

Program Implementation Document

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Proposed Results-Based Loan and Administration of
Technical Assistance Grant
India: Swachh Bharat Mission 2.0—Comprehensive
Municipal Waste Management in Indian Cities
Program

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PURPOSE OF THE PROGRAM IMPLEMENTATION DOCUMENT

The developing member country is wholly responsible for implementing the program supported by results-based lending. Asian Development Bank staff support the results-based lending program design and implementation.

The program administration document consolidates the essential program implementation information. It is a management tool that supports effective program implementation, monitoring, and reporting. It is developed throughout program processing and should be discussed with the developing member country at loan negotiations. It is a living document that should be refined and kept up-to-date during program implementation.

ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
DMF	–	design and monitoring framework
DLI	–	disbursement-linked indicator
DPR	–	detailed project report
EIA	–	environmental impact assessment
EMP	–	environmental management plan
ESMP	–	environmental and social management plan
GeM	–	Government e-Marketplace
GESI	–	gender equality and social inclusion
GFR	–	General Financial Rules
GRM	–	grievance redress mechanism
MOHUA	–	Ministry of Housing and Urban Affairs
MSWM	–	municipal solid waste management
M&E	–	monitoring and evaluation
NMD	–	National Mission Directorate
ODF	–	open defecation free
PAP	–	program action plan
PID	–	program implementation document
PFMS	–	public financial management system
PMU	–	program management unit
PSSA	–	program safeguards system assessment
RBL	–	results-based lending
RRP	–	report and recommendation of the President
SBM	–	Swachh Bharat Mission
SMR	–	Safeguards Monitoring Report
SPCB	–	state pollution control boards
SPS	–	Safeguard Policy Statement
SSMD	–	Swachh Bharat Mission State Mission Directorate
SWM	–	solid waste management
TA	–	technical assistance
ULB	–	urban local body

I. PROGRAM DESCRIPTION

1. The Indian Government’s flagship 5-year Swachh Bharat (Clean India) Mission-Urban 2.0 (SBM-U 2.0) was launched in 2021, committing to making all cities “Garbage-free Cities” (GFC) by 2026,¹ while maintaining open defecation free (ODF) status across 4,372 urban local bodies (ULB).² The results-based lending (RBL) program is a geographic, time and scope-based slice of the government’s program, covering an estimated 100 cities across 8 states.³ This program will enhance sanitation and solid waste management infrastructure, improve access and service delivery, and bolster the enabling environment for sustainable waste management. It aims to boost the performance of target states in comprehensive waste management, drawing on ADB’s experience, lessons, and previous engagements in the sector.

2. The impacts the RBL program are aligned with: healthy citizens living in resilient, garbage-free cities with clean air, clean water and clean land, and “emissions intensity reduced by 45% from 2005 levels, by 2030.”⁴ The outcome—“Improved performance of target states in comprehensive waste management,”—will be measured by at least 100 ULBs in the target states achieving of GFC 3-star rating or higher, and achieving ODF+ status.⁵ The overall RBL program expenditures from 2023 to 2026 is \$400 million. In 2023, the government has requested an ordinary capital resources loan of \$200 million, with the rest of the program’s financing coming from the central government.

Table 1: Program Scope
(as of October 2023)

Item	Broader Government Program	Results-Based Lending Program
Outcomes (with key milestones)	All cities are clean and garbage free. (i) All ULBs are certified at least GFC 3-star or higher. ^a (ii) All ULBs become at least ODF+. (iii) All ULBs with less than 100,000 population become at least ODF++. (iv) At least 50% of all ULBs with less than 100,000 population become Water+.	At least 100 ULBs have improved their waste management and attained both GFC 3-star rating or higher and ODF+ status. ^b
Key outputs	In all ULBs: ^c (i) sanitation infrastructure and services improved; (ii) SWM infrastructure, processes, and systems improved;	In all selected ULBs: (i) sanitation and SWM infrastructure, access, and service delivery improved; and (ii) enabling environment for sustainable waste management strengthened.

¹ Government of India, MOHUA. 2021. *Swachh Bharat Mission-Urban 2.0. Operational Guidelines*. Delhi. MOHUA adopted a SMART (single metric, measurable, achievable, rigorous verification, targeted towards outcomes) framework for rating ULBs. The indicators include source segregation, scientific processing of waste, dumpsite remediation, penalties and spot fines for littering, compliance by bulk waste generators, cleanliness of drains and water bodies, plastic waste management, and managing construction and demolition waste which are critical for cities to achieve garbage free status. A standardized rating given for the level of holistic cleanliness achieved through an independent assessment as per the garbage free protocol. Government of India, MOHUA. 2021. [Azadi@75 Star Rating Protocol of Garbage-Free Cities. Toolkit 2022](#). Delhi.

² ODF is defined as not a single person is found defecating in the open at any point of the day. Source: Government of India, MOHUA. 2020. *Declaring your City/Town SBM ODF+ and SBM ODF++ Toolkit for Urban Local Bodies*. Delhi

³ The RBL program states are Assam, Bihar, Jharkhand, Karnataka, Maharashtra, Odisha, Tamil Nadu, and Uttar Pradesh.

⁴ Government of India. 2022. *India’s Updated First Nationally Determined Contribution (NDC) Under Paris Agreement (2021–2030)*. Delhi. *Emissions intensity* is the volume of greenhouse gas emissions per unit of gross domestic product. Waste represents 3% of India’s annual emissions. Improving sanitation and waste infrastructure and management systems are “indispensable for further mitigation actions”. Government of India. 2021. *India: Third Biennial Update Report to the United Nations Framework Convention on Climate Change*. Delhi.

⁵ GFC 3-star is a rating to classify the garbage-free status of cities. ODF+ means open defecation-free plus functionality and maintenance for continued usage of community and/or public toilets.

Item	Broader Government Program	Results-Based Lending Program
	(iii) urban sanitation and used water infrastructure, management, and systems improved; and (iv) IEC interventions and institutional capacities strengthened.	
Activity types	Infrastructure development, governance systems improvement, national and local standards development and enforcement, IEC, and capacity building.	Innovative technologies and digital solutions for urban SWM, city sanitation and solid waste planning, infrastructure development, institutional strengthening, and IEC.
Expenditure size	₹1.416 trillion (\$17.02 billion) ^d	\$400 million
Main financiers and their respective total amounts	Government of India: ₹364.650 billion (\$4.5 billion) ADB: \$200 million Balance of funds from various sources ^e	ADB: \$200 million Government of India: \$200 million
Geographic coverage	All states	8 states (Assam, Bihar, Jharkhand, Karnataka, Maharashtra, Odisha, Tamil Nadu, and Uttar Pradesh) ^f
Implementation period	October 2021–October 2026	December 2023–October 2026

GESI = gender equality and social inclusion, GFC = garbage free city, IEC = information, education, and communication, ODF+ = open defecation-free plus functionality and maintenance for continued usage of community/public toilets, ODF++ = ODF+ combined with safe management and treatment of fecal sludge/septage and sewage, SWM = solid waste management, TBD = to be determined, ULB = urban local body, Water+ = no untreated waste/used water is discharged into the open environment or water bodies.

^a Government of India, Ministry of Housing and Urban Affairs. 2023. [Garbage Free Star Rating \(Cities\)](#). Delhi. GFC 3-star is a rating to classify the garbage-free status of cities considering criteria such as rates of door-to-door waste collection, source segregation, and waste processing (footnote 10). As of 20 October 2023, 199 ULBs out of 4,372 ULBs have achieved GFC 3-star status and 3,547 have achieved ODF+.

^b ULB is used to indicate a subnational administrative unit, which is governed by an administrative entity such as a municipal corporation, municipality, and municipal committee. The entity is responsible for governing a city or a town.

^c Government of India. Ministry of Housing and Urban Affairs. 2021. [Swachh Bharat Mission-Urban 2.0, Operational Guidelines](#). Delhi.

^d \$1.00 = ₹83.16 (30 September 2023). Broader government program expenditure size is as per Swachh Bharat Mission guidelines.

^e For government funds, the balance is to be contributed by individuals as beneficiary contributions, and by states, union territories, and the private sector under public–private partnerships.

^f States were chosen based on the following criteria: higher waste generation, focusing on ULBs with significant plastic waste generation; coastal states and states with riverine cities to align with the commitment to ocean health and to manage climate and disaster risks; states with high tourist arrivals and temple towns; states with existing or planned ADB urban investments to enhance synergy; and states offering a conducive environment for private sector involvement, driven by factors like high income, substantial waste generation, and waste with high calorific value.

Source: Asian Development Bank.

II. RESULTS AND DISBURSEMENT

A. The Results-Based Lending Program's Overall Results

3. The targeted outcome and outputs of the RBL program are aligned with the key priorities of the wider government program. The RBL program results framework is summarized in Table 2 below.

(i) Program Results Framework

Table 2: Results-Based Lending Program Results Framework
(as of October 2023)

Indicator	DLI (Yes/No)	Baseline value and Baseline Year	Target Values of Results Indicators			
			Prior Results	Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
1. By 2026, GFC 3-star rating or above achieved by at least 100 additional ULBs in target states. ^a	Yes, DLI 1	68 ULBs achieved GFC 3-star rating or above, 2022.		GFC 3-star rating or above achieved by at least 80 ULBs in target states (cumulative).	GFC 3-star rating or above achieved by at least 110 ULBs in target states (cumulative).	GFC 3-star rating or above achieved by at least 168 ULBs in target states (cumulative).
2. By 2026, ODF+ status achieved by at least 100 additional ULBs in target states. ^b	Yes, DLI 2	1,967 ULBs achieved ODF+ status, 2022.	ODF+ status achieved by at least 1,975 ULBs in target states (cumulative).	ODF+ status achieved by at least 1,990 ULBs in target states (cumulative).	ODF+ status achieved by at least 2,025 ULBs in target states (cumulative).	ODF+ status achieved by at least 2,067 ULBs in target states (cumulative).
3. By 2026, systems for primary-level segregation of MSW upgraded in at least 100 additional ULBs in target states.	Yes, DLI 3	Systems for primary-level segregation of MSW upgraded in 1,064 ULBs, 2022.	Systems for primary-level segregation of MSW upgraded in at least 1,075 ULBs in target states (cumulative).	Systems for primary-level segregation of MSW upgraded in at least 1,090 ULBs in target states (cumulative from prior results).	Systems for primary-level segregation of MSW upgraded in at least 1,125 ULBs in target states (cumulative).	Systems for primary-level segregation of MSW upgraded in at least 1,164 ULBs in target states (cumulative).
4. By 2026, at least 90% coverage of door-to-door waste collection achieved in at least 100 additional ULBs in target states.	Yes, DLI 4	90% or more coverage of door-to-door waste collection achieved in	90% or more coverage of door-to-door waste collection achieved in 1,040 ULBs in	90% or more coverage of door-to-door waste collection achieved in 1,060 ULBs in target states (cumulative).	90% or more coverage of door-to-door waste collection achieved in 1,090 ULBs in target states (cumulative).	90% or more coverage of door-to-door waste collection achieved in 1,130 ULBs in target states (cumulative).

Indicator	DLI (Yes/No)	Baseline value and Baseline Year	Target Values of Results Indicators			
			Prior Results	Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
		1,030 ULBs, 2022.	target states (cumulative).			
5. By 2026, SPW commenced in at least 100 additional ULBs in target states. ^c	Yes, DLI 5	SPW commenced in 0 ULBs in target states, 2022.	SPW commenced in 5 ULBs in target states (cumulative).	SPW commenced in 25 ULBs in target states (cumulative).	SPW commenced in 60 ULBs in target states (cumulative).	SPW commenced in 100 ULBs in target states (cumulative).
6. By 2026, sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills programs or a sector skills council in at least 100 ULBs in target states. ^d	Yes, DLI 6	0 ULB has completed the training as specified by this RBL program, 2022.		(i) MOHUA establishes national minimum standards for training curricula of sanitation workers to meet GESI-sensitive concerns. (ii) Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 15 ULBs in target states (cumulative).	Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 50 ULBs in target states (cumulative).	Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 100 ULBs in target states (cumulative).
7. By 2026, at least 5 ULBs in target states incorporated climate- and disaster-resilient and GESI-responsive features in SWM infrastructure and/or service delivery. ^e	No	0 ULBs have incorporated the features as specified in their SWM infrastructure and service delivery, 2022.		(i) Minimum “climate- and disaster-resilient and GESI-responsive” criteria for SWM infrastructure and/or service delivery developed and approved by MOHUA. (ii) At least 1 ULB incorporates climate- and disaster-resilient and GESI-responsive criteria into its SWM infrastructure and/or service delivery	At least 4 ULBs incorporate climate- and disaster-resilient and GESI-responsive criteria into their SWM infrastructure and/or service delivery (cumulative from previous year).	At least 5 ULBs incorporate climate- and disaster-resilient and GESI-responsive criteria into their SWM infrastructure and/or service delivery (cumulative from previous year).
8. By 2026, urinals and gender-disaggregated public toilets constructed or upgraded as per their CSAP in at least 100 additional ULBs in target states. ^f	No	Toilet and/or urinal construction completed as per CSAP in 0 ULBs under		Toilet and/or urinal construction completed as per CSAP in at least 33 ULBs (cumulative from baseline).	Toilet and/or urinal construction completed as per CSAP in at least 66 ULBs (cumulative from previous year).	Toilet and/or urinal construction completed as per CSAP in at least 100 ULBs (cumulative from previous year).

Indicator	DLI (Yes/No)	Baseline value and Baseline Year	Target Values of Results Indicators			
			Prior Results	Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
		this program, 2022.				
9. Beginning 2024, (a) CSWAP, and (b) CSAP of at least an additional 100 ULBs in target states are reviewed and progress updated annually. (a) CSWAP (b) CSAP	Yes, DLI 7a	(a) 0 ULBs held an annual implementation review and updated the progress of their CSWAP, 2022.	(a) 5 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(a) 25 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(a) 60 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(a) At least 100 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).
	DLI 7b	(b) 0 ULBs held an annual implementation review and updated the progress of their CSAP, 2022.	(b) 5 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(b) 25 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(b) 60 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(b) At least 100 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).
10. By 2026, at least 100 additional ULBs in target states collected affordable and differential user charges for SWM from commercial, institutional, and industrial establishments and households as per GFC 3- star protocol. ⁹	No	0 ULBs in target states are collecting user charges as per GFC 3- star protocol, 2022.		15 ULBs in target states collected affordable and differential user charges for SWM from commercial, institutional, and industrial establishments and households as per GFC 3- star protocol (cumulative from baseline).	50 ULBs in target states collected affordable and differential user charges for SWM from commercial, institutional, and industrial establishments and households as per GFC 3- star protocol. (cumulative from previous year).	100 ULBs in target states collected affordable and differential user charges for SWM from commercial, institutional, and industrial establishments and households as per GFC 3- star protocol. (cumulative from previous year).
11. By 2026, technology/digital solutions for SWM operations tested and piloted for potential scale up in at least 10 ULBs in target states. ^h	No	0 ULBs piloting technology/digital solutions supported by the RBL program, 2022.		3 ULBs piloting technology/digital solutions (cumulative from previous year).	6 ULBs piloting technology/digital solutions (cumulative from previous year).	10 ULBs piloting technology/digital solutions (cumulative from previous year).

Indicator	DLI (Yes/No)	Baseline value and Baseline Year	Target Values of Results Indicators			
			Prior Results	Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
12. By 2026, the private sector engaged in waste management services by at least 5 ULBs in target states. ⁱ	No	0 ULB in target states has private sector engagement in waste management services supported by the RBL program, 2022.		At least 2 ULBs in target states have private sector engagement in waste management services, supported by the RBL program (cumulative from previous year).	At least 4 ULBs in target states have private sector engagement in waste management services, supported by the RBL program (cumulative from previous year).	At least 5 ULBs in target states have private sector engagement in waste management services, supported by the RBL program (cumulative from previous year).
13. By 2026, systems to collect data on informal waste workers established and piloted in at least 5 ULBs, disaggregated by gender and vulnerable groups. ^j	No	No ULB in target states has established a system to collect data systems on informal waste workers supported by the RBL program, 2022.		2 ULBs have established systems to collect data on informal waste workers supported by the RBL program.	3 additional ULBs have established systems to collect data on informal waste workers supported by the RBL program.	5 ULBs with functioning systems to collect data on informal waste workers, disaggregated by gender and vulnerable groups.
14. By 2026, GESI-sensitive measures for increasing participation of WSHGs in SWM and sanitation implemented in at least 5 ULBs in target states. ^k	No	0 ULBs in target states implement GESI-sensitive measures supported by RBL program to increase participation by WSHGs in SWM and sanitation, 2022.		(i) The definition of “GESI-sensitive measures” for increasing participation of WSHGs in SWM and sanitation agreed on and approved by MOHUA. (ii) GESI-sensitive measures for increasing participation of WSHGs in SWM and sanitation implemented in at least 2 ULBs in target states.	GESI-sensitive measures for increasing participation of WSHGs in SWM and sanitation implemented in at least 4 ULBs in target states (cumulative from previous year).	GESI-sensitive measures for increasing participation of WSHGs in SWM and sanitation implemented in at least 5 ULBs in target states (cumulative from previous year).
15. By 2026, GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 100 ULBs in target states. ^l	Yes, DLI 8	GESI-sensitive IEC campaigns on ODF+ and GFC implemented in 0 ULBs under		GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 33 ULBs under the RBL program (cumulative).	GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 66 ULBs under the RBL program (cumulative).	GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 100 ULBs under the RBL program (cumulative).

Indicator	DLI (Yes/No)	Baseline value and Baseline Year	Target Values of Results Indicators			
			Prior Results	Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
		the RBL program, 2022				

ADB = Asian Development Bank; CSAP = city sanitation action plan; CSWAP = city solid waste action plan; DLI = disbursement-linked indicator; GESI = gender equality and social inclusion; GFC = garbage free city; ICT = information and communication technology; IEC = information, education, communication; MOHUA = Ministry of Housing and Urban Affairs; MSW = municipal solid waste; ODF= open defecation free; RBL = results-based lending; SBM 2.0 = Swachh Bharat Mission-Urban 2.0 (government program); SPW = scientific processing of waste; SWM = solid waste management; TA = technical assistance; ULB = urban local body; WSHG = women's self-help group.

Notes: A detailed definition of each DLI is provided in the Verification Protocols (Table 2 in Disbursement-Linked Indicators, Verification Protocols, and Disbursement Schedule [accessible from the list of annexes on the Contents page of the report and recommendation of the President]).

- ^a GFC 3-star rating is part of the ratings conferred by MOHUA's certification process to classify the garbage-free status of cities. To achieve this, the city has to attain ODF+ status, as well as achieve 3,600 out of 5,200 marks awarded in 16 components of SWM according to certain criteria set out by SBM-U 2.0, such as rates of door-to-door waste collection, source segregation, and waste processing.
- ^b ODF+ is defined as not a single person found defecating and/or urinating in the open, and all community and public toilets being functional and well maintained, as defined by the Swachh Bharat Mission.
- ^c "SPW commenced" means that an ULB's costed action plan for scientific MSW processing is approved by MOHUA, and at least one item on that plan is operational.
- ^d GESI-sensitive training for sanitation workers means that (i) training participants include at least 40% women and vulnerable groups, (ii) training content is inclusive and gender-mainstreamed, and (iii) training is certified by any Government of India program or state skills program or sector skills council.
- ^e ADB will provide TA support to MOHUA in the development and selection of "resilient and GESI-responsive" criteria that can be used in SWM infrastructure and/or service delivery. Criteria for climate- and disaster resilient-features for infrastructure may include site selection (e.g., locating or operating facilities away from areas prone to flooding or landslides), improved layout and design (strengthened roofs, foundations, walls, and drainage; raised structure, and structure built to withstand significant stresses from high temperatures, humidity, and storms, while sustaining minimal damage; and use of fire proof materials). GESI-responsive measures would include the following: applying the government's Solid Waste Management Rules to locate facilities, with a buffer zone to be maintained around solid waste processing and disposal facilities—Source: Ministry of Environment, Forest and Climate Change. 2016. [The Solid Waste Management Rules, 2016](#). Delhi—which would protect slums and vulnerable areas. Disaster resilience services could include preparedness and/or scenario planning and emergency drills.
- ^f The toilets and urinals meet national standards for these facilities in terms of quality and access. The public toilets are constructed with separate facilities for different genders as defined by the Government of India.
- ^g This indicator for GFC 3-star is defined by the government as follows: "affordable and differential user charges collected from at least 80% of commercial, institutional, and industrial establishments and at least 60% of households."
- ^h The number of piloted technology/digital solutions for SWM problems will be counted as follows: "The technology/digital solution is applied in at least one ward, facility, system, or agency or for a specific application within the ULB, with a view to a later scale-up." Technologies/digital solutions could include but are not limited to the following: mobile app-based solutions, geospatial technologies integrated into MSW collection and transportation, geotagging of SWM infrastructure and assets; ICT-based management information systems; e-monitoring systems for use by management, workers, waste aggregators, and citizens at different levels; any technology used in addressing plastic waste issues; any technology used in material recovery; digitalized trigger systems put in place sending out emergency alerts on potential hazards for the infrastructure facilities; technology using smart bins for households to track quality and volume of segregation.
- ⁱ The following is counted as having engaged the private sector in waste management services: "A contract, agreement, memorandum of understanding signed, or other partnership established between ULB, state, or municipal body with a private sector entity and/or registered cooperative."
- ^j Informal waste workers mean workers who do not have a formal contract with employers and are employed day-to-day. The data systems are set up and defined by each ULB, so will not necessarily be harmonized for now. Vulnerable groups could include groups such as people with disabilities, third gender groups, migrants, homeless, scheduled castes, to the extent that such groups can be easily identified in the proposed databases.
- ^k GESI-sensitive measures to encourage participation of WSHGs in SWM and sanitation could include legal measures and financial measures to promote participation. The TA will help develop such measures.

