

[Draft] Facility Administration Manual

Project Number: IND-P42265
Facility Number: M
Loan Number: L
September 2011

India: Proposed Multitranches Financing Facility for
Assam Urban Infrastructure Investment Program

TABLE OF CONTENTS

- I. FACILITY DESCRIPTION
 - A. Summary of Investment Program’s Rationale, Location and Beneficiaries
 - B. Impact, Outcome and Outputs
- II. IMPLEMENTATION PLAN
 - A. Overall Implementation and Tranche 1 Processing and Utilization Plan
 - B. Project Readiness
- III. PROJECT MANAGEMENT ARRANGEMENTS
 - A. Project Stakeholders – Roles and Responsibilities of Sponsors, Stakeholders and External Agencies
 - B. Implementation Arrangements
 - C. Key Persons Involved in Implementation
 - D. Project Selection Criteria and Approval
- IV. COST ESTIMATES AND FINANCING PLAN
 - A. Allocation of Loan Proceeds of the Program
 - B. Contract and Disbursement S-Curve
 - C. Fund Flow Diagram
- V. FINANCIAL MANAGEMENT
 - A. Financial Management Assessment of AUIP PMU
 - B. Financial Management Assessment of the Two ULBs
 - C. Financial Management Assessment of GMDA
 - D. Disbursement
 - E. Accounting
 - F. Auditing
- VI. PROCUREMENT AND CONSULTING SERVICES
 - A. Advance Contracting and Retroactive Financing
 - B. Procurement of Works, Goods and Consulting Services
 - C. Procurement Plan
 - D. Consultant’s Terms of Reference
- VII. SAFEGUARDS
- VIII. GENDER AND SOCIAL DIMENSIONS
- IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION
 - A. Project Design and Monitoring Framework
 - B. Monitoring
 - C. Evaluation
 - D. Reporting
 - E. Stakeholder Communication Strategy
- X. ANTICORRUPTION POLICY
- XI. ACCOUNTABILITY MECHANISM
- XII. RECORD OF FAM CHANGES

APPENDIXES

1. Overall Implementation and Tranche 1 Processing and Utilization Plan
2. Organization Chart
3. Detailed Cost Estimates and Financing Plan
4. Allocation of Loan Proceeds of the Program
5. Procurement Plan
6. Consultant's Terms of Reference
7. Terms of Reference for a Firm of Project Management Consultants
8. Draft Outline and Detailed Terms of Reference for Consulting Services for Community Mobilization, Performance Monitoring, and Resettlement Planning NGO
9. Gender Action Plan for Tranche 1
10. Project Design and Monitoring Framework
11. Consultation and Participation Strategy
12. Key ADB Documents Pertaining to Project Implementation
13. Format of Quarterly Progress Report
14. Framework and Guidelines in Calculating Project Progress

Facility Administration Manual Purpose and Process

The Facility Administration Manual (FAM) describes the essential administrative and management requirements to manage the multitranche financing facility (the facility) and implement the project on time, within budget, and in accordance with the Government of India and Asian Development Bank (ADB) policies and procedures. The FAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the FAM.

The executing and implementing agencies are wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the Government of India and ADB's policies and procedures. ADB staff is responsible to support implementation, including compliance by executing and implementing agencies, of their obligations and responsibilities for facility management and project implementation in accordance with ADB's policies and procedures.

At Loan Negotiations the borrower and ADB shall agree to the FAM and ensure consistency with the loan and project agreements. Such agreement shall be reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the FAM and the loan or project agreements, the provisions of the loan agreement shall prevail.

After ADB Board approval of the facility's Report and Recommendations of the President (RRP) changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government of India and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the FAM.

Abbreviations

ADB	=	Asian Development Bank
AFS	=	Audited Financial Statements
AUWSSB		Assam Urban Water Supply and Sewerage Board
DMF	=	Design and Monitoring Framework
DSC	=	Design and Supervision Consultant
EARF	=	Environmental Assessment and Review Framework
EIA	=	Environmental Impact Assessment
FAM	=	Facility Administration Manual
ESMS	=	Environmental and Social Management System
GAP	=	Gender Action Plan
GMDA		Guwahati Metropolitan Development Authority
GMWSSB		Guwahati Metropolitan Water Supply and Sewerage Board
ICB	=	International Competitive Bidding
IPPF	=	Indigenous People Planning Framework
NCB	=	National Competitive Bidding
NGOs	=	Non Government Organizations
O&M	=	Operations and Maintenance
PIU	=	Project Implementation Unit
PMC	=	Program Management Consultant/Project Management Consultant
PMU	=	Program/Project Management Unit
QBS	=	Quality Based Selection
QCBS	=	Quality- and Cost Based Selection
RRP	=	Report and Recommendation of the President to the Board
SAR	=	Subproject Appraisal Report
SBD	=	Standard Bidding Documents
SGIA	=	Second Generation Imprest Accounts
SOE	=	Statement of Expenditure
TOR	=	Terms of Reference
ULB	=	Urban Local Bodies

I. FACILITY DESCRIPTION

A. Summary of Investment Program's Rationale, Location and Beneficiaries

1. Both Guwahati, the largest and capital city of Assam with a population of more than 1.0 million, and Dibrugarh, the second largest city with a population of about 120,000 are located on the banks of Brahmaputra River. Currently, only 30% of the population in Guwahati has access to piped water supply.¹ According to the water supply detailed project report (DPR) (2008), the city has been divided into four water supply zones; one north of the Brahmaputra River and three to the south. In south Guwahati, the west zone is being financed under Jawaharlal Nehru National Renewal Mission (JNNURM), the central and north zones by Japan International Cooperation Agency (JICA). Likewise, the sewerage treatment DPR (2008), also divided Guwahati into three main sewerage catchments: one on the north side of the Brahmaputra River and two on the south, the latter comprising roughly the water supply west zone and the central and east water supply zones. The ADB financed Facility will augment the water supply and sewerage services in the south-eastern zone extending over 15 municipal wards.

B. Impact, Outcome, and Outputs

2. The impact of the investment program will be an improved access to water supply, sanitation, and urban infrastructure facilities by urban population in Guwahati and Dibrugarh. The expected outcome will be improved and sustainable water supply, sanitation, and urban transport system in Guwahati and Dibrugarh. The investment program will help India achieve the Millennium Development Goals on environment sustainability and increased access to safe drinking water and basic sanitation. An integrated and holistic approach is being designed under which six outputs will be delivered. The two tranches under the MFF will be implemented in 6 years from 2012 to 2017.²

3. To improve the urban environment, an integrated and holistic approach is being designed under which the following six outputs will be delivered.

4. **Output 1: Improved water supply infrastructure (Guwahati).** Investments will be aimed at providing improved quality and regular 24 hours a day water supply to about 300,000 residents in the south-eastern zone of Guwahati.³ This will involve expanding water production capacity through water intake works, an 88 million liters per day (MLD) water treatment plant, clear water pumping and primary transmission mains, new distribution systems, six service reservoirs, and machinery; installing bulk and consumer meters,⁴ and reducing non-revenue water (NRW) to below the Ministry of Urban Development's (MOUD's) benchmark of 20%. The

¹ The existing water supply systems of Guwahati are operated and managed by Guwahati Municipal Corporation (GMC), PHED, Oil Refineries/Railways/MES through their small individual plants. These agencies all use Brahmaputra River as the main source of water and all of them have their own floating barge intake points.

² For indication, tranche 1 will include the Guwahati water supply subproject (phase 1) river intake, water treatment plant, service reservoirs; preparatory works for the BRT subproject; solid waste management; and drainage improvement. Tranche 2 will include water distribution networks extending for 230 kilometers, consumer meters, a sewerage treatment plant and trunk sewers, 200 kilometers of sewerage network and house-to-house connections, the BRT corridor, and second phase drainage improvement.

³ The Guwahati water supply subproject ensures piped water supply 24 hours a day for nearly 300,000 people who presently depend on bore wells and water tankers which would adversely impact the ground water table in the long run and cause negative impacts on the micro-climate of the city. The assured piped water supply to individual houses when the project is completed will reduce wastage of water and transportation of water by tankers and indirectly help climate change in a positive way.

⁴ The installation of meters in the project area will facilitate the move from the current flat rate to volumetric tariffs for water supply.

significant reduction in NRW due to installation of 100% new distribution pipes; and the move from flat to volumetric rate tariffs will result in effective demand management and water conservation. The infrastructure improvements will be supported by awareness campaigns to promote water conservation, sustainability and cost recovery objectives.

5. **Output 2: Improved sewerage infrastructure (Guwahati).** The sewerage and sanitation improvement subproject will address the incremental wastewater generated from the proposed water supply subprojects. It will include the construction of trunk sewers, treatment plant, sewer networks, pumping stations, and maintenance equipment. The infrastructure improvements will be supported by awareness campaigns to promote understanding of the need for better sanitation and gain broad acceptance of higher service rates to cover the operation and maintenance (O&M) costs.

6. **Output 3: Improved Solid Waste Management Infrastructure (Dibrugarh).** Service coverage in Dibrugarh will be increased to more than 80% as a result of improvements in SWM. In support, (i) public awareness campaigns will be launched to promote understanding of the importance of good sanitation and in-house waste collection, segregation, and recycling; and (ii) solid waste collection, transportation, treatment, and disposal will be improved through provision of solid waste equipment, the construction of transfer stations, and the development of sanitary landfill sites and composting plants.

7. **Output 4: Improved Drainage (Dibrugarh).** The existing Dibrugarh Town Protection drain will be improved to increase channel flow by removal of accumulated silt and waste, providing reinforced concrete rectangular channels within the built up area and the enlargement of most of the road culverts, and thus reduce flooding in the city.

8. **Output 5: Improved Urban Transport Infrastructure (Guwahati).** A DPR has been prepared for two BRT corridors, and a third DPR for a BRT scheme in the eastern part of the city is currently being completed. The consultants will assess the three options and recommend the suitable option for ADB financing. The positive benefit of the BRT system subproject is the significant reduction in the GHG and carbon footprint due to reduced use of individual automobiles when an efficient public transit such as BRT is in operation.

9. **Output 6: Facility management and implementation support, community awareness, and program performance monitoring.** This component will provide funding support for costs associated with Facility management and implementation, including equipment, logistics, and the services of consultants to assist the Program Management Unit (PMU) in carrying out detailed design, construction supervision, and related training and capacity building. The detailed design will consider reliable and energy efficient technology that results in cost savings. The community-based activities, which include community outreach program and Program performance monitoring system (PPMS) will be carried by an experienced and capable NGO/Consultant Firm. A Capacity Building Technical Assistance (CDTA)⁵ is being processed separately under a cluster TA.⁶ The main outputs include a (i) blueprint organizational structure for GMWSSB as a ring-fenced and sustainable autonomous entity; (ii) central knowledge centre in the state, from where sector related information and best practices in urban municipal services can be sourced and training provided to ULB staff; (iii)

⁵ See Linked Document No. 16. In ADB's India Country Operations Business Plan 2011-2013, there is an allocation of \$600,000 for this CDTA, sourced from the Government of the United Kingdom's Department for International Development.

⁶ IND-CTA0003: Advance Project Preparedness for Poverty Reduction.

toolkit that can be used to implement public private partnership projects in the provision of urban services in the ULBs; and (iv) management information system for use by ULB managers and state government officials.

10. The Project will be implemented in two tranches over a period of six years and comprises the following subprojects:

1. First Tranche (T-1) Subprojects

- (i) Guwahati Water Supply Subproject (Phase 1) - River Intake, Water Treatment Plant (including site filling and river protection works), Pumping Mains, and Service Reservoirs;
- (ii) Dibrugarh Drainage Subproject (Phase 1) – Rehabilitation of Dibrugarh town protection (DTP) drain with road culvert replacements and flood relief culverts; and reconstruction of sluice gates;
- (iii) Dibrugarh Solid Waste Subproject - comprising of (a) equipment and vehicles and (b) solid waste treatment and disposal site development;
- (iv) Guwahati BRT Subprojects - Preparation of DPR and proposed implementation plan

2. Second Tranche (T-2) Subprojects

- (i) Guwahati Water Supply Subproject (Phase 2) – South Guwahati – East Zone distribution pipelines and consumer water meters;
- (ii) Guwahati Sewerage Subproject – Zone 1A (South East) (Sewage treatment plant and sewer networks to serve Guwahati 1A South East);
- (iii) Guwahati Transportation – BRT Corridor Sub-Project;
- (iv) Dibrugarh Drainage Subproject (Phase 2) – Reconstruction of Main outlet channel rehabilitation and allied works and secondary drainage development.

II. IMPLEMENTATION PLAN

A. Overall implementation and Tranche 1 processing and utilization plan

11. The overall program implementation plan and the indicative Tranche 1 processing and utilization plan are in **Appendix 1**.

B. Project Readiness

12. The project management consultant recruitment is in progress and expected recruitment by January 2012. **Table 1** below indicates the progress as of June 2011 of the recruitment of a project management consultant (PMC) and a design and supervision consultant (DSC). The state of project preparedness of the executing agency is shown in **Table 2**.

Table 1: Action Plan for Selection of PMC and DSC Firms

Action	Date
Preparation of EOI and submission to ADB by the Government of Assam	Completed
ADB approves EOI	Completed
EOI issued	Completed
EOI received	Completed

Shortlist sent to ADB with RFP	Completed
ADB approves shortlist and RFP	Completed
RFP issued	8 July 2011
Proposals received	26 August 2011
Technical evaluation completed and submitted to ADB	September 2011
ADB approves technical evaluation	September 2011
Financial evaluation completed and submitted to ADB	October 2011
ADB approves financial evaluation	October 2011
Contract negotiations	November 2011
Contract signing	December 2011
Mobilization of consultants	January 2012

ADB= Asian Development Bank, DSC = Design Supervision Consultant, EOI = Expression of Interest, PMC = Project Management Consultant, RFP = Request for proposal.

Source: Asian Development Bank.

Table 2. Project Readiness Checklist (September 2011)

SN	Action Points	Responsible agency	Status (as of 01 September 2011)	Actions Required
Milestone 1: Before loan Fact-Finding Mission				
1.1	PPTA, if any, substantially completed	ADB/executing agency	Small scale PPTA will be completed in September 2011	None
1.2	Feasibility study report and preliminary design completed	ADB/executing agency	Completed	None
Milestone 2: Before loan Appraisal Mission of ADB (May 2011)				
2.1	Concurrence of the line Ministry / Competent Authority	Line Ministry / DEA	Completed	None
2.2	Approval under FRBM Act from Department of Expenditure	State Government	Completed	None
2.3	Approval of Government of India guarantee by Budget Division, if required	DEA	Not Required	None
2.4	Commitment to provide counterpart funds	Executing agency	Completed	None
2.5	Budgeting for at least 30% of land acquisition and resettlement requirements completed, if any	Executing agency	Completed	None
2.6	Designation of PMU/PIUs staff completed and core staff for the Project assigned	Executing agency	Office order for PMU constitution issued	Designation of staff for PMU and PIUs to be done by September 2011
2.7	Procurement Plan for the Project detailing contract packages, modes of procurement, prerequisites for awarding the contracts, approval flow chart,	ADB/Executing agency	Completed	None

SN	Action Points	Responsible agency	Status (as of 01 September 2011)	Actions Required
	decision making structure and schedule for each contract in place			
2.8	TOR for all consultancy contracts including Project Management consultants, shortlist of consultants/consultant firms and documents for prequalification of contractors are prepared and approval/reviewed by ADB	ADB/Executing agency	Completed	None
2.9	EMP for the first two years of Project implementation be finalized. Complete IEE/EIA and secure ADB approval	ADB/Executing agency	Completed and uploaded on ADB and executing agency website after necessary approvals	None
2.10	Resettlement Plan for the first two years of the Project implementation should be finalized and confirmation regarding relief and resettlement activities is aligned with the Procurement Plan be conveyed	ADB/Executing agency	Completed and uploaded on ADB and executing agency website after necessary approvals	None
Milestone 3: Before loan negotiations (01 September 2011)				
3.1	Bidding documents for all contracts, including criteria for consultant recruitment and procurement, to be awarded during first 12 months of Project implementation should be prepared, approved and issued. Issue of RFP for consultants and calling of bids for civil works	ADB/Executing agency	Draft Bid Documents for first package prepared and send to ADB for approval. Proposals have been received for PMC and DSC consultants.	IFB to be issued for first package after approval from ADB
3.2	Project Implementation Plan/ Administration Manual/ Memorandum covering scope, organization and its TOR, procurement, budgeting, disbursement, reporting and auditing arrangements finalized	ADB/Executing agency	FAM/PAM prepared and reviewed	To be finalized and agreed
3.3	At least 50% of land acquisition (if required) to be completed	Executing agency	More than 50% of Land required for the Project is under possession and the balance land to be acquired has been identified and	Remaining land acquisition to be done by October 2011

SN	Action Points	Responsible agency	Status (as of 01 September 2011)	Actions Required
			details collected	
3.4	Establish (a) financial management system (b) auditing arrangements (c) fund flow arrangements (d) system oversight	ADB/Executing agency	FMS/auditing arrangement/funds flow arrangements prepared and reviewed. The budgetary provision for the project has been made by the state Government in the current FY with an initial allocation of Rs 323.10 million.	To be implemented after approvals
3.5	All Statutory clearances such as environmental/forest clearances to be in place	Executing agency	Details for necessary clearances collected and applications made.	Clearances to be obtained by October 2011
3.6	Administrative clearances for temporary use of land (i.e. rights-of-way) taken	Executing agency	Completed.	None.
3.7	Administrative approval for shifting of utilities taken	Executing agency	Details for shifting of utilities collected	Administrative approvals to be obtained by October 2011
3.8	At least 30% of tendering work should be completed for bidding	Executing agency	Bids for more than 30% of works prepared and sent to ADB for approval.	IFB shall be issued after approval by ADB.
3.9	Provision of budget for Project implementation in the first year	Executing agency	Completed as indicated in para. 3.4 above.	None
Milestone 4: Before loan signing (November 2011)				
4.1	Award of contracts for consultancy services to be completed and at least 30% of contracts for civil works to be awarded within a month after loan signing	ADB/Executing agency	Action not due.	None
Milestone 5: Before loan effectiveness (December 2011)				
5.1	Dedicated PIUs to be established, if need be.	Executing agency	Action not due.	None
5.2	Legal opinion taken	ADB/Executing agency	Action not due.	None

ADB = Asian Development Bank, DEA = Department of Economic Affairs, EIA = environmental impact assessment, EMP = Environmental Management Plan, EOI = expression of interest, FMS = Financial Management System, FRBM = Fiscal Responsibility and Budget Management, FY = Fiscal Year, IEE = initial environmental examination, IFB = invitation for bid, MOUD = Ministry of Urban Development, PIU = Project Implementation Unit, PMU = Program Management Unit, S-PPTA = small-scale project preparatory technical assistance, RFP = Request for proposal, TOR = terms of reference.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Stakeholders – Roles and Responsibilities of Sponsors, Stakeholders and External Agencies

(i) Sponsors:

- Ministry of Finance (MOF), Department of Economic Affairs, Government of India

- Guwahati Development Department of the Government of Assam as the executing agency
 - Asian Development Bank (ADB)
- (ii) **Stakeholders:**
- All Implementing Agencies and City Municipal Corporation/Board of Guwahati and Dibrugarh

B. Implementation Arrangements

13. The Government of Assam's Guwahati Development Department (GDD) will be the executing agency. A Program Management Unit (PMU) will be established to manage the Facility and Investment Program and will initially serve as the Project Management Unit (PMU) to manage the individual Project (except the BRT subproject) through two Project Implementation Units (PIUs), one each in the project towns. The PMU will function as the Implementing Agency for project administration and coordination and monitor all the project implementation activities with a focus on performance and achievement of results. The PMU will manage the Project through two Project Implementation Units, one each in the project towns. The PMU will report to the Empowered Committee (the Committee) of the Government of Assam headed by the Chief Secretary, who will be ultimately responsible for the project results on behalf of Government of Assam.

14. It is anticipated that under Tranche 2, a special purpose vehicle (SPV) will also be established as a 100% government-owned company to implement and later operate the BRT route. As such, it will act as a second PMU dedicated to the BRT subproject. It will be placed under and will report directly to GDD. Its board will be chaired by the Chief Secretary, Government of Assam, and its members will include representatives of all main stakeholders of the subproject. The SPV will be mainly responsible for (i) implementing the restructuring of the BRT corridor; (ii) designing future operations and business models for the BRT system; (iii) conducting negotiations and facilitating consolidation of the existing bus industry to operate the BRT; (iv) procuring all BRT-related equipment such as intelligent transport systems and potential buses; (v) conducting training for bus drivers before the start of operation; and (vi) preparing a communication strategy and conducting media campaign and community awareness. After the project is completed, the SPV will continue to manage, operate and maintain the BRT system. For four years during project implementation and until revenues from BRT operations can finance all SPV recurrent administrative costs, the Government of Assam will finance (i) all salaries of the SPV staff; and (ii) the lease and other recurrent costs for the SPV offices.

15. The PMU will be headed by a full-time Project Director (PD-PMU), who would be a senior Indian Administrative Service (IAS) officer, with due power to make decisions. The PD-PMU will report to the Commissioner and Secretary of GDD. The PMU will be accountable to and provide assistance to the Committee; PMU will be responsible for (i) overall project planning and progress in project implementation and performance monitoring and progress reporting; (ii) overall strategic guidance and budgeting and ensuring compliance with the loan covenants; (iii) bidding, evaluation and award of contracts after obtaining necessary approvals from the Empowered Committee and ADB; (iv) release funds; (v) consolidating payment /reimbursement requests; (vi) submission of the periodic financing requests to the Department of Economic Affairs (DEA); (vii) reporting to ADB on project implementation progress and other matters; (viii) monitoring the overall reform program and compliance with loan covenants; and (ix) exercising supervision over the project consultants and Project Implementation Unit (PIUs). The PMU will

be the primary point of contact for ADB. The PMU should have synergies and coordination mechanism with the PMUs for projects under execution by JICA and JNNURM.

16. The Empowered Committee, chaired by Chief Secretary Government of Assam, will be set up with full delegated authority to represent the State on all project issues. The Committee would be the apex decision making body for the project and will consist of the Secretaries and heads of the departments concerned. Secretary, GDD will function as the convener of the Committee and will be responsible for implementing the recommendations of the Committee. The Committee will meet quarterly, review progress, provide policy guidance, resolve inter-departmental issues affecting project progress and advice on necessary actions particularly as to the scope or cost and reform agenda of the project, and facilitate inter-departmental coordination. The Committee would be responsible for (i) according all sanctions and approvals under the project; (ii) all important decisions of project implementation; and (iii) ensuring timely project implementation.

17. Separate PIU, one each for Dibrugarh and Guwahati will be set up under the PMU for administering the subprojects in the field. The major tasks of PIU will include (i) overall execution and technical supervision of the project activities including day-to-day activities of works by contractors; (ii) approval of the detailed designs of the subprojects; (iii) monitoring work of DSC and effective project implementation; (iv) coordinate with the GMDA and the Dibrugarh Municipal Board (DMB) who will provide oversight and guidance to the PIUs through their respective City Level Committees (CLC) in Guwahati and Dibrugarh.

18. The PIUs will be headed by a senior technical officer and assisted by qualified and experienced officers seconded from ULBs, finance and other line departments. The PIU will be under the direct administrative control of the PMU. These would be also responsible for implementation of awareness campaigns, consultations with affected persons, rehabilitation and resettlement, environmental management, and capacity building and training. The PIU in Guwahati should have synergies and a coordination mechanism with the PIUs for JNNURM and JICA projects.

19. GMDA and DMB will constitute respective (CLCs) in each project town for finalization of scope of works and overseeing the implementation of works and removing various bottlenecks at the local level. The CLCs will (i) assist in planning and programming the project activities; (ii) serve as a coordinating agency to direct the activities of the different line agencies; (iii) serve as a mechanism for ensuring that the public is represented in the project activities; (iv) monitor the project progress and activities; and (v) provide overall subproject guidance.

