

SBF Project Implementation Monitoring Report

India: Andhra Pradesh Urban Water Supply & Septage Management Improvement Project

1. Project Information

Project ID:	000079	Investment Number:	L000079
Member:	India	Region:	Southern asia
Sector:	Water	Sub-sector:	Sanitation, Water Supply
AIB Financing Type:	Loan: 400 USD million	Co-financier(s):	Stand-alone
E&S category:	A	Borrower:	Republic of India
Red Flags Assigned:	1	Monitoring Regime:	Regular Monitoring
Implementing Agency:	Public Health & Municipal Engineering Department, Government of Andhra Pradesh		
Project Team Leader:	Hubert Jenny		
Project Team Members:	Gerardo Pio Parco, Senior Environmental Specialist; Georgi Georgiev Dzhartov, Social Development Specialist; Jurminla, Procurement Specialist; Yogesh Malla, Financial Management Specialist; Liu Yang, Counsel – Investment Operations; Mohan Dharmapuram, Senior Technical Consultant; Jan Agerholm Høybye, Senior Technical Consultant; Antong Hu, Project Assistant.		
Completed Site Visits by AIB:	Aug, 2020 Two Virtual Missions		
Planned Site Visits by AIB:	Nov, 2020 Virtual Mission on Completion of E&S documents		

2. Project Summary and Objectives

To provide safe drinking water through piped water supply to 3.3 million people in Andhra Pradesh, and to improve service levels and strengthen sustainable service delivery.

3. Key Dates

Approval:	Dec. 7, 2018	Signing:	Feb. 25, 2019
Effective:	May. 21, 2019	Restructured (if any):	
Orig. Closing:	Jun. 30, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

a) Committed:	400	b) Cancellation (if any):	
c) Disbursed:	1	d) Most recent disbursement: (amount / date)	1, Jun. 19, 2019
e) Undisbursed:	399	f) Disbursement Ratio(%) ¹ :	0.3

¹ 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 project is faced with delays due to (i) COVID-19 pandemic; and (ii) ongoing work on E&S documents

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Investment in Water Supply Infrastructure for 50 ULBs (USD534 million)	1.2% (no construction activity; solely procurement of goods, surveying, submission of designs & drawings)	In compliance: EIAs have been reviewed by AIIB and approval delegated to the PMU. SIAs are still under review with updates	15 out of originally 18 contracts signed; request for repackaging of 3 outstanding IOCTs to align with new GoAP water grid proposal is

		ongoing to be finalized by the end of October 2020.	being reviewed
Component 2: Investment in Sanitation and Drainage in five pilot ULBs (USD14 million)	Did not start	In compliance	SPDSRequest for repackaging of 2 outstanding NCTs is being reviewed.
Component 3: Technical Assistance, Institutional Development & Municipal Capacity Enhancement and Implementation Support (USD21 million)	Institutional Support Consultant's 1st output (Inception Report) approved. 2nd output (Existing situation and Feasibility Analysis Report) received and reviewed.	Not Applicable	PMU formed, additional subject expert positions being finalized. Institutional Support Consultant on-boarded.

Financial Management:

Q1 and Q2 2020 IUFRR received: Q1 comments addressed and Q2 comments awaiting:

FM specialist at PMU level with on-boarding dependent on lifting of lockdown.

Internal and external auditor not yet engaged.

6. Status of the Grievance Redress Mechanism (GRM)

The Bank has been informed that two-tiered GRM (at ULB and State levels) has been established and no grievances have been reported. The arrangements and accessibility of the GRM will be further evaluated during the review of SIA/SMPs. GRM's functionality will be ensured prior to initiation of any physical works.

7. Results Monitoring

The project was on hold due to the 2019 change in government at the state level. Consultants and contractors were being re-mobilized prior to the COVID-19 lockdown in March 2020. Commencement of works on hold pending finalisation of SIAs and the lockdown being lifted.

Baseline Year: Jun. 30, 2018 End Target Year: Dec. 31, 2023

Project Objective Indicators	Year	Target	Actual	Others, if any
1.1: Households with connection and meter.	Dec. 31, 2023	850	0	
1.2: Hours of water supplied per day.	Dec. 31, 2023	24	4	
1.3: Quantity of water supplied per day.	Dec. 31, 2023	135	50	
1.4: Quality of water supply according to CPHEEO standard.	Dec. 31, 2023	100%	0%	
2.1: No of Pilot ULBs with drainage systems completed.	Dec. 31, 2023	5	0	
2.2: Share of HHs in Pilot ULBs covered by rehabilitated drainage system and WWTP.	Dec. 31, 2023	100%	0%	
2.3: Amount of treated waste water divided by water supply/use.	Dec. 31, 2023	80%	0%	
2.4: Outflow concentration (TP) according to CPHEEO standard.	Dec. 31, 2023	100%	0%	
3.1: Number of ULBs with computerized billing and cost accounting systems in operation.	Dec. 31, 2023	50	0	
3.2: Increase in revenues for the ULBs and cost recovery to sustain the O&M costs.	Dec. 31, 2023	80%	0%	
3.3: Implementation of a water supply and sanitation complaints system including feedback.	Dec. 31, 2023	80%	0%	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
1.1: Households with connection and meter.	Jun. 30, 2021	500	0	
1.2: Hours of water supplied per day.	Jun. 30, 2021	16	4	

1.3: Quantity of water supplied per day.	Jun. 30, 2021	100	50	
1.4: Quality of water supply according to CPHEEO standard.	Jun. 30, 2021	25%	0%	
2.1: No of Pilot ULBs with drainage systems completed.	Jun. 30, 2021	4	0	
2.2: Share of HHS in Pilot ULBs covered by rehabilitated drainage system and WWTP.	Jun. 30, 2021	80%	0%	
2.3: Amount of treated waste water divided by water supply/use.	Jun. 30, 2021	50%	0%	
2.4: Outflow concentration (TP) according to CPHEEO standard.	Jun. 30, 2021	80%	0%	
3.1: Number of ULBs with computerized billing and cost accounting systems in operation.	Jun. 30, 2021	50	0	
3.2: Increase in revenues for the ULBs and cost recovery to sustain the O&M costs.	Jun. 30, 2021	30%	0%	
3.3: Implementation of a water supply and sanitation complaints system including feed-back.	Jun. 30, 2021	30%	0%	

Remarks: The project faced delays in its 1st year because of change of state government and in its 2nd year because of COVID-19 pandemic and ensuing lockdown