¹ The GESI-sensitive content for the campaigns and the guidelines for the campaigns will be supported by ADB TA and approved by MOHUA. Females and people from vulnerable groups (as accepted as such by MOHUA, e.g., people with disabilities, third gender groups, migrants, homeless, scheduled castes, among others) will account for at least 40% of participants in onsite meetings as well as among campaign mobilizers.

Source: ADB; and Government of India, MOHUA.

B. Disbursement-Linked Indicators

(i) Description of Disbursement-Linked Indicators

Table 3: Disbursement-Linked Indicators
(as of October 2023)

Disbursement-Linked Indicators	Baseline and Year	Prior Results	Target Values		
			Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
Outcome: Improved performance of target states in comprehensive waste management					
1. By 2026, GFC 3-star rating or above achieved by at least 100 additional ULBs in target states.	68 ULBs achieved GFC 3-star rating or above, 2022		GFC 3-star rating or above achieved by at least 80 ULBs in target states (cumulative).	GFC 3-star rating or above achieved by at least 110 ULBs in target states (cumulative).	GFC 3-star rating or above achieved by at least 168 ULBs in target states (cumulative).
2. By 2026, ODF+ status achieved by at least 100 additional ULBs in target states.	1,967 ULBs achieved ODF+ status, 2022	ODF+ status achieved by at least 1,975 ULBs in target states (cumulative).	ODF+ status achieved by at least 1,990 ULBs in target states (cumulative).	ODF+ status achieved by at least 2,025 ULBs in target states (cumulative).	ODF+ status achieved by at least 2,067 ULBs in target states (cumulative).
Output 1: Sanitation and solid waste management infrastructure, access and service delivery improved					
3. By 2026, systems for primary-level segregation of MSW upgraded in at least 100 additional ULBs in target states.	Systems for primary-level segregation of MSW upgraded in 1,064 ULBs, 2022.	Systems for primary-level segregation of MSW upgraded in at least 1,075 ULBs in target states (cumulative).	Systems for primary-level segregation of MSW upgraded in at least 1,090 ULBs in target states (cumulative from prior results).	Systems for primary-level segregation of MSW upgraded in at least 1,125 ULBs in target states (cumulative).	Systems for primary-level segregation of MSW upgraded in at least 1,164 ULBs in target states (cumulative).
4. By 2026, at least 90% coverage of door-to-door waste collection achieved in at least 100 additional ULBs in target states.	90% or more coverage of door-to-door waste collection achieved in 1,030 ULBs, 2022.	90% or more coverage of door-to-door waste collection achieved in 1,040 ULBs in target states (cumulative).	90% or more coverage of door-to-door waste collection achieved in 1,060 ULBs in target states (cumulative).	90% or more coverage of door-to-door waste collection achieved in 1,090 ULBs in target states (cumulative).	90% or more coverage of door-to-door waste collection achieved in 1,130 ULBs in target states (cumulative).

Disbursement-Linked Indicators	Baseline and Year	Prior Results	Target Values		
			Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
5. By 2026, scientific processing of waste (SPW) commenced in at least 100 additional ULBs in target states.	SPW commenced in 0 ULBs in target states, 2022.	SPW commenced in 5 ULBs in target states (cumulative).	SPW commenced in 25 ULBs in target states (cumulative).	SPW commenced in 60 ULBs in target states (cumulative).	SPW commenced in 100 ULBs in target states (cumulative).
6. By 2026, sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills programs or a sector skills council in at least 100 ULBs in target states.	No ULB has completed the training as specified by this RBL program, 2022.		(i) MOHUA establishes national minimum standards for training curricula of sanitation workers to meet GESI-sensitive concerns. (ii) Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 15 ULBs in target states (cumulative).	Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 50 ULBs in target states (cumulative).	Sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills program or a sector skills council in 100 ULBs in target states (cumulative).
Output 2. Enabling environment for sustainable waste management strengthened					
7. Beginning 2024, (i) City Solid Waste Action Plans (CSWAP), and (ii) City Sanitation Action Plans (CSAP) of at least an additional 100 ULBs in target states are reviewed and progress updated annually.	(i) 0 ULBs held an annual implementation review and updated the progress of their CSWAP, 2022.	(i) 5 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(i) 25 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(i) 60 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).	(i) At least 100 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative).
	(ii) 0 ULBs held an annual implementation review and updated the progress of their CSAP, 2022.	(ii) 5 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(ii) 25 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(ii) 60 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).	(ii) At least 100 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).
8. By 2026, GESI-sensitive IEC campaigns on ODF+ and GFC	GESI-sensitive IEC campaigns on		GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at	GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least	GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least

Disbursement-Linked Indicators	Baseline and Year	Prior Results	Target Values		
			Oct 2023–Dec 2024	Jan 2025–Dec 2025	Jan–Oct 2026
implemented in at least 100 ULBs in target states.	ODF+ and GFC implemented in 0 ULBs under the RBL program, 2022		least 33 ULBs under the RBL program (cumulative).	66 ULBs under the RBL program (cumulative).	100 ULBs under the RBL program (cumulative).

ADB = Asian Development Bank; CSAP = city sanitation action plan; CSWAP = city solid waste action plan; DLI = disbursement-linked indicator; GESI = gender equality and social inclusion; GFC = garbage free city; IEC = information, education, and communication; MOHUA = Ministry of Housing and Urban Affairs; MOU = memorandum of understanding; MSW = municipal solid waste; ODF = open defecation free; RBL = results-based lending; SHG = self-help group, SPW = scientific processing of waste; SWM = solid waste management; ULB = urban local body.

Source: Asian Development Bank and Government of India, Ministry of Housing and Urban Affairs.

C. Disbursement-Linked Indicator Verification Protocols

(i) Description of the Verification Protocols

Table 4: Disbursement-Linked Indicator Verification Protocols
(as of October 2023)

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
OUTCOME: Improved performance of target states in comprehensive waste management.				
DLI 1. By 2026. GFC 3-star rating or above achieved by at least 100 additional ULBs in target states.				
<p>Baseline: 2022: GFC 3-star rating or above achieved by 68 ULBs in target states.</p> <p>Prior Results: N/A</p> <p>Oct 2023–Dec 2024: GFC 3-star rating or above achieved by at least 80 ULBs in target states (cumulative).</p> <p>Jan 2025–Dec 2025: GFC 3-star rating or above achieved by at least 110 ULBs in target states (cumulative).</p> <p>Jan–Oct 2026: GFC 3-star rating or above achieved by at least 168 ULBs in target states (cumulative).</p>	<p>Definitions</p> <p>The 8 target states for this RBL program are Assam, Bihar, Jharkhand, Karnataka, Maharashtra, Odisha, Tamil Nadu, and Uttar Pradesh.</p> <p>Urban Local Body. In this program, ULB is used to indicate a subnational administrative unit, which is governed by an administrative entity such as a municipal corporation, municipality, and municipal committee, etc. The entity is responsible for governing a city or a town of a specified population. If MOHUA issues updates to any of the terms or documents used in this RBL program, the updated references will replace the current references in these verification protocols.</p> <p>GFC 3-star rating is part of the ratings conferred by the GFC certification process to classify the garbage-free status of ULBs. Definitions used are as defined by the</p>	MOHUA SBM documents, third party agency documentation. Field observations.	The IVA will assess the system for GFC certification, through document reviews, institutional assessments, interviews, and spot checks of processes related to the annual <i>Swachh Sarvekshan</i> survey. This will be supplemented by field visits and spot checks of randomly selected ULBs.	Verification by the IVA of MOHUA's progress reports will take place semi-annually at a time pre-arranged with MOHUA.

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
	<p>government's program Swachh Bharat Mission–Urban 2.0 (SBM-U 2.0). To meet the criteria set out for 3-star GFC, solid waste management in that city or town (ULB for short) has to be in compliance with the conditions set out in MOHUA's guidelines (<i>Azadi@75 Star Rating Protocol of Garbage Free Cities-Toolkit 2022</i> https://sbmurban.org/storage/app/media/GFC-Toolkit-2022_Final.pdf).</p> <p>A city or town administered by a ULB has to achieve the following to be classified a GFC 3-star ULB: The ULB must be ODF+ (DLI 2) before applying for GFC 3-star rating. The ULB then has to achieve 3,600 out of 5,200 Marks awarded in 16 components of SWM according to certain criteria set out by the SBM-U 2.0. These components are: (i) door to door collection, (ii) source segregation, (iii) sweeping + litter bins + secondary storage bins, (iv) processing by bulk waste generators, (v) C&D waste- collection, (vi) waste processing and capacity-wet waste, (vii) waste processing and capacity - dry waste, (viii) dumpsite remediation, (ix) plastic ban, (x) grievance redressal, (xi) user charges, (xii) IEC and capacity building, (xiii) scientific landfill, (xiv) no visible solid waste in water bodies and screening of storm water drains, nallahs, (xv) C&D waste - segregation (non-bulk waste generators), and (xvi) geo-mapping of waste processing facilities, C&D facilities, landfills, dumpsites, STPs/FSTPs. Details are provided in the toolkit, to be used by the independent third-party agency mentioned below.</p> <p>Process for GFC certification: Each ULB declares its achievements and applies for GFC certification to MOHUA. MOHUA assesses the claims through a rigorous two-tier process. Once certified as 3-star (or 1-star as the case may be) these certifications are valid for one year, after which the ULB has to be re-certified to maintain its GFC star rating. The ULB may choose to apply for upgrading its GFC rating (e.g., from 3-star to 5-star, or from 1-star to 3-star). The MOHUA conducts the checks of GFC rating and certification through the annual <i>Swachh Sarvekshan</i></p>		<p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
	<p>survey, which is the annual urban cleanliness survey commissioned by the government and conducted by an independent third-party agency to check GFC certifications. The third-party agency submits the survey report, which validates or rejects the star rating. After approval from MOHUA, the survey reports are shared with ULBs, which upload the results to the national portal (Swachhatam Portal) (https://admin.sbmurban.org/). GFC star rating remains valid for one year.</p> <p>A ULB may fail the third-party assessment for the applied star, in which case it can be certified for a lower star (provided city fulfils lower star conditions), or it can undergo re-assessment after a period of 1 month or 6 months, depending on which level it has failed.</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the GFC 3-star certification meets or exceeds the given target specified for that year (first column).</p> <p>Partial disbursement. The DLI is scalable and partial disbursement is allowed. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs having achieved GFC 3-star rating relative to the previous year's targeted achievement. The following formula will be applied:</p> $\text{Partial DLI disbursement} = \text{planned DLI disbursement for the period} \times \frac{(\text{actual achievement of the current period} - \text{targeted achievement of the previous period})}{(\text{targeted achievement of the current period} - \text{targeted achievement of the previous period})}$ <p>Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program's duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>			
DLI 2: By 2026, ODF+ status achieved by at least 100 additional ULBs in target states.				

