



Himachal Pradesh State Roads Transformation Project (P163328)

SOUTH ASIA | India | Transport Global Practice |
IBRD/IDA | Investment Project Financing | FY 2020 | Seq No: 8 | SUBMITTED | ISR59259 |

Implementing Agencies: Himachal Pradesh Road & Other Infrastructure Development Corporation, India

Key Dates**Key Project Dates**

Bank Approval Date: 27-Mar-2020

Effectiveness Date: 05-Oct-2020

Planned Mid Term Review Date: 11-Dec-2023

Actual Mid-Term Review Date:

Original Closing Date: 30-Jun-2026

Revised Closing Date: 30-Jun-2026

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed PDO is to enhance the efficiency of the transportation and road safety institutions and improve selected roads in Himachal Pradesh.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Building HP's Transport Institutions and Resilience:(Cost \$42.00 M)

Improving select roads stimulating HP's horticultural and overall economic growth:(Cost \$50.00 M)

Enhancing Road Safety:(Cost \$20.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Unsatisfactory	<input type="checkbox"/> Moderately Unsatisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

Project implementation progress has picked up and started delivering the intended outcomes as stated below:

Outcomes of HP's Transport Institutions and Resilience Building Initiative: HP Department of Transport (HPDOT) has rolled out a digital vehicle registration system which has resulted in on-the-spot service delivery which before this intervention took up to two days. In addition, the deployment of mobile vehicle testing equipment has enabled to provision of vehicle roadworthiness tests at the District Headquarters. In addition, HP's Electric Vehicle Policy is in place and provides subsidies for the deployment of e-vehicles across all segments. In addition, HP Road Transport Corporation has deployed 100 e-buses. Moreover, HP Road and Other Infrastructure Development Corporation Ltd. (HPRIDCL) is operational with a functioning board chaired by the Chief Secretary of the State.



Reduction in transport and maintenance unit cost: The improved sections are in good condition and “Vehicle Operating Cost - VOC” will see improvement. Upon completion of the project roads, VOC (the proxy to transportation cost) is expected to reduce by 25 percent. In addition, the bio-engineering solutions along the project roads are found to be effective measures in stabilizing the slopes and protecting landslides. On the other hand, contracts for over 350 km on Output and Performance-Based Maintenance Contracts (OPBMC) type-contracting are underway, and another 650 km will be awarded in the next three years. The use of performance-based maintenance contracting will form the basis for undertaking maintenance works at market price and help in achieving maintenance cost reduction.

Enhancing Road Safety: Upon completion of the ongoing tasks including (i) the Development of Road Safety Mass Action Plans and Road Safety Strategy; (ii) the Procurement of traffic surveillance and emergency response system; and (iii) training of police and communities; the anticipated target of reduction in road accident fatality from 18.17 to 11.53 people per 100,000 population in the project area will be achieved.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	☐ Moderate	☐ Moderate	☐ Moderate
Macroeconomic	☐ Moderate	☐ Substantial	☐ Substantial
Sector Strategies and Policies	☐ Moderate	☐ Substantial	☐ Substantial
Technical Design of Project or Program	☐ Substantial	☐ Substantial	☐ Substantial
Institutional Capacity for Implementation and Sustainability	☐ Substantial	☐ Substantial	☐ Substantial
Fiduciary	☐ Substantial	☐ Substantial	☐ Substantial
Environment and Social	☐ Substantial	☐ Substantial	☐ Substantial
Stakeholders	☐ Low	☐ Low	☐ Low
Other	--	--	--
Overall	☐ Substantial	☐ Substantial	☐ Substantial

Results

PDO Indicators by Objectives / Outcomes

Building HP's Transport Institutions & Resilience				
► Improved efficiency of transport institutions (Percentage, Custom, PBC)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	15.36	15.36	15.00



Date	31-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	Improved efficiency of HPRIDC (measured based on the implementation of the core consultancy services and works contract at the planned cost, time and quality, and reduction in motor vehicle administration services delivery time). Currently contract completion cost overrun is about 50 percent. This is expected to be reduced to a maximum of 15 percent cost overrun.			
► Reduction in maintenance unit cost (Text, Custom, PBC)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	US\$22,000/km/year	US\$5,445/km/year	US\$5,445/km/year	US\$10,000/km/year
Date	31-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	The maintenance expenditure for direct labor maintenance is higher by about 264 percent compared to performance based maintenance contracts carried out by private contractors. This expected to reduce to the market price (100 percent, i.e. equivalent to the market price) for maintenance contracts carried out by private contractors for works carried out by pilot service level agreement/internal performance-agreement by the direct level. The current value has been calculated based on the OPBMC contracts awarded till date.			

Improve Selected Roads to stimulate horticultural and overall economic growth of HP				
► Reduction in transport cost (Percentage, Custom, PBC)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	100.00	100.00	75.00
Date	29-Mar-2019	01-May-2023	01-May-2023	30-Dec-2022
Comments:	Reduction in transport cost for transporting products from production clusters to SME/wholesale markets along the project roads. Transportation cost along the project roads is expected to reduce by 25 percent (from 100 percent to 75 percent). This will be calculated once civil works is completed.			

