



India: North Eastern Region Capital Cities Development Investment Program - Tranche 2

Project Name	North Eastern Region Capital Cities Development Investment Program - Tranche 2
Project Number	35290-033
Country	India
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	<p>Loan 2834-IND: North Eastern Region Capital Cities Development Investment Program - Tranche 2</p> <p>Ordinary capital resources US\$ 60.00 million</p>
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development
Sector / Subsector	Water and other urban infrastructure and services - Urban policy, institutional and capacity development - Urban sewerage - Urban solid waste management - Urban water supply
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The Program assists the North Eastern states in achieving improved environment and well-being of urban residents in Agartala, Aizawl, Gangtok, Kohima and Shillong. Tranche 2 of the Program continues to support physical improvement of urban infrastructure in water supply systems, sewerage and sanitation systems, and solid waste management in these cities. Tranche 2 will also support the program cities to achieve improved urban governance and financing, municipal financial reform, improved service delivery and improved capacity to manage the Investment Program in Aizawl, Gangtok, and Kohima.
Project Rationale and Linkage to Country/Regional Strategy	A core objective of the 11th Five-Year Plan (2007-2012) of the Government is reducing regional disparities. Investments in infrastructure and services in the North Eastern Region (NER), one of India's less-developed regions, are priority. The 10th and 11th plans highlight the vital role of capital cities in NER's socioeconomic transformation. Given the difficult access to and remoteness of NER, the capital cities perform a function of a much higher order than other cities of similar size in India. With the opening up of trade with neighboring countries and the emergence of transport corridors in the region, these cities are expected to play an even greater strategic role in NER's economy as commercial and business hubs besides being administrative centers. Investments in urban infrastructure and services will be the key to unleashing the potential of these cities to catalyze the growth of NER. The 11th plan also stresses the importance of improving the quality of governance and service delivery systems, to pace NER's development. NERCCDIP, as well as the sector road maps from which it is derived, is guided by this policy framework. Its aim is to contribute to the Government's goal of bringing the NER up to par with developed regions of India. The Program links capital investments to reforms for sustainable impact. It targets the capital cities that will spearhead the development of NER linking India to the neighboring states.
Impact	Sustainable urban services in 5 program cities

Project Outcome

Description of Outcome	Improved access to selected urban services in 5 program cities
Progress Toward Outcome	Most of the contracts have been awarded and physical works are in various stages of implementation. Target outcome is yet to be realized.

Implementation Progress

Description of Project Outputs	<ul style="list-style-type: none"> (i) Constructed and rehabilitated water supply infrastructure (ii) Constructed sanitation infrastructure (iii) Constructed and installed SWM infrastructure (iv) Strengthened local government for better financial management and sustainable service delivery (v) Efficient Project Management Unit (PMU) operational
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Water Supply, Solid Waste Management and Sanitation: Most of the contracts for civil works and goods under Tranche 2 were awarded in 2012-2014. Total cumulative contract awards stand at around \$55.84 million or 93% while cumulative disbursements stand at \$26.37 million or 43% of the loan amount. Physical works in all five states are on various stages of implementation.</p> <p>Water Supply:</p> <p>Agartala</p> <ul style="list-style-type: none"> - Water treatment plants improved: 91.5% physical progress; - Reservoirs improved: 86% physical progress; - Primary pipelines improved: 49 km., 83% physical progress; - Secondary pipelines improved: 205 km achieved, 88% physical progress; - Bulk meter installed: 29 nos., 47% physical progress; - Household connection: to start after distribution network. <p>Aizawl</p> <ul style="list-style-type: none"> - Reservoirs replaced: 3 completed; - Pipelines improved: 60 km, 56% physical progress; - Bulk meter installed: 55 nos., 65% physical progress; - Household connections installed: completed; - Household meters: completed; - Substation: ongoing, 38% physical progress; - 2 booster pumps: completed. <p>Gangtok</p> <ul style="list-style-type: none"> - Reservoirs replaced: 3 commissioned, 90% physical Progress; - Pipelines improved: 100 kms., 84% physical progress; - Installation of bulk meters, household meters and household connections and will start after completion of distribution network. <p>Kohima</p> <ul style="list-style-type: none"> - Pipelines improved: 119 kms., 37% physical progress; - Tendering and installation of bulk meter, household meters and household connections will start after significant completion of distribution network. <p>Solid Waste Management</p> <p>Gangtok</p> <ul style="list-style-type: none"> - Landfill site: ongoing, 95% physical progress; - Household bins: completed; - Equipment: completed. <p>Shillong</p> <ul style="list-style-type: none"> - Household bins: completed; - Equipment: completed. <p>Sanitation</p> <p>Aizawl</p> <ul style="list-style-type: none"> - Sewage Treatment Plant (STP): ongoing, 78% physical progress; - Approach road STP/site development: ongoing, 95% physical progress; - Sewerage network: 14 km, 30% physical progress; - Household connections: to start after completion of sewage network; - Community toilets: completed; - Cesspool cleaner: completed. <p>Strengthened local government, financial management and sustainable service delivery: Reforms are in progress in 3 states, with support from institutional development consultants.</p> <p>Aizawl</p> <ul style="list-style-type: none"> - ULB reconstituted; DEAS initiated in 2008 with computers; transfer of operation from SG to AMC; GUS vender appointed; MSW transferred to AMC; OJT ongoing. Unit Area based Property Tax introduced from 1.6.2015 <p>Gangtok</p> <ul style="list-style-type: none"> - Dialogue with the government agencies initiated; GIS completed; DEAS instituted; Property Tax scheme to be ratified by legal assembly. <p>Kohima</p> <ul style="list-style-type: none"> - Dialogue with the government agencies initiated. GIS in hand. DEAS in progress. Property Tax under consideration. <p>Project Management Unit: Formed in all 5 states and is functioning efficiently.</p>
Geographical Location	
Safeguard Categories	
Environment	B
Involuntary Resettlement	B