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>Baseline: 2022: ODF+ status achieved by least 1,967 ULBs in target states.</p> <p>Prior Results: ODF+ status achieved by at least 1,975 ULBs in target states (cumulative from 2022 baseline).</p> <p>Oct 2023–Dec 2024: ODF+ status achieved by at least 1,990 ULBs in target states (cumulative).</p> <p>Jan 2025–Dec 2025: ODF+ status achieved by at least 2,025 ULBs in target states (cumulative).</p> <p>Jan–October 2026: ODF+ status achieved by at least 2,067 ULBs in target states (cumulative).</p>	<p>Definitions Definitions for target states and ULBs are provided in the verification protocol for DLI 1.</p> <p>ODF+ means open defecation-free plus functionality and maintenance for continued usage of community/public toilets, as defined by the Swachh Bharat Mission. This indicator is defined as follows. A city/ward is notified/declared as ODF if, at any point of the day, not a single person is found defecating in the open. [This means that the population of that city/ward has access to and uses a household/community/public toilet.] A city, ward, work circle is notified/declared as ODF+ if, at any point of the day, not a single person is found defecating and/or urinating in the open, AND all community and public toilets are functional and well maintained. This means that in addition to the conditions for ODF above, (i) a system has been put in place for levying fines against open defecation and open urination; (ii) no toilet should be rated as ‘UNUSABLE’ as per the cleanliness scoring matrix; (iii) all community/public toilets inspected have to be rated “CLEAN” against the cleanliness scoring matrix. The matrix and detailed criteria for scoring to be used by the assessor are provided in the source below. Source: Ministry of Housing and Urban Affairs. 2020. <i>Declaring your City/Town SBM ODF+ and SBM ODF++ Toolkit for Urban Local Bodies</i>. https://sbmurban.org/storage/app/media/pdf/ODF_Plus_and_ODF_PlusPlus.pdf</p> <p>Process for ODF+ certification: This indicator is measured and certified by the government as follows. The ULB applies for the ODF+ certification and the certification, once awarded, is valid for one year. That is, re-certification has to be done every 12 months for ULBs to be certified ODF+. The ULB may choose to apply for upgrading ODF certification. MOHUA then engages an independent third-party assessor to conduct verification of the ODF+ status. The assessor firm conducts checks through a survey (including independent observation) and assessment at service level. Based on this third-party</p>	<p>MOHUA SBM/ODF documents, third party agency documentation. Field observations.</p>	<p>The IVA will assess the system for ODF+ certification, through document reviews, institutional assessments, interviews, and spot checks of processes related to the annual surveys. This will be supplemented by field visits and spot checks of randomly selected ULBs.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	<p>Verification by the IVA of MOHUA's progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
	<p>assessor's findings and recommendation, MOHUA issues the certification of ODF+ status to the ULB.</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the ODF+ certification meets or exceeds the given target specified for that year (first column).</p> <p>Partial disbursement. The DLI is scalable and partial disbursement is allowed. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs having achieved ODF+ relative to the previous year's targeted achievement. The following formula will be applied:</p> $\text{Partial DLI disbursement} = \text{planned DLI disbursement for the period} \times \frac{(\text{actual achievement of the current period} - \text{targeted achievement of the previous period})}{(\text{targeted achievement of the current period} - \text{targeted achievement of the previous period})}$ <p>Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program's duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>			
OUTPUT 1: Sanitation and solid waste management infrastructure, access and service delivery improved.				
DLI 3. By 2026, systems for primary-level segregation of MSW upgraded in at least 100 additional ULBs in target states.				
<p>Baseline: 2022: Systems for primary-level segregation of MSW upgraded in at least 1,064 ULBs in target states.</p> <p>Prior Results: Systems for primary-level segregation of MSW upgraded in at least 1,075 ULBs in target states (cumulative).</p> <p>Oct 2023–Dec 2024: Systems for primary-level segregation of MSW upgraded in at least</p>	<p>Definitions The following SBM criteria for “upgraded systems for source segregation of MSW” will be used. For each ULB, at least 80% percent of households/premises/gates have primary-level segregation carried out <i>before reaching the waste processing/disposal facilities.</i> (page 26, Swachh Survekshan 2022 Toolkit). The actual segregation may be done by either the household at source or by an agency tasked with this step. “Gates” mean gated communities, while premises are residential premises for communities.</p>	<p>MOHUA SBM documents, third party agency documentation. Field observations.</p>	<p>The IVA will assess the GFC certification system (especially with regard to this indicator), through document reviews, institutional assessments, interviews, and spot checks of processes related to the annual surveys. This will be</p>	<p>Verification by the IVA of MOHUA's progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>1,090 ULBs in target states (cumulative). Jan 2025–Dec 2025: Systems for primary-level segregation of MSW upgraded in at least 1,125 ULBs in target states (cumulative). Jan–Oct 2026: Systems for primary-level segregation of MSW upgraded in at least 1,164 ULBs in target states (cumulative).</p>	<p>The status of this indicator is verified by the same third-party agency conducting the <i>Annual Swachh Sarvekshan survey</i>. During the survey all indicators that are part of the GFC certification process are assessed against the criteria provided in MOHUA’s guidelines (<i>Azadi@75 Star Rating Protocol of Garbage Free Cities-Toolkit 2022</i> https://sbmurban.org/storage/app/media/GFC-Toolkit-2022_Final.pdf).</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved this indicator target meets or exceeds the given target specified for that year (first column). Partial disbursement. The DLI is scalable and partial disbursement is allowed. If the target is not fully achieved, then disbursement can be proportional to the increase in the number of ULBs having achieved this indicator target, relative to the previous year’s targeted achievement. The following formula will be applied: $\text{Partial DLI disbursement} = \frac{\text{planned DLI disbursement for the period} \times (\text{actual achievement of the current period} - \text{targeted achievement of the previous period})}{(\text{targeted achievement of the current period} - \text{targeted achievement of the previous period})}$ Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program’s duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>		<p>supplemented by field visits and spot checks of randomly selected ULBs.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	
<p>DLI 4. By 2026, at least 90% coverage in door-to-door waste collection achieved in at least 100 additional ULBs in target states.</p>				
<p>Baseline: 2022: 90% or more coverage for door-to-door waste collection achieved in 1,030 ULBs in target states. Prior Results: 90% or more coverage for door-to-door waste collection achieved in</p>	<p>Definitions Coverage in door-to-door waste collection. The following SBM–U 2.0 criteria for “upgraded systems for door-to-door collection of MSW” will be applied, given In the Toolkit as: At least 90 percent of households/ premises/gates in the ward are covered by door-to-door collection and transportation of solid</p>	<p>MOHUA SBM documents, third party agency documentation.</p>	<p>The IVA will assess the GFC certification system (especially with regard to this indicator) through document reviews, institutional assessments,</p>	<p>Verification by the IVA of MOHUA’s progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>1,040 ULBs in target states (cumulative). Oct 2023–Dec 2024: 90% or more coverage for door-to-door waste collection achieved in 1,060 ULBs in target states (cumulative). Jan 2025–Dec 2025: 90% or more coverage for door-to-door waste collection achieved in 1,090 ULBs in target states. (cumulative) Jan–Oct 2026: 90% or more coverage for door-to-door waste collection achieved in 1,130 ULBs in target states (cumulative).</p>	<p>waste (through ULB or ULB-authorized garbage collectors. (Source: Star Rating Protocol of Garbage Free Cities – Toolkit 2022, page 34) “Gates” mean gated communities, while premises are residential premises for communities. The status of this indicator is verified by the same third-party agency conducting the <i>Annual Swachh Sarvekshan survey</i>. During the survey all indicators that are part of the GFC certification process are assessed against the criteria provided in MOHUA’s guidelines (<i>Azadi@75 Star Rating Protocol of Garbage Free Cities-Toolkit 2022</i> https://sbmurban.org/storage/app/media/GFC-Toolkit-2022_Final.pdf).</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the indicator target meets or exceeds the given target specified for that year (first column). Partial disbursement. The DLI is scalable and partial disbursement is allowed. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs relative to the previous year’s targeted achievement. The following formula will be applied: Partial DLI disbursement = planned DLI disbursement for the period × (actual achievement of the current period—targeted achievement of the previous period) / (targeted achievement of the current period—targeted achievement of the previous period). Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program’s duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>		<p>interviews, and spot checks of processes related to the annual surveys. This will be supplemented by field visits and spot checks of randomly selected ULBs.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	
DLI 5. By 2026, scientific processing of waste (SPW) commenced in at least 100 additional ULBs in target states.				
<p>Baseline: 2022: SPW commenced in 0 ULBs in target states.</p>	<p>Definitions The SBM-U 2.0 criteria for “<i>Scientific processing of waste</i>” is given in the Toolkit and explained by MOHUA as follows:</p>	<p>MOHUA SBM documents, third party agency documentation.</p>	<p>The IVA will assess the GFC certification system (especially with regard to this</p>	<p>Verification by the IVA of MOHUA’s progress reports will take place</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>Prior Results: SPW commenced in 5 ULBs in target states (cumulative). Oct 2023–Dec 2024: SPW commenced in 25 ULBs in target states (cumulative). Jan 2025–Dec 2025: SPW commenced in 60 ULBs in target states (cumulative). Jan–Oct 2026: SPW commenced in 100 ULBs in target states (cumulative).</p>	<p>(i) A costed ULB level <i>Action Plan for achieving scientific MSW Processing</i> is submitted and approved by MOHUA. (ii) The required waste management facilities are set up. These may include, depending on the size and circumstances of the city/town, material recovery facilities (MRFs), transfer stations, composting plants, bio methanation plants, refuse-derived fuel processing facilities, plastic waste processing facilities and sanitary landfills. (iii) Procurement of mechanized sweeping equipment, if required by the ULB action plan for scientific MSW processing. (iv) Processing facilities for effective management of C&D waste. Accordingly, the definition of “<i>scientific processing of waste (SPW) commenced</i>” for a given ULB becomes: “A costed ULB level Action Plan for scientific MSW Processing is approved by MOHUA, and at least one item on the MSW Action Plan is operational.” Activities and facilities which would be classified as Category A under ADB’s Safeguard Policy Statement will not be eligible for RBL funding. The status of this indicator is verified by the same third-party agency conducting the <i>Annual Swachh Sarvekshan survey</i>. During the survey all indicators that are part of the GFC certification process are assessed against the criteria provided in MOHUA’s guidelines (<i>Azadi@75 Star Rating Protocol of Garbage Free Cities-Toolkit 2022</i> https://sbmurban.org/storage/app/media/GFC-Toolkit-2022_Final.pdf).</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the target meets or exceeds the given target specified for that year (first column). Partial disbursement. The DLI is scalable and partial disbursement is allowed. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs relative to the previous year’s targeted achievement. The following formula will be applied: Partial DLI disbursement = planned DLI disbursement</p>		<p>indicator) through document reviews, institutional assessments, interviews, and spot checks of processes related to the annual surveys. This will be supplemented by field visits and spot checks of randomly selected ULBs.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	<p>semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
	<p>for the period \times (actual achievement of the current period—targeted achievement of the previous period) / (targeted achievement of the current period—targeted achievement of the previous period).</p> <p>Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program's duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>			
<p>DLI 6. By 2026, sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or State Skills Programs or Sector Skills Council in at least 100 ULBs in target states.</p>				
<p>Baseline: 2022: 0 ULBs have completed the training as specified by this RBL program.</p> <p>Prior Results: N/A</p> <p>Oct 2023–Dec 2024: (i) MOHUA establishes national minimum standards for training curricula of sanitation workers to meet GESI-sensitive concerns.</p> <p>(ii) Sanitation workers (at least 40% women) completed GESI-sensitive training certified by any Government of India or a state skills program or a sector skills council in 15 ULBs in target states (cumulative).</p> <p>Jan 2025–Dec 2025: Sanitation workers (at least 40% women) completed GESI-sensitive training certified by any Government of India or a state skills program or a sector skills council in 50 ULBs in target states (cumulative).</p> <p>Jan–Oct 2026: Sanitation workers (at least 40% women)</p>	<p>Definitions</p> <p>Definition of the training will meet three criteria in order to be eligible for disbursement:</p> <p>(i) The training for sanitation workers is certified by any Government of India program or a state skills program or a sector skills council.</p> <p>(ii) At least 40% of training beneficiaries are female.</p> <p>(iii) The content of the training program for sanitation workers should meet criteria agreed by MOHUA and ADB. ADB will provide TA support for the content development/ adaptation.</p> <p><i>40% of training beneficiaries being female</i> is calculated each year by the following formula:</p> <p>Denominator = total number of training beneficiaries across all ULBs</p> <p>Numerator = number of female training beneficiaries across all ULBs.</p> <p>Examples that could be included in the sanitation workers training program, for consideration by the MOHUA-ADB team during the TA support, are: (i) <i>the needs of women sanitation workers</i>, such as PPE kits, ergonomic equipment, occupational health and safety parameters, and protection from discrimination and sexual harassment, and (ii) <i>women as users</i> (fee parity (urinals), how to maintain cleanliness in female toilets, menstrual hygiene, privacy and safety concerns, specific operations and maintenance issues for lights, doors, and waste.</p>	<p>MOHUA reporting systems. Training records. Training curricula.</p>	<p>IVA will verify the MOHUA systems for reporting and validating such training. IVA will also make spot checks of the training at ULB level in randomly selected or purposively selected ULBs, depending on the requirements of verification.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm</p>	<p>Verification by the IVA of MOHUA's progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>completed GESI-sensitive training certified by any Government of India or a state skills program or a sector skills council in 100 ULBs in target states (cumulative).</p>	<p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the target meets or exceeds the given target specified for that year (first column).</p> <p>Partial disbursement. The DLI is scalable and partial disbursement is allowed. For the period October 2023–December 2024, there are two targets given: A and B. Each of these two targets are allocated 50% of that year's allocation for DLI 6. However, target A must be achieved first before any other target.</p> <p>If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs relative to the previous year's targeted achievement. The following formula will be applied:</p> <p style="padding-left: 40px;">Partial DLI disbursement = planned DLI disbursement for the period × (actual achievement of the current period—targeted achievement of the previous period) / (targeted achievement of the current period—targeted achievement of the previous period).</p> <p>Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program's duration. However, late achievement for target A for the period Oct 2023–Dec 2024 is not allowed. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>		<p>within one month of receiving the verified report whether the target has been met.</p>	
<p>DLI 7. Beginning 2024, (A) City Solid Waste Action Plans (CSWAP), and (B) City Sanitation Action Plans (CSAP) of at least an additional 100 ULBs in target states are reviewed and progress updated annually.</p>				
<p>Baseline: 2022: 0 ULBs in target states hold an annual implementation review and update the progress of their CSWAP. 2022: 0 ULBs in target states hold an annual implementation review and update the progress of their CSAP.</p>	<p>Definitions “<i>City Solid Waste Action Plan</i>” refers to the city solid waste plan which the Government of India mandates for every ULB as a requirement. “<i>City sanitation action plan</i>” refers to the city sanitation plan which the Government of India mandates for every ULB as a requirement. Each Plan should be prepared in line with MOHUA definitions and reviewed/updated at least once a year.</p>	<p>MOHUA reporting systems. ULB level reports to MOHUA.</p>	<p>IVA will verify the MOHUA systems for reporting and validating such reviews. IVA will also make spot checks at ULB level in randomly selected or purposively</p>	<p>Verification by the IVA of MOHUA's progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
<p>Prior Results: (i) 5 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative). (ii) 5 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).</p> <p>Oct 2023–Dec 2024: (i) 25 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative); and (ii) 25 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).</p> <p>Jan 2025–Dec 2025: (i) 60 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative); and (ii) 60 ULBs in target states hold an annual implementation review and update the progress of their CSAP (cumulative).</p> <p>Jan–Oct 2026: (i) 100 ULBs in target states hold an annual implementation review and update the progress of their CSWAP (cumulative); and (ii) 100 ULBs in target states hold an annual implementation review and update the</p>	<p>MOHUA will provide a framework for these annual implementation reviews.</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the target meets or exceeds the given target specified for that year (first column).</p> <p>Partial disbursement. The DLI is scalable and partial disbursement is allowed in terms of numbers of ULBs. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs relative to the previous year's targeted achievement. The following formula will be applied: $\text{Partial DLI disbursement} = \text{planned DLI disbursement for the period} \times \frac{(\text{actual achievement of the current period} - \text{targeted achievement of the previous period})}{(\text{targeted achievement of the current period} - \text{targeted achievement of the previous period})}$ </p> <p>However, partial or incomplete reviews that do not keep to MOHUA definitions and framework for such reviews will not be counted towards disbursement. For each reporting period, sub-targets A and B each account for 50% of that period's disbursement allocation for DLI 7. Disbursement for sub-targets A and B are independent of each other. If a ULB achieves A but not B, then, disbursement is allowed for A but not B for that year.</p> <p>Early or late achievement. Disbursements are not allowed for early achievement of the targets in the DLI. Late achievement is allowed only up to within 2 months of the end date of the reporting period, and no later.</p>		<p>selected ULBs, depending on the requirements of verification.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
progress of their CSAP (cumulative).				
DLI 8. By 2026, GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 100 ULBs in target states.				
<p>Baseline: 2022: GESI-sensitive IEC campaigns on ODF+ and GFC implemented in 0 ULBs under the RBL program.</p> <p>Prior Results: N/A</p> <p>Oct 2023–Dec 2024: GESI-sensitive IEC campaigns on ODF+ and GFC implemented in 33 ULBs under the RBL program (cumulative).</p> <p>Jan 2025–Dec 2025: GESI-sensitive IEC campaigns on ODF+ and GFC implemented in 66 ULBs under the RBL program (cumulative).</p> <p>Jan–Oct 2026: GESI-sensitive IEC campaigns on ODF+ and GFC implemented in 100 ULBs under the RBL program (cumulative).</p>	<p>Definitions</p> <p>The IEC campaigns will aim at changing behavior with regards to ODF+ and GFC. The definition of “GESI-sensitive IEC campaigns on ODF+ and GFC” has the following criteria:</p> <p>(i) The development and adaptation of the GESI-sensitive content for the campaigns and the guidelines for the campaigns will be supported by an ADB TA. The content will therefore be approved by MOHUA.</p> <p>(ii) There will be engagement of a designated person(s) in each ward to lead the campaign as SBM champion, ambassador, community mobilizer. The person(s) will be designated by each ULB authority in line with MOHUA guidelines from the TA support.</p> <p>(iii) Campaign messages will be shared through at least 2 types of channels.</p> <p>(iv) Campaign messages will aim to instill positive behavior in household waste management, sanitation, and hygiene.</p> <p>(v) Females and people from vulnerable groups (as accepted as such by MOHUA, such as people with disability, third gender groups, migrants, homeless, scheduled castes, etc.) will account for at least 40% of participants in the campaigns. The counting for the above 40% will be done at on-site meetings (which will, therefore, need to be recorded) as well as among mobilizers (which will also need to be recorded). A campaign reporting system will be set up to be able to count and monitor such participation.</p> <p>The following are suggestions for campaign content, to be considered by the MOHUA-ADB TA support team, with final approval from MOHUA: improved SWM and sanitation practices by households/individuals (including menstrual hygiene management), implementation of at least one 3R (reduce, recover, recycle) initiative, engagement of both males and females in household waste management, behaviour change messages on</p>	<p>MOHUA reporting systems. Campaign records. ULB level reports to MOHUA.</p>	<p>IVA will verify the MOHUA systems for reporting and validating on the campaigns. IVA will also make spot checks at ULB level in randomly selected or purposively selected ULBs, depending on the requirements of verification.</p> <p>The IVA will refer to the verification protocols and other relevant guidelines prepared for the program. The IVA report will then be attached to the MOHUA progress report. Provided there are no outstanding issues, ADB will confirm within one month of receiving the verified report whether the target has been met.</p>	<p>Verification by the IVA of MOHUA’s progress reports will take place semi-annually at a time pre-arranged with MOHUA.</p>

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Verification Time Frame
	<p>open defecation and implications for family health, especially child health, and reduced stigma and discrimination towards certain occupational groups in the SWM value chain (waste workers).</p> <p>Requirements for disbursement: The requirement for disbursement is met for a specific year when the number of ULBs having achieved the target meets or exceeds the given target specified for that year (first column).</p> <p>Partial disbursement. The DLI is scalable and partial disbursement is allowed in terms of numbers of ULBs. If the target is not fully achieved, then disbursement can be proportional to the increase in ULBs relative to the previous year's targeted achievement. The following formula will be applied:</p> $\text{Partial DLI disbursement} = \text{planned DLI disbursement for the period} \times (\text{actual achievement of the current period} - \text{targeted achievement of the previous period}) / (\text{targeted achievement of the current period} - \text{targeted achievement of the previous period}).$ <p>Early or late achievement. Disbursements are allowed for early or late achievement of the targets in the DLI. This means that the planned disbursement amount for the above-mentioned target year can be released when the set target is fully achieved, even if the achievement is late, as long as the achievement is during the program's duration. Early disbursement is also allowed when the achievement is earlier than scheduled.</p>			

ADB = Asian Development Bank, C&D = construction and demolition, DLI = disbursement-linked indicator, FSTP = fecal sludge treatment plant, GESI = gender equality and social inclusion, GFC = garbage free city, IEC = information, education, and communication, IVA = independent verification agency, MOHUA = Ministry of Housing and Urban Affairs, MRF = material recovery facilities, MSW = municipal solid waste, N/A = not applicable; ODF = open defecation free, RBL = results-based lending, SBM = Swachh Bharat Mission, SBM-U 2.0 = Swachh Bharat Mission-Urban 2.0, SPW = scientific processing of waste, STP = sewage treatment plant, SWM = solid waste management, TA = technical assistance, ULB = urban local body. Source: Asian Development Bank.

D. Disbursement Allocation and Status

4. The loan proceeds will be disbursed following ADB's Loan Disbursement Handbook (2017, as amended from time to time), and detailed arrangements agreed between the borrower and ADB.¹

5. Disbursement of loan proceeds will be made to an account to be designated by the borrower based on the verification of achievement of DLIs for which disbursement is requested. ADB may agree to disburse up to 20% of the RBL financing proceeds against DLIs achieved before the effectiveness of the relevant loan agreement, but no earlier than 12 months before the signing of the agreement. While reviewing a government's request for such financing, the program team will ensure that such results are within the scope of the RBL program and the systems used to achieve such results are assessed by ADB. Partial disbursement is allowed for selected DLIs (see Table 4, verification protocols).

6. All DLIs must be achieved on or before the RBL program's completion date.² If a DLI is not achieved or not fully achieved by the RBL program completion date, the amount allocated to the portion of the DLI not achieved or not fully achieved will be cancelled. Evidence of achievement of DLIs must be submitted with the withdrawal application. The borrower will have a winding-up period, which ends 4 months after the RBL program's completion date, for submitting withdrawal applications to ADB. If the amount of ADB financing disbursed exceeds the total amount of the government-owned program's expenditures (excluding expenditure pertaining to procurement from nonmember countries, unless universal procurement has been approved) after the winding-up period and final disbursement has been made, the borrower should refund the difference to ADB within 6 months after the RBL program completion date.

7. Before the submission of the first withdrawal application, the borrower will submit to ADB the evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. Use of ADB's Client Portal for Disbursements system is encouraged for submitting withdrawal applications to ADB.³

(i) Expected Disbursement Allocation and Schedule

Table 5: Expected Disbursement Schedule
(\$ million, as of October 2023)

Disbursement-Linked Indicators	Total ADB Financing Allocation	Share of Total ADB Financing (%)	Financing for Prior Results	Oct 2023–Dec 2024	Jan–Dec 2025	Jan–Oct 2026
OUTCOME: Improved performance of target states in comprehensive waste management.						
1. By 2026, GFC 3-star rating or above achieved by at least 100 additional ULBs in target states.	27.00	13.50	0	5.00	11.00	11.00
2. By 2026, ODF+ status achieved by at least 100 additional ULBs in target states.	25.00	12.50	10.00	5.00	5.00	5.00
OUTPUT 1: Sanitation and solid waste management infrastructure, access and service delivery improved.						

¹ The handbook is available electronically from the ADB website. ADB. [Loan Disbursement Handbook](#).

² Under RBL, the program completion date is the same as the loan closing date.

³ The portal facilitates the online submission of withdrawal applications to ADB, resulting in faster disbursement. The forms the borrower needs to complete are available in ADB. [Guide to the Client Portal for Disbursements](#).

Disbursement-Linked Indicators	Total ADB Financing Allocation	Share of Total ADB Financing (%)	Financing for Prior Results	Oct 2023–Dec 2024	Jan–Dec 2025	Jan–Oct 2026
3. By 2026, systems for primary-level segregation of MSW upgraded in at least 100 additional ULBs in target states.	27.00	13.50	5.00	5.00	6.00	11.00
4. By 2026, at least 90% coverage of door-to-door waste collection achieved in at least 100 additional ULBs in target states.	27.00	13.50	5.00	5.00	6.00	11.00
5. By 2026, SPW commenced in at least 100 additional ULBs in target states.	22.00	11.00	5.00	5.00	5.00	7.00
6. By 2026, sanitation workers (at least 40% women) completed GESI-sensitive training certified by the Government of India or a state skills programs or a sector skills council in at least 100 ULBs in target states.	22.00	11.00	0	5.00	6.00	11.00
Output 2. Enabling environment for sustainable waste management strengthened.						
7a. Beginning 2024, CSWAP of at least an additional 100 ULBs in target states are reviewed and progress updated annually.	12.50	6.25	7.50	2.00	2.00	1.00
7b. Beginning 2024, CSAP of at least an additional 100 ULBs in target states are reviewed and progress updated annually.	12.50	6.25	7.50	2.00	2.00	1.00
8. By 2026, GESI-sensitive IEC campaigns on ODF+ and GFC implemented in at least 100 ULBs in target states.	25.00	12.50	0	5.00	5.00	15.00

ADB = Asian Development Bank, CSAP = city sanitation action plan, CSWAP = city solid waste action plan, DLI = disbursement-linked indicator, GESI = gender equality and social inclusion, GFC = garbage-free city, IEC = information, education, and communication, MSW = municipal solid waste, ODF = open defecation free, SPW = scientific processing of waste, ULB = urban local body.

Source: Asian Development Bank.

III. EXPENDITURE FRAMEWORK AND FINANCING

A. Expenditure Framework

(i) Expected Expenditure Framework

8. The program will support the central government's expenditures towards SBM-U 2.0 in 8 states from December 2023 to October 2026, which are estimated at \$400 million.

Table 6: Summary of Program Expenditure Framework, 2023–2026
(as of October 2023)

Item	Amount (\$ million)	Share of Total (%)
A. Investment costs		
1. Solid waste management	345.06	86.27
2. Sanitation	38.34	9.59

Item	Amount (\$ million)	Share of Total (%)
Subtotal (A)	383.40	95.85
B. Financial Charges During Implementation	16.60	4.15
Total (A+B)	400.00	100.00

Source: Asian Development Bank.

B. Program Financing

(i) Expected Financing Plan

9. The government has requested a loan of \$200 million from ADB's ordinary capital resources to finance the program. The loan terms and conditions are in the loan agreement. Subject to review of implementation progress, the government may further request an additional financing of \$200 million in 2024 to support the remaining SBM-U 2.0 period. The financing plan for the program is summarized in Table 7.

Table 7: Program Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Government	200.0	50.0
Development partners		
Asian Development Bank		
Ordinary capital resources (loan)	200.0	50.0
Total	400.0	100.0

Source: Asian Development Bank.

IV. PROGRAM SYSTEMS AND IMPLEMENTATION ARRANGEMENTS

10. The program implementation arrangements will follow those of the existing government program. The Ministry of Housing and Urban Affairs (MOHUA) will be the executing agency, while the National Mission in MOHUA will be the implementing agency. MOHUA will be responsible for overall program implementation, coordination, and support to states and ULBs. The National Mission is already supported by a dedicated program management unit with around 20 staff. At state level, State Mission Directorates are supported by dedicated program management units. At ULB level, the Municipal Commissioner/Executive Officer is responsible for implementing all components of SBM-U 2.0, including the RBL program. The implementation arrangements will be refined during due diligence. During implementation, quarterly review reports will be prepared, and a mid-term review will be conducted in 2025.

