

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Fourth Implementation Support Mission (November 8-23, 2011)

Aide Memoire

I. Introduction

1. A World Bank mission¹ met with the Project Management Unit (PMU) within the MoUD and Project Management Consultants (PMC) to review the overall progress of the project. The Mission visited Naya Raipur, Indore and Pimpri-Chinchwad PIUs and met with Mysore and Hubli-Dharwad project authorities in Delhi. The Mission also participated in the Annual Project Meet organized by MoUD on 11th November, 2011, to facilitate experience sharing among the Project cities. During the mission meetings, the mission had an opportunity to interact with the city Project Implementing Units (PIU), various consultants and NGO's assisting the PIUs with project preparation and implementation. The mission would like to express its appreciation for the hospitality extended, the useful discussions arranged and for the excellent arrangements made for the field visits. The main objective of this Mission was to review the overall implementation progress and effectiveness of implementation arrangements including:

- Review the progress on the Capacity Building Component
- **Naya Raipur:** Review Detailed Project Report (DPR) and BRT Service Plan; concept designs for infrastructure facilities; SIA and EIA; status of TA activities
- **Indore:** Discuss revisions to ITS project design and DPR; TA activities;
- **Pimpri-Chinchwad:** Review (i) project progress; (ii) ITS for BRT (iii) Technical Assistance, (iv) status of BRT Service Plan (vi) Project Implementation Schedule; (v) Social & Environment matters
- **Mysore** – Project update
- **Hubli-Dharwad** - Review preparation progress - DPR, SIA/RAP and EIA/EMP
- Review outstanding FM and Procurement matters.

2. The mission shared the key findings with the Project Director, Mr. S.K. Lohia and the Project Management Unit (PMU) in a wrap meeting on November 23, the mission also de-briefed Mr. Nilaya Mitash, Director (DEA), on November 24, 2011.

3. The summary of Mission findings includes the following:

- Component IB progressing slowly, need for faster pace and identification of new activities for available funds.
- Pro-active decision to drop Pune and reallocate funds to Hubli-Dharwad has been taken by the Project Steering Committee. However, commitment letter from Government of Karnataka pending delaying request from DEA for restructuring.
- Contracts progressing, however social safeguard issues and jointly agreed BRT implementation schedule require priority attention in Pimpri i.e. land acquisition, completion of supplementary RAP and microplans etc.

¹The mission consisted of Nupur Gupta (Task Leader), I.U.B. Reddy (Social Specialist), Gaurav Joshi (Environment Specialist), Debabrata Chakraborti (Procurement Specialist), Neha Dhoundiyal (Financial Management Analyst), Venkata Rao Bayana (Social Dev. Specialist – Consultant), Sam Zimmerman (Urban Transport Specialist – Consultant) and Gerhard Menckhoff (Public Transport Specialist – Consultant).

- Need for maintaining progress in Naya Raipur to finalise DPR, designs for BRT infrastructure and NMT.
- Confirmation on provisioning for state funds in second supplementary awaited from Indore PIU. Issue of counterpart funds critical requiring early resolution. Pending audit another area of concern.
- Mysore ITS vendor and PMC on board, pilot initiated and full implementation to be expedited.
- Hubli-Dharwad project preparation on track, state government clearances holding up further progress.

II. Key Project Data

Key Project Data		Current Ratings and Flags		
			Previous	Current
Board Date	Dec 08, 2009			
Effectiveness Date	May 5, 2010	Development Objectives	S	S
Closing Date	November 30, 2014	Implementation Progress	MS	MS
GEF Grant	US\$ 20.33 mn	Project Management	MS	MS
IBRD	US\$ 105.23 mn	Safeguards	MU	MU
		Procurement	MS	MS
		Financial Management	MS	MS
Disbursed Amount	US\$ 10.3 mn	Problem Flags	One	One

HS=Highly Satisfactory; **S**=Satisfactory; **MS**=Moderately Satisfactory; **MU**=Moderately Unsatisfactory; **U**=Unsatisfactory; **HU**=Highly Unsatisfactory; **NA**=Not Applicable; **NR**=Not Rated

III. Key Agreed Actions –

The following actions have been discussed and agreed:

Actions to be Completed	By when	By whom	Status
Ensure budget provision in FY11-12 in State Budget	Dec 15	Indore/ GoMP	
Submit Proposal for SUTP Restructuring – cancellation of Pune funds and reallocation to Hubli-Dharwad	January 31	MoUD/ GoK/ DEA	
Implementation Arrangements and date finalized for Young Leaders Program	January 31	PMU	
Organise Procurement Workshop	Jan 31	PMU	
Report on PIU/ PMC staffing	Jan 31	PMU	
Submit QPR and IUFR for quarter ending Dec 31	Feb 15	PMU, Pimpri/ Naya Raipur / Indore/ Mysore	
Expedite procurement of Component 1B activities: <ul style="list-style-type: none"> - EoI Shortlist and Draft RFP for 1-3 - EoI Shortlist for GHG Emissions (5) - Draft contract for Research Facility 4 - Finalise ToR and publish EoI item 7 - Prepare ToRs for new activities 	Nov 30 Dec 15 Jan 15 Dec 31 Jan 31	PMU	Delayed
Submit status update on key agreed actions	Dec 15, Jan 15, Feb 15	PMU	
Submit BRT Implementation Plan	Dec 15	Pimpri-Chinchwad	
Submit report on station designs for Corr 3&4	Dec 20		
Ensure contractor on board for Transmission Line shifting for Nashik Phata	Jan 31		

Actions to be Completed	By when	By whom	Status
Finalise ToR and draft EoI for PMC for ITS Issue RFP for M&E Finalise microplans Constitute Grievance Redressal Committee Submit Encumbrance Removal Plan Complete supplementary RAP Initiate disbursement of assistance Project Disclosure on PCMC website Observe timelines for remaining TA activities Submit proposal for hiring of consultants for PIU strengthening Update BRT Service Plan	Dec 25 Dec 5 Nov 30 Nov 30 Nov 30 Dec 31 Jan 31 Dec 31 As specified Jan 31 Dec 31		Submitted Delayed Delayed Delayed
Submit updated DPR with Interim Service Plan Submit Project Implementation Schedule Submit draft NMT DPR Submit revised concept designs for depot, pick up points & shelters Submit revised EIA Submit final SIA/RAP Submit TER for ToD Study TER of M&E Study Initiate tender for private operations for Interim Service	Dec 31 Dec 15 Mar 10 Dec 31 Jan 31 Nov 30 Nov 30 Feb 15 Feb 15 Dec 15	Naya Raipur	Delayed Under Review
Submit revised DPR with counterpart funding proposal & Cost to MoUD Submit BRT Implementation Schedule Finalise ITS contracting strategy and draft bid documents Finalise arrangements for remaining M&E surveys and initiate user satisfaction survey Expedite procurement of TA activities Ensure additional staff for AICTSL Confirm budget provisioning in second supplementary Submit Audit Report	Dec 31 Nov 30 Jan 31 Dec 15 As specified Dec 31 Dec 15 Jan 31	Indore	Delayed
Conclude ITS Implementation Conclude M&E procurement Submit EoI shortlist for bus operations and service analysis Submit Revised Project Implementation Schedule	Mar 31 Dec 31 Jan 31 Nov 30	Mysore	Submitted
Submit revised DPR including financial and economic analysis Outline cost estimates and broad financing pattern for the project Submit draft EIA and RAP Share final institutional framework for the BRT and timelines Complete necessary internal approvals and DEA submissions	Nov 30 Nov 30 Nov 30 Jan 31 Dec 31	Hubli-Dharwad	Eco/ fin analysis submitted Delayed Delayed

IV. Project Development Objectives

4. The project's development objective (PDO) is to promote environmentally sustainable urban transport in India and to improve the usage of environment-friendly transport modes through demonstration projects in selected cities. The Project aims to achieve this objective by supporting the implementation of India National Urban Transport Policy (NUTP), particularly those aspects of the policy that emphasize, (i) priority to the use of public transport; (ii) priority to non-motorized transport; and (iii) capacity building for developing and implementing sustainable transport systems (at both national and local levels). The project is in its initial phase, and given the progress towards preparation and implementation of sustainable urban transport projects in the project cities and movement on the capacity building aspects the achievement of PDO is deemed satisfactory.

V. Current Implementation Progress

5. **Overall Status:** The Mission rates the overall project progress as *Moderately Satisfactory*.

6. The first component on capacity building component, is proceeding slowly. Procurement has been initiated for 4 of the 5 activities identified under Component 1B.

7. In regard to Component 2 on the City Demonstration Projects, the Phase 1 cities (Pimpri-Chinchwad, Mysore,) are on track with their first year procurement concluded or in final stages. In Indore, while the PMC is on board the issue of counterpart funding is critical requiring urgent attention. Among Phase 2 cities, the progress in Naya Raipur is reasonable with greater clarity on the project design, resolution on interim service plan and the coming on board of the consultant for preparation of detailed designs. While the Steering Committee has decided to cancel the participation of Pune in SUTP following their continued lack of progress on the project and induct Hubli-Dharwad into SUTP the formal request is still awaited pending completion of internal modalities by Government of Karnataka.

Component 1B

Implementation Progress: **Moderately Satisfactory**

8. On Component 1B, the Bank held discussions with PMU/ PMC on the status of each activity.

Sl No.	Activity	Tentative Amount (Rs)	Status
1	Development of a structure and an operations manual for UMTA; Business Plan for Urban Transport Fund	200,00,000	EoI's received on August 5 and shortlisting ongoing
2	Development of a standard architecture and plan for ITS and Traffic Management Center	200,00,000	EoI's received on August 5 and shortlisting ongoing
3	Development of a model NMT action plan, bike sharing plan and TOD Guidelines	100,00,000	EoI's received on August 5 and shortlisting ongoing
4	Development of a Research Program	30,00,000 + 570,00,000	Procurement to be initiated. This study would use about Rs. 30,00,000. An amount of Rs 570,00,000 has been allocated as initial amount to pay for the actual research
5	GHG Emissions reduction	100,00,000	EoI's received on November 12 and

	assessment		shortlisting ongoing
6	Young Leaders Program	550,00,000	CEPT, a Centre of Excellence, has shared the revised concept and indicative cost estimates with the PMU and Bank. These are under discussion. The Training expected to be launched in India - Jul-Aug 2012
7	New items to be initiated <ul style="list-style-type: none"> • Impact Evaluation Study for the Bus Procurement under JnNURM • Model Contract Agreements with Private Bus Operators for City Bus Services • Preparation of GEF5 Project 	18,50,00,000	<ul style="list-style-type: none"> • ToRs submitted to WB for review • ToRs submitted to WB for review
	TOTAL	36,00,00,000	

9. There has been a delay in initiating the procurement of the first four activities for which ToRs were finalized almost eleven months ago. The Mission expressed concern over the protracted approval mechanisms at MoUD for initiating the procurement. The EoI shortlisting has been ongoing since early August 2011. The Mission expressed its concern over the delays and advised a faster pace so the consultant outputs could be concluded and available ahead of the project close. It was agreed that the EoI shortlist for first three consultancies would be shared with the Bank by November 30 and TERs submitted by March 15. For GHG Emissions the Mission again reiterated the importance of expediting this as the methodology and baseline information need to be in place at the earliest. It is agreed that the GHG Emissions EoI shortlist would be shared no later than December 15 and TER by Feb 28. The implementation arrangements for Leaders Program Launch are under discussion and will be finalized shortly. Meanwhile, 13 officials from city and state governments are being nominated for participation in the Leaders Program in Urban Transport Planning organized jointly by LTA and World Bank in January 2012.

Some additional studies have been discussed, (i) impact evaluation of the JnNURM bus procurement program, (ii) preparation of model documents for private city bus operations, (iii) preparation of GEF5 project and these will be considered for inclusion under Component 1B. Further, the mission discussed the need for finalizing and initiating other TA activities under the component in order to utilize the available funds. Other activities that could be considered under this component include:

- Traffic and Transportation Study for India
- Development of Parking Masterplans for Indian cities
- Inter-modal integration plans for Indian cities

Component 2: City Demonstration Projects

Implementation Progress: **Moderately Satisfactory**

Project Rating: Implementation Progress	
Pimpri	S
Naya Raipur	S
Pune	MU
Mysore	S
Indore	MS

- (i) *Pimpri-Chinchwad*: The city is making good progress on project implementation. The first contract for the Nashik-Phata Flyover which was awarded last year has made a 48% financial progress, and the contractor for the second major grade separator at Empire Estate along the Kalewadi to Dehu-Alandi Road BRT Corridor has recently commenced implementation. Several TA activities have been identified and procurement has been initiated under the GEF grant. There appears to be progress on the issue of ITS procurement.
- (ii) *Naya Raipur*: The DPR is expected to be finalized with important decisions on service, vehicle, facility and infrastructure concept plans taken. A number of suggestions for changes in the proposed service plan, vehicle design, stop/pick up point, terminal, depot and bus shelter plans were made and revisions, followed by detailed designs are expected over the next few months and thereafter procurement for civil works can be initiated. The consultants for preparation of NMT DPR are on board and expect to complete delivery over the next six months. Meanwhile, the procurement of TA activities i.e. Transit-oriented-Development study, M&E and that for Regional Mobility Plan and ITS PMC have been initiated.
- (iii) *Pune*: The Steering Committee in its meeting of March 9, 2011, has taken the decision to cancel the funds to Pune and close its participation in SUTP, in view of its continuing non performance on the project.
- (iv) *Mysore*: The ITS vendor and Project Management Consultants are on board and the project pilot has been launched in September 2011. The procurement of Monitoring and Evaluation Consultants is somewhat delayed and that of the Comprehensive Operations Plan for Mysore has been initiated.
- (v) *Indore*: While the Project Management Consultants for the ITS component are assisting AICTSL in the design and contracting strategy for ITS components, unless critical issues such as budget provision for the project and counterpart funding and coordination between key stakeholders are resolved expeditiously this could affect implementation progress.

