

INDIA
Punjab State Road Sector Project (Loan 4843-IN)
The 10th Implementation Support Mission (May 21 to 24, 2012)
Aide-Memoire

I. INTRODUCTION

1. A World Bank team¹ visited the State of Punjab from May 21 to 24, 2012, to review the implementation progress of the Punjab State Road Sector Project (PSRSP). The team conducted site visits of the ongoing up-gradation packages and some of the completed up-gradation, rehabilitation and periodic maintenance packages and held discussions with the Punjab Roads & Bridges Development Board (PRBDB) and Government of Punjab (GOP). The mission also held discussions with various consultants, engaged under the project to review the current progress in their services.

2. A wrap-up meeting was held and chaired by the Chief Secretary, GOP, on May 24, 2012. This aide-memoire summarizes the findings, recommendations and agreements reached during the mission. The mission thanks GOP for their support and cooperation during the mission. The agreed key actions to address current implementation issues identified by the mission are shown in **Annex 1**. The status of actions agreed during previous mission is provided in **Annex 2**.

II. KEY PROJECT DATA & PERFORMANCE RATING

3. This project was approved by the World Bank Board of Directors on December 5, 2006. The Loan and Project Agreements were signed on February 26, 2007 and the loan was made effective on April 2, 2007. The following table summarizes the key project data and updated project performances at this mission.

Key Project Data		Current Ratings and Flags	
Board Date	Dec. 05, 2006	Development Objectives	Moderately Satisfactory
Closing Date	September 05, 2012	Implementation Progress	Moderately Satisfactory
Project Age	54 months	Problem Flags	Legal Covenant
% Disbursed	54%		

III. SUMMARY OF FINDINGS, DISCUSSIONS AND AGREEMENTS

4. **Development Objective (DO):** The project's overall development objective is to improve operating conditions of State roads for road users, in a sustainable way, thus helping to provide the business enabling environment necessary to support Punjab's economic development strategy. Although all Phase I civil works have been substantially completed, the progress in achieving the development

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objective has been downgraded to ***Moderately Satisfactory***, primarily on account of lack of maintenance and non-operationalization of Road Fund. The **Annex 4** summarizes the current status of results monitoring and key performance indicator.

5. **Implementation Progress Rating:** Implementation progress rating has been maintained at ***Moderately Satisfactory*** Level.

Road Development Component

6. **Phase I Civil Works Progress:** All works, envisaged under the Phase I of the project has been completed except for some minor works under upgrading package UG1 and UG2.

7. *Rectification of Defects on the package UG1 (Kharar-Banur-Tepla):* Although the work on UG1 has largely been completed, issues related to quality persist in this section despite having discussed and highlighted during the previous missions. Pavement failures were seen on several parts of the stretch. The mission emphasized the urgent need to carry out rectification measures on all the failed sections in this package. The mission was informed that the long pending issue related to pipeline has been resolved and appropriate rectification measures have been undertaken. The mission recommended that PRBDB should conduct a meeting with the Consultants and the contractors to identify appropriate rectification measures and implement the same without further delay thereby avoiding further deterioration of the road. The Bank has recently received an investigation report carried out by the committee of chief engineers, which is being reviewed.

8. *Rectification of Defects on the package UG2 (Ludhiana-Malerkotla-Sangrur):* The mission noted poor quality of pavement works in mile stone 2 of the contract. In some sections, the curbs were found to be poorly done. The mission advised that rectification measures to improve the quality of the road, including the curbs, needs to be taken up on priority.

9. *Non-Operational Street Lighting on Upgrading work Contracts* The mission noted that street lighting infrastructure installed as part of works is not being put to use. The mission urged PRBDB and GoP to take up this issue at appropriate level and ensure functioning of street lighting.

10. **Phase II Civil Works (OPRC) :** The bids for Phase II civil works to be undertaken as Output and Performance Based Road Contracts (OPRC) / DBMOT for Asset Management purpose, have been received and evaluation is ongoing. The mission requested PRBDB to expedite the evaluation purposes and submit the technical evaluation report to the Bank.

11. **Loan Extension** DEA has endorsed, GoP request for a 5 years loan extension, which the Bank is considering. The Bank has approved an interim extension until September 5, 2012 to process the project restructuring.

