

## Project Implementation Monitoring Report (#3)

Reporting Period From 2023/10 To 2024/03

## India : Assam Secondary Road Network Improvement Project

## 1. Project Information

Project ID:	P000440	Instrument ID:	L0440A
Member:	India	Region:	Southern Asia
Sector:	Transport	Sub-sector:	Roads
Instrument type:	<input checked="" type="checkbox"/> Loan:320.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	
ES category:	A	Borrowing Entity:	Ministry of Finance, India
Implementing Entity:	Public Works Roads Department of Assam State, India		
Project Team Leader:	Weimin Zhou		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Andres Pizarro, Team Member; Chang Tian, Team Member; Pratyush Mishra, Co-PTL; Christopher Damandl, Project Counsel; Yogesh Malla, OSD - Financial Management Specialist; Parthapriya Ghosh, OSD - Environment & Social Development Specialist; Jurminla Jurminla, OSD - Procurement Specialist; Pratyush Mishra, Back-up PTL; Chang Tian, Project admin		
Completed Site Visits by AIIB:	Mar, 2023 Regular review: Site visits from March 20-25, 2023 Aug, 2023 Discussion meetings with PMU on the Project Implementation Progress Nov, 2023 Site visits by team environment and social specialist and technical consultant Mar, 2024 Site visits by the implementation support mission conducted in March 2024		
Planned Site Visits by AIIB:	Nov, 2024 Planned site visit of regular implementation support mission		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2023/09		

## 2. Project Summary and Objectives

The Objective of this Project is to improve the connectivity, safety and climate resilience of the secondary road network in project districts of Assam and enhance the institutional capacity of the state's Public Works Roads Department (PWRD).

The project has three components:

A. Road Improvement. Two subcomponents are included in this component: (1) upgrading about 250 kilometers

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(km) of state highways and major district roads (MDRs); and (2) retrofitting road safety engineering measures on about 750 km of state highways and MDRs.

B. Modernization of PWRD's road asset management system and computerization.

C. Project management support and institutional capacity building.

### 3. Key Dates

Approval:	Jun. 29, 2022	Signing:	Sep. 19, 2022
Effective:	Dec. 02, 2022	Restructured (if any):	
Orig. Closing:	Dec. 31, 2027	Rev. Closing (if any):	

### 4. Disbursement Summary (USD million)

Contract Awarded:	288.50	Cancellation (if any):	0.00
Disbursed:	19.07	Latest disbursement (amount/date):	4.25/Jan. 16, 2024
Undisbursed:	300.93	Disbursement Ratio (%) <sup>1</sup> :	5.96

### 5. Project Implementation Update

The Project implementation is progressing well, but with delays. The loan has been effective for over one year from December 2, 2022. The total value of the awarded contracts reached to around USD 288million, which is about 90% of the loan. In Component A, all 8 large civil works contracts of road upgrading were awarded, including an EPC contract. All road packages are currently under construction. It is reported that 14% of physical progress has been achieved to date. For Component B, the e-portal and RAMS system upgradation are under the procurement process. The PMU and AIIB team have discussed the scope of the rest of the sub-components during the mission. For Component C, key project implementation support consultants have been hired, including the project coordination and management consultant, the construction supervision consultants (including the consultant of Employer's Representative for the EPC contract, and construction supervision consultant for the item-rate contracts), the Resettlement Plan Implementation Consultant (RPIC), and the external E&S monitoring consultant. All key consultants are mobilized and working with the PMU and contractors. The main factors causing the delay include delay in the the land acquisition and design changes on some road segments.

As of February 29, 2024, 5 withdrawal applications have been disbursed for about USD 18.3 million, which is about 5.7% of the loan. There are two withdrawal applications (in total about USD 7.5million) currently under processing. Although the project is experiencing delays, it is envisaged that the project can be completed within the existing closing date of this project (Dec 31, 2027). The PMU is closely monitoring the progress of all civil works through monthly review meetings with the contractors.

<sup>1</sup> Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

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Components	Physical Progress	Environmental & Social Compliance	Procurement
<p>Component A. Improvement of road connectivity, climate resilience and safety of project corridors (total investment: USD462.1 million; AIIB loan: USD291.1 million). This component will upgrade and improve about 1,000 km of secondary roads in upper Assam under the Asom Mala program: (a) Subcomponent A1: Upgrade of about 250km of state highway and major district road sections. (b) Subcomponent A2: Road safety improvement on an additional 750km of state highways and major district roads.</p>	<p>Subcomponent A1: The AIIB team conducted physical missions in March 2024 to Assam and visited the sites. All 8 road packages are currently under construction, and the contractor of the remaining one is under mobilization. It is reported that 14% of physical progress has been achieved to date. Subcomponent A2: Currently there is no physical progress on this Subcomponent. It is envisaged that the construction will start in 2025.</p>	<p>Land required for this Project is about 347 Ha, where 125 Ha are government land and 222 Ha are private land. All the government land has been transferred. Currently the land acquisition of the private land is in progress with 28.2% of the PAP receiving full compensation.</p>	<p>Subcomponent A1: All 8 large civil works contracts of road upgrading were awarded, including an EPC contract. The total value of these 8 contracts is around USD 278million. Subcomponent A2: There are six civil works contracts in this subcomponent. It is envisaged the procurement of these civil works contracts in Subcomponent A2 will start in 2025.</p>
<p>Component B. Modernization of PWRD's road asset management system and computerization (total investment: USD6.4 million; AIIB loan: USD6.4 million). The Component B includes three subcomponents: (a) Subcomponent B1: Road asset management system enhancement and</p>	<p>This component consists of several key consulting services and goods contracts. Currently some packages are under procurement, and there is no physical progress.</p>	<p>not applicable</p>	<p>The activities in this Component, including Road Asset Management System upgradation and E-portal upgradation, are under procurement process. The procurement of other activities (about 4 packages) is planned to start in late 2024 and 2025.</p>