20. A team of Project Management Consultants (PMC) would be engaged to assist PMU in project management and all technical issues. The primary objective of the PMC will be to build up the PMU capacity on a sustained basis, delineate PMU's method of working, procedures and reporting; assisting the PMU in implementing the urban reforms; oversee work of the Design and Supervision Consultants (DSC); assist the PMU to define and prepare contracts; assist the PMU in designing, contracting, installing and operationalizing systems and procedures as required for the implementation of the project; and establish criteria for supervision, coordination, project management and performance monitoring.

21. Nationally selected Design and Supervision Consultants (DSC) would be engaged to assist PMU and PIUs on technical issues and all PMU and PIU related activities. The DSC would update maps and plans, undertake survey and investigations, update or prepare detailed designs of the various project components for the two cities, prepare technical specifications

and contract documents, assist in construction supervision, quality control and measurement of works under the project. The DSC will report to the concerned PIU head and will work under the overall guidance, technical control and direction of the Project Director at the PMU and the PMC.

22. The project management organization chart is in **Appendix 2**. For overall management of all activities of the project and the Facility, a state-level PMU has been established. A matrix of roles and responsibilities of key stake holders in the Project is shown in **Table 3**.

Table 3: Project stakeholders

Project Stakeholders	Management Roles and Responsibilities
Executing Agency	<ul style="list-style-type: none"> Establish an imprest account in a current account, with a commercial bank acceptable to ADB; Management and replenishment of accounts; Organize audits of the accounts by chartered accountants or independent auditor acceptable to ADB; Establish a PMU headed by a full time Project Director, who will be a senior Indian Administrative Service (IAS) officer, with due powers to make decisions on facility administration, loan disbursement, accounts maintenance, and reporting to ADB; Carry out consultant service recruitment; Liaise with ADB to address any implementation issues; Prepare the quarterly, 6 monthly and annual progress reports based on the information submitted by PMU; Establish an investment program PPMS within 3 months of the signing of the PFR including a set of clearly measurable performance monitoring indicators relating to implementation, improvements, institutional development, and capacity building milestones including those in the DMF. Implement the approval procedure for proposed subprojects; Assign adequate staff to the PMU to implement the environmental and social management system (ESMS) and approval procedure for proposed subprojects; Monitor progress of subprojects in line with subproject proposals; Monitor implementation of the Facility in line with the PPMS; Ensure implementation of funds flow and disbursement requirements to eligible subprojects; Ensure auditing of loan proceeds and maintenance of accounts; Obtain and provide to ADB all disbursement-related documentation and develop projects of high quality and as per subproject selection criteria submitted to ADB Procurement of good and works; Monitoring of the civil works and other works of the contractors; Ensure adequate counterpart funds; Submit quarterly progress reports to the ADB and Government of India; Provide support to the Empowered Committee and ADB missions; Submit either certified by the finance department of the implementing agency or independent accounted certified financial statements to claim disbursements along with engineer's certificate; Provide adequate staff for project implementation and supervision;
ADB	<ul style="list-style-type: none"> Provide timely guidance at each stage of project to ensure smooth implementation; and Review and accord timely approvals that require ADB approvals. Conduct periodic loan administration missions, a mid-term review and project completion missions; Ensure compliance with all loan covenants; Timely processing of withdrawal applications and release eligible funds; Ensure compliance of financial audit recommendations; Update project performance reviews with the assistance of; and Regularly post on ADB website updated project information documents, including safeguards documents for public disclosure.

ADB = Asian Development Bank, GDD = Guwahati Development Department, PPMS = Investment Program Performance Management System, PIU = Program Implementation Unit, PMU = Program Management Unit.

C. Key Persons Involved in Implementation

1. Borrower

Government of India	Ms. Monika Dhami Deputy Secretary (ADB) Department of Economic Affairs Room No. 272 North Block, New Delhi Tel +91-11-23093404
Executing Agency	Dr. A. K. Bhutani, IAS Commissioner and Secretary, Guwahati Development Department Government of Assam Civil Secretariat, Dispur, Guwahati 781006 Tel +91-361-2237282

2. ADB

23. The department responsible for the implementation of the Project is the South Asia Regional Department (SARD), represented by the Urban Development and Water Division (SAUW). SAUW has the overall responsibility for the implementation of the Project in ADB.

ADB Urban Development and Water Division (SAUW) South Asia Department (SARD)	Ms. Teresa Kho Director, SAUW Telephone No. +632 632 6858 Email address: mtkho@adb.org
	Mr. Sangay Penjor Principal Urban Development Specialist Telephone No. +632 632 6148 Email address: spenjor@adb.org
Address	Asian Development Bank No. 6 ADB Avenue, Mandaluyong City 1550 Metro Manila P.O. Box 789 0980 Manila, Philippines
Facsimile:	+632 636 2293
Website Address:	http://www.adb.org

D. Project Selection Criteria and Approval

1. Selection Criteria

24. Water supply, sewerage and urban transportation subprojects in Guwahati city and drainage and solid waste management subproject in Dibrugarh city are the candidates for financing under the Facility. All candidate subprojects are firm.

25. The executing agency will determine eligibility of a subproject based on the following criteria:

- (i) The Facility will finance all 'firm' subprojects under the Investment Program. The firm subprojects are the basis for the investment program cost estimates and the performance targets of the design and monitoring framework (DMF).
- (ii) If one or more of the 'firm' subprojects do not require financing under the Facility, the state government of Assam will select alternative eligible subprojects.

26. Once the executing agency confirms the eligibility, the implementing agency will assess subproject feasibility in a form of a subproject appraisal report, and will prove that following subproject selection criteria are fully met.

a. Technical criteria

- (i) The subproject will achieve the service level standards of the Government of India and the state government of Assam;
- (ii) The subproject will first rehabilitate the existing usable assets to achieve optimum utilization, and then will create new assets;
- (iii) The subproject incorporates the least cost option for the location, materials, technologies, designs and O&M, using an appropriate discounting rate;
- (iv) The subproject will have user-friendly designs for both men and women;
- (v) The assets have seismic resistant structure in accordance with the Bureau of Indian Standards;
- (vi) The subproject follows the standards and guidelines of the Government of India and state government of Assam;
- (vii) The asset owner has already identified all lands, visually confirmed the locations, and verified the ownership in writing.

b. Financial criteria

- (i) The subproject will support design and implementation of user charges and subsidy, which have special concession to vulnerable and/or women-headed households;
- (ii) The subproject will support creation of service specific accounts following the accrual-based double entry accounting system;
- (iii) The subproject will support preparation of service specific financial statements;
- (iv) A financial projection of the service operations is prepared for 25 years;
- (v) There will be user charges which will substantially to fully recover the O&M expenditure of the both existing and new assets and accumulate internal reserves;
- (vi) In case the asset owner cannot recover the O&M expenditure from the user charges, the state government of Assam or the asset owner will finance the shortfall;
- (vii) The implementing agency and the asset owner has adequate financial management capacity to manage the subproject, and operate the newly created assets.

c. Economic criteria

- (i) The result of the willingness-to-pay survey shows what number of people is willing to pay what amount of user charges;
- (ii) The result of the affordability test shows that the sum of user charges for water supply, sewerage and SWM is within the affordability limit; and

- (iii) The subproject demonstrates an economic internal rate of returns at a value higher than the economic opportunity cost of capital, with sensitivity analysis.

d. Social and environmental criteria

- (i) The subproject follows social and environmental selection guidelines provided in the Environmental Assessment and Review Framework (EARF) and Schedule 4 of the FFA.
- (ii) The subproject prepares the relevant safeguard planning documents (environment assessment and involuntary resettlement) and indigenous peoples plan, following EARF, the Resettlement Framework and the Indigenous Peoples Framework;
- (iii) The subproject's outcome, outputs and activities are consistent with the Gender Action Plan;
- (iv) There is a record of consultation and participation of the stakeholder prior and during feasibility study in line with the Consultation and Participation strategy.

2. Cost estimate, procurement and use of consultants

- (i) Cost estimate reflects the current market rate, and shows the unit costs, inputs and the annual distribution of the inputs throughout the implementation period;
- (ii) The subproject has a procurement plan;
- (iii) The subproject will procure works, goods and services in accordance with the ADB's Procurement Guidelines (2010 as amended from time to time);
- (iv) The subproject will engage consultants in accordance with the ADB's Use of Consultants (2010 as amended from time to time).

3. Approval Procedures

27. **Subproject Approval Procedure.** Although a small-scale project preparatory technical assistance (S-PPTA) engaged by ADB is expected to prepare complete documents of Dibrugarh first tranche subprojects and assist the executing agency in preparing the substantial design but in case the S-PPTA is unable to fulfill its task before end of their assignment, entire remaining work shall be required to be completed by DSC. The PIU will engage the DSC to undertake review and updating of subproject appraisal report (SAR) design and tender documents prepared by the executing agency with assistance under the S-PPTA and remaining subprojects through DSC.

28. A SAR will be based on quantitative data, and will include subproject rationale, subproject description, assessment of alternative design options, selection of least-cost design from the all options, project cost estimates, implementation arrangements, an O&M plan with cost estimates, a procurement plan, financial analysis, economic analysis, environmental assessment, involuntary resettlement assessment, plans for indigenous people development, gender action plan, consultation and participation strategy and social and poverty reduction strategy.

29. The PMU and PIU will appraise the subproject using the SAR, in the light of ADB's operational and safeguards policies, together with ADB's relevant guidelines and handbooks. If the PMU concludes that the subproject fully meets ADB's operational and safeguards policies, it will endorse the SAR and submit it to ADB for thorough review. ADB may request for site visits and PMU's clarifications or may ask for reconsideration of the subproject design and analysis.

30. The PIU and PMU will improve the SAR based on the ADB's recommendations, and will submit to the ULB for concurrence. Once concurred, the PMU will seek approval from the Empowered Committee. When the required total cost of subprojects becomes more than the minimum tranche amount, the PMU will draft a Periodic Financing Request (PFR) and will request for ADB's due diligence on the proposed subprojects. At this stage, the subproject(s) must fulfill the requirements of Department of Economic Affairs' Project Readiness Checklist up to the loan negotiations stage.

IV. COST ESTIMATES AND FINANCING PLAN

31. The total cost of the Program is estimated at \$285.8 million (Table 1), inclusive of taxes, duties, and interest and other charges on the loan during construction. A loan of \$200 million from ADB will finance 70% of the total project cost. The proposed ADB loan will be provided from ADB's ordinary capital resources, with an interest rate to be determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility, with a 25 year term including a grace period of 5 years, and commitment charges of 0.15% and such other terms as agreed under FFA and legal agreements. The detailed cost estimates and financing plan are in **Appendix 3**. Project 1 is estimated to cost \$115.5 million and the Periodic Financing Request 1 is \$81 million.

Table 1: Project Cost Estimates (\$ million)

Item	ADB	Government	Total
A. Base Cost ^a			
1 Urban Infrastructure Improvement	141.5	30.3	171.9
2 Capacity Development and Implementation Support	10.2	2.2	12.4
Subtotal (A)	151.7	32.5	184.3
B. Contingencies ^b	48.3	9.0	57.2
C. Taxes and Duties	0.0	24.2	24.2
D. Financing Charges During Implementation ^c	0.0	20.1	20.1
Total (A+B+C+D)	200.0	85.8	285.8

^a In 2011 prices

^b Physical contingency computed at 7.5% for civil works, equipment and materials, land acquisition and resettlement compensation; price contingency computed at ADB projected local currency and foreign exchange inflation rates.

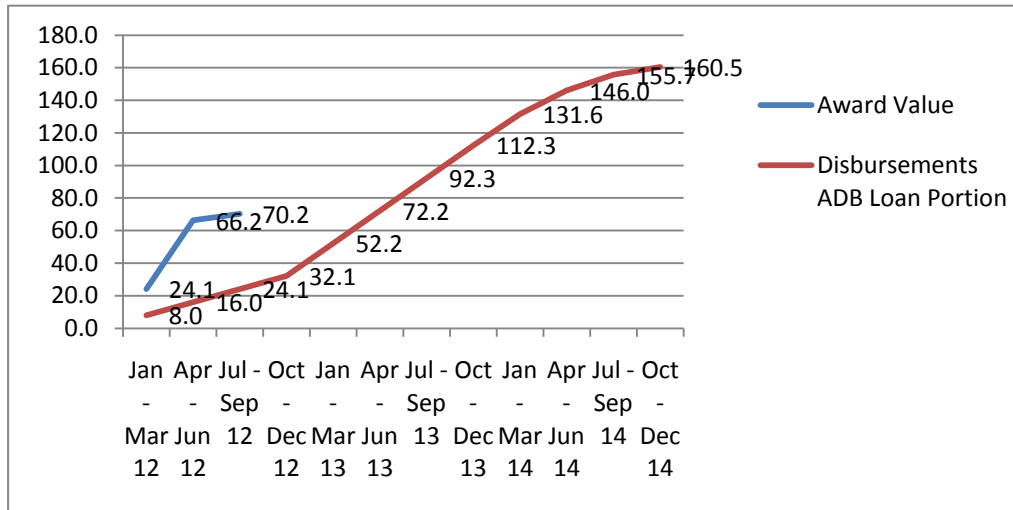
^c Include interest and commitment charges.

Source: Asian Development Bank estimates.

A. Allocation of Loan Proceeds of the Program

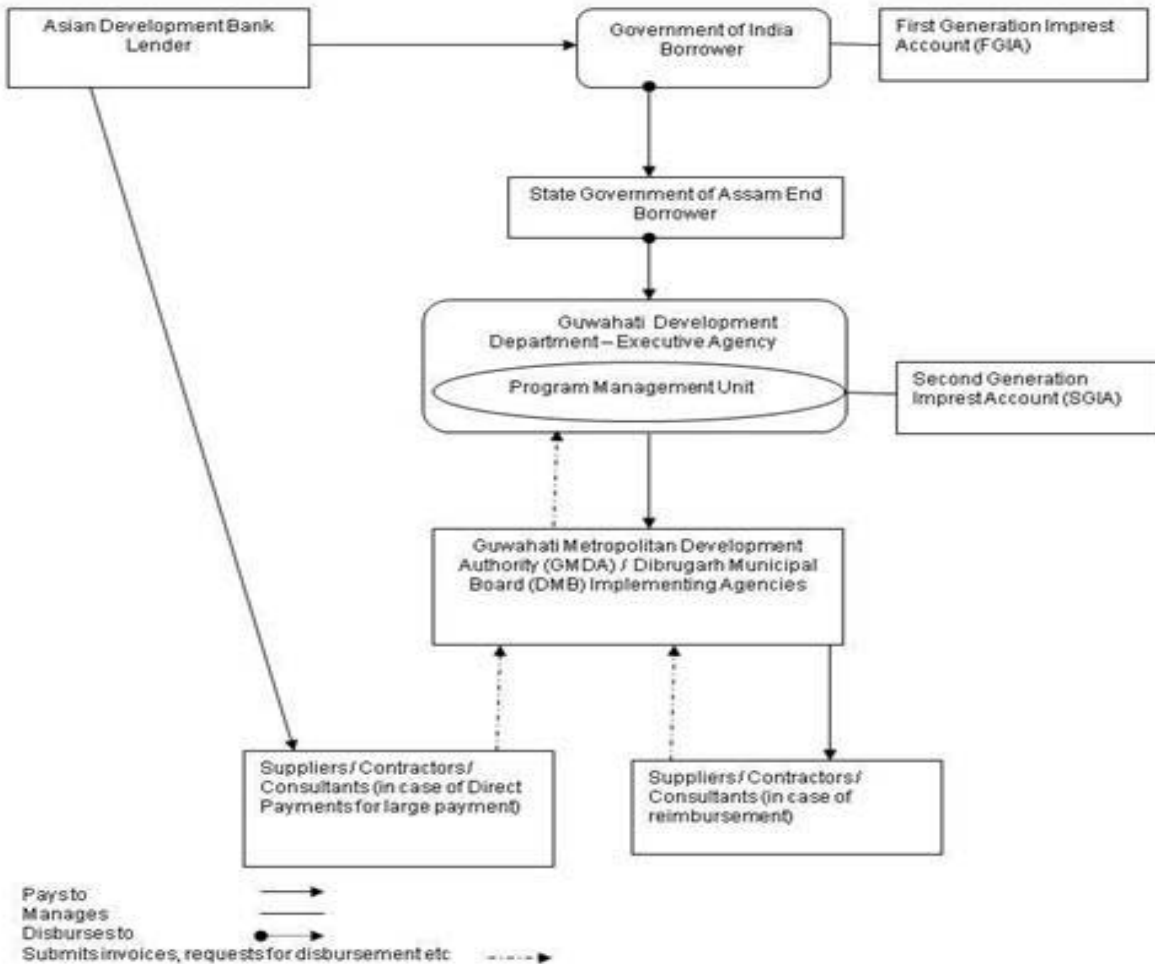
32. The proceeds of the loan shall be used to finance eligible Program expenditures. All goods and services to be financed out of the loan proceed shall be procured in accordance with the Loan and Project Agreements and shall be used exclusively in the carrying out of the Program. ADB may refuse to finance a contract where goods or services have not been procured under procedures in accordance with those agreed between the Government and ADB, or where the terms and conditions of the contract are not satisfactory to ADB.

B. Contract and Disbursement S-Curve for Tranche 1 Financing



Source: AUIP Projections

C. Fund Flow Diagram



V. FINANCIAL MANAGEMENT

A. Financial Management Assessment of Assam Urban Infrastructure Investment Program – Program Management Unit (*undertaken during Loan Fact-Finding in May 2011*)

Topic	Response	Remarks
1. Implementing Agency		
1.1 What is the entity's legal status / registration?		PMU is a cell created within GDD
1.2 Has the entity implemented an externally-financed project in the past (if so, please provide details)?	No. However the executing agency, GDD, has managed JICA Projects.	
1.3 What are the statutory reporting requirements for the entity?		Periodical Report submitted to the GDD.
1.4 Is the governing body for the project independent?	Yes	Empowered Committee
1.5 Is the organizational structure appropriate for the needs of the project?	Yes	At present it is appropriate but may need to be amended if required in the future.
2. Funds Flow Arrangements		
2.1 Describe (proposed) project funds flow arrangements, including a chart and explanation of the flow of funds from ADB, government and other financiers.		Through the first generation Imprest Account. Funds will be transferred by the Government of India to the Government of Assam which will then transfer the funds to PMU under GDD.
2.2 Are the (proposed) arrangements to transfer the proceeds of the loan (from the government / Finance Ministry) to the entity satisfactory?	Yes	
2.3 What have been the major problems in the past in receipt of funds by the entity?	None	
2.4 In which bank will the Imprest Account be opened?		Reserve Bank of India (first generation Imprest Account) through the Government of India. Scheduled commercial bank – Project Bank Account.
2.5 Does the (proposed) project implementing unit (PIU) have experience in the management of disbursements from ADB?	No. However, the executing agency, GDD, has experience.	GDD has ensured that the PMU would be staffed with officers who have experience with ADB Projects. Further, in May and June INRM has provided specific training workshops focusing on among others, ADB's contract awards and disbursements procedures.
2.7 Does the entity have/need a capacity to manage foreign exchange risks?	No	Foreign exchange risk to be covered by the Government of Assam.

2.8	How is the counterpart funds accessed?		Counterpart fund will be provided by the state through budgetary support to PMU. The Government of Assam has provided its commitment.
2.9	How are payments made from the counterpart funds?		Through the Project Bank Account / Treasury.
2.10	If part of the project is implemented by communities or NGOs, does the PIU have the necessary reporting and monitoring features built into its systems to track the use of project proceeds by such agencies?	Not at the moment	Provisions for the same shall be made as and when required.
2.11	Are the beneficiaries required to contribute to project costs? If beneficiaries have an option to contribute in kind (in the form of labor), are proper guidelines formulated to record and value the labor contribution?	No	Beneficiaries are not required to contribute to project costs.
3.	Staffing		
3.1	What is the (proposed) organizational structure of the accounting department? Attach an organization chart.		Accounts and Finance Section under the PMU Project Director
3.2	Identify the (proposed) accounts staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key accounting staff.		Accounts Officer supported with Accounts Assistant with accounting qualification and experience in accrual accounting.
3.3	Is the project finance and accounting function staffed adequately?	Yes	
3.4	Is the finance and accounts staff adequately qualified and experienced?	Yes,	
3.5	Is the project accounts and finance staff trained in ADB procedures?	Yes	Staff participated in the 2 day workshop on ADB Procedures run by INRM in May 2011 focusing on ADB procedures and requirements for project processing and implementation. Further detailed training was provided by INRM in June 2011.
3.6	What is the duration of the contract with the finance and accounts staff?		Permanent Government Service on deputation from other departments of the Government of Assam.
3.7	Indicate key positions not contracted yet, and the estimated date of appointment.		As per requirement.
3.10	Does the project have written position descriptions that clearly define duties, responsibilities, lines of supervision, and limits of authority for all of the officers, managers, and staff?	Yes,	
3.11	At what frequency are personnel transferred?		As per transfer policy of the Government of Assam.

3.12	What is training policy for the finance and accounting staff?		Adequate training will be imparted to the Accounts and Finance as and when required.
4.	Accounting Policies and Procedures		
4.1	Does the entity have an accounting system that allows for the proper recording of project financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds? Will the project use the entity accounting system?	Yes	Yes, the project accounts are proposed to be maintained on following double entry accounting system as per the generally accepted accounting principles in India.
4.2	Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	Yes	When introduced in PMU
4.3	Is the chart of accounts adequate to properly account for and report on project activities and disbursement categories?	Yes	When introduced in PMU
4.4	Are cost allocations to the various funding sources made accurately and in accordance with established agreements?	Yes	When introduced in PMU
4.5	Are the General Ledger and subsidiary ledgers reconciled and in balance?	Yes	When introduced in PMU
4.6	Are all accounting and supporting documents retained on a permanent basis in a defined system that allows authorized users easy access?	Yes	Retained as per the Government of Assam's financial rules.
	Segregation of Duties		
4.7	Are the following functional responsibilities performed by different units or persons: (i) authorization to execute a transaction; (ii) recording of the transaction; and (iii) custody of assets involved in the transaction?	Yes	The functional responsibilities have been given to different persons.
*4.8	Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?	Yes	When introduced in PMU
4.9	Are bank reconciliations prepared by someone other than those who make or approve payments?	Yes	When introduced in PMU
	Budgeting System		
4.10	Do budgets include physical and financial targets?	Yes	The projects are to be executed on the basis of the DPR which includes both physical and financial targets. The Budget will be based on the DPRs.
4.11	Are budgets prepared for all significant activities in sufficient detail to provide a meaningful tool with which to monitor subsequent performance?	Yes	

4.12	Are actual expenditures compared to the budget with reasonable frequency, and explanations required for significant variations from the budget?	Yes	
4.13	Are approvals for variations from the budget required in advance or after the fact?	In advance	
4.14	Who is responsible for preparation and approval of budgets?		Finance and Accounts Section duly approved by state Finance Department.
4.15	Are procedures in place to plan project activities, collect information from the units in charge of the different components, and prepare the budgets?	Yes	Once the units start functioning, the Budget will only be prepared after getting feedback and information from the units.
4.16	Are the project plans and budgets of project activities realistic, based on valid assumptions, and developed by knowledgeable individuals?	Yes	It will be based on the DPR prepared by the Consultants and experts and cost estimates based on market rates.
Payments			
4.17	Do invoice-processing procedures provide for (i) Copies of purchase orders and receiving reports to be obtained directly from issuing departments? (ii) Comparison of invoice quantities, prices and terms, with those indicated on the purchase order and with records of goods actually received? (iii) Comparison of invoice quantities with those indicated on the receiving reports? (iv) Checking the accuracy of calculations?	Yes	
4.18	Are all invoices stamped PAID, dated, reviewed and approved, and clearly marked for account code assignment?	Yes	
4.19	Do controls exist for the preparation of the payroll and are changes to the payroll properly authorized?	Yes	
Policies And Procedures			
4.20	What is the basis of accounting (e.g., cash, accrual)?	Cash	Project accounts will be accrual based.
4.21	What accounting standards are followed?	Yes	When introduced in PMU, as per the Generally Accepted Accounting Principles in India, and Indian Accounting Standards issued by the Institute of Chartered Accountants of India.
4.22	Does the project have an adequate policies and procedures manual to guide activities and ensure staff accountability?	Yes	Presently the Government of Assam approves the Administrative and Financial rules and policies and procedure. PMU will prepare and adopt a Financial Manual for the Project with help from PMC.

