

Project Implementation Monitoring Report (#1)

Reporting Period From 2024/06 To 2024/11

Tajikistan : Obigarm-Nurobod Road Project - Long Bridge and Approaches

1. Project Information

Project ID:	P000309	Instrument ID:	L0309A
Member:	Tajikistan	Region:	Central Asia
Sector:	Transport	Sub-sector:	Roads
Instrument type:	<input checked="" type="checkbox"/> Loan:536.40 Yuan Renminbi million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	
ES category:	A	Borrowing Entity:	Ministry of Finance, Tajikistan
Implementing Entity:	Ministry of Transport, Tajikistan		
Project Team Leader:	Runze Yu		
Responsible DG:	Konstantin Limitovskiy		
Responsible Department:	PSC2		
Project Team Members:	Alisher Kuchiev, Team Member; Yunlong Liu, SFD - Procurement Specialist; Liu Yang, Project Counsel; Aditi Khosla, Alternate Counsel; Shodi Nazarov, SFD - Financial Management Specialist; David Rollinson, SFD - Environment Specialist; Gulru Azamova, SFD - Social Development Specialist; Yanyang Shi, Project admin		
Completed Site Visits by AIIB:	Oct, 2024 Kick-start Supervision Mission		
Planned Site Visits by AIIB:	Mar, 2025 Planned Supervision Mission		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	N/A		
Previous Red Flags Assigned Date:	N/A		

2. Project Summary and Objectives

The Project will construct of a 920-meter bridge and its approaches (the Long Bridge) on Obigarm–Nurobod section of M41 Highway to replace the existing segment that will be submerged by the Rogun dam reservoir.

The alignment replacement will ensure continued connectivity along a vital transport corridor in Tajikistan that connects central part of the country with northeast and border to the Kyrgyz Republic. The Obigarm–Nurobod section of M41 Highway (75km) is referred to as the Overall Project, which has been divided into three sections:

- i. The Obigarm–Tagikamar section is about 30-km long financed by ADB and OFID; it is hereinafter referred to as Section 1;
- ii. The Tagikamar–Nurobod section is about 44km long financed by the EBRD; it is hereinafter referred to as Section 2; and
- iii. The 920-meter-long bridge and its approaches will be financed by AIIB; it is hereinafter referred to as Section 3 or

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the Project.

The Project objective is to improve connectivity along the Obigarm–Nurobod section of M41 Highway by constructing a long bridge and its approaches.

3. Key Dates

Approval:	Mar. 20, 2024	Signing:	Apr. 03, 2024
Effective:	Jun. 24, 2024	Restructured (if any):	
Orig. Closing:	Dec. 31, 2030	Rev. Closing (if any):	

4. Disbursement Summary (CNY million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	0.00	Latest disbursement (amount/date):	0.00
Undisbursed:	536.40	Disbursement Ratio (%) ¹ :	0.00

5. Project Implementation Update

Overall Progress Update

The Obigarm-Nurobod Road Project, focusing on the construction of the Long Bridge and its approaches, is at its initial stages of implementation. The Project Implementation Unit (PIU) is staffed with experienced specialists who bring essential expertise to the Project. Significant procurement activities are ongoing, including the civil works contractor (CWC) and the construction supervision consultant (CSC). Both contracts are expected to be concluded by the end of 2024. Disbursement activities are anticipated to commence in Q1 2025, marking a key milestone in the project implementation.

Next Steps

- Finalize contractor selection and begin initial disbursement in Q1 2025.
- Strengthen E&S compliance throughout the contract negotiation stage with the selected CWC and CSC, and enhance monitoring frameworks.
- Advance procurement activities across components to meet loan disbursement timelines.
- Develop and finalize the CIDCA Grant Agreement to support gender-focused initiatives (Component 3) effectively.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Construction of the Long Bridge and Its Approaches	Preparatory activities, including bids evaluations for CWC and selection of CSC, are underway. The project's	The environmental and social impact assessment (ESIA) has been publicly disclosed. Ongoing monitoring of environmental and social risks during the contractor	The technical evaluation for the CWC has been completed, with financial proposals opened on Nov 14, 2024. The Bank is

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.

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	design and cost estimations are aligned with the Feasibility Study and Preliminary Design, and the State Expertise Conclusion, ensuring compliance with international (ASSHTO) and standards.	selection process highlights the importance of Occupational Health and Safety (OHS) measures, labor compliance, and mitigation plans for potential geotechnical risks such as erosion and seismic activities.	awaiting for the PIU to submit the combined evaluation report. The technical evaluation for the CSC has also been completed. Both contract awards are on schedule for completion by the end of 2024.
Component 2: Project Implementation Capacity Strengthening	The PIU has been established with a mix of national and international experts covering procurement, contract management, environmental and social safeguards, and financial management. Recruitment for additional roles, such as procurement associates, is ongoing.	Strengthening social and environmental monitoring and supervision is critical, with plans to hire additional specialists for gender and safety roles to support robust project execution.	A comprehensive procurement plan is being updated to include individual consultant contracts and operational expenses. Necessary tools, such as accounting software, are in the process of being procured and implemented to enhance financial management capacity.
Component 3: Economic Empowerment for Women	Preliminary consultations and planning for the CIDCA grant-funded activities are in progress. Key focus areas include establishing community centers for vocational training and women's entrepreneurship programs.	First round of stakeholder engagement with local organizations and government bodies were completed during the Bank's first supervision mission, ensuring alignment with gender development objectives. A scoping study and skills assessment will guide future activities to empower women in the project-affected areas.	Recruitment of consultants for the scoping study and entrepreneurship programs is planned. The procurement of necessary goods and services for this component will follow the finalized CIDCA Grant Agreement expected in early 2025.