Summary of Environmental and Social Aspects

Environmental Aspects	The Program plans to achieve sustainable urban development in the Project Cities of Agartala, Aizawl, Kohima, Gangtok and Shillong through investments in urban infrastructure sectors. The urban infrastructure and services improvement is proposed in the following sectors (i) water supply, (ii) sewerage and sanitation, and (iii) solid waste management. Initial environmental examinations (IEEs) were prepared for Tranche 2 subprojects in compliance with Government of India rules and ADB's Safeguards Policy Statement (SPS, 2009).
Involuntary Resettlement	All subprojects were appraised and no significant resettlement impacts are anticipated. The Program plans to achieve sustainable urban development in the Project Cities of Agartala, Aizawl, Kohima, Gangtok and Shillong through investments in urban infrastructure sectors. Four Resettlement Plans (RPs) were prepared for Tranche 2 subprojects in compliance with Government of India laws and ADB's Safeguards Policy Statement (SPS, 2009).
Indigenous Peoples	The Program is prepared in accordance with ADB's Safeguards Policy Statement (SPS, 2009) and the Indigenous Peoples Planning Framework (IPPF). Meaningful consultations will continue during implementation to ensure awareness and participation of the project communities.

Stakeholder Communication, Participation, and Consultation

During Project Design	Stakeholders were involved in developing the IEEs through face-to-face discussions and on-site public meetings in five cities. Resettlement plans were prepared in consultation with stakeholders during the Tranche 2 subprojects preparation. Local language versions of subproject resettlement plans will be made available in relevant government agencies in each town, and in State Investment Program Management and Implementation Unit (SIPMIU). Tranche 2 subproject resettlement plans (draft and final versions) will be disclosed on ADB's website and the SIPMIU websites.
During Project Implementation	Information dissemination and consultation will continue throughout Investment Program implementation. The SIPMIUs will ensure the consultation process is continued and expanded during Investment Program implementation to ensure that stakeholders participate fully in subproject execution.

Business Opportunities

Consulting Services	Procurement of all the goods and services under the Project will be carried out in accordance with ADB's Procurement Guidelines (2010, as amended from time to time). Consultants will be engaged in accordance with the Guidelines on the Use of Consultants by ADB and its Borrowers (2010, as amended from time to time) following the Quality Cost Based Selection procedures. Tranche 2 will also continue to fund the earlier engaged loan consultants for the period and works covered under Tranche 2.
Procurement	The procurement of works and consulting services will be in accordance with ADB's Procurement Guidelines (2010, as amended from time to time) and ADB's Guidelines on the Use of Consultants (2010, as amended from time to time), respectively. These will follow the substantive procedures and modes as agreed for Tranche 1 and further detailed under the Procurement Plan for Tranche 2.

Responsible Staff

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Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	16 Dec 2011
Last Review Mission	-
Last PDS Update	21 Mar 2017

Loan 2834-IND

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
16 Dec 2011	19 Nov 2012	19 Feb 2013	30 Jun 2016	30 Jun 2018	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	90.94	Cumulative Contract Awards			
ADB	60.00	16 Dec 2011	58.27	0.00	97%
Counterpart	30.94	Cumulative Disbursements			
Cofinancing	0.00	16 Dec 2011	26.68	0.00	44%

Project Page	https://www.adb.org/projects/35290-033/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=35290-033
Date Generated	12 April 2017

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