



Second Karnataka State Highway Improvement (P107649)

SOUTH ASIA | India | Transport & ICT Global Practice |
IBRD/IDA | Specific Investment Loan | FY 2011 | Seq No: 12 | ARCHIVED on 03-Jun-2016 | ISR23754 |

Implementing Agencies: Karnataka Road Development Corporation Limited

Key Dates

Key Project Dates

Bank Approval Date:24-Mar-2011

Effectiveness Date:19-Jul-2011

Planned Mid Term Review Date:11-Nov-2013

Actual Mid-Term Review Date:04-Dec-2013

Original Closing Date:31-Dec-2016

Revised Closing Date:28-Dec-2018

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To accelerate the development of the Core Road Network through leveraging public sector outlays with private sector financing and improving the institutional effectiveness of the road sector agencies to deliver effective and safe roads to users.

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

No

Components

Name

Component 1: Road Improvement Works (IBRD: US\$294 million, GOK: US\$106 million, Developer: US\$239 million):(Cost \$638.82 M)

Component 2: Highway Financing Modernization: (IBRD:US\$38 million; GOK: US\$42 million; Developers/Financial Institutions: US\$200 million):(Cost \$280.03 M)

Component 3: Road Safety Improvement (IBRD: US\$7.3 million; GOK: US\$1.9 million):(Cost \$9.21 M)

Component 4: Road Sector Policy and Institutional Development. (IBRD: US\$6.5 million; GOK: US\$1.7 million):.(Cost \$8.17 M)

Project Management (This is not a formal component):(Cost \$6.11 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Unsatisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory



Overall Risk Rating

● Substantial

● Substantial

Implementation Status and Key Decisions

This Implementation Status Report is based on the observations of the Implementation Support Mission during January 3-12, 2016 and the recent restructuring of the project.

The Project Development Objective (PDO): *Accelerate the development of the Core Road Network (CRN) through leveraging public sector outlays with private sector financing, and improving the institutional capacity of the road sector agencies to deliver effective and safe CRN to users.*

Implementation Progress: Since the last supervision mission in June 2014, the project made notable progress across all major components, i.e., (a) ongoing item-rate contracts and the two DBFOMT (Design-Build-Finance-Operate-Maintain-Transfer) concessions; (b) mobilization of 3 new item-rate contracts and award of 5 co-financing packages; (c) 30% progress in civil works on Safe Corridor Demo Project; and (d) advancement in quite a few institutional strengthening activities including ISO certification for Environment management and Training.

Development Objective: Following the recent restructuring of the project to give effect to inter alia, extension of the loan closing date by about two years, that is, to December 28, 2018; and reallocation of loan proceeds across expenditure categories, as has been requested by the implementing agency (Government Karnataka, GoK) and recommended by the Ministry of Finance, Government of India. Following upon this extension, the project will have adequate time - as well as the requisite loan support - to complete all the balance activities as envisaged under the project within the revised loan closing date. Accordingly, the rating for the achievement of PDO has been revised upwards to Moderately Satisfactory.



Risks

Systematic Operations Risk-rating Tool

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



Other	--	--	--
Overall	--	● Substantial	● Substantial

Results

Project Development Objective Indicators

- Achievement by GOK in generating at least US\$400 million in new private sector capital for CRN improvement and management by end-of-project (EOP). (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	200.00	295.00	295.00	400.00
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

- 15% reduction in Vehicle Operating costs and 25% reduction in Travel Time Cost on project corridors by EOP (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	VOC: \$0.26 TT: \$0.074	--	--	VOC:\$0.20 TT: \$0.06
Date	--	--	--	28-Dec-2018

- 30% reduction in road accident related fatalities on safe corridor pilots by EOP (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	31.00	--	--	22.00
Date	15-Feb-2011	--	--	28-Dec-2018

- Roads in good and fair condition as a share of total classified roads (Percentage, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	57.00	57.00	65.00
Date	--	01-Aug-2011	01-Aug-2011	28-Dec-2018



▲ Size of the total classified network (Kilometers, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	19735.00	19735.00	19735.00	19735.00

Overall Comments

Intermediate Results Indicators

▶ Completion of upgrading and widening of about 534 km. through itemâ□□rate contracts (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	248.00	248.00	534.00
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

▶ Completion of upgrading, widening of about 301 km. through DBFOMT (Annuity) Concessions (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	127.00	127.00	301.00
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

▶ Environmental Management - (a) implementation of EMP as agreed (b) ISO 14001 certification obtained for operational units (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	(a) Implementation of EMP is being carried out. (b) ISO certification completed: Y3: PIU HQ Certified Y4: 1 field division certified	(a) Implementation of EMP is being carried out. (b) ISO certification completed: Y3: PIU HQ Certified Y4: 1 field division certified	PIU certified and 1 field division certified



		Current Status: Certification completed in all targeted offices	Current Status: Certification completed in all targeted offices	
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	31-Dec-2016

► KRDCCL generates additional road user revenues and commits them for mobilizing debt financing(via securitization) and/or making payment for PPP transactions (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Passing of Tolling Policy	--	--	Y5: KRDCCL issues debt or develops PPP transactions backed by toll revenues Y7: Tolling started on selected roads
Date	24-Mar-2011	--	--	28-Dec-2018

► Completion of upgrading widening and O&M of 363 km through co-financing arrangement (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Screening commenced	Y4: DPR Completed Y4: Transaction Adviser engaged	Y4: DPR Completed Y4: Transaction Adviser engaged	Y5: Co-financing arrangement established; Y7: Construction completed
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018