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<p>computerization. (b) Subcomponent B2: Piloting demonstration corridors with digital technology, safety equipment and roadside facilities. (c) Subcomponent B3: Sustainable asset management technical assistances</p>			
<p>Component C. Project management and institutional capacity building (total investment: USD21.7 million; AIIB loan: USD21.7 million). The Component C includes four subcomponents: (a) Subcomponent C1: Project management and implementation support. (b) Subcomponent C2: Employee capacity- and knowledge- building program. (c) Subcomponent C3: Road safety audit and design. (d) Subcomponent C4: To develop specific road sector plans.</p>	<p>Key project implementation support consultants in Subcomponent C1 have been hired, including 1) construction supervision consultant for the EPC contract; 2) construction supervision consultant for the item-rate contracts; 3) the Resettlement implementation support consultant, 4) project coordination and management consultant, 5) external ES monitoring consultant, 6) Internal audit consulting service; and 7) consultancy service for financial management support. These consultants have been mobilized and are currently working with the contractors and the client.</p>	<p>not applicable</p>	<p>Technical assistance for Assam Road Research and Training Institute for training and capacity building in Subcomponent C2: the TOR has been developed and this package will be procurement in 2024. The road safety audit and design consultant in Subcomponent C3 is in the process of procurement now. It is agreed four Technical assistance studies in Subcomponent C4 are included in this component, which are 1) climate resilient strategy; 2) multimodal transport development plan; 3) Technology-enabled infrastructure plan; 4) HR strategy implementing consultancy. The TORs of these TA studies have been developed. The procurement of these studies will start in 2024.</p>

**Financial Management:**

N/A

**6. Status of the Grievance Redress Mechanism (GRM)**

Project-specific Grievance Redress Committees have been established at PMU(state level) & district level. To date, 102 grievances were received. 73 of them have been resolved, and 29 of them are under process. The unresolved

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cases of GRM are mainly regarding adding missing title holders' names into the compensation list, and issues with structure valuations. This is due to historical reasons that at some rural areas the land holders are not always easy to verify.

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**7. Results Monitoring (please refer to the full RMF, which can be found on the last page of this PIMR)**

Due to all the Project objective indicators will be measured at Midterm review or post completion, the results at the end of 2023 are not available. (Mid-term review mission is scheduled in Nov 2025). For the intermediate indicators, since only 14% of the physical progress has been achieved mainly including the physical progress of road bed and embankment, the number of KM of upgraded roads is 0km.

**Remarks:**

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Project Objective Indicators	Indicator level	Unit Measure of	Cumulative Target Values													Frequency	Responsibility	Comments	
			Baseline		2021		2022		2023		2024		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target	Actual				
Population benefitted from improved, safe and all-weather and climate-resilient transport connectivity (total/female).	Project	Number	2021	0	0	n/a		n/a		n/a					2099387/1027177		mid-term	PMU	
Travel time reduced on project upgraded corridors.	Project	Percentage	2021	0	0	n/a		n/a		n/a					30		mid-term	PMU	
Secondary roads conforming to road safety standards prescribed by the Indian Roads Congress or retrofitted with road safety measures	Project	km	2021	0	0	n/a		n/a		n/a					996		mid-term	PMU	
PWRD uses a cloud-based e-portal and road asset management system for department operations.	Project	Y/N	2021	No	No	No		No		No					Yes		mid-term	PMU	
Secondary roads are designed and constructed with climate-resilient and green solutions.	Project	km	2021	0	0	n/a		n/a		n/a					246		mid-term	PMU	
75% of women surveyed among communities are satisfied with the improvement of project roads	Project	Percentage	2021	N/A	N/A	n/a		n/a		n/a					75%		Post completion	PMU	

Project Intermediate Indicators	Indicator level	Unit Measure of	Cumulative Target Values													Frequency	Responsibility	Comments	
			Baseline		2021		2022		2023		2024		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target	Actual				
Secondary roads upgraded.	Project	km	2021	0	0	0		0		0					246		Annual	PMU	

Secondary roads retrofitted with road safety engineering measures.	Project	km	2021	0	0	0		0		0				750		Annual	PMU	
PWRD offices using upgraded e-portal and enhanced information and communication technology infrastructure.	Project	Number	2021	0	0	0		0		0				30		Annual	PMU	
Affected people given skills or self-employment training (total/female).	Project	Number	2021	0	0	n/a		n/a		n/a				1500/750		mid-term	PMU	
PWRD's staff trained in the Project. (total/female)	Project	staff week	2021	0	0	0		0		0				2000/200		Annual	PMU	
Technical studies undertaken and plans prepared.	Project	Number	2021	0	0	0		0		0				3		Annual	PMU	