

**Expression of Interest (EOI) for US\$ 400 Million Unsecured Term Loan Facility for Dasu Hydropower Project Stage -1 Backed by US\$ 250 Million Partial Credit Guarantee (PCG) of International Developmental Association of the World Bank**

WAPDA is a fully owned entity of Government of Pakistan established through an Act of Parliament in 1958 and is responsible for the operation, maintenance, upgrade and expansion of HPPs, large water reservoirs and the construction of new projects for power generation and water storage. WAPDA manages 95% of total hydropower capacity of the country and is successfully operating majority of water reservoirs quintessential for meeting water needs of citizens.

One of WAPDA’s key under construction project is 2,160 MW Dasu Hydropower Project Stage – 1 a World Bank funded project being developed on the Indus River. The contract for civil works of the project has been awarded to China Ghezuba Group of Companies (CGGC) on March 08, 2017 and likewise the contract for Electro- Mechanical Works (EM-O1) has also been awarded to a JV of GE Hydro China Co.Ltd (“GE”) and Power China Zhongnan Engineering Corporation Ltd. (“Powerchina Zhongnan”) on 22 October 2019.

So far 4,244 acres (84%) of land has been acquired out of total required land of 5,051 acres and construction works on the project site are underway in full swing.

The estimated cost of the project is Rs. 511 billion (US\$ 3,708 Million) and its envisioned financing strategy is as follows:

<b>Sr.No.</b>	<b>Source of Financing</b>	<b>Amount (Rs. Billion)</b>	<b>Amount (US\$ Million)</b>
1	World Bank IDA Credit – I (Approved and operational amount of US\$ 573 Million)	62,000	573
2	World Bank IDA Credit – II (Total IDA-2 allocated to WAPDA is US\$ 278 Million)	16,000	156
3	Credit Suisse Loan (Using WB PCG of US\$ 210 Million)	35,000	350
4	World Bank (PCG) (Using remaining WB PCG of US\$ 250 Million)	44,000	415
5	EM-01 Financing	26,000	244
6	Local Commercial Financing	144,000	865
7	Additional Local Currency Loan	16,530	99
8	WAPDA Equity	60,623	364
	IDC Financing (Through Tariff)	106,828	642
<b>Total Financing</b>		<b>510,980</b>	<b>3,708</b>

To achieve the financial close of the project in line with the World Bank’s Project Appraisal Document (PAD), IDA Credit-1 of US\$ 573 Million from World Bank is operative since 2015 and WAPDA has successfully raised PKR 144 billion loan from a consortium of seven local commercial banks. In addition, a loan of US\$ 350 million has been raised from Credit Suisse AG using World Bank’s partial credit guarantee (PCG) of US\$ 210 Million out of the total available limit of US\$460 Million.

WAPDA is now seeking to raise additional financing of US\$ 400 Million using World Bank Partial Credit Guarantee (PCG) of US\$ 250 Million to meet the foreign currency needs and request(s) international and local banks with dollar lending appetite to submit their expression of interest (EOI).

You are requested to provide your detailed proposal by courier and through email in accordance with the above criteria and conditions in a sealed envelope clearly marked as "Expression of Interest for PCG Backed Loan for Dasu" no later than 14:00 hours Pakistan Standard Time on Monday, January 31<sup>st</sup> 2022 on the following address:

General Manager (Finance) Power, WAPDA  
713- WAPDA House, Shakra-e-Quaid-e-Azam  
Lahore, Pakistan.  
Telephone: +99 42 99202522  
Fax: +99 42 99202005  
Email: [gmfp@wapda.gov.pk](mailto:gmfp@wapda.gov.pk)

The EOI proposals shall be submitted keeping in view the following information:

- The Financial institutions who do not have a proven track record of successful foreign financing transactions with Government of Pakistan and/or experience with IDA or International Bank for Reconstruction and Development ("IBRD") guarantees are in-eligible to submit proposals.
- Partial Credit Guarantee (PCG) of US\$ 250 Million will be the only credit-enhancement/guarantee available for this proposed transaction.
- Targeted tenor of the loan by WAPDA is between 7 to 10 Years with a grace period of 4 Years. (Banks can submit multiple options of tenors ranging between 7 to 10 years)

After evaluation of the proposals, WAPDA would finalize the structure in consultation with the World Bank and request the qualified financial institution to submit committed proposals along with detailed term sheet and would assign mandate to the Bank(s) after evaluation of those proposals.

WAPDA reserves the right, at any stage, whether before or after the receipt of proposals, to (i) modify, extend or withdraw this expression of interest proposals, transaction structure, and timeline, whether in full or in part; (ii) amend the selection process and criteria; or (iii) otherwise, select an alternate proposal or institution; without any liability whatsoever to the recipients of this invitation.

Any cost incurred in connection with the preparation and submission of proposals with any discussions and presentations in relation thereto will not be borne by WAPDA.

Should you have further queries, please feel free to contact o/o General Manager Finance (Power) / Structured Finance Cell, WAPDA.  
(Telephone: +924299202522 +924299205148)

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**WAPDA**



**Decade of Dams**

## **EXPRESSION OF INTEREST (EOI)**

### **FOR PARTIAL CREDIT GUARANTEE (PCG) BACKED LOAN OF US\$ 400 MILLION FOR DASU HYDRO POWER PROJECT STAGE I**

• Pakistan Water & Power Development Authority (WAPDA) is developing a 2160 MW DASU HPP Stage-1 on Indus River funded by the World Bank. WAPDA intends to secure commercial financing of US \$ 400 Million by using Partial Credit Guarantee of the World Bank of US\$ 250 Million for meeting the foreign currency needs of DASU HPP Stage-I.

• Interested financial institution(s)/Local Bank(s) with US \$ lending appetite are invited to submit their expression of interest (EOI).

• Detailed proposals in accordance with the terms & conditions should be furnished to WAPDA through courier & Email in a sealed envelope clearly marked as "Expression of Interest for PCG Backed Loan for Dasu" no later than 14:00 hours Pakistan Standard Time on Monday, January 31st 2022 at the address given below.

• Complete Terms & Conditions pertaining to referred EOI can be found at [www.wapda.gov.pk](http://www.wapda.gov.pk). This advertisement is simultaneously published in newspapers, WAPDA and PPRA websites.

• For any query/issue, please feel free to contact o/o General Manager Finance (Power) / Structured Finance Cell, WAPDA at Contact # +924299202522 & +924299205148

**General Manager (Finance) Power, WAPDA  
713- WAPDA House, Shahra-e-Quaid-e-Azam  
Lahore, Pakistan.**

**Telephone: +99 42 99202522, Fax: +99 42 99202005**

**Email: [gmp@wapda.gov.pk](mailto:gmp@wapda.gov.pk)**

**This notice is also available at PPRA Website: [www.ppra.org.pk](http://www.ppra.org.pk)**

PID(L)

Website: [www.wapda.gov.pk](http://www.wapda.gov.pk)

PRD(L)/WAPDA/220(2021-22)

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