Details of the discussions with each of these cities are provided in Annex 2-6.

VI. Key Implementation Issues, Risks and Priority Actions

10. The key issues that need careful attention and close monitoring are:

- *Project Restructuring & Cancellation of Pune Project*. The Steering Committee for the Project has been proactive in taking the decision to cancel the Pune Project in the absence of any progress since negotiations. A formal request to this effect is awaited from DEA to initiate the restructuring. As agreed during the meeting, the cancelled funds from Pune Project are proposed to be allocated to the new candidate city Hubli-Dharwad which plans to implement a BRT project. The mission understands that the commitment letter from the city is delayed pending internal state level clearances. The project rating and disbursements shall continue to be affected until the funds for the Pune Project have been cancelled and reallocated to the new city.
- *Delays in LA R&R in Pimpri-Chinchwad*. The land acquisition and resettlement in this project is challenging in view of complex situations such as involvement of Defense and MIDC lands, non availability of ownership records, and construction of shops and houses on private lands reserved for roads in the Development Plan. As a result of

these complexities, the land acquisition is progressing slower than anticipated and already impacting project implementation. So far 32 % of land along Nashik Phata-Wakhad road and 21% of Kalewadi Phata-Dehu Alandi road has yet to be acquired and is impacting progress of contracts awarded on these corridors. It has been agreed with PCMC shall report the land acquisition status in the pre-specified format to enable easy tracking of the main issue areas and also prepare an encumbrance removal plan which shall be submitted no later than November 30, 2011. The finalization of the Supplementary RAP for the Nashik Phata Flyover has been pending for sometime and it has been agreed that this and the microplans for non titleholder PAPs shall be finalized and submitted by December 31. In order to complete these pending actions in a timebound manner the PIU is strongly advised to hire necessary support to assist with RAP implementation.

- *Need for better Coordination between Pimpri and Indore BRT Stakeholders.* The absence of a BRT implementation schedule for Pimpri integrating the delivery of the various components and the lack of clarity on possible launch dates is a matter of some concern. The first BRT Corridor has been ready for some time now, the delivery of 73 buses has also been received, however, the stations are yet to be constructed, the ITS equipment is still to be procured, BRT service plan yet to be finalized and BRT bus operators to be brought on board. This involves not only coordination within PCMC but also with Pune Municipal Corporation and PMPML, the bus company servicing the region. All parties agreed that such a schedule would be a useful tool for tracking BRT launch. The same issue of coordination was observed in Indore among Indore Municipal Corporation, Indore Development Authority and AICTSL. PCMC has now designated a nodal person for the BRT project and it has been advised to hire support staff in the PIU to give priority attention to Project matters. PCMC has agreed to prepare and share an agreed BRT implementation Schedule with the PMU and Bank by December 15. In Indore the District Collector agreed to review the monthly progress of the BRT based on such an Implementation Schedule. It was agreed that the same would be jointly prepared and submitted to PMU and Bank by November 30.
- *Inadequacy of Counterpart Funds and Financial Management Arrangements in Indore.* The mission expressed its concern over the lack of progress on the issue counterpart funding at Indore. The matter of counterpart funding for the Indore Project was raised during the Steering Committee meeting of March 9, 2011, in view of the proposed NURM sanction not having come through and NURM funds being fully allocated. MoUD had discussed the matter with Government of Madhya Pradesh in July 2011 and proposed the possibility of reallocating unutilized NURM funds to this project. However, the revised DPR and proposal to MoUD are yet to be finalized and submitted by GoMP. The matter was discussed among the key stakeholders in the city along with the District Collector and agreed that the revised DPR would be submitted to MoUD by December 31. The outstanding issue of audit reports for FY11 is another matter of serious concern. The Bank may be forced to suspend disbursements in case these are not submitted by January 2012.
- *PIU / PMU Capacity Strengthening.* The capacity of the cities in urban transport planning, safeguards, FM and procurement is weak and they require significant handholding from the PMU/ PMC as well as the Bank in addition to strengthening their own PIUs. The Mission noted that some PIUs had benefited from the induction of support staff for priority attention to SUTP project matters. The matter was discussed at length with Pimpri and Indore PIUs and agreements made on PIU strengthening. The PMU is encouraged to closely track the staffing of PIU's and follow up with them on the agreed action. The improved responsiveness of the PMU

over the last few months is also noteworthy. The PMC, however, needs to improve its resourcing on safeguards and procurement and will benefit from a review of its resourcing to the Project.

VII. Safeguards – Environment and Social Management

Project Rating: Safeguards	
Pimpri	MU
Naya Raipur	S
Pune	-
Mysore	-
Indore	-
Overall Project	MU

11. **Environment Management.** The project performance is currently rated as Moderately Satisfactory as there have been some heartening developments such as the finalization of the EA for Pimpri Chinchwad since the last mission. However, there are issues at the city level that may require the attention at the city level and follow-up from the NPMU. The key issues that would help maintain the current rating are: a) at PCMC – i) finalization of the modalities for installation of noise barriers along the ramps in the Empire Estate Fly-over, ii) preparing and sharing details of the Plantation Plan already included in the EA, and iii) improvement of road-user safety in locations as detailed in the Annex 2; b) Finalization of the EA documentation for the BRTS components by NRDA; and c) timely availability of the EA documents for Hubli-Dharwad. The details of these and summary of discussions and other agreements reached for each aspect in the respective city are included in Annex 6.

12. **Social Management.** The Mission observed certain shortcomings with regard to the timely payment of R&R assistance to some project affected people in Pimpri-Chinchwad. The individual entitlements to project affected people (in addition to compensation), such as, transport and subsistence allowance and additional support to vulnerable, are recently prepared after prolonged delay, but still need to be approved, disclosed and implemented. There is also no Grievance Redress Committee in place to deal with the grievances arising due to implementation of R&R assistance. Although these actions are expected to be resolved shortly, based on the current status the safeguard compliance is rated as “Moderately Unsatisfactory”.

(i) *Pimpri–Chinchwad:* The overall progress on the social aspects is considerably delayed. PCMC has made limited progress on the actions related to land acquisition and resettlement and rehabilitation agreed during previous missions. The PIU requires strengthening in social safeguards through hiring of NGOs for effective results.

The following has been agreed:

- (a) PCMC shall pursue with the Land (Revenue) Department and expedite the acquisition and prepare a report on the land acquisition status in the agreed format;
- (b) PCMC will finalize the draft micro plans before end November, 2011 and implement the RAP;
- (c) Prepare supplementary RAP for Nasik-Phata flyover PAPs before end Dec 2011;
- (d) Prepare a site handover plan before end Dec 2011.
- (e) Constitute a Grievance Redressal Committee for the project.

In order to upgrade the safeguards rating, PCMC has to complete the approval, disclosure and implementation of R&R assistance and put in place an independent Grievances Redress Committee to deal with any grievances that may arise due to payment of R&R assistance and deal with other land acquisition and R&R implementation matters.

(ii) *Naya Raipur*: The revised SIA and RAP incorporating Bank comments is pending from NRDA. These shall be submitted to the Bank and PMU no later than November 30, 2011.

(iii) *New State/City Proposal - Hubli-Dharwad*: The proposed BRTS between Hubli Dharwad is now planned to be built with 44 mts right of way significantly bringing down the requirement for land acquisition to roughly 70 acres from the earlier 139 acres. The draft social assessments and RAP shared during the mission are found to be in good shape and can be finalized with the agreement on the Entitlement Matrix and certain other improvements. The revised entitlement matrix and RAP shall be submitted by November 30, 2011, for review.

VIII. Procurement, Expenditures and Disbursement Plans

13. **Procurement**: The procurement of the project is now better supported at PMU. However, the procurement at PIAs needs more proactive support through frequent interaction by PMU. Mission specifically noted prolonged negotiation for M&E contract by Mysore who needed guidance and advice on the way forward and the case of consultancy procurement at NRDA who is in need of advice for technical evaluation.

There are a large number of consultancy contracts under procurement by IAs and PMU. It would be advisable to organize a workshop by PMU for consultancy procurement which the Bank can also support. A new standard RFP document (October) is now released by the Bank for use which brings in immense clarity on many issues faced in consultancy procurement earlier. It is strongly advised that the new standard RFP is used for consultancy procurement where RFP are under preparation.

On specific queries of few contractual issues by PCMC, Mission advised that the resolutions are to be made following the provisions of the respective contracts.

It was informed that SPV (under Companies Act 1956) is being created for execution of the project at Hubli - Dharwad by Govt of Karnataka. Mission informed that procurement capacity of the SPV will be assessed when the SPV is created and functional. Mission requested that the SPV should be adequately delegated with all procurement related functions for quick decisions. Govt of Karnataka will work out the delegation of Power as in other similar corporations in the state and confirmed that the Board of Directors will be fully delegated. A set of Procurement Assessment Questionnaire has been handed over to PMU which will help the Hubli-Dharwad Authorities to develop the procurement arrangement in the proposed SPV. Mission agreed that till the SPV is created initial procurement activities can be taken up by the DUTL Commissioner's office. Project presented the likely packaging to be followed for BRT which will be further reviewed when formally submitted. Few suggestions/ comments raised during the presentation will be addressed while formulating the packages.

Project Rating: Procurement	
Pimpri	MS
Naya Raipur	MS
Pune	-
Mysore	MS

Indore	MS
PMU-MoUD	MS
Overall Project	MS

15. **Financial Management:** Based on the discussions during the mission and review of the financial management systems across the project, the FM rating is pegged as Moderately Satisfactory (MS). While most of the PIA's are performing well in terms of financial management, issue of counterpart funding from GoI and GoMP, provision for state's share of funds in the budget and delays in audit at Indore is affecting the project implementation. If the project audit report is not submitted by January end then the Bank may be constrained to suspend disbursements. The FM status and agreed actions for the project are summarized in the FM annex.

Project Rating: Financial Management	
Pimpri	MS
Naya Raipur	MS
Pune	-
Mysore	MS
Indore	MU
PMU – MoUD	MS
Overall Project	MS

The disbursement projections shall be revisited and finalized at the time of proposed Project Restructuring.

IX. Project Management

19. *Project Management:* In order to address the delays observed in finalization and processing of various documents and key actions identified, the PMU has been providing an update on a monthly basis (first week of each month) since the last mission on the status of the key agreed actions and this has been found to be extremely effective in tracking slippages and addressing them early on. Regarding the PMC, PMU was advised to (i) review the resourcing for the Project, (ii) review and address the issue of availability of the Safeguard Specialists, (iii) and appointment of a junior Procurement staff on the team. On the matter of delays with regard to Component IB, the mission advised the PMU and MoUD officials to review the situation and arrive at more streamlined arrangements to processing the procurement of the TA activities, which were running behind schedule.

20. *Request for change to MoUD's Disbursement Ratio in GEF Agreement.* A request has been received from MoUD/ DEA for a change in the disbursement ratio against Component IB in the GEF Grant Agreement from 92% to 100% for reasons of processing ease. It has been explained that the small fund contribution from MoUD attracts various MoUD processing requirements in addition to Bank requirements leading to delays in procurement etc. It has been proposed by to instead increase their contribution by the same amount to the Project Management Component therefore keeping their total Project contribution the same. The Bank has agreed to address this request along with the other restructuring request expected shortly.

21. *Annual Project Meet.* The First Annual Project Meet was organized on 11 November 2011 by PMU to review project progress and as an opportunity for cities to interact and share experiences. All the cities participated and appreciated the interaction. MoUD shall organize the next Project Meet in a years time.

X. New State/City Proposals for GEF SUTP

22. The Mission reviewed the status of proposals from Government of Karnataka and Rajasthan.

(a) *Hubli-Dharwad:* The project preparation is on track with the DPR close to finalization, and EIA, SIA and RAP under preparation. A formal commitment letter from GoK is awaited and should be submitted to MoUD at the earliest. The details of the discussion are in Annex 7.

(b) *Rajasthan:* The Government of Rajasthan (GoR) has expressed interest in the participation of three cities Jaipur, Jodhpur and Kota under India SUTP. Following discussions in the Feb 2011 mission, they have (i) initiated the DPR for decongestion and pedestrianisation of the walled city in Jaipur, and (ii) initiated the CMP for Kota.