4.23	Is the accounting policy and procedure manual updated for the project activities?	Yes	When introduced in PMU
4.24	Do procedures exist to ensure that only authorized persons can alter or establish a new accounting principle, policy or procedure to be used by the entity?	Yes	
4.25	Are there written policies and procedures covering all routine financial management and related administrative activities?	Yes	
4.26	Do policies and procedures clearly define conflict of interest and related party transactions (real and apparent) and provide safeguards to protect the organization from them?	Yes	
4.27	Are manuals distributed to appropriate personnel?	Yes	
Cash and Bank			
4.28	Indicate names and positions of authorized signatories in the bank accounts.		Program Director, when introduced in PMU
4.29	Does the organization maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes	
4.30	Do controls exist for the collection, timely deposit and recording of receipts at each collection location?	Yes	
4.31	Are bank and cash reconciled on a monthly basis?	Yes	
4.32	Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?	Yes	
4.33	Are all receipts deposited on a timely basis?	Yes	
Safeguard over Assets			
4.34	Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	Yes	
4.35	Are subsidiary records of fixed assets and stocks kept up to date and reconciled with control accounts?	Yes	
4.36	Are there periodic physical inventories of fixed assets and stocks?	No	When introduced in PMU, periodic physical inventories will be taken.
4.37	Are assets sufficiently covered by insurance policies?	No	When introduced in PMU, assets will be covered under Insurance depending upon the nature and cost of the assets.
Other Offices and Implementing Entities			
4.38	Are there any other regional offices or executing entities participating in implementation?	Yes, GMDA and DMB as PIUs	

4.39	Has the project established controls and procedures for flow of funds, financial information, accountability, and audits in relation to the other offices or entities?	Yes	It is proposed that flows of funds will be through the PMU
4.40	Does information among the different offices/implementing agencies flow in an accurate and timely fashion?	Yes	When introduced in PMU
4.41	Are periodic reconciliations performed among the different offices/implementing agencies?	Yes	When introduced in PMU
Other			
4.42	Has the project advised employees, beneficiaries and other recipients to whom to report if they suspect fraud, waste or misuse of project resources or property?	Yes	When introduced in PMU
5. Internal Audit			
5.1	Is there an internal audit department in the entity?	No	Introduced when PMU is setup
5.2	What are the qualifications and experience of audit department staff?		
5.3	To whom does the internal auditor report?		
5.4	Will the internal audit department include the project in its work program?		
5.5	Are actions taken on the internal audit findings?		When introduced in PMU
6. External Audit			
6.1	Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?	Yes, CAG	External audit of project account by an independent firm of chartered accountant will be introduced when PMU is setup.
6.2	Are there any delays in audit of the entity? When are the audit reports issued?	Not Applicable	Will be ensured when introduced in PMU
6.3	Is the audit of the entity conducted according to the International Standards on Auditing?	Yes	When introduced in PMU
6.4	Were there any major accountability issues brought out in the audit report of the past three years?	Not Applicable	
6.5	Will the entity auditor audit the project accounts or will another auditor be appointed to audit the project financial statements?	Yes, In addition an independent Auditor	
6.6	Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?	Not Applicable.	
6.7	Is the project subject to any kind of audit from an independent governmental entity (e.g., the supreme audit institution) in addition to the external audit?	Yes	
6.8	Has the project prepared acceptable terms of reference for an annual project audit?	Yes	When introduced in PMU
7. Reporting and Monitoring			

7.1	Are financial statements prepared for the entity? In accordance with which accounting standards?	Yes, Government accounting	When introduced in PMU Indian Accounting Standards, as issued by ICAI and Generally Accepted Accounting principles will be followed.
7.2	Are financial statements prepared for the implementing unit?	Yes	
7.3	What is the frequency of preparation of financial statements? Are the reports prepared in a timely fashion so as to useful to management for decision making?	Annual	In addition to the preparation of Annual Financial Statements, it is also proposed to prepare monthly and quarterly Internal Financial report, useful to the management for decision making purpose.
7.4	Does the reporting system need to be adapted to report on the project components?	Yes	
7.5	Does the reporting system have the capacity to link the financial information with the project's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?	No	It is proposed to develop reporting system which will have the capacity to link the financial information with the physical progress.
7.6	Does the project have established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain, and how they are to be used?	Yes, when introduced in the PMU	
7.7	Are financial management reports used by management?	Yes, when introduced in the PMU	
7.8	Do the financial reports compare actual expenditures with budgeted and programmed allocations?	Yes, when introduced in the PMU	
7.9	Are financial reports prepared directly by the automated accounting system or are they prepared by spreadsheets or some other means?	Yes, when introduced in the PMU	
8.	Information Systems		
8.1	Is the financial management system computerized?	Yes, when introduced in the PMU	
8.2	Can the system produce the necessary project financial reports?	Not Applicable	When introduced in PMU
8.3	Is the staff adequately trained to maintain the system?	Not Applicable	When introduced in PMU
8.4	Does the management organization and processing system safeguard the confidentiality, integrity and availability of the data?	Not Applicable	When introduced in PMU

ADB = Asian Development Bank, CAG = Controller and Auditor General, DMB = Dibrugarh Municipal Board, DPR = detailed project report, GDD = Guwahati Development Department, GMDA = Guwahati Metropolitan Development Authority, ICAI = Institute of Chartered Accountants of India, INRM = India Resident Mission, PIU = project implementation unit, PMC = project management consultant, PMU = program management unit

B. Financial Management Assessment of the Two ULBs (Dibrugarh Municipal Board and Guwahati Municipal Corporation)(undertaken during Loan Fact-Finding in May 2011)

Particulars	Summarized Response	Remarks
Implementing Agency	<ul style="list-style-type: none"> • Legal Status: All ULBs are constituted under Municipal Act of Assam and Guwahati Municipal Act, 1969. • Similar Project Experience: No prior experience. GMC is implementing ADB funded loan project LOAN 36308-03 • Reporting requirements: Monthly Accounts, DCB Statement and Annual Financial Statement. • Independent Governing Body: No. MAD under UDD, of the Government of Assam governs both PMU and ULBs. 	<ul style="list-style-type: none"> • Lacks experience handling similar funded project. • ULBs staff lacks experience, technical knowledge to undertake such a large sized project. ULBs will not be directly involved in financial management of the project. PIUs assisted by the DSC will be directly functioning under PMU which is responsible for financial management of the project.
Funds Flow Arrangements	<ul style="list-style-type: none"> • No previous experience of ADB disbursements. • Counterpart funding will be provided by the Government of Assam. 	<ul style="list-style-type: none"> • Past experience of ULBs in carrying out developmental works was non-availability of funds on timely basis. • Funds are received from the Government of Assam under the yearly budget provisions. In this case also same procedure proposed.
Staffing	<ul style="list-style-type: none"> • Present staff is not trained in ADB procedures and are recruited through Assam Municipal Services. • Staffing not adequate. • All present ULB staff is permanent and are transferable within ULBs. 	<ul style="list-style-type: none"> • Present staffing at ULBs not adequate, not properly qualified, trained and lacks ability and capacity to handle a project of this size. • Training and capacity building is to be provided. • Project financial management and accounting system modules and manual to be developed for training of project finance and accounting staff.
Accounting Policies and Procedures	<ul style="list-style-type: none"> • ULBs - Cash based accounting system. In GMC, a Chartered Accountant is engaged to prepare the financial statements in accrual based system. Opening balance sheet has been prepared as of 1st April 2009. Project will use accrual based 	

	<p>accounting system;</p> <ul style="list-style-type: none"> • Controls are in place for the authorization/ approvals, recording of transactions, payments and recording of payments in cash book in accordance with the budget heads approved; • Accounting records are retained on a permanent basis as per requirement. 	
Segregation of Duties	<ul style="list-style-type: none"> • Adequate internal checks and controls are in place with respect to authorization, recording of transaction, custody of assets, order, receipt & accounting of goods and services etc. 	
Budgeting System	<ul style="list-style-type: none"> • Commissioner / Chief Executive Officer is responsible for the preparation and presentation of the annual budget before Municipal Council / Board, through the Standing Committee, for approval. • Explanatory notes to the budget provide sufficient details. Financial ceilings prescribed in the budget are adhered to. All variations or excess expenditure over budget requires prior approval. • Adequate procedures to plan and budget developmental activities. 	<ul style="list-style-type: none"> • Variance analysis on regular basis to be provided for under the project.
Payment Systems	<ul style="list-style-type: none"> • Procedures in respect of payments of invoices, bills, etc. are adequate. • Pre-audit system in place ensuring all the checks are carried out before payments are made. • All invoices, bills etc are stamped paid and duly checked, reviewed and approved prior to payment. 	
Policies And Procedures	<ul style="list-style-type: none"> • Cash basis of accounting being followed. • Accounting rules & standards as laid down by the Act / Government of Assam is being followed. • Government orders, circulars, etc. supplement the accounting rules. • The extant rules define conflict of interest and related party transactions and provide adequate safeguards. 	<ul style="list-style-type: none"> • To change over to Double Entry / Accrual System.
Cash and Bank	<ul style="list-style-type: none"> • Guwahati Municipal Corporation – Commissioner and Chief Accounts & Audit Officer. • Board – Chairman is the sole signatory. • Cash book generally up to date, receipts/deposits & payments generally recorded on timely basis; • Bank reconciliation statements are prepared and cash is reconciled regularly. 	
Safeguard over Assets	<ul style="list-style-type: none"> • Physical control over assets is provided by the existing systems & procedures through maintenance of register. • Financial records for assets are not being maintained. • Physical verification and reconciliation with the register not carried out. • Assets, excepting vehicles, are not insured. 	<ul style="list-style-type: none"> • Insufficient safeguards over assets, needs improvement, records need to be kept up to date, periodical physical verification & reconciliation to be carried out and all assets (after completion) to be

		insured under the project.
Other Offices and Implementing Entities	<ul style="list-style-type: none"> No other offices 	
Other	<ul style="list-style-type: none"> Advice for reporting of frauds, etc. to appropriate authority under the project not specified. 	<ul style="list-style-type: none"> To be provided for.
Internal Audit	<ul style="list-style-type: none"> At present no internal audit in DMB. However, in-house internal audit is done in GMC. 	
External Audit	<ul style="list-style-type: none"> Director of Local Fund is the Statutory Auditor and performs the audit as per standards laid down by the CAG of India. There is backlog in audit in DMB. In GMC audit completed up to 2009-2010. In addition, Accountant General (Audit)'s office also carries out the audit on annual basis. Audit reports issued. 	<ul style="list-style-type: none"> Separate audit of project financial statements in accordance with the accepted auditing standards proposed.
Reporting & Monitoring	<ul style="list-style-type: none"> Present reporting system inadequate to meet project reporting requirements, with only financial figures being reported against the budget allotments. 	<ul style="list-style-type: none"> To be provided for under the Project.
Information Systems	<ul style="list-style-type: none"> No Process of computerization of accounting records in the initial stages. Present system not adequate to generate project financial reports. Inadequate training of present staff of ULBs. Inadequate safeguard of the confidentiality, integrity and availability of data. 	<ul style="list-style-type: none"> To be provided for under the Project.

ADB = Asian Development Bank, CAG = Controller and Auditor General, DCB = Demand Collection Balance, DMB = Dibrugarh Municipal Board, DSC = design and supervision consultant, GMC = Guwahati Municipal Council, MAD = Municipal Administrative Department, PIU = project implementation unit, PMU = program management unit, UDD = Urban Development Department, ULB = urban local body

C. Financial Management Assessment of the Guwahati Metropolitan Development Authority (*undertaken during Loan Fact Finding in May 2011*)

Particulars	Summarised Response	Remarks
Implementing Agency	<ul style="list-style-type: none"> Legal Status: Autonomous Body. Similar Project Experience: Implementing South Central and North Guwahati Water Supply projects - JICA funded projects. Reporting requirements: Annual Financial Statement. Independent Governing Body: Yes. under GDD, of the Government of Assam. 	
Funds Flow Arrangements	<ul style="list-style-type: none"> No previous experience of ADB disbursements. Counterpart funding will be provided by the Government of Assam. 	<ul style="list-style-type: none"> Funds are received from Government of Assam under the yearly budget provisions. In this case also same procedure proposed.
Staffing	<ul style="list-style-type: none"> Present staff is not trained in ADB procedures. Staffing adequate. Staff is permanent and generally not transferred. 	<ul style="list-style-type: none"> Training and capacity building is to be provided.

		<ul style="list-style-type: none"> Project financial management and accounting system modules and manual to be developed for training of project finance and accounting staff.
Accounting Policies and Procedures	<ul style="list-style-type: none"> Mercantile (accrual) system of accounting followed. Project will use accrual based accounting system; Controls are in place for the authorization / approvals, recording of transactions, payments and recording of payments in cash book in accordance with the budget heads approved; Accounting records are retained on a permanent basis as per requirement. 	
Segregation of Duties	<ul style="list-style-type: none"> Adequate internal checks and controls are in place with respect to authorization, recording of transaction, custody of assets, order, receipt & accounting of goods and services etc. 	
Budgeting System	<ul style="list-style-type: none"> Chief Executive Officer is responsible for the preparation and presentation of the annual budget before GMDA Board, for approval. Explanatory notes to the budget provide sufficient details. Financial ceilings prescribed in the budget are adhered to. All variations or excess expenditure over budget requires prior approval. Adequate procedures to plan and budget developmental activities. 	
Payment Systems	<ul style="list-style-type: none"> Procedures in respect of payments of invoices, bills, etc. are adequate. Pre-audit system in place ensuring all the checks are carried out before payments are made. All invoices, bills, etc. are stamped paid and duly checked, reviewed and approved prior to payment. 	
Policies And Procedures	<ul style="list-style-type: none"> Mercantile basis of accounting being followed. Accounting rules & standards as laid down by the Act / Government of Assam is being followed. Government orders, circulars, etc. supplement the accounting rules. The extant rules define conflict of interest and related party transactions and provide adequate safeguards. 	
Cash and Bank	<ul style="list-style-type: none"> Chief Executive Officer and Chief Accounts Officer – joint signatories. Cash book generally up to date, receipts/deposits & payments generally recorded on timely basis; Bank reconciliation statements are prepared and cash is reconciled regularly. 	
Safeguard over Assets	<ul style="list-style-type: none"> Physical control over assets is provided by the existing systems & procedures through maintenance of register. 	

	<ul style="list-style-type: none"> Physical verification and reconciliation with the register carried out. Assets, excepting vehicles, are not insured. 	
Other Offices and Implementing Entities	<ul style="list-style-type: none"> No other offices 	
Other	<ul style="list-style-type: none"> Advice for reporting of frauds, etc. to appropriate authority under the project specified. 	
Internal Audit	<ul style="list-style-type: none"> Yes. There is an in-house internal audit which reports to Chief Executive Officer, GMDA 	
External Audit	<ul style="list-style-type: none"> CAG is the Statutory Auditor and performs the audit as per standards laid down There is no backlog in audit. Audit reports issued. 	<ul style="list-style-type: none"> Separate audit of project financial statements in accordance with the accepted auditing standards proposed.
Reporting & Monitoring	<ul style="list-style-type: none"> Present reporting system adequate to meet project reporting requirements. 	
Information Systems	<ul style="list-style-type: none"> Present system adequate to generate project financial reports. 	

CAG = Controller and Auditor General, GDD = Guwahati Development Department, GMDA = Guwahati Metropolitan Development Authority, JICA = Japan International Cooperation Agency

33. Accounting staff with accounting qualification and experience have to be inducted in the PMU either from Assam State Accounting Service or from outside. All accounting staff in PMU and two PIUs, i.e., GMDA and DMB have to be trained in ADB disbursement procedures. ADB's India Resident Mission (INRM) has already conducted orientation workshops and detailed training for selected staff. The PMC financial specialist will provide guidance and training to PMU and PIUs staff with regard to the program accounting, ADB disbursement procedures and reporting requirements to build up and sustain the financial management capacity of the PMU and PIUs.

D. Disbursement

34. The Loan proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2007, as amended from time to time)⁷ and detailed arrangements agreed upon between the Government and ADB.

35. Pursuant to ADB's Safeguard Policy Statement (SPS, 2009)⁸, ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS. All financial institutions will ensure that their investments are in compliance with applicable national laws and regulations and will apply the prohibited investment activities list to subprojects financed by ADB.

36. **Types of Disbursement Procedures.** There are four major types of disbursement procedures:

- (i) Direct payment procedure where ADB, at the borrower's request, pays a designated beneficiary directly;

⁷ Available at: http://www.adb.org/Documents/Handbooks/Loan_Disbursement/loan-disbursement-final.pdf

⁸ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

- (ii) Commitment procedure where ADB, at the borrower's request, provides an irrevocable undertaking to reimburse a commercial bank for payments made or to be made to a supplier against a letter of credit financed from the loan account;
- (iii) Reimbursement procedure where ADB pays from the loan account to the borrower's account, for eligible expenditures which have been incurred and paid for by the project out of its budget allocation or its own resources; and
- (iv) Imprest fund procedure where ADB makes an advance disbursement from the loan account for deposit to an imprest account to be used exclusively for ADB's share of eligible expenditures.

37. The executing agency will be responsible for (i) preparing annual contract award and disbursement projections; (ii) requesting budgetary allocations for counterpart funds, (iii) collecting supporting documents, and (iv) preparing and sending withdrawal applications to ADB through the office of the Controller of Aid Accounts and Audit (CAAA).

38. **Imprest Fund Procedure.** Immediately upon loan effectiveness, the Government will open and maintain a first-generation imprest account (FGIA) in the name of the CAAA with the Reserve Bank of India. Imprest accounts will be opened separately for each PFR. The maximum ceiling of the imprest accounts will not, at any time, exceed the estimated ADB financed expenditures to be paid from the imprest account for the next 6 months or 10% of the respective loan amount, whichever is lower. The FGIA will be denominated in US dollars (loan currency). The initial advance or replenishment by ADB into the FGIA will be converted into equivalent rupees by the CAAA following its policy. Each state may open a Second Generation Imprest Account (SGIA) in a commercial bank acceptable to ADB. If requested by the relevant State the proceeds will be transferred from FGIA in rupees in accordance with relevant procedures of the Government to the SGIA. The Government will assure ADB that the funds from the imprest account shall be transferred to the SGIA within 30 calendar days of the receipt of the advance or replenishment.

39. SGIA account should be one which allows withdrawal of all funds in credit at any time and places no restrictions on the number or amount of withdrawals at any time. Any interest earned on the credit balance in SGIA can be utilized to meet project expenditure. It is clarified that any temporary surplus balances in the SGIA should be retained in the savings account only, and may not be further re-deployed as fixed deposits. The maximum ceiling of each SGIA will be equivalent to 6 months estimated expenditures of the respective Project to be funded from each SGIA or equivalent of 10% of Loan amount, whichever is lower. The request for initial advance to the imprest account should be accompanied by an Estimate of Expenditure Sheet setting out the estimated expenditures for the first six (6) months of project implementation, and submission of evidence satisfactory to ADB that the SGIA has been duly opened. For every liquidation and replenishment request of the imprest account, the executing agency will furnish to ADB (i) Statement of Account (Bank Statement) from the commercial bank where the SGIA is maintained, and (ii) the Imprest Account Reconciliation Statement (IARS) reconciling the above mentioned bank statement against the executing agency's records⁹.

40. The executing agency will be responsible for the use, management, replenishment, and liquidation of the accounts, based on the submission of suitable supporting documentation to the ADB.

⁹ Follow the format provided in Appendix 30 of the *Loan Disbursement Handbook*.

41. **Statement of Expenditures.** The SOE procedures¹⁰ will be adopted for reimbursement and liquidation and replenishment of the imprest accounts, for eligible expenditures not exceeding \$100,000 per payment. Original supporting documentation for expenditure claimed under the SOE procedure should be maintained and made available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. ADB has designed specific summary sheet formats to facilitate accurate preparation of withdrawal applications. These formats will be provided to the executing agency for implementation.

42. Before the submission of the first withdrawal application, the Borrower should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on their behalf, together with the authenticated specimen signatures of each authorized person.

43. The minimum value per withdrawal application is US\$100,000, unless otherwise approved by ADB. The executing agency will consolidate claims to meet this limit for reimbursement and imprest account claims. Withdrawal applications and supporting documents will demonstrate, among other things, that the goods and/or services were produced in or from ADB members, and are eligible for ADB financing. Withdrawal applications and other loan disbursement information are available at ADB Controller's Department's website <http://lfis.adb.org>.

44. **Disbursement Practice.** To expedite disbursement, ADB's Loan Disbursement Handbook has a dedicated section in Chapter 4 on (i) actions to be taken by the Borrower, (ii) basic requirements for disbursement, and (iii) withdrawal application.

E. Accounting

45. The executing agency will maintain separate project accounts and records by funding source for all expenditures incurred on the Project. Project accounts will follow generally accepted accounting principles followed in India and the accounting standards followed by the Government and respective states.

F. Auditing

46. The executing agency will cause the project accounts to be audited in accordance with the standards prescribed by the Comptroller and Auditor General of India and/or the Institute of Chartered Accountants of India and applicable to the project, by an independent auditor, whose qualifications, experience and terms of reference are acceptable to ADB. The audited accounts, together with the auditors' report and management letter, will be submitted in the English language to ADB within 6 months of the end of the fiscal year by the executing agency. The annual audit report will include a separate audit opinion on the use of the imprest accounts, SGIA, and the SOE procedures (as applicable).

¹⁰ Checklist for SOE procedures and formats are available at:

http://www.adb.org/documents/handbooks/loan_disbursement/chap-09.pdf

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-100-Below.xls

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-Over-100.xls

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Operating-Costs.xls

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Free-Format.xls

47. The audit reports should include an assessment of the adequacy of the accounting and internal control systems, the ability to maintain proper and adequate records and documents in support of transactions, and the eligibility of incurred expenditure for ADB financing. ADB retains the right to (i) review and examine any account; and (ii) verify the validity of the certification issued by the executing agency for each withdrawal application.

48. The Government and the executing agency have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited accounts. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures. Further, any critical audit observations on subprojects should be reported to ADB, and action taken also monitored. For revenue generating projects only, ADB requires audited financial statements (AFS) for each executing and/or implementation agency associated with the project.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Advance Contracting and Retroactive Financing

49. All advance contracting and retroactive financing will be undertaken in conformity with ADB's *Procurement Guidelines* (April 2010, as amended from time to time)¹¹ that are applicable to this Facility and ADB's *Guidelines on the Use of Consultants* (April 2010, as amended from time to time).¹² The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval.

50. **Advance contracting.** Under each loan of the MFF, advance contracting of (i) civil works, (ii) equipment and materials, and (iii) recruitment of consultants, may be requested subject to these being eligible as per the agreed procedures and guidelines. Advance contracting would include (i) preparation of tender documents to procure materials and equipment; (ii) tendering and bid evaluation for civil works packages; (iii) evaluation of bids; and (iv) recruitment of consultants.

51. **Retroactive financing.** Except as otherwise agreed with ADB, the expenditures incurred for civil works, equipment and materials, and consulting services eligible for advance contracting, will be eligible for retroactive financing for up to 20% of the proposed amount for the loans under the facility for eligible expenditures in each category incurred prior to effectiveness of each loan, but not earlier than 12 months before the signing of the respective loan agreement.

B. Procurement of Works, Goods and Consulting Services

52. In accordance with ADB's *Procurement Guidelines* (April 2010, as amended from time to time),⁹ ADB will encourage the Borrower to require its sub-borrowers to adopt internationally competitive bidding procedures to the extent possible when the amount of the investment is unusually large and economy and efficiency can be gained by following such procedures. For procurement of goods and services to be financed by sub-loans out of ADB loan proceeds, the Borrower will ensure that the price paid is reasonable, and that account is taken of factors such as time of delivery, efficiency, and the reliability of goods.

