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CR 4232-IN

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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May 30, 2014

Chief Secretary
Government of Uttarakhand
Dehradun
Uttarakhand, India

Dear Sir/Madam:

Re: Credit Number 4232-IN
Uttarakhand Rural Water Supply and Sanitation Project
Amendment to the Original Project Agreement

We refer to that certain Financing Agreement between India ("Recipient") and the International Development Association ("Association"), dated October 16, 2006, as amended from time to time (the "Original Financing Agreement") and that certain Project Agreement of the same date between the Association and State of Uttarakhand as amended from time to time (the "Original Project Agreement"), for the above-referred project (the "Project").

We also refer to that certain Financing Agreement between the Recipient and the Association signed today (the "Additional Financing Agreement") and that certain Project Agreement between the Association and Uttarakhand (the "Additional Project Agreement") signed today regarding additional financing to carry out emergency reconstruction activities under Part D of the Project (Part D as defined in the Additional Financing Agreement).

As discussed with your colleagues, we need to make certain adjustments to the Original Financing Agreement and the Original Project Agreement to reflect the additional financing and to ensure that the Project continues to achieve its development objective. Consequently, we propose the following changes.

1. Paragraphs 3 (a), 5 (a), and 5(b) in Section II to the Schedule to the Original Project Agreement are deleted in their entirety.

2. The Project's performance indicators are replaced in their entirety with those listed in the attachment to this letter (revisions are indicated).

Please confirm that you agree with these changes by signing and dating this letter in the space below. Please return the fully executed original to us. These changes will become effective on the same date as the Additional Financing Agreement and the Additional Project Agreement.

Sincerely,

Authorized Representative

CONFIRMED

STATE OF UTTARAKHAND

By: _____

Name: Sowjanya

Title: Addl. Secretary, Dept. of Drinking Water & Sanitation

Date: May 30, 2014

Attachment

Annex 1: Results Framework and Monitoring

INDIA: UTTARAKHAND RURAL WATER SUPPLY AND SANITATION PROJECT
Results Framework

Revisions to the Results Framework		**Comments/ Rationale for Change**
PDO		
Current (PAD)	*Proposed*	
To improve the effectiveness of rural water supply and sanitation services through decentralization and increased role of PRIs and local communities in the state of Uttaranchal	To improve the effectiveness of rural water supply and sanitation services through decentralization and increased role of Panchayati Raj Institutions and local communities in the state of Uttarakhand *and restore services of damaged schemes in the disaster affected areas.*	Project Restructuring with Additional Financing (Component D) specifically addresses the RWSS Disaster Mitigation Activities.
PDO indicators		
Current (PAD)	*Proposed change**	
Institutional effectiveness evident* in the sector.	Continued	Under original project
Increase in the number of people having access to improved water supply services.	Continued	Under original project
High satisfaction level in participating communities.	Continued	Under original project
Increase in the number of households adopting improved hygiene and sanitation practices in the state.	Continued	Under original project
Improved financial performance of the water supply schemes.	Continued	Under original project
Piped household water connections that are benefiting from rehabilitation works undertaken	New	Component D (New)

Intermediate Results indicators		
Current (PAD)	*Proposed change**	
Component A: RWSS Sector Development		
The envisioned decentralized institutional framework (for UJN,UJS, SWSM, DWSMs, and PRIs) is achieved and operational.	Continued	Under original project
SWSM and DWSM are established and their cells are fully staffed and functional.	Continued	Under original project
Sector information system, water quality monitoring program, and source measurement programs are implemented.	Continued	Under original project
SWAP principles demonstrated to work successfully and could be replicated as a tested approach to RWSS service delivery in India.	Continued	Under original project
Component B: RWSS Infrastructure Investments		
Number of single village schemes (SVSs) constructed and operating according to SWAP principles.	Continued	Under original project
Number of multi village schemes (MVSs) constructed and operating according to SWAP principles.	Continued	Under original project
Percentage of habitations covered under: a) Fully Covered (FC) category b) Partially Covered (PC) category c) Not Covered (NC) category	Continued	Under original project
Percentage of GPs and habitations that are declared open defecation free.	Continued	Under original project
Component C: RWSS Program Management Support and M&E		
M&E system is established and functional for the sector.	Continued	Under original project
Expenditures of supply driven schemes as a percentage of total sector expenditures.	Continued	Under original project
Component D: RWSS Disaster Mitigation Activities		
Number of schemes reconstructed and restored under the project	New	Component D (New)
Number of IHHL reconstructed and restored under the project	New	Component D (New)
Number of soak pits reconstructed and restored under the project	New	Component D (New)
Length of drains reconstructed and restored under the project	New	Component D (New)

* In addition to indicators above, the Core Indicators have been added in the Results Framework and Monitoring given below.

Results Framework and Monitoring
Uttarakhand Rural Water Supply and Sanitation Project

	Target Values				Data Collection & Reporting		
Outcome Indicators	**Core**	**Baseline**	**Progress till September, 2013**	**End of Project**	**Frequency and Reports**	**Data Collection Instruments**	**Responsibility for Data Collection**
PDO level Indicators							
Indicator 1: Institutional effectiveness evident in the sector** Behaviour change among stakeholders Timely completion of the program Service provision is cost effective and sustainable ** balanced scorecard will be developed to assess effectiveness via reports from independent technical & social audit teams		No evidence	Strong evidence	Strong evidence	MTR and end of project review through reports on balanced scorecards by independent technical & social audit teams	MTR and ICR	SWSM & Implementing Agencies
Indicator 2 : Increase in the number of people having access to improved water supply service delivery		None	1.19 million people	1.2 million people (original project) plus 1.05 million people (Additional Financing RWSS Disaster Mitigation)	Annual and Quarterly Progress Reports	Impact Monitoring studies	SWSM & Implementing Agencies
Indicator 3: People provided with access to "improved water resources" under the Project – Rural	☒	None	1.19 million people	1.2 million people (original project) plus 1.05 million people (Additional Financing RWSS Disaster Mitigation	Annual and Quarterly Progress Reports	Impact Monitoring studies	SWSM & Implementing Agencies

				)			
Indicator 4: High Satisfaction level in participating communities		Not Available	High	High	MTR, end of project and consumer satisfaction surveys	MTR and ICR, Consumer Satisfaction Survey reports	SWSM & Implementing Agencies
Indicator 5: Increase in the number of households adopting improved hygiene and sanitation practices in the State	☒	No evidence	Strong Evidence	Strong evidence	MTR, end of project, and impact evaluation studies	MTR report, ICR and Impact Evaluation study report	SWSM & Implementing Agencies
Indicator 6: Improved financial performance of the water supply schemes : (a) SVS – 100% for O&M (b) MVS – in accordance with GoUK's cost sharing policy for RWSS sector		No evidence	Strong Evidence	Strong evidence	Semi-annual sustainability evaluation exercise	Progress Reports; technical and social audit reports	SWSM & Implementing Agencies
Indicator 7: Number of people trained to improve hygiene behavior or sanitation practices under the project - of which Female number	☒	0	3.5 million	1.2 million people (original project) plus 1.05 million people (Additional Financing RWSS Disaster Mitigation)	Annual and Quarterly Progress Reports	Impact Monitoring studies	SWSM & Implementing Agencies
Indicator 8: Piped household water connections that are benefitting from rehabilitation works undertaken under the project	☒	0	5866 (achieved under on-going Project based on demand responsive approach)	18000 connections under Additional Financing	Annual and Quarterly Progress Reports	Progress Reports	SWSM and Implementing Agencies
Result Indicators for Each Component							
Component A							
Indicator 1: The envisaged decentralized		UJN and	Sector institution	Sector institution	Annual & Quarterly	Annual &	SWSM &

institutional framework (for UJN, UJS, SWSM, DWSMs and PRIs) is achieved and operational		UJS are the main service providers	al framework operational for all new schemes in the sector	al framework operational for all new schemes in the sector	Progress Reports Bi-annual supervision/implementation review missions	Quarterly Progress Reports Mission Aide Memoirs	Implementing Agencies Bank
Indicator 2: SWSM & DWSMs are established and their cells are fully staffed and functional		SWSM and DWSMs fully staffed	SWSM and DWSMs fully staffed and functional	SWSM and DWSMs fully functional and district RWSS offices of UJN and UJS merged with DWSM	Annual Progress Reports	Program Implementation progress reports	SWSM
Indicator 3: Sector information system, water quality monitoring program, and source measurement programs are implemented		Implementation Plan developed	Good progress	Implementation completed	Annual and Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 4: SWAp principles demonstrated to work successfully and could be replicated as a tested approach to RWSS service delivery in India		No evidence	Strong evidence	Strong evidence	MTR and end of project report; independent social audits; impact studies	Independent social audit reports; impact study reports; ICR	SWSM & Implementing Agencies
Component B							
Indicator 1: Number of Water Utilities that the project is supporting	☒	3	3	3	Annual and Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 2: Number of Other Water Service Providers that the Project is supporting	☒		1880	Demand based	Annual and Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 3: New Piped Household Water	☒	0	7663	Demand based	Annual and Quarterly	Progress Reports	SWSM &

Connections that are resulting from Project Intervention					Progress Reports		Implementing Agencies
Indicator 4: Improved Community Water Points Constructed or Rehabilitated under the Project	☒	0	29121	Demand based	Annual and Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 5: Number of SVSs constructed and operating according to SWAp principles		None	3077 schemes	3810 schemes (Original project) Plus 2622 restored schemes (Additional Financing)	Annual & Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 6: Number of MVS schemes constructed and operating according to SWAp principles		None	14 schemes	38 schemes (Original Project) Plus 579 restored schemes (Additional Financing)	Annual & Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 7: Percentage of habitations under : **a)** Fully Covered (FC) **b)** Partially Covered (PC) **c)** Not Covered (NC)		(a) 50 % (b) 38 % (c) 12 %	Good Progress	(a) 72 % (b) 21 % (c) 7 %	Annual & Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 8: Percentage of GPs and habitations that are declared open-defecation free		0%	32% Good Progress	30%	Annual & Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Component C							

Indicator 1 : Comprehensive M&E system is established and functional for the sector		Implementation plan prepared	M&E System established and fully functional	Implementation completed	Annual & Quarterly Progress Reports	Progress Reports	SWSM & Implementing Agencies
Indicator 2 : Expenditures of supply driven schemes as a percentage of total sector expenditure		72%	All new expenditures in the sector are following SWAp principles .	0%	MTR and end of project reports; financial rep[orts	MTR and ICR; financial reports	GoUK /SWSM, GoI, Bank ICR mission
Component D:							
Indicator 1: Number of water supply schemes reconstructed and restored		0	N.A.	3201	Annual & Quarterly Progress Reports	Progress Reports	SWSM and Implementing Agencies
Indicator 2: Number of IHHL reconstructed and restored		0	N.A.	3338	Annual & Quarterly Progress Reports	Progress Reports	SWSM and Implementing Agencies
Indicator 3: Number of soak pits reconstructed and restored		0	N.A.	3328	Annual & Quarterly Progress Reports	Progress Reports	SWSM and Implementing Agencies
Indicator 4: Length of drains reconstructed and restored		0	N.A.	41,770 meters	Annual & Quarterly Progress Reports	Progress Reports	SWSM and Implementing Agencies