XI. Next Mission for Bank's Implementation support

23. The next mission will be taken up 12-19 March 2012.

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List of Officials Met

1. Mr. S. K. Lohia, Joint Secretary (UT), MoUD
2. Mr. A. K. Jain, Advisor, SUTP Project Management Unit, MoUD
3. Mr. I. C. Sharma, National Project Manager, SUTP Project Management Unit, MoUD
4. Ms. Rana Amani, Asst Project Manager, SUTP PMU, MoUD

5. Mr. Nilaya Mitash, Director, Department of Economic Affairs (DEA), MoF

6. Mr. Asheesh Sharma, Commissioner, Pimpri Chinchwad Municipal Corporation
7. Mr. Umate, City Engineer, Pimpri Chinchwad Municipal Corporation
8. Mr. Mahavir Kamble, Joint City Engineer, Pimpri Chinchwad Municipal Corporation
9. Mr. Shrikant Savane, Executive Engineer, Pimpri Chinchwad Municipal Corporation

10. Mr. S.S. Bajaj, Chief Executive Officer, NRDA
11. Mr. L.K. Panigrahi, Chief Project Manager, SUTP, NRDA

12. Mr. Raghuveer Singh, District Collector, Indore
13. Mr. Gautam Singh, CEO, AICTSL
14. Mr. Sonwane, Finance Officer, AICTSL

15. Mr. Gaurav Gupta, MD, KSRTC
16. Mr. C. G. Anand, CGM, KSRTC

17. Ms. V. Manjula, Commissioner, Directorate of Urban Land Transport, Govt. of Karnataka
18. Mr. Hemraju, Managing Director, North-West KRTCL
19. Prof. Shivanand Swamy, CEPT University
20. Abhijit Lokre, Ass. Prof. CEPT University

21. Mr. Rajendra Nath, Team Leader, Project Management Consultants, PMU
22. Mr. David Cunliffe, Sr. Transport Specialist, PMC
23. Ms. Surabhi Kureel, Transport Planner, Project Management Consultants, PMU

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Pimpri-Chinchwad

1. A small World Bank mission, accompanied by staff of the PMU and PMC, visited Pimpri-Chinchwad on November 8-9 to review safeguard issues affecting the implementation of the proposed BRT system. A full mission visit took place on 17-18, 2011 to discuss with the Municipal Corporation (PCMC) the implementation of the Pimpri-Chinchwad component of the Sustainable Urban Transport Program (SUTP). It met the Commissioner of PCMC, Mr. Asheesh Sharma, his staff and their consultants; also present were staff of ITDP which is assisting PCMC with the BRT Project. On November 18, the conversations included Mr. Satish Khulkani, Joint Managing Director of the bus company PMPML and some of his staff.

Proposed BRT Program in Pimpri-Chinchwad:

2. The following four BRT corridors are being established in the first phase:

- (i) Old NH-4 (Mumbai-Pune road),
- (ii) Aundh-Rawet road,
- (ii) Nashik Phata to Wakad,
- (iv) Kalewadi to Dehu-Alandi road,

3. The first two corridors have been initially sanctioned by JnNURM. Most of the civil works on the old NH-4 have been completed, and construction of the Aundh-Rawed Road is underway. Corridors 3 and 4 were sanctioned subsequently and have been included for financing under the SUTP project.

World Bank supported Project

4. Corridors 3 and 4 have a Right-of-Way of 45 meters, most of which is already owned by the PCMC and, with some significant exceptions, is largely free of existing structures. The typical cross section will include a segregated bus way in the middle, and two mixed-traffic lanes (plus a service road, footpath and a bikeway) on either side. Corridors 3 and 4 have a length of 8.0 km and 11.2 km, respectively. Each of them includes a major structure crossing a river, the railway and NH-4.

5. The World Bank loan will concentrate on these structures, while the remainder of the two corridors will be funded from national and local resources. However, both corridors in their entire length are part of the Project and are thus subject to the Bank's monitoring and safeguard rules, whereas procurement rules and financing apply to the structures only.

6. **Road Packages:** The mission visited the alignments of Corridors 3 and 4 where construction has been ongoing since some time. It got an appreciation of the land acquisition needs in some sections. In the eastern section of Corridor 4, a realignment is being considered for a short stretch to avoid the need of land acquisition. This alternative alignment is proposed along the existing road which will have a narrower RoW of 30m vs the planned 45m, but the mission was assured that would still accommodate a segregated busway for the BRT.

Contract Package on Corridor 3 & 4	Financial Progress %
3-1 Nashik Phata Grade Separator	48.3
3-2	28.9
3-3	50
4-1	56.4
4-2	5
4-3 Empire Estate Grade Separator	5
4-4	Yet to be awarded
4-5	32

The mission was happy to note that the CRS clearance has been received for the Nashik Phata flyover works. The shifting of the transmission line by the Railways, however, is expected to take some time and works likely to be awarded earliest by Jan 30, 2012. PCMC with support of PMU is pro-actively engaging with the Railway authorities on the clearances and transmission line shifting which will also be required on the Empire Estate flyover.

7. **BRT Stations:** The mission understands that 16 stations will be built on Corridor 1 on NH-4 with private funding. Construction of a further 22 stations are yet to be contracted. This has become one of the major critical-path activities, as **all 38 stations** (16+22) **must be completed** before BRT-type service can be initiated. The mission recommends the construction tenders for those 22 stations be issued no later than December 31, 2011.

8. The pilot station appears to be solidly built and should be adequate from a functional point of view. However, the design is quite basic and some of the workmanship (such as the appearance of welding joints) could be better. As the stations are one of the principal symbols of the future BRT, it would be desirable to erect future stations that are more pleasing aesthetically than the pilot station. The mission thus recommends that an architect be engaged to advise on an improved design that would be the basis for the stations on Corridors 3 and 4 as well as Aundh-Rawet road. For the remaining stations on NH-4, where the station design has been fixed, the mission recommends that the finishing and workmanship be of a higher quality than at the pilot station.

9. As mentioned below in paragraph 20, it appears desirable that the BRT-type operations along Corridor 1 would include express services. This means that a few stations – those identified as stops for both local and express services – should have more than the standard 2 bus bays. It is thus urgent that PCMC and PMPML with the help of ITDP identify the express stations (expected to not exceed about 8, i.e. 4 on each side of NH-4), so they will be built with the required extra capacity.

10. On Corridor 2, the BRT stations will be about 5 m wide, the same as the median where high-tension towers require that width. For Corridors 3 and 4, PCMC proposes a width of 2.80m between the outer edges of the station structure rather than the previously considered width of 4.00m, with the objective to provide an extra 1.20 m for mixed traffic lanes. At the same time, the stations would be arranged as two one-way stations, on each side of one central passenger access point. The mission expressed its view that such an arrangement would be costly both from a construction and operational viewpoint and doubted that these extra costs would be justified by the marginal additional width of the mixed-traffic roadways (12.75 m instead of 12.15 m). The Mission was also unclear about the benefits of such a station design for the BRT. It was agreed that PCMC carry out a technical-economic evaluation of the two options; it would also include a

passenger-flow analysis using a simulation model. The mission recommends that PCMC submit its report by December 20, 2011.

11. **BRT access and pedestrian safety:** Safe and convenient pedestrian crossing facilities will be required at all BRT stations. The mission wants to commend the attention paid to planning for good pedestrian access to stations along Corridor 1 where BRT-type services are first to operate. It supports the proposed addition of raised sidewalks to access stations offset from the intersections provided that barriers are used to protect users from traffic. It also supports the addition of “speed tables” or “sleeping policemen” to provide a safe crossing for the locations where there are stations. It might also be desirable to provide a pedestrian crossing signal phase at the speed table, synchronized with the one at the intersection itself to afford further protection. Nevertheless, traffic and pedestrian safety are of concern, and traffic safety audits should be carried out for all corridors, with initial priority being given to Corridor 1. The mission recommends that PCMC advise by November 30, how it wishes to contract the traffic safety work, and what should be the time line for having it carried out. In principle, the costs of this work would be eligible under the GEF component of the Project. The Mission also recommends that the civil works be contracted out in parallel with the bus station construction in order to conserve time.

12. **BRT ITS.** PCMC and PMPML shared their concerns with the Mission regarding the lowest evaluated bidders capability to deliver the ITS job. The current specification of eligibility criteria in the bid documents appear somewhat loose. PMPML and PCMC felt that independent expert advice on the performance specifications and eligibility criteria in the bid documents would be valuable in arriving at a final decision. It was agreed that a short term consultancy could be taken up by PCMC to provide this support to PMPML. However, this must be done no later than December 20, in order to not delay the overall ITS procurement.

13. A Project Management Consultant to assist with the ITS specification and vendor evaluation, implementation and subsequent monitoring of ITS will be critical for the successful implementation of the ITS component. It was agreed that the scope of work of the PMC would include support during bidding of the ITS works and subsequent implementation. PMPML has already written to PCMC requesting this support and it was agreed that the terms of reference for the consultancy would be shared with the Bank and PMU at the earliest and the procurement initiated no later than December 25.

14. **Studies, other technical assistance (TA) and capacity building:** The project description includes funding for (a) the development of a BRT service plan, (b) a fare structure and fare collection study, (c) assistance to build up proposed BRT cell, (d) training, and (e) other technical assistance to PCMC and PMPML. Item (a) is currently being developed, for both Pimpri-Chinchwad and Pune, with the assistance of ITDP.

15. The procurement of the four studies agreed with PCMC has been initiated. The EoI shortlist for these is under preparation. The following timelines were agreed:

- (a) Parking Policy and Master-plan: Shortlisting completed by December 25 and TER submitted by March 15
- (b) BRT Promotion Plan: Shortlisting completed by December 25 and TER submitted by March 15
- (c) Policy Recommendations on Passenger Access Improvement to Public Transport & Master-plan on BRT Corridor: Shortlisting completed by December 25 and TER submitted by March 15
- (d) Monitoring and Evaluation: Shortlist submitted by November 22 and TER submitted by February 15.

16. The Mission reiterated the need for expediting the EoI shortlisting for the M&E study as the baseline would need to be in place ahead of the project launch.

17. In regard to the BRT Accessibility Plan study discussions were held with ITDP which plans to undertake reviews of the Development Control Regulations and it was agreed with PCMC that any overlaps between these two activities would be looked into and addressed in the BRT Accessibility Plan study ToRs. Broadly it was agreed that:

- a. Detailed DCR review shall be conducted by ITDP and recommendations/ changes agreed with PCMC preferably ahead of the study.
- b. BRT Accessibility Study consultant to review and finalise the recommendations pertaining to the BRT accessibility in agreement with PCMC and ITDP and incorporate into accessibility master planning exercise as agreed.
- c. ITDP shall oversee the study outputs including concept plans and detailed designs and ensure necessary integration.

18. The **Procurement Plan** for consultancies has been finalized. However, the consultancy for PMC of ITS may now be incorporated into it, as well as the traffic safety audit mentioned above. On Goods and works it will need to be updated to include bus shelters and fare collection systems for Corridors 3&4 once a formal proposal is submitted.

19. **Bus Layouts and BRT Service Aspects:** Owing to the geographic linkage between Pune and Pimpri-Chinchwad cities and the large number of daily trips between them, their public transport systems need to be inter-connected. PMPML, the bus company servicing the region serves this integrating function. However, with the development of the BRT in both cities it becomes imperative for the two systems to be integrated. The decision to purchase high floor buses with doors on both sides, including stairs on left (curb) side for Pimpri BRT is a good one. This will provide complete flexibility in being able to effectively and efficiently serve a variety of markets in Pimpri as well as serve busway stations in Pune.

20. *BRT Service Plan.* ITDP has been preparing a route rationalization plan for the two cities and has submitted a draft to PMPML for its review. The mission expressed the view that emphasis should be placed on maintaining a high quality of BRT service in Pimpri-Chinchwad even though the same buses also operate in Pune's mixed traffic. Also, it should consider express BRT services, initially on Corridor 1 where the corridor length and projected bus frequency would appear to amply justify express buses. PMPML shared that they would be able to finalise the route rationalization and BRT service plan by December 31, and following further analysis and consultations have the final plan in place by May 31 ready for piloting on the corridors.

21. The current draft of the BRT service plan also does not include any bus services for Corridors 3 and 4. As these are new road connections, there are no existing bus routes that could be restructured, and thus transport demand data (including origins and destination) are needed. PMPML/ PCMC with the help of ITDP will ascertain whether the CRISIL study of about 2008 generated these types of data. If not, ITDP will outline what additional data collection will be needed. The updated route rationalization plan and service plan, and an outline of any additional studies that may be required, will be sent to all concerned (including the Bank) no later than November 30.