Institutional Strengthening Component

12. The mission was concerned to note lack of interest and ownership by PRBDB and PWD on institutional reform agenda, which is one of the key components of the project. The final decision on adaptation of proposed reform as recommended by the institutional development consultants is still pending and various consultancies contracts are running behind the schedule. There are delays on part of PRBDB to provide comments on deliverables in time and abide by contractual obligations to pay consultants on time. The mission suggested the Secretary, PWD to undertake review of all ongoing consultancies and internalize various recommendations of studies in PWD.

13. **Integrated Transport Policy and Strategy and Strategic Investment Plan (Transport Sector Master Plan):** The mission was concerned to note that there has been no progress on this consultancy since the last mission. It is now urgent to get endorsement of Government on the Draft Final Report of the Transport Sector Policy and Strategy and Draft Final Report on Strategic Investment Plan.

14. **Computerization:** The mission noted with concerned that since the last mission in September 2011, there has been very little progress on the ICT component. The mission reviewed the progress of the Program Management Consultancy. M/s Wipro Ltd. Program Management Consultants gave a presentation to the visiting mission as well as officials of PRBDB.

15. The project status as against the stipulated dates is given in the table below:

Activity	Due Date	Actual Date
Signing of the Program Management Contract	01 Oct 2010	01 Oct 2010
Acceptance of the study report consisting of As-Is and To-Be documents and the Bid document for procurement of the systems integrator services	31 Jan 2011	Not Concluded as yet
Completion of the Procurement process	31 st April 2011	Not started as yet. Could take up to six months after the bid document is sent to the Bank.
Implementation of the initial modules	31 st Oct 2011	Activity not initiated as yet. Could take up to 6-8 months after Systems Integrator are brought on board through successful completion of the procurement process and project kick off.

16. Last AM stipulated that all the reports as submitted by the consultants should be reviewed and closed so that the procurement process for the implementation vendor could moved forward by September 2011. However, the PRBDB submitted the reports to the Bank, only during the course of the current mission. Phase I of the current contract (Which pertains to conducting a study and finalizing the bid document for implementation of the project) which was to have been completed in 3 months has taken 20 month for completion. Continued delays in the ICT component of the project is a matter of grave concern. Computerization of the PWD department has immense implications on the efficient functioning of the whole department. Unless the departmental computerization takes place, it will be difficult to execute the next phases and extensions of the current roads project in the state. It is therefore once again re-iterated that the computerization component be moved forward speedily in a meaningful manner so as to complete the next two phases within the stipulated time frames.

17. **HIV/AIDS Prevention:** The appointed consultants Advantage India presented an overview on the progress of the project and the activities to be completed to the PRBDB and the World Bank team. The project is progressing according to the agreed work-plan. The Consultants have started implementing the HIV prevention activities on the roads of Phase II A and Phase II B.

18. **Social Safeguard Management:** The mission focused on (i) review of completion of implementation of Resettlement Action Plan (RAP) for Phase I roads; (ii) preparation of RAP for Dehlon by-pass of UG 2 package and (iii) likely adverse impact to be considered for rehabilitation of approximately 203 km for OPRC contract.

19. The PMU made a presentation of successfully completing the implementation of land acquisition and resettlement and rehabilitation of affected people. The balance work covers disbursement of compensation for 2.965 acres of land acquired. It is primarily delayed either due to disputes on share holding within the family or owners have migrated to another country, etc. Mission suggested that perhaps the PMU could monitor the disbursement of compensation through the life of the project.

20. The proposed by-pass of 2.8 km of 45 meters width at Dehlon under UG 2 package will require approximately 38 acres of irrigated land (125 plots), two houses and two boring wells. During the field visit to the by-pass it was observed that demarcation with pillars along the proposed alignment is complete. The pillars were installed in January 2012. The farmers will be able to access their field with enhancement of three existing rural roads. Discussions with project officials indicate farmers at individual level were contacted before finalizing the proposed alignment. Accordingly, support for the by-pass was verbally confirmed by farmers. However, the project has not maintained any record of such meetings. It is proposed to organize focus group consultation for the by-pass before proceeding with joint measurements with the revenue department. It was suggested that any consultation with project affected person should be well documented to establish the processes that were followed that enhances the collaborative approach the project follows. The mission was informed that the preparation and implementation of RAP will be carried out in-house by PWD's Social Development specialist. It was agreed that all activities related to acquisition, disbursement of compensation and relocation of structures will be completed before award of contract. PMU proposes to complete the preparation and implementation of RAP within the next 9 to 10 months (details in annex 1)

21. Review of screening report for roads included under OPRC contract indicates that at most sections clear right of way exists throughout the entire 203 km of roads. However, the project may have limited impact at dense locations and land may be required for geometric improvement. It is important to build upon lessons learnt from the recently completed project to enhance the quality of preparation and implementation of RAP for the project. The PMU has the expertise to guide and monitor management of social safeguard issues effectively.

