

Bangladesh: Natural Gas Infrastructure and Efficiency Improvement Project

1. Project Information

Project Name:	Natural Gas Infrastructure and Efficiency Improvement Project	Project No:	000015
Region/Country:	South Asia / Bangladesh	Sector(s):	Energy
Year of Approval:	FY 2017	Financing Type:	SBF
Financing Instrument:	loan	Co-financier(s):	ADB
Project Team Leader:	Hongliang Yang	Implementing Agency:	Bangladesh Gas Fields Company Ltd. (BGFCL) for component 1; Gas Transmission Company Ltd of Bangladesh (GTCL) for Component 2.
Filed Visits	August 2-3, 2017		

2. Project Objectives

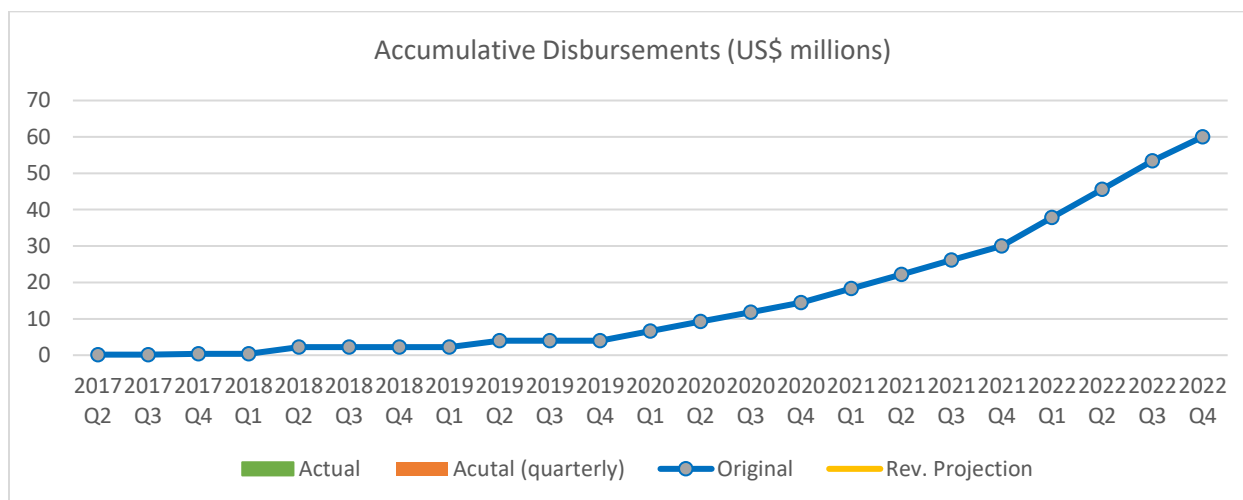
The objective of the Project is to improve efficiency in gas production and expand gas transmission pipeline capacity in Bangladesh.

3. Key Dates

Loan Approval:	March 22, 2017	Loan Signing:	May 8, 2017
Effectiveness:	July 03, 2017	Restructuring (if any):	
Orig. Closing:	June 30, 2022	Rev. Closing (if any):	

4. Disbursement Summary

Net Commitment:	US\$60 million	Rev. Amount (if any):	
Disbursed Amount:	US\$ 0.34 million	Disbursed (last quarter):	US\$0.34 million
Undisbursed Balance:	US\$59.81 million	Disbursement Ratio:	1%



Project Implementation Status

Components	Physical Progress	Safeguards Compliance	Procurement	Financial Management
Component 1: seven wellhead gas compressors in the Titas gas field (US\$24 M)		n/a	n/a	Delayed disbursement
Component 2: 181 kilometers, 36-inch gas transmission pipeline from Chittagong through Feni to Bakhrabad (US\$30 M)		n/a	n/a	n/a

5. Key Issues and Complaints Received, and ActionsKey issues

Recently CTL and the project team discussed with ADB on the disbursement issue related to the needed commitment letter. A comfort letter was issued by the Bank as an interim solution.

Complaint: no.

Actions	Responsible Party	Target Date	Status
Procurement activities ongoing.	IA and ADB	n/a	On track
Disbursements have been delayed.	AIIB, ADB and IA	n/a	Interim solution used

6. Results Monitoring

Project Objective Indicators	Baseline (2016)	2017		2018		2019		2020		2021		Others, if any
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Indicator #1: average annual wellhead pressure drop reduced to 50-60 PSIG	90	90		80		70		60		50-60		
Indicator #2: gas production sustained at 230 MMCFD	230	230		230		230		230		230		
Indicator #3: natural gas transmission and delivery capacity expanded	2700	2700		2700		2700		2700		3500		

Project Result Indicators	Baseline (2016)	2017		2018		2019		2020		2021		Others, if any
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Indicator #1: number of wellhead gas compressors	0	0		0		2		4		7		
Indicator #2: wellhead gas delivery pressure maintained at 1250 PSIG	1250	1250		1250		1250		1250		1250		
Indicator #3: length of 36-inch gas transmission pipeline	0	0		50		120		161		181		
Indicator #4: 36-inch gas transmission pipeline built and capacity realized	0	0		0		0		0		800		