¹¹ Available at: <http://www.adb.org/Documents/Guidelines/Procurement/Guidelines-Procurement.pdf>

¹² Available at: <http://www.adb.org/Documents/Guidelines/Consulting/Guidelines-Consultants.pdf>

C. Procurement Plan

53. The Procurement Plan is shown in **Appendix 5**.

D. Consultant's Terms of Reference

54. The Project Management Consultants (PMC) and the Design and Supervision consultants (DSC) will be selected using full technical proposal from shortlisted firms using quality and cost based selection (QCBS) with 80% weight for quality and 20% weight for cost. Consulting services for community mobilization, performance monitoring, and resettlement planning will be from a nongovernment organization (NGO) selected on quality based selection. The terms of reference for all consulting services are in **Appendixes 6, 7 and 8**.

VII. SAFEGUARDS

55. **Key Safeguards Documents.** The following safeguards frameworks were prepared for the Facility:

- (i) An EARF,
- (ii) A resettlement framework, and
- (iii) An indigenous peoples planning framework (IPPF),

56. Tranche 1 is category B for Environment, category B for Involuntary Resettlement, and category C for Indigenous People. Tranche 2 is potentially category B for Environment, category B for Involuntary Resettlement, and category C for Indigenous People. Consistent with the safeguards frameworks, three Resettlement Plans and three Initial Environmental Examinations (IEEs) were prepared for Tranche 1 subprojects, namely the Guwahati Water Supply IEE and Resettlement Plan, Dibrugarh Drainage IEE and Resettlement Plan, and Dibrugarh Solid Waste Management IEE and Resettlement Plan.

57. **Environmental Safeguards.** Draft Environmental Management Plans (EMPs) were prepared as part of the Initial IEE reports for Tranche 1 subprojects. The following are institutional roles and responsibilities to ensure EMPs are implemented during design and construction stages:

58. The PMU will be staffed with a Safeguards Compliance and Monitoring Officer, and with assistance from the Safeguards Specialist on the PMC team, to do the following: (i) confirm existing IEEs/EMPs are updated based on detailed designs and that new IEEs/EMPs are prepared in accordance with the EARF; (ii) confirm whether EMPs are included in bidding documents and civil works contracts; (iii) provide oversight on environmental management aspects of the Project and ensure EMPs are implemented by PIU and contractors; (iv) establish a system to monitor environmental safeguards of the project including monitoring the indicators set out in the monitoring plan of the EMP; (v) facilitate and confirm overall compliance with all Government rules and regulations regarding site and environmental clearances as well as any other environmental requirements (e.g., Certificates to Establish and Operate, tree-cutting permits, etc.), as relevant; (vi) supervise and provide guidance to the PIUs to properly carry out the environmental assessments as per the EARF; (vii) review, monitor and evaluate the effectiveness with which the EMPs are implemented, and recommend necessary corrective actions to be taken as necessary; (viii) consolidate quarterly environmental monitoring reports from PIU and submit semi-annual monitoring reports to ADB; (ix) ensure timely disclosure of

final IEEs/EMPs in locations and form accessible to the public, and (x) address any grievances brought about through the Grievance Redress Mechanism in a timely manner.

59. Two PIUs will each be staffed with an Environmental Officer, and with the assistance of the Environmental Specialist on the Design and Supervision Consultant (DSC) team, will do the following: (i) update IEEs/EMPs during detailed design stage and prepare new IEEs/EMPs in accordance with the EARF; (ii) include EMPs in bidding documents and civil works contracts; (iii) comply with all Government rules and regulations including forest and environmental clearances as well as any other environmental requirements (e.g., Certificates to Establish and Operate, tree-cutting permits, etc.) as relevant; (iv) oversee implementation of EMPs including environmental monitoring by contractors; (v) take corrective actions when necessary to ensure no environmental impacts; (vi) submit quarterly environmental monitoring reports to the PMU; and (vii) address any grievances brought about through the Grievance Redress Mechanism in a timely manner as per the IEEs.

60. EMPs are to be included in bidding and contract documents and verified by the PIUs and PMU. Contractors are to carry out all environmental mitigation and monitoring measures outlined in their contract.

61. **Involuntary Resettlement.** The cost related to land acquisition and resettlement/rehabilitation will be borne by the Government. The PMU will ensure that any physically or economically affected persons are compensated prior to displacement in sections ready for construction. The following are institutional roles and responsibilities to ensure Resettlement Plans are implemented during design and construction stages:

62. The PMU will be staffed by a Safeguards Compliance and Monitoring Officer and a Land Acquisition Officer. With assistance from the Safeguards Specialist on the PMC, these PMU officers will (i) conduct internal monitoring of the resettlement process to ensure smooth implementation; (ii) ensure PIUs update Resettlement Plans during the detailed design stage and prepare new Resettlement Plans for new subprojects in accordance with the Resettlement Framework; (iii) ensure timely payments of compensation and other entitlements as per the Resettlement Plans made before displacement occurs; (iv) consolidate quarterly PIU monitoring reports into semiannual monitoring reports and submit to ADB. The monitoring reports should record the progress of resettlement activities and any compliance issues and corrective actions taken. Note that an NGO is available to provide Resettlement Plan implementation support to the PIUs for Category A projects with significant involuntary impacts.¹³

63. The two PIUs will each be staffed with a Resettlement Officer, and with the assistance of the Resettlement Specialist on the DSC team will do the following: (i) ensure all Resettlement Plans are updated based on detailed designs, if required, and that new Resettlement Plans are prepared in accordance with the Resettlement Framework; (ii) engage in ongoing meaningful consultations with stakeholders and affected persons; (iii) implement Resettlement Plans with

¹³ The involuntary resettlement impacts of an ADB-supported project are considered significant if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). The level of detail and comprehensiveness of the resettlement plan are commensurate with the significance of the potential impacts and risks. The only potential subproject requiring the assistance of the NGO in resettlement planning is the BRT subproject in Tranche 2, as it may have significant resettlement impacts. The impacts will be more clearly known during the detailed planning stage, however adequate resources for design, implementation, and monitoring are to be made available by the government in the event any significant resettlement impacts arise.

support from consultants and support staff;¹⁴ (iv) provide timely payments to affected persons before displacement occurs in sections ready for construction; (v) ensure all training and capacity building activities are provided to affected persons by linking them to relevant local government training programs and institutions; (vi) ensure all grievances are addressed and when necessary activate the Grievance Redress Committee; (vii) take corrective actions where necessary; (viii) submit quarterly monitoring reports to PMU and clearly communicate the implementation status of Resettlement Plan implementation throughout the project period; and (ix) provide relevant information to PMU.

64. The Empowered Committee will discuss land acquisition and resettlement issues if/when there is a significant delay in such activities in order to expedite the process in accordance with Resettlement Plans.

65. The Government will ensure that bidding and contract documents include specific provisions requiring contractors to comply with all (a) applicable labor laws and core labor standards on (x) prohibition of child labor as defined in national legislation for construction and maintenance activities, on (y) equal pay for equal work of equal value regardless of gender, ethnicity or caste, and on (z) elimination of forced labor, and (b) the requirement to disseminate information on sexually transmitted diseases including HIV/AIDS to employees and local communities surrounding the Project sites.

VIII. GENDER AND SOCIAL DIMENSIONS

66. See A Gender Action Plan (GAP) in **Appendix 9**.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

67. This section explains the project's specific monitoring, evaluation, reporting, and communications arrangements.

A. Project Design and Monitoring Framework

68. The Project Design and Monitoring Framework (DMF) for the subprojects under Tranche 1 and the Investment Program Design and Monitoring Framework of the entire facility are in **Appendix 10**. The DMF outlines the impacts, outcomes, and output targets and indicators to be achieved under the project, along with the risks and assumptions.

B. Monitoring

69. The Empowered Committee will be the highest authority responsible for monitoring and providing policy directions on (i) critical implementation issues and interdepartmental coordination, (ii) implementation of the urban and institutional reform agenda, (iii) compliance with the framework financing agreement (FFA) and the loan covenants, and (iv) compliance with the social and environmental safeguards. The PMU will establish a project performance monitoring system (PPMS) which will cover:

¹⁴ An NGO will be engaged to facilitate implementation of Resettlement Plans on a case-by-case basis, only if significant resettlement impacts will occur. In such cases, the NGO in close coordination with the DSC will conduct census surveys of the affected persons, and assist in implementation of the Resettlement Plans.

- (i) Project performance monitoring;
- (ii) Compliance monitoring; and
- (iii) Safeguards, gender and social dimension monitoring.

70. **Project Performance Monitoring.** The project performance monitoring team structure and responsibilities are summarized in Table 4. Disaggregated baseline data for output and outcome indicators, including those below, will be established by the executing and implementing agencies, supported by the NGO tasked with designing and implementing PPMS within the service areas of Guwahati and Dibrugarh, within 6 months from the date the first loan under the MFF takes effect, and will be updated by the executing and implementing agencies. The NGO's team leader will be a Social Development and Evaluation Specialist. The NGO will be responsible for conducting a baseline and end-of-project survey collecting the relevant data from the project service areas.

1. Impact indicators

- (i) Number of the urban population in the service areas which perceives their quality of life to have improved with the improvement of urban services since 2012.
- (ii) Cases of water-borne diseases in the project towns, including figures for vulnerable and/or women-headed households.

2. Outcome indicators

- (i) Hours and days of water supplied.
- (ii) Quantity of water supplied per capita per day.
- (iii) Populations with access to water supply at the government service standards, including figures for vulnerable and/or women-headed households.
- (iv) Quality of discharged treated water from sewerage treatment plant.
- (v) Population with access to sewer connection, including figures for vulnerable and/or women-headed households.

3. Output indicators

- (i) Number of households with piped water supply connections newly installed, including figures for vulnerable and/or women-headed households.
- (ii) Capacity of a new water treatment plant.
- (iii) Water distribution pipes constructed.
- (iv) Number of households with sewer connections newly installed, including figures for vulnerable and/or women-headed households.
- (v) Capacity of a sewage treatment plant.
- (vi) Sewer networks constructed.
- (vii) Date of O&M manual sets released.
- (viii) Number of operational staff following the O&M manuals.
- (ix) Number of incidence of noncompliance reported in procurement and safeguards.
- (x) Actual annual contract awards and disbursements.
- (xi) Coverage of Storm Water Drainage
- (xii) Incidence of Waterlogging/Flooding
- (xiii) Coverage of SWM Service (Household)
- (xiv) Extent of Municipal SW Recovered
- (xv) Extent of Scientific Disposal of solid waste
- (xvi) Extent of source segregation of solid waste

- (xvii) Ridership in BRT as percent of daily travelling public
- (xviii) Reduction in vehicle density on roads served by BRT corridor

Table 4: Project Performance Monitoring Team Structure and Responsibilities

Task Team	Responsibility
Additional Project Director, PMU	Endorse the report of the Project Officer and Institutional reform & capacity building officer, and submit it to the Empowered Committee for review.
Project Performance Monitoring Officer, PMC	Analyze the consolidated monitoring data on physical investment activities, and report the results and corrective actions to the Additional Project Director.
Institutional reform & capacity building Officer, PMU	Generate monitoring data on reform and capacity building activities, input them in the PPMS, analyze, and report the results and corrective actions to the Program Director.
Executive Engineer, PIU Guwahati	Consolidate and verify monitoring data on physical investment activities.
Executive Engineer, PIU Dibrugarh	Consolidate and verify monitoring data on physical investment activities.
Assistant Engineers, PIU Field Offices	Generate monitoring data on physical investment activities and input them in the PPMS.

PIU = project implementation unit, PMU = project management unit, PPMS = project performance monitoring system.

71. **Compliance Monitoring.** The compliance monitoring team structure and responsibilities are summarized in **Table 5**. The covenants are in the FFA, and loan and project agreements.

Table 5: Compliance Monitoring Team Structure and Responsibilities

Task Team	Responsibility
Project Director, PMU	Endorse the report of the Project Officer, and submit it to the Empowered Committee for review.
Institutional Reform & Capacity Building Officer, PMC	Generate compliance monitoring data on FFA and loan covenants, input them in the PPMS, analyze, and report the results and corrective actions to the Program Director.
Social Development and Evaluation Specialist, NGO	Design and implement the PPMS system in close coordination with PMC and PMU.

FFA = framework financing agreement, PMU = project management unit, PPMS = project performance monitoring system.

72. **Safeguards, Gender and Social¹⁵ Dimension Monitoring.** The safeguards, gender and social monitoring team structure and responsibilities are summarized in Table 6. Safeguards monitoring requirements including suggested monitoring report formats are in safeguards plans and frameworks. The DSC and PMC teams will support the PMU and PIUs monitor safeguards, and the NGO will be involved in implementation and monitoring of the GAP and the Consultation and Participation Strategy (C&P).

¹⁵ADB's *Handbook on Social Analysis: A Working Document*, is available at: <http://www.adb.org/Documents/Handbooks/social-analysis/default.asp>, *Staff Guide to Consultation and Participation*: <http://www.adb.org/participation/toolkit-staff-guide.asp>, and, *CSO Sourcebook: A Staff Guide to Cooperation with Civil Society Organizations*: <http://www.adb.org/Documents/Books/CSO-Staff-Guide/default.asp>

Table 6: Safeguards, Gender and Social Monitoring Team Structure and Responsibilities

Task Team	Responsibility
Project Director, PMU	Endorse the report of Environmental and Social Management Coordinator, and submit it to the Empowered Committee for review.
Safeguards Compliance and Monitoring Officer, PMU	Analyze the consolidated monitoring data on safeguards, gender and social dimensions against GAP and C&P, and report the results and corrective actions to the Project Director.
Environmental & Social Management Coordinator, PMU	Analyze the consolidated monitoring data on safeguards, gender and social dimensions against GAP and CPS, and report the results and corrective actions to the Project Director.
Environment Officer, PIU	Consolidate and verify monitoring data on environmental safeguards.
Resettlement Officer, PIU	Consolidate and verify monitoring data on social safeguards and gender dimensions.
Public Relations Officer, PIU	Consolidate and verify monitoring data on consultation and participation.
Safeguards Officer, PIU Field Office	Generate the monitoring data on safeguards, gender and social dimensions
Community Development, Participation and Outreach Expert, NGO	Implement and monitor GAP and C&P in coordination with PMU
Safeguards Compliance and Monitoring Specialist, PMC	Will ensure overall safeguards are being implemented under the project.
Environmental Specialist and Resettlement Specialist, DSC	Will monitor safeguards implementation of the contractor
Resettlement Specialist, NGO	Will assist the DSC in implementing the RP and ensuring timely payments of compensation and livelihood rehabilitation.

CPS = consultation and participation strategy, GAP = gender action plan, PIU = project implementation unit, PMU = project management unit.

C. Evaluation

73. **Regular Review.** The PPMS will aim to detect any deficiency and discrepancy between the plan and the execution of the investment program and projects in order to ensure that timely corrections can be made to adjust the design of the investment program. Each of the monitoring teams will evaluate the causes of any deficiency and discrepancy between the plan and the execution illuminated by the PPMS, propose corrective measures, and seek policy guidance from the Steering Committee if still unresolved. There will be evaluation processes at four different levels in different intervals.

- (i) The Implementing Agency through the PIU (monthly)
- (ii) The Executing Agency through the PMU (quarterly)
- (iii) The Empowered Committee (semiannually)
- (iv) ADB (annually)

74. **Midterm Reviews.** In addition, a midterm review of each loan under the Facility will be undertaken during the implementation period of each loan. The midterm reviews will evaluate in detail the scope of the Facility and the loans, implementation arrangements, any outstanding issues, environment and resettlement as well as other safeguard issues, achievement of scheduled targets, contract management progress, and other issues, as appropriate and

generate agreement on any changes that may be needed.

D. Reporting

75. The executing agency will provide ADB with five types of reports, and all are subject to disclosure in compliance with ADB's Public Communications Policy (2005):

- (i) Quarterly project progress reports in a format consistent with ADB's project performance reporting system within 15 days of the end of each quarter;
- (ii) Facility annual reports including (a) progress achieved by output as measured through the DMF indicator's performance targets; (b) key implementation issues and solutions; (c) updated procurement plan; and (d) updated implementation plan for next 12 months;
- (iii) Each project accounts under the investment program, and the asset owning agencies' annual financial statement together with the associated auditor's report.
- (iv) A project completion report¹⁶ within 6 months of physical completion of the each project under the investment program.
- (v) A Facility completion report within 3 months of physical completion of the final tranche under the investment program.

E. Stakeholder Communication Strategy

76. A separate C&P was prepared (**Appendix 11**) for the project and provides methodology and processes for continued consultations with various stakeholders including the poor, vulnerable and female headed households during the course of project implementation. The communities will be involved in consultations for project planning, implementation and for any safeguard issues. The NGO will be responsible for supporting the PIUs in implementing the community programs and the PMC and DSC will support other stakeholder consultations. Orientation on HIV/AIDs and other safety measures will be provided to the contractors and laborers in package training.

77. In supporting the PMU and PIUs in community awareness and social development programs, the NGO will be responsible for (i) ensuring meaningful community participation through local planning, mobilization, awareness creation and establishing constructive public relations for the project; (ii) ensuring the development and implementation of behavior change communications strategies in relation to health seeking behaviors, hygiene and sanitation, and in promoting 3R strategy, source segregation and recycling of waste, through, amongst other methods, a sustained campaign of information, education, and communication (IEC); and (iii) providing skill training in livelihood opportunities from available recyclable materials (Dibrugarh only). The above activities will occur within the service areas of the project and will target poor communities and women. The NGO will need to closely coordinate all above activities with JICA's funded Guwahati Water Supply Project and Institutional Capacity Development Consultancy who is supporting Jal Board's capacity for survey and social development work within Guwahati.

78. A robust community awareness program and behavior change communications strategy also requires the proactive participation of various stakeholders. The NGO will therefore seek

¹⁶ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

the support of the following civil society representatives: (i) community influencers, religious leaders and other civil society representatives; (ii) CBOs and women's groups (iii) vendor associations and labor union federations; (iv) ward councilors, ward members and citizen forums; and (v) the public at large.

79. ADB documents pertaining to project implementation are listed in **Appendix 12**. A format of quarterly progress report is given in **Appendix 13** and a suggested framework and guidelines in calculating project progress is shown in **Appendix 14**.

X. ANTICORRUPTION POLICY

80. The Government and State government are advised of ADB's Anticorruption Policy (1998, as amended to date). Consistent with its commitment to good governance, accountability and transparency, implementation of each tranche under the Facility shall adhere to ADB's Anticorruption Policy. ADB reserves the right to review and examine,, directly or through its agents, any violations of the Anticorruption Policy- alleged corrupt, fraudulent, collusive, or coercive practices relating to each tranche under the Facility.¹⁷ In this regard, investigation of Government officials, if any, would be requested by ADB to be undertaken by the Government. All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all Project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the Project.¹⁸ To support these efforts, relevant provisions are included in the FFA, loan agreement and the bidding documents for the Project.

81. The following measures will be undertaken by GDD and the implementing agencies to ensure integrity and transparency:

- (i) GDD will establish a project website to disclose information about project implementation. The project website will provide updated detailed information on project implementation. For example, the website will include procurement-related information, such as the list of participating bidders, name of the winning bidder, basic details on bidding procedures adopted, amount of contract awarded, and the list of goods and/or services procured.
- (ii) GDD will establish a grievance redress mechanism to ensure greater accountability. The grievance redress mechanism will be set up to receive and resolve complaints, as well as to act upon stakeholders' reports of irregularities on project-related matters, including grievances concerning resettlement. GDD will widely publicize the existence of this mechanism to ensure that stakeholders are aware that a venue is available to address concerns or grievances relating to fraud, corruption, abuse, and any other aspects of project implementation.
- (iii) GDD will support concurrent internal audit of the project activities so that variances from set protocols are detected early and proactively corrected.
- (iv) Implementing agencies will maintain and update its website to present information on this Project. With regard to this Project, the website shall provide information on financial statements of this Project procurement activities and details on the adopted bidding procedures, amounts of the contracts awarded,

¹⁷ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

¹⁸ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

the list of goods and/or services purchased, and their intended and actual utilization.

82. Any individual obtaining information of fraudulent, corrupt or collusive practices will immediately contact ADB's Office of the Auditor General and report the same by email at integrity@adb.org or anticorruption@adb.org; by phone at +63-2-632-5004; by fax to +63-2-636-2152; or by mail at the following address (please mark correspondence Strictly Confidential):

Office of Anticorruption and Integrity (OAI)
Asian Development Bank
6 ADB Avenue, Mandaluyong City 1550
Metro Manila, Philippines
<http://www.adb.org/OAI/default.asp>

XI. ACCOUNTABILITY MECHANISM

83. People who are, or may in the future be, adversely affected by the project may address complaints to ADB, or request the review of ADB's compliance under the Accountability Mechanism.¹⁹

Secretary, Compliance Review Panel
Asian Development Bank
6 ADB Avenue, Mandaluyong City 1550
Metro Manila, Philippines
Tel + 63 2 632 4149
Fax +63 2 636 2088
Email: crp@adb.org
Web: www.compliance.adb.org

XII. RECORD OF FAM CHANGES

84. All revisions/updates during course of implementation are retained in this Section to provide a chronological history of changes to implemented arrangements recorded in the FAM.

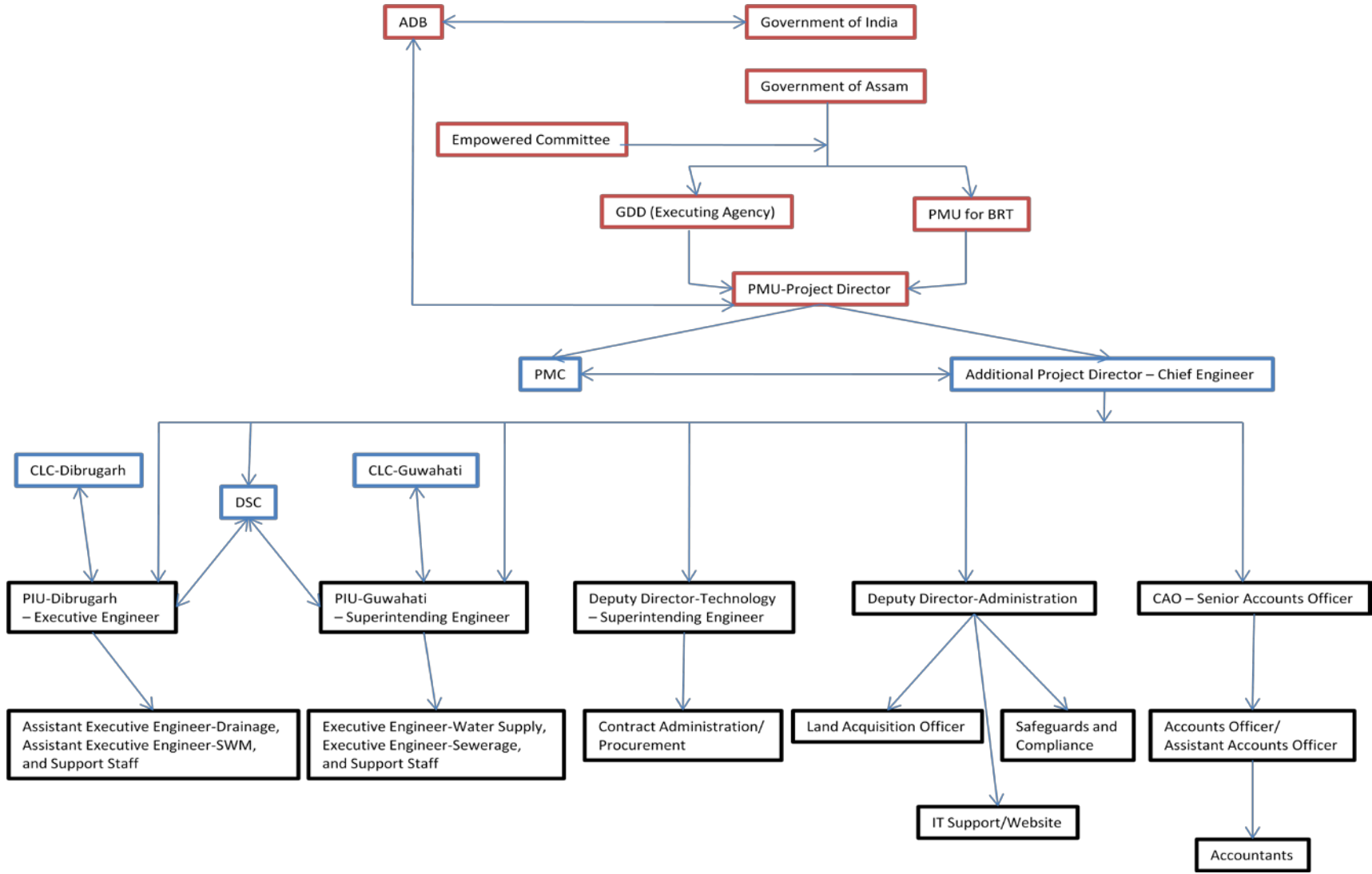
Date	Changes made to the Facility Administration Manual

¹⁹ For further information see: <http://compliance.adb.org/>.