22. **Procurement:** The mission discussed procurement related issues with PRBDB. The summary of discussions is as follows:

23. **Procurement Status, Implementation of Contracts and Procurement Plan:** Mission reminded that details requested per the September, 2011 mission, as pertaining to prior clearances for contract amendments, if any, carried out on contracts subject to prior review by the Bank. PRBDB assured that they were working on it and will collate the complete details of all contracts prior cleared with the Bank and inform the status as mentioned above, by May 31, 2012.

24. Mission also discussed the status of the Procurement Plan and advised PRBDB to update the same to reflect up to date status of contracts, completed/ ongoing and amended. PRBDB will furnish a soft copy of the updated Procurement Plan to the Bank by May 31, 2012. Subsequent to the mission, the procurement plan has been received.

25. **Post Review under the project:** PRBDB will collect the details of any contracts awarded by it during the period from July 1, 2011 to June 30, 2012 that were below the prior review threshold and provide the same to the Bank by July 31, 2012.

26. **Discussions regarding the OPRC:** The mission reviewed the status of the bid evaluation process in the context of the bids having been opened around 4 weeks ago and advised that the evaluation should strictly comply with procedures specified in the Bidding Documents and in compliance with the agreed procurement procedures, as quickly as possible to avoid any undue complications that arise when delays occur. PRBDB will endeavor to send its Bid Evaluation Report (BER) after the same has been finalized by

the Consultants and reviewed by the GoP. PRBDB targets the date of forwarding BER to the Bank by June 15, 2012

27. **Financial Management and Disbursement Aspects:** The mission reviewed the financial management arrangements at the project and noted the progress made in the action plan agreed during the previous mission. The primary focus during the visit was on audit disallowances and their settlement. The recent developments and key issues are highlighted below:

- (a) The project has done a continuous follow up with the State AG to obtain settlement of the **audit disallowances** for financial years 2006-07 to 2010-11. The project shared copy of AG certificates in which AG has recertified disallowances of Rs 210.20 million. Further, on the basis of the responses provided to the AG, the Bank considered expenditure amounting to Rs 132.20 million as eligible expenditure. It was advised to submit a separate claim for Rs 256.80 million (@ 75% of (Rs 210.20 million+ Rs 132.20 million)) to CAAA who will forward this to the Bank office in Chennai for disbursement purposes. For audit disallowance of Rs 94.60 million for FY 2010-11, which is not yet recertified by the auditor, the mission informed the project that it will be adjusted from the next reimbursement claim filed by the project;
- (b) The position of a dedicated Chartered Accountant (CA) handling the financial management aspect of the project remains vacant since April 2012. It was advised that for financial management to function smoothly on the project, continuity in the services of **finance staff** is important and required;
- (c) The **internal audit report** for the second half year ended March, 2011 was received by the project in January 2012. It was noted that in some of the divisions the compliance of the IT policy is weak and needs further strengthening. The audit report for financial year 2011-12 needs to be shared with the Bank and;
- (d) The submission of the **external audit report** for FY 2010-11 was timely. For FY 11-12 the mission team emphasized the need for early finalization of accounts and its timely submission to auditors for their review and issuance of audit report. External audit report needs to be submitted to the bank latest by September 30, 2012.

28. Disbursement from the Bank as on May 7, 2012 is USD 134.384 million which represents 53.75% of the loan of USD 250.00 Million. Project has filed reimbursement claims up to quarter ending September 2011 and claim for December 2011 is in pipeline. Based on the above, project Financial Management is rated as Satisfactory. A detailed note on Financial Management is given in Annex 3.

29. **Compliance with Legal Covenants:** The following legal covenants are out of compliance or partially complied with. As part of the restructuring, the Bank team and GoP would review these covenants and their relevance.

- **Road Fund and its Secretariat:** GoP needed to establish and fully operationalize, satisfactory to the Bank, the Road Maintenance Fund and its Secretariat by January 31, 2008; refer to Section I-A-6, Schedule of Project Agreement. This covenant is delayed and is partially complied since the approval of the creation of the Fund was given by GoP on May 20, 2009, but Road Fund Secretariat is still not operational.
- **Funding for Plan Roads Maintenance:** GoP needed to disburse to the Road Maintenance Fund, at least US\$25 million by December 31, 2007; refer to Section I-A-7, Schedule of Project Agreement. This covenant is still pending for compliance as no funds have been transferred to the account yet. However, the necessary Government clearances have been

obtained and it is likely that this fund in tranches would be transferred to PRBDB in their current capacity as Secretariat for the Road Fund.

