

## SBF Project Implementation Monitoring Report

### India: Bangalore Metro Rail Project - Line R6

#### 1. Project Information

Project ID:	000038	Investment Number:	L0038A
Member:	India	Region:	Southern asia
Sector:	Transport	Sub-sector:	Urban transport
AIB Financing Type:	Loan: 335 USD million	Co-financier(s):	EIB-led
E&S category:	A	Borrower:	Republic of India
Red Flags Assigned:	1	Monitoring Regime:	Regular Monitoring
Implementing Agency:	Bangalore Metro Rail Corporation Limited (BMRCL)		
Project Team Leader:	Kishlaya Misra		
Project Team Members:	Bernardita Saez, Senior Counsel - Investment Operations Giacomo Ottolini, Senior Procurement Consultant Somnath Basu, Principal Social Development Specialist Yogesh Malla, Financial Management Specialist		
Completed Site Visits by AIB:	Oct, 2019 October 21 – October 22, 2019 of the 1st Visit		
Planned Site Visits by AIB:	Local consultant to support site visit during ongoing travel restrictions		

#### 2. Project Summary and Objectives

The objective of the project is to provide efficient and high-capacity north-south connectivity through the center of Bangalore by expanding the city's metro system. Following are the planned activities under the proposed Project: (i) construction of 7.5 km of elevated viaduct and 6 elevated stations; (ii) construction of 14.5 km of underground tunnels and 12 underground stations; (iii) construction of a depot; and (iv) creation of a tunnel ventilation system and environment control system. The Project is estimated to cost USD1,785 million, and will be jointly co-financed by AIB and the EIB. EIB is the lead co-financier for the Project. The financing plan comprises (i) a sovereign-backed loan of USD335 million from AIB, (ii) a sovereign-backed loan of €500 million from the EIB, (iii) USD255 million from the Government of India, and (iv) USD612 million from the Government of Karnataka.

#### 3. Key Dates

Approval:	Dec. 8, 2017	Signing:	Jun. 4, 2019
Effective:	Sep. 2, 2019	Restructured (if any):	
Orig. Closing:	Jun. 30, 2024	Rev. Closing (if any):	

#### 4. Disbursement Summary (USD million)

a) Committed:	335	b) Cancellation (if any):	0
c) Disbursed:	0.838	d) Most recent disbursement: (amount / date)	0.838, Sep. 2, 2019
e) Undisbursed:	334.162	f) Disbursement Ratio(%) <sup>1</sup> :	0.2

<sup>1</sup> 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.,  $f = c / (a - b)$

#### 5. Project Implementation Update

The loan has been effective on September 2, 2019. The implementing agency has submitted to AIB the first disbursement request of USD 33.33 million in February 2020 and the first disbursement is likely by Q4,2020 post confirmation of conditions precedents for first disbursement by EIB (lead co-financier). A tripartite meeting under the chair of Department of Economic Affairs (DEA), Government of India was organized on September 28, 2020 to expedite the fulfillment process of conditions precedent of EIB. Construction for the elevated section is progressing. Four contracts of the underground section have been awarded and construction for station boxes is progressing at 5 underground stations.

Components	Physical	Environmental & Social Compliance	Procurement
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	Progress		
Component 1: Construction of Elevated Viaduct & Stations (USD31.00 M)	29.15%	<p>RAP under preparation (on-going process)</p> <p>BMRCL will identify and document a list of sites/objects that could potentially be classified as physical cultural heritage along Reach 6. The list to be submitted to the Bangalore Development Authority (BDA) for their information. This list should be used to develop specific safeguards to be adopted by contractors while working in and around such areas, including a Chance Find Procedure.</p> <p>Prior to commencement of tunneling and excavation works, BMRCL will develop a Chance Finds Procedure. EIB requires the promoter to undertake a cultural heritage impact assessment as part of the ESIA process. BMRCL should obtain clarity on the heritage status of the All Saints Church from the BDA. Nevertheless, due to concerns raised by the local community, it is understood that the Church will have to be treated as physical cultural heritage.</p>	Completed
Component 2: Construction of Underground Section Tunnel & Stations (USD282.00 M)	8%	<p>RAP under preparation (on-going process)</p> <p>BMRCL will identify and document a list of sites/objects that could potentially be classified as physical cultural heritage along Reach 6. The list to be submitted to the Bangalore Development Authority (BDA) for their information. This list should be used to develop specific safeguards to be adopted by contractors while working in and around such areas, including a Chance Find Procedure.</p> <p>Prior to commencement of tunneling and excavation works, BMRCL will develop a Chance Finds Procedure. EIB requires the promoter to undertake a cultural heritage impact assessment as part of the ESIA process. BMRCL should obtain clarity on the heritage status of the All Saints Church from the BDA. Nevertheless, due to concerns raised by the local community, it is understood that the Church will have to be treated as physical cultural heritage.</p>	All four Packages are awarded. Completed
Component 3: Depot (USD7.00 M)	0%	N/A	The contract has been awarded on August 20, 2020
Component 4: Tunnel Ventilation System & Environmental Control system (USD15.00 M)	0%	N/A	Tender to be invited

#### Financial Management:

As per Loan Agreement, the project is supposed to submit on half yearly basis IUFs within 45 days of the period end. The IUFs for FY19/20 was received. Now the project has to submit IUF for period April 1, 2020 to Sep 30, 2020 and due date is Nov 15, 2020.

The annual project audited financial statement was due by September 30, 2020. Due to COVID-19 pandemic there has been delay in completion of processes. It is estimated to be submitted by November 2020.

BMRCL has submitted withdrawal application amounting US\$ 33 million and its under processing. Once this is disbursed, it will reflect some financial progress.

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

BMRCL already has in place a grievance redress mechanism. All grievances received are resolved at the level of General Manager (land acquisition) and Director (Projects and Planning). All grievances related to compensation for land and resettlement assistance is addressed by the General Manager (land acquisition). Property ownership issues are addressed by Karnataka Industrial Area Development Board, Competent Authority. Grievances received at the Corporate Office, is sorted according to subject matter, and is directed from the Managing Directors office to the Land office. Grievance redress is carried out at two levels: namely first level and the appellate level. Grievances of affected persons will be first brought to the attention of BMRCL, land acquisition office. At this level, the time taken to address a matter may vary from 7 days to one month, depending on the matter. The aggrieved person can approach the Grievance Redress Committee (GRC). The GRC will convene within 7 days of receiving the matter. In case of non-resolution of the issues raised, the affected person also has the option of for judicial review/intervention by the courts.

#### 7. Results Monitoring

Project is under implementation

Baseline Year: Jan. 1, 2019 End Target Year: Dec. 31, 2024

Project Objective Indicators	Year	Target	Actual	Others, if any
No. of passengers carried (people million)	Jan. 1, 2024	0.3	N/A	
Average trip length (Km)	Jan. 1, 2020	10	N/A	
Employment generation during operation (people)	Jan. 1, 2024	450 - 620	N/A	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
Construction of metro line (Km)	Jan. 1, 2021	5	N/A	
Construction of metro line (Km)	Jan. 1, 2022	9	N/A	
Construction of metro line (Km)	Jan. 1, 2023	8	N/A	
Construction of a depot (number)	Jan. 1, 2022	1	N/A	
Installation of TVS and ECS (number)	Jan. 1, 2022	2	N/A	
Installation of TVS and ECS (number)	Jan. 1, 2023	10	N/A	

**Remarks:**