APPENDIX 1: OVERALL IMPLEMENTATION AND TRANCHE 1 PROCESSING AND UTILIZATION PLAN

Assam Urban Infrastructure Project Implementation Schedule																																	
Ref	Activity	2011				2012				2013				2014				2015				2016				2017				2018			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
S-PPTA support		■																															
Project Preliminary Tasks																																	
a	Establish PMU and PIU office accomodation		■	■																													
b	Engagement of PMU and PIU Staff			■	■	■	■																										
PMC & DSC (Advance Activities)																																	
a	Request for Proposals (RFP)		■	■																													
b	Selection & Engagement of Project DSC			■	■																												
c	Mobilized for 2nd Tranche design & Supervision of Works of T-1				■	■	■																										
Loan Negotiations			■	■																													
1st Tranche Loan Effectiveness																																	
Guwahati - Water Supply (East Zone-Phase 1)					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■			
Dibrugarh - Town Protection Drain (Phase 1)					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■			
Dibrugarh - Solid Waste Management						■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■			
2nd Tranche Loan Negotiations																																	
2nd Tranche Loan Approval																																	
2nd Tranche Loan Effectiveness																																	
Guwahati - Water Supply (East Zone-Phase 2)										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
Guwahati Sewerage (South & East Zone - Phase 1)											■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
Guwahati Transportation											■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
Dibrugarh - Town Protection Drain (Phase 2)												■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
Dibrugarh - Slum Upgrading & Secondary Drainage													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
Guwahati Sewerage (South & East Zone - Phase 2)																																	
Project Implementation and Assistance																																	
	Selection of Contractors / Equipment Suppliers					■	■	■	■				■	■				■	■														
	Supervision & Quality Control					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■			
	Community Relations & Awareness Program						■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
	Benefit Monitoring & Evaluation							■	■																								

APPENDIX 2: ORGANIZATION CHART



ADB = Asian Development Bank, CAO = Chief Accounts Officer, CLC = City Level Council, DSC = design and supervision consultant, GDD = Guwahati Development Department, IT = information technology, PIU = project implementation unit, PMC = project management consultant, PMU = program management unit, SWM = solid waste management

APPENDIX 3: DETAILED COST ESTIMATES AND FINANCING PLAN

A. Cost Estimates for MFF Facility - Expenditure by Category

	(Rupees Million)			(US\$ Million)			%	% Total
	Local	Foreign	Total	Local	Foreign	Total	Foreign	Base
								Costs
I. Investment Costs								
A. Land and Resettlement	178.4	-	178.4	4.0	-	4.0	0	2
B. Civil Works	8,327.7	-	8,327.7	185.1	-	185.1	0	89
C. Equipments & Materials	79.9	-	79.9	1.8	-	1.8	0	1
D. Implementation Assistance			-			-	0	0
Consulting Services	574.4	-	574.4	12.8	-	12.8	0	6
Incremental Administration	223.1	-	223.1	5.0	-	5.0	0	2
Total BASELINE COSTS	9,383.6	-	9,383.6	208.5	-	208.5	-	100
Physical Contingencies	646.4	-	646.4	14.4	-	14.4	-	7
Price Contingencies	1,929.2	-	1,929.2	42.9	-	42.9	-	21
Total PROJECT COSTS	11,959.2	-	11,959.2	265.8	-	265.8	-	127
Interest During Implementation plus Commitment Charges	884.9	-	884.9	19.7	-	19.7	-	9
	17.9	-	17.9	0.4	-	0.4	-	-
Total Costs to be Financed	12,862.0	-	12,862.0	285.8	-	285.8	-	137

Notes:

1. Above costs are based on 2011 prices
2. Physical contingency computed at 7.5% for civil works, equipment and materials, land acquisition and resettlement compensation; price contingency computed at ADB projected local currency and foreign exchange inflation rates
3. Includes taxes amounting to US \$ 31.1 Million.
4. Numbers may not sum precisely because of rounding.

B. Financing Plan for MFF Facility - Detailed Cost Estimates by Financier (US\$ Million)

	Asian Development Bank		Government of India / Assam MCs/MBs		Total		Local (Excl. Taxes)	Duties & Taxes
	Amount	%		%	Amount	%		
I. Investment Costs								
A. Land and Resettlement	-	-	4.7	100.0	4.7	1.7	4.7	-
B. Civil Works	182.0	76.5	55.9	23.5	238.0	83.3	209.4	28.6
C. Equipments & Materials	1.6	76.5	0.5	23.5	2.1	0.7	1.9	0.3
D. Implementation Assistance							-	
Consulting Services	13.4	89.7	1.5	10.3	14.9	5.2	13.4	1.5
Incremental Administration	3.0	50.0	3.0	50.0	6.0	2.1	5.3	0.7
Total PROJECT COSTS	200.0	75.3	65.7	24.7	265.8	93.0	234.7	31.1
Interest During Implementation	-	-	19.7	100.0	19.7	6.9	-	-
Commitment Charges	-	-	0.4	100.0	0.4	0.1	-	-
Total Disbursement	200.0	70.0	85.8	30.0	285.8	100.00	234.7	31.1

Notes:

1. Above costs are based on 2011 prices
2. Physical contingency computed at 7.5% for civil works, equipment and materials, land acquisition and resettlement compensation; price contingency computed at ADB projected local currency and foreign exchange inflation rates
3. Numbers may not sum precisely because of rounding.

C. Appendix 3 Cost Estimates for Tranche 1 Project - Expenditure by Category

	(Rupees Million)			(US\$ Million)			%	% Total
	Local	Foreign	Total	Local	Foreign	Total	Foreign	Base
							Costs	
I. Investment Costs								
A. Land and Resettlement	178.4	-	178.4	4.0	-	4.0	0	4
B. Civil Works	3,004.4	-	3,004.4	66.8	-	66.8	0	76
C. Equipments & Materials	79.9	-	79.9	1.8	-	1.8	0	2
D. Implementation Assistance			-			-	0	0
Consulting Services	555.2	-	555.2	12.3	-	12.3	0	14
Incremental Administration	155.1	-	155.1	3.4	-	3.4	0	4
Total BASELINE COSTS	3,973.1	-	3,973.1	88.3	-	88.3	-	100
Physical Contingencies	247.2	-	247.2	5.5	-	5.5	-	6
Price Contingencies	654.5	-	654.5	14.5	-	14.5	-	16
Total PROJECT COSTS	4,874.7	-	4,874.7	108.3	-	108.3	-	123
Interest During Implementation plus Commitment Charges	318.6	-	318.6	7.1	-	7.1	-	8
	3.9	-	3.9	0.1	-	0.1	-	-
Total Costs to be Financed	5,197.2	-	5,197.2	115.5	-	115.5	-	131

Notes:

1. Above costs are based on 2011 prices
2. Physical contingency computed at 7.5% for civil works, equipment and materials, land acquisition and resettlement compensation; price contingency computed at ADB projected local currency and foreign exchange inflation rates
3. Includes taxes and duties amounting to US \$12.2 million.
4. Numbers may not sum precisely because of rounding.

D. Detailed Cost Estimates by Financier for Tranche 1 Project (US\$ Million)

	Asian Development Bank		Government of India / Assam MCs/MBs		Total		Local	Duties &
	Amount	%		%	Amount	%	(Excl. Taxes)	Taxes
I. Investment Costs								
A. Land and Resettlement	-	-	4.7	100.0	4.7	4.1	4.7	-
B. Civil Works	64.6	77.4	18.6	22.6	83.2	72.0	73.2	10.0
C. Equipments & Materials	1.6	77.4	0.5	22.6	2.1	1.8	1.9	0.3
D. Implementation Assistance								
Consulting Services	12.8	89.7	1.5	10.3	14.3	12.4	12.8	1.5
Incremental Administration	2.0	50.0	2.0	50.0	4.0	3.5	3.5	0.5
Total PROJECT COSTS	81.0	74.6	27.3	25.4	108.3	93.8	96.1	12.2
Interest During Implementation	-	-	7.1	100.0	7.1	6.1	-	-
Commitment Charges	-	-	0.1	100.0	0.1	0.1	-	-
Total Disbursement	81.0	70%	34.5	99.3	115.5	100.0	96.1	12.2

Notes:

1. Above costs are based on 2011 prices
2. Physical contingency computed at 7.5% for civil works, equipment and materials, land acquisition and resettlement compensation; price contingency computed at ADB projected local currency and foreign exchange inflation rates
3. Numbers may not sum precisely because of rounding.

APPENDIX 4: ALLOCATION OF WITHDRAWAL OF LOAN PROCEEDS FOR TRANCHE 1 PROJECT

COMPONENT			ADB FINANCING BASIS
Number	Item	Total Amount Allocated for ADB Financing (\$) Component Subcomponent	Percentage of ADB Financing from the Loan Account
1	Urban Infrastructure Improvement	61,500,000	
1A	Civil Works		77.4 percent of total expenditure claimed
1B	Equipment		77.4 percent of total expenditure claimed
2	Capacity Development and Implementation Support	14,800,000	
2A	Incremental Administration		50.0 percent of total expenditure claimed
2B	Preparation and Implementation Assistance		100 percent of total expenditure claimed*
3	Unallocated	4,700,000	
3A	Physical Contingencies		
3B	Price Contingencies		
	Total	81,000,000	

*Exclusive of taxes and duties imposed within the territory of the Borrower.

APPENDIX 5: PROCUREMENT PLAN

Basic Data	
Project Name	Assam Urban Infrastructure Investment Program (AUIIP)
Country	India
Loan Amount US \$	\$ 200 million (Indicative) in Two Tranches (T-1, T-2)
Date of First Procurement Plan	01.06.2011
Executing Agency	Guwahati Development Department
Loan Number	To be determined
Period Covered by this Plan	2012-2017
Date of This Procurement Plan	09.07.2011

A. Process Thresholds, Review and 18-Month Procurement Plan

1. Project Procurement Thresholds

1. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works and Consultancy Services.

Procurement of Goods and Works	
Method	Threshold
ICB Works	US\$10, 000, 000 and above
ICB Goods	US\$ 1,000,000 and above
NCB Works ¹	Below US\$ 10, 000, 000
NCB Goods	Below US\$ 1,000,000
LIB	Below US\$ 1,000,000
Shopping for Works	Below US\$ 100,000
Shopping for Goods	Below US\$ 100,000

ICB= International Competitive Bidding; LIB= Limited International Bidding; NCB = National Competitive Bidding; S= Shopping

B. ADB Prior or Post Review

2. Except as ADB may otherwise agree, the following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the project.

Procurement Method	Prior or Post	Comments
Procurement of Goods and Works		
ICB Works	Prior	Single-Stage; Two Envelopes
ICB Goods	Prior	Single-Stage; Two Envelopes
NCB Works ²	Prior	Single-Stage; Two Envelopes
NCB Goods ²	Prior	Single-Stage; Two Envelopes
Shopping for Works	Post	-
Shopping for Goods	Post	-

¹ Eligibility for NCB will be subject to compliance with ADB requirements as reflected in paragraph 4 of Schedule 4 of Loan Agreement.

² Draft English language version of the bidding documents for the first of NCB contracts should be submitted for ADB's review and approval regardless of the estimated contract amount. Subsequently post review will be adopted.

Procurement Method	Prior or Post	Comments
Recruitment of Consulting Firms		
Quality- and Cost-Based Selection (QCBS)	Prior	-
Consultant Qualification Selection (CQS)	Prior	
Quality Based Selection (QBS)	Prior	
Fixed Budget Selection (FBS)	Prior	
Least Cost Selection (LCS)	Prior	
Single Source Selection (SSS)	Prior	
Recruitment of Individual Consultants		
Individual Consultants	Prior	-

C. Goods and Works Contracts Estimated to Cost More Than \$1 Million

3. The following table lists goods and works contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Estimated Value (Total m \$)	Procurement Method	Pre-qualification of Bidders yes/no	Date of Advertisement (Quarter/Year)	Comments
Design, Build and Operation of Intake works, Raw water rising main, WTP, clear water pumping station and associated works in Guwahati.	17.2 (1 package)	ICB	no	April 2012	Works
Construction of storage reservoirs of various capacities at 6 locations in Guwahati, approach road and allied works.	9.1 (1 package)	NCB	no	September 2011	Works
Construction of Transmission water supply pipelines and allied works in Guwahati.	12.3 (1 package)	ICB	no	September 2011	Works
Construction of culverts, major bridge and reconstruction of sluice gate and allied works in DTP, Dibrugarh.	4.7 (1 package)	NCB	no	April 2012	Works
Construction of DTP RCC drain from Chainage 0 to 3000 M including	6.9 (1 package)	NCB	no	November 2011	Works

by-pass channel in 156 m length in Dibrugarh. ^a					
Construction of DTP RCC drains from Chainage 6000 to 9515 M in Dibrugarh. ^a	16.1 (1 package)	ICB	no	April 2012	Works
Design, Build and operation of 100 MT processing plant and 60 MT sanitary landfill site and allied works in Dibrugarh.	2.83 (1 package)	NCB	no	July 2012	Works
Procurement of equipment for primary, secondary collection and transportation vehicles for Municipal Solid waste management in Dibrugarh.	1.58 (1 package)	NCB	no	December 2012	Goods

^a The issue of feasibility and practicality of these NCB contracts being packaged into one large ICB contract is currently under review and being discussed with COSO.

D. Consulting Services Contracts Estimated to Cost More Than \$100,000

4. The following table lists consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Estimated Value	Recruitment Method²	Advertisement Date (quarter/year)	Comments
Design and Supervision consultant	5.1 Million US\$ (1 package)	QCBS (80:20)	20.01.2011	Consulting Firm
Project Management Consultant	4.0 Million US\$ (1 package)	QCBS (80:20)	20.01.2011	Consulting Firm
NGO	0.23 Million US\$ (1 package)	QBS	TBD	NGO Firm
Preparation of DPR and improvement of institutional arrangement for BRTS in Guwahati	2.0 Million US\$ (2 packages)	QCBS (90:10)	TBD	Consulting firm

E. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$ 100,000

5. The following table groups smaller-value goods, works and consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

Goods and Works

General Description	Value of Contracts Cumulative(m \$)	Number of Contracts	Procurement Method	Comments
NA				

Consulting Services

Description	Contract Value (Total, m \$)	Number of Contracts	Recruitment Method	Comments
NA				

F. Indicative List of Packages Required Under the Project)

6. The following table provides an indicative list of all procurement (goods, works and consulting services) over the life of the project. Contract financed by the Borrower and others should also be indicated, with an appropriate notation in the comments section.

Works and Goods

General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Domestic Preference Applicable	Comments
Works	176.41 Million US\$	18	5 ICB and 13 NCB	Yes for ICB	
Tranche -1	70.71	7	3 ICB and 4 NCB	Yes for ICB	
Tranche -2	105.70	11	2 ICB and 9 NCB	No	
Goods	14.18 Million US \$	4	NCB	No	
Tranche-1	1.58 Million US\$ for SWM equipment (1 package)				
Tranche-2	4.60 Million US \$ for water meter (1 package) & 8.0 Million US\$ for BRTS (2 package)				
Consulting Services					
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Type of Proposal	Comments
Consultancy (Tranche -1)	13.42 Million US\$	5	QCBS/QBS	FTP	
Design and Supervision consultant	5.1 Million US\$	1	QCBS (80:20)	FTP	
Project Management Consultant	4.0 Million US\$	1	QCBS (80:20)	FTP	
NGO	0.32 Million US\$	1	QBS	FTP	
Preparation of DPR and improvement of institutional arrangement for BRTS at Guwahati	4.0 Million Us\$	2	QCBS (90:10)	FTP	

Detail Description of Works and Goods Packages					
Description of Package	Estimated Value (m\$)	Estimated Number of Contracts	Procurement method	Domestic preference applicable	Comments
Tranche -1					
Design, Build and operation of Intake works, Raw water rising main, WTP, clear water pumping station and associated works at Guwahati.	17.2	1	ICB	Yes	Works
Construction of storage reservoirs of various capacities at 6 locations at Guwahati, approach road and allied works.	9.1	1	NCB	No	Works
Construction of Transmission water supply pipelines and allied works at Guwahati.	12.3	1	ICB	Yes	Works
Construction of culverts, major bridge and reconstruction of sluice gate and allied works at DTP, Dibrugarh.	4.7	1	NCB	No	Works
Construction of DTP RCC drain from Chainage 0 to 3000 M and bye pass channel in 156 m length at Dibrugarh.	6.9	1	NCB	No	Works
Constructions of DTP RCC drain from Chainage 3000 to 6000 M including bye-pass channel of 230 m length at Dibrugarh.	16.10	1	ICB	Yes	Works
Design, Build and operation of 100 MT processing plant and 60 MT sanitary landfill site and allied works at Dibrugarh.	2.82	1	NCB	No	Works
Procurement of equipment for primary, secondary collection and transportation vehicles for Municipal Solid waste management at Dibrugarh.	1.58	1	NCB	No	Goods
Tranche- 2					
Distribution pipe lines in South-East zone Guwahati and supply of water metre (Water meter -4.60 m\$)	31.2	4	NCB	No	3 Works and 1 Goods
Sewerage zone 1A, Treatment plant of zone 1A	28.9	3	ICB and NCB	No	Works
DTP drain secondary drainage and allied works	26.2	3	NCB	No	Works
BRT (Goods- 8 m\$)	32.0	4	ICB and NCB	No	2 Works and 2 Goods

APPENDIX 6: TERMS OF REFERENCE FOR A FIRM OF DESIGN AND SUPERVISION CONSULTANTS (DSC)

A. Objectives

1. The prime objective of the Design and Supervision Consultant (DSC) is to assist the program management unit (PMU) and the project implementation units (PIUs) on technical issues and other related activities. The DSC shall be responsible for effectively leading and taking initiative to manage, execute and implement the project including updating maps and plans, carrying all necessary surveys and investigations, prepare detail designs of the subprojects for the two cities (Guwahati and Dibrugarh), prepare technical specifications and contract documents, assist in proper construction supervision, quality control and measurement of works under the project.

2. The DSC will report to the concerned PIU head and will work under the overall guidance, technical control and direction of the Project Director at the PMU and the PMC. The DSC will work for sustainable capacity building of PIU and will assist in operationalizing the procedures and in implementing institutional development, capacity building, monitoring and quality assuring the outputs of the AUJIP. Although a small-scale project preparatory technical assistance (S-PPTA) engaged by ADB is expected to prepare complete documents of Dibrugarh first tranche subprojects and substantial design but in case the S-PPTA is unable to fulfil its task before end of their assignment, entire remaining work shall be required to be completed by DSC.

B. Scope of Services

3. The DSC services are proposed to assist the two PIUs in the Guwahati and Dibrugarh, Assam to implement the AUJIP.

4. The DSC is proposed to be engaged for following works:

- (i) Undertake the detail design and preparation of bidding documents for the Guwahati and Dibrugarh as per the recommendation and the work done by S-PPTA. All incomplete works related to Tranche 1 subprojects shall be completed by DSC on top priority.
- (ii) Designing and preparation of bidding documents for subprojects of second tranche.
- (iii) Procurement for subprojects of both tranches.
- (iv) Construction Supervision of all the subprojects.

C. Implementation Arrangements, Staffing and Schedule

Table 1. Indicative Breakdown of Consultant's Input

S.No.	Key Person	Type	Guwahati	Dibrugarh	Total Person Months
1.	Team Leader and Public Health Engineer cum Project Management Specialist	National	72		72
2.	Mechanical Specialist	National	6		6
3.	Electrical and	National	6		6

	Instrumentation Specialist				
4.	Water Treatment and Intake Specialist	National	4	-	4
5.	Structural Engineering Expert	National	15		15
6.	Procurement Specialist	National	18		18
7.	Quantity Surveyor	National	36		36
8.	Water Supply Specialist	National	21	-	21
9.	Waste Water Specialist	National	24		24
10.	Solid Waste Management Specialist	National		12	12
11.	Drainage Specialist	National		12	12
12.	Environment Safeguard Specialist	National	27		27
13.	Social Safeguard Specialist	National	27		27
14.	DTL cum Construction Manager Guwahati	National	65		65
15.	Construction Manager, Dibrugarh	National		51	51
16.	Survey Specialist	National	15		15

5. The firm and individual consultants will be engaged in accordance with the Asian Development Bank's (ADB's) *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB on the engagement of national consultants. The consulting firm will be engaged using ADB's quality and cost-based selection procedures (QCBS) with a quality-cost ratio of 80:20. Full Technical Proposals (FTPs) will be requested.

6. DSC will be conducted over a period of 72 months (2012- 2017) with the Public Health and Project Management Specialist (Team Leader) working full time in Guwahati and coordinating with other team members with intermittent input. The entire composition of DSC is made of National team members, who will be required to provide all their input working in Assam (Guwahati and Dibrugarh office), or in the field.

7. The inputs of consultants will be generally in two phases: the first phase is review and design of second tranche works, construction supervision of first tranche subprojects and the second – support in the implementation of recommendations and actions agreed during the first phase, including assistance in bidding, contract management, supervision, monitoring, advisory support, on-the-job training and dedicated training programs. Consultant will include in their technical proposal draft concepts/outlines of the work programs for both phases of the assignment.

D. Deliverables

8. **Main Reports.** The Consultant will prepare an inception report, monthly progress reports, quarterly reports, annual reports, contract completion report and project completion reports. All reports will be in English. One hard copy and one electronic copy of each report will be submitted to executing agency and to ADB.

9. **Inception Report.** To be submitted three weeks after commencing the services. The report will be based on work and staffing schedules agreed upon during contract negotiations, will contain refined study design (approach, methodology and work plan), contain outline table

of contents of the final report, highlight problems encountered and anticipated, and will recommend solutions.

- (i) **Progress Reports.** Brief reports will be submitted monthly, quarterly, and annually based on the inception report implementation and staffing schedules, and identify matters that require the attention of the state governments and/or ADB.
- (ii) **Draft Final Report.** This report, to be submitted at the end of assignment, will present all DSC outputs, including all results contained in the additional reports outlined below. The report will summarize the support extended to the implementation of the recommendations provided in the course of the assignment, specific results achieved, lessons learned, and further actions and support required. Matrix outlining issues identified, recommendations provided, implementation status and further actions will be provided as one of the report appendices. The report will contain a concise Executive Summary.
- (iii) **Final Report.** This report will be submitted at the end of assignment, and will incorporate comments on the draft final report from the PMU, PIU, project management consultant (PMC) and ADB.

10. **Additional Reports.** The Consultant will prepare an additional Sub-Project Completion Report.

11. **Capacity Building.** The Consultant will be required to assist executing agency in building the staff capacity:

- (i) Organizing Workshops ,Seminars and Presentations for capacity building of PMU, PIU and other stakeholders;
- (ii) Third party quality checks in presence of PMU/PIU/executing agency;
- (iii) Preparation of Social and Environmental Safeguards Manual; and
- (iv) Provide required inputs to PMC in finalization of Maintenance, Construction Supervision, Institutional and Training and Project performance monitoring manuals.

