Project Summary Information

	Date of Document Preparation: 28/8/25
Project Name	Assam Intra State Transmission System Enhancement Project Phase II
Project Number	P000862
AIIB member	India
Sector/Subsector	Energy
Alignment with AIIB's thematic priorities	Green Infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	To improve the reliability, capacity and security of the power transmission network in the State of Assam.
Project Description	To strengthen the reliability, capacity, and security of Assam's power transmission network, and following a request from the Borrower, AIIB adopted a programmatic approach in 2019. Assam Electricity Grid Corporation Limited (AEGCL), the state's sole transmission utility overseeing the operation, maintenance, and development of Assam's high-voltage power transmission grid, serves as the implementing entity for this program. The first phase of the program, the Assam Intra-State Transmission System Enhancement Project (P000302), was approved in 2021 with AIIB financing of USD 304 million and is currently under implementation. The proposed project constitutes the second and final phase of the program, with planned AIIB financing of USD 140.61 million. This phase aims to further increase the system's transmission capacity, enabling the grid to accommodate higher loads, reduce congestion, and lower the risk of outages. Additionally, the expanded network will facilitate the integration of renewable energy, supporting Assam's clean energy objectives. Key activities planned under this phase include: • Construction of six new high-voltage grid substations with a combined capacity of 870 MVA, along with approximately 128 km of associated transmission lines. • Engagement of consultant to support implementation of the project, and capacity building for AEGCL employees through targeted training programs in priority technical areas.

Expected Results	The project is expected to improve the transmission network and reduce transmission losses. The key results will be measured and monitored using the following indicators: • Primary energy consumption saved (GWh). • Total Transmission and Distribution (T&D) capacity added (MVA). • Annual CO_2 emissions reduction after project completion (tCO_2e per year).
Environmental and Social Category	B
Environmental and Social Information	**Applicable Policy and Categorization.** The Bank's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), will apply to the Project. The Project is classified as Category B due to the environmental and social (ES) risks and impacts of substation and transmission line developments which are site-specific, temporary, reversible, and can be effectively mitigated by incorporating ES considerations into engineering design and applying good industry practices in implementing mitigation measures. ESS1 (Environmental and Social Assessment and Management), ESS2 (Land Acquisition and Involuntary Resettlement), and ESS3 (Indigenous Peoples) apply. **Environmental and Social Instruments**. Since the final alignment of the transmission line will be determined based on surveys undertaken by the EPC contractor, as a result, both a framework approach and site-specific ES assessments are necessary, and an Environmental and Social Management Plan Framework (ESMPF) has been prepared in accordance with the AIIB ESP. The ESMPF includes model Environmental and Social Impact Assessment (ESIA) for one of selected subprojects, a generic Environmental and Social Management Plan (ESMP), a Resettlement Planning Framework, an Indigenous Peoples Planning Framework, a Gender Action Plan, and a Climate Risk and Vulnerability Assessment. Site-specific ESIAs and ESMPs for substations with defined locations have been prepared, reviewed and disclosed in accordance with the ESMPF. The relevant ES instruments for the remaining substation and transmission lines such as ESIA-ESMP and RAP will be prepared during project implementation when the sites and alignments are defined. These instruments will be reviewed by AIIB prior to commencement of work. **Environmental and Social Aspects.** The main ES risks and impacts include potential disruption to habitats and wildlife movements, fugitive emissions, noise and vibration, surface runoff and erosion, improper waste disposal and contamination, occupational health and safety risks, and traffic-related incidents, and the environmental baseline conditions for ambient air, noise, and water quality at potential subproject sites are established in the ESMPF and available ESIAs. IBAT screening

	indicates that crossing of key biodiversity areas is not anticipated. Key mitigation measures include avoiding ecologically sensitive areas in the design, minimizing vegetation clearance, rehabilitating sites after construction, installation of line markers and bird diverters, implementing dust control measures, restricting construction to daytime hours, using low-noise machinery, and hazardous waste disposal in accordance with regulations. The main potential social risks and impacts associated with the subproject's activities are related to potential land acquisition for substations, permanent and temporary restrictions on land use and economic displacement on transmission line corridors. No physical displacement is anticipated to occur due to the subproject's activities. Other potential risks and impacts are related to labor and working conditions, gender-based violence (GBV), cultural heritage and Indigenous Peoples (IP). Mitigations measures include implementation of RAPs (as needed), Code of Conduct including GBV provisions, consultations with vulnerable communities and available ESMPs that outline measures to mitigate and manage labor risks related to labor and working conditions, in accordance with ESS1 and applicable government laws. In addition, a Contractor-ESMP will be prepared to manage and mitigate these risks and impacts during the construction phase. **Stakeholder Engagement, Consultation and Information Disclosure.** Consultations with project stakeholders including vulnerable groups were undertaken during preparation of the ESMPF and respective ESIA-ESMPs. Further consultations will take place as part of the preparation of subprojects' ESIAs. The Project will continue to engage, through meaningful consultations, with all stakeholders, paying special attention to the inclusion of women, and vulnerable and disadvantaged groups. The ESMPF with an executive summary in local language, ESIAs and ESMPs for selected substations with defined locations are disclosed on https://www.aegcl.co.in/aiib-project-details/. **Project Grievance Redress Mechanism (GRM).** Under Phase I of the Program, a two-tiered project-specific GRM has been established to address grievances. In addition, there are multiple communication channels as affected people can submit grievances by phone, via WhatsApp, or in person. The existing GRM will continue to be used for Phase II, with its information disseminated through consultations, brochures, and posters, including the information of Bank's Project-affected People's Mechanism (PPM) will be timely disclosed. **Monitoring and Reporting Arrangement.** The Project will be managed by the PMU, which is responsible for monitoring and supervising the implementation of the ESMPs. The PMU will be supported by the PMC's ES experts in carrying out this responsibility. Semi-annual ES monitoring reports will be prepared by the PMU based on an agreed format and shared with the Bank for review. The Bank will undertake supervision missions and field visits to verify the performance of the project in the implementation of ES instruments. The frequency of supervision missions and field visits will be tailored as required based on the findings of the first and subsequent missions.

Cost and Financing Plan	Total Project Cost: USD 171.48 million AIIB: USD 140.61 million State of Assam: USD 30.87 million		
Borrower	Republic of India		
Implementing Entity	State of Assam Assam Electricity Grid Corporation Limited		
Estimated date of loan closing	April 2030		
Contact Points:	**AIIB**	**Borrower**	**Implementation Organization**
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Date of Single Review Decision	August 28, 2025		
Estimated Date of Financing Approval	Q4 2025		
Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes. For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html		