30. **Results Monitoring:** The updated results monitoring indicators are given in **Annex 4**.

31. **Governance and Anti-corruption Action Plan:** The updated status of the Governance and Anti-corruption Action Plan is provided in **Annex 5**.

The Next Mission: The Bank is planning an interim mission in August 2012. A full implementation support mission will be planned in October/November 2012.

Annex-1**Agreed New/Updated Key Actions****Actions agreed during this mission**

<u>No.</u>	<u>Key Actions</u>	<u>By whom</u>	<u>Target Date</u>
Civil Works			
1	Rectification of defects on UG1/UG2	GOP/PRBDB	Immediate
2	Allocation of Maintenance Funds and award of maintenance contracts on World Bank Roads	GOP/PRBDB	Aug 15, 2012
Institutional Strengthening Component			
	Finalization of Integrated Transport Policy and Strategy and Strategic Investment Plan	GOP/PRBDB	Aug 15, 2012
1	Computerization: Conclude the As-Is and To-Be study phase and send the draft bid document for procurement of systems integrator services to the World Bank	GOP/PRBDB	Sept. 30, 2011
OPRC Implementation (Phase II)			
2	Submit the Technical Evaluation Report to Bank	GOP/PRBDB	July 9, 2012
HIV/AIDS Prevention			
3	Inclusion of HIV clause in all road development contracts and also develop a strategy on how to carry forward these HIV prevention activities on all road projects	GOP/PRBDB	On-going
Social Safeguards			
4	Handing over Kiosks to either Panchayat / private company	PRBDB	On-going
Procurement			
7	Details on prior-review contracts along with their status to be sent to the Bank.	PRBDB	June 30, 2012
8	Revised Procurement Plan (electronic form)	PRBDB	Immediate
Financial Management			
9			
10			
11			
Governance Accountability Action Plan			
12	All contracts awarded for Consultancy Services and Civil Works to be uploaded on the PRBDB website	GOP/PRBDB	Immediate

Annex-2**Status of agreed actions during earlier mission (s):**

No.	Key Actions	By Whom	Target Date	Status
Upgrading Works, Rehabilitation and Maintenance (Phase I & II)				
1	Drainage Issue : Final Report	PRBDB	Urgent	Not Complied. Target date to be amended due to slow progress in UG2.
2	UG2-Detailed work program for completion of all the structures	Contractor	Pending	Complied
3	UG-1 – Pavement failure rectification – Action Taken Report	GOP/PRBDB	Mar. 7, 2011	Complied
Institutional Strengthening Component				
4	Amount provided to Road Maintenance Fund amounts to US\$25 million	GoP	Immediate	Overdue Legal Covenant. Target date revised to Feb. 4, 2011
5	Individual advisor for Road Fund Secretariat to be appointed	PRBDB	Immediate	Overdue Legal Covenant
7	Computerization – Draft RFP report	Consultants	Immediate	Not complied
OPRC Implementation (Phase II)				
8	Draft BD forwarded to the Bank	PRBDB	Feb. 11, 2011	Complied.
9	Bank's review and response	Bank	Mar. 8, 2011	Complied.
10	Subsequent submission of BD	PRBDB	Mar. 30, 2011	Complied with delay (Sept. 24, 2011)
11	Bank's review and final No Objection	Bank	Apr. 20, 2011	Complied.
12	Issuing SPN for OPRC (having all BD copies ready for purchase)	PRBDB	May 1, 2011	Complied. Dec 2011
13	Submittal of Bids- tendering (4 months duration)		Aug. 30, 2011	Complied. Bid opened on April 16, 2012
14	Initial Bid Evaluation Report submitted(by PRBDB)	PRBDB	Sept. 20, 2011	Expected by June 15, 2012
	Final decision of GoP on adoption of bidding documents as per agreed Procurement Procedures and revised Bidding Documents updated for comments provided and with revision in cost estimates to Bank for its review and clearance	PRBDB	Sept. 25, 2011	Complied
Social Safeguards				
15	CPR Relocation	NGO / PRBDB	Jun. 30, 2009	Complied (June 30, 2011)
16	Draft end term evaluation report	Consultants / PRBDB	Sept. 30, 2010	Complied (April 30, 2011)
17	R&R assistance to one PAP on UG 2	PRBDB	Aug. 31, 2010	Complied.
18	Incorporation of comments in OPRC ESMF	PRBDB	Feb. 10, 2011	Complied
	NGO's withdrawal report and Draft final report of RAP implementation evaluation	PRBDB	Sept. 15, 2011	Complied on 16 th April 2012
	Decision on reducing height of the embankment in UG 2 at km 64+780	PRBDB	Sept. 15, 2011	Complied
HIV/AIDS Prevention				