A. Monitoring and Evaluation System

(i) Summary of Monitoring and Evaluation System and Actions

a. Existing Monitoring and Evaluation systems for Swachh Bharat Mission-Urban 2.0

11. MOHUA has developed various workflow based, web enabled information technology-enabled applications and mobile applications in order to ensure a transparent and robust citizen-centric engagement, Mission governance, Mission implementation and monitoring and evaluation (M&E), along with facilitating collaborations amongst key stakeholders and capacity building. Selected information technology-enabled applications that will be mandatorily deployed for all implementation components of the Mission, including the monitoring of the progress of the Mission, include:

- (i) SBM urban Integrated platform: MOHUA has developed a comprehensive platform that provides an integrated database for states and ULBs and enable fact-based decision-making at various levels of governance. The portal allows ULBs to create their own city profiles (ward, area, workforce, vehicles, bulk waste generators, non-bulk waste generators, vendor details, etc.), upload details of city infrastructure and assets (e.g. processing plants, landfills, dumpsites, water bodies, storm water drains, sewage treatment plant and/or fecal sludge treatment plant, among others) and report their sanitation and waste management progress on a monthly/periodic basis through a single sign-on approach. The platform standardizes information across States/ULBs and ensures a single source of information on SBM urban and data consistency across levels.
- (ii) Annual GFC Rating, *Swachh Survekshan* and ODF assessments through an integrated module: An integrated system is being designed to capture online data for assessment, digital tools to conduct self-assessment, uploading of documents required for desktop assessment. The Assessor App for use by third party agency is also an integral part of the platform. This integration will help in minimizing the assessment duration and also optimize the documents requirement, especially where similar documents are required across multiple protocols and assessments.

12. These digital solutions play a pivotal role in enabling the holistic evaluation of the outcomes and outputs under the overall government program. The National Mission Director (NMD) conducts periodic reviews in the form of monthly reviews (through videoconference) with each State and select ULBs (as required). Further, periodic visits are also conducted by officials of MOHUA and/or NMD among others, to monitor on-ground progress, understand challenges, and identify good practices adopted by States and/or ULBs. The NMD engages appropriate third-party independent agencies for conducting certifications and/or assessments of ULBs as per the ODF+, ODF++, Water+ protocols and the Garbage Free Star Rating system. Background data for the same shall be taken from the Mission management information system, and any additional requirements would be communicated to States and/or ULBs from time to time.

13. The NMD will undertake an annual ranking exercise based on robust sample surveys called the *Swachh Survekshan*. The survey has a comprehensive list of *Swachhata* parameters with a robust methodology to validate the claims of ULBs and competitively rank the ULBs on initiatives undertaken and progress made, towards enhancing the cleanliness and improving the sanitation service delivery chain, both in terms of quality of safely managed services and access to such services. The methodology of the survey is revised on an annual basis and is released to States and/or ULBs prior to on-field assessments. States would need to submit an output-outcome plan, and thereafter submit quarterly progress on the same format. Other tools such as impact studies, third-party evaluations may also be instituted by NMD. After 18 months, a comprehensive evaluation of the Mission's progress will be undertaken to effect mid-term correction and align the Mission to achieve its objectives. States need to ensure that the information provided by ULBs is correct by periodic review of the information provided by their ULBs and signing off on the data submitted, to signal their approval and/or confirmation of the ULB data. MOHUA will only be accepting those ULBs' data for further action that have been confirmed/validated by the respective state and/or union territory.

b. Monitoring and Evaluation Systems for the Proposed RBL

14. The existing M&E processes across central, state, and ULBs are well defined and functional, and sufficiently robust for tracking the program's outcomes and outputs. The program's

M&E system for periodic review, supervision, and monitoring is mainly based on the SBM-U 2.0 management information system portal, an information system capturing all aspects of SBM-U 2.0 implementation. MOHUA will be responsible for performance monitoring against a set of key performance indicators that are defined within the results frameworks, including DLIs and program action plan (PAP) targets. Summarized performance indicators related to SBM-U 2.0 are disclosed in the public domain.⁴

15. During implementation, quarterly and annual review reports will be prepared, and a mid-term review will be conducted in 2025. Annual progress reports will include annual updates on compliance with loan covenants, along with the other required matters (e.g., achievement against the design and monitoring framework (DMF), status of PAP actions, financial reports, semiannual updates on compliance with environmental and social safeguards, among others). Within 12 months of loan closing of the program, MOHUA will produce a program completion report that will be shared with ADB.

B. Fiduciary Systems

(i) Financial Management System

a. Summary of the Financial Management System and Actions

16. The financial management arrangements for the RBL program will follow the government's financial management system for planning, budgeting, execution, accounting and internal control, financial reporting, and internal auditing. External audits will be conducted separately for program expenditure defined in the RBL boundary. At the central level, NMD will be responsible for the financial management of the RBL Program. In each state, the SBM State Mission Directorate (SSMD) will be responsible for (i) consolidating the city sanitation action plans and city solid waste action plans from urban local bodies (ULBs) into the state level action plan in terms of physical and financial targets; (ii) preparing the program budget and planning for fund flow; (iii) overseeing implementation progress by ULBs; (iv) ensuring timely audits, receipt of utilization certificates release of funds, and review of action taken on audit reports; and (v) consolidating financial reports for submission to NMD.

17. The program fiduciary systems assessment has assessed the program financial management risk as substantial and identified the following risks: (i) format, content, and timeliness of audit reports submission from all the states are not aligned to ADB audit requirements; (ii) varying level of staff capacity for financial reporting and accounting; and (iii) uneven and irregularity in receipt of utilization certificates from participating ULBs causing delays in central government funding to the States, thereby influencing resource allocation, accountability and efficiency optimization of the overall program including delays in taking action on audit finding. ADB through this program and the attached technical assistance (TA) will support MOHUA and the states to address these issues. The required actions on audit formats and on program financial statements are included in the PAP.

18. **Mission management structure:** The SBM follows a four-tier mission management structure comprising National Level, State Level, District Level and ULB level. At each level various committees and directorates have been set up. The purpose of these committees and directorates at each level is to ensure effective planning, implementation, coordination, and monitoring of SBM activities. They provide leadership, technical support, and financial oversight to achieve the mission's overall objectives.

⁴ <https://www.sbmurban.org/>

19. **Budgeting.** Budgets allocation for the SBM-U 2.0 program is based on an approved operational guideline that outlines the overall financial plan of the program. A total of ₹1,416 billion has been sanctioned for a 5-year period, spanning from 2021 to 2026. The annual budgets are divided into central and state allocation of funds, as approved in the operational guideline. Expenditure under the program is categorized into five broad heads, as defined in annual budgets.⁵ Each of these classifications is identified using unique budget codes integrated with the public financial management system (PFMS).⁶

20. **Funds flow.** The National Advisory and Review Committee has the role of approving installments and release of funds for States and/or Union Territories by central government. From central government, funds are routed through the state nodal accounts through PFMS.⁷ To receive funds, all transactions will have to be made through direct benefit transfer and/or electronic auction trading. Each state is required to open a separate nodal account to receive the funds. Under each state nodal accounts, 5 child accounts (classification-wise) are created to monitor the fund flow until the ULB level and its utilization. The utilization certificates by state and/or ULBs are required based on the actual payments made through the nodal accounts. The fiduciary assessment has noted delays in the release of funds, from center to the state levels due to uneven and irregular receipt of utilization certificates from ULBs.⁸

21. **Accounting and financial management information systems.** Under the program, all expenses are incurred by ULBs using funds transferred from both the Central and State Governments.⁹ The accounting practices at each ULB follow the double-entry accounting system as outlined in the National Municipal Accounts Manual, or the State's Municipal Accounts Manual wherever issued. Upon timely preparation and publication of audited accounts, ULBs are eligible to receive grants from the finance commission. The PFMS serves as a payment, accounting, and reporting channel under the direct benefit transfer scheme, ensuring adequate monitoring and control at every level. The PFMS system maps relevant budget codes and is designed to generate real-time reports on expenditure, utilization, deficit balance, and more, at the central, state, and ULB levels. ADB assessment has relied on the government's monitoring mechanism established under the SBM 2.0 program.

22. **Financial reporting.** The approved SBM-U 2.0 operational guideline does not prescribe any specific periodic financial reporting arrangement, however, the PFMS system is designed in a manner wherein reports can be generated on a real time basis at each level of ULB, state, and central level. The utilization certificate or expenditure report can be seen as a financial reporting tool to serve management information system. Each ULB, and the state is required to submit utilization certificates for claiming the subsequent instalment. The NMD shall ensure that the aggregate funds received, and all program expenditure incurred for the RBL program are included

⁵ Classifications under SBM-U2.0 are (i) Program Fund for sanitation, solid waste management (SWM) and Used water management (UWM), (ii) Public awareness and Information Education and Communication (IEC) activities, (iii) Capacity Building and Administration and other Expenses (A&OE) and (iv) Committed liabilities Urban (U) until 31 March 2023.

⁶ PFMS is a web-based software application developed by the Ministry of Finance (MOF) with the primary aim of monitoring fund releases for all plan schemes implemented by the Government of India. It serves as a comprehensive tool for tracking and reporting real-time expenditure at every level of program implementation. The PFMS enables efficient financial management by providing an online platform that facilitates transparent and timely monitoring of fund utilization across various government initiatives.

⁷ As per procedure for fund release order MOF, Office Memorandum (OM) F. No. 1(13) PFMS |FCD/ 2020 dated 23 March 2021, or as updated from time to time.

⁸ SBM has witnessed unsettled advances due to pendency of UCs from State Governments.

⁹ Except expenditure on IEC and public awareness component where expenditure can be incurred from both central and state as per earmarked allocation plan.

in the program financial statements. Since the ADB loan proceeds will be commingled with the government's resources, the auditor should provide an opinion on the RBL program financial statements on an overall basis. For monitoring purposes, a semiannual (unaudited) progress report will be submitted to ADB following ADB guidelines on submission of interim reports.

23. **Internal controls and internal audit.** The internal control framework at national and state levels are embodied in the budget manual, general financial rules, and other related employee rules. These rules contain principles covering budgeting, revenue and expenditure, delegation of authority, accounting, procurement, pay, allowances, and pensions, among others. The control systems are applied consistently for expenses processed through the treasury systems. ADB's fiduciary assessment notes that although internal audit mechanisms are in place, a more rigorous follow-up of the resolution of audit observations for proper monitoring is necessary.

24. **Program external audits.** The independent external audit mechanism established under the SBM-U 2.0 program, conducted by independent auditors from each state, has been found to be inadequate due to delays in submission. To meet the audit requirements of ADB, each participating state will need to arrange for an external audit of the SBM-U 2.0 program's financial statements. These audited statements will be centrally collated by MOHUA and submitted to the ADB annually within 12 months of close of fiscal year. The program's financial statements will include the relevant program expenditure classifications implemented under SBM-U 2.0 at the respective SSMD. Audit opinions will be issued in accordance with the national equivalent audit and accounting standards that are compatible with international standards of audit and the international financial reporting standards framework. The audited program financial statements will follow government rules and will be supplemented by the comprehensive terms of reference of the auditor outlined in the statement of audit needs provided in Appendix 1.

25. **Auditing and public disclosure.** The audited program financial statements from each participating state will be submitted in the English language to ADB within 12 months after the end of the fiscal year and will be accompanied by separate management letters outlining any identified internal control issues and audit recommendations. The management's response to the audit observations should be reflected in the management letter.

26. ADB reserves the right to require a change in the auditor or require additional support to be provided to the auditor if the audits required are not conducted in a manner satisfactory to ADB or if the audits are substantially delayed. If the program team expects the audit reports to be submitted to ADB, more than 12 months after the end of the fiscal year, appropriate justification and prior internal authorization must be provided. Public disclosure of the audited financial statements of the RBL program, including the auditor's opinion, will be guided by ADB's Access to Information Policy.¹⁰ After the review, ADB will disclose the audited program financial statements and the financial statements auditor's opinions for the eight participating states within 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letters will not be disclosed.

b. Financial Management System-Related Program Actions Status

27. The PAP in Table 9 includes the key financial management actions.

(i) Procurement System

¹⁰ ADB. 2018. [Access to Information Policy](#). Manila.

28. At state level, procurements under the program will, among others, comprise (i) small works like construction of small waste management (SWM) facilities and public and/or community toilets and urinals; (ii) goods such as mechanized sweeping equipment and information technology-based waste management solutions; and (iii) non-consulting services and consulting services for activities such as waste management, dump site remediation, training for sanitation workers, and behavioral change trainings and campaigns. At the federal level, the executing agency will procure consultant support under a delegated TA for a total value of approximately \$150,000. The procurements under the program will not include high value contracts.

29. Save for the limited procurements at federal level, procurement for the program will follow the respective state's procurement systems and rules. Some states participating in the program have passed dedicated Procurement Laws supported by procurement regulations or procurement rules. In absence of a dedicated Procurement Laws, the state's General Financial Rules (GFR), which are generally modelled on the federal procurement rules (GFR 2017) apply, at times augmented by a state's Procurement Policy and/or issued Procurement Guidelines.

30. Salient features of the applicable procurement frameworks across participating states are similar but for certain particularities in each state and procedural procurement practices vary between states. The states' procurement laws and rules and the GFR can in principle be considered in accordance with ADB's procurement principles of economy, efficiency, fairness, transparency, quality, and value for money as stated in the ADB Procurement Policy (2017, as amended from time to time).

31. ULBs have standardized procedures for advertisement of tenders, bid opening, bid evaluation, and contract award in accordance with a state's procurement law or procurement policy. The bid evaluation committees, which may either be ad hoc or a permanent committee at agency level, usually consist of members from various functional areas such as procurement, technical, finance, and other line departments if necessary. The bid evaluation committee recommendations usually require approval by an internal or external higher authority following the delegation of powers depending on bid package value. Generally, there are no standard bidding documents for procurement of goods, works, and (non-consulting) services. As procurement is decentralized, many procuring agencies tend to use their own bidding documents with varying standards and quality.

32. As per the direction of Procurement Policy Division (Department of Expenditure) at central level, all procurements above 2 *lakh* (₹200,000) must use an e-Procurement system. All participating states have similar thresholds for mandatory usage of e-Procurement. Save for Karnataka and Bihar which use their own e-procurement systems, all states participating in the RBL use systems based on the ADB-certified National Informatics Center-GePNIC system. For the purchase of routine off the shelf goods and standardized services, the Government e-Marketplace (GeM) portal of the central government will also be utilized.

(ii) Procurement Capacity

33. Procurements under the program will be undertaken decentralized at ULB level with the urban bodies being responsible for advertisement of tenders, bid opening, bid evaluation, as well as tender award and contract management in accordance with the respective state procurement frameworks and systems. Due to their limited complexity both from engineering and procurement perspective and the small value of procurements to be financed under the RBL, ULBs should have adequate procurement capabilities and capacities to implement the procurement

requirements under the program. However, in some instances understaffed and/or inexperienced ULBs especially in some states may face challenges and their capacity could be further strengthened.

34. At the apex level, the state's SSMD will assume a coordinating role for processing of RBL funds including for procurements activities in the respective state. This should include provision of assistance to ULBs for procurement planning, provision of technical standardizations of specifications, as well as aggregating supply requirements for purchases on the GeM.

(iii) Key Risks

35. While procurement operations under the project are generally not expected to be in contradiction to any of ADB's fundamental policies and rules such as the ADB Charter and ADB Integrity Principles and Guidelines (2015), the procurement risk assessment did identify two potential high impact risks for the ADB financed procurements under the RBL:

- (i) The ADB Charter requires that (i) only ADB members countries are eligible for ADB-financed procurements, and (ii) there are no restrictions for participation of ADB member countries. It must thus be assured that there are no direct or indirect restrictions on the eligibility of ADB member countries to participate in ADB-financed procurements.
- (ii) the ADB Integrity Principles and Guidelines (2015) require that ADB-financed procurements are not awarded to firms and individuals which have been debarred by ADB or are subject to cross-debarment.

36. While the impact of eligibility related risks is high, the likelihood of their materialization is considered low. Procurements under the program will be implemented by national competitive bidding. The small value of procurements implemented at ULB level make it unlikely that international firms will be interested to participate, especially contractors and suppliers from non-ADB member countries.

(iv) Program Action Points for Assurance of Compliance and Improvement of Procurement Operations Under Results-Based Lending

37. The following risk mitigation measures and actions points are proposed:

- (i) The implementing agency with support through the state missions and program management units (PMUs) will have the responsibility to confirm compliance with the two mandatory ADB requirements above and produce relevant data records for review through ADB. It is thus recommended that procurement related data collection and reporting from ULB level upwards is established as early as possible and compliance frequently monitored.
- (ii) An effort should be made by respective SSMD to standardize bid documents for all procurement categories and technical specifications for goods within a state to enhance transparency, efficiency, and value for money for the ADB financed portion of the program.
- (iii) Prior to tendering, ULBs are encouraged to prepare procurement plans, conduct market assessments for the works and supply to be procured and assess with the support of the responsible state mission or PMU options for clustering procurement programs or bid packages with other ULBs, especially for purchases on GeM.

- (iv) As the GeM does not allow use of standard and/or model bidding documents and participation of international bidders, its usage should be limited to small value purchases (Shopping/Request for Quotation) of common goods and services.
- (v) To improve value for money and expedient procurement outcomes, ULBs should use open competitive bidding as default procurement method and could further be advised to refrain from procurement practices such as mandatory bid price negotiations, price matching, or mandatory cancellations in case only one bid or technically responsive bid is received. In addition, procedures to assess and, if required, reject abnormally low and high bids should be in place.
- (vi) ULBs should establish appropriate complaints handling/grievance redressal mechanisms for procurement-related complaints.

38. In line with ADB's Procurement Policy (2017) and ADB's focus on promotion of sustainability in ADB financed procurements, the implementing agency, the SSMD could support the ULBs in identifying options for enhancing sustainable procurement outcomes by incorporating aspects like higher energy efficiency, reduction of greenhouse gases or air and water pollution and/or improved recycling into the bidding process.

39. ADB will conduct an annual procurement review. The sample size for year 1 is 5% of the total contracts awarded in a state and 2.5% in subsequent years.

(v) Anticorruption System

a. Summary of Anticorruption System and Actions

40. The SBM-U 2.0 guidelines provide a clear governance and accountability framework, which includes program governance and oversight mechanisms at national and state levels, systems for monitoring and audit.

41. The government will instruct all relevant agencies to (i) comply with the requirements of ADB's RBL anticorruption guidelines,¹¹ (ii) ensure that any person or entity debarred or temporarily suspended by ADB is not eligible to be awarded a contract under or otherwise allowed to participate in the RBL program during the period of such debarment or temporary suspension, and (iii) include a provision related to item (ii) in the bidding documents. The bidding documents should also reference

- (i) the list of debarred and temporarily suspended firms and individuals available on ADB's website;¹²
- (ii) ADB's Office of Anticorruption and Integrity's website where reports of allegations of integrity violations can be made:¹³
 - (a) by e-mail to integrity@adb.org or anticorruption@adb.org;
 - (b) through the complaint form;
 - (c) by secure telephone access +63 2 8632 5004;
 - (d) by fax +63 2 636 2152; or
 - (e) by mail to Office of Anticorruption and Integrity, Asian Development Bank, 6 ADB Avenue, Mandaluyong City, 1550 Metro Manila, Philippines; and
- (iii) the reservation by the developing member country's procurement administration offices at each level of the right to reject the proposed award to debarred or temporarily suspended entities.

¹¹ This includes all procuring entities, procurement agents, and other agencies at all levels under the RBL program.

¹² ADB. [Sanctions List](#). For more information, including how to access ADB's Sanctions List, refer to ADB. 2022. [Frequently Asked Questions on ADB's Sanctions](#).

¹³ ADB. [Anticorruption and Integrity](#).

42. The guidelines will be issued in the name of MOHUA, which is responsible for the oversight of the RBL program, and may be updated within the program period.

43. ADB's guidelines on fraud, corruption, and other prohibited activities for RBL programs are in Appendix 2.¹⁴

C. Satisfying Procurement Member Country Eligibility Restrictions

44. ADB's member country procurement eligibility restrictions apply. The government will ensure that the amount of eligible expenditures under the RBL program for any fiscal year is equal to or exceeds the ADB loan proceeds withdrawn by the government in the same fiscal year. Such eligible expenditures are part of the expenditures incurred under SBM-U 2.0, but excluding expenditures for (i) procurement of works, goods and services from countries which are not members of ADB; (ii) procurement of works, goods and services from persons or entities debarred or suspended by ADB; (iii) procurement involving high-value contracts; (iv) any activities which are classified as category A for environmental impact under the SPS; and (v) any activities which are prohibited investment activities provided in Appendix 5 of the SPS.