Enhancing Road Safety				
► Reduction in road accident fatality (Text, Custom, PBC)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	18.17 people per 100,000 population	12.93 people per 100,000 population	12.93 people per 100,000 population	11.53 people per 100,000 population
Date	31-Oct-2019	01-May-2023	01-May-2023	30-Jun-2026
Comments:	Fatality rate reduction to the national average level in pilot districts. The Fatality per Lakh population for three pilot districts in year 2021 and published by MORT&H in 2021 and taken from RADMS has been considered as current status i.e. 12.93 per 100,000 population.			

Intermediate Results Indicators by Components



Building HP's Transport Institutions & Resilience				
▶ HPRIDC, Direct Labor Wing of HPPWD, HPMVA and Directorate of Transportation of HPDOT reorganized and operational (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	The GoHP has notified the Head of the Department of four entities i.e., HPPWD - (Engineer in Chief), HPRIDCL- (Managing Director) , HPDOT (Director Transport) and HPMVA (Additional Commissioner - cum-Secretary, State Transport Authority). The change in policy direction will be restructured in the project through a formal process after which the indicator will be marked as achieved.			
▶ Pilot service level/performance agreement for direct labor operation implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	Given the change in policy direction of the GoHP with respect to the direct labor this indicator will be dropped formally through the restructuring process.			
▶ Percentage of maintenance contracts awarded to women (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
Date	31-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	Process to engage women's SHG to carry out bio-engineering solutions preservation and post construction non-mechanized maintenance on the project roads is underway. The target is proposed to be revised to 20% of the project roads i.e., approx. 10 kms of project roads will be awarded to women SHG's for off-carriageway maintenance and bio-engineering works.			
▶ Maintenance of State Core Road Network carried out under private contractor performance based maintenance contracting (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	350.00	350.00	1,000.00
Date	20-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	HPPWD has awarded approx. 350 kms of maintenance works on OPBMC type contracting. The remaining 650 kms will be awarded over the remaining project implementation period at about 200 kms per year.			
▶ Increase the number of women assigned as operational staff by HP Motor Vehicle Administration (Percentage, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	12.25	12.25	50.00
Date	20-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	Following the assessment at MTR of the HR policies and current situation of hiring it is proposed to revised the target of this indicator to 15% covering all four transport institutions - HPPWD, HPRIDC, HPDOT & HPMVA.			
► Road users satisfied with improved road conditions on a scale of "1 - 5" (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	01-Jan-2020	30-Jul-2022	30-Jul-2022	15-Dec-2023
Comments:	Road users satisfied with improved road conditions captured through Road User Satisfaction Surveys. As on date baseline survey has been completed. Mid-term Survey shall commence in early FY24 (i.e July 2023) and reporting is expected in FY24.			

Improving Selected Roads stimulating HP's horticulture and overall economic growth				
► Roads constructed (Kilometers, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	31-Mar-2020	30-Jul-2022	30-Jul-2022	30-Jun-2026
Comments:	Contracts for approx. 77 KM in progress.			
<input type="checkbox"/> Roads constructed - rural (Kilometers, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00
<input type="checkbox"/> Roads constructed - non-rural (Kilometers, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00

Enhancing Road Safety				
► Patrol and emergency response equipment commissioned in the pilot districts and the pilot safe corridor (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00



Value	No	No	No	Yes
Date	20-Mar-2020	30-Jul-2022	30-Jul-2022	30-Jun-2026
Comments:	Patrol and emergency response equipment commissioned in the pilot districts and the pilot safe corridor. 15 no. goods procurement underway of which 2 no. have been completed and balance in progress.			
► Police and community volunteers trained (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	20-Mar-2020	01-May-2023	01-May-2023	30-Jun-2026
Comments:	First responder & volunteer training completed. Training for the use of Patrol and emergency response equipment will be done once procurement is completed. Trainings with respect to crash investigation, crash data recordings and management, crash site reconstruction, traffic management and traffic enforcement are scheduled and shall be completed by June 2023.			

Performance-Based Conditions

► PBC 1 Improved efficiency of transport institutions (Percentage, Output, 5,000,000.00, 18.52%)				
	Baseline	Actual (Previous)	Actual (Current)	2026
Value	50.00	15.36	15.36	--
Date	--	01-May-2023	01-May-2023	--

► PBC 2 Improved efficiency of transport institutions (Percentage, Output, 2,000,000.00, 7.4%)				
	Baseline	Actual (Previous)	Actual (Current)	2026
Value	50.00	15.36	15.36	--
Date	--	01-May-2023	01-May-2023	--

► PBC 3 Reduction in maintenance unit cost (Text, Output, 1,500,000.00, 5.55%)				
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	Baseline	Actual (Previous)	Actual (Current)	2026
Value	US\$22,000/km/year	US\$5,445/km/year	US\$5,445/km/year	--
Date	--	01-May-2023	01-May-2023	--

► PBC 4 Improved efficiency of transport institutions (Percentage, Output, 1,500,000.00, 5.55%)