19	Carry-out the evaluation of the HIV prevention activities undertaken by engaging an independent Consultant	PRBDB	Nov. 30, 2011	Not required
20	Consultants to document the lessons learned in the project closure report	Consultants & PRBDB	Dec. 31, 2011	Not required
Financial Management				
21	Re-submission of June 2009 FMR to CAAA for documentation	PRBDB/GOP	Feb. 28, 2011	Complied.
23	Provide a copy of Final Internal Audit Report for FY 09-10 to the Bank	PRBDB/GOP	Feb. 28, 2011	Complied.
24	Settlement of audit paras of Rs.18.75 crores for FY 09-10	PRBDB/GOP	Oct. 31, 2011	Not yet due.
	Submit final internal audit report for first half of FY 2010-11	GOP/PRBDB	Sept. 30, 2011	Complied
	Submit external audit report for FY 2010-11	GOP/PRBDB	Sept. 30, 2011	Complied
Environmental Management and Safeguards				
25	Improve EMP implementation on UG1 and UG2	PRBDB/Contractor/CSC	Immediately	Partially Complied Corrective actions taken in UG/02 but the same is pending on UG/01
26	Improve worksite safety on UG/1 and 2	PRBDB/PWD/Contractor/CSC	Immediate corrective actions and close monitoring required	Not Complied
27	Fill-up the vacant EO position in the CSC set-up for upgrading works	CSC/PRBDB	Pending	Partially Complied (but availability on site is an issue)
28	Complete corrective actions to resolve environmental health and safety issues in case of drain works	PRBDB/PWD/Contractor/CSC	July 31, 2010	Partially Complied (Action Taken Report covering all concerned contracts from PRBDB is awaited)
29	Finalize environment and social management section in the Bid Document for OPRC component and update ESMF in line with changes made in the Main Document since June 2010	PRBDB/Consultant	Feb. 10, 2011	Complied. May 2011
30	Drain works - share with Bank an Action Taken Report (ATR) on the current status and corrective actions taken to resolve environmental health and safety issues	PRBDB	June 30, 2011	
31	Undertake corrective actions to improve EMP compliance on UG/1, including completion of enhancement/mitigation works; clearance and proper disposal of debris; cleaning of drains and clean-up/restoration of sites where civil works have been completed.	Contractor/CSC	Mar. 15, 2011	Complied. October 2011
32	Adoption of SBD document (integrating EHS aspects) after seeking GoP's approval	PRBDB	Jul. 31, 2011	Action pending

	Disclosure of final version of all Environment Outputs (such as 4 reports prepared under OPRC component) prepared since April 2010 on PRBDB website and share with Bank a NOC for disclosure of the said reports in Bank's Infoshop	PRBDB	Mar. 31, 2011	
Project Management				
33	Vacant positions ¹ in PRBDB to be appointed	PRBDB	Aug 31, 2009	Appointment of Project Manager not required.
34	Approved performance based incentives to be paid to PIU staff ²	GoP	July 31, 2009	Not complied

 Actions Pending from February 2011 mission

 Actions pending from missions prior to February 2011

¹ Legal Advisor, Chartered Accountant and PM(Contract) appointed.

² SLEC has principally approved Performance based incentives to PIU staff

Annex 3**Financial Management Aspects**

Budget and Disbursements: In financial year 2011-12 the initial budget provision of Rs 225 crores was revised to Rs 83.38 crore, against which the project has expended Rs 56.54 crores. For FY 2012-13, the project has sent proposal of Rs 136 crore to the Government of Punjab. The projected expenditure for FY 2012-13 majorly includes the expenditures on OPRC work except an amount of Rs 50 crore as spill over of Phase I project.