22. *BRT Fare Collection.* With regard to fare collection/validation, the mission was informed that even for the BRT services in Pimpri-Chinchwad this function would be carried out on-board by conductors, taking account of the long stretches that each BRT lines would have to travel in mixed traffic (primarily in Pune). While full on-board fare collection may make sense initially with the BRT pilot line on NH-4, the previous mission already expressed that this type of

operation would be suboptimal when the BRT services start operating on Corridors 3 and 4 and on Aundh-Ravet road. It was agreed that recommendations on the introduction of off-board fare collection in Pimpri-Chinchwad, including an estimate of the cost and operational implications of having fare control at the BRT stations rather than inside the bus, would be prepared. The mission recommends that this strategy report on off board fare collection be submitted to all concerned (including the Bank) no later than January 31.

23. **BRT Private Operators.** PMPML will be issuing tenders to contract private bus operators on a gross cost contract basis for the BRT service and these are expected to be finalized by December 2011. The mission discussed with PMPML the need for defining operating specifications, which will be different for the desired high-quality BRT services than for regular buses. PMPML agreed to take account of the BRT operating contracts used in Ahmedabad, which had been provided by ITDP. The mission recommends that their report be shared with all concerned (including the Bank) no later than December 31.

24. **BRT Implementation Schedule.** The Mission had extensive discussions with PCMC and PMPML on a BRT Implementation schedule for Corridor 1 identifying the key milestones leading up to the BRT launch in the city. While the road infrastructure on Corridor 1 is ready and buses available, the BRT station construction is ongoing but only for 16 of the 38 stations and the service plan finalization, contracting of private bus operators and contracting and implementation of ITS equipment is pending. It is evident that bus station construction is the main item likely to delay BRT service launch unless the contract for remaining 22 stations is expedited. It was agreed that PCMC shall prepare and share the draft BRT Project Implementation Schedule for all 4 corridors with the PMU and Bank by December 15 (including such operational aspects as the contracting of BRT bus services, training of bus drivers, implementation of operational controls through ITS, public information campaigns etc). ITDP agreed to assist PCMC in this regard, utilizing MS-Project or similar software.

25. **Project Management.** The Mission has been expressing concern over the long response times of the PIU and delays in many action areas agreed in previous missions. The absence of a nodal officer responsible for the BRT Project has been discussed with PCMC in the previous. It was agreed that while Mr. Shrikant Savane would be the nodal officer for the Project, he would be supported by a consultant in the project management activities. The mission was informed that PCMC was proceeding with the advertisement for a Transport Planner and Safeguards Expert. It was agreed that the PIU support staff would be identified and submitted for Bank no objection by January 31.

26, **Project Disclosure.** The Mission noted that the SUTP project description and link to the SUTP website had still not been provided on their website as per previous discussions. PCMC shall complete this task by December 31, 2011.

Environment Management

24. The mission visited stretches of the Dehu-Alandi-Kalewadi corridor and parts of the Nashik Phata- Wakad corridor together with PCMC officials and their consultants. The mission also held discussions with officials of the Garden Department of the PCMC regarding the way forward on carrying out and reporting on the roadside trees. The mission also briefed the City Engineer about the key findings that required attention from the highest level in PCMC at the end of the visit. The following paragraphs summarize the discussions and agreements during the site visits.

25. *Dehu-Alandi to Kalewadi Corridor*. Of the 5 contracts that constitute the entire corridor – 4 road contracts which PCMC is funding through its other resources and 1 Empire Estate Fly-over, 1 road package is still to be awarded and pre-construction activities there are still not fully complete. If a different alignment from the currently studied stretch of road is selected, a short note would be needed to document potential impacts along the new alignment, if any, and the necessary mitigation measures for such impacts. In one road contract package, the contractor had not started work after establishing their camp office.
26. For the road contracts already underway, the mission noted that currently, the contractors have provided some basic signage to caution the road-users of stretches where construction is on-going. However, this is not fully visible, and in some locations does not provide adequate advance warning of impending construction stretches. It was agreed that the contractors will place informatory and cautionary signage in advance of such stretches. In terms of the regulatory clearances, the mission was informed that MPCB consents were available for the machinery and plants that the contractors owned – HMP, WMM, etc. The mission advised that the PCMC should confirm that the quarry/crusher material suppliers for these contractors also hold valid consents during the entire project duration. It was also agreed that an update on the measures taken for the safety at site – both for road users and for the workers as well as on the current status of the consents from MPCB and the same would be shared with the Bank as part of the QPR for December 2011.
27. For the *Empire Estate Flyover*, the mission noted that the contractor is now fully mobilized and has created his camp in an abandoned quarry close to Auto-Cluster on the opposite side of the Empire Estate complex. During discussions in their campsite, the mission highlighted its concern for high standards of safety, pro-active communication about the status and progress of the project, proper design of pollution management measures within the site, such as provision of settling tank for waste/washed concrete, and improved facilities for the worker quarters with respect to the availability of toilets, safety of access, and shade/temperature control using appropriate ceiling material and the contractor agreed to substantial progress on these by December 2011. At site, the work has begun in several locations and it was noted that the contractor had provided some barricading to isolate the construction zone. The mission advised the contractor and PCMC representatives to exercise utmost care given the proximity to the structures. It was agreed that signage would be increased and that the stretch in front of the school would be properly barricaded. The mission also advised the PCMC to ensure that there no additional polluting discharges were let-off into the Pavana river. It has been agreed that the December 2011 QPR from PCMC will include details of measures with photographs wherever appropriate. The mission also advised the PCMC that the provision of noise barriers on the rising and lowering ramps should be included so that the near-by residents are not inconvenienced. The mission was informed that this would be done after the design calculations were checked for adequacy of the parapet so that the noise barrier could be mounted on top in the same manner as the main carriageway going across.
28. *Nashik Phata to Wakad*. The mission visited the Fly-over site and was pleased to note that contractor continues to show due diligence in the implementation of the project works with the environmental and safety measures. The mission was informed that the small design changes in the alignment of slip roads at the end, in line with discussions with PCMC officials (working in the project and in its garden department) has resulted in saving about 50 trees. It was agreed that the PCMC will continue to facilitate the interaction between contractor teams to develop a common understanding about the requirements on environmental management for project implementing entities in Pimpri Chinchwad.

29. *Discussions with Garden Department officials.* The mission met with the PCMC garden department officials to understand the mechanism for permissions of tree-cutting, transplantation, and compensatory plantation. It was informed that permission had been granted for all the trees required to be cut for the project and cutting was proceeding after the site for re-plantation had been identified. The garden department officials would prepare a statement on the various aspects – number of trees to be cut, locations identified for plantation/transplantation, survival rates, timelines for activities, etc. and share this with the Bank through the officials working in the project.

Key Agreed Actions:

- Submit BRT Implementation Schedule for all 4 corridors by December 15
- Construction tenders for remaining 22 stations and passenger access to stations on NH4 to be issued by December 31
- Ensure early award for transmission line shifting for Nashik Phata flyover by January 31
- Submit report on designs for BRT stations for corridor 3 and 4
- Finalise ToR and submit draft EoI for hiring of PMC for ITS by December 25
- Revert on the following in terms of further modus operandi for:
 - (a) Traffic safety audit for pedestrian access on Corridor 1 by November 30
 - (b) Short terms ITS consultancy to advise on ITS performance specifications and eligibility criteria in bid document by December 20
 - (c) Surveys and service plan for Corridor 3&4
- Share revised BRT Service Plan including express services – December 31
- Share strategy report on off board fare collection by January 31
- Share report on service specifications for BRT operators by December 31
- Submit proposal for utilisation of funds allocated to Terminals and ITS activities – January 15
- Identify candidates and submit proposal for hiring of PIU support staff by January 31
- Finalise microplans – November 30
- Constitute an independent Grievance Redressal Committee – Nov 30
- Submit supplementary RAP for Nashikphata flyover – December 31
- Prepare land acquisition status in agreed format and encumbrance removal plan – November 30
- Initiate disbursement of assistance to PAPs by January 31
- Project Disclosure on PCMC website – December 31
- Issue RFP for M&E by December 5 and TER by Feb 15
- Submit EoI shortlist of remaining TA activities by December 25 and TER by March 15
- Submit updates on Environment performance (including measures for the safety at site and MPCB clearances) of road packages on the Kalewadi to Dehu Alandi and Nashik Phata to Waked corridors in the agreed format in QPR - Feb 15

Social Management

As part of the World Bank assistance, Corridor 3 and 4 of BRT are being supported. The RAP for the land acquisition and resettlement impacts in these two corridors has been prepared and is currently being implemented.

Land acquisition: The land acquisition in this project is challenging in view of complex situations such as involvement of Defence, MIDC and railway lands, non availability of ownership records and construction of shops and houses in the private lands reserved for roads in the Development plan, involvement of resumption of public lands occupied by squatters/encroachers, etc. As a result of these complexities, the land acquisition has been slowed down and is progressing slower than what was anticipated. So far 68% of 28.69 hectares in Nashik Phata-Wakhad road and 79% of 29.32 hectares in Kalewadiphata-Dheu Alandi road has been acquired using the TDR/FSI approach. The suggested format for reporting land acquisition progress discussed during September, 2011, visit is yet to be put in use. The Bank team once again discussed this and assisted PCMC in finalizing the format as provided in **Attachment 1**. The PCMC should finalize this format and start reporting the progress on quarterly basis. The PCMC should use this progress format for making decisions to speed up the land acquisition progress. It was agreed that PCMC will provide the status of progress to the Bank using this format for the quarter ending September, 2011, by end of November 2011 and thereafter this will be reported on quarterly basis. Based on the progress in land acquisition, PCMC will finalize the individual entitlements to all those landowners whose land acquisition is completed on on-going basis and disclose and implemented. The mission was concerned to note that PCMC had not been able to prepare a time table for acquiring the remaining lands as suggested during the Bank Team's previous visit in September 2011.

Government land issues: The transfer of defence and MIDC lands are involved in this project. As regards 320 meters of Defence land (1.44 hectares) in Nashik Phata-Wakad road, the Bank team was informed that there is good progress as the matter has been referred to Government of India and the final decision on the transfer is expected shortly. As regards 160 meters of MIDC land (0.55 hectares), PCMC is monitoring the progress and at an appropriate time may take a decision to propose the detour on the adjacent existing road of 500 meter road stretch.

Entitlements to different Impact groups: A list comprising of the entitlement to different groups consisting of non-title holder residential, non- title holder commercial and title holder (residential and Commercial) whose land acquisition is completed as of September 2011 and the vulnerable families is prepared. The Bank team suggested some minor adjustments related to the details of eligible entitlements, date of implementation, etc. Once these lists are approved by the competent authority, the same will be shared with the Bank for their no objection. On receipt of Bank's no objection, these lists will be disclosed and process will be initiated for their implementation. The affected families identified so far with different eligible entitlements is summarized below:

No	Impact category	Nasik Phata-Wakad Road	Kalewadiphata Dheu-Aland Road	Total
1	Residential (TH)	46(6)	123(41)	169(47)
2	Commercial (TH)	19	49	68
3	Residential (NTH)	15 (6)	21 (6)	36 (12)
4	Commercial (NTH)	21	23	44
	TOTAL	101 (12)	216(47)	317(59)

The figures in parentheses indicate the number of identified vulnerable families for additional support.

Supplementary RAP for Nashik-Phata Bridge Portion: This supplementary RAP is related to those 144 squatter families living in the transit houses and those shopkeepers living along the Kasarwadi railway. The PMC visited the site recently and provided guidance to PCMC in finalizing the supplementary RAP. The Bank team reviewed this update report and observed that there still some gaps. These gaps include but not limited to:

- summarization of baseline characteristics, recording baseline values for impact indicators,
- time table for implementation of those actions related to shopkeepers and relocation of squatters,
- outcome of consultations with the shopkeepers,
- process of initiating the land acquisition for private land,
- reorganization of presentation of the report,
- budget etc.

Some of the missing analysis related to shopkeepers was also discussed. The household survey among some of the landowners is yet to be carried out. The Bank team once again reiterated the need for ideography of the affected properties of the shopkeepers to deal with any grievances that may arise in the future.

Impacts to shopkeepers: The impacts to shopkeepers on the land required for flyover near Kasarwadi railway station appears to be significant and complex. These shops are located on the private land reserved for future road widening in the Development Plan and PCMC has not recognized the affected structures for compensation. These shops are mostly rented and they are engaged in the business for about 30-40 years and include some specialized shops such as car accessories, garages, Crane services, Transport, hotel, etc. The Bank team held consultations with the affected land owners who revealed that PCMC has served a notice in November 2010 under the MRTP act to vacate the structures as they were constructed without permissions. In response to this, the shopkeepers have challenged the notice. The court has disposed off the petition by recording that the shopkeepers have constructed the shops after due permission from the village panchayat and if required the affected people can apply to PCMC for regularizing the structures. PCMC has mentioned that they have asked the shopkeepers to submit the related documents. Meanwhile the shopkeepers are in dialogue with PCMC on the possible alternative site that they can offer to these people for relocations of the shops. These shopkeepers have also mentioned that the shops offered by PCMC so far are not suitable for their type of business and they are keen that PCMC can find some suitable place for their alternative relocation. *The mission recommends settlement of this issue through consultations in order to reach a mutually acceptable solution.*

Constitution of Grievance Redress committee (GRC): PCMC has initiated the process of constituting grievance redress committee. The Bank team suggested that the composition of the GRC should include those who are not directly associated with the Implementation of the project. It was recommended that some known retired Officers and reputed/respected citizens from the civil society should be included in the committee to enhance the credibility the committee. The PCMC can also share the list of proposed members with the affected people to seek support on the formation of the committee. The need for preparation of brochure on the procedure to be adopted for approaching the grievance committee was also discussed. This brochure will be distributed among the affected people to make them aware about the process in place for dealing with any grievance related to compensation and resettlement assistance.

