

SBF Project Implementation Monitoring Report

India: Andhra Pradesh Urban Water Supply & Septage Management Improvement Project

1. Project Information

Project ID:	000079	Investment Number:	L0079A
Member:	India	Region:	Southern Asia
Sector:	Water	Sub-sector:	Water Supply and Sanitation
Financing Type:	<input checked="" type="checkbox"/> Loan <input type="checkbox"/> Guarantee	Co-financier(s):	N/A
E&S category:	A	Borrower:	The Republic of India
Red Flags Assigned	1	Monitoring Regime:	Regular
Implementing Agency:	Andhra Pradesh Urban Finance and Development Corporation (APUFIDC)		
Project Team Leader:	Gregor Herda, Investment Operations Specialist		
Project Team Members:	Gerardo Pio Parco, Senior Environmental Specialist Georgi Georgiev Dzhartov, Social Development Specialist Jurminla, Procurement Specialist Yogesh Malla, Financial Management Specialist Liu Yang, Counsel – Investment Operations Mohan Dharmapuram, Senior Technical Consultant Jan Agerholm Høybye, Senior Technical Consultant		
Completed Site Visits by AIIB:	August 13-16, 2019; November 11-14, 2019		
Planned Site Visits by AIIB:	Subject to lifting of travel restrictions.		

2. Project Summary and Objectives

To provide safe drinking water through piped water supply to 3.3 million people in Andhra Pradesh, and to improve service levels and strengthen sustainable service delivery.

3. Key Dates

Approved:	December 7, 2018	Signed:	February 25, 2019
Effective:	May 21, 2019	Restructured (if any):	n/a
Orig. Closing:	June 2024	Rev. Closing (if any):	n/a

4. Disbursement Summary (USD million)

a) Committed:	400.0	b) Cancelled (if any):	NA
c) Disbursed:	1.0	d) Most recent disbursement:	1.0 / June 2019

		(amount /date)	
e) Undisbursed:	399.0	f) Disbursement Ratio (%) ¹ :	0.25

5. Project Implementation Update

Components	Physical Progress	Environmental & Social Compliance	Procurement	Financial Management
Component 1: Investment in Water Supply Infrastructure for 50 ULBs (USD534 million)	1.2% (no construction activity; solely procurement of goods, surveying, submission of designs & drawings)	In compliance: The draft EIAs and SIAs for Phase 1 are under review, identified deficiencies are being addressed.	15 out of originally 18 contracts signed; awaiting submission of revised PP and PDS for repackaging of 3 outstanding IOCTs to align with new GoAP water grid proposal.	Non-compliant: Q4 2019 IUFR received. Applications for FM specialist at PMU level received by PMU but on-boarding dependent on lifting of lockdown. Internal and external auditor not yet engaged.
Component 2: Investment in Sanitation and Drainage in five pilot ULBs (USD14 million)	Nil	In compliance	Awaiting GoAP submission of revised PP/PDS for repackaging of 2 outstanding NCTs.	
Component 3: Technical Assistance, Institutional Development & Municipal Capacity Enhancement and Implementation Support (USD21 million)	Institutional Support Consultant's 1st output (Inception Report) approved. 2 nd output (Existing situation and Feasibility Analysis Report) received and reviewed.	In compliance	PMU formed, additional subject expert positions being finalized. Institutional Support Consultant on-boarded.	

6. Status of the Grievance Redress Mechanism (GRM)

Brief description of the status of the GRM (whether the GRM is being used and how well the issues are being resolved), and major GRM activities occurred since last PIMR.]

[Note: issues identified will not be discussed in this section; they will be discussed in Section 12 of this report.]

The Bank has been informed that two-tiered GRM (at ULB and State levels) has been established and no grievances have been reported. The arrangements and accessibility of the GRM will be further evaluated during the review of SIA/SMPs. GRM's functionality will be ensured prior to initiation of any physical works.

7. Results Monitoring

		2019	2020	2021	2022	2023	
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¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

Project Objective Indicators	Baseline (2018)	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Others, if any
Indicator I1.1: Households with connection and meter.	0	100	Nil	300		500		700		850		
Indicator I1.2: Hours of water supplied per day.	4	8	Nil	12		16		20		24		
Indicator I1.3: Quantity of water supplied per day.	50	60	Nil	80		100		120		135		
Indicator I1.4: Quality of water supply according to CPHEEO standard.	0%	0%	0%	0%		25%		50%		100%		
Indicator I2.1: No of Pilot ULBs with drainage systems completed.	0	0	0	0		4		5		5		
Indicator I2.2: Share of HHs in Pilot ULBs covered by rehabilitated drainage system and WWTP.	0	0%	0%	0%		80%		100%		100%		
Indicator I2.3: Amount of treated waste water divided by	0%	0%	0%	0%		50%		70%		80%		

water supply/use.												
Indicator I2.4: Outflow concentration (TP) according to CPHEEO standard.	0	0%	0%	0%		80%		100%		100%		
Indicator I3.1: Number of ULBs with computerized billing and cost accounting systems in operation.	0	0	0	10		50		50		50		
Indicator I3.2: Increase in revenues for the ULBs and cost recovery to sustain the O&M costs.	0%	10%	Nil	20%		30%		50%		80%		
Indicator I3.3: Implementation of a water supply and sanitation complaints system including feed-back.	0%	10%	Nil	20%		30%		50%		80%		

Remarks: 2020 actuals are expected by the end of the year.

Remarks:

The project was on hold due to the 2019 change in government at the state level. Consultants and contractors were being re-mobilized prior to the COVID-19 lockdown in March 2020. Commencement of works will depend on E&S instruments for Phase 1 being finalized and the lockdown being lifted.