D. Safeguard Systems

(i) Summary of Safeguard System and Actions

45. The program's overall safeguards risk is assessed as moderate. In accordance with RBL guidelines, ADB has prepared program safeguards system assessment (PSSA) for the RBL Program. PSSA examined RBL program's potential safeguard impacts and risks and the program safeguards systems to manage and mitigate such impacts and risks. PSSA identifies gaps between ADB safeguard policy principles and program safeguards systems and recommends program actions to strengthen program safeguards. PSSA builds on available country safeguards system assessment related to program risks and impacts and safeguards assessments and review frameworks of ADB funded projects. The PSSA is accessible from the list of annexes and supplementary documents of the Report and Recommendation to President.

46. **Environmental safeguards.** The RBL program is category B for environment as confirmed by the PSSA. The program will upgrade sanitation (public toilets and urinals) and municipal solid waste management (MSWM) facilities (transfer stations, material recovery facilities, processing bio-methanation, composting, construction and demolition waste processing, and refuse-derived fuel) and sanitary landfills. Field-level due diligence during the PSSA indicates that unscientific and poorly designed, constructed and/or operated SWM facilities are likely to have risk and impacts. These may include (i) land, groundwater and/or surface water pollution from contaminated surface runoff and leachate generated from SWM facilities; (ii) dust and/or air emissions including ammonia, sulfides, and odors from landfills, processing plants, among others; (iii) litter and aesthetic impacts in and around the facilities; (iv) rodents, pests, vectors, bird menace, and health hazards; (v) risk of fires; and (vi) occupational and community health and safety risks, and noise and vibration. Location of facilities further influences the significance of these impacts. Therefore, to minimize risks and enhance benefits, the RBL program activities need to be located and designed considering the potential impacts and risks

¹⁴ Relevant information on the anticorruption systems and how to deal with fraud and corruption cases during implementation can be found in ADB. 2019. [Mainstreaming the Results-Based Lending for Programs](#). Manila; and ADB. 2023. Guidelines to Prevent or Mitigate Fraud, Corruption, and Other Prohibited Activities in Results-Based Lending for Programs. Attachment in ADB. 2023. [Staff Instruction on Business Processes for Results-Based Lending for Programs](#). Manila.

and integrating appropriate measures. RBL activities during construction may cause impacts from generation of dust and air emissions, noise, health and safety risks, contaminated runoff, traffic, among others. These are short-term and localized.

47. Program will exclude activities which may cause significant adverse environmental impacts that are irreversible, diverse, or unprecedented, and may be classified as category A per Government of India's Environmental Impact Assessment (EIA) Notification, 2006 or per ADB SPS 2009. As per the schedule of EIA Notification, RBL activities fall in "common solid waste management facilities" under category B1 requiring EIA, public hearing, and environmental clearance.¹⁵ However, these can also attract category A if any activity is located in environmentally sensitive areas.¹⁶ RBL program will avoid and/or minimize the potential significant impacts and risks by adapting a screening process to exclude high risk sites and activities and will comply with applicable design, construction, and operation standards of the Government. Activities located in environmentally sensitive areas will be excluded. Considering the potential significant adverse impacts, activities such as waste to energy plants, incineration, pyrolysis, and biomining of legacy waste dumps are excluded from the RBL program. Screening checklist (environment) to exclude ineligible activities is in Appendix 3).

48. Considering the above explained exclusions and siting requirements, the RBL program's potential impacts are unlikely to be significantly adverse. However, the potential site-specific impacts need to be identified, assessed, and mitigated and/or minimized to acceptable levels. The RBL activities will be subject to environmental assessment and environmental clearance process per the Government's EIA Notification, 2006. RBL program activities' design, construction, and operation will be subject to the applicable regulations, standards, and guidelines including MSWM Rules, 2016; Construction and Demolition Waste Management Rules, 2016; Central Public Health and Environmental Engineering Organization Manual on MWSM, 2016; and Central Pollution Control Board guidelines and standards. Facilities, to the extent applicable under the law, will also be subjected to the consent process of respective state pollution control boards (SPCBs) to establish and operate facilities in compliance with conditions of consent.

49. The Government's environmental regulatory framework is defined by the Environmental Protection Act, 1986; the EIA Notification, 2006; and various other acts, rules, and standards dealing with forests, wildlife, coastal areas, heritage sites, labor welfare, and occupational health and safety, and pollution control among others. The Government's framework is generally aligned with ADB SPS 2009 policy principles. PSSA, however, has also identified some gaps, which may lead to some impacts and risks of RBL program activities not being covered under the program safeguards system. This is due to exemption of certain activities from the purview of environmental clearance and/or consent process of SPCBs. Therefore, to be aligned with ADB SPS policy principles, RBL program will exclude RBL activities that are exempted from the environmental clearance process under EIA Notification, 2006, except those activities that may

¹⁵ EIA Notification, 2006, mandates prior environmental clearance for scheduled projects and/or activities for categories A and B1 and B2. Category A and B1 projects require an EIA study whereas Category B2 projects do not require an EIA study to obtain environmental clearance. The Category A projects, MOEFCC appraises projects and EIA at central level and issues environmental clearance whereas for Category B, it is dealt at concerned State-level EIA Authority (SEIAA). The Notification does not use the term "initial environmental examination (IEE)" as used in ADB SPS for category B. EIA studies stated here is as required for category B1 projects. Per EIA Notification 2006, environmental assessment studies that are required for both the categories 'A' and 'B' are denoted as "EIA studies". The Notification does not use the term initial environmental examination (IEE) as used in ADB SPS.

¹⁶ Any project or activity specified in category B will be appraised at the Central level as located in whole or in part within 5 km. from the boundary of : (i) Protected areas notified under the Wildlife (Protection) Act, 1972 (53 of 1972); (ii) critically polluted areas as identified by the Central Pollution Control Board constituted under the Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974) from time to time; (iii) Eco-sensitive areas as notified under subsection (2) of section 3 of the Environment (Protection) Act, 1986 and (iv) inter-State and international boundaries.

have limited impacts and can be managed with SPCBs consent process and/or generic but activity-specific environmental and social management plans. The activities that are deemed to have limited impacts which can be managed with generic location, design, and operation measures under the RBL program are (i) decentralized small-scale composting or material recovery facilities not exceeding 5 tons per day (tpd) capacity, (ii) transfer stations, (iii) public toilets and urinals, and (iv) , and (iv) waste processing facilities (excluding disposal / sanitary landfills) of capacity not exceeding 100 tpd and requiring SPCBs consent under Water and Air Acts. The TA supported by ADB will assist central PMU in developing activity-specific generic ESMPs. ULBs will then finalize environmental and social management plans (ESMPs) to site specific considerations, if any, and will integrate into designs, construction, and operation. This will be monitored by state-level PMUs.

50. **Implementation of program environmental safeguards.** Screening checklist (Appendix 3) will be fulfilled by ULBs for each project and/or activity posed for SBM funding and submitted to respective state-PMUs along with the technical proposal and/or detailed project report (DPR). State PMU will review checklist and decide on the eligibility for the RBL program. A flowchart depicting the process is provided in Appendix 4. There are three possible outcomes of screening process: (i) activity ineligible for RBL funding, (ii) eligible and requires EIA and environmental clearance, (iii) eligible and requires SPCB's consent and ESMP and (iv) eligible and requires ESMP. Program ULBs, as project proponents, will conduct EIA studies for applicable projects, develop environmental management plans (EMPs), and obtain clearances and permissions, with the help of consultants. ULBs will also consider social impacts during EIA process and include mitigation measures in the EMP. DPRs will be reviewed and approved by Central Public Health and Environmental Engineering Organization (technical wing of MOHUA) and/or state level PMUs under SBM funding. EIAs and EMPs will be appraised and environmental clearance issued by State-level EIA Authority and/or the Ministry of Environment, Forest, and Climate Change. Public hearing will be conducted by SPCBs and EIA Reports will be disclosed by Ministry of Environment, Forest, and Climate Change, SPCB, and ULBs. For the activities that do not require environmental clearance, ULBs will conduct public consultations and disclose project information, ESPMs and SPCB consents. Works will be implemented by the contractors and monitored by ULBs. SWM facilities will be operated by ULBs directly or through external operators, and compliance monitoring will be conducted by regulatory agencies like SPCBs. For activities that are not required to prepare EIA or obtain environmental clearance, ULBs will finalize activity-specific ESMPs based on generic activity-specific EMPs provided by the central PMU. Outline of generic ESMP is provided in Appendix 5.

51. The EMPs and ESMPs will be included in bids and contract documents for implementation by the contractors. ULB will ensure meaningful public consultations and disclosure of project information throughout the project cycle. The ULBs will obtain necessary permissions and/or clearances and implement and monitor EMPs and/or ESMPs. The ULBs will submit monitoring and compliance reports to state PMU quarterly, which will include report on screening, regulatory compliance, and ESMP implementation and monitoring. State PMUs will provide support, oversee, and monitor the compliance, and ensure that environmental clearance is in place prior to contract award or start of construction. The state PMUs will monitor and exclude ineligible activities from the RBL program and will guide ULBs in regulatory compliance. State PMUs will consolidate reports from ULBs and submit a state-level safeguards monitoring report, semiannually, to central PMU. Central PMU will oversee compliance and provide technical and capacity building support to ULBs and state PMUs, and submit a semiannual safeguards monitoring report to ADB.

52. **Involuntary resettlement.** The program is category B for involuntary resettlement, as confirmed by PSSA. The RBL program will exclude activities likely to have significant involuntary

resettlement impacts, amounting to Category A impacts.¹⁷ It will also exclude any activity involving land acquisition including negotiated settlement, physical displacement, and/or permanent economic displacement. Only government land will be used. Screening of projects for associated social safeguard risks and impacts (including to vulnerable persons, households or groups¹⁸) will be conducted to ensure that the exclusion criteria are met. The Screening Checklist and exclusion criteria for involuntary resettlement impacts are provided in Appendix 3. Field level due diligence of sample projects proposed/sanctioned under SBM-U 2.0 during PSSA indicates that the sample projects do not involve land acquisition and related resettlement impacts; land acquisition is avoided; and government land is used. Limited involuntary resettlement impacts such as temporary economic impacts to rag pickers, waste workers and informal waste recyclers, loss of access to communities using government land as playgrounds, crop loss to lessees of government land among others are anticipated during project implementation and/or civil work. The program, through the ULBs, will ensure that the affected persons (waste pickers) facing temporary economic impacts continue to have access to waste at the project site during project implementation. In addition, the affected persons will be provided training on livelihood skill building and/or upgrading including jobs in project generated employment opportunities. Advance notice (60 days) will be provided to lessees or cultivators to avoid crop loss. Access loss to communities using government lands (proposed project sites) as playgrounds or for any other common purposes will be mitigated through identification of alternatives and/or other mitigation measures in consultation with the communities. The PSSA assesses limited impacts and the required impact avoidance and mitigation measures as described above. Generic ESMPs by project type will be prepared with the support of TA consultants. The ULBs will address impacts and implementation issues identified based on screening, through preparation and implementation of project specific ESMPs. Outline of generic ESMP is provided in Appendix 5. For the projects requiring EIA, social safeguards activities, and mitigation measures will be included in the EMPs.

53. Indigenous peoples. PSSA indicates that projects proposed and/or sanctioned under SBM-U 2.0 will generally have beneficial impacts on indigenous people. No project and/or activity that involves impacts to the dignity, human rights, livelihood systems, or culture of indigenous peoples, or affect the territories or natural or cultural resources that indigenous peoples own, use, occupy, or claim as ancestral domain or an asset, will be taken up under the RBL program. The Screening Checklist and exclusion criteria for indigenous peoples impacts are provided in Appendix 3. The RBL program is accordingly classified as category B for indigenous peoples impacts. The state level PMU will support ULBs to conduct activities for effective participation of indigenous people, if any, in project planning and ensure their inclusion in the program benefits. Beneficial impacts to indigenous peoples (if any, in a project coverage area) will be enhanced through specific actions included in the project-specific ESMPs to be prepared and implemented by the program ULBs. For the projects requiring EIA, specific actions and measures to enhance benefits to indigenous peoples, if any, will be included in the EMPs.

60. Program agencies and responsibilities on social safeguards The program ULBs will provide assistance to affected persons including informal waste workers through (i) ensuring

¹⁷ **Category A** (for resettlement impacts): A project is classified as Category A if it is likely to have significant involuntary resettlement impacts. The involuntary resettlement impacts are considered significant, i.e., 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 and income generating assets. The project would need to prepare a resettlement plan for all the subprojects. (Projects that are classified as category A will not be considered under the RBL program. The Program will also exclude projects that are likely to result in permanent physical or economic displacement).

¹⁸ Refers to persons and households that include below poverty line households, female-headed households, orphan and/or working child, persons with disability, widow, elderly headed household, scheduled castes and scheduled tribe households, landless household and household with no legal title/tenure or security.

continued access to waste for waste pickers, if any, during project implementation to avoid temporary livelihood impacts; (ii) skill building and/or upgrading trainings to affected persons; (iii) developing a system that promotes formal integration of informal waste workers in waste management services including operation of proposed project facilities; (iv) other livelihood enhancement measures in accordance with SBM urban and Deendayal Antyodaya Yojana–National Urban Livelihoods Mission (DAY–NULM) convergence guidelines;¹⁹ (v) facilitate in accessing project generated employment opportunities; (vi) specific actions for effective participation of indigenous people (if any) in project planning and implementation and ensure their inclusion in program benefits; (vii) meaningful public consultations for disclosure of project information throughout project cycle; (viii) identify alternatives or other mitigation measures for loss of access and/or use, if any, to government land (proposed project site) in consultation with affected community/user group; and (ix) ensure advance notice of minimum 60 days to users and/or lessee, if any, of government land to avoid losses such as crop loss. All these actions and mitigations measures will be defined, implemented and monitored through the project-specific ESMPs by the ULBs. For the projects requiring EIA, social safeguards activities and mitigation measures will be included in the EMPs.

60. State and Central PMUs will support ULBs through regular monitoring oversight and capacity building inputs. The ULBs will submit monitoring and compliance reports to state PMU quarterly, which will include report on screening, regulatory compliance, and ESMP implementation and monitoring. The state PMUs will monitor and exclude ineligible activities from the RBL program and guide ULBs in regulatory compliance. State PMUs will consolidate reports from ULBs and submit a state-level safeguards monitoring report, semiannually, to central PMU. Central PMU will oversee compliance and provide technical and capacity building support to ULBs and state PMUs and submit semiannual safeguards monitoring reports to ADB.

(ii) Safeguard System-Related Program Actions

54. MOHUA agrees to implement the PAP through state level PMUs and the ULBs. The safeguards implementation arrangement will be strengthened by appointing two individual experts (environmental and social safeguards consultants) in the central PMU who will report to Mission Director and/or safeguards focal. In state-level PMUs, an existing vacant specialist position will be designated as safeguards specialist and staff will be mobilized. In ULBs, a safeguard focal will be designated from the existing staff. Further, the central PMU will be supported by environmental and social safeguards consultants through an ADB supported TA to support in preparing generic ESMPs, and capacity building of central and state PMUs and ULBs in safeguards compliance in RBL program implementation. Capacity building activities at respective levels of program implementation will begin from early stages of the program cycle.

55. **Safeguards functions of urban local bodies.** Under the RBL program, ULBs responsibilities include the following. The ULBs will designate a safeguards focal person from their existing staff.

- (i) Prepare project DPR following applicable rules and guidelines with the support of DPR consultants.
- (ii) Conduct safeguards risk screening (refer Appendix 3 for screening checklists) and submit screening reports to state PMU.
- (iii) Conduct EIA and prepare ESMP, obtain environmental clearance, SPCB's consent and other clearances, as applicable.
- (iv) Ensure environmental clearance, and SPCB's consent, as applicable, is in place prior to

¹⁹ These include social mobilization and institution building (self help group-based), financial inclusion including access to credit facilities, group based service contracts related to waste management,

award of contract or prior to commencement of works.

- (v) Finalize ESMPs for eligible activities, which do not require environmental clearance (adapt generic ESMP to project and site specific context).
- (vi) Include EMPs with social mitigation measures and/or ESMPs in bids and contracts.
- (vii) Conduct public consultations and disclose project information and EIA, SPCB consent and ESMPs on ULB's website or on notice board at ULB Office; and create awareness in community on proposed facilities, mitigation measures and benefits to ensure community support to establish facilities.
- (viii) Implement and monitor EMPs and ESMPs.
- (ix) Report to state PMU on screening, regulatory compliance, and ESMP monitoring.
- (x) Ensure that existing grievance redress mechanism (GRM) is functional and effective.
- (xi) Submit quarterly safeguards compliance and monitoring report to state PMU. Suggested report outline is provided in Appendix 6.

56. Safeguards functions of state program management units. Under the RBL program, state PMU will support ULBs in RBL program implementation and compliance monitoring. The state PMUs will recruit a safeguards specialist as part of their staffing arrangements. The responsibilities include the following:

- (i) conduct capacity building and guide ULBs on safeguards risk screening, and ESMP preparation, implementation, and reporting;
- (ii) review screening and exclude ineligible activities from the RBL program;
- (iii) provide technical support through state PMU consultants, where required, for the preparation of DPRs, its review and ensure compliance;
- (iv) guide ULBs in complying with government regulations; ensure that environmental clearance is in place prior to award of contract or prior to commencement of works;
- (v) guide ULBs in finalization of ESMPs and adapting generic ESMP to project and site-specific context;
- (vi) guide ULBs in inclusion of social mitigation measures in EMPs;
- (vii) oversee implementation and monitoring of EMPs and ESMPs through quarterly compliance and monitoring reports submitted by ULBs; undertake periodic site visits to sample sites as part of compliance monitoring;
- (viii) guide ULBs in consultation and information disclosure; and
- (ix) submit safeguards compliance and monitoring report to central PMU semi-annually. Suggested report outline is provided in Appendix 7.

57. Safeguards functions of central-PMUs. Under the RBL program, central PMU will oversee compliance and provide technical and capacity building support to state PMUs and ULBs. Central PMU will designate a safeguards focal person reporting the NMD. Central PMU will appoint 2 safeguard experts (1 environment and 1 social safeguards consultant) to support safeguards focal person the RBL program implementation. Initially, ADB TA consultants will support central PMU in setting up the systems and processes and conducting training of trainers programs (proposed scope of work of ADB TA consultants is provided in Appendix 8). The Central PMU will:

- (i) establish systems and processes for RBL program screening and reporting;
- (ii) develop capacity of state PMUs and ULBs in safeguards compliance including in safeguards risk screening, ESMP and/or EMP preparation including social mitigation measures, implementation, and reporting;
- (iii) provide training and capacity building of ULBs in MSWM-related rules, guidelines,

- standards, among others, that are established by the Government;
- (iv) prepare activity-specific generic ESMPs with the support of ADB TA consultant;
 - (v) oversee program implementation and review safeguards compliance and monitoring reports submitted by state PMUs; and
 - (vi) submit safeguards monitoring report (SMR) to ADB semiannually until project completion. Suggested report outline is provided in Appendix 7.

58. **Consulting support for safeguards compliance.** Central PMU and/or NMD will appoint safeguard experts (1 environment and 1 social safeguards consultant) to support the RBL program implementation, monitoring, and reporting to ADB. The consultants will report to the NMD through the designated safeguards focal person. The consultants will be responsible for the assigned safeguards functions of the central PMU under RBL program. Further, under an attached TA supported by ADB, environmental and social safeguards consultants will be engaged to provide technical support to central PMU in establishing and operationalizing the system for safeguards screening, compliance monitoring and reporting, formulating generic activity specific ESMPs, monitoring and reporting formats, and capacity building of state PMUs and ULBs in safeguards compliance.

59. **Safeguards monitoring.** The central and state level PMUs will conduct monitoring and ensure compliance with PAP safeguards actions. ULBs will submit quarterly compliance and monitoring reports to the state level PMUs. The state level PMU will consolidate quarterly reports from all ULBs and prepare semiannual safeguards monitoring reports and submit to the central PMU and/or NMD within 15 days of every reporting period. The safeguards specialist at the state level PMUs will train ULBs to conduct safeguards compliance monitoring and reporting. The central PMU level safeguards focal, assisted by the safeguards consultants, will be responsible for program level safeguards compliance, monitoring and reporting. The central PMU safeguards team will provide monitoring oversight and capacity building, and training support to the state PMUs and ULBs. The program level monitoring and compliance report (SMR) to ADB will be submitted semi-annually by the central PMU, within 30 days of end of reporting period. Outline of quarterly and semi-annual monitoring reports provided in Appendix 6 and 7. ADB during its field missions will conduct safeguard compliance review of sample projects. State PMUs will disclose respective state-level semi-annual safeguards monitoring reports on their websites. ADB will review semiannual safeguards monitoring reports submitted by central PMU and SMR will be disclosed on ADB and central PMU website.

