Project Summary Information

	Date of Document Updating: November 11, 2026
Project Name	Sylhet to Tamabil Road Upgrade Project
Project Number	P000153
AIIB member	Bangladesh
Sector/Subsector	Transport
Alignment with AIIB's thematic priorities	Green infrastructure; Connectivity and Regional Cooperation
Status of Financing	Approved
Objective	To improve intercity connectivity in Bangladesh and cross-border connectivity between Bangladesh and India by upgrading Bangladesh National Highway N2 from Sylhet to Tamabil, and to respond to emergency financing needs for critical expenditures and imports.
Project Description	The project will support (i) upgrading National Highway N2 between Sylhet City to Tamabil border point from a two-lane single carriageway to a four-lane dual carriageway highway with slow-moving vehicular traffic (SMVT) lanes, and (ii) responding to emergency financing needs for critical expenditures and imports. The project will finance the following: ▪ Component 1: Construction Works, Equipment Installation, and Operation and Maintenance Works ▪ Component 2: Consulting Services ▪ Component 3: Project Management Support and Capacity Building ▪ Component 4: Rapid Emergency Response Component (RERC)
Expected Results	The PO indicators include (a) reduced travel time for selected road user groups, namely Heavy Goods Vehicles (HGV), buses and private cars and (b) improved safety rating.
Environmental and Social Category	A
Environmental and Social Information	**Applicable Policy and Categorization.** AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESS) and the Environmental and Social Exclusion List (ESEL), are applicable to this Project. The Project has been classified as Category A in accordance with the ESP due to the scale and complexity of the involuntary resettlement (approximately 2,000 Project-affected People, or PAPs) involved. The addition of the RERC does not change the overall risk classification of the Project which remains Category A but the RERC is classified as Category B under the ESP.

	Environmental and Social Instruments. Negative short-term environmental and social (ES) impacts are expected for the road component of the Project, mostly as a result of land acquisition and during construction works. To address these negative impacts, an Environmental and Social Impact Assessment (ESIA) including the management plan (ESMP) has been prepared, with the ESMP adapted into site-specific construction ESMP which form part of works contracts. To address the involuntary resettlement impact for project-affected people along the right-of-way, a Resettlement Planning Framework (RPF) and a detailed Resettlement Plan (RP) have been prepared. The RP is continuously being validated and reviewed with the combined help of the Construction Supervision Consultant (CSC) and the Implementation NGO service provider. The RERC, which focuses on facilitating LNG procurement, will use existing infrastructure and not require any expansion, modification, or land acquisition. The RERC has indirect EHS risks associated with LNG transportation and handling by the LNG suppliers, and the terminal operators that receive and store the LNG. Any identified gaps in Petrobangla's ES management and monitoring of the LNG suppliers and terminal operators will be addressed through an Environmental and Social Action Plan (ESAP) to be agreed with Petrobangla and finalized before the first disbursement. **Environmental and Social Aspects.** The Project is located in a built-up area. No protected areas are identified in the project area. The ecological impact is limited as no natural habitat will be affected by the Project according to the due diligence. However, the project will have negative short-term environmental impacts during construction works, including water pollution and flooding risk, air pollution, noise, soil erosion and contamination, waste and tree cutting. These impacts will be mitigated by measures proposed in the ESMP. The adverse social impacts will primarily comprise involuntary resettlement for people with businesses and residences along the right-of-way. Although no visible cultural resources have been identified, RHD will make use of chance find procedures outlined in the ESMP. The Project has taken a proactive approach to gender, with the ES instruments addressing gender-specific aspects. The RERC supports continuity of energy supply to households, industry, and essential services in Bangladesh, with indirect benefits for economic resilience and social well-being. It involves no construction or physical facilities enhancement; therefore, no land acquisition or physical or economic displacement is expected. There are also no foreseeable impacts on indigenous peoples or cultural heritage. AIIB will continue working with Petrobangla to identify, manage, and monitor any social risks that may arise during implementation. **Occupational Health and Safety, Labor and Employment Conditions.** Labor risks associated with the Project include occupational health and safety during construction, labor and working conditions, and risks and impacts related to labor

	influx (e.g., conflicts between local and external laborers, spread of contagious diseases from migrant labor, etc.). Mitigation measures are outlined in the ESMP (which will be part of the tender documents) and include prohibitions on hiring children, measures to address worker health and safety, and measures to create a safe working environment for both male and female staff in accordance with ESS 1. **Stakeholder Engagement, Consultation and Information Disclosure.** For road component, stakeholder consultations, including consultations with Project-Affected People (PAPs), were undertaken in the project area during the preparation of the ESIA and RPF through focus group discussions and interviews, and were documented in the ES instruments. Stakeholder engagement continues throughout project implementation which involves information disclosure. ES documents (ESIA, RPF, RP), including local language translations of their executive summaries, have been disclosed by RHD and by AIIB respectivelyhttps://www.aiib.org/en/projects/details/2020/approved/_download/Bangladesh/ESIA-Sylhet-Tamabil-Road-Up-gradation-Corrected.pdfhttps://rhd.portal.gov.bd/pages/notices/6922e51fdbfbab28ce08f027https://rhd.portal.gov.bd/pages/static-pages/6922df71933eb65569e2204a. Petrobangla will also disclose an overview of its ESMS on its website. **Grievance Redress Mechanism (GRM).** The GRM for road component is functional and established in line with AIIB requirements. A Grievance Redress Committee (GRC) has been created at field level and PIU. The Grievance Redress Procedures and GRC contact details are published on RHD website (Link). The information of GRM and AIIB's Project-affected People's Mechanism (PPM) is disclosed to PAPs and various stakeholders through a variety of communication channels, including Focus Group Discussions and public consultations. For the RERC, Petrobangla has an existing GRM, its effectiveness and functionality will be further assessed and monitored during implementation. Summary information on grievances and their resolution will be included in Petrobangla's periodic ES reports to AIIB. **Monitoring and Supervision Arrangements.** For road component, ES monitoring is being carried out by the CSC and the PIU who are responsible for preparing semi-annual ES Monitoring Reports based on agreed format. AIIB ES staff with assistance from a local consultant conduct field supervision missions twice a year during the implementation of the ES instruments. For the RERC, detailed ES monitoring and reporting arrangements will be agreed with Petrobangla and set out in the RERC Operations Manual.
Cost and Financing Plan	Total Project Cost: USD569 million AIIB Loan: USD404 million

Borrower	People's Republic of Bangladesh			
Implementing Entity/Sponsor	1. Roads and Highways Department, Road Transport and Highways Division of the Ministry of Road Transport and Bridges 2. Bangladesh Oil, Gas & Mineral Corporation (Petrobangla), Energy and Mineral Resources Division (EMRD) of the Ministry of Power, Energy and Mineral Resources and Finance Division of the Ministry of Finance			
Date of loan closing	November 15, 2029			
Contact Points:	**AIIB**	**Borrower**	**Implementation Organization - 1**	**Implementation Organization - 2**
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Date of Concept Decision	September 4, 2018			
Date of Appraisal Decision	October 29, 2019			
Date of Financing Approval	April 3, 2020			

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 GRMs or AIIB Management's processes. Information on the PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html