Disbursement from the Bank as on May 7, 2012 is USD 134.384 million which represents 53.75% of the loan of USD 250.00 Million. Project has filed reimbursement claims upto quarter ending September 2011 and claim for December 2011 is in pipeline. The project was reminded that the FMR for the quarter ending March 2012 will be due by May 15, 2012. Due to unexpected resigning of the full time Chartered Accountant engaged by PRBDB, it was expressed that there might be delay in the submission of the FMR.

Audit Disallowances: During the mission a joint review between the Bank and the project was carried out on the **audit disallowances** for financial years 2006-07 to 2010-11 to determine their eligibility. The project shared copy of the AG certificates in which AG has recertified the expenditures pertaining to these years. The sum total of all these recertification is Rs 210.20 million which can be claimed from the Bank. The mission appreciated the continuous follow up done by the project to obtain settlement of these audit paragraphs. Further, amongst the audit paragraphs yet to be settled by the AG, the bank team on the basis of the responses provided to the AG, considered expenditure amounting to Rs 132.20 million as eligible expenditure. It was advised to submit a separate claim for Rs 256.80 million (@ 75% of (Rs 210.20 million+ Rs 132.20 million)) to CAAA who will forward this to the Bank office in Chennai for disbursement purposes. For audit disallowance of Rs 94.60 million for FY 2010-11, which is not yet recertified by the auditor, the mission informed the project that it will be adjusted from the next reimbursement claim filed by the project. In case these amounts are recertified in the future, it can be claimed as eligible expenditure.

Staffing: As was in the previous mission the Assistant Finance Controller continues to hold additional charge of the Controller Finance. The position of a dedicated Chartered Accountant (CA) handling the financial management aspect of the project remains vacant since April 2012. Due to project nearing completion, the process of hiring of any new staff is not being initiated. In the interim, to facilitate the preparation of the FMR, the project has engaged the services of a CA on contractual basis. It was advised that for financial management to function smoothly on the project, continuity in the services of finance staff is important and required.

Internal Audit: The project shared the internal audit report dated January 20, 2012 for the second half of the financial year 2010-11 (October-March 2011). The report was reviewed during the mission and it was noted that in some of the divisions the compliance of the IT policy is weak. For Eg: In Amritsar, Ludhiana and Ferozpur division the security system to avoid alteration of entry in back date needs further strengthening. The audit report for the first half of the financial year 2011-12 (April-September 2012) has been received and reviewed by the project and audit for second half of the financial year 2011-12 (October-March 2012) will be completed shortly. It was advised to share the audit report for FY 2011-12 with the Bank.

External Audit: The submission of the audit report for FY 2010-11 was timely. For audit report for FY 11-12 the mission team emphasized the need for early finalization of accounts and its timely submission to auditors for their review and issuance of audit report. In case, it is anticipated that there will be any delay in submitting the project's audited financial statements to the Bank by September 30 2012, the project was requested to advise Bank soon as possible so that the matter may be discussed and requisite assistance may be provided, wherever possible.

Results Monitoring Indicators

Project Outcome Indicators	Baseline (Nov 2006)	MTR Target Value (YR3)	Current Value (year 2011)	Remarks	
Average network speed (kmph)	33.5	39	43	Average network speed on entire State Road network, reporting as per midterm surveys for Project Indicators.	
Reduction in VOC (%)	0%	6%	a) 19% reduction in VOC achieved on improved road. b) 8% reduction achieved on entire state road network	As per PAD a 20% reduction is to be achieved by end term.	
Maintain number of fatal accidents	2,655	2,655	2462 (Calendar Year upto Sept. 2011)	The no. of fatalities i.e. 2655 pertain to year 2003, for year 2006 the fatalities were 3060. For the calendar year 2011 (upto Sept.) the fatalities were 2462.	
User Satisfaction	61.11% (Baseline survey undertaken in year 2009)	-	63.33% (Mid-term survey undertaken in 2010 and reported in 2011)	As per the Survey Report, the overall Road User Satisfaction has shown slight improvement.	
Efficiency of Road Agency (PWD, PRBDB)	60.27% (Baseline survey undertaken in year 2009)	-	63.27% (Mid-term survey undertaken in year 2010 and reported in 2011)	As per the Survey Report, in popular perception, the Efficiency of PWD has marginally increased.	
Results Indicators for Each Component					
Component 1: About 1,050 km of roads rehabilitated, resurfaced and maintained (km)	-	-	550 km	640 km	All Phase –I works stand completed.
Reduction in IRI	-	6.9	5.3	2.6m/Km	The IRI has shown marked improvement on the Project Roads.

