

Project Implementation Monitoring Report (#4)

Reporting Period From 2023/10 To 2024/03

India : Kerala Solid Waste Management Project

1. Project Information

Project ID:	P000453	Instrument ID:	L0453A
Member:	India	Region:	Southern Asia
Sector:	Urban	Sub-sector:	Integrated waste management
Instrument type:	<input checked="" type="checkbox"/> Loan:105.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	World Bank
ES category:	A	Borrowing Entity:	Ministry of Finance, India
Implementing Entity:			
Project Team Leader:	Ankur Agrawal		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Christopher Damandl, Project Counsel; Aditi Khosla, Alternate Counsel; Shodi Nazarov, OSD - Financial Management Specialist; Susrutha Goonasekera, OSD - Social Development Specialist; Xinchen Zhang, OSD - Environment Specialist; Guoping Yu, OSD - Procurement Specialist; Ankur Agrawal, Back-up PTL; Jinghui Li, Project admin		
Completed Site Visits by AIIB:	Mar, 2022 World Bank and AIIB conducted a virtual implementation support mission in March 2022. Further, World Bank conducted a physical Technical Mission in June 2022. Nov, 2022 World Bank and AIIB conducted an implementation support mission in November 2022. Further, World Bank conducted a technical visit in February 2023. May, 2023 World Bank and AIIB conducted an implementation support mission in May 15-19. Nov, 2023 World Bank and AIIB conducted an implementation support mission from November 6-10.		
Planned Site Visits by AIIB:	Nov, 2023 AIIB and World Bank plan an implementation support mission in May 2024.		
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2023/09		

2. Project Summary and Objectives

The project's objective is to strengthen the institutional and service delivery systems for Solid Waste Management (SWM) in Kerala.

The project will support the government to improve the SWM situation in Kerala by providing SWM infrastructure

Project Implementation Monitoring Report (#4)

Reporting Period From 2023/10 To 2024/03

investments at both regional and municipal-levels. The project will support all 93 Urban Local Bodies (ULBs) across 14 districts in Kerala in improving access to efficient and reliable delivery of SWM services to their populations.

The total project cost is USD300 million financed by AIIB and World Bank to the extent of USD105 million each and the balance USD90 million is counterpart funds by the Government of Kerala (GoK). The project includes the following components:

Component A (USD110 million): Development of Regional SWM Facilities which will support construction, rehabilitation, closure and remediation of SWM facilities servicing a cluster of local bodies;

Component B (USD150 million): Improvement of SWM Infrastructure in Participating ULBs will improve local-level SWM service delivery systems by providing funds to the participating ULBs; and

Component C (USD40 million): Institutional Development, Capacity Building and Project Management Support which will provide technical assistance and capacity building at state and local levels.

The project's implementation period is from June 2021 to June 2027.

3. Key Dates

Approval:	Mar. 25, 2021	Signing:	Jan. 21, 2022
Effective:	Mar. 29, 2022	Restructured (if any):	
Orig. Closing:	Dec. 31, 2027	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	4.76	Latest disbursement (amount/date):	2.80/Jul. 03, 2023
Undisbursed:	100.24	Disbursement Ratio (%) ¹ :	4.53

5. Project Implementation Update

Under component A, the process of land identification and screening is ongoing. The consulting firm for undertaking feasibility study (FS) has been onboarded since June 2023 and is currently undertaking the FS work at the identified sites. Land transfer/acquisition process will commence once the identified site is confirmed to be feasible by FS. Under Component B, SWM Plan preparation for all participating ULBs is ongoing and the first batch of sub-projects aggregating to USD8 million have been prepared and are now being tendered.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Development of Regional SWM Facilities	Identification of land for development of regional SWM facilities is still ongoing, several sites are being identified and are being screened	The identification of land parcels for all the 5 clusters is underway. All sites are being screened for Environment and Social (ES) safeguards.	The procurement of goods and works under this component will begin after the FS has been completed.