	Baseline	Actual (Previous)	Actual (Current)	2026
Value	50.00	15.36	15.36	--
Date	--	01-May-2023	01-May-2023	--

► PBC 5 Improved efficiency of transport institutions (Percentage, Outcome, 1,000,000.00, 3.7%)

	Baseline	Actual (Previous)	Actual (Current)	2026
Value	50.00	15.36	15.36	--
Date	--	01-May-2023	01-May-2023	--

► PBC 6 Improved efficiency of transport institutions (Percentage, Outcome, 5,000,000.00, 18.52%)

	Baseline	Actual (Previous)	Actual (Current)	2026
Value	50.00	15.36	15.36	--
Date	--	01-May-2023	01-May-2023	--

► PBC 7 Reduction in transport cost (Percentage, Output, 1,000,000.00, 3.7%)

	Baseline	Actual (Previous)	Actual (Current)	2026
Value	100.00	100.00	100.00	--
Date	--	01-May-2023	01-May-2023	--



► PBC 8 Reduction in road accident fatality (Text, Output, 10,000,000.00, 37%)

	Baseline	Actual (Previous)	Actual (Current)	2026
Value	18.17 people per 100,000 population	12.93 people per 100,000 population	12.93 people per 100,000 population	--
Date	--	01-May-2023	01-May-2023	--

Data on Financial Performance

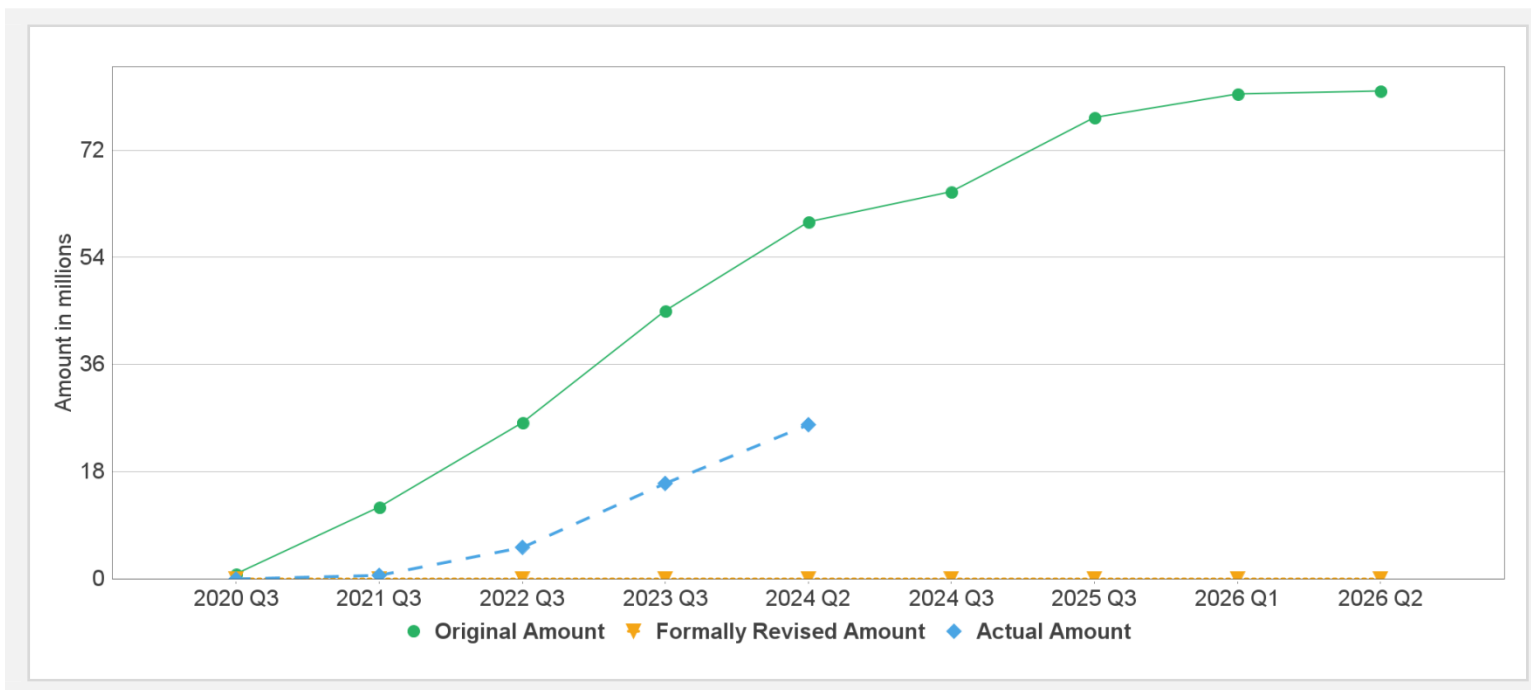
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P163328	IBRD-90660	Effective	USD	82.00	82.00	0.00	26.11	55.89	32%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P163328	IBRD-90660	Effective	27-Mar-2020	07-Sep-2020	05-Oct-2020	30-Jun-2026	30-Jun-2026

Cumulative Disbursements





Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