Reduction of network in poor and bad condition	52%	25%	4%	The Project Road network has shown improvement during Mid Term survey.
Component 2: Routine and periodic maintenance fully funded during the project period; training program	INR 750 Million	INR 2200 Million	-	Under 3054 (Non-Plan), the State budget is likely to be introduced/passed in June 2012.
About 250 km of roads maintained through performance based contracts	0	100	0	Bids received on 26 th April 2012. Bid Evaluation in progress.
Department wide computerization and use of integrated systems for planning, management, financial accounting, monitoring	Partial	Full computerization	Not yet done	The PMC has submitted Phase – I ‘deliverables’ which are under review.

Governance and Anti-corruption Action Plan: Implementation Status**Disclosure of information**

Topics	Documents to be disclosed	Status
Procurement	The overall project Procurement Plan	Uploaded on PRBDB website and updated regularly
	All bid invitations and related documents (SPN, Expression of Interest, Letter of Interest)	Uploaded on PRBDB website as well as on UNDB online / dg market
	All Contracts awarded for consultancy services and for Rehabilitation, Up-gradation and Maintenance of Roads awarded on ICB/NCB or any other method of procurement.	Required to be uploaded on PRBDB website.
Financial Management	Project Financing Plans	Uploaded on PRBDB website
	Budgetary allocation for the project	Uploaded on PRBDB website
	Expenditure Statement	Uploaded on PRBDB website by the way of QPR & the Audited Financial Statements of PSRSP
Safeguards	R & R Policy translated in Punjabi and Hindi	Uploaded on PRBDB website and World Bank's infoshop, kept in DC's Office, Gram Panchayat Offices, PWD field divisions and distributed among PAPs.
	Corridor specific RAPs.	Uploaded on PRBDB website and World Bank's infoshop, kept in DC's Office, State & District Libraries, Block Development Office, Tehsil & Panchayat office and PWD field divisions.
	Information regarding impacts and entitlements	Uploaded on PRBDB website. List of PAPs with impacts and entitlements pasted in the village panchayat offices and also at public info kiosks at sites.
	NGO's monthly progress report. This report should contain. Extent of land and other immovable properties acquired. ID cards distributed to number of PAPs. ID cards distributed to number of PAPs. Number of joint accounts opened. Compensation disbursed to number of title holder PAPs. Assistance disbursed to number of titleholder and non-titleholder PAPs. Training imparted to number of PAPs for income restoration. Number of cases registered with Grievance Redressal Committee and cases redressed. Number of awareness generation camps held for HIV/AIDS and road safety.	All reports uploaded on PRBDB website pertaining to Implementation and Evaluation of RAP and awareness generation on HIV/AIDS
	Disclosures of grievance redress process	Grievance Redressal Process forms a part of the R&R Policy and thus stands disclosed.
	Advance intimation of planned consultation	Intimated to the PAPs only
	Details of consultation carried out (listing of date/venue/participants in generic name e.g. panchayat representatives, photographs, and brief summary of suggestions accepted/adopted.)	Disclosed in Public Information Kiosks, Field PWD divisions, to individuals and Panchayats and disclosed in PRBDB website also.
Environment Management	EA Summary	Uploaded on PRBDB website and World Bank's info-shop, kept in State & District Libraries, Construction sites/campus, PWD field divisions and information kiosks.
	Environment Screening & Scoping Report	

	Corridor specific EMPs	
	Quarterly Status Report	Through Quarterly Progress Report, uploaded on PRBDB website.
Engineering	List of roads proposed to be undertaken clearly indicating start and end points of the contract.	Uploaded on PRBDB website and available with PWD field divisions.
	Proposed works/treatment giving details of widening, bypasses, junction improvement, drainage, traffic safety feature including proposed cross section and strip plan depicting major features etc.	Available in Public Information Kiosks
	Physical and Financial progress of each contract to be updated quarterly.	Uploaded on PRBDB website by the way of QPRs. However this is not being printed in any print media.
	Contract details of the concerned division, PRBDB, contractors and consultants.	Uploaded on PRBDB website and displayed on the display boards at the sites.
	Construction program with milestones and completion dates	Being submitted by the Contractor and relevant information being put in the information kiosks at work sites.
Institutional Development Strategy	Long Term Strategy for Road Sector by MTR	Final Report uploaded on the website.
	RMF Report	Road Maintenance Fund (RMF) and the Technical Secretariat with-in PRBDB, for management of same has been established.
	State of the network report	Baseline survey data uploaded on the website.
	User satisfaction surveys	Midterm surveys have been conducted and reported .Final surveys are scheduled to be started in Jan'2013
	Project outcome & output indicators.	Mid-term survey completed and report under review.