Coordination between civil works and land acquisition and resettlement implementation:

The Bank team discussed the need for monitoring the coordination between the civil works and land acquisition and resettlement. This is to ensure that the land is handed over to the contractors in time and the affected people receive their compensation and assistance prior to their displacement or taking over of the affected assets. In order to follow this coordination, PCMC need to prepare encumbrances removal plan and closely monitor the mitigation of these encumbrances in line with the policy provisions and proposed actions in the RAP. The Bank team assisted PCMC in designing the encumbrance's removal plan and is provided in **attachment 2**. PCMC should record all the encumbrances and other related information in the attached format and use this format for taking appropriate decisions for mitigating the encumbrances and handing over the encumbrances free stretches to the contractors. The format once prepared shall be shared with the Bank.

Capacity strengthening: The Bank is disappointed to note that no efforts were made to strengthen the PIU's capacity to manage the land acquisition and resettlement implementation in line with the suggestions proposed during the Bank team's visit in September, 2011. The strengthening of the capacity should include: bringing full time consultants to work with designated Social Development Officer and engage the NGO services for regular follow-up with the affected people and assist PCMC in preparing the affected people during the transition period. The costs related to these can be met out of grant funds availed to PCMC. It was also noticed during this mission that the designated Social Development Officer (SDO) is currently handling multiple tasks and has very little time to pay attention to project related issues. Due to conflicting meetings, the SDO could not participate in some of the discussions during the mission. The SDO does not seem to have any defined terms of reference or delegated powers for handling the project related issues. The Bank team suggests that PCMC should seriously look into this situation and assign specific role and delegate appropriate powers to the Social Development Officer to handle the project related social safeguard issues.

**Date Action Plan for Land Action and Resettlement Implementation
in Pimpri-Chinchwad**

No	Actions	Responsibility	Target Date	Current Status	Remarks
1	Preparation of Encumbrances removal plan	PCMC	30-Nov-11	-----	
2	Submit Land acquisition progress report as of September, 2011, in the revised format	PCMC	30-Nov-11		
Status of actions gartered in September, 2011 Visit					
1	Finalize and Disclose the Individual Entitlements	PCMC	20-Oct-11	Partially done	To be submitted to the Bank by Nov 30, 2011
2	Notification of Grievance Redress Committee (GRC)	PCMC	20-Oct-11	Process initiated	To be notified by November 30
3	Strengthening of PIU Capacity	PCMC	20-Oct-11	Delayed	Revised date of Jan 31
4	Time table for pending Land acquisition	PCMC	20-Oct-11	Delayed	Revised date of December 31
5	Submission of Supplementary RAP for additional impacts in Nashik-Phata bridge portion.	PCMC	31-Oct-11	Delayed	To be submitted to the Bank by Dec 31, 2011

Attachment 1 : Land Acquisition Progress Reporting

Sl. No	Details	Nasik Phata-Wakad Road	Kalewadiphat a Dheu-Aland Road	Total	Remarks
1	Total Length of road (Kms)				
2	Total area under road (in Sq. Mts)				
3	Total land to be acquired (in Sq. Mts.)				
4	Area under court cases (in Sq. Mts.)				
5	Area under Military (in Sq.Mts.)				
6	Area under MIDC (in Sq. Mts)				
7	Area acquired under LA Award (in Sq.Mts)				
8	Total are in possession (in Sq. Mts.)				
9	Area under acquisition process (Sq.Mts)				
10	No. of land owners covered under LA Award so far				
11	No. of landowners received compensation so far				
12	Amount of compensation paid so far (in Rs. Millions)				
13	No. of court references cases so far				
14	Area acquired by TDR/FSI (in sq.mts)				
15	No. of people opted for TDR/FSI				
16	No, of people received TDR/FSI so far				
17	No., of people lost houses				
18	No. of people lost shops				

The figures in brackets indicate the percentages

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Naya Raipur

1. A World Bank mission visited Raipur on November 14-15, 2011 to discuss with the Naya Raipur Development Authority (NRDA) the implementation of the Naya Raipur component of the Sustainable Urban Transport Program (SUTP). It met the Chief Executive Officer of NRDA, Mr. Shyam Sundar Bajaj, his staff and their consultants; also present was an officer of Embarq which is assisting NRDA with the BRT and urban planning proposals. One meeting, regarding the design of the BRT terminal at Raipur Railway Station, was also attended by representatives of Indian Railways.

Development of Cycle Tracks and Pedestrian Walkways

2. NRDA plans to build about 36 km of bikeways and footpaths along main roads and BRT corridors in Naya Raipur as part of the SUTP. The recently appointed consultants made an excellent presentation on the intended work scope, which aims to provide good mobility for bicycles, pedestrians and – very importantly – persons with disabilities. It was agreed that the consultants would consider all of Naya Raipur (i.e. not only selected corridors) in their need assessment to identify areas for specific NMT attention. On the corridors, special emphasis on the access to BRT stations would be given. The Mission advised NRDA and the consultants to ensure coordination and integration of efforts between the various consultants i.e. BRT Infrastructure Designs Consultants, ToD Study Consultants and NMT consultants. It was agreed that the draft DPR be submitted by March 10, 2012.

Bus Rapid Transit (BRT) Lite

3. Three BRT corridors have been considered:

- Corridor 1: Raipur Railway Station – NH6 – Capitol Complex in Naya Raipur (24.7 km)
- Corridor 2: Kabir Nagar (Raipur) – NH 43 – Capitol Complex in Naya Raipur (37.5 km)
- Corridor 3: In median of the main axis of Naya Raipur (17.8 km)

4. It was agreed that priority will be given to Corridor 1, aiming at a high quality of physical facilities and BRT operations. Special emphasis will be placed on the good functional design and attractive public space development at and around the two terminals in Raipur: (a) Raipur Railway Station and (b) near the existing State Secretariat. Corridor 2 would be serviced by a regular service, once travel demand between the two cities has risen sufficiently to justify a BRT service it would be upgraded. Corridor 3 will be developed gradually, taking account of the speed with which sections of Naya Raipur are being built up.

5. **Interim Bus Services:** It is expected that BRT “Lite” services will begin in 2014, but the State Government would need to start functioning in Naya Raipur by 2012. During the intervening period, Interim Bus Services will be provided between the two cities, along the

alignments of both Corridors 1 and 2. NRDA informed the mission that they propose to contract private bus operators for the intervening period of two years until the BRT Lite services are launched. The mission recommends that the tender for these Interim Services be issued by December 15, 2011 as the Secretariat is due to shift to the Capital Complex by March 31 2012.

6. **BRT Lite between Raipur and Naya Raipur:** It is important to achieve a high-quality public transport connectivity to attract travelers lest they use alternative modes (cars, motor cycles, three-wheelers, tempos, and other informal public transport services). So the BRT services should be:

1. Quick
2. Frequent
3. Reliable
4. Services should be as direct as possible, with a minimum of transfers
5. Create and maintain a high-quality image, among other things by having clean vehicles and by designing branded and easily identified, safe and secure, attractive and easily accessible stations/pick-up points.

7. Keeping these objectives in mind, the mission agrees with the decision to focus on a single corridor, rather than watering down the service quality by providing two BRT corridors between Raipur and Naya Raipur. Among the reasons for selecting the Corridor 1 alignment are:

- The BRT connection from Raipur to the new Capitol complex would be shorter (26 km, compared to 38 for Corridor 2), i.e. passenger travel times would be less, and BRT investment and operating costs would be much less.
- These savings can be used to make the two pick-up points in Raipur, and other aspects of the BRT, higher quality and much more attractive. In other words, instead of creating a long system from the beginning, with perhaps somewhat mediocre facilities and a relatively infrequent service, a shorter but higher-quality BRT would be created, resulting in a much better image.
- It has been estimated that 80% of the initial Raipur – Naya Raipur travel demand would use Corridor 1. Continuing to channel the BRT demand through that corridor will permit relatively frequent BRT services at all times. Thus, even in the off-peak (which accounts for about 75% of the operating day), it would appear feasible to operate a bus every 6-10 minutes, rather than the 20-minute headway envisaged in the DPR.
- It will be easier to maintain bus schedules, and thus service regularity, in Corridor 1 which runs a lesser distance through mixed-traffic streets than Corridor 2.
- The commercial speed for Corridor 1 was estimated to be 30 km/h, which is better than the 25 km/h estimated for Corridor 2.
- Moreover, the greater frequency of buses will make it practical to introduce express services during the peak hour, such as non-stops from Raipur Railway Station to the new Capitol complex.

8. **BRT Terminals in Raipur:** An earlier concept for Corridor 1 was for most Naya Raipur BRT services to end at a terminal near the Agricultural University, with some bus runs continuing into Raipur, to pick-up / drop-off points at (a) the railway station and (b) the existing State secretariat. It subsequently evolved that it would be better that all BRT services pass the Agricultural University without much delay and terminate at (a) and (b). The mission wholeheartedly supports that decision. However, there would be a pick up point at the Agriculture University to pick up passengers not as well covered by the other points.

9. This now puts a much greater weight on a thorough elaboration of the designs and management of the two in-town terminals. To this end, the Mission made a number of suggestions.

First, there should be a one-way flow through the Railway Station terminal, buses moving in one entrance and out the other, with suitable traffic engineering improvements made to facilitate entrances and exits from the surrounding streets.

Walk access to the Railway Station terminal could be facilitated by extending the foot-over bridge crossing the mainline railway tracks to the vicinity of the bus terminal platform. Protected street crossings protected by signals should be provided from/to the areas surrounding the Railway Station.

Sufficient space needs to be provided at the Railway Station terminal to accommodate buses on layover/schedule recovery for both local Raipur and BRT Lite services.

The major design issues for the **State Government Secretariat BRT Lite** station (terminal) are pedestrian access from the surrounding area, particularly Raipur City Bus Service Stops, facilitating one-way bus movements into and out of the terminal and providing sufficient internal clearances for buses to maneuver without undue backing and turning. It is not clear how many buses will need to layover at this terminal though it could be scheduled to be lower than the number doing so at the Railway Station which has much more room.

In addition to functional access and storage of BRT buses, emphasis should be placed on high-quality public space development of the terminals and their environs, with the objective of creating a pleasant pedestrian environment – attractive to reaching BRT buses bound for Naya Raipur. It was agreed that NRDA's architectural consultants (Arya) elaborate designs along these lines; Embarq is willing to assist in this work if required. It was agreed that the revised concept designs for pick up points shall be submitted by December 31, 2011 and detailed designs by March 15, 2011.

10. Any public space improvement scheme will require close coordination with Raipur Municipality and the traffic police. As a first step, it was suggested that, once concept designs have been received from Arya, a workshop be arranged with these stakeholders in December 2011. In the case of the BRT terminus at Raipur Railway Station (which may involve the extension of an existing railway foot overbridge), close collaboration with the Indian Railways will be required. NRDA organized a meeting with Raipur Railway officials during the mission to initiate the process. It was agreed that NRDA would submit their proposal to Railways at the earliest (no later than November 30, 2011) so delays later on in getting necessary clearances could be minimized.

11. **Transfer Station near Agricultural University:** It was agreed that the BRT services between the two cities would not normally terminate at this location, but that transfers would be possible with other public transport services at this location. A possible design could involve transfer platforms on both sides of NH6, designed to facilitate cross-platform transfers and connected by a pedestrian underpass (or possibly a foot overbridge). The mission recommends that NRDA coordinate with NHAI on design options and submit a proposed new design by January 31, 2012.

12. **BRT facilities in Naya Raipur:** To establish an effective public transport system in the medium and long term, it is desirable to plan for a BRT axis along the length of the new city – i.e. Corridor 3. It is also sensible to build now the initial phases of a BRT patio and workshop in Naya Raipur.

13. The passenger demand along Corridor 3 will be quite small in the initial years of Naya Raipur development, and could perhaps best be served by relatively small (minibus-size) vehicles. The DPR estimates the peak hour ridership at 271 passengers in 2014 and 344 passengers in 2016; it also specifies a 14-minute headway for the peak hour and a 20-minute headway off-peak. [with that kind of long intervals between buses, many potential customers would choose to use three-wheelers, motor cycles] It appears worthwhile to estimate the benefits and extra cost to run 35-passenger minibuses with smaller headway during the peak, and off-peak. At first sight, that would appear to give a much better service than running 70-passenger buses at low frequencies.