E. Government Input

12. The executing agency/PMU will provide suitable counterpart staff to work in the PIU and will also make available to the consultants support facilities including all relevant and available reports, documents, maps, and photographs, etc. The disposition and number of counterpart staff will be determined together with the consultants at the time of contract negotiation. The PMU will ensure proper level of review of the recommendations provided by DSC consultant.

13. The executing agency/PMU will be responsible to provide the office space at Guwahati and Dibrugarh to the consultant. The consultant will be responsible to:

- (i) arrange for refurbishment of office space, furniture, equipment, etc.;
- (ii) arrange for communication, data processing, computers, softwares,printing equipments and necessary stationeries;
- (iii) arrange for all transportation and travelling required for the project; and
- (iv) arrange for any training material, printouts, etc. required for services.

14. The required furniture, computer equipments, software, etc. will be purchased by the Consultant with prior approval of executing agency, using the project fund. It will remain the property of the client, and will be returned to the executing agency at the conclusion of the contract.

F. Preferred Qualification Requirements for Key Personnel

15. The qualification requirements in this Appendix are “preferred” qualifications, and meeting them will result in rating “average” in the technical evaluation. However, qualifications specifically mentioned with language such as “minimum” or “at least” are minimum qualification requirements, failing which will be considered as “non-complying” for those specific requirements.

16. The qualifications described are to supplement the information already provided in the TOR that directly or indirectly defines the level and range of expertise, qualifications and experience to be possessed by the experts, and is, therefore, not an exhaustive list of requirements.

Position	Qualification and Experience
Team Leader and Public Health Engineer Cum Project Management Specialist	The Team Leader and Public Health Engineer Cum Project Management Specialist is to be a graduate in civil engineering with more than 20 years experience in designing, construction management, and supervision of large integrated water supply and sewerage related projects including (i) experience for working as team leader/deputy teal leader for similar projects; (ii) working in several public health engineering related (water supply/waste water) projects at senior positions' and (iii) having experience of working in International organizations/externally aided projects.
Mechanical Specialist	Specialist is to be a graduate in civil/mechanical engineering with more than 10 years experience in designing, construction management, supervision and quality assurance of mechanical equipments and systems in large integrated water supply and waste water related projects, such as pipe lines, water treatment plants, river intake structures, pumping stations, sewerage processing plants, sewage pumping stations.
Electrical Cum Instrumentation Specialist	Specialist is to be an Engineering graduate in electrical/electronics/instrumentation with more than 10 years experience in designing, construction management, supervision and quality assurance of electrical and instrumentation equipments and systems in large integrated water supply and wastewater related projects, such as pipe lines, water treatment plants, river intake structures, pumping stations, sewerage processing plants, sewage pumping stations.
Water Treatment/Process and Intake Specialist	Specialist is to be a graduate in civil/mechanical engineering with more than 10 years experience and in designing, construction management, supervision of large Water Treatment /Processing Plants and intake systems based on latest technologies.
Structural Engineering Specialist	Specialist is to be a civil engineering graduate with more than 10 years experience in designing, construction management, supervision of large Water supply, Sewerage, Road, Building and Bridge projects based on latest technologies and design concepts.
Procurement Specialist	Specialist is to be a civil engineering graduate with more than 10 years experience in procurement of large scale projects related to water supply, sewerage, road and drainage sectors.

Position	Qualification and Experience
Quantity Surveyor	Specialist is to be a civil engineering graduate with more than 10 years experience/diploma in civil engineering with more than 15 years experience in estimation, preparation of BOQ and normal procurement procedures.
Water Supply Specialist	Specialist is to be a graduate in civil engineering with more than 10 years experience in designing water supply systems of large integrated water supply projects by using latest water cad soft wares.
Wastewater Specialist	Specialist is to be a graduate in civil engineering with more than 10 years experience in designing, construction management, supervision of large integrated waste water projects, sewer line network, wastewater treatment plants, sewer pumping stations, etc.
Solid Waste Management Specialist (SWM)	Specialist is to be a civil engineering graduate with more than 10 years experience in designing of Solid Waste Management Systems which includes equipment, processing plant and disposal sites. The specialist should be well versed with MSW Rules, 2000.
Drainage Specialist	Specialist is to be a civil engineering graduate with more than 10 years experience in designing, construction of drainage systems.
Environment Safeguards Specialist	Specialist is to be a graduate with more than 10 years experience as environmental safeguard specialist, and in dealing with environment related safeguards issues..
Social Safeguards cum Community Development Specialist	Specialist is to be a graduate with at least 10 years experience as social safeguard specialist and in dealing with social safeguards issues. Should be conversant with laws relating to land acquisition, State and ADB procedures in implementation of social and resettlement related issues.
Construction Manager	Specialist is to be a civil engineering graduate with over 20 years experience in Construction Management, Supervision and Quality control of projects related to water supply, sewerage, road and building works.
Survey Specialist	Specialist to be a civil engineering graduate with more than 10 years /diploma holder with more than 15 years experience in survey works related to water supply, sewerage, road, SWM and drainage projects under urban areas; by using latest technologies and equipments like Total Station, and utility mapping on state of the art computer software.

APPENDIX 7: TERMS OF REFERENCE FOR A FIRM OF PROJECT MANAGEMENT CONSULTANTS (PMC)

A. Objectives

1. The project management consultant (PMC) will have its project office established at Guwahati. The prime purpose of the assignment is to provide assistance to the program management unit (PMU) in project management and all technical issues to ensure the effective coordination and implementation of the whole project. The Consultant shall be responsible for effectively leading and taking initiative to manage, execute and implement the project, delineate PMU's method of working; installing procedures, operationalizing procedures and reporting systems; assist the PMU to define and prepare contracts, designing and procurement; assisting PMU in approving all necessary surveys and subproject designs, establishing criteria for supervision, coordination and management to ensure proper construction supervision by the project implementation units (PIU's) and Design and Supervision Consultants (DSCs). The PMC will work closely with the PMU for sustainable capacity building of different agencies working under project and will assist in implementing institutional development, capacity building, construction and supervision, monitoring the quality, project performance monitoring systems, public relation and awareness system and assuring the outputs of the DSCs.

B. Scope of Services

2. PMC is proposed to be engaged for following works :
- (i) Finalize the detail design and bidding documents for the sub project (Phase 1) on the basis of work done by the small-scale project preparatory technical assistance (S-PPTA).
 - (ii) Finalize designing and bidding documents for subprojects of second and third tranches under AUIIP.
 - (iii) Assist PMU and PIUs in project management, capacity building, institutional development and all technical issues for smooth functioning of AUIIP.
 - (iv) Set procedures, systems, standards, criteria and reporting systems for the PIUs and DSC. To overview and provide guidance to DSC.
 - (v) To prepare manuals

C. Implementation Arrangements, Staffing and Schedule

Table 1. Indicative Breakdown of Consultant's Input

S.No.	Key Person	Type	Total Person Months
1	Team Leader and PHE specialist cum Project Management specialist	National	72
2	Deputy Team Leader Cum PHE Specialist	National	72
3	Institutional and Training Specialist	National	54
4	Project Performance and Monitoring Specialist	National	69
5	Project Finance Specialist	National	69
6	Public Relation and	National	66

	Awareness Specialist		
7	Safeguard Specialist	National	20

3. The firm and individual consultants will be engaged in accordance with the Asian Development Bank's (ADB's) *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB on the engagement of national consultants. The consulting firm will be engaged using ADB's quality and cost-based selection procedures (QCBS) with a quality-cost ratio of 80:20. Full Technical Proposals (FTPs) will be requested.

4. PMC will be conducted over a period of 72 months with the Public Health and Project Management Specialist (National Team Leader) working full time in Guwahati and with assistance of Deputy team leader (PHE) and coordinating with other team members with intermittent input. The entire composition of PMC is made of 7 National team members, who will be required to provide all their input working in Guwahati office (Assam) or in the field.

D. Deliverables

5. **Main Reports.** The Consultant will prepare an inception report, quarterly reports, annual reports, contract completion report. All reports will be in English. One hard copy and one electronic copy of each report will be submitted to executing agency and to ADB.

6. **Inception Report.** To be submitted four weeks after commencing the services. The report will be based on work and staffing schedules agreed upon during contract negotiations, will contain refined study design (approach, methodology and work plan), contain outline table of contents of the final report, highlight problems encountered and anticipated, and will recommend solutions.

- (i) **Progress Reports.** Brief reports will be submitted quarterly, annual based on the inception report implementation and staffing schedules, and identify matters that require the attention of the state governments and/or ADB.
- (ii) **Draft Final Report.** This report, to be submitted at the end of assignment, will present all PMC outputs, including all results contained in the additional reports outlined below. The report will summarize the support extended to the implementation of the recommendations provided in the course of the assignment, specific results achieved, lessons learned, and further actions and support required. Matrix outlining issues identified, recommendations provided, implementation status and further actions will be provided as one of the report appendices. The report will contain a concise Executive Summary.
- (iii) **Final Report.** This report will be submitted at the end of assignment, and will incorporate comments on the draft final report from the PMU and ADB.

7. **Additional Reports.** The Consultant will prepare manuals, as follows:

- (i) Construction and Supervision Manual
- (ii) Safety Manual
- (iii) Maintenance Manual
- (iv) Accounts Manual
- (v) Project Performance and Monitoring Manual
- (vi) Public Relations and Awareness Strategy
- (vii) Institutional and Training Manual

8. **Capacity Building.** The Consultant will be required to assist executing agency in building the staff capacity:

- (i) Organizing Workshops ,Seminars and Presentations for capacity building of PMU, PIU and other stakeholders.
- (ii) To Witness Third party quality checks in presence of PMU/PIU/DSC.
- (iii) Preparation of various Manuals.

E. Government Input

9. The executing agency/PMU will provide suitable counterpart staff to work in the PIU and will also make available to the consultants support facilities including all relevant and available reports, documents, maps, and photographs etc. The disposition and number of counterpart staff will be determined together with the consultants at the time of contract negotiation. The PMU will ensure proper level of review of the recommendations provided by DSC consultant.

10. The executing agency will be responsible to provide the Office space to the consultant at Guwahati. The consultant will be responsible to:

- (i) arrange for refurbishment of office space, furniture, equipment, etc. required for setting up and maintenance of its office;
- (ii) arrange for communication, data processing, computers, printing equipments and necessary stationeries;
- (iii) arrange for all transportation and travelling required for the project and;
- (iv) arrange for any training material, printouts, etc. required for services.

F. Preferred Qualification Requirements for Key Personnel

11. The qualification requirements in this Appendix are “preferred” qualifications, and meeting them will result in rating “average” in the technical evaluation. However, qualifications specifically mentioned with language such as “minimum” or “at least” are minimum qualification requirements, failing which will be considered as “non-complying” for those specific requirements.

12. The qualifications described are to supplement the information already provided in the terms of reference (TOR) that directly or indirectly defines the level and range of expertise, qualifications and experience to be possessed by the experts, and is, therefore, not an exhaustive list of requirements.

Position	A. Qualification and Experience
Team Leader PHE cum Project Management Specialist	The Team leader and Public Health Engineer Cum Project Management Specialist to be graduate in civil engineering with more than 20 year experience in designing, construction management, and supervision of large integrated Water supply and Sewerage related projects including (i) experience for working as TL/ DTL for similar projects (ii) for working in several public health engineering related (water supply /waste water) projects at senior positions (iii) having experience of National and Overseas of externally aided projects.

Deputy Team Leader cum PHE Specialist	The DTL Cum PHE specialist to be graduate in civil engineering with more than 15 year experience in designing, construction management, supervision of large integrated PHE projects related with water supply and waste water projects, pipe lines and sewer lines, water treatment & waste water processing plants, intake structures, pumping stations, service reservoirs etc .
Institutional and Training Specialist	The Institutional specialist to be graduate with more than 15 years experience of managing institutional matters and setting suitable institutional systems in urban sector
Project Performance and Monitoring Specialist	The Project Performance and Monitoring System (PPMS) specialist to be graduate with more than 15 years experience of designing and implementing suitable PPMS for projects related to urban sector.
Project Finance Specialist	The PF specialist to be graduate with more than 15 years experience of designing and establishing suitable financing management system.
Public Relation and Awareness Specialist	The PRA specialist to be graduate with more than 15 years experience in designing and implementing public relations and community awareness systems.
Safeguard Specialist	The SS specialist to be a graduate in Social or Civil Engineering with more than 10 years experience of working on social and environmental safeguards, preferably in externally funded projects

APPENDIX 8: TERMS OF REFERENCE FOR CONSULTING SERVICES COMMUNITY MOBILIZATION, PERFORMANCE MONITORING, AND RESETTLEMENT PLANNING NGO

A. Objective

1. An experienced and capable nongovernment organization (NGO, or consortium) with diverse experience will be recruited to do the following activities in the two project cities of Guwahati and Dibrugarh: (i) design and implement a project baseline, performance monitoring, and evaluation system; (ii) formulate and implement a targeted community awareness, behavior change, and livelihood training program; and (iii) ensure smooth, effective, and timely implementation and monitoring of Category A Resettlement Plans.

B. Scope of Services

1. Project Baseline, Performance Monitoring, and Evaluation

2. To enhance capacity for results monitoring and evaluation related to the project investments in the Guwahati and Dibrugarh, the NGO will support the PMU through the development of a project baseline, performance monitoring, and evaluation system in the project service areas to monitor progress towards achieving health, socioeconomic targets, and quality of life indicators.

3. The specific scope of activities related to this component includes the following:

- (i) Design project baseline, performance monitoring, and evaluation system within the project service areas including preparation of survey forms, carrying out baseline, and completion surveys, analyze and evaluate data, and prepare monitoring reports;
- (ii) conduct poverty, income distribution, household, and other surveys (sex disaggregated) related to water, sewerage, drainage, and solid waste services at the onset and completion stages of the project in project service areas.
- (iii) establish a project performance management system (PPMS) to (a) monitor progress toward achieving agreed health and social targets and indicators, including those related to water quality and waterborne diseases and overall quality of life,³ and (b) generate information on the relationship between water supply, sewerage, solid waste, drainage, and hygiene education development, on the one hand, and social and improved quality of life indicators on the other; and (iii) measure people's perceptions of the project and quality of life impacts.

4. **Outputs.** The NGO will make available to the project management unit (PMU) the following: (i) inception report at the onset of the project which provides survey, performance monitoring, and evaluation system strategy; (ii) midterm evaluation report, and (iii) final evaluation report.

³ The quality of life indicators to be monitored include life expectancy and literacy.

2. Community Awareness, Behavior Change, and Livelihood Training Program

5. In supporting the PMU and project implementation units (PIUs) in community awareness and social development programs, the NGO will be responsible for (i) ensuring meaningful community participation through local planning, mobilization, awareness creation and establishing constructive public relations for the project; (ii) ensuring the development and implementation of behavior change communications strategies in relation to health seeking behaviors, hygiene and sanitation, and in promoting 3R strategy, source segregation and recycling of waste, through, amongst other methods, a sustained campaign of information, education, and communication (IEC); and (iii) providing skill training in livelihood opportunities from available recyclable materials (Dibrugargh only). The above activities will occur within the service areas of the project and will target poor communities and women. The NGO will need to closely coordinate all above activities with the Japan International Cooperation Agency-(JICA) funded Guwahati Water Supply Project and Institutional Capacity Development Consultancy who is supporting Jal Board's capacity for survey and social development work within Guwahati.

6. A robust community awareness program and behavior change communications strategy also requires the proactive participation of various stakeholders. The NGO will therefore seek the support of the following civil society representatives: (i) community influencers, religious leaders and other civil society representatives; (ii) community-based organizations (CBOs) and women's groups (iii) vendor associations and labor union federations; (iv) ward councilors, ward members and citizen forums; and (v) the public at large.

7. The specific scope of activities related to this component includes the following:

- (i) Conduct awareness, participatory, and sensitization activities to increase understanding of the project and its benefits amongst the local service area populations
- (ii) Conduct participatory planning and implementation exercises to identify issues and develop community-driven social and environmental action plans.
- (iii) Build capacities and help organize local women and community groups to take a leadership role in local social and environmental initiatives, particularly in the areas of hygiene, sanitation, and 3Rs.
- (iv) Conduct behaviour change programs targeting women and poor households to engender positive behaviours in water conservation, sanitation, hygiene, 3R strategy including source segregation of waste (waste component in Dibrugargh only).
- (v) Develop and disseminate IEC materials on social and behavior change messages at regular intervals using various media including electronic, print, audio-visual media.
- (vi) Provide skill training in livelihood opportunities from available recyclable materials (Dibrugargh only) targeting female headed and poor households.
- (vii) Provide training to all PIU and contractor's staff (including laborers) on gender and social issues including HIV and women and child trafficking issues;
- (viii) Implement the Gender Action Plan.

C. Resettlement Plan Implementation

8. The involvement of the NGO in resettlement planning will only be triggered if the project is classified as Category A as per the Asian Development Bank's (ADB's) safeguards policy.⁴ Under Tranche 1, due diligence shows that resettlement impacts are not significant. Therefore, the NGO would be required to bring in the necessary specialists for resettlement activities subsequent tranches as necessary. If the project will have significant involuntary resettlement impacts the following activities will be required of the NGO: (i) conduct census surveys of the affected persons (titled and non-titled) experiencing land acquisition and resettlement impacts, and (ii) provide high quality assistance to the affected persons during the resettlement and rehabilitation process to ensure all entitlements are made in timely manner prior to displacement.

9. A Resettlement Framework was prepared to guide resettlement planning under the MFF in accordance with *ADB's Safeguard Policy Statement (SPS, 2009)* and *The Land Acquisition Act, 1894* (LAA, amended in 1984) and the *National Policy on Resettlement and Rehabilitation, 2007* (NPRR). RPs will be prepared for subsequent tranches by the Resettlement Specialist in the Design Supervision Consultant (DSC) with survey and implementation support from the NGO. Therefore, during this pre-construction stage, the NGO will work closely with the DSC Resettlement Specialist to coordinate the design and survey works.

10. The specific scope of activities for the NGO related to resettlement include the following:
- (i) conduct detailed survey of physically and economically displaced persons based on detailed design, and identify poor, female-headed, and vulnerable households affected by land acquisition and resettlement;
 - (ii) prepare the list of the potential affected persons and issue identification cards;
 - (iii) facilitate the process of disbursement of compensation to the affected persons – coordinating with the revenue department, informing the affected persons of the compensation disbursement process and timeline;
 - (iv) assist affected persons in opening bank accounts explaining the implications, the rules and the obligations of a joint account and how s/he can access the resources s/he is entitled to;
 - (v) assist the executing agency in ensuring a smooth transition (during the part or full relocation of the affected persons), helping the affected persons to take salvaged materials and shift. In close consultation with the affected persons, the NGO shall inform the Land Acquisition Officer about the shifting dates agreed with the affected persons in writing and the arrangements desired by the affected persons with respect to their entitlements;
 - (vi) organize training programs for income restoration;
 - (vii) conduct meaningful, ongoing consultation and ensure disclosure of Resettlement Plans in an accessible manner to the affected persons;
 - (viii) assist PIUs in establishing grievance redress mechanism;

⁴ The involuntary resettlement impacts of an ADB-supported project are considered significant if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). The level of detail and comprehensiveness of the resettlement plan are commensurate with the significance of the potential impacts and risks. The only potential subproject requiring the assistance of the NGO in resettlement planning is the BRT subproject in Tranche 2, as it may have significant resettlement impacts. The impacts will be more clearly known during the detailed planning stage.

- (ix) assist PIUs in keeping detailed records of progress and establish monitoring and reporting system of resettlement;
- (x) act as the information source center for community interaction with the project and maintain liaison between community, DSC contractors and project management and implementing units during the execution of the works; and
- (xi) provide advice and other supports to PIUs as required.

D. Staffing Requirements

11. A total of 98 person months will be required. The NGO will be accountable to the PMU and PIUs and will work in close coordination with the DSC. The NGO is expected to commence its services by the first quarter of 2012. Detailed terms of reference TORs are in Annex 1.

12. The period of the assignment is six (6) years, three years per each tranche from 2012-2018. Intermittent inputs are needed during this time by the NGO. The staffing requirements for the scope of services is outlined in the table below.

Table. Qualifications, Experience and Person-month Requirements for the NGO

	Specialist	Qualifications and Experience	Person Months	
			Tranche 1	Tranche 2
1	Social Development and Evaluation Specialist / Team Leader	A Graduate in Sociology or related field with at least 10 years experience in planning and implementing social development and project evaluation programs and in (i) leading and supervising multidisciplinary teams engaged in socioeconomic development activities; (ii) multidisciplinary action research/surveys; and thorough knowledge of (iii) India land administration system and land acquisition laws; (iv) process and functionalities involved in land administration and acquisition; (v) report writing capability; and ability to demonstrate personal integrity and create a transparent and accountable work environment.	8	8
2	Community Development, Participation and Outreach Expert	Graduates in sociology or related field or related field with at least 7 years of experience in public participation, and community development techniques, community mobilization, livelihood and social development work, especially in the field of infrastructure. Experience of working on programs for the poor and disadvantaged groups in externally funded projects is also desirable.	5	5
3	Resettlement Specialist (hired only if Category A)	A Graduate in Sociology or related field with at least 10 years experience in planning and implementing resettlement program and in (i) leading and supervising multidisciplinary teams engaged in socioeconomic development activities; (ii)	0	6

		multidisciplinary action research/surveys; and thorough knowledge of (iii) India land administration system and land acquisition laws; (iv) process and functionaries involved in land administration and acquisition; (v) report writing capability; and ability to demonstrate personal integrity and create a transparent and accountable work environment		
4	Behavior Change Communications Specialist	Graduate in Social Work or related fields with at least 7 years experience working on development communications and gender issues; knowledge and experience working on life skills approaches, and IEC development and dissemination; good ability to conduct training programs; strong capacity in mobilizing communities around health, hygiene and sanitation.	3	3
5	Community workers (4)	Intermediate level education with 3-5 years experience in organizing community level meetings, social mobilization, gender issues, implementation of programs for the poor. 50% of the community workers will be women.	8	8
6	Data Analyst	Graduate degree in Statistics with at least 7 years experience working with quantitative and qualitative surveys, preferably in the development sector; proven data interpretation and analysis skills with the ability to present complex data into simple format; knowledge of social issues; strong experience working with contemporary data analysis software like SPSS.	8	8
SUBTOTAL			46	52
TOTAL			98	

E. Selection Criteria

13. The NGO should be experienced in the following two activities: (i) community awareness building, behavior change, and information, education, and communication (IEC) programs including 3R strategies, source segregation of waste, good hygiene and sanitation practices; and (ii) the overall system of survey, consultation, compensation and entitlement provision related to Resettlement Plan implementation; (iii) design and implementation surveys, evaluation, and reporting system.

14. The NGOs must fulfill the following eligibility criteria:

- (i) Have a proven track record in the field of resettlement planning and socio-economic development activities for at least five years in external supported projects
- (ii) Have at least three years experience of working in land based resettlement/rehabilitation programs and capacity to reconcile information from

- different data bases and develop software packages for Computerized Management Information System (CMIS).
- (iii) Have proven ability to design and implement behavior change communications strategies and develop appropriate IEC materials promoting positive behavior related to health, hygiene and sanitation.
 - (iv) Have extensive involvement in poverty alleviation through income generation program in urban areas
 - (v) Have proven ability to design and implement income restoration program for involuntary displaced persons including linking persons to micro-credit opportunities and other government programs
 - (vi) Capacity of video and digital documentation
 - (vii) Good background of conducting participatory community-based works including public consultation and issue-based Focus Group Discussions (FGDs)

F. Reporting

15. The NGO will report to the Project Director of the PMU and the Project Managers of the PIUs. The NGO will be required to constantly liaise with the DSC and report progress weekly to the Team Leader and Resettlement Specialist of DSC and the relevant PIU and PMU safeguard officers. The NGO will be required to maintain detailed records of the manner in which it is performing its tasks and the results it has achieved in detailed surveys, RP implementation, consultations with displaced persons, and grievance redress.