► Effective implementation of Safe Corridor (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Lead Agency Established: pilot corridor identified	Y1: Consultant services procured	Y1: Consultant services procured	Y5: Multi-sector intervention implementation started; Y6: Multi-sector intervention completed; and Y7: Minimum 3 star rating achieved through iRAP investigation
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

► Satisfactory implementation of agreed action plan for institutional development and governance improvement (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	IDSAP and GAAP Endorsed	Y4: Key consultant services procured	Y4: Key consultant services procured	Y6: Studies Completed; and Recommended actions taken; and Y7: Assessment of IDSAP and GAAP results made
Date	24-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

► Roads constructed, non-rural (Kilometers, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	375.00	375.00	1198.00
Date	31-Mar-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018



► Land acquisition and resettlement implementation (a) land acquisition completed (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	56.00	56.00	100.00
Date	24-Feb-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018

► LA and Resettlement Implementation- (b) Key R&R assistance provided (alternative housing and livelihood support) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	42.00	42.00	100.00
Date	24-Feb-2011	12-Jan-2016	12-Jan-2016	28-Dec-2018



► LA and Resettlement Implementation (c) Improve the living standards (measured % PAFs with increase/restored income in real terms) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	--	80.00
Date	24-Feb-2011	--	--	28-Dec-2018

Overall Comments

Data on Financial Performance

Disbursements (by loan)

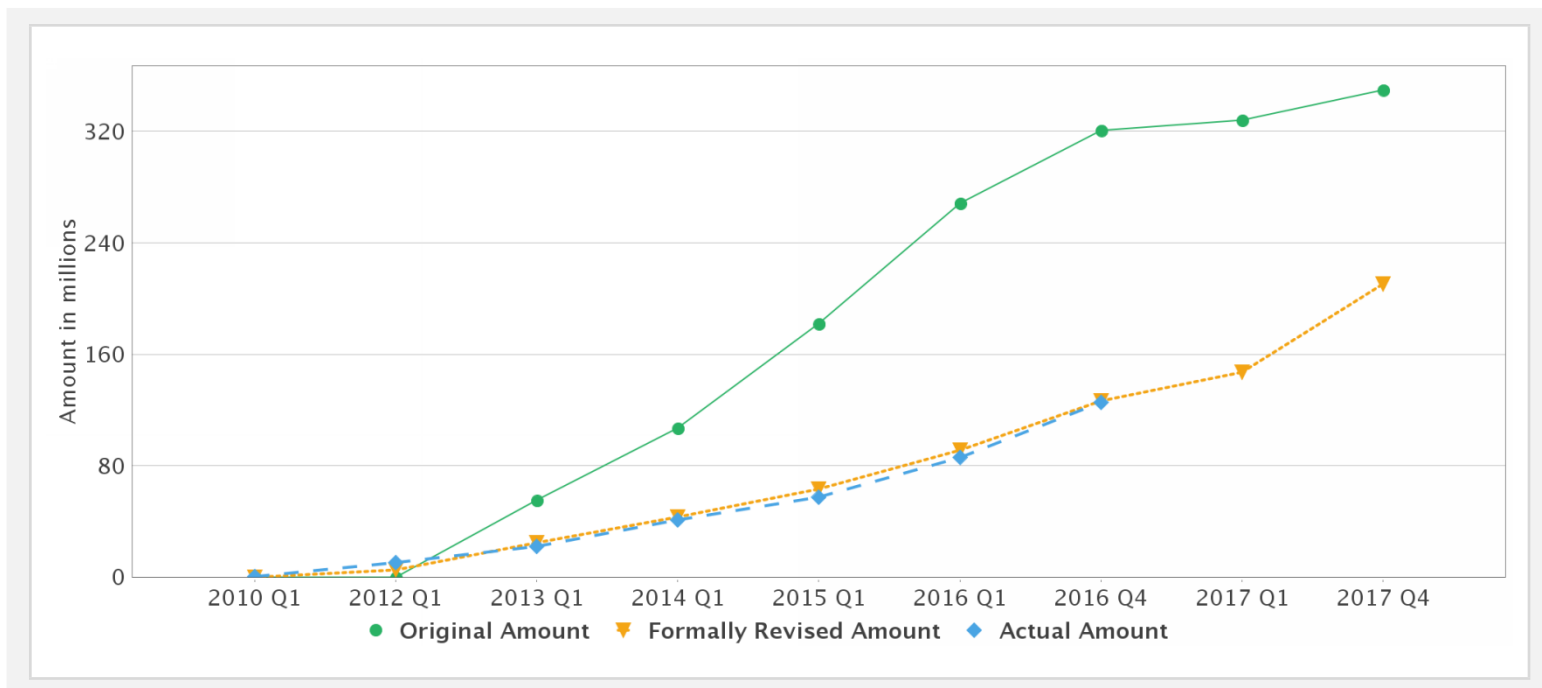
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P107649	IBRD-80220	Effective	USD	350.00	350.00	0.00	125.91	224.09	 36%
P107649	TF-92428	Closed	USD	0.44	0.18	0.26	0.18	0.00	 100%

Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P107649	IBRD-80220	Effective	24-Mar-2011	30-May-2011	19-Jul-2011	31-Dec-2016	28-Dec-2018
P107649	TF-92428	Closed	09-Jul-2008	09-Jul-2008	17-Jul-2008	29-Jun-2010	31-Dec-2010

Cumulative Disbursements



Restructuring History

Level 2 Approved on 23-May-2016

Related Project(s)

There are no related projects.