60. **Grievance redress mechanism.** Due diligence findings suggest that citizens generally access concerned ULB office and register grievances in person with ULB staff or elected representatives. The district collectors hold regular meetings with line departments in their jurisdiction that include review of grievances registered and resolution status. Most states also provide options for grievance registration through website, social media platforms, or dedicated toll-free numbers. All ULBs do not have structured GRM with provision for grievance escalation, grievance tracking, documentation and record keeping on grievance registration, progress, and closure status.

61. An online grievance redress system is operational in SPCBs to receive and redress complaints related to environmental pollution received from any individuals, organizations, and/or nongovernmental organizations. Tracking of complaints is possible online with a complaint registration number. The National Green Tribunal was established vide the National Green Tribunal Act 2010 for the effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources, including enforcement of any legal right relating to environment and giving relief and compensation for damages to persons and property and related matters. Specific to SBM-U 2.0, a web-based portal and a mobile

application (*Swachhata App*) is operational for citizen feedback and complaint management. The 'App' enables citizens to have their grievances registered and addressed by the concerned ULB. A citizen can click a picture of the problem area and have the complaint delegated to the associated municipal engineer by the Nodal Office of the ULB. The concerned engineer addresses the issue and updates the status. The RBL program will use the existing GRMs for program grievance management. ULBs will ensure that grievance redress systems are functional throughout the project cycle. The safeguard focal person at ULB level will be responsible for regular follow up on grievances, until resolved. The state PMUs will provide monitoring oversight on effective GRM functioning in ULBs.

62. The affected person is free to access the country's legal system at any time and at any stage. The affected person also can use the ADB Accountability Mechanism for projects funded by the RBL through directly contacting (in writing) the Complaint Receiving Officer at ADB headquarters or the ADB India Resident Mission.

E. Gender and Social Dimensions

63. Informal sector workers, constituting mainly of women and socially disadvantaged groups, are the backbone of India's solid waste management. The program recognizes the need to improve their skills and working environment and provide them with better access to occupational health, safety, and social protection benefits. The program further identifies the disproportional representation of women in decision making in SWM at ULB levels and the need for improving the same, given that women bear a major burden of waste management in homes and often in commercial units.

64. The Program has a strong gender equality and social inclusion (GESI) focus and is categorized as Effective Gender Mainstreaming. Gender performance targets are included in the DMF as both DLI and non-DLI indicators.²⁰ Additionally, an attached TA on learning from national and international best practices in SWM and sanitation will present another opportunity for advancing GESI in the program through pilots and high-level interventions in selected ULBs. Selected program DMF indicators will be directly supported by the TA to incentivize and upscale GESI mainstreaming impacts within the overall SBM-U initiative. The GESI actions are identified and included in the PAP.

F. Communication and Information Disclosure Arrangements

65. ADB disclosure requirements have been discussed with the government, and both ADB and the government's disclosure policies will be used for the program. The annual program performance including program implementation status reports will be publicly disclosed, as well as the annual progress reports. The Program Safeguard Systems Assessment will be disclosed on the ADB website. ESMPs prepared by ULBs will be consolidated and disclosed by state PMUs, and program monitoring reports will be disclosed by National Mission Directorate (NMD). The semi-annual safeguards monitoring reports at state and central levels will be disclosed on the government and ADB websites. ADB's Access to Information Policy requires the disclosure of program information based on the principles of transparency, timeliness, meaningful participation, and inclusiveness. This will be done through (i) a regular flow of reliable program information; (ii) ownership over project outcomes and interest and/or willingness to take advantage of the project benefits; and (iii) inclusion of groups in benefit distribution and project implementation.

²⁰ The design and monitoring framework is accessible in the list of annexes and supplementary documents of the Report and Recommendations of the President.

66. States/ULBs are also encouraged to periodically conceptualize and launch suitable ICT platform to create awareness among citizens to provide feedback on mission outcomes through communication channels like social media, IVR, mobile app, email, WhatsApp, website, etc. The innovative solutions, if found feasible and successful, can be suitably replicated, and scaled up.

G. Development Coordination

67. At the country programming level, ADB has established good coordination with the World Bank and other multilateral and bilateral agencies to coordinate lending and TA operations and sharing information. For the program, ADB has established relationships with several partners active in solid waste management and sanitation including UNICEF, USAID, GIZ, The World Bank and Bill and Melinda Gates Foundation. A mechanism for development coordination, likely to involve periodic meetings among development partners supporting SWM initiatives, is being explored by the government.

V. INTEGRATED RISKS AND MITIGATING MEASURES

A. Key Risks and Mitigating Measures

Table 8: Status of Integrated Risk Assessments and Mitigating Measures
(as of October 2023)

Risks^a	Rating Without the Mitigating Measures	Key Mitigating Measures	Status in Implementing Mitigating Measures
Results			
Weak human resource capacity of ULBs with regard to project planning and implementation, and inadequate municipal governance, resulting in poor municipal service delivery and failure to achieve DLI targets. The scale and scope of M&E required could lead to inefficiencies and delays in reporting, thereby holding up verification missions and disbursements.	Substantial	Efficient quarterly monitoring mechanisms and action to strengthen MOHUA's oversight role: <ul style="list-style-type: none"> (i) MOHUA to take measures to strengthen its M&E systems to produce timely and robust quarterly reports from each State. (ii) MOHUA, supported by TA at national level, to set guidelines and directives on planning and annual reviews, especially on DLI 7. MOHUA to ensure compliance of states and ULBs with these centrally set guidelines. (iii) MOHUA to work with the IVA team to address gaps detected during validation missions, especially the first validation mission. 	Consultants provisioned to improve capacity and to promote development of municipal cadre.
Fiduciary: Expenditure and financing			
Inherent risks			
Country-specific risk. Weaknesses in policy-based budgeting (especially the lack of	Moderate	(i) MOHUA, with ADB TA support, to conduct an analysis of practices	

Risks^a	Rating Without the Mitigating Measures	Key Mitigating Measures	Status in Implementing Mitigating Measures
a multiyear perspective), control in budget execution, internal audit, as well as timeliness of external audits and follow-up on audit findings.		and gaps in staffing, fund flow and tracking of audit observations by Q4 2023	
Program-specific risk. Staff capacity issues, with gaps in application and enforcement of existing procedures across states, despite a robust PFMS, which is generally consistently applied by the states.	Moderate	(ii) MOHUA, with ADB TA support, to provide training and implement awareness measures to build capacity among the participating states.	
Control risks			
Funds flow. Delays in the release of funds, (i) by central government, (ii) due to budgeted funds appropriations by the state government, and (iii) due to inappropriate or delay in mapping nodal accounts into the PFMS at ULB level.	Substantial	(i) NARC at central government level and the SSMDs at State level to monitor and transfer funds based on information available from the PFMS system. (ii) ADB to establish dialogue with MOHUA to monitor delays in release of funds.	
Accounting, financial reporting, and information technology systems. Delays in financial reporting, despite the information technology-based PFMS system implemented in all states and ULBs. The delays may be caused by (i) lack of accounting staff at SSMD level, and (ii) inadequate guidelines on accounting and auditing function as applicable for SBM-U 2.0.	Moderate	(i) Ministry of Finance to make the creation of state/ULB nodal accounts in PFMS, as a pre-condition to receive funding under the program (Q4 2023). (ii) SSMD to ensure that PMU has a position for finance and accounting expert who can compile expenditure reports generated from PFMS that are consistent with SBM guidelines.	
Internal controls. Inadequate capacity for internal control compliance. SBM-U 2.0's processes range from approval of action plans to the release of funds towards advances and/or milestone payments, and issuance of utilization certificates, including their timelines.	Moderate	NARC to establish a mechanism for a dedicated finance and accounting expert at the PMU level in each SSMD to monitor and support internal control compliance.	
Internal audit. Inadequate internal audit function in terms of coverage and timeliness. The issue of internal audit reports at state level with insufficient follow-up measures on audit issues reported by internal auditors are likely to impact the	Substantial	NARC to establish a structured follow-up mechanism for a dedicated financial management expert at the PMU level in each SSMD. The expert will coordinate with internal auditors to track and monitor the status of internal	

Risks^a	Rating Without the Mitigating Measures	Key Mitigating Measures	Status in Implementing Mitigating Measures
internal audit function. Inconsistencies on receipt of internal audit reports are likely to increase the risks in operations including internal controls in the overall program.		audit issues. The mechanism includes (i) establishing clear communication channels; (ii) defining an escalation procedure; (iii) conducting regular meetings between auditors and management; and (iv) implementing necessary actions to enhance the effectiveness of the internal audit function, ensure timely resolution of issues, and strengthen internal control systems.	
External audit. Audit reports issued from states pose risks: (i) audit reports are inconsistent with ADB's requirements in terms of content and timeliness; (ii) inconsistencies and delays in submission of audited program financial statements from states during program implementation are likely to affect financial discipline; and (iii) lack of follow-up on audit observations exacerbates the situation.	High	<ul style="list-style-type: none"> (i) MOHUA and each of the eight participating states to be briefed on the audit requirements of ADB. (ii) NARC to monitor the timeliness of submissions of audited program financial statements from states and compile the audit reports received from each state. (iii) The financial management expert at the PMU level in each SSMD to support audit follow-up in accordance with the statement of audit needs that is submitted to ADB within 12 months after the end of the fiscal year. 	
Fiduciary: Procurement			
Contravention of the ADB Charter. Direct or indirect restrictions could be placed on the eligibility of ADB member countries to participate in ADB-financed procurements, in contravention of the ADB Charter.	Substantial ^b	MOHUA and each SSMD to ensure adherence to the ADB Charter, including in all bidding documents at SSMD level and ULB level: <ul style="list-style-type: none"> (i) No direct or indirect restrictions for ADB member countries to participate in ADB-financed procurements. (ii) No participation of countries who are not ADB members in ADB-financed procurements. (iii) All ULB bidding documents to include standard debarment clauses of the ADB standard bidding documents. 	

Risks ^a	Rating Without the Mitigating Measures	Key Mitigating Measures	Status in Implementing Mitigating Measures
		(iv) SSMD to put arrangements in place to identify the country of origin of all contractors and suppliers in the bidding processes.	
Fiduciary: Anti-Corruption			
ADB-financed procurements may be awarded to firms and individuals that have been debarred by ADB or are subject to cross-debarment.	Substantial	(i) ADB to discuss and/or explain ADB's Anticorruption Policy to counterparts as appropriate. (ii) Regular anticorruption training for stakeholders will be conducted to ensure that relevant MOHUA and state level staff have access to and check ADB's Sanctions List at the required contract stages.	
Procurement practices on some states are not supportive of national procurement guidelines and may be detrimental to procurement principles such as quality, efficiency, and enhancement of value of money.	Moderate	SSMD in each state to ensure adherence to the national guidelines on procurement issued in the "General Instructions on Procurement and Project Management" issued by the Department of Expenditure, Ministry of Finance, Government of India. ^c	
Safeguards			
Lack of systems and personnel with adequate capacity to integrate safeguard concerns and ensure regulatory compliance in RBL program implementation and monitoring. Lack of consultations and feedback-seeking from local communities on siting of project facilities	Moderate	(i) MOHUA to establish and operationalize a system for environmental and social safeguards screening, implementation, monitoring and reporting. (ii) MOHUA/ SSMD/ULBs to assign safeguards specialist/focal person at each state level PMU and in ULBs. (iii) MOHUA to appoint safeguards experts at the National Mission Directorate level to support (training and monitoring oversight). (iv) MOHUA to organize training for state PMUs to ensure they can provide safeguards monitoring oversight	

Risks ^a	Rating Without the Mitigating Measures	Key Mitigating Measures	Status in Implementing Mitigating Measures
		and capacity building at ULB level. (v) State-level PMUs to organize training for safeguards focal persons at the ULB level to ensure consultations with local communities and elected representatives, highlighting technical design features, mitigation measures and project benefits. (vi) MOHUA and state-level PMUs will be supported by ADB TA consultants during the program initiation to establish systems and conduct capacity building programs.	
Operating environment			
MOHUA, states and ULBs have limited knowledge on RBL, causing start-up delays.	Moderate	(i) ADB to provide orientation on RBL for participating states and relevant MOHUA staff. (ii) TA support is provisioned to support program implementation.	Orientation to RBL was conducted for MOHUA and 7 out of 8 states in February 2023.
Overall RBL program risk	Substantial		

ADB = Asian Development Bank, DLI = disbursement-linked indicator, IVA = independent verification agency, M&E = monitoring and evaluation, MOHUA = Ministry of Housing and Urban Affairs, NARC = National Advisory Review Committee, PFMS = public financial management system, PMU = project management unit, Q = quarter, RBL = results-based lending, SBM-U 2.0 = Swachh Bharat Mission-Urban 2.0, SSMD = SBM State Mission Directorate, TA = technical assistance, ULB = urban local body.

^a Risk factors are assessed against two dimensions: (i) the likelihood that the risk will occur, and (ii) the impact of the risk on the outcome. Rating scale: low = low likelihood and low impact; moderate = substantial to high likelihood but low to moderate impact; substantial = low to moderate likelihood but substantial to high impact; high = high likelihood and high impact.

^b Low likelihood but high impact.

^c Ministry of Finance, Department of Expenditure. 2021. [General Instructions on Procurement and Project Management](#). Delhi.

Source: Asian Development Bank.

VI. PROGRAM ACTION PLAN

A. Status of Program Action Plan

Table 9: Status of Program Action Plan
(as of October 2023)

Actions	Responsible Agency	Time Frame for Implementation	Status of Implementation
Area 1: Program Technical Aspects			
1.1 Implement the program M&E framework and establish semi-annual reviews of DLIs by key decision makers, with corrective actions as required, and share minutes of DLI and DMF reviews with ADB	MOHUA	Q4 2023 – Q4 2026	Under preparation
Area 2: Fiduciary			
2.1 Coordinate with private empaneled chartered accountant firm, to finalize the statement of audit needs from each participating state.	MOHUA, NMD	By Q4 2023	Under preparation
2.2 Monitor timely appointment and submission of statutory audit reports and the resolution of independent audit observations	MOHUA, NMD	Continuous	Under preparation
2.3 Annual audited program financial statements prepared in accordance with SOAN submitted to ADB within 9 months after the end of the fiscal year together with management letters	MOHUA, NMD	Annually within 9 months after the end of the fiscal year.	Under preparation
Area 3: Gender			
3.1 Ensure that initiatives delivered under attached TA incorporate GESI concerns and solutions to promote female participation	MOHUA, states, ULBs	Q4 2023 – Q4 2026	Under preparation
3.2 Engage a gender specialist to work with MOHUA, states and ULBs	ADB (under ADB-administered TA) in coordination with MOHUA	Q4 2023	Under preparation
3.3 Systematically disaggregate data by gender and vulnerable groups to the extent possible for all reporting on DLIs and non-DLIs, and on the RBL program	MOHUA, states and ULBs with support from TA consultants	Q4 2023 – Q4 2026	Under preparation
Area 4: Safeguards: Environment and Social			
4.1. Establish and operationalize a system for environmental and social safeguards screening, implementation, monitoring and reporting for the program	NMD (supported by ADB TA consultants)	Establish: Q4 2023 Operation: Q4 2023 to 2026	(i) Screening checklists (environment, involuntary resettlement and indigenous people) are appended to this document.

Actions	Responsible Agency	Time Frame for Implementation	Status of Implementation
			(ii) outline monitoring formats are appended to this document (iii) overall system will be established and operationalized
4.2 Prepare generic ESMPs for program activities, by type	MOHUA (supported by ADB TA consultants)	Q4-2023	(i) suggested outline of ESMP appended to this document (ii) Activity-specific generic ESMPs will be prepared
4.3 Assign safeguards focal person at SBM PMU at central level and ULBs; and appoint safeguards specialists at state PMUs	MOHUA State-level PMUs ULBs	Q4-2023	(i) to be assigned / appointed.
4.4 Appoint 1 environmental and 1 social safeguards consultant at central PMU	MOHUA	From Q4-2023 to 2026	(i) to be appointed.
4.5 Undertake following actions for safeguards compliance: (i) Screen and exclude ineligible activities. (ii) Follow applicable guidelines/rules/standards in project design, construction and operation, to ensure regulatory compliance. (iii) Conduct EIA studies, obtain environmental and other clearances / permissions, SPCB consent, as applicable; include social impact considerations in EIA and mitigation measures in EMP. (iv) Provide skill training to affected persons, involve informal waste pickers in waste management services, identify mitigation measures in consultation with communities. (v) Conduct activities for effective participation and inclusion of indigenous people (if any). (vi) Finalize project-specific ESMP. (vii) Include ESMP in bid documents and	ULBs to implement; state-level PMUs to monitor	From Q4-2023	(i) to be undertaken throughout RBL program.

Actions	Responsible Agency	Time Frame for Implementation	Status of Implementation
(viii) contracts and implement the ESMP. Conduct meaningful consultations, disclose project information, SPCB consent order, and ESMPs. (ix) Submit quarterly safeguards compliance and monitoring reports to state PMU.			
4.6 Provide training and capacity building of ULBs in (i) MSWM related rules, guidelines, standards etc., established by the Government of India, (ii) public consultations and creating awareness.	National Mission Directorate, MOHUA (supported by consultants)	Q4-2023 to 2026	(i) to be undertaken during the RBL program
4.7. Submit and disclose semiannual environmental and social safeguards monitoring reports: (i) state PMUs to central PMU. (ii) National Mission Directorate to ADB.	State PMUs and Central PMU	From Q4-2023 to project completion	(i) first report due to ADB within 30 days of completion of first semiannual reporting period (ii) submission to continue until project completion
Area 5: Procurement			
5.1 Ensure that bidding documents do not contain provisions that unduly restrict the participation of ADB member countries.	Central and state level PMUs	From Q4-2023	Under preparation
5.2 Firms and individuals that have been debarred by ADB or are subject to cross-debarment cannot be awarded contracts.	Central and state level PMUs	From Q4-2023 to 2026	Under preparation
5.3 Provide public procurement and contracts management training and capacity building to ULBs and states.	MOHUA, PMU	From Q4-2023 to 2026	Under preparation
5.4 Develop and implement procedures to aggregate demand for common supply items to achieve economies of scale.	State level PMU and ULBs	From Q4- 2023	Under preparation

ADB = Asian Development Bank, DLI = disbursement-linked indicator, EIA = environmental impact assessment, ESMP = environment and social management plans, GESI = gender equality and social inclusion, MOHUA = Ministry of Housing and Urban Affairs, MSWM = municipal solid waste management, NMD = National Mission Directorate, PMU = program management unit, SPCB = state pollution control board, ULB = urban local body.
Source: Asian Development Bank.

VII. TECHNICAL ASSISTANCE

A. Summary

68. The government requested the involvement of Asian Development Bank (ADB) in SBM-U 2.0 to introduce and learn from national and international best practices in solid waste management and sanitation, and tailor and adopt them to the local context. High quality interventions in specific ULBs would serve as lighthouse ULBs for other ULBs for replication across the program. To ensure that financing arrangements are streamlined and the program remains a well-defined slice of the overall government program, several of the program's DLIs are aligned with MOHUA's criteria for fund release per the SBM-U 2.0 guidelines. However the attached TA provides significant additionality by leveraging results and impact in a nationwide flagship government program. Several indicators proposed in the program are not part of the existing SBM-U 2.0, and are intended to be directly supported through the attached TA, hence providing an opportunity to incentivize, scale-up and replicate best practices and innovation in areas including climate and disaster resilience, GESI mainstreaming, digitization, catalyzing private sector engagement, knowledge management and strong M&E frameworks across the overall mission.