14. The passenger forecasts and fleet calculations have to be taken with a grain of salt as it is very difficult to estimate demand where there is none at present. The uncertainty is greatest for Corridor 3, as it depends entirely on the physical growth of Naya Raipur, both in terms of the timing and the specific locations of building construction. In any case, it is difficult to imagine that it would be sensible to run buses along the entire 18-km length of that corridor during the initial years when big parts of Naya Raipur will still be open land. In 2014, a 10-km bus service could well be more sensible and the full 18-km length might not become relevant for several years. The mission recommends that the next version of the DPR describe the programmed build-up of Naya Raipur and quantify the evolving transport needs accordingly, rather than specifying the full fleet to operate in 2014. It also recommends that a monitoring and decision framework be defined, with the objective of guiding NRDA in the future expansion of service supply along the BRT Corridor 3.

15. **Design of BRT Buses:** The buses will be about 12 m long, have a floor height of about 900 mm and have two separate doors on each side. The door on each side should be some distance apart to make circulation within crowded buses easier. On the right side of the buses, the floor height would be aligned with BRT station platforms, which are about 900 mm above the roadway to permit no-gap, level boarding/alighting. On the left side of the buses, there would be steps to connect with low-platform stops on sidewalks or otherwise.

When operating on a completed BRT route where all stations are high platform, the left doors would remain closed and a cover plate placed over the stairwell to gain extra space within the bus.

Given the long trip length between Naya Raipur and Raipur, the interior should be configured for comfortable standing and a large proportion of the available space devoted to seats, and some vehicles could be air conditioned.

16. **Traffic Safety Audit:** There are many potential accident hazards, both along NH6 where traffic speeds are relatively high, and in Raipur near the two terminals where pedestrians and general traffic intermingle. The mission recommends that an independent traffic safety audit be carried out. EMBARQ agreed to assist with this activity.

17. **Update of DPR:** The DPR should be updated to reflect the changes that were agreed regarding the BRT project. It should include an economic and financial analysis, in accordance with the Bank's appraisal requirements. It is recommended that the updated DPR be submitted by December 31, 2011. The revised Project Implementation Schedule shall be submitted by December 15, 2011.

Technical Assistance and Capacity Building

1. **TA on Transit Oriented Development (ToD).** One objective of ToD is to minimize over-all motorized travel and promote transit, pedestrian walkway and bicycle use. Another objective is to improve the over-all quality of life for people living and working in areas adjacent to public transport facilities in terms of convenience (e.g., for working women), noise, local pollution, safety and security. A casual review of the proposed master plan for NR suggests that there is room for improvement to make it more pedestrian, bicycle and public transport friendly. The TER is currently under preparation. It was agreed that the TER would be submitted to the PMU and the Bank by November 30, 2011 and contract signing completed by January 31, 2012.
2. **Regional Mobility Plan.** NRDA is keen to develop a Regional Transportation Plan for the Greater Raipur Area including the urban centres of Raipur, Naya Raipur, Durg and Bhilai. The ToR has been finalised and the EoI published. It was agreed that the EoI shortlist would be submitted to the PMU and Bank by January 7, 2012 and the TER by March 31, 2012.
3. **Project Management Consultants for ITS.** NRDA plans to appoint consultants for assisting with the design, procurement and implementation of the public transport ITS. The EoI has been published and it is agreed that the EoI shortlist along with draft RFP would be furnished to the PMU and Bank by December 31, 2011. The TER would be submitted by March 15, 2012.
4. **Monitoring & Evaluation Study.** EoI shortlist and draft RFP have been submitted to PMU. It was agreed that the TER shall be submitted by Feb 15, 2012.
5. **Establishment of UMTA:** A critical requirement for such situations is a suitable institution for overseeing the overall transport arrangements in the region. The state plans to create an Urban Mass Transit Agency (UMTA) for the Greater Raipur metropolitan area, including the cities of Raipur, Naya Raipur, Durg and Bhilai all of which are in close proximity with significant intercity trips and work on its detailing has started (under the Australian Trust Fund). An Approach Paper outlining the structure and powers of the Greater Raipur Area UMTA has been agreed and confirmed. The Mission was informed that while a Government Order is proposed to be issued in the short term for the constitution of the UMTA, the intent is to legislate the UMTA and this will be done subsequently. The GO is under process and expected to be issued by March 31, 2012. The GEF funds available for capacity building could be used to strengthen the UMTA appropriately once it is constituted.

Environment Management

6. **BRT Component.** The mission discussed the strategy to complete the EIA for the BRTS component in line with comments provided on the previous version, taking into account the recent developments such as the proposed design for bus shelters and depots, as well as discussions during the mission and with other stakeholders that would result in design changes - addition/deletion of items or components. The mission also confirmed that the EIA should reflect impacts and management measures for the current design and any design modifications after DPR being finalized should be addressed in a separate note depending on the extent of changes. It was agreed that the EIA can be finalized after 15 days of completion of the DPR and currently it is expected that the same will be shared with the Bank by January 31, 2012.
7. **NMT Component.** The mission provided brief comments on the presentation on the approach and methodology for the assignment, including the timing for bringing the PMC on board. The mission also agreed that the NRDA proposal for having avenue trees rather smaller saplings to be planted for the segregation of the NMT from motorized lanes would provide a tangible incentive for pedestrian/cyclists. It also advised that the reuse of the road surface removed for inserting the NMT lanes should be properly integrated in the design proposals.

Social Management

8. *Finalisation of RAP:* NRDA is in the process of finalizing the RAP incorporating World Bank comments. NRDA has shared few revised chapters with the mission during its visit to the State. It has been discussed and agreed that NRDA will submit the revised draft to the World Bank before November 30, 2011.

9. *Acquisition of Agriculture University land:* NRDA is in the process of acquiring Agriculture University land for constructing BRTS bus shelter. Though the University, in principle, has agreed for giving the land, other aspects such as compensation for the land and relocation of staff quarter have to be finalized. It has been agreed that NRDA will finalize the land acquisition/transfer before end January 2012 and inform the Bank.

Key Agreed Actions:

- Submit updated DPR including interim bus service plan – December 31
- Submit Project Implementation Schedule – December 15
- Submit draft NMT DPR by March 10
- Prepare and submit revised concept designs for Bus Depot Pick up Points & Bus Shelters by December 31 and detailed designs by March 15
- Submit proposal for Railway Station Pick up Point to Indian Railways by November 30
- Initiate procurement of private operators for interim bus service by December 15 and finalise tender by January 31
- Submit EoI shortlist for PMC for ITS by December 31 and TER by March 15
- Submit revised EIA– January 31
- Disclose final SIA/RAP – November 30
- Finalise UMTA constitution – March 31
- Complete Technical Evaluation and submit TER for the ToD study by November 30 and conclude contracting by January 31
- Submit TER of M&E Study by Feb 15
- Submit EoI shortlist of Regional Mobility Plan by January 7 and TER by March 31

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Indore

1. A World Bank mission met with AICTSL officials on November 16, 2011 in Indore to discuss the project progress in regard to the Indore component of the GEF-Sustainable Urban Transport Program (SUTP). The mission met Mr. Gautam Singh, CEO, AICTSL, AICTSL staff, Mr. R. Singh, District Collector Indore, officials from Indore Municipal Corporation and Indore Development Authority, EMBARQ and ITS Project management consultants IBI Group along with PMU and PMC.

2. **ITS Component.** Indore plans to use the GEF-SUTP funds for installing an ITS system on their BRTS. 3 BRT corridors were being built in the first phase covering a length of 36.7 kms. There would be a 2nd phase with another 3 corridors. A project management consultant (PMC) for ITS, IBI Group, has been appointed using project funds to undertake needs assessment, detailed design and finally oversee the implementation of the ITS component including Automatic Fare Collection Systems and Traffic Signal Priority.

3. *Cost Estimates and Revised DPR for NURM Sanction.* The new cost estimates indicate a cost of approximately Rs. 41 crores for ITS for all three corridors similar to the earlier estimate. However, it appears that only one of the three corridors has confirmed funding support and in advanced stages of implementation. The timelines for the other two corridors are unclear as also the sources of funding. Second, as the NURM funds are fully committed and there has been a delay in the submission of the ITS Project to MoUD there are concerns about its counterpart funding. Third, while the eligibility of Indore is for 50% NURM funding the project cost table erroneously provided for 80% NURM funding resulting in a need for a much higher share of counterpart funding from state and city governments. MoUD has suggested the possibility of allocating unutilized NURM funds from other projects to the Government of Madhya Pradesh. In view of the certainty of implementation of only one BRT corridor and constraints on availability of counterpart funding the discussions are focusing on funding for ITS for that one corridor only. However, the matter is unresolved pending the submission of a revised DPR and proposal to MoUD for consideration under NURM funding. The Mission discussed the issue during its visit and it was agreed that following internal deliberations on the project scope and available counterpart funding a revised DPR shall be submitted to the state government by third week of December and onward to MoUD by December 31. Once the project scope i.e one or more corridors, ITS subcomponents, have been determined the contracting strategy for the ITS procurement shall be finalized and bid documents prepared. This shall be completed by December 15 and January 31 respectively.

4. **Status of AB Road BRT Corridor.** Service plan for the BRT is being prepared by Embarq. AICTSL mentioned that all routes currently overlapping on the BRT corridor are being parceled off so that there is only a single operator on the BRT corridor. Indore has 104 semi-low floor buses running in the city. They have been sanctioned another 125 buses by the Government of India under the JnNURM. About 50 buses would be needed for the BRTS. They propose to use high floor, both side door buses for the BRTS corridors. New infrastructure for maintenance of the buses is also being created. Procurement of 50 buses is ongoing and AICTSL reported having problems with the bus manufacturer. Road infrastructure construction is close to completion but for some land acquisition issues holding up further work and pending sewerage and water supply projects also under implementation along the same corridor. Construction of 22 BRT Stations has

been tendered a third time and the mission was informed that the contract is now being awarded and will take 6-8 months to complete. Contracting of private bus operators is yet to commence.

Project Scheduling. A number of critical activities (e.g., bus shelter installation, driver training, service provision/contracting, automatic fare collection and traffic signals) remain to be addressed in over-all project management. A comprehensive **implementation plan**, including a “Gant Charted” schedule needs to be prepared and procedures for its tracking and follow-up developed. This is important as there are multiple stakeholders involved and AICTSL cannot launch the BRT service without the timely completion of the BRT corridors by IMC and IDA. The road infrastructure for the corridor needs to be completed (presumably by March 2012) before the bus stations can be completed. Once stations are ready only then can the off board equipment be installed. A detailed implementation plan is now critical for planning the various activities and ensuring the launch of the BRT. The Mission requested the District Collector to track the project progress on the basis on such a Pert Chart in his weekly reviews to which he agreed. The detailed implementation plan in agreement with IMC and IDA will be submitted to the PMU and the Bank by November 25, 2011.

5. *Financial Analysis.* The Mission recommended that AICTSL undertake a financial analysis of its bus operations to ensure break even of its operations. Fare levels for the BRT still have to be worked out and the form of contract still to be determined. The mission recommended that the bus operator contracts be on a gross cost model to avoid unsafe driver behavior to pick up passengers. The financial analysis will be useful in arriving at important decisions regarding fare levels, revenue requirements and sources, and viability of the service. It was agreed that this would be concluded by December 31.

6. *Monitoring & Evaluation.* The M&E plan has been finalised. AICTSL shared that IBI Group would be willing to undertake, in addition to the project M&E, the primary city wide surveys on mode shares with a variation order to their contract. It was agreed that this would be finalized by AICTSL at the earliest (December 15) so that the baseline M&E surveys and data collection could be initiated by February 15, 2012, in advance of the BRT launch next year.

7. **Technical Assistance Activities.** Indore has identified and agreed with the Bank several TA activities. These agreed actions and timelines for these are indicated below:

- The BRT station design and traffic intersections design consultancy is ongoing.
- The EoIs for Communications and public outreach and BRT accessibility plan have largely been received and *it was agreed the* EoI shortlist and draft RFP would be shared with the PMU and Bank by December 31, 2011 and Technical Evaluation Report by March 31.
- It was agreed that the user satisfaction survey procurement would be initiated by December 15, 2011 in order to initiate the baseline survey by February 15 prior to launch of the BRT.

8. **Implementation Arrangements.** The mission was pleased to note the induction of an Asst Project Manager into AICTSL. They informed that they had also advertised for a Transport Planner and an ITS expert and it was agreed that AICTSL would identify the candidates and submit the proposal for hiring to PMU and Bank by December 31, 2011.

9. **Financial Management.** AICTSL confirmed that the state government will be provisioning for the project under the second supplementary and this would be confirmed to the PMU and the Bank by December 15. The issue of pending audit reports was also discussed and

the urgency of submitting these by January 2012 in order to avoid suspension of disbursements was emphasised.

