

## SBF Project Implementation Monitoring Report

### India: Andhra Pradesh Rural Roads Connectivity Project

#### 1. Project Information

Project ID:	000063	Investment Number:	L0063A
Member:	India	Region:	Southern asia
Sector:	Transport	Sub-sector:	Roads (non-urban)
AIB Financing Type:	Loan: 455 USD million	Co-financier(s):	Stand-alone
E&S category:	B	Borrower:	Republic of India
Red Flags Assigned:	2	Monitoring Regime:	Enhanced Monitoring
Implementing Agency:	Government of Andhra Pradesh Panchayat Raj Engineering Department		
Project Team Leader:	Wenyu Gu		
Project Team Members:	Gerardo Pio Parco, Senior Environmental Specialist Georgi Georgiev Dzhartov, Social Development Specialist Jurminla Jurminla, Procurement Specialist Yogesh Malla, Financial Management Specialist Haiyan Wang, Senior Finance Officer Liu Yang, Counsel - Investment Operations Tiana Chang, Project Assistant		
Completed Site Visits by AIB:	Jun, 2019 June 23-26, 2019 Nov, 2019 November 11-16, 2019		
Planned Site Visits by AIB:	Nov, 2020 In November/December, if international traveling is allowed.		

#### 2. Project Summary and Objectives

To improve road transport connectivity in previously unserved communities by providing all-weather rural roads in all 13 districts of the state of Andhra Pradesh.

#### 3. Key Dates

Approval:	Sep. 28, 2018	Signing:	Feb. 25, 2019
Effective:	Apr. 22, 2019	Restructured (if any):	
Orig. Closing:	Apr. 30, 2024	Rev. Closing (if any):	

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

a) Committed:	455	b) Cancellation (if any):	
c) Disbursed:	30	d) Most recent disbursement: (amount / date)	31.14, Sep. 4, 2019
e) Undisbursed:	425	f) Disbursement Ratio(%) <sup>1</sup> :	6.8

<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

Due to the spread of COVID-19 in India, all site works were suspended from March 25, 2020, to May 2, 2020. After that, some of the works have been resumed gradually. However, the progress remains slow, and the Project is being delayed. The positive part is we see the commitment of PIA lately despite the difficulty induced by the pandemic. The Team is working with PMU closely via weekly or bi-weekly VC in past months to expedite the progress and take actions necessary. An action plan has been prepared to rectify the situation, such as updating the work program to reassess the impact on the overall project implementation, which will be submitted by the client by the end of July; the Team also provided three ES supporting training via VC.

Component s	Physical Progress	Environmental & Social Compliance	Procurement
Component 1a: Construction of new	34 out of 74 contracts are under implementation. However, for the reasons listed above, only 1.5% of	Non-compliant: Standard site-specific ESMP has been agreed with PMU, while verification of E&S screening is outstanding and GRM is not functioning. The quality and effectiveness of stakeholder engagement and disclosure cannot be evaluated. Approximately 37% of all packages	34 packages awarded and tender for the remaining packages will be initiated following the submission of revised PDS along

connectivity (USD385 million)	physical progress has been made so far.	have been grounded without Bank's clearance.	with a revised procurement plan.
Component 1b: Upgradation of existing roads (USD35 million)	0%	-	-
Component 2 Technical Assistance (USD 7.36 million)	5%	-	-
Contingencies (USD26.5 million)	0%	-	-

#### Financial Management:

- Non-submission of quarterly Interim Unaudited Financial Reports;
- Delay in appointment of a financial management expert, with the terms of reference and qualifications acceptable to the Bank.
- The final version of the Financial Management Manual is outstanding

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

GRM is not functional.

#### 7. Results Monitoring

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Baseline Year: Jan. 1, 2018 End Target Year: Jan. 1, 2023

Project Objective Indicators	Year	Target	Actual	Others, if any
Indicator #1 Length of roads constructed / upgraded (Km)	Jan. 1, 2018	-	0	
Indicator #1 Length of roads constructed / upgraded (Km)	Jan. 1, 2019	500	0.75	
Indicator #1 Length of roads constructed / upgraded (Km)	Jan. 1, 2020	2300	19.98	
Indicator #1 Length of roads constructed / upgraded (Km)	Jan. 1, 2021	4600	-	
Indicator #2: Habitations with new /upgraded connectivity (number)	Jan. 1, 2018	-	0	
Indicator #2: Habitations with new /upgraded connectivity (number)	Jan. 1, 2019	300	1	
Indicator #2: Habitations with new /upgraded connectivity (number)	Jan. 1, 2020	1200	14	
Indicator #2: Habitations with new /upgraded connectivity (number)	Jan. 1, 2021	2300	-	
Indicator #2: Habitations with new /upgraded connectivity (number)	Jan. 1, 2022	3300	-	
Indicator #1 Length of roads constructed / upgraded (Km)	Jan. 1, 2022	6000	-	
Indicator #3: No. of people with direct access to all-weather rural roads (People'000)	Jan. 1, 2018	-	0	
Indicator #3: No. of people with direct access to all-weather rural roads (People'000)	Jan. 1, 2019	200	0.77	

Indicator #3: No. of people with direct access to all-weather rural roads (People'000)	Jan. 1, 2020	700	8.38	
Indicator #3: No. of people with direct access to all-weather rural roads (People'000)	Jan. 1, 2021	1300	-	
Indicator #3: No. of people with direct access to all-weather rural roads (People'000)	Jan. 1, 2022	2000	-	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
Indicator #1: Length of BT roads constructed (Km)	Jan. 1, 2018	-	0	
Indicator #1: Length of BT roads constructed (Km)	Jan. 1, 2019	270	0	
Indicator #1: Length of BT roads constructed (Km)	Jan. 1, 2020	1000	10.61	
Indicator #1: Length of BT roads constructed (Km)	Jan. 1, 2021	1800	-	
Indicator #1: Length of BT roads constructed (Km)	Jan. 1, 2022	2350	-	
Indicator #2: Length of CC roads constructed (Km)	Jan. 1, 2018	-	0	
Indicator #2: Length of CC roads constructed (Km)	Jan. 1, 2019	230	0.75	
Indicator #2: Length of CC roads constructed (Km)	Jan. 1, 2020	800	9.37	
Indicator #2: Length of CC roads constructed (Km)	Jan. 1, 2021	1800	-	
Indicator #2: Length of CC roads constructed (Km)	Jan. 1, 2022	2450	-	
Indicator #3: Length of roads upgraded to BT roads (Km)	Jan. 1, 2018	-	0	
Indicator #3: Length of roads upgraded to BT roads (Km)	Jan. 1, 2019	0	0	
Indicator #3: Length of roads upgraded to BT roads (Km)	Jan. 1, 2020	500	0	
Indicator #3: Length of roads upgraded to BT roads (Km)	Jan. 1, 2021	1000	-	
Indicator #3: Length of roads upgraded to BT roads (Km)	Jan. 1, 2022	1500	-	
Indicator #4 No. of bridges to be constructed (Km)	Jan. 1, 2018	-	0	
Indicator #4 No. of bridges to be constructed (Km)	Jan. 1, 2019	0	0	
Indicator #4 No. of bridges to be constructed (Km)	Jan. 1, 2020	0	-	
Indicator #4 No. of bridges to be constructed (Km)	Jan. 1, 2021	6	-	
Indicator #4 No. of bridges to be constructed (Km)	Jan. 1, 2022	18	-	

**Remarks:**

The actual achievements are far behind the targets because of the delays that no site work can be done under the COVID-19 pandemic.