Financial Management:**Progress:****1. FM Capacity:**

- The PIU has an established Finance Department with experience in managing MDB-financed projects.
- A Financial Specialist from the ongoing Grant project has been hired and will transition to the Loan project team upon the grant's closure by December 31, 2024.
- The Designated Account (DA) has been opened at Amonatbank, and a local currency account is in the process of being set up.

2. Initial Disbursement:

- The first withdrawal application, amounting to USD 142,900, is under preparation and will cover consultant support for the next six months.

3. Project Accounting Software:

- The decision to procure new accounting software, 1C, has been made. This system will track transactions for both the Loan and CIDCA projects through separate modules.
- The procurement and adaptation of this software are scheduled for completion by January 31, 2025.

4. Audit Arrangements:

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- The PIU is preparing to engage the existing auditor for the final audit, ensuring timely submission and payment before the disbursement deadline of April 30, 2025.

Issues:

1. Delays in Automation:

- The planned automation of project accounting within three months of loan effectiveness (by September 24, 2024) has not been completed. Procurement and setup of the accounting system are still pending.

2. Capacity Building:

- While the Financial Specialist has received some training, the PIU may require further capacity building to align fully with AIIB's financial reporting and disbursement requirements.

3. Timeliness:

- Ensuring on-time preparation and submission of financial documents, such as interim unaudited financial reports (IUFs), will be critical. Delays in similar tasks under the grant project highlight a need for stricter adherence to timelines.

4. Procurement of FM Tools:

- The delay in implementing the accounting software could impact financial tracking and reporting accuracy if not addressed promptly.

Recommendations:

1. Expedite the procurement and implementation of the accounting software to ensure robust financial tracking and reporting mechanisms.
2. Continue on-the-job training and capacity-building initiatives for the Finance Specialist and the broader PIU team.
3. Closely monitor timelines for financial reporting and disbursement processes to prevent delays.

6. Status of the Grievance Redress Mechanism (GRM)

Progress:

1. Existing GRM Operational:

- o A two-tier GRM is in place, including local-level grievance redress committees (GRCs) in each jamoat (Local self-governing entity, lower level of district) and a centralized mechanism at the PIU level.
- o GRM focal points have been assigned, and external stakeholders can already access the system for complaints.

2. Worker-Specific GRM Planned:

- o A separate GRM for workers will be established once the contractor is onboarded.
- o The contractor is required to set up complaint boxes and public information boards displaying GRM contact details.

3. No Reported Complaints:

- o As of the mission date in October 2024, no grievances have been reported through the existing GRM.

Next Steps:

1. Implementation for Workers:

- o Ensure the contractor establishes the worker-specific GRM before construction begins.

2. Enhancements in GRM Accessibility:

- o Public information boards and complaint submission mechanisms must be implemented by the contractor to increase awareness among stakeholders.

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3. Monitoring and Reporting:

o PIU to oversee and periodically review the effectiveness of both external and worker-specific GRMs to ensure timely resolution of grievances.

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

As project implementation is still in a preparatory stage, RMF will be updated by end of 2025.

Remarks:

Project Objective Indicators	Indicator level	Unit of Measure	Cumulative Target Values																				Frequency	Responsibility	Comments	
			Baseline		2022		2023		2024		2025		2026		2027		2028		2029		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual
Number of beneficiaries of improved transport connectivity	Project	Passenger Car Unit (PCU)	2022	3,461	3,461		N/A		-		-		-		-		6,461		6,708		2029	6,708		Annually	PIURR/MOT	
Improved connectivity: Travel time	Project	Minutes	2022	80	80		N/A		-		-		-		-		70		70		2029	70		Annually	PIURR/MOT	
Improved safety: Reduction of road death and injuries per 100 million vehicle-km of travel on the project road	Project	Number of road death and injuries	2022	3.6	3.6		N/A		-		-		-		-		2.7		2.7		2029	2.7		Annually	PIURR/MOT	

Project Intermediate Indicators	Indicator level	Unit of Measure	Cumulative Target Values																				Frequency	Responsibility	Comments	
			Baseline		2022		2023		2024		2025		2026		2027		2028		2029		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual
Women's entrepreneurship program developed and implemented, based on the skills needs assessment and participant selection criteria	Project	Annual implementation report	2022	0	0		N/A		0		1		2		3		4		5		2029	5		Annually	PIURR/MOT	
Number of women gained and reported knowledge and skills on business development	Project	Persons	2022	0	0		N/A		-		25		-		50		-		75		2029	75		Annually	PIURR/MOT	