Key Agreed Actions: to be completed

- Confirm budget provision for state funds in second supplementary – December 15
- Submit revised DPR to MoUD outlining scope, counterpart funding and project cost for ITS – December 31
- Submit BRT Implementation Schedule – November 25
- Finalise contracting strategy for ITS and draft bid documents – January 31
- Submit EoI shortlist and draft RFP for BRT accessibility plan and Communications Plan by December 31 and TER by March 31
- Finalise arrangements for M&E baseline with PMC and initiate procurement of user satisfaction survey –
- Identify additional staff for AICTSL and submit proposal by December 31
- Financial viability and business planning for AICTSL – December 31
- Complete audit formalities and submit report by January 31

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Mysore

1. A World Bank mission met with the Karnataka State Road Transport Corporation (KSRTC) officials in Delhi on November 11, 2011, during their participation in the GEF-Sustainable Urban Transport Program (SUTP) Project Meet. The mission met the Managing Director, KSRTC, Mr. Gaurav Gupta and Project Director, KSRTC, Mr C.G. Anand, ITS vendor CMC LTd and ITS PMC IBI Group along with the PMU and Project Management Consultants (Mott MacDonald).

GEF-SUTP Funded Project

2. Project interventions in the city under GEF-SUTP are aimed at addressing the issues of slow movement of public transport due to heterogeneous traffic conditions and increase of private vehicle ownership. Proposed project components include the introduction of Intelligent Transport Systems including Automatic Vehicle Location Information System, Passenger information Systems and a Central Control Centre for improved bus tracking and real time user information.

3. Mysore city accounts for 417 bus fleet and it is acquiring new buses for fleet renewal through JnNURM funding including 30 new Volvo buses. The Project plans to cover 500 buses, 105 bus stops, 6 bus terminals and 45 platforms in Mysore.

4. *ITS Procurement.* The procurement for the ITS system was concluded in June 2011 and the pilot launched in September 2011. The PMC for ITS is also on board and finalizing with the ITS vendor, CMC and KSRTC the revised implementation schedule. The revised date for completion of project implementation is currently 31 March 2012.

5. **TA Activities under the Project.** KSRTC is presently negotiation with the lowest evaluated consultant for M&E study and this must be expedited. The cost of the study is much higher than earlier estimated and KSRTC is revisiting the scope of the study to ensure that it is within budget. KSRTC shall finalise matters and revert with the negotiated draft initialed contract draft by December 15. KSRTC must keep the PMU and Bank informed in case there is an issue of budget.

6. The detailed ToRs for the comprehensive PT study have been finalized and the EoI advertised. KSRTC shall submit the EoI shortlist and draft RFP by January 31 and TER by April 15.

Key Agreed Actions:

- Complete project launch and testing by March 31
- Procurement of M&E consultant concluded by December 31
- Submit revised Project Implementation Schedule by November 30.
- Submit EoI shortlist for comprehensive bus operations and service analysis study by January 31 and TER by April 15

New City Proposals – Hubli-Dharwad

1. A meeting was held on November 12, 2011 at the World Bank New Delhi office to discuss the latest progress in the preparation of a possible Hubli-Dharwad BRT project to be incorporated in SUTP. The meeting was attended by the Commissioner of DULT, K. Manjula; Mr. Hemaraju, MD NWKRTC and representatives of NWKRTC; Prof. Shivanand Swamy and other professionals of CEPT; the PMU, the PMC and the World Bank.

2. **BRT Proposal:** The Directorate of Urban Land Transport, Government of Karnataka has submitted a proposal for improving bus services in the Hubli and Dharwad twin cities. The proposal includes the implementation of a 22.3 km BRT line, consisting of the 11.8 km long corridor between Hubli and Dharwad and extensions into the central districts of the two cities.

3. Given the geography of Hubli and Dharwad and the importance of their economic, health care, educational and social role in the surrounding region, it is clear that better public transport connections tying the twin cities together are in order. The volume of public transport passengers between the two cities is already enormous and a high capacity mass transit system could cater to the demand more effectively.

4. **Detailed Feasibility Report:** CEPT presented a revised version of the Detailed Feasibility Report (DFR) for the project, taking account of the comments discussed during the previous Bank visit to Hubli-Dharwad (September 23-24, 2011). Overall, the DFR addresses design issues satisfactorily and the work is well assembled and communicates an intelligently derived plan. The main observations of the Bank team are as follows:

- **Design Concept:** In many respects, the proposed BRT line reflects the positive results that have been experienced on the Ahmedabad BRTS. The Mission supports most of the chosen basic design criteria, including:
 - Physical segregation of the busway from other traffic, except at junctions and in two short sections in the central districts of the two cities, where the buses would run in mixed traffic. The busway would be located in the median of the road.
 - Trunk-feeder operation, whereby the BRT buses would run in the main corridor only, complemented by feeder buses emanating from the central districts of the two cities.
 - Enclosed stations with high-level (about 900 mm above the busway) platforms, centrally located between opposing bus lanes. These stations would be served by high-floor (900 mm) buses with passenger access from the right.
 - Off-board fare collection / validation at the station entrances.
 - Passing lanes at stations wherever possible to facilitate fluid bus operations and express services (this is of relevance for the sections near the built-up areas – in the 11.8 central section, the 2+2 busway already guarantees passing at stations).
 - Use of ITS to control bus operations and provide passenger information on the station platforms and within the buses.
 - Wherever feasible, priority for BRT buses at signalized junctions.
 - Inclusive design criteria, permitting easy access for passengers with different abilities.
 - Branding, by giving the proposed BRT a distinct and attractive identity.

- **Running way cross section between the two cities:** In the 11.8 km long central section, where the right of way width will be 44 meters, the proposed cross section includes two

BRT lanes in each direction. The Bank team agrees with this recommendation. While, from the viewpoint of capacity, a full 2+2 lane busway is not needed at this time, it would provide superior operating conditions and higher commercial speeds. Moreover, the extra capacity (over a 1+1 lane busway) may well be needed to accommodate the growth of passenger demand in the next ten years, especially if standard-size BRT buses are employed rather than costly articulated ones. The text below summarizes the Bank team's comments regarding aspects of the proposed running way alignment.

- **BRT stations in central BRT section:** The current design of the 11.8 km central section foresees grade separations of the main road (BRT and mixed-traffic lanes) over existing and future cross streets, taking advantage of dips in the undulating terrain. In some cases, BRT stations were originally envisaged on top of those grade separations. The CEPT representative advised the meeting that some station locations have been revised so all stations would now be at-grade and follow the standard layout (including extra lanes at stations to permit express services). The Bank team was pleased that overhead BRT stations are no longer planned.
- **BRT in the built-up areas:** Slightly less than half of the 22.3 km BRT will pass through narrower streets, with ROW ranging from 24 – 35 meters. The DFR has given careful consideration to these sections, but it would be useful to get a better understanding of those parts of the busway which are central to system capacity and performance.
 - A good strip map (at an 1:1,000 scale if possible) should be prepared, which shows (a) the exact ROW limits and land acquisition needs, (b) the proposed alignment of the busway, (c) station and passenger access locations, (d) major obstructions, such as trees, poles and other permanent structures, (e) existing and proposed traffic signals, and (f) all intersections and side streets. The mission recommends that this information be available for the next visit by the Bank team to Hubli-Dharwad.
 - Additional information that would be useful includes, both for the base and design years: (i) peak-hour passengers boarding at each station, (ii) peak-hour passengers alighting at each station, (iii) peak BRT passenger flows (pphpd) in each section between stations, (iv) mixed traffic flow volumes along corridors, (v) peak hour turning volumes for each major intersection, and proposed signal phasing, and (vi) estimated pedestrian and bicycle volumes.
 - In the relatively short sections (1.2 km) between Hubli OCBS and Hosur Circle and between Jubilee Circle – Dharwad CBT, the busway would be on the left side of the existing one-way streets. In these cases there may be problems with access to the properties “cut off” by the busway. This aspect should be thought through and consultations with the owners and occupants of these properties be taken up.
 - It had been suggested to place the busway on an elevated viaduct between Hubli CBT and Rani Chenamma. The Bank team was now advised that such an elevated viaduct is no longer being considered at this stage, a decision which it fully agrees. CEPT had developed an interesting at-grade alignment for that section, including high-platform stations at HDMC and Hubli Railway Station. The Bank team suggests that more detailed layouts be developed for that at-grade alignment (both busway and stations).
 - The DFR proposes that, in the stretches with a ROW of 30 -35 m, “*passing lanes would be provided on one side of the bus station only, the side where buses enter the city*”. The September mission recommended to consider staggered stations in these stretches, which would permit passing lanes in both directions within an overall width of 28 m (plus sidewalks) subject to sufficient longitudinal space at the chosen station locations. Otherwise, an unnecessary bottleneck would be created in the direction of buses leaving the city. However, it was felt by the

project authorities that such a staggered station alignment would not be feasible because the resulting station length would become excessive, in part due to the undulating terrain. This was based on the assumption that the northbound and southbound platforms be linked by a walkway, which indeed would have caused the overall stations to be very long. It was clarified that the northbound and southbound platforms could be delinked, resulting in two one-way stations of normal length; in its view, the optimal alignment would depend more on restrictions of the horizontal geometry rather than the vertical road alignment. It was agreed to reconsider the concept of staggered stations, on a case-by-case basis.

- In the 4 km stretch between Hosur Circle and Unkal Lake, which generally has a ROW of only 30 m, the DFR says that “*bus stations would be located where 35 m width is available*” (p.133). The Bank team fully agrees with this approach and suggests that this stretch merits an especially close analysis. Here also, the staggered-station arrangement mentioned could apply. The elaboration of the optimal solution requires particularly good mapping (at 1:500 or 1:1000) for the 4 km stretch. This is important as, without a well thought-out solution, “*there is a strong possibility of bus bunching.*” (p. 133).
 - All sections in built-up areas merit a thorough review of proposed traffic engineering arrangements for both BRT and mixed traffic.
- **BRT Stations:** The layout of the BRT stations is of particular importance, because it is generally here that system capacity is determined. They also become a main symbol of the BRT, and thus should be designed so they are aesthetically pleasing.
 - The Bank team agrees that the stations should be able to accommodate two standard-size buses, plus extra bays at stations serving express buses. It is suggested to modify the basic station design so they can accommodate 12-m trunk buses with two doors rather than only one (see further below under the heading of “buses”). The design should also accommodate articulated buses, even if initially no such buses are acquired.
 - Station width is given as 4.00 meters (outer edge, i.e. the station inside would be about 3.30 meters wide). The Bank team felt that this maybe too narrow as a general design standard, except in stations with very low passenger demand or with bus access on only one side. It was clarified that there would not be enough space for 5.20 meter wide stations; the Bank team agrees that under the circumstances a 4.00 or 4.20 meter width would be adequate.
- **Pedestrian refuges:** All BRT passengers need to cross mixed traffic lanes and at least one half of the busway to reach the station platforms. In addition, there are pedestrians that will cross the road from one side to the other. To minimize accident hazards, it was agreed that adequate pedestrian refuges should be provided at these crossings, i.e. the separators between the busway and the mixed-traffic lanes should be at least 50-75 cm wide. If required because of limited space, the bus lanes next to the platform could be narrowed to 3.00m at these locations, from the standard 3.30m.
- **Buses:**
 - The DFR indicates that “*multiple doors allow for a better distribution of passengers across the length of the bus*” (p.100). They also reduce the time needed for boarding/alighting at the stops. However, the DFR recommends a single (double-width) door on the right for high-level boarding and alighting at BRT stations. This follows the example of Janmarg in Ahmedabad, but differs from the solutions applied in Colombia and South Africa, where 12-13 m long BRT buses have two separate doors.

- The DFR also recommends two left-side doors and steps, which would make it possible for the buses to also operate in mixed-traffic with curb-side bus stops.
 - In September 2011, the Bank team recommended for the BRT buses (12 m length) to have two separate doors on the right (high-level) entry, to permit higher commercial speed (thanks to reduced loading/unloading time) and higher line-capacity. To keep the number of seats relatively high, it also recommends omitting the step-down doors on the left side of the bus, as bigger in-bus capacity would outweigh the greater flexibility, which in any case is not needed for normal trunk-line operation. It was agreed that two separate doors on the right could be considered.
- **Operational Aspects:** A draft service plan has been prepared of all-stop and limited-stop BRT services on the trunk route, complemented with some integrated feeder services in Hubli and the transfer to other bus services in Hubli and Dharwad. The Bank team recommends that the service plan be elaborated in greater detail, including maps showing the routing and frequencies of the feeder services and the proposed concept for (possibly integrated) fare collection. In September 2011, the Bank team made some additional suggestions; they are repeated below:
 - “The DFR discusses various plausible options for express / local BRT services. The current plan is for express buses to stop at all stations within the city centers of Hubli and Dharwad, and at Navnagar. The Mission suggests considering – in addition – the operation of a super-express route to pass most of those stations without loading/unloading, and overtaking the slower local buses at and between the stops. Such a super-express would run non-stop between Dharwad and Rani Chinnema in Hubli, thereby replicating express services that currently run between those two stops. It would help in raising throughput in the built-up areas which have rightly been identified as bottlenecks.
 - The DFR proposes (p.93) to run local services in convoys of two standard buses. The Mission is not aware of BRT convoy operations that have been successful and sustainable, and recommends that the concept on convoy operations be further substantiated and justified.
 - The DFR stipulates that the design and operations of the BRT should be in line with access guidelines for the physically challenged (p. 138). The Mission fully supports this and suggests that future planning and design also take account of the criteria set out in the *Bus Rapid Transit Accessibility Guidelines* and the report on *Technical and Operational Challenges to Inclusive Bus Rapid Transit: A Guide for Practitioners* (available through the TFESSD – Disability Window of the World Bank’s website www.worldbank.org).
 - The mission also supports the DFR’s focus on disabled friendly elements, under which it is proposed that in the first phase, “*all streets falling in a radius of 1 km around major transit facilities will be upgraded*” for pedestrians.”
- **Economic & Financial Analysis.** The economic and financial analysis was again discussed and the Mission reiterated its earlier comments. These mainly pertained to:
 - The ‘without’ case of four laned of highway should be clearly articulated and not confused with the current situation of a two lane highway.
 - The financial analysis should conclude with a FIRR (financial rate of return) and NPV of the project based on the incremental financial cashflows in the 'with' and 'without' case. Similarly the EIRR should be based on the incremental economic cashflows and not individually of the base and ‘with’ case.

