

India : Chennai Metro Rail Project for Corridor 4, Phase II, Package 2

1. Project Information

Project ID:	P000301	Instrument ID:	L0301A
Member:	India	Region:	Southern Asia
Sector:	Transport	Sub-sector:	Urban transport
Instrument type:	<input checked="" type="checkbox"/> Loan:356.67 USD million <input type="checkbox"/> Guarantee	Co-financier(s):	
ES category:	A	Borrower:	Republic of India
Implementing Entity:	Chennai Metro Rail Limited		
Project Team Leader:	Wenyu Gu		
Project Team Members:	Bernardita Saez, Project Counsel; Liu Yang, Alternate Counsel; Yi Geng, OSD - Financial Management Specialist; Susrutha Goonasekera, OSD - Social Development Specialist; Gerardo Pio Parco, OSD - Environment Specialist; Jurminla Jurminla, OSD - Procurement Specialist;		
Completed Site Visits by AIIB:	Sep, 2020 Virtual Appraisal Mission		
Planned Site Visits by AIIB:	Jun, 2022 Project Implementation Mission		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:			
Previous Red Flags Assigned Date:			

2. Project Summary and Objectives

The objective of Chennai Metro Corridor 4 (CMC4) is to provide increased capacity and efficiency of east-west connectivity by expanding the Chennai metro system. CMC4 spanning from Lighthouse (in the east) to Poonamallee Bypass (in the west) has a length of 26.8 km, of which 16.5 km is elevated, and 10.3 km is underground, with 18 and 12 stations, respectively.

The primary beneficiaries are new metro passengers who will benefit from faster, more reliable, and better-quality transport services of metro-based travel than road-based public and private transport. The secondary beneficiaries are residential and commercial establishments along the new corridor that will benefit from the improved accessibility and connectivity as well as increased economic opportunities.

AIIB will finance the construction of 16.5 km of the elevated viaduct, including 18 elevated stations. The remaining project components will be co-financed in parallel by ADB, NDB, and the Government of Tamil Nadu (GoTN).

3. Key Dates

Approval:	Sep. 23, 2021	Signing:	Oct. 26, 2021
Effective:	Nov. 23, 2021	Restructured (if any):	
Orig. Closing:	Dec. 31, 2027	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:	276.38	Cancellation (if any):	0.00
Disbursed:	0.00	Most recent disbursement (amount/date):	0.00/Mar. 31, 2022
Undisbursed:	0.00	Disbursement Ratio (%) ¹ :	0.00

5. Project Implementation Update

The loan became effective on November 23, 2021. General consultant (covering C4, BC5, and BC3) is onboard. Two contractors under the component financed by AIIB have already started construction. As of date, the overall implementation progress of the project is estimated at about 5% against 14% of the time elapsed since the commencement date. The main reason for the slow progress is less productivity and insufficient resources such as piling rigs and the delay in obtaining the traffic permissions from concerned authorities.

The project will apply the reimbursement method. CMRL has accomplished the following project work, including (i) set-up the project management unit (PMU), financial management system, and grievance redress mechanism (GRM); (ii) reviewing the work programs of two contractors; (iii) preparing an annual budget and work plan (ABWP); (v) submitted the monthly progress report for November and December 2021, and (vi) completed about 85% percent of land acquisition. In general, under an initial assessment, there are no major identified issues affecting the project implementation; overall progress and performance of the project implementation are satisfactory.

The construction of major structural components and viaduct in ECV-01 and preliminary works and viaduct & stations in ECV-02 have been commenced.

Components	Physical Progress	Environmental & Social Compliance	Procurement	Financial Management
Construction of 16.5 km of the elevated viaduct, including 18 elevated stations.	As of date, construction of the major structural components of viaduct and stations, including Pile, Pile cap, Pier, Pier cap, have been commenced. Both contractors have finalized the work program and resubmitted it to GC for final review.	EIA and SIA/RP have been completed and disclosed, including Noise and Vibration Study. ESMP was incorporated in the Tender documents for civil works contracts.	There are only 2 civil works packages under this project. The procurement processes for both the packages were successfully completed and contractors are onboard for both the packages	The project financial management system has been maintained by the designated financial team of CMRL and no major issues are noted.

6. Status of the Grievance Redress Mechanism (GRM)

A two-tier GRM is in operation, i.e. at the field level and the implementing agency (IA) level. Resettlement activities are ongoing and no complaints have been received so far. The team followed up with the client on Jan. 28, 2022 and reiterated to the client to record complaints properly.

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.

7. Results Monitoring

The overall responsibility for monitoring Project results will be with CMRL, supported by the general consulting firm. Project progress and performance will be monitored based on the result indicators presented below. Since the project is in an initial implementation stage, no tangible achievements are made on the project results. CMRL will make its best effort to implement the project, closely monitor the project performance, and achieve the objectives and result targets.

Project Objective Indicators #1

Daily Project carrying passenger capacity

Year	Target	Actual	Comments, if any
Mar. 01, 2027	127,220	N/A	

Project Objective Indicators #2

Reduced journey time

Year	Target	Actual	Comments, if any
Mar. 01, 2027	49	N/A	

Intermediate Result Indicators #1

Elevated viaducts stations constructed – civil works

Year	Target	Actual	Comments, if any
Dec. 31, 2021	15	N/A	
Dec. 31, 2022	40	N/A	
Dec. 31, 2023	65	N/A	
Dec. 31, 2024	90	N/A	
Dec. 31, 2025	100	N/A	
Dec. 31, 2026	100	N/A	

Intermediate Result Indicators #2

Indian Green Building Council (IGBC) Platinum rating for elevated stations

Year	Target	Actual	Comments, if any
Feb. 01, 2027	18	N/A	

Intermediate Result Indicators #3

Number of Project stations designated to be fully operated by women

Year	Target	Actual	Comments, if any
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Mar. 01, 2027	2	N/A	
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Intermediate Result Indicators #4

Employment during operations stage of the Project, disaggregated by gender (of which at least 30 percent are for women)

Year	Target	Actual	Comments, if any
Mar. 01, 2027	30	N/A	

Intermediate Result Indicators #5

Percentage of female passengers, satisfied with station facilities and services during operations

Year	Target	Actual	Comments, if any
Mar. 01, 2027	75	N/A	

Intermediate Result Indicators #6

Universal accessibility features incorporated into Project design

Year	Target	Actual	Comments, if any
Dec. 31, 2021	Yes	Yes	

Intermediate Result Indicators #7

Climate adaptation/resilience measures incorporated into Project design

Year	Target	Actual	Comments, if any
Dec. 31, 2021	Yes	Yes	

Remarks:
