Implementation Status & Results

India Orissa State Roads Project (P096023)

Operation Name: India Orissa State Roads Project (P096023)  
Project Stage: Implementation  
Seq.No: 4  
Status: ARCHIVED  
Last Modified Date: 10-Nov-2010

Country: India  
Approval FY: 2009

Product Line: IBRD/IDA  
Region: SOUTH ASIA  
Lending Instrument: Specific Investment Loan

Implementing Agency(ies): Government of Orissa, Works Department

Key Dates

Board Approval Date 30-Sep-2008  
Original Closing Date 31-Dec-2014  
Planned Mid Term Review Date

Effectiveness Date 15-Apr-2009  
Revised Closing Date 31-Dec-2014  
Actual Mid Term Review Date 20-May-2010

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to remove transport bottlenecks in targeted transport corridors for greater investment and economic and social development activities in the State of Orissa. The PDO will be achieved by (a) improving the performance, safety, and carrying capacity of priority roads in the state in an environmentally and socially sustainable way, (b) increasing the role of the private sector in road infrastructure financing and management, (c) assisting Government of Orissa (GOO) to establish conducive policy, institutional and governance framework to improve road sector management, financing and safety.

Outcome Indicators. By project completion, businesses and households in project areas will enjoy a significant reduction in generalized transport cost, and the Orissa Works Department (OWD) will improve its capacity and efficiency to provide sustainable road infrastructure service to users. The outcome will be monitored by the following indicators.

(a) vehicle operating costs in project corridors reduced by 15 percent;
(b) vehicle speed in project corridors increased from 40 to 55 km per hour;
(c) favorable response by businesses and road users during surveys about the condition of the transport corridors improved under the project;
(d) OWD efficiency and transparency improved via:
   (i) operation and maintenance arrangement for the Core Road Network put in place;
   (ii) core business functions being fully operational;
   (iii) OWD meets RTI disclosure requirements and implements the Governance and Accountability Action Plan (GAAP); and
   (iv) road safety action plan put in place.

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

☐ Yes  ☐ No

Component(s)

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Component Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Corridor Improvement</td>
<td>305.90</td>
</tr>
<tr>
<td>PPP Enabling, Institutional Development, and Implementation Support Component</td>
<td>15.90</td>
</tr>
</tbody>
</table>

Overall Ratings
### Implementation Status Overview

The project which was launched almost two years ago, could achieve very little implementation progress during its first and half year due to a variety of factors ranging from weak project management to lack of coordination between key stakeholders. Following GOO’s proactive intervention to address some of these issues, we noticed early signs of improvements in all project components during April 2010 mission.

However, the recent August mission concluded that the momentum created could not be sustained and the implementation progress of the project still remains unsatisfactory, primarily due to extremely slow progress on all three Phase I civil work contracts. In several key areas, the contractors’ performance is not satisfactory, e.g., inadequate mobilization of qualified personnel, poor planning and scant regard to quality, environmental safeguards and maintenance of existing roads. In all three contracts, we have noted scarce participation of the lead partners. As a result, works are not being carried out with the benefit of the experience and qualification that formed the basis of the contract award to the Joint Venture. From the government’s side, too, preparatory activities like R&R are progressing slowly, resulting in delays in handing over of the work sites.

### Data on Financial Performance (as of 27-Sep-2010)

#### Financial Agreement(s) Key Dates

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan No.</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Closing Date</th>
</tr>
</thead>
</table>

#### Disbursements (in Millions)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan No.</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P096023</td>
<td>IBRD-75770</td>
<td>Effective</td>
<td>USD</td>
<td>250.00</td>
<td>250.00</td>
<td>0.00</td>
<td>14.64</td>
<td>235.36</td>
<td>6.00</td>
</tr>
</tbody>
</table>
Key Decisions Regarding Implementation
A 10 point action plan has been agreed with the Government to resolve key implementation issues. A review of this action plan is scheduled in November 2010.

Restructuring History
There has been no restructuring to date.

Related Projects
There are no related projects.