(i) Outputs and Activities

Table 10: Summary of Major Outputs and Activities

Major Outputs ^a	Delivery Dates	Key Activities with Milestones
1. Output 1: Climate and disaster-resilient and GESI-responsive solutions mainstreamed in solid waste management and sanitation	Q3 2026	<ul style="list-style-type: none"> 1.1 Target ULBs identified for support (Q4 2023) 1.2 Advertise all consultant packages (Q4 2023). 1.3 Award all consultant packages (Q1 2024) 1.4 GESI-sensitive training program curricula developed for sanitation works (Q1 2024) 1.5 GESI-sensitive training program rolled out in at least 100 ULBs (Q2 2024 – Q2 2026) 1.6 Climate and disaster-resilient and GESI responsive features in SWM infrastructure and/or service delivery identified (Q1 2024) 1.7 Climate and disaster-resilient and GESI responsive features in SWM infrastructure and/or service delivery implemented (Q2 2024 – Q2 2026) 1.8 Standard criteria and recommendations (e.g. standardized registration format/ checklist, field data collection system, advice on software, centralized dashboard and ease of accessibility etc.) for data collection system on informal waste workers developed (Q4 2023) 1.9 Selected states and ULBs supported to establish fully functional data collection system on informal waste workers, disaggregated by gender and vulnerable groups (Q1 2024-Q2 2026) 1.10 Develop and finalize the definition of GESI sensitive measures in agreement with MoHUA and relevant authorities in target states to encourage WSHG participation (Q4 2023) 1.11 Support states and selected ULBs in implementing the finalized GESI sensitive

Major Outputs ^a	Delivery Dates	Key Activities with Milestones
		<p>measures for participation of WSHGs in SWM and sanitation (Q4 2023)</p> <p>1.12 Study on enabling environment for private sector participation and list of priority actions finalized (Q1 2024)</p> <p>1.13 Private sector engaged in waste management services by selected ULBs in target states (Q3 2026)</p>
<p>2. Output 2: Capacity to apply digital technology solutions to solid waste management in 10 ULBs strengthened</p>	<p>Q3 2026</p>	<p>2.1 In discussion with MOHUA and 8 target states,^b identify at least 10 ULBs from any of the 8 states to be directly supported under the TA. Target ULBs will be identified using objective criteria, including an enabling environment for digitalization of SWM, minimum levels of ICT infrastructure, etc. (Q3 2023)</p> <p>2.2 Advertise and award contracts for the following packages funded by the TA: (i) Korean counterpart agency; (ii) Project Manager; (iii) Communications Experts (Korean and Indian). (Q4 2023)</p> <p>2.3 Korean counterpart agency to prepare program schedule and commence planning for (i) field visits for Indian counterparts to Korea, to visit sites and facilities presenting examples of digital technology application and best practices in solid waste management; (ii) training/capacity building sessions/conferences/networking events for Indian counterparts with Korean experts, on SWM and digitalization; and (iii) Visits from Korean experts to at least 10 ULBs in India, to provide direct support to identify digital technology solutions to SWM challenges (Q4 2023)</p> <p>2.4 Korean counterpart agency commence discussions with Indian counterparts in 10 ULBs on proposed digitalization initiatives to be rolled out in ULBs, and the type of expertise required to be mobilized. Proposed initiatives and target areas will be selected carefully to ensure the scale is realistic within the available budget and time, and to ensure meaningful results (Q1 2024)</p> <p>2.5 Korean counterpart agency and/or ADB recruit expert positions to be mobilized to support ULBs (Q2 2024)^c</p> <p>2.6 Korean experts mobilized to at least 10 ULBs in India to (i) provide direct support to identify digital technology solutions to SWM challenges (ii) identify small or pilot-scale equipment to support digitalization efforts (Q2 2024)</p> <p>2.7 Commence procurement of small or pilot-scale equipment to support digitalization efforts (Q2 2024)</p> <p>2.8 Small or pilot-scale equipment purchased, installed, and commissioned, and early</p>

Major Outputs ^a	Delivery Dates	Key Activities with Milestones
		<p>operations and maintenance support provided in at least 10 ULBs (Q4 2024)</p> <p>2.9 Project manager delivers mid-term report (Q1 2025)</p> <p>2.10 Further follow up, support and engagement provided by Korean experts to 10 ULBs in target states (until Q1 2026)</p> <p>2.11 Conduct field visits for Indian counterparts to Korea, to sites and facilities presenting examples of digital technology application and best practices in solid waste management, as well as for training, capacity building and conferences. (Q1 2024–Q1 2026)</p> <p>2.12 Program evaluation surveys conducted to assess TA outcomes and follow-up actions (Q2 2026)</p> <p>2.13 Project manager delivers TA final report (Q3 2026)</p>
3. Output 3: Monitoring and evaluation frameworks strengthened.	Q1 2027	<p>3.1 MOHUA advertises independent verification agency packages (Q2 2023)</p> <p>3.2 States recruit the audit firm from the CAG empaneled list (Q4 2023)</p> <p>3.2 Award independent verification agency & audit firm packages (Q4 2023)</p> <p>3.3 IVA delivers annual verification plans and Annual /semi-annual results verification reports (Q1 2024–Q4 2026)</p> <p>3.4 Audit firm delivers audit report at the end of each calendar year (Q1 2025–Q1 2027)</p> <p>3.5 IVA delivers final report (Q1 2027)</p> <p>3.6 Audit firm delivers recommendations for strengthening the capacity of ULB and state agencies in managing public finances (Q1 2027)</p>

ADB = Asian Development Bank, CAG = comptroller and auditor general, EAKPF = Republic of Korea e-Asia and Knowledge Partnership Fund, GESI = gender equality and social inclusion, ICT = information and communication technologies, IVA = independent verification agency, MOHUA = Ministry of Housing and Urban Affairs, Q = quarter, SWM = solid waste management, TA = technical assistance, TBD = to be determined, ULB = urban local body, WSHG = women's self-help groups.

^a Output 1 activities will be supported by URTF. Output 2 activities will be supported by EAKPF. Output 3 activities will be supported by SFPTF.

^b The target states are Assam, Bihar, Jharkhand, Karnataka, Maharashtra, Odisha, Tamil Nadu and Uttar Pradesh.

^c This may include for example experts in SWM treatment processes, Sanitation Technology, SWM collection, instrumentation, geographic information systems, and app developers.

^d Procurement may be either by individual experts where costs are small, by Korean counterpart agency if feasible, or otherwise by ADB.

Source: Asian Development Bank.

(ii) Cost and Financing

69. The TA financing amount is \$3.15 million, of which (i) \$2 million will be financed on a grant basis by the Urban Resilience Trust Fund²¹ under the Urban Financing Partnership Facility; (ii) \$1 million will be financed on a grant basis by the Republic of Korea e-Asia and Knowledge Partnership Fund and administered by ADB; and (iii) \$150,000 will be financed by the Sanitation

²¹ Financing partner: the Government of the United Kingdom.

Financing Partnership Trust Fund under the Water Financing Partnership Facility,²² all to be administered by ADB. The key expenditure items are listed in the TA paper, accessible from the list of annexes and supplementary documents in the Report and Recommendations of the President.

B. Implementation Arrangements

70. ADB will administer URTF and EAKPF funds, and SAUW will select, supervise, and evaluate consultants. For WFPF SFPTF funds, ADB will delegate TA administration to MOHUA, which will be the executing and implementing agency. For the independent verification agency (IVA), MOHUA will select, supervise and evaluate the consultants. For the audit firms recruited by each state, where states require reimbursement of funds from ADB,²³ the individual states will single-source the audit firm from the comptroller and audit general's empaneled list, and will seek reimbursement from MOHUA. ADB will reimburse MOHUA for expenses under the delegated portion. The implementation arrangements are summarized in Table 11.

C. Consulting Service Requirement

71. The key consulting services requirements and selection approaches are summarized in Table 11. Outline terms of references are provided in the TA paper, accessible from the list of annexes and supplementary documents in the Report and Recommendations of the President.

Table 11: Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	December 2023–October 2026		
Executing agency	Ministry of Housing and Urban Affairs		
Implementing agencies	MOHUA and ULBs will play the principal role in administration and supervision of the TA together with ADB, including implementation oversight, accountability for the outputs, and communication with consultants and stakeholders.		
Consultants	To be selected and engaged by ADB		
	ICS	Multiple packages	\$2.86 million
	To be selected and engaged by the executing agency		
	QCBS 80:20	National expertise (output-based contract)	\$142,500
	SSS ^a	National expertise (output-based contract)	\$7,500
Procurement ^b	To be procured by consultants following ADB Procurement Policy (2017, as amended from time to time)		
	Shopping	Estimated 5–10 contracts	\$100,000
Disbursement	Disbursement of TA resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time). Each package will be financed by a specific ADB-administered fund.		
Asset turnover or disposal arrangement upon TA completion	Fixed assets will be handed over to ULBs upon TA completion. ^c		

ADB = Asian Development Bank, MOHUA = Ministry of Housing and Urban Affairs, CQS = Consultants' qualification selection, ICS = individual consultant selection, QCBS = quality- and cost-based selection, SSS = single source selection, TA = technical assistance, ULBs = urban local body.

^a States will single-source the audit firm through the comptroller and auditor general's list of empaneled auditors.

^b Procurement Plan (accessible from the list of linked documents in Appendix 3 to the TA paper).

²² Financing partner: Bill and Melinda Gates Foundation.

²³ It is expected that few states (if any) will require funds reimbursement from ADB.

^c Consultants and/or ADB will be the signatory for supply contracts for all equipment purchased under the TA. Procurement of goods by consultants will be in alignment with ADB Procurement Policy 2017 (as amended from time to time). All equipment and fixed assets will be handed over to the ULBs upon TA completion. For the definition of fixed assets, refer to ADB. 2016. Asset Management and Inventory Control. Administrative Orders. AO 4.02. Manila. Source: Asian Development Bank.

VIII. MONITORING OF KEY PROGRAM COVENANTS

72. The government has agreed with ADB on assurances for the RBL program, which are set forth in Table 12 below.

Table 12: Implementation Arrangements

Item	Assurances
Implementation Arrangements	<p>(i) The Government, through the Ministry of Housing and Urban Affairs (“Program Executing Agency”) will ensure, or cause the States to ensure, that the Program is implemented in accordance with the detailed arrangements set forth in the Program Implementation Document (“PID”). Any subsequent change to the PID will become effective only after approval of such change by the Government and ADB. In the event of any discrepancy between the PID and this Loan Agreement, the provisions of this Loan Agreement will prevail.</p> <p>(ii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that the aggregate amount of Eligible Expenditures under the Program is equal to or exceeds the Loan proceeds withdrawn by the Government for the Program. Such Eligible Expenditures are part of the expenditures incurred under the Government’s program, but they exclude any expenditures for (a) procurement of works, goods and services from countries which are not members of ADB; (b) procurement of works, goods and services from persons or entities debarred or suspended by ADB; (c) procurement involving High-Value Contracts; (d) any activities which are classified as category A for environmental impact under the SPS; (e) any activities assessed as likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on environment and/or affected people; and (f) any activities which are prohibited investment activities provided in Appendix 5 of the Safeguard Policy Statement (“SPS”).</p>
DLI Compliance and Program Dialogue	<p>(iii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all DLIs achieved under the Program continue to be complied with for the duration of the Government’s program.</p> <p>(iv) The Government will keep ADB informed of discussions with other multilateral or bilateral aid agencies that may have implications for the implementation of the Government’s program and the Program and will provide ADB with an opportunity to comment on any resulting proposals. The Government will give due consideration to ADB’s views before finalizing and implementing any such proposal.</p>
Technical Requirements	<p>(v) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all Program Actions in the area of technical requirements are implemented in a timely and efficient manner.</p>
Financial Management	<p>(vi) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all Program Actions in the area of financial management are implemented in a timely and efficient manner.</p>
Procurement	<p>(vii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that each contract under the Program is awarded on the basis of the Program’s procurement system, having due</p>

Item	Assurances
	<p>regard for principles of competition, economy and efficiency, transparency, and fairness and equal opportunity.</p> <p>(viii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all Program Actions in the area of procurement are implemented in a timely and efficient manner.</p>
Environmental and Social Safeguards	<p>(ix) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all Program Actions in the area of environmental and social safeguards are implemented in a timely and efficient manner.</p> <p>(x) (a) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that no construction or rehabilitation works under the Program involve significant adverse environmental impacts that may be classified as category A under the SPS. Prior to commencing any construction or rehabilitation works under the Program, the Government will conduct, or cause the States to conduct, a screening to ensure that any works that may be classified as category A for environment impacts within the meaning of SPS and other ineligible activities/works determined through the screening process are excluded from the Program.</p> <p>(b) The Government will ensure, or cause the States to ensure that the preparation, design, construction, implementation, operation and decommissioning of all activities under the Program comply with: (i) all applicable laws, regulations and guidelines of the Government relating to environment, health and safety; (ii) the Environmental Safeguards; and (iii) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.</p> <p>(xi) The Government will ensure, or cause the States to ensure that the preparation, design, construction, implementation, operation and decommissioning of all activities under the Program comply with: (a) all applicable laws and regulations of the Government relating to resettlement; (b) Involuntary Resettlement Safeguards; and (c) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.</p>
Gender and Social Equality	<p>(xii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that all Program Actions in the area of gender and social equality are implemented in a timely and efficient manner.</p>

Item	Assurances
Governance and Anticorruption	<p>(xiii) The Government through the Program Executing Agency will ensure, or cause the States to ensure, that the Program complies with the Anticorruption Guidelines and that all appropriate and timely measures are taken to prevent, detect and respond to allegations of fraud, corruption or any other prohibited activities relating to the Program in accordance with the Anticorruption Guidelines.</p> <p>(xiii) The Government will, or cause the States to (a) promptly inform ADB of any allegations of fraud, corruption or any other prohibited activities relating to the Program; and (b) cooperate fully with any investigation by ADB on such allegations and extend all necessary assistance, including providing access to all relevant records, for satisfactory completion of such investigation.</p> <p>(xiv) Within 90 days of the Effective Date, the Government will, or cause the States to update its public website to (a) provide information on bidding procedures, bidders, contract awards and physical progress of the Program; (b) post the audited annual financial statements for the Program, as such financial statements become available; and (c) disseminate other relevant information on Program implementation.</p>

ADB = Asian Development Bank, DLI = disbursement-linked indicator, PID = Program Implementation Document, SPS = Safeguard Policy Statement.

Source: Asian Development Bank.

IX. SUMMARY OF KEY OUTSTANDING ISSUES

Table 13: Key Outstanding Issues and Actions
(as of October 2023)

Number	Key Issues	Status in Addressing the Issues	Next Steps	Responsible Agencies and People	Time Frame for Implementation
	N/A				

Source: Asian Development Bank.

X. ACCOUNTABILITY MECHANISM

73. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted operations can voice and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures.²⁴ People who are, or may in the future be, adversely affected by a program supported by RBL may submit complaints to ADB's Accountability Mechanism.

74. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to resolve their problems and/or issues by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.

²⁴ ADB. 2012. [Accountability Mechanism Policy 2012](#). Manila.

XI. CHANGES IN PROGRAM SCOPE AND IMPLEMENTATION ARRANGEMENTS

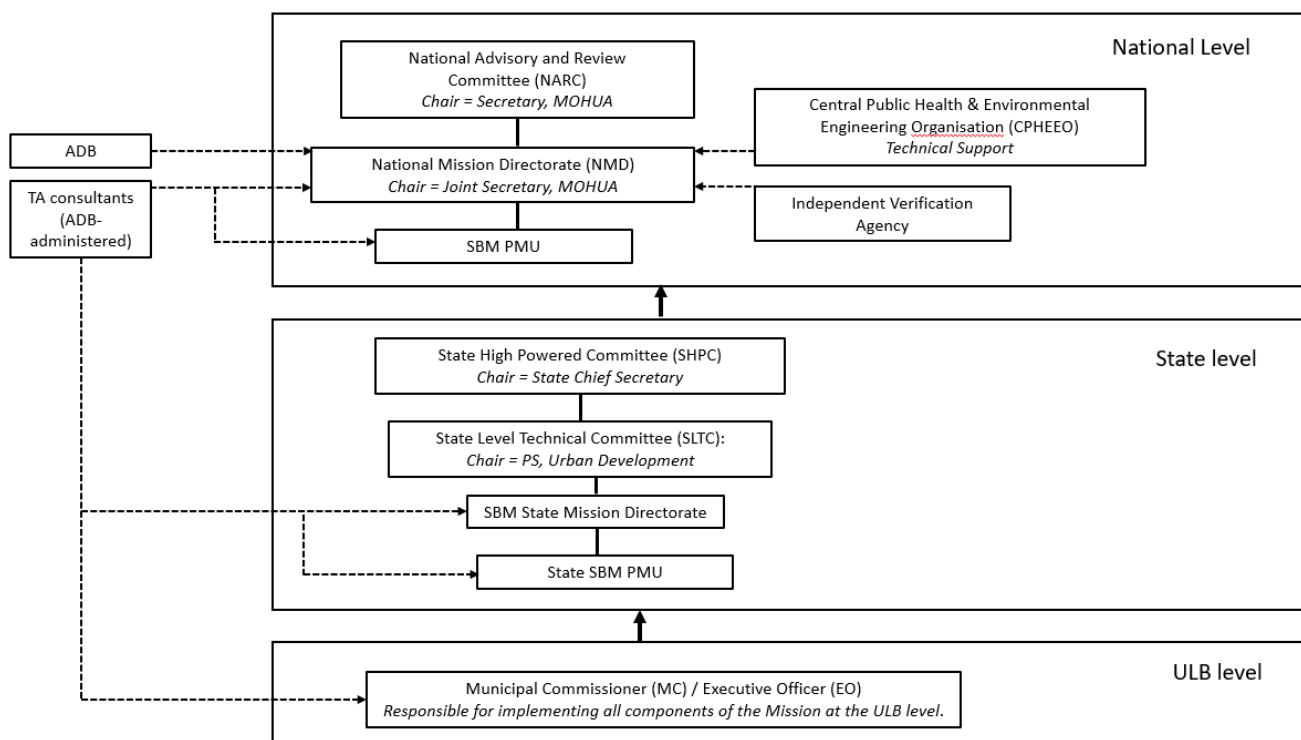
Table 14: Changes in Scope and Implementation Arrangements
(as of October 2023)

Number	Changes and Key Reasons	Date	Names of Documents

Source: Asian Development Bank

XII. PROGRAM ORGANIZATIONAL STRUCTURE AND FOCAL STAFF

A. Organizational Structure



B. Program Officers and Focal Persons

1. Initial Arrangements

Table 15: Program Officers and Focal Persons
(as of October 2023)

Number	Key Government Staff and Positions	Key ADB Staff and Positions
1	Roopa Mishra Joint Secretary – SBM-U 2.0 Ministry of Housing and Urban Affairs	Manoj Sharma Director Water and Urban Development Sector Office, Sectors Group (SG-WUD)
2	Binay Jha Director, SBM	Jude Kohlhasse Unit Head, Project Administration SG-WUD Sourav Majumder Senior Project Officer (Urban)

Number	Key Government Staff and Positions	Key ADB Staff and Positions
		INRM Anita Kumari Associate Project Analyst INRM

Source: Asian Development Bank.

2. Changes during Implementation

75. Table 16 includes a record of any changes during implementation in the ADB mission leader and key executing agency staff, including new names, titles, dates of the changes, and the reasons for the changes.

Table 16: Changes in Key Executing Agency Staff and ADB Mission Leader
(as of June 2023)

Number	Changes	Date	Reasons for the Change ^b
1	NA		
2			

Source: Asian Development Bank.

List of Appendixes

Appendix 1: Statement of Audit Needs - Broad External Audit Terms of Reference

Appendix 2: Guidelines to Prevent Or Mitigate Fraud, Corruption, and Other Prohibited Activities In Results-Based Lending For Programs

Appendix 3: Environmental Safeguards Screening Checklist

Appendix 4: Sample Involuntary Resettlement Checklist

Appendix 5: Sample Indigenous Peoples Impact Screening Checklist

Appendix 6: Environmental and Social Management Framework (ESMF)

Appendix 7: Semi-Annual Social Safeguards Monitoring Report Template

Appendix 8: Semi-Annual Environmental Safeguards Monitoring Report Template

STATEMENT OF AUDIT NEEDS - BROAD EXTERNAL AUDIT TERMS OF REFERENCE

1. The audit will be conducted annually, commencing from the first fiscal year when ADB loan will be declared effective, through to the last fiscal year in which transactions of the RBL Program take place.
2. The objective of audit assignment will enable an external auditor to express an independent and objective reasonable assurance on whether the Program Financial Statements, prepared by [Name of State], present fairly, in all material respects, the financial position and financial performance of Swacch Bharat Mission-Urban 2.0 (SBM-U 2.0) for the period ended 31 March 20XX in accordance with accounting standards *[with name of national equivalent accounting standard framework followed in India]*
3. The audit will cover all sources of funds, including from the Government of India, ADB and any other financiers [if applicable], and all application of funds as defined by the Result Based Program.
4. In addition, the auditor will provide: (i) assurance on whether the covenants in the loan agreement and requirements of SBM-U 2.0, as applicable to the RBL program, have been complied with by *[name of participating state]*; (ii) the amount of ADB financing disbursed does not exceed the total amount of expenditure under the RBL program, while taking into account financing from other sources and excluding expenditure pertaining to procurement from ADB non-member countries (unless universal procurement applies); and (iii) recommendations for improving the financial management system of participating states, if any control issues or weaknesses were observed during the course of audit.

GUIDELINES TO PREVENT OR MITIGATE FRAUD, CORRUPTION, AND OTHER PROHIBITED ACTIVITIES IN RESULTS-BASED LENDING FOR PROGRAMS

A. Purpose and General Principles

1. The developing member country (DMC) is responsible for the implementation of programs supported by results-based lending (RBL). The Asian Development Bank (ADB) has a fiduciary responsibility to ensure that its loans and other forms of financing used only for the purposes for which they were granted, in accordance with the Agreement Establishing the Asian Development Bank (the Charter).¹ To uphold that obligation, ADB presents these guidelines to prevent or mitigate fraud, corruption, and other prohibited activities (referred to as ‘integrity violations’ in ADB’s Integrity Principles and Guidelines, 2015 as amended from time to time, or ‘IPG’ for brevity) in RBL operations financed in whole or in part by ADB. These guidelines build upon the legal obligations presented in the loan agreement and apply to operations funded by the RBL (the programs).²

2. These guidelines do not limit any other rights, remedies, or obligations of ADB or the DMC under the loan agreement or any other agreement to which the ADB and the DMC are both parties.

3. All persons and entities participating in the programs are bound by ADB’s Anticorruption Policy (1998, as amended to date) and the IPG, and as such must observe the highest ethical standards; take all appropriate measures to prevent or mitigate fraud, corruption, and other integrity violations; and refrain from engaging in such actions in connection with the programs.

B. Definitions

4. These guidelines address the following practices as defined by ADB:

- (i) A “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.
- (ii) A “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation.
- (iii) A “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- (iv) A “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

5. In addition, ADB may investigate conflicts of interest and abuse, as defined below, as well as other integrity violations enumerated and defined in the IPG:

- (i) A “conflict of interest” is a situation in which a party has interests that could improperly influence a party’s performance of official duties or responsibilities, contractual obligations, or compliance with applicable laws and regulations. To the extent that conflicts of interest may provide an unfair competitive advantage or

¹ ADB. 1966. *Agreement Establishing the Asian Development Bank*. Manila.

² ADB may support a part (or a slice) of a government program or the entire government program through RBL. The program or the part that is supported by the RBL is referred to as the RBL program.

- compromise the integrity of financial and governance systems, conflicted persons and entities must be excluded from participating in relevant program activities.
- (ii) “Abuse” is theft, waste or improper use of assets related to ADB-related activity, either committed intentionally or through reckless disregard.

C. Developing Member Country’s Actions to Prevent Fraud, Corruption, and Other Integrity Violations in Results-Based Lending for Programs

6. Unless otherwise agreed in writing by the DMC and ADB, the DMC will take timely and appropriate measures to:

- (i) ensure that the program is carried out in accordance with these guidelines;
- (ii) avoid conflicts of interest in the program;
- (iii) prevent fraud, corruption, and other integrity violations from occurring in the program, including adopting, implementing, and enforcing appropriate fiduciary and administrative practices and institutional arrangements to ensure that the proceeds of the loan are used only for the purposes for which the loan was granted;
- (iv) promptly inform ADB of allegations of fraud, corruption, and other integrity violations found or alleged related to a program;
- (v) investigate allegations of fraud, corruption, and other integrity violations and report preliminary and final findings of investigations to ADB;
- (vi) respond to, mitigate, and remedy fraud, corruption, or other integrity violations that are found to have occurred in a program and prevent its occurrence;
- (vii) cooperate fully with ADB in any ADB investigation into allegations of fraud, corruption, and other integrity violations related to the program, and take all appropriate measures to ensure the full cooperation of relevant persons and entities subject to the DMC’s jurisdiction in such investigation, including, in each case, allowing ADB to meet with relevant persons and to inspect all of their relevant accounts, records and other documents and have them audited by or on behalf of ADB; and
- (viii) ensure that persons or entities sanctioned or temporarily suspended by ADB do not participate in RBL programs in violation of their sanction or temporary suspension.

D. ADB’s Actions to Prevent Fraud, Corruption, and Other Integrity Violations in Results-Based Lending for Programs

7. Unless otherwise agreed in writing by the DMC and ADB, ADB will:

- (i) inform the DMC of credible and material allegations of fraud, corruption, and other integrity violations related to a program, consistent with ADB’s policies and procedures;
- (ii) have the right to investigate allegations, in accordance with the IPG, independently or in collaboration with the DMC, including, in each case, meeting with relevant persons, and inspecting all of their relevant accounts, records and other documents and having them audited by or on behalf of ADB;
- (iii) inform the DMC of the outcome of any investigation, consistent with ADB policies and procedures;
- (iv) have the right to impose sanction and other remedial action on any individual or entity for engaging in practices defined above, or to temporarily suspend any individual or entity during the course of an investigation, in accordance with ADB’s policies and procedures; sanctions and temporary suspensions may result in that

- party's exclusion from participating in an RBL-financed activity or any other ADB-related activity indefinitely or for a stated period of time;³
- (v) assess ways to respond pursuant to the Anticorruption Policy and other ADB policies and procedures, and may refer the case to appropriate authorities of a concerned DMC, if investigative findings indicate that a government official has engaged in fraud, corruption, and other integrity violations related to a program; and
 - (vi) recognize sanctions determined by other multilateral development banks in accordance with the Agreement for Mutual Enforcement of Debarment Decisions.

³ Pursuant to ADB's Integrity Principles and Guidelines (2015, as amended from time to time), if a sanctioned party has an ongoing contract financed by ADB, the debarment or temporary suspension may not affect existing contractual obligations. However, any contract variation must be endorsed by OAI to ensure that a contract variation involving a sanctioned or temporarily suspended party is not an attempt to circumvent the sanction.

SCREENING CHECKLIST FOR EXCLUDING INELIGIBLE ACTIVITIES FROM RESULTS-BASED LENDING PROGRAM

A. Environmental Criteria for Excluding Ineligible Activities from RBL Program

The following checklist shall be completed before inclusion of any activity/subproject in the RBL program. If Answer to any of the mentioned criteria is 'Yes' then such activity/subproject will not be eligible and shall be excluded from the RBL program.

Project Details

Name of the ULB	
District	
State	
Name of the Project / Activity seeking funding under SBM-U 2.0	

Screening Questions

QUESTIONS		RESPONSE		REMARKS / CLARIFICATIONS
		Yes	No	
1.	Type and Nature of Subproject			
1.1	Proposed activity / subproject exempted from the purview of EIA and environmental clearance under the Government of India's EIA Notification, 2006.			
	Exception to 1.1. Criterion 1.1 is not applicable for the following components: (i) Separate / decentralized composting facility of not more than 5 tons per day capacity (ii) Separate / decentralized material recovery facility (MRF) of not more than 5 ton per day capacity (iii) Solid waste transfer stations with no storage (iv) Public toilets and urinals (v) MSW processing / treatment facilities (but not disposal facilities/ landfills) of not exceeding 100 tons per day capacity and requiring SPCB's consent to establish and operate under Water Act and Air Act.			5 tons per day capacity limit is considered inline with MSWM Rules, 2006
1.2	Proposed activity / subproject is classified under Category A per the Government of India's EIA Notification, 2006?			See Table 1 below for classification
1.3	Proposed activity / subproject falls under any of the following category? (i) Biomining of legacy waste (ii) Waste to energy plant (iii) Incineration, pyrolysis etc. (iv) waste management facilities dealing with other than municipal solid waste (i.e., hazardous waste, industrial waste, biomedical waste, etc.,)			
1.4	Proposed activity / subproject includes components involve prohibited investment activities per ADB SPS?			See Table 2 below for prohibited list
2.	Location of Proposed Subproject			
2.1	Proposed activity / subproject located in: <ul style="list-style-type: none"> • Protected areas (national parks, wildlife sanctuaries) notified under the wildlife protection act, 			See Table 3 below for list of notified eco sensitive areas.

QUESTIONS		RESPONSE		REMARKS / CLARIFICATIONS
		Yes	No	
	<ul style="list-style-type: none"> Eco sensitive zones of protected areas (see note 1) Notified wetlands or wetlands of significant value, Notified eco sensitive areas 			
	Exception to 2.1. Criterion 2.1 is not applicable to (i) public toilets and (ii) urinals proposed in ESZs notified around protected areas if such activities are permitted under the respective ESZ notification			
2.2	Proposed solid waste processing, treatment or disposal activity / subproject located in flood plains as defined in MSWM Rules 2016			
2.3	Proposed solid waste processing, treatment or disposal activity / subproject located Coastal regulation zone per CRZ Notification, 2019			
	Exception to 2.3: Activities permitted by concerned CRZ Authority (respective state or central authority, as the case may be) through issuance of formal clearance / no objection certificate (NOC) under the CRZ Notification, 2019)			
2.4	Proposed solid waste processing, treatment or disposal activity / subproject located in core zone or buffer zone of world heritage sites as per the approved master plan?			
2.5	Proposed solid waste transfer, processing, treatment or disposal activity / subproject located within 300 m from the boundary of protected area (or within ASI notified prohibited and regulated zone of respective monument) of monuments/sites protected by Archaeological Survey of India (ASI)?			
	Exception to 2.5: Activities permitted by National Monument Authority / Archaeological Survey of India through issuance of clearance / no objection certificate (NOC) under the Ancient Monuments and Archaeological Sites and Remains Act, 1958, its amendment Act, 2010)			
2.6	Proposed solid waste processing, treatment or disposal activity / subproject located within 100 m from the boundary of monuments/sites protected by the state archaeological department?			
2.7	Proposed sanitary landfill subproject / activity not meeting the groundwater criteria - the bottom liner of the landfill should be above 2 m from the highest water table			
3.	Potential impacts and host country regulatory compliance			
3.1	Proposed activity/subproject likely to have significant adverse environmental impacts that are irreversible, diverse, or unprecedented, and may affect an area larger than the sites or facilities subject to physical works (i.e., category A projects as per ADB SPS 2009)			
3.2	Proposed activity does not comply with the standards / requirements for solid waste management facilities siting, design, construction and operation as stipulated under MSWM Rules, 2016			

Note 1: where ESZ of any protected area not is not specified by MOEFCC, it shall be considered here as 5 km from the boundary of the concerned protected area notified under the Wildlife (Protection) Act, 1972 (following the general conditions in EIA Notification, 2006)

Table 1: Categorization of Common Municipal Solid Waste Management Facilities per EIA Notification 2006

All new common municipal solid waste management facilities (CMSWMF) and expansion or modernization of existing CMSWMFs with increase in handling capacity fall under category B. Any project or activity specified in category B will be appraised at the Central level as Category A, if located in whole or in part within 5 km. from the boundary of : (i) Protected areas notified under the Wildlife (Protection) Act, 1972 (53 of 1972); (ii) critically polluted areas as identified by the Central Pollution Control Board constituted under the Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974) from time to time; (iii) Eco-sensitive areas as notified under subsection (2) of section 3 of the Environment (Protection) Act, 1986 and (iv) inter-State boundaries and international boundaries.

Source: EIA Notification, 2006.

Table 2: Prohibited Investment Activities per ADB SPS

Prohibited list of activities
(i) production or activities involving harmful (i) or exploitative forms of forced labor ¹ or child labor; ²
(ii) production of or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements or subject to international phaseouts or bans, such as (a) pharmaceuticals, ³ pesticides, and herbicides, ⁴ (b) ozone-depleting substances, ⁵ (c) polychlorinated biphenyls ⁶ and other hazardous chemicals, ⁷ (d) wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora, ⁸ and (e) transboundary trade in waste or waste products; ⁹
(iii) production of or trade in weapons and munitions, including paramilitary materials;
(iv) production of or trade in alcoholic beverages, excluding beer and wine; ¹⁰
(v) production of or trade in tobacco; ²⁰
(vi) gambling, casinos, and equivalent enterprises; ²⁰
(vii) production of or trade in radioactive materials, ¹¹ including nuclear reactors and components thereof;
(viii) production of, trade in, or use of unbonded asbestos fibers; ¹²
(ix) commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests; and
(x) marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine mesh net fishing, harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats.

Source: Asian Development Bank Safeguard Policy Statement 2009, Appendix 5.

¹ Forced labor means all work or services not voluntarily performed, that is, extracted from individuals under threat of force or penalty.

² Child labor means the employment of children whose age is below the host country's statutory minimum age of employment or employment of children in contravention of International Labor Organization Convention No. 138 "Minimum Age Convention" (www.ilo.org).

³ A list of pharmaceutical products subject to phaseouts or bans is available at <http://www.who.int>.

⁴ A list of pesticides and herbicides subject to phaseouts or bans is available at <http://www.pic.int>.

⁵ A list of the chemical compounds that react with and deplete stratospheric ozone resulting in the widely publicized ozone holes is listed in the Montreal Protocol, together with target reduction and phaseout dates. Information is available at <http://www.unep.org/ozone/montreal.shtml>.

⁶ A group of highly toxic chemicals, polychlorinated biphenyls are likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985.

⁷ A list of hazardous chemicals is available at <http://www.pic.int>.

⁸ A list is available at <http://www.cites.org>.

⁹ As defined by the Basel Convention; see <http://www.basel.int>.

¹⁰ This does not apply to project sponsors who are not substantially involved in these activities. Not substantially involved means that the activity concerned is ancillary to a project sponsor's primary operations.

¹¹ This does not apply to the purchase of medical equipment, quality control (measurement) equipment, and any equipment for which ADB considers the radioactive source to be trivial and adequately shielded.

¹² This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

Table 3: List of Notified Eco Sensitive Areas

1. Murud-Janjira
2. Doon Valley
3. Dahanu Taluka
4. Aravalli
5. Numaligarh
6. Taj Trapezium
7. Mahabaleshwar-Panchgani
8. Matheran
9. Bhagirathi
10. Mount Abu

Source: Ministry of Environment, Forests and Climate Change

B. Involuntary Resettlement Screening Checklist

Project Data	
Project Name/Title/Activity (seeking RBL)	
Name of ULB	
District	
State	
IR Impact categorization	
<input type="checkbox"/> Category A: Significant IR impact	(200+ persons (not households!) are physically displaced from residence or lose more than 10% of productive (income generating) assets
<input type="checkbox"/> Category B: Non-significant IR impact	
<input type="checkbox"/> Category C: No IR impact	
Prepared by:	
Social Specialist/Focal Person (Name, title, signature): xxxxxx, Date: NA	
For Project Implementing Agency (Name, title, signature): Mr. xxxxxxxxxxxxxxxxxxxx Date:	
For Project Executing Agency (Name, title, signature): Mr. xxxxxxxxxxxxxxxxxxxx Date:	

Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
Involuntary Acquisition of Land				
1. Will there be land acquisition?				
2. Is the site for land acquisition known?				
3. Is the ownership status and current usage of land to be acquired known?				
4. Will easement be utilized within an existing Right of Way (ROW)?				

Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks																								
5. Will there be loss of shelter and residential land due to land acquisition?																												
6. Will there be loss of agricultural and other productive assets due to land acquisition?																												
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?																												
8. Will there be loss of businesses or enterprises due to land acquisition?																												
9. Will there be loss of income sources and means of livelihoods due to land acquisition?																												
Involuntary restrictions on land use or on access to legally designated parks and protected areas																												
10. Will people lose access to natural resources, communal facilities and services?																												
11. If land use is changed, will it have an adverse impact on social and economic activities?																												
12. Will access to land and resources owned communally or by the state be restricted?																												
Information on Displaced Persons:																												
13.a. Any estimate of the likely number of persons that will be displaced by the Project? <input type="checkbox"/> No <input type="checkbox"/> Yes																												
13.b. If yes, approximately how many?																												
14.a. Are any of the affected person or household assessed as vulnerable*? <input type="checkbox"/> No <input type="checkbox"/> Yes																												
14.b. If Yes, what is the number of affected households																												
<table border="1"> <thead> <tr> <th>S.No.</th> <th>Type</th> <th>Number of households</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>Vulnerable Households (vulnerable on one or more parameters)</td> <td></td> </tr> <tr> <td>ii.</td> <td>Scheduled Caste households</td> <td></td> </tr> <tr> <td>iii.</td> <td>Scheduled Tribe households</td> <td></td> </tr> <tr> <td>iv.</td> <td>Below Poverty Line (BPL) households</td> <td></td> </tr> <tr> <td>v.</td> <td>With orphan or working child</td> <td></td> </tr> <tr> <td>vi.</td> <td>Female headed household</td> <td></td> </tr> <tr> <td>vii.</td> <td>Landless or household with no legal title/tenure or security</td> <td></td> </tr> </tbody> </table>					S.No.	Type	Number of households	i.	Vulnerable Households (vulnerable on one or more parameters)		ii.	Scheduled Caste households		iii.	Scheduled Tribe households		iv.	Below Poverty Line (BPL) households		v.	With orphan or working child		vi.	Female headed household		vii.	Landless or household with no legal title/tenure or security	
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vi.	Female headed household																											
vii.	Landless or household with no legal title/tenure or security																											
15. Are any displaced persons from indigenous or ethnic minority groups? <input type="checkbox"/> No <input type="checkbox"/> Yes																												

* refers to person and household that include below poverty line households, female-headed households, orphan and/or working child, persons with disability, widow, elderly headed household, scheduled castes and scheduled tribe households, landless household and household with no legal title/tenure or security.

Table 5: Project Categorization Criteria (Involuntary Resettlement)

Category A	A proposed project is classified as Category A if it is likely to have significant involuntary resettlement impacts. The involuntary resettlement impacts are considered significant, i.e., 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 and income generating assets. Projects that are classified as category A will not be considered under the RBL program.
Category B	A proposed project is classified as Category B if it includes involuntary resettlement impacts that are not deemed significant or major but nonetheless may need to be addressed through a resettlement plan. Projects classified as Category B but involving physical displacement or permanent economic displacement will not be considered under RBL program.)
Category C	A proposed project is classified as Category C if it is unlikely to have any involuntary resettlement impacts. Once the status of the project is established no

	further action will be required. A Due Diligence Report (DDR) may be prepared for all subprojects classified under Category C).
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C. Indigenous Peoples Screening Checklist

Project Data	
Project Name/Title/Activity (seeking RBL)	
Name of ULB	
District	:
State	:
IP Impact categorization	
Category A: Significant IP impact	
Category B: Non-significant IP impact	
Category C: No IP impact	
Subproject requires the broad community support of affected Indigenous Peoples	<input type="checkbox"/> Yes <input type="checkbox"/> No
Prepared by:	
Social Specialist/Focal Person (Name, title, signature): xxxxxxxxxxxxxx Date: NA	
For Project Implementing Agency (Name, title, signature): xxxxxxxxxxxxxxxxxxxxxxxx Date:	
For Project Executing Agency (Name, title, signature): xxxxxxxxxxxxxxxxxxxxxx Date:	

KEY CONCERNS (Please provide elaborations on the Remarks column)	YES	NO	NOT KNOWN	Remarks
A. Indigenous Peoples				
1. Are there socio-cultural groups present in or use the project area who may be considered as “tribes” (hill tribes, schedules tribes, tribal peoples), “minorities” (ethnic or national minorities), or “indigenous communities” in the project area?				

KEY CONCERNS (Please provide elaborations on the Remarks column)	YES	NO	NOT KNOWN	Remarks
2. Are there national or local laws or policies as well as anthropological researches/studies that consider these groups present in or using the project area as belonging to “ethnic minorities”, scheduled tribes, tribal peoples, national minorities, or cultural communities?				
3. Do such groups self-identify as being part of a distinct social and cultural group?				
4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories?				-
5. Do such groups maintain cultural, economic, social, and political institutions distinct from the dominant society and culture?				-
6. Do such groups speak a distinct language or dialect?				
7. Has such groups been historically, socially and economically marginalized, disempowered, excluded, and/or discriminated against?				
8. Are such groups represented as “indigenous people” or as “ethnic minorities” or “scheduled tribes” or “tribal populations” in any formal decision-making bodies at the national or local levels?				
B. Identification of Potential Impacts				
9. Will the project directly or indirectly benefit or target indigenous people?				
10. Will the project directly or indirectly affect indigenous people’s traditional socio-cultural and belief practices? (e.g. child-rearing, health, education, arts, and governance)				
11. Will the project affect the livelihood systems of indigenous people? (e.g., food production system, natural resource management, crafts and trade, