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Implementation Status & Results

Nepal

Urban Government and Development Program: Emerging Towns Project (P120265)

Operation Name:	Urban Government and Development Program: Emerging Towns Project (P120265)	Project Stage:	Implementation	Seq.No:	4	Status:	ARCHIVED
Archive Date:	13-Mar-2013						
		Country:	Nepal			Approval FY:	2011
Product Line:	IBRD/IDA	Region:	SOUTH ASIA			Lending Instrument:	Specific Investment Loan
Implementing Agency(ies):							

Key Dates

Board Approval Date	10-May-2011	Original Closing Date	31-Jul-2016	Planned Mid Term Review Date	31-Jul-2014	Last Archived ISR Date	14-Dec-2012
Effectiveness Date	02-Oct-2011	Revised Closing Date	31-Jul-2016	Actual Mid Term Review Date			

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The PDO is to improve delivery and sustainable provision of basic services and priority infrastructure in the participating municipalities.

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

○ Yes ◉ No

Component(s)

Component Name	Component Cost
Service Delivery Improvement	5.00
Socio-economic Infrastructure Development	23.50
Institutional Development	6.62

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Moderately Unsatisfactory	Moderately Unsatisfactory
Overall Implementation Progress (IP)	Moderately Unsatisfactory	Moderately Unsatisfactory
Overall Risk Rating	Substantial	

Implementation Status Overview

The implementation support review carried out in January 2013 noted that many of the priority actions agreed during the previous mission in September 2012 have been met, albeit with delays. Implementation arrangements for the municipal block grants have been revised, following the establishment of the MoUD in May 2012 and the restructuring of implementation arrangements of the service delivery improvement component (municipal block grant) has been completed. Since the last review, some progress has been made in advancing the preparation of the Track I sub-projects and roles and responsibilities of PCO and TDF for the socio-economic infrastructure component have been clarified. However, there continues to be delayed in project implementation, and the project is still in problem status. Overall implementation progress is rated Moderately Unsatisfactory.

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Locations

Country	First Administrative Division	Location	Planned	Actual
Nepal	Eastern Region	Sunsari		
Nepal	Western Region	Palpa		
Nepal	Western Region	Kaski		
Nepal	Eastern Region	Jhapa		
Nepal	Eastern Region	Dhankuta		
Nepal	Western Region	Baglung		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Percentage increase in the citizens who report that the infrastructure services offered by the municipality better meet their needsthan the previous year	☐	Percentage	Value	0.00		10.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments	49.2 percent of citizens in the municipalities reported that infrastructure services improved relative to previous year (source: baseline survey). Target for project closure is 59.2 percent.	Not yet due for measurement.	
Percentage increase in citizens who report that they have participated in planning meetings at ward level.	☐	Percentage	Value	0.00		10.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments	24.7 percent of citizens reported participating in planning meetings at ward level in the municipalities. Source: baseline survey. Target for project closure is 34.7 percent.	Not yet due for measurement.	
Total number of people benefited from urban services and infrastructure improvements, of which females and from disadvantaged groups.	☐	Number	Value	0.00	79558.00	100000.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		Information collected by the MST from participating municipalities	

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Total number of female beneficiaries	☐	Percentage Sub Type Supplemental	Value	0.00		10.00
Total number of beneficiaries from disadvantage groups	☐	Percentage Sub Type Supplemental	Value			10.00

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Approved sub-projects that are on track in meeting their infrastructure objectives	☐	Percentage	Value	0.00	0.00	90.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		Indicator is monitored annually. Target for year 1 (FY12) was 60 percent. It has not been met since implementation has been delayed. None of the sub-projects has started yet.	
Approved social and utility sub-projects with beneficiaries contributions	☐	Percentage	Value	0.00	0.00	20.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		Indicator is monitored annually. Target for year 1 (FY12) was 10 percent. It has not been met since implementation has been delayed. None of the sub-projects has started yet.	
Municipal grant allocated to programs targeting women, children and disadvantaged groups	☐	Percentage	Value	0.00	40.00	35.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		The indicator is monitored annually. Based on information collected by the MST from the participating municipalities.	
Direct beneficiaries of capital projects financed by the municipal grants	☐	Number	Value	0.00	79558.00	50000.00
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		The indicator is monitored at mid term (FY14) and project closure (FY16). Current	

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					numbers based on information collected by the MSTfrom participating municipalities.	
Standard project appraisal systems established and applied to all TDF sub-projects.	☐	Text	Value	N0	Y1	Yes (systems established and applied)
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		Standard sub-project appraisal systems have been established at TDF. SoP have been approved. They are expected to be applied to all TDF sub-projects.	
Guidelines for enforcement of planning byelaws and building codes approved by MPPW and implemented by DUDBC in the participating municipalities.	☐	Text	Value	No	No	Yes (guidelines approved and applied)
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		The guidelines are expected to be prepared in year 2 (FY13) and applied in year 3 (FY14) of project implementation.	
Policy guidelines and procedures for municipalities on governance and budget planning updated and implemented by MoFALD	☐	Text	Value	No	Yes (systems and guidelines revised, but not yet implemented)	Yes (systems and guidelines revised and implemented)
			Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
			Comments		The indicator has been revised as part of project restructuring in February 2013. Previous indicator was not relevant since guidelines for fiscal transfers had been revised by MoFLAD under a separate program.	
Increase in municipal own-source revenues	☐	Percentage	Value	15.00	25.00	25.00
			Date	02-Oct-2011	08-Nov-2012	31-Jul-2016
			Comments		Indicator is monitored annually. The target for year 1 is 15 percent. The target has been met based on information collected by MST	

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Number of municipalities with funded O&M plans.	Number	Value	0.00	0.00	6.00
		Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
		Comments		Indicator is monitored annually. The target for year 1 was 0.	
TDFs key financial ratios meet prescribed thresholds (D/E, DSCR, collection rate)	Number	Value			
		Date	02-Oct-2011	31-Jan-2013	31-Jul-2016
		Comments		Noted below.	
TDF collection ratiio meets prescribed thresholds.	Number Sub Type Breakdown	Value	75.00		90.00
		Date	02-Oct-2011	08-Nov-2012	31-Jul-2016
		Comments		Indicator monitored at mid-term (80 percent) and project closure (90 percent)	
TDF Debt Service Coverage Ratio meets prescribed thresholds	Number Sub Type Breakdown	Value	0.56		1.20
		Date	02-Oct-2011	08-Nov-2012	31-Jul-2016
		Comments		Target values set for mid-term (1) and project closure (1.2)	
TDF Debt-Equity Ratio meets prescribed thresholds	Number Sub Type Breakdown	Value	8.00		6.00
		Date	02-Oct-2011	08-Nov-2012	31-Jul-2016
		Comments		Target values set for mid-term (7) and project closure (6)	
Policy guidelines and procedures for municipalities on physical planning and infrastructure development developed/updated and implemented by MoUD	Text	Value	No	No	Yes (developed and implmented)
		Date	08-Feb-2013	08-Feb-2013	30-Jun-2015
		Comments		New indicator introduced as part of project restructuring in February 2013	

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Data on Financial Performance (as of 22-Jun-2012)

Financial Agreement(s) Key Dates

Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P120265	IDA-49050	Effective	10-May-2011	30-Jun-2011	02-Oct-2011	31-Jul-2016	31-Jul-2016
P120265	IDA-H6610	Effective	10-May-2011	30-Jun-2011	02-Oct-2011	31-Jul-2016	31-Jul-2016

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P120265	IDA-49050	Effective	XDR	8.80	8.80	0.00	0.00	8.80	0.00

P120265	IDA-H6610	Effective	XDR	7.20	7.20	0.00	3.34	3.86	46.00

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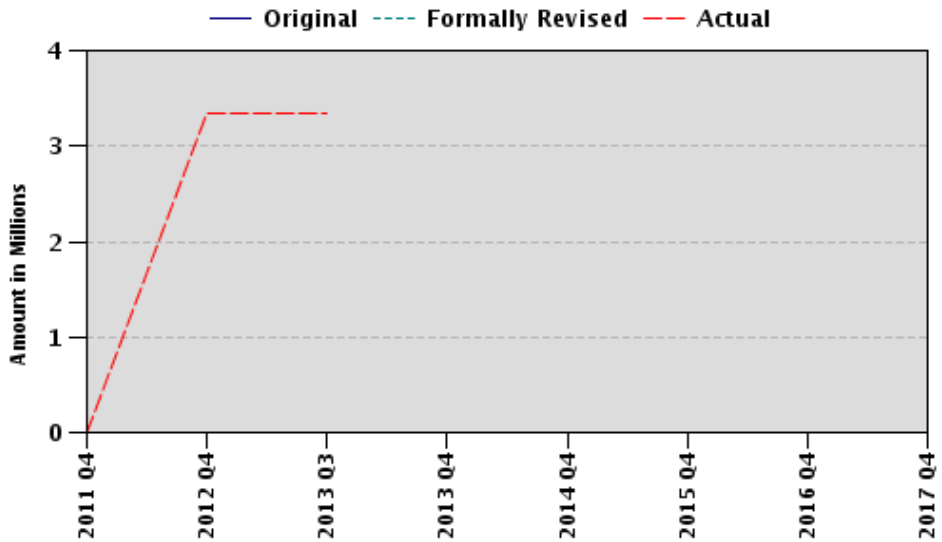
Disbursement Graph



Key Decisions Regarding Implementation

The fifth implementation review has identified the need to increase project oversight at the MoUD level, and project ownership at DUDBC level; expedite implementation of Track I municipal sub-projects, and further develop the Track II municipal sub-project pipeline based on the agreed readiness criteria; and strengthen Institutional Development support to the municipalities. Furthermore, the adverse loan-grant mix issue for the socio-economic infrastructure component still remains to be resolved, and the budgetary issue needs to be addressed to ensure availability of the budget in line with the annual program of the project.

Restructuring History

Level two Approved on 22-Feb-2013

Related Projects

There are no related projects.

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