16. An inception report (5 copies) should be submitted to the Project Director of PMU and the Project Managers of PIUs within 1 month of field placement. Monthly and quarterly summaries to the DSC, PMU, and PIU shall be prepared and reported in an agreed template format giving an overview of the achievements in numerical terms and as minutes of meetings documenting number of participants, subjects and understanding/appreciation of the disseminated information.

G. Implementation Period

17. The budget includes all expenses such as staff salary, training, computer database, transport, field office and staff accommodation, and any other logistics necessary for Resettlement Plan implementation. Additional expense claims outside budget will not be entertained unless new activities are added and/or the number of project displaced persons is increased.

DETAILED TERMS OF REFERENCE

A. Social Development and Evaluation Specialist/Team Leader

18. The Social Development and Evaluation Specialist should have experience in designing and implementing impact evaluation using statistical methods. He or she will design and manage a rigorous impact evaluation of the project, including (i) a detailed analytical framework capturing direct and indirect impact on economic and social indicators related to project investments; (ii) the identification of project target and control groups; (iii) methodology and survey instruments at the household, and community level, etc., and a sampling strategy; (iv) baseline and end-of-project surveys; and (v) data analysis to quantify project impact. The consultant will (i) work with the PMU in setting up the project performance management system (PPMS) and (ii) design and distribute socioeconomic, poverty, perception, current behaviors

(including knowledge-attitude-practice surveys), and health surveys collecting sex-disaggregated data, and conducting a gender needs assessment (with survey clearance from ADB). The consultant will prepare a baseline report at commencement presenting data and, at completion, coordinate surveys and prepare a benefit-evaluation report looking at both target villages and control villages. He or she will assist the PMU with implementing the PPMS developed and agreed with ADB, including a benchmark survey and subsequent monitoring and evaluation surveys. The consultant will continuously monitor the progress of the project as per the PPMS, prepare regular progress reports as required by the PPMS, and, based on the progress reports, take appropriate corrective action.

B. Community Development, Participation and Outreach Expert

19. Prepare and implement training modules on participatory planning and community participation and facilitate training programs for project staff concerned and community representatives on community action planning and development. Assist in the design of community and household level participatory surveys for baseline data collection and data analysis. Design and implement community – based capacity building initiatives, including the development of skills training for proposed men and women solid waste collectors. Organize and manage community outreach events in slum areas, local markets, schools etc. Develop and strengthen social networks and use them as agents of change on issues related to gender discrimination, behavior change and poverty issues. Participate in capacity building workshops/activities focused on participatory action planning and behavior change communications strategies development. Together with PIU staff concerned, conduct participatory action planning exercises and guide communities to develop community based action plans focusing on improved hygiene and sanitation practices. Assist in the formation of community groups, particularly women’s groups and engage with them regularly to build their social leadership skills and provide them with the knowledge of best practices that could be employed to bring about positive behavior in relation to sanitation and hygiene. Conduct door – to – door visits and interact with household members to understand their attitudes and practices towards sanitation and hygiene, solid waste practices and educate them on the social benefits of positive behavior change. Conduct frequent household visits and interact with and collect data on positive changes, if any, on key behavioral aspects related to

C. Resettlement Specialist

20. For Category A projects (significant impacts), lead and conduct 100% census survey of the affected persons and the inventory of losses, as part of updating the Resettlement Plan in close coordination with the DSC. Distribute identification cards to affected persons. Conduct consultations with the stakeholders and affected persons and provide inputs from these consultations to DSC for Resettlement Plan finalization. Ensure compensation, rehabilitation, and income restoration measures, are done prior to construction in relevant sections. Ensure affected persons are compensated as per the Resettlement Plan before commencement of civil works in relevant section. Facilitate PIUs in responding to any public grievances and assist the PIU in maintaining database of the grievances. Submit monthly reports on Resettlement Plan implementation

D. Behavior Change Communications Specialist

21. Assist in the preparation and development of a behavior change communications strategy. Provide lead support in the development of educational and communications materials, including a comprehensive life skills training module and multi – media oriented IEC

package. Conduct livelihood training workshops. Provide training support to selected community members on the implementation of methodologies that could be used to influence behavior at the household and community level in water conservation, sanitation, hygiene, and 3R strategy including source segregation (waste components in Dibrugarh only). Liaise closely with media houses and develop partnerships with them to implement a comprehensive IEC campaign, using various media including electronic, print, audio–visual media. Develop and implement qualitative monitoring tools that would aid in tracking behavioral results at the household level.

E. Community workers

22. Four community development assistants will be hired from local population, two for each city, assist other community specialists in (i) conduct public rural appraisal sessions and awareness programs; (ii) mobilize communities and ensure their participation in design, implementation, and community empowerment; (iii) maintain appropriate rapport with community, local authorities to steer the social mobilization; (iv) assist in organizing and implement livelihood-development programs; (v) encourage the participation of women as per the gender action plan, and (vi) regularly communicate with the PIUs.

F. Data Analyst

23. Compile, analyze and evaluate (quantitative and qualitative) data emerging from the household level survey, using appropriate computer software SPSS, Access, etc. Develop a comprehensive survey report illustrating key findings against key indicators and fields listed in the questionnaire. Present findings to the project team and provide recommendations to the project management to develop performance indicators that could be easily monitored based on key data that have emerged from the household survey.

APPENDIX 9: GENDER ACTION PLAN - TRANCHE 1

Activities	Targets and Indicators	Responsibility	Time
Output 1: Improved and increased water supply area in Guwahati			
1.1. Baseline survey within the service area	Conduct baseline survey to identify female headed households (FHHs) in the service area for future water connections and benefit monitoring	PIU and NGO (Guwahati)	Year 1
1.2. Conduct behavior change workshops	Conduct 8 behavior change workshops with community members in water conservation, hygiene, sanitation, and 3R (target: 30% women)	PIU and NGO (Guwahati and Dibrugarh)	Year 1
Output 2: Solid waste management infrastructure improved in Dibrugarh			
2.1. Conduct livelihood training activities targeting poor and FHHs	<ul style="list-style-type: none"> ▪ Conduct baseline survey to identify female headed households (FHHs) in the service area for future SWM service and benefit monitoring ▪ Solid waste collected up to 90% in service area (target: 11% FHHs). ▪ Conduct 4 local skill training workshops in livelihood opportunities from available recyclable materials (target: 30% women) 	PIU (Dibrugarh)	Year 1 – 2
Output 4: Implementing Agencies (IAs) and ULBs effectively manage the project			
4.1. Conduct training programs for ULB/CDS/local bodies and IAs on social and gender considerations in O&M services and financial management	<ul style="list-style-type: none"> ▪ Gender sensitive O&M manuals prepared and disseminated to all 82 project wards ▪ A module or section on gender-specific issues in public health, hygiene, water supply, sanitation included in all training modules ▪ Conduct 2 Project Orientation Workshop for government officials, officers, and PMU and PIU staff (1 per each city) (target: 20% women) ▪ Conduct 4 Consultation workshops per city (FGD method) (1 per each tranche per city) with community members on planning, design, location, management, etc. of water supply, drainage, solid waste, and sewerage infrastructure (target: 20% women) ▪ Awareness raising on core labor standards with gender specific measures will be provided to PMU, PIU, and contractors and laborers. ▪ The sex disaggregated data collection system will be developed by the NGO in collaboration with the PMU to monitor the achievement of the gender and pro-poor targets. 	PMU/PIUs with DSC support (Guwahati and Dibrugarh)	Year 1

CDS = Community Development Societies; FHH = Female headed households; NGO = nongovernment organizations; O&M = Operations and Maintenance; PIU = Project Implementation Unit; PMU = Project Management Unit; ULBs = Urban Local Bodies..

APPENDIX 10 DESIGN AND MONITORING FRAMEWORK (MFF INVESTMENT PROGRAM)

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Urban population in relatively poor and weak capacity state (Assam) has improved access to water supply, sanitation, and urban infrastructure facilities.</p>	<ul style="list-style-type: none"> ▪ Improved urban services including 24X7 water supply and centralized sewerage treatment from 0% in 2011 to more than 95%, and 70% of population, respectively in Guwahati by 2023. ▪ 80% of Population in Guwahati and Dibrugarh perceives significant benefits from improved urban infrastructure since 2011. 	<ul style="list-style-type: none"> ▪ NFHS & DLHS. ▪ NSSO survey. ▪ Customer surveys results from water supply, sewerage, solid waste management, and BRT operators. 	<p>Assumptions</p> <ul style="list-style-type: none"> ▪ Continued national and state government commitment to urban sector development and reforms. ▪ Sustained economic growth in the country and the state of Assam. <p>Risk</p> <ul style="list-style-type: none"> ▪ Political and economic instability.
<p>Outcome</p> <p>Improved and sustainable water supply, sanitation, and urban transport system in the selected project cities in Assam.</p>	<p>Guwahati by 2019</p> <ul style="list-style-type: none"> ▪ Time spent for collecting water by women and girls in connected households reduced by at least 75% from about 2 hours daily. ▪ Population with piped sewerage increased from 0% to more than 95% of the population in the South Eastern Water Supply Zone. ▪ Transport Sector CO2 emissions decrease by 20%. <p>Dibrugarh by 2019</p> <ul style="list-style-type: none"> ▪ Reduction in frequency of major flooding impact from present annual to once in 10 years. ▪ Increased income for poor HHs and FHHs by 25% through the processing of solid waste and recyclable products. 	<ul style="list-style-type: none"> ▪ Baseline and completion socio-economic surveys. ▪ NFHS V & VI data (due every four years). ▪ Urban water supply and sanitation improvement program reports/surveys. ▪ ULB customer satisfaction surveys. ▪ Annual Report by SPV for the BRT component ▪ Water resources department annual reports ▪ ULB customer satisfaction surveys 	<p>Assumptions</p> <ul style="list-style-type: none"> ▪ Continued growth in demand for water supply and sanitation services to achieve full capacity utilization <p>Risks</p> <ul style="list-style-type: none"> ▪ Population and/or traffic growth varies significantly from estimates
<p>Outputs</p> <p>1. Improved, regular and sustainable metered water supply in Guwahati</p>	<p>By 2018: Guwahati</p> <ul style="list-style-type: none"> ▪ Number of households connected to metered water supply in southeast zone of Guwahati (target: 20% from low income households⁵, and 11% from FHHs) ▪ Service coverage with piped water supply 	<ul style="list-style-type: none"> ▪ PMU report (sex-disaggregated, poverty vulnerability level categorized baseline data) ▪ DLHS ▪ National Institute of Urban Affairs surveys 	<p>Assumptions (For Outputs 1-6)</p> <ul style="list-style-type: none"> ▪ Environmental regulations for acceptable practices implemented ▪ Tariff reforms and introduction of user charges <p>Risks (For Outputs 1 – 6)</p> <ul style="list-style-type: none"> ▪ There is no bidder

⁵ As per the Government of India's classification of households, low – income households are those whose annual earnings are less than 40,000 (i.e. \$896 at 2001 – 2002 prices).

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>2. Increased sewerage treatment coverage in the Guwahati</p> <p>3. Improved public transport system through implementation of one BRT corridor in Guwahati</p> <p>4. Solid waste management infrastructure improved in Dibrugarh</p> <p>5. Improved urban drainage system in Dibrugarh</p> <p>6. Project management and implementation skills strengthened in the IAs and ULBs.</p>	<p>increased to more than 90% households in Guwahati (target: 20% from low income households, and 11% from FHHs)</p> <ul style="list-style-type: none"> ▪ User charge plans prepared and submitted for water supply with special subsidized rates for (target: 20% from low income households, and 11% from FHHs). ▪ Service area coverage with piped sewerage system increased from current negligible level to 95% in the southeast zone ▪ Reduction in travel time along the corridor from an average of 50 minutes to 20 minutes ▪ BRT service available along 10.5 km in the city ▪ EWCD1/ - friendly design features in place in buses and BRT corridors <p>Dibrugarh</p> <ul style="list-style-type: none"> ▪ Solid waste collected up to 80% in service area (target: 12% low income households, and 11% from FHHs) ▪ Up to 2,000 women access employment opportunities with equal pay for work of equal value ▪ Incidence of street flooding reduced by 20% per year ▪ At least 250 ULB Staff Implementing Agency Staff (target: 30% women) trained in social-inclusive and gender responsive O&M services, financial management. ▪ Gender and vulnerability O&M manuals informed by gender and social inclusive considerations 	<p>on sanitation and water supply</p> <ul style="list-style-type: none"> ▪ DLHS ▪ NFHS &DLHS ▪ State District Urban Development Agency internal monitoring reports ▪ STP operators, influent and effluent quality monitoring reports ▪ GMWSSB annual report ▪ PMU and PIU's project progress report ▪ Public transportation department policy briefs ▪ Strategic public transportation network and management guidelines and plans ▪ Design and tender documents ▪ ULB services level sex – disaggregated records ▪ Water resources department annual report ▪ Baseline and completion socio-economic surveys ▪ PMU and PIU's monitoring of project progress 	<p>interested in the DBO contracts.</p> <ul style="list-style-type: none"> ▪ ULBs are hesitant to adopt user charge plans for water supply and sewerage.

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks					
	prepared and disseminated <ul style="list-style-type: none"> ▪ Community awareness campaigns on social/gender and health, sanitation issues conducted in all project city ULBs ▪ At least 50% of facilitators and participants in sanitation campaigns are women 							
Activities with Milestones								
<p>1.0 Guwahati water supply subproject</p> 1.1 Subproject land identified and acquired (Q3 2011) 1.2 Detailed designs completed (Q4 2011) 1.3 Contracts for River Intake,WTP awarded/Works Completed (Q2 2012 - Q4 2014) 1.4 Contracts for Service Reservoirs and allied services Awarded/Works Completed (Q1 2012 - Q4 2014) 1.5 Contract for Raw water pumping mains and allied works (Q2 2012-Q4 2014)1.6 Distribution Pipelines Contracts Awarded/Works Completed (Q2 - Q4 2016) 1.6 Water meters supplied and installed (Q1 2017 - Q3 2017) <p>2.0 Guwahati Sewerage Treatment Subproject</p> 2.1 Contracts for STP Zone 1A (South- East) awarded/Works Completed (Q4 2013 - Q3 2017) 2.2 Contract for Sewerage system for Zone 1 A (South-East) Guwahati awarded/works completed (Q4 2013 - Q3 2017) 2.3 Sewerage connections to houses completed (Q1 2017 - Q3 2017) <p>3.0 Guwahati BRT Subproject</p> 3.1 Design and Preparatory work for BRTS (Q4 2012) 3.2 Subproject land identified and acquired, and affected people compensated and relocated (Q4 2012) 3.3 Contract for BRT Corridor construction & commissioning awarded/completed (Q1 2014 - Q3 2017) <p>4.0 Dibrugarh Solid Waste Management Subproject</p> 4.1 Processing Plant and Sanitary Landfill (SLF) Site development including civil, mechanical and electrical works (Q1 2013 - Q3 2017) 4.3 Equipment & Vehicles for primary collection, secondary transportation for SWM (Q1 2015 - Q4 2016) <p>5.0 Dibrugarh Drainage Improvement Subproject</p> 5.1 Dibrugarh Town Protection Drain Rehabilitation with road culvert replacements and flood relief culverts and reconstruction of sluice gates (Q2 2012 - Q4 2015) 5.2 Dibrugarh main drainage outlet channel rehabilitation and secondary drainage development with allied works (Q2 2013-Q4 2016) <p>6. Urban service delivery management improved</p> 6.1 PMU and PIU established Q2 2011 6.2 PMU and PIU staff participated in ADB's workshop Q2 2011 6.3 PMC and DSC engaged Q4 2011 6.4 Contract management system developed by PMC Q2 2012 6.5 PMU and PIU staff visited other ADB financed projects in India Q2 2012 6.6 IPPMS developed by PMC Q2 2012 6.7 Project website and newsletter prepared by PMU Q3 2012		<p>Inputs</p> <p>Investment Program (Rough est)</p> <table border="0"> <tr> <td>ADB</td> <td>\$200.0 million</td> </tr> <tr> <td>Government</td> <td>\$85.8 million</td> </tr> <tr> <td>Total</td> <td>\$285.8 million</td> </tr> </table> <p>Co-financing for Project 2</p> <p>Co-financing – GEF for the BRT component (estimated at \$5.0 million) –AFD for the BRT component (estimated at \$32 million)</p>	ADB	\$200.0 million	Government	\$85.8 million	Total	\$285.8 million
ADB	\$200.0 million							
Government	\$85.8 million							
Total	\$285.8 million							

ADB = Asian Development Bank, BRT = bus rapid transit, DLHS = District-Level Household Survey, DSC = Design and Supervision Consultant, EWCD = elderly, women, children, disabled, FHH = female-headed households, GMWSSB=guwahati municipal water supply and sewerage Board, IPPMS = investment program performance monitoring system, JNNURM = Jawaharlal Nehru National Urban Renewal Mission, NFHS = National Family Household Survey, NRW= Non-revenue water, NSSO = National Sample Survey

Organization, O&M = operation and maintenance, PIU = project implementation unit, PMC = Project Management Consultant, PMU = program management unit, SPV= special purpose vehicle, STP = sewerage treatment plant, SWM = solid waste management, ULB = urban local bodies, WTP = water treatment plant.

1/ EWCD policies and design features in buses and BRT corridors means the provision and maintenance of a rapid movement strategy and user friendly mobility services targeted at elderly, women, children and the disabled.

DESIGN AND MONITORING FRAMEWORK FOR MFF TRANCHE 1

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Impact Improved and sustainable urban services at the standards set by the Government in selected project cities in Assam (synchronized with the MFF's DMF outcome).</p>	<p>Guwahati (by 2018)</p> <ul style="list-style-type: none"> ▪ Drinking water quality standards meets water quality standards of India <p>Dibrugarh (by 2018)</p> <ul style="list-style-type: none"> ▪ Reduction in frequency of major flooding impacts from present annual to once in 10 years ▪ Municipal solid waste collection improved from 30% in 2011 to 90% in 2018 with 25% recycling , composting, with sanitary disposal of waste ▪ Increased income for poor households and FHHs by 25% through the processing of solid waste and recyclable products. 	<ul style="list-style-type: none"> ▪ State Pollution Control Board (SPCB) water quality monitoring reports ▪ ULB customer satisfaction surveys ▪ ULB customer satisfaction surveys ▪ NFHS V & VI data (due every four years) 	<p>Assumptions</p> <ul style="list-style-type: none"> ▪ Continued growth in demand for water supply services to achieve full capacity utilization <p>Risk</p> <ul style="list-style-type: none"> ▪ Population and/or traffic growth varies significantly from estimates.
<p>Outcome Efficient and improved pre-distribution water supply infrastructure in Guwahati, and drainage and solid waste management in Dibrugarh (consolidated MFF's DMF outputs).a/</p>	<p>Guwahati (by 2018)</p> <ul style="list-style-type: none"> ▪ Drinking water meets water quality standards of India <p>Dibrugarh (by 2018)</p> <ul style="list-style-type: none"> ▪ Municipal solid waste collection improved from 30% in 2011 to 90% in 2018 with 25% recycling , composting, with sanitary disposal of waste ▪ Increased income for poor households and FHHs by 25% through the processing of solid waste and recyclable products. ▪ Reduction in frequency of major flooding impacts from present annual to once in 10 years 	<ul style="list-style-type: none"> ▪ SPCB monitoring reports ▪ ULB customer satisfaction surveys ▪ Project completion report ▪ NFHS V & VI data ▪ ULB customer satisfaction survey 	<p>Assumptions</p> <ul style="list-style-type: none"> ▪ Environmental regulations for acceptable practices implemented ▪ Resettlement and environmental compensation and clearance completed in a timely manner <p>Risks</p> <ul style="list-style-type: none"> ▪ Project start-up delays due to land acquisition issues
<p>Outputs</p> <p>1. Improved and increased water supply area in project city</p>	<p>By 2014:</p> <p>Guwahati</p> <ul style="list-style-type: none"> ▪ 88 MLD water treatment plant and 6 clear water reservoirs ▪ Conduct baseline survey to beneficiaries, including FHHs in the service area for future water connections and 	<ul style="list-style-type: none"> ▪ PMU and PIU's monitoring of project progress report ▪ PMU report (sex-disaggregated) 	<p>Assumptions (Outputs 1-4)</p> <ul style="list-style-type: none"> ▪ Environmental regulations for acceptable practices implemented ▪ Resettlement and environmental

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks						
<p>2. Solid waste management infrastructure improved in Dibrugarh city</p> <p>3. Reduced flooding through improved urban drainage in the project cities</p> <p>4. Implementing Agencies (IAs) and ULBs effectively manage the project</p>	<p>benefit monitoring.</p> <p>Dibrugarh</p> <ul style="list-style-type: none"> ▪ Solid waste collected up to 80% in service area (target: 11% low income households and 11% FHHs). ▪ Up to 2,000 women access employment opportunities with equal pay for work of equal value ▪ Community awareness and behavior change campaigns (sanitation, hygiene, 3R strategy) and skill training for local employment generation from waste collection and processing in 22 wards (including 9 slums) (target: 30% women participation). ▪ Incidence of street flooding reduced by 20% per year ▪ At least 250 ULB Staff IA Staff (target: 30% women) trained in social-inclusive and gender responsive O&M services, financial management. ▪ Gender and vulnerability O&M manuals informed by gender and social inclusive considerations prepared and disseminated ▪ Community awareness campaigns on social/gender and health, sanitation issues conducted in all project city ULBs (target: 50% women participation) ▪ Detailed preparatory works completed for Tranche 2 subprojects including the BRT component, STP and network, and water distribution system 	<ul style="list-style-type: none"> ▪ Project completion report ▪ ULB services level sex-disaggregated records ▪ Baseline and socio-economic surveys ▪ Project progress reports ▪ PPMS ▪ PMU and PIU's monitoring of project progress ▪ Monitoring reports on institutional development including number of gender disaggregated staff trained, training courses, and improved organizational systems and procedures ▪ Monitoring reports, training program completion reports ▪ Monitoring reports, training program completion reports 	<p>compensation and clearance completed in a timely manner</p> <p>Risks (Outputs 1 – 4)</p> <ul style="list-style-type: none"> ▪ Slow actions by Government of Assam and the ULBs to undertake institutional and financial reforms. ▪ Staff turnover problem 						
Activities with Milestones									
<p>1.0 Guwahati water supply subproject</p> <p>1.1 Subproject land identified and acquired (Q2 2011)</p> <p>1.2 Detailed designs completed (Q3 2011)</p> <p>1.3 Contracts for River Intake,WTP awarded/Works Completed (Q2 2012 - Q4 2014)</p> <p>1.4 Contracts for Service Reservoirs and allied services Awarded/Works Completed (Q1 2012 - Q4 2014)</p> <p>1.5 Contract for Raw water pumping mains and allied works (Q2 2012-</p>		<p>Inputs</p> <p>Investment Program (Rough est)</p> <table border="0"> <tr> <td>ADB</td> <td>\$81.0 million</td> </tr> <tr> <td>Government</td> <td>\$34.5 million</td> </tr> <tr> <td>Total</td> <td>\$115.5 million</td> </tr> </table>		ADB	\$81.0 million	Government	\$34.5 million	Total	\$115.5 million
ADB	\$81.0 million								
Government	\$34.5 million								
Total	\$115.5 million								

Activities with Milestones	
<p>Q4 2014)</p> <p>2.0 Guwahati BRT Subproject 2.1 Design and Preparatory work for BRTS (Q4 2012) 2.2 Subproject land identified and acquired, and affected people compensated and relocated (Q4 2012)</p> <p>3.0 Dibrugarh Solid Waste Management Subproject 3.1 Processing Plant and Sanitary Landfill (SLF) Site development including civil, mechanical and electrical works (Q1 2013 - Q3 2017) 3.2 Equipment & Vehicles for primary collection, secondary transportation for SWM (Q1 2015 - Q4 2016)</p> <p>4.0 Dibrugarh Drainage Improvement Subproject 4.1 Dibrugarh Town Protection Drain Rehabilitation with road culvert replacements and flood relief culverts and reconstruction of sluice gates (Q2 2012 - Q4 2015)</p> <p>5. Urban service delivery management improved 5.1 PMU and PIU established Q2 2011 5.2 PMU and PIU staff participated in ADB's workshop Q2 2011 5.3 PMC and DSC engaged Q4 2011 5.4 Contract management system developed by PMC Q2 2012 5.5 PMU and PIU staff visited other ADB financed projects in India Q2 2012 5.6 IPPMS developed by PMC Q2 2012 5.7 Project website and newsletter prepared by PMU Q3 2012</p>	

ADB = Asian Development Bank, BRT = bus rapid transit, DLHS = District-Level Household Survey, DSC = Design and Supervision Consultant, EWCD = elderly, women, children, disabled, FHH = female-headed households, IPPMS = investment program performance monitoring system, JNNURM = Jawaharlal Nehru National Urban Renewal Mission, NFHS = National Family Household Survey, NSSO = National Sample Survey Organization, O&M = operation and maintenance, PIU = project implementation unit, PMC = Project Management Consultant, PMU = program management unit, STP = sewerage treatment plant, SWM = solid waste management, ULB = urban local bodies, WTP = water treatment plant.

a/ In accordance with ADB 2007 Guidelines for Preparing a Design and Monitoring Framework. Manila; the outputs in the investment program DMF are the respective projects, and each output statement of the investment program DMF becomes the outcome of the respective project to be funded by a PFR.

