.7	The Borrower shall ensure, or cause the Project Executing Agency to ensure, that all bidding documents and contracts for Works contain provisions that require contractors to: (a) comply with the measures and requirements relevant to the contractor set forth in the RP and any small ethnic community peoples plan, and any corrective or preventative actions set out in a Safeguards Monitoring Report; (b) make available a budget for all such social measures; (c) provide the Borrower with a written notice of any unanticipated resettlement or small ethnic community peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the RP or any small ethnic community peoples plan; (d) adequately record the condition of roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and (e) fully reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction.	Being Complied



3.3 Compliance with resettlement plan requirements

As the selected locations for substations are basically unused lands and compensations have been paid to the landowners as per provision of the existing law as the value of land and to meet their losses of crops, trees or any other valuables on the land. Relating with law PGCB or contractor can cut down only those trees which hamper to construct the transmission line or project.

Transmission lines are constructed in mainly open or bared land. So no resettlement required. According to the government law no compensation is provided for transmission line to land owners. But crop or tree compensation is provided as per law. Project officials contractor give high emphasis, so that minimum use of land occurs. Necessary social safeguards are kept in contract document and contractors are bound to follow.

4.0 Implementation of Grievance Redress Mechanism and Stakeholders' Complaints:

4.1 Grievance Redress Mechanism - briefly define/explain the process

About 4.5 Acres of land were acquired for substations and cares are taken while selecting lands for substations and all selected lands are basically infertile and far from densely populated area. Land acquisition for substations was completed and guided by Draft National Involuntary Resettlement Policy 2010, LAR Ordinance Amended in 1994 and Safeguard Policy Statement 2009, Electricity Act 1910.

4.2 Status of Implementation of the GRM

Compensation was paid to owners those were affected on acquisition by account payee cheque in presence of the local Member of Parliament, local representatives and local Government officers. Permanent Land acquisition was not required for the TL as per Electricity Act 1910 and Telegraph Act 1885 but due Compensation will be paid to the land owners to meet their losses of crops and trees. No permanent structure will be affected as TL passed through open field and agricultural land. PGCB project officials, District office are always ready to meet any kind of argue or dispute with proper judgment according to existing laws.

The Grievance Redress Committee needs to be formed, which is under process. Once the committee is formed, complains will be more properly managed and recorded. So far, there were no complaints from the affected people.

5.0 Stakeholder Engagement:

5.1 Stakeholder Engagement Process

Stakeholders are fully engaged in compensation process. They can also argue if they think payment is not satisfactory.

5.2 Consultations

Still now no complains have not found by affected persons or local people. If there are concerns which require consultation, it would be arranged. The PGCB officials and contractor will deal any kind of issues if raised in future and resolve it.



6.0 Conclusion:

The objective of social safeguard and monitoring is to compensate the people, who are affected by the projects, resolve any kind issues. It is a continuous process by which people can live with full satisfaction.

1. The copies of own policy documents of the contractors: ABB India Ltd. and their subcontractors like GM Engineering pertaining to regular consultation with local people with various issues.
2. PGCB will also follow up with local administration regarding any kind of problems or discomfort with local people and try to resolve it.



Dy. Project Director (SE)
400/230/132 KV GND Project
PGCB, Dhaka.