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

Project Implementation Monitoring Report (#4)

Reporting Period From 2023/10 To 2024/03

	for suitability. Formal process for land acquisition shall be undertaken post the due diligence and FS. The consulting firm for FS has been onboarded since June, 2023. Currently the firm is undertaking FS at one of the five identified clusters for waste management in the state (Cluster 4).	The contract for preparing the ESIA has been signed with a the consulting firm. While ES work has started for Cluster 4 site, it is under planning for rest of the other clusters.	
Improvement of SWM Infrastructure in Participating ULBs	(i) A total of 19 dumpsites have been identified for remediation and of this 13 are expected to go tendering by Q3CY24. (ii) Sub-projects of about USD8 million consisting of 485 goods packages and about 100 works packages have been prepared and are under procurement.	A summary Environmental Management Plan (EMP) will be prepared, which will include general mitigation/management measures applicable to all sites & specific aspects applicable to each site.	Procurement of goods and works for the sub-projects are expected to be tendered in H1CY2024.
Institutional Development, Capacity Building and Project Management Support	All key positions in the State Project Management Unit (SPMU) have been hired and deployed. The PMC firm and four Technical Support Consultant (TSC) firms are already on board.	Capacity building workshops are being conducted across all project agencies on SWM rules and regulations including environmental management as part of technical aspects.	Eight consulting services contracts with total commitment amount of approx. USD 25 million have been awarded and under implementation, including PMC and TSCs. Another seven consulting firms for ESIA, IVA etc. are expected to be awarded by Q2CY24. SPMU has identified additional technical experts required and would recruit them in H1CY2024 to support (i) transaction and technical advisory for dumpsite remediation and sanitary landfill procurement, and (ii) project management for regional SWM investments.

Financial Management:

0An overall budget provision of USD42 million has been made for the project under the approved state budget for the period April 2023-March 2024. The Special Treasury Savings Bank (STSB) account has been opened for the activities of Components 1 and 3 and is receiving funds from the GoK consolidated fund as

Project Implementation Monitoring Report (#4)

Reporting Period From 2023/10 To 2024/03

part of the amounts already remitted by WB, AIIB, and the relevant GoK share. All ULB audits by **Kerala State Audit Department (KSAD)** have been completed up to FY 2021-22. KSAD has completed only 10 out of 93 ULB audits due for FY 2022-23. This will be reviewed during the upcoming mid-term review mission. The Finance Expert deputed from the Government is in place and is being assisted by the FM Expert of the PMC. IUFRs are being submitted regularly and latest IUFR was submitted for the period ending September 30, 2023. The next IUFR for the period October 2023 to March 2024 is due by May 15, 2024. The first external audit report of the project (for FY 22-23) was submitted and was found to be acceptable. The next audit report for the period ending in March 31, 2024 is due by September 30, 2024.

6. Status of the Grievance Redress Mechanism (GRM)

A GRM exists at the SPMU and at the DPMU level. Designated staff at SPMU and at each DPMU are responsible for managing the GRM desk. The project has finalized the MIS module on Grievance Management System. This system will collate information on grievances received via toll free number, on-line and written. This application would have a clear workflow for registration, action taken report, and closure of complaints after receiving feedback from the complainant, including the institutional mechanism with the escalation matrix. It was advised to simplify the registration process and to delete the feature on prioritizing the grievances as all complaints need to be addressed within the stipulated time frame.

The GRM complaints can also be registered on the project's website <https://kswmp.org/>, toll free number 18004250238 or on email grmkswmp@gmail.com. Till now, 81 grievances have been received mainly related to collection of waste from households or waste dumping at public places.

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

Physical construction work under the Project has not begun yet and hence results shall be monitored in due course.

Remarks:

Project Objective Indicators	Indicator level	Unit Measure of	Cumulative Target Values																		Frequency	Responsibility	Comments		
			Baseline		2021		2022		2023		2024		2025		2026		2027		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual	
Number of people with access to improved solid waste management services	Project	Number (Thousand)	2021	0	0	0	500	0	1000		2000		3000		4000		6000			6000					
Solid waste disposed safely in engineered landfills	Project	Metric tons/year (cumulative)	2021	0	0	0	-	0	-		30000		90000		120000		146000			146000					
Number of ULBs that accessed incentive grants for improving SWM services	Project	Number	2021	0	0	0	-	0	-		30		60		60		60			60					

Project Intermediate Indicators	Indicator level	Unit Measure of	Cumulative Target Values																		Frequency	Responsibility	Comments		
			Baseline		2021		2022		2023		2024		2025		2026		2027		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual	
Number of dumpsites closed	Project	Number	2021	0	0	0	0	0	0		0		1		2		3			3					
Number of landfills constructed and operational	Project	Number	2021	0	0	0	0	0	0		1		2		3		3			3					
Number of inter-municipal coordination arrangements in place for regional disposal systems	Project	Number	2021	0	0	0	1	0	2		3		3		3		3			3					
Household coverage of door to door segregated	Project	Percentage	2021	0	0	0	10	0	15		20		30		50		70			70					