1/ EWCD policies and design features in buses and BRT corridors means the provision and maintenance of a rapid movement strategy and user friendly mobility services targeted at elderly, women, children and the disabled. This strategy is premised on the set up of a highly accessible network system that supports a range of modes (road and rail, public and private) and activities at various levels, intensity and scale. The project will endorse the promotion of such a public transport system as the means to increase accessibility to disadvantaged social groups, particularly in relation to employment, recreation, education, public services, and social opportunities.

APPENDIX 11: CONSULTATION AND PARTICIPATION STRATEGY

C&P Activity	Target Stakeholders	Type of Participation	Objectives of the C&P Activity	Responsible Unit/Persons	Time Frame	Cost Estimate	Budget Source
2 Project Orientation Workshops for government officials, officers, and PMU and PIU staff (1 per each city)	50 government officials and staff per project orientation workshop consisting of representatives from the UDD and GUDD, State Pollution Control Board, Dibrugargh Municipal Board, Guwahati Municipal Corporation, and other relevant state and local officials.	<ul style="list-style-type: none"> • Information sharing • Consultation • Shared responsibility • Shared decision-making 	<ul style="list-style-type: none"> • Introduce the Project • Demonstrate the link between improved water supply, sewerage, drainage, and solid waste management infrastructure and good health, women's empowerment, and environmental conservation <i>(Note: Seminar topics and contents should be gender-sensitive, socially inclusive, and raise environmental awareness.)</i> • Discuss roles and accountabilities of various government units • Discuss issues related to use of land acquisition, resettlement, and environmental clearances and permits • Mitigate potential problems e.g., citizens' use of government lands and property that will be lost to the project • Gather recommendations 	ADB Project Team in cooperation with the PMC	Year 1: 2 Project orientation workshops (Guwahati and Dibrugargh)	\$1,500/workshop X 2 cities = \$3,000	PMC budget
4 POS for local community groups (2 per city) on the AUHIP 2 POS for women only on the AUHIP (1 per city)	<ul style="list-style-type: none"> • 100 community members, preferably, household heads, with at least 30 women participating per project orientation seminar • At least 50 women community members per project orientation seminar 	<ul style="list-style-type: none"> • Information sharing • Consultation 	<ul style="list-style-type: none"> • Introduce the Project, highlighting its importance and benefits to the community • Demonstrate the link between improved water supply, sewerage, drainage, and solid waste management infrastructure and good health, women's empowerment, and environmental conservation <i>(Note: Seminar topics and contents should be gender-sensitive, socially inclusive, and raise environmental awareness.)</i> • Gather concerns and views related to water supply , 	PIU, ULB, in cooperation with the DSC and NGO	Years1-3 (Tranche 1 &2): Guwahati and Dibrugargh	\$ 1,000/POS X 4 POS = \$4,000 \$ 300/women only POS X 2 POS = \$600	NGO budget

C&P Activity	Target Stakeholders	Type of Participation	Objectives of the C&P Activity	Responsible Unit/Persons	Time Frame	Cost Estimate	Budget Source
			sewerage, drainage, and solid waste management <ul style="list-style-type: none"> Gather recommendations 				Appendix 11
8 small group meetings (1 per subproject) on Resettlement and Compensation Issues	<ul style="list-style-type: none"> Affected Persons: Landowners, titled and nontitled affected persons 	<ul style="list-style-type: none"> Information sharing Consultation 	<ul style="list-style-type: none"> Introduce the Project Mitigate potential conflict Solicit the views of affected persons on resettlement and compensation Agree on resettlement processes, location, and compensation 	PMU, PIU, ULB, in cooperation with the DSC and NGO	Years 1-4 (Tranches 1-2): 8 small group meetings	\$300/small group meeting X 8 = \$2,400	NGO budget
4 Consultation workshops per city (FGD method) (1 per each tranche per city) with community members on planning, design, location, management, etc. of water supply, drainage, solid waste, and sewerage infrastructure	50 household representatives (at least 30% women and 30% from poor/slum/vulnerable households) per consultation session	<ul style="list-style-type: none"> Information sharing Consultation 	<ul style="list-style-type: none"> Introduce the Project Gather household issues relevant to plans, design, location, management of water supply and sewerage infrastructure and services Solicit views, suggestions on plans, design, location, management of WSS 	PMU, PIU, ULB, in cooperation with the DSC and NGO	Years 1-4 (Tranches 1-2): 4 Consultation workshops (1 per each tranche per city) Tranche 1: Guwahati, Dibrugarh Tranche 2: Guwahati, Dibrugarh	\$ 1,500/consultation workshop X 4 = \$6,000	DSC budget
8 behavior change workshops (1 per subproject) with community members in hygiene, sanitation, and 3R 4 local skill training workshops in livelihood opportunities from available recyclable materials	50 household representatives (at least 30% women and 30% from poor/slum/vulnerable households) per workshop 20 household representatives (at least 30% women and 30% from poor/slum/vulnerable households) per workshop	<ul style="list-style-type: none"> Information sharing Education Skill Development 	<ul style="list-style-type: none"> Behavior change awareness building in hygiene, sanitation, and 3R strategies including skill training in solid waste sector 	PIU, ULB, in cooperation with the NGO	Years 1-4 (Tranches 1-2): 8 Consultation workshops (1 per subproject) Year 1 (Tranche 1): 4 skill training workshops in Dibrugarh	\$ 500/ behavior change workshops X 8= \$4,000 \$ 500/ skill training workshops X 4= \$2,000	NGO budget
2 Consultation workshops (FGD method) (1 per city)	50 entrepreneurs (small to large enterprise owners) per city consisting of	<ul style="list-style-type: none"> Information sharing Consultation 	<ul style="list-style-type: none"> Introduce the Project Demonstrate the link between improved water supply, 	PMU, PIU in cooperation with PMC	Year 1: 2 consultation workshop (1 per	\$ 1,500/consultation workshop X 2	PMC budget

C&P Activity	Target Stakeholders	Type of Participation	Objectives of the C&P Activity	Responsible Unit/Persons	Time Frame	Cost Estimate	Budget Source
with the private sector on the Project's implications on existing businesses in each city	businesspersons, corporate persons, representatives of business associations		sewerage, drainage, and solid waste management infrastructure and good health, women's empowerment, and environmental conservation <i>(Note: Seminar topics and contents should be gender-sensitive, socially inclusive, and raise environmental awareness.)</i> <ul style="list-style-type: none"> Mitigate potential resistance to the project Gather recommendations 		city)	cities = \$3,000	
4 Consultation workshop with temporarily affected persons (1 per subproject)	Hawkers/vendors, and small shopkeepers per city affected by linear pipe and drainage works.	<ul style="list-style-type: none"> Information sharing Consultation 	<ul style="list-style-type: none"> Introduce the Project Demonstrate the link between improved water supply, sewerage, drainage, and solid waste management infrastructure and good health, women's empowerment, and environmental conservation <i>(Note: Seminar topics and contents should be gender-sensitive, socially inclusive, and raise environmental awareness.)</i> <ul style="list-style-type: none"> Mitigate potential resistance to the project Gather recommendations Agree on remedial measures 	PMU, PIU in cooperation with the DSC and NGO	Years 1-4 (Tranches 1-2): 4 Consultation workshops (1 per each tranche per city) Tranche 1: Guwahati, Dibrugargh Tranche 2: Guwahati, Dibrugargh	\$ 250/consultation workshop X 4 = \$1,000	NGO budget
2 Consultation workshops (1 per city) with the academe, NGOs, and other civil society organizations	50 representatives of the academe, NGOs, and other civil society organizations	<ul style="list-style-type: none"> Information sharing / knowledge generation Consultation Shared responsibility Shared decision-making 	<ul style="list-style-type: none"> Introduce the Project Demonstrate the link between improved water supply and sewerage infrastructure and good health, women's empowerment, and environmental conservation. Show possible livelihood/business opportunities. <i>(Note: Seminar topics and contents should be gender-sensitive, socially inclusive, and raise environmental awareness.)</i> <ul style="list-style-type: none"> Gather knowledge on 	PMU, in cooperation with the WDC and NGOs	Year 1: 2 consultation workshops (1 per city)	\$1,500/workshop X 2 cities = \$3,000	PMC budget

C&P Activity	Target Stakeholders	Type of Participation	Objectives of the C&P Activity	Responsible Unit/Persons	Time Frame	Cost Estimate	Budget Source
			conservation and mitigation measures <ul style="list-style-type: none"> • Mitigate potential resistance to the project • Discuss possible roles as watchdogs of the project's implementation • Gather other relevant recommendation 				Appendix 11
<ul style="list-style-type: none"> • Annual Project Steering Committee Meetings • Quarterly PMU/PIU Monitoring Meetings • Quarterly Town/City Level Steering Committee Meetings 	PMU, members of the Empowered Committee, members of the Town/City Level Steering Committee Meetings, PIU, and private contractors from the 2 project cities	<ul style="list-style-type: none"> • Information sharing • Shared responsibility • Shared decision-making • Control 	<ul style="list-style-type: none"> • Review compliance with social safeguards, environment, and gender frameworks and plans • Discuss progress in implementation, including problems encountered and means to mitigate/address them • Regularly report on the progress of implementation 	PMU, PIU, ADB Project Team	Annual Project Steering Committee Meetings PMU, PIU Monitoring Meetings: Quarterly PSC Meetings: Annually Town/City Committee Meetings: Quarterly	Project Steering Committee Meetings: \$500 X 6 years = \$3,000 PMU/PIU Monitoring Meetings: \$500 X 4 X 6 years X 2 cities = \$24,000 Town/City Level Steering Committee Meetings: \$500 X 4 X 6 years X 2 cities = \$24,000	PMC Budget
Semi-Annual Participatory Community Monitoring Meetings (2 per year X 6 years X 2 cities)	20 representatives (50% women) from the community and civil society (representatives of CBOs, NGOs, ward committees, fishing communities, poor/slum communities, private sector) in each project city	<ul style="list-style-type: none"> • Information sharing • Shared responsibility • Shared decision-making 	<ul style="list-style-type: none"> • Surface issues and concerns during project implementation • Discuss and recommend measures to mitigate / address the problems • Monitor progress of project implementation 	PIU in cooperation with the DSC and NGO	Participatory Monitoring Meetings: Semi-annually	\$250 X 2 meetings X 6 years X 2 cities = \$6,000	NGO budget

ADB = Asian Development Bank, AUJIP = Assam Urban Infrastructure Investment Program, DSC = design and supervision consultant, FGD = focus group discussion, GDD = Guwahati Development Department, NGO = nongovernment organization, PIU = project implementation unit, PMC = project management consultant, PMU = program management unit, POS = project orientation seminar, UDD = Urban Development Department, ULB = urban local body, WDC = Women's Development Center. WSS = water supply and sanitation

APPENDIX 12: KEY ADB DOCUMENTS PERTAINING TO PROJECT IMPLEMENTATION

A. General

- (i) Anticorruption and Integrity (revised December 2007)
- (ii) Anticorruption Policy: Description and Answers to Frequently Asked Questions (revised 2008)
- (iii) Guidelines for Economic Analysis of Projects (revised February 1997)
- (iv) Guidelines for the Financial Governance and Management of Investment Projects Financed by ADB (revised October 2005)
- (v) Guidelines for Preparing the Design and Monitoring Framework (July 2007)
- (vi) e-Handbook on Project Implementation (March 2008)
- (vii) Second Governance and Anticorruption Action Plan (July 2006)
- (viii) Operations Manual (Policies and Procedures) (updated October 2003 – latest updates of individual Business Procedures and Operational Procedures apply)
- (ix) Ordinary Operations Loan Regulations (Applicable to LIBOR-Based Loans Made from ADB's Ordinary Capital Resources) (dated 1 July 2001)
- (x) Ordinary Operations Loan Regulations (Applicable to Loans Made by the Bank from its Ordinary Capital Resources) (dated 1 July 1986)
- (xi) Regulations of the Asian Development Fund (dated 7 February 2005)
- (xii) Special Operations Loan Regulations (Applicable to Loans Made by ADB from its Special Funds Resources) (dated 1 January 2006)
- (xiii) Special Operations Grant Regulations (Applicable to Grants Made by ADB from its Special Funds Resources) (dated 7 February 2005)
- (xiv) Resources) (dated 7 February 2005)

B. Consultants

- (i) Guidelines on the Use of Consultants by the Asian Development Bank and Its Borrowers (revised Feb. 2010)
- (ii) Harmonized RFP for TA (updated 28 August 2009)
- (iii) Harmonized RFP for Loans - (updated 28 August 2009)
- (iv) Consulting Services Operations Manual - 2008

C. Procurement

- (i) Procurement Guidelines (revised April 2010)
- (ii) Guidelines on the Use of Consultants (revised April 2010)
- (iii) Guide to EA Procurement Capacity Assessment
- (iv) Guide to Completing Procurement Plans
- (v) Handbook on Problems in Procurement for Projects Financed by the Asian Development Bank (Revised November 1987, reprinted October 1995)
- (vi) Standard Bidding Documents – Procurement of Goods (including related services)
- (vii) Standard Bidding Documents – Procurement of Works
- (viii) Standard Bidding Documents – Procurement of Works (Small Contracts)
- (ix) Standard Bidding Documents – Procurement of Plant-Design, Supply, Install
- (x) Standard Procurement Document – Prequalification of Bidders
- (xi) Standard Procurement Document – Prequalification of Bidders, User's Guide (Revised October 2009)
- (xii) Guide on Bid Evaluation (October 2009)

D. Disbursement

- (i) Loan Disbursement Handbook (January 2007)

80 Appendix 12

- (ii) Technical Assistance Disbursement Handbook (January 2008)
- (iii) Guidelines for Disbursement of Technical Assistance Grants (December 1992)

E. Environmental and Social Safeguards

- (i) Safeguard Policy Statement (2009)

F. Social Dimensions and Gender Development

- (i) Handbook on Social Analysis: A Working Document (2007)
 - (a) Technical Note on Social Analysis for Transport Project (2009)
 - (b) Technical Note on Social Analysis for Multi Tranche facility (2009)
 - (c) Technical Note on Social Analysis for Private Sector Projects (2009)
- (ii) Poverty Handbook Analysis and Processes to Support ADB Operations: A Working Document (2006)
- (iii) Core Labor Standards Handbook (2006)
- (iv) Strengthening Participation for Development Result: A Staff Guide to Consultation and Participation (2006)
- (v) Interacting with Workers' Organization: A Primer for ADB Staff (2009)
- (vi) Sector Gender Checklists:
 - (a) Gender Checklist on Agriculture (2001)
 - (b) Gender Checklists on Education (2000)
 - (c) Gender Checklist on Health (2000)
 - (d) Gender Checklist on Resettlement (2003)
 - (e) Gender Checklist on Urban Development and Housing (2001)
 - (f) Gender Checklist on Water Supply and Sanitation (2007)
- (vii) Quick Reference Guide on Gender and Project Performance Management System (2009)
- (viii) Project Gender Action Plans: Lessons for Achieving Gender Equality and Poverty Reduction Result (A Briefing Note, 2009)
- (ix) Gender, Law, and Policy Toolkit (2006)
- (xi) Good Practices Guide for Incorporating Legal Empowerment into Operations (2009)

G. Others

- (i) Executing Agency's Project Progress Report (PAI 5.01)

APPENDIX 13: FORMAT OF QUARTERLY PROGRESS REPORT*For the Period _____*

Overall Status

Facility Management

1. Provide comment on present project management structure as compared in the original plan. Please mention any deviation from original plan.

Subproject Selection, Preparation, and Appraisal

2. Same as above.

Implementation Period

3. Same as above

Consultant Recruitment

4. Same as above

Procurement

5. Same as above

Disbursement

6. Same as above

Reporting requirements

7. Same as above

Technical Part

Performance Targets/Indicators	Progress/Status

Description	Assessment of Progress-to-date

In the event of “nil” activity for any of the above component during the reporting period, “no progress during the period” should be stated under relevant heading with reasons.

Financial Part

- I. Counterpart Funds Provided by GDD and Sub-borrowers

Amount requested by the Executing - Rs_____

Agency for allocation in the annual budget

Amount approved by the Government in the annual budget - Rs_____

Amount of utilization to date - Rs_____

Difficulties in getting the allocated amount released due to budgetary or other procedures -

Loan Covenants and Other Miscellaneous Matters

II. Expected Progress for the next half of the year

narrative description of the expected progress for the next reporting period

III. Problems encountered which significantly affected the implementation of the Project / Action Taken and/or Proposed

Loan Covenants
as of _____

Covenants	Status Date Complied (if required)
Sector Covenants	
Financial Covenants	
Environmental Covenants	
Social Covenants	
Other Covenants	

Problems:

Actions Taken and/or Proposed:

Implementation Schedule with Activity and Weights

Design Changes (if any)

Major or minor changes in project scope, design, costs, and implementation arrangements are described in Project Administration Instructions (PAI) 5.04 which can be downloaded from the following website <http://www.adb.org/Documents/Manuals/PAI/default.asp>. The approval date of changes should be recorded in the following matrix.

Description	Date ADB	Approved by
<hr/>		

APPENDIX 14: FRAMEWORK AND GUIDELINES IN CALCULATING PROJECT PROGRESS

A. Introduction

1. To ensure that all implementation activities are reflected in measuring implementation progress against the project implementation schedule, the term "physical completion" in the Project Performance Report (PPR) has been changed to "project progress."
2. Physical and pre-commencement activities are considered in calculating project implementation progress. These activities, which may include recruitment of consultants, capacity building, detailed design, preparation of bid and prequalification documents, etc., could constitute a significant proportion of overall implementation and therefore should be counted.
3. Each activity in the implementation schedule will be weighted according to its overall contribution (using time as a reference) to progress of project implementation. These weights will then be used to calculate the percentage of project progress along the entire time span of the project. This is to provide a holistic view of the pace of implementation.

B. Framework for Compiling Activity List and Assigning Weights

4. As implementation activities and their corresponding weights will vary according to the type of project, sector, and country, sector divisions or RMs will be responsible for determining and including them in the project administration memorandum. The actual project implementation progress of these activities should be reported regularly through the EA's quarterly project progress report. To ensure ADB-wide consistency, the following framework has been established; its application will be monitored through the PPR.

1. Compilation of Activity List

5. Sector divisions or RMs concerned should identify major implementation activities and include them in the implementation schedule, which is attached as an appendix in the report and recommendation of the President (RRP). The implementation schedule should follow the critical path of the project's major activities in project implementation taking account of various country, sector, and project constraints.

2. Assignment of Weights

6. Corresponding weights for each activity should be assigned to ensure that "project progress" measures the percentage of achievement (non-financial except when the project has credit components) for all events during the entire duration of the implementation schedule. To avoid disproportionate assignment of weights, to the extent possible these should be evenly distributed along the implementation schedule. When activities are concurrent, avoid "double counting."

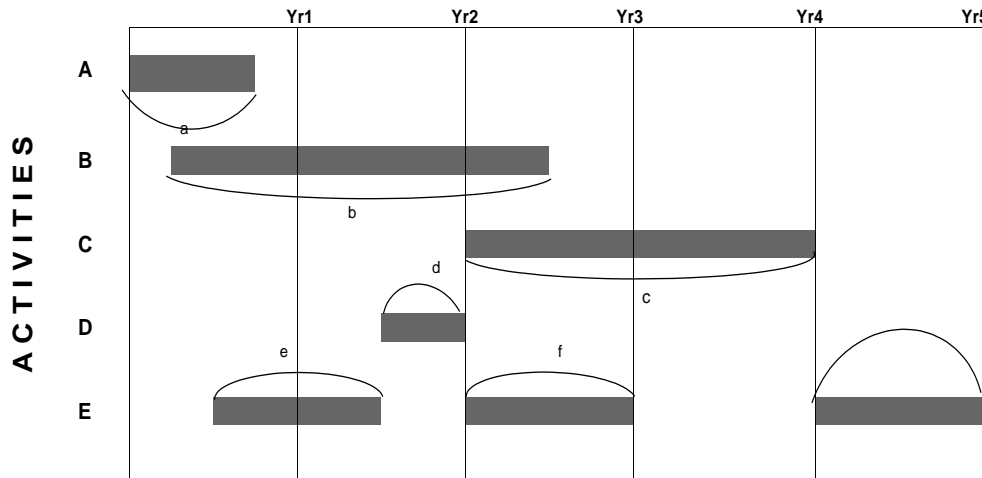
3. Computation of Project Progress

7. Once all activities are identified and corresponding weights assigned, project progress should be calculated using the following steps:
 - (i) Determine the actual percentage progress (non-financial) of each activity.
 - (ii) Multiply these percentages by the assigned weight of each activity to arrive at the weighted progress.

- (iii) Add up the resulting weighted progress of all activities to determine the project progress.

8. Figure 1 of this Appendix provides an illustration of this calculation using a generic sample implementation schedule and Figure 2 of the Appendix, a specific example.

Figure 1. Implementation Schedule with Activities and Weights



- Sum of all weights should equal 100 percent (a+b+c+d+e+f+g = 100%)
- When calculating the percentage of "project progress," all completed activities should be counted as accomplished, regardless of when they were scheduled to be completed. For example, when calculating the percentage of "project progress" after year 3, if activity D is completed in year 3 rather than in year 2, it should still be included in the computation.
- Total weight of each activity is as follows: Activity A–a; Activity B–b; Activity C–c; Activity D–d; and Activity E–e + f + g
- Project progress of a project is the summation of the actual percentage of progress for each activity multiplied by the total weight of each activity.

Figure 2. Sample Implementation Schedule

Activities	Year 1	Year 2	Year 3	Year 4	(a) Assigned Weight	(b) Actual Progress	(a) x (b) Weighted Progress
Establish PIU	█				5%	100%	6%
Establish Accreditation Board, etc.		█			5%	0%	0%
Appoint Staff and Budget	█				4%	75%	3%
Adopt Architecture Plans		█			2%	100%	2%
Shortlist Consulting Firms	█				6%	100%	6%
Prepare Fellowship Program		█			6%	76%	4%
Prepare Civil Works Tendering		█			30%	0%	0%
Civil Works: Classrooms, Dorms, etc.		█	█	█	6%	0%	0%
Procurement of Furniture and Equipment				█	16%	10%	2%
Field Work of Consultants		█	█		7%	0%	0%
Provide Fellowships				█	6%	0%	0%
Conduct Study Tours			█		6%	0%	0%
Provide Curriculum Standards				█	6%	0%	0%
				Total Weight	100%		
				Imp. Progress			24%

(a) Assigned weight for each activity
 (b) Actual progress of each activity
 (a) x (b) weighted progress for each activity
 Project progress = sum of all weighted progress for each activity