- The financial analysis should include both incremental ‘capital’ and ‘operating’ cashflows i.e. infrastructure investments, rolling stock, fare revenues and O&M costs etc.
 - Since the projections suggest that the number of passengers would be greater in the 'with Project' case then this suggests that the remainder would use personal/other modes in the 'without case'. The incremental benefits of this modal shift in terms of operating costs and emission savings should be factored into the analysis. At the same time VoC savings of both bus and personalized modes in the two scenarios should be clearly articulated.
- **Revised DFR:** It was agreed that the revised version of DFR be submitted by November 30 including revised cost estimates, sources of funding for various components and provision for technical assistance activities to be undertaken. Some of the technical assistance activities discussed were (i) Supervision Consultants for civil works (ii) BRT Communications Plans (iii) Enforcement Action Plan for Traffic Police (iv) Parking Masterplan (v) City Bus Route Rationalization Study (vi) Monitoring & Evaluation.

4. Environment Management. The mission met with the Hubli-Dharwad team in Delhi to discuss the next steps in preparation. It reviewed the EMP prepared for sharing with the road contractor already being used by the KRDCCL and provided comments. This EMP is one of 3 volumes 0 EIA, EMP for works executed through KRDCCL, and EMP for works to be executed through the SPV. A copy with comments marked up in the printed version was also shared with the visiting team. The mission also suggested that before the EMP is issued to the Contractor, a detailed discussion would be required with the KRDCCL team and their Engineer to ensure that the contractor gets unambiguous guidance on the steps that need to be taken to comply with the ESMF requirements for the project. It also advised that the EIA for all activities and EMP for components to be executed by the SPV that is proposed to be formed for project execution should also be shared with the Bank so that the full documentation is prepared in a timely manner.

5. Social Safeguards. The mission noted some good progress in the preparation of RAP for the possible social impacts associated with the proposed BRT. A draft RAP was shared with the Bank which also contains the draft entitlement matrix. The mission held discussions with the GOK officials and consultants on the current version of the draft and entitlement matrix. This draft RAP provides good basis for finalizing it at an early date. The mission observed that the RAP needs to be further strengthened in respect of : strengthening the base line socio-economic characteristics, baseline values for impact indicators, proposing mitigation measures for some of the suggestions and concerns emerged during the consultations, strengthening the land acquisition process and providing the details of the proposed consent award process, strengthening the implementation arrangements, strengthening the composition of the negotiation of grievance redress committees, coordination between civil works and land acquisition and resettlement implementation, listing the names of various category of people, disclosure procedures, mitigation measures for affected common facilities. Some of the attachments such as GOK's notification on use of Urgency clause for land acquisition, latest Guidelines values for different type of lands, etc. are missing. The need to videograph the affected assets was also discussed. It was also agreed that RAP will include the guideline values for last three years to understand how these are revised from time to time.

6. The Entitlement Matrix proposed in the current form falls short of Bank’s requirements. The draft entitlements are not consistent with the principles outlined in the draft RAP. It was once again reiterated that in case of consent award there should be minimum compensation amount for negotiations and the entitlements need to be proposed for supporting the affected people during the transition period with adequate transitional allowances, moving allowances and support for resettlement of those losing houses and shops. The details were discussed during the meeting

between the Bank team and GoK officials. The Bank team once again reiterated that the proposed compensation and assistance for various impact categories should be aligned with the entitlements available for those affected by the ongoing Second Karnataka State Highway Project, as this was endorsed by the Bank and approved by GOK recently. It was confirmed that income tax will not be attracted on the compensation received for loss of land and assets. The revised draft RAP with updated entitlement matrix will be shared with the Bank before November 30, 2011.

5. **State Commitment Letter.** The Mission was informed that once the project DPR is approved along with BRT SPV formation a commitment letter shall be sent to MoUD along with the certificate of debt sustainability. This is expected by the end of November.

Key Agreed Actions

- Submit revised DPR including financial and economic analysis – November 30
- Outline cost estimates and broad financing pattern for the project – November 30
- Submit draft EIA and RAP by November 30
- Share final institutional framework for the BRT and timelines
- Complete necessary internal approvals and DEA submissions by November 30

Financial Management

The mission team visited the offices of PCMC and Indore PIU and discussed the FM arrangements for the project at the PIU and also held discussions with PMU on the overall FM arrangement for the project. The details are elaborated as under:

1. **Budgeting:** All the PIU's except Indore have made the budget provisioning for the financial year ending March 31, 2012 in their respective state's budget. The expenditure made till September 2011 is depicted in the table below. The utilization depicted below indicates towards low achievement of projections.

INR/

PIU	Budget Provision for FY 11-12				Expenditure booked for the half year ending Sep 11'				% achieved
	GEF	IBRD	Others (GoI+State +PIU share)	Total	GEF	IBRD	Others	Total	
Naya Raipur	15.00	0.00	135.00	150.00	3.35	0.00	45.40	48.75	32.50
Indore	65.02	NA	172.40	237.42	2.48	NA	0.08	2.56	1.08
Pimpri Chinchwad	43.40	800.00	1740.40	2583.80	1.10	225.93	148.05	375.08	14.52
Mysore	71.69	NA	136.40	208.09	29.08	NA	4.99	34.07	16.37
MoUD	20.00	NA	--	20.00	0.00	NA	0.00	0	0.00

The PIA's are now in process of finalization of figures for the budget for FY 12-13. The mission team has requested the PIA's to ensure that the budget projections are made realistically on the basis of present progress of project. Request was also made for providing a copy of budget as and when the same is finalized. For Indore PIU, the project team shared various correspondences with respect to inclusion of an amount of INR 23.33 million in the second supplementary budget of state of Madhya Pradesh. The bank team also held telephonic discussions with OSD transport urban administration and development department in Mantralaya Bhopal (Mr Nagar), wherein it was informed that an amount of INR 5 million has been proposed for inclusion in the budget for FY 12-13. The bank team requested the project to provide a copy of second supplementary and budget copy of FY12 - 13 as and when the same is finalized. The counterpart funding remains to be a matter of concern at Indore and can be finalized once the modalities with respect to revised DPR are worked out. Thereafter, the GoI share of JNNURM will be requested through budget by PIA.

2. **Fund availability as on September 2011:** The present fund availability at various PIU is annexed below.

	Amount in million							
	Naya Raipur		Pimpri Chinchwad		Mysore	Indore	MoUD	
	IBRD	GEF	IBRD	GEF	GEF	GEF	GEF	
Initial Advance disbursed by Bank (USD/mn)	0.00	0.23	7.00	0.46	0.23	0.23	0.85	
Initial Advance received by PIU (INR /mn)	0.00	10.87	328.65	21.74	10.77	10.87	40.26	
Further reimbursement by Bank through IUFR-till Mar 11	0.00	2.23	136.79	0.70	0.00	0.88*	0.00	

Funds received from other sources (GoI , State share, PIA share)	254.82	0.00	710.96		39.98	5.02	-
Expenditure incurred till September 2011	0.00	1.72	299.87	0.74	28.79	3.04	0.00
Fund availability with PIU	254.82	11.38	876.53	21.70	21.96	13.73	40.26
Pipeline claims for half year ended Sep 11	0.00	0.00	162.67	0.55	28.79	2.16	0.00

*Amount yet to be received by PIU.

As enumerated above, the PIU's have sufficient funds to meet their project related commitments. However, the Bank team appraised the project that since the project follows a half yearly reimbursement cycle, due care should be taken by the project to ensure that the expenditure is properly reflected in the books of accounts and is timely claimed from Bank.

3. **Financial Progress:**

The mission expressed its concern over the low financial progress of the project. Steps needed to be taken by PIU to monitor the same.

Particulars	Mysore	Naya Raipur	Indore	Pimpri Chinchwad
Financial progress till Sep 11	12.29%	14.07%	1.15%	14.51%

The issue of counterpart was deliberated at PCMC and Indore. At PCMC, the mission was informed that an amount of INR 124.09 million (GoI share of JNNURM funds sanctioned as on July 27 2011) and INR 49.63 million (GoM share of JNNURM funds sanctioned as on September 23 2011) is yet to be received by the corporation. The project appraised that there is a lag of atleast 3 months between the date the PIU receive the sanction advice and the actual receipt of funds. The interim demand is being met by the PIA from their own funds. Recently, as on October 2011, an amount of INR 200 million has been transferred to Nashik Phata Wakad account to meet the contractual requirements.

Regarding Indore PIU (AICTSL), the NURM funding will be requested only once the revised detailed project report (DPR) will be finalized.

Internal Audit: The Internal audit has been carried out by the auditors till quarter ending September 2011. The reports for the quarter ending June 2011 have been adopted by the audit committee and the minutes were shared with the Bank team during the mission. It has been appraised that the reports for the quarter ending September 11 are under finalization. However in Indore PIU, it was appraised that the preliminary audit report findings were not shared with the PIU before submission of final reports to PMU. The Bank team has requested for a meeting with internal auditors for discussion of reports and the reporting formats.

External Audit: The audit reports for FY 10-11 have been shared with the Bank except Indore PIU. For Indore, the preliminary audit by AG is complete. The findings will be now be compiled at the Gwalior office in the agreed format and thereafter the reports will be submitted to PIU . The Bank team reiterated that as per bank operational policy non submission of acceptable audit report by January 31 2012 may lead to suspension of reimbursement.

Accounting and reporting: The bank team noted that the financial management system with respect to maintenance of accounts is working satisfactorily. Additionally, the project has been requested to maintain a contract register enlisting the contract wise detail on the payments made till date.

Staffing: At PCMC, the Bank team was informed that the FM nodal person (Mr. Karanjpe) is due for superannuation in 2012. Additionally the accounts personnel (deputy accountant/ head clerk)

trained on project related FM aspects are also due for transfers. The bank team requests the project to either retain these personnel to maintain continuity or else appoint/depute suitable persons to ensure effective FM arrangements at PIU.

IUFR: The funds against the IUFR for the half year ended September 2011 have been submitted to the Bank. The same is under review. Through this IUFR, reimbursement of INR 162.67 million and INR31.50 million is being sought against IBRD and GEF respectively.

FM assessment at Hubli-Dharwad: The Bank team will be sharing the FM questionnaire with officials of Hubli Dharwad for seeking preliminary inputs on FM related aspects.

Action points	By whom	By when
Submission of acceptable audit report for FY 10-11	Indore PIU	Immediate
Submission of internal audit reports along with summary	PMU	November 30 2011
Confirmation of inclusion of budgetary provision in 2 nd supplementary	Indore PIU	December 30 2011

Position of total cost, receipts and expenditure till date:

Amount in INR/ Million

Funding Agency	Karnataka - Mysore			Chattisgarh - Naya Raipur			Madhya Pradesh - Indore			Maharashtra - PimpriChinchwad		
	Total cost	Receipts	Exp. till Sep 11	Total cost	Receipts	Exp. till Sep 11	Total cost	Receipts	Exp. till Sep 11	Total cost	Receipts	Exp. till Sep 11
Gol	124.77	29.41	8.44	344.00		0.65	292.80	0	0	1749.00	426.02	329.91
State Govt.	21.50	3.68	0	37.00	7.10	0	27.50	0	0	852.10	213.01	164.95
PIA	65.87	6.89	0	650.73	247.72	249.69	67.70	5.02	2.47	2273.98	71.93	229.31
IBRD (Loan)	0	0	0	669.00	0	0	0	0	0	2097.70	465.16	299.87
GEF (Grant)	90.72	10.77	28.79	91.20	12.41	1.72	91.40	10.86	3.04	91.20	22.43	0.74
Total	302.86	50.75	37.23	1791.93	267.23	252.06	479.40	15.88	5.51	7063.98	1198.55	1024.78
Financial progress			12.29%			14.07%			1.15%			14.51%

*Expenditure reported is net of retention money.