Action Plan to Increase Oversight

Transparency/ Disclosure Aspect	Action to be taken	Status
To facilitate CSO	Oversight, of procurement process and the implementation, shall be encouraged and facilitated, by inviting independent observers from local universities or other independent institutions.	Attempted but not succeeded fully due to poor response from educational institutes.
	The project will pilot use of CSO during the construction of roads.	Can be attempted in Phase II.

Action Plan to Manage Conflicts, Suggestions and Grievances

Transparency/ Disclosure Aspect	Action to be taken	Status
A system needs to be developed to handle comments, suggestions and grievances with clearly defined responsibilities and procedures.	A comments, suggestions and grievances handling system, which includes maintaining a project log and filing to monitor status of follow up of each received comments, suggestions and grievances, will be established by the PRBDB and the Bank. The mechanisms will include provision for follow up investigations of substantial complaints by the internal Auditors, or third party audit to ensure independency and reliability of the system.	PRBDB has a link on its website wherein all the complaints / suggestions / grievances can be logged. These are monitored regularly. In addition, all the information on comments, suggestions and grievances is also made available through Monthly & Quarterly Progress Reports.
	A comments, suggestions and grievances handling component will be included at the PRBDB web site; http://prbdb.gov.in/ .	The PRBDB has a complaints link on its website which logs the comments, suggestions and grievances as and when received concerning the project. However, there is no provision to lodge a complaint or a grievance directly from the website.
	A policy describing incentives and sanctions will be developed and publicized.	Not done yet
	Tracking of the status of investigations and measures taken will be reported in monthly reports to management and the Bank. Complaints deemed possible serious infringements may be further investigated by the Bank.	The current status of investigations and measures taken are routinely reflected in Monthly & Quarterly Progress Reports.

Procurement - Risk Management Action Plan

Observation Head	Agreed Action	Status
Lack of clarity on Public Procurement Processes	GOP will arrange for adequate training on regular basis through dedicated structured modules for the state agencies.	PRBDB regularly sends its officers as well as the officers from PWD for training with reputed organizations/institutes like NICMAR, NIFM, CRRI, IIT, Administrative Staff College of India and NITHIE on a yearly basis to strengthen the expertise of its officers on implementation aspects related to the project. Some of these institutes also provide structured modules of training as requested by PRBDB.
Deficient Planning Monitoring, Evaluation and Reporting with respect to Projects.	Provide structured training to the officials through reputed Institutions and improve the monitoring and reporting of the projects for stricter and proper coordination of project related procurement.	
Weak Implementation	Provide structured training to strengthen the departmental expertise on implementation aspects and develop procedures and formats for pre-audit by the supervising officials to obviate slippages on contractual matters.	PRBDB regularly invites eminent speakers from across the nation to deliver lectures on Contract Management, World Bank guidelines and Procedures, OPRC etc. This helps the officers to strengthen the contractual expertise and iron out any deficiencies in the understanding of the contractual clauses.

Non transparency in decision making since the decision making is generally individual centric	To develop systems and procurement procedures consistent with international best practices, engaging renowned experts. Ensure oversight of independent observers during bid evaluation process and civil society during implementation phase of the projects as confidence building measures, in addition to an elaborate disclosure policy and compliance to RTI Act, 2005.	A Tender Evaluation Committee (consisting of 5 members) and a Tender Acceptance Committee (Consisting of 2 members) has been formed to streamline the procurement. All the information regarding the procurement is uploaded on the PRBDB website and dgMarket as soon as it is available.
Weak Implementation Audit and Vigilance follow up	The pending audit and vigilance cases to be pursued to conclusion and future cases to be closely monitored and followed-up with a time-frame for response and compliance.	Every audit observation by the AG/other audit agencies is attended to and disposed of promptly in PRBDB.
Inadequate Record keeping	PRBDB will maintain all records duly catalogued and indexed in a manner and the form which facilitates the Right to Information under the RTI Act, 2005 and ensure that all records that are appropriate to be computerized are, within a reasonable time and subject to availability of resources, computerized and connected through a network all over the state on different systems so that access to such records is facilitated.	The records and files related to the project are catalogued and indexed and each project manager looking after respective consultancies is responsible for its proper upkeep so that these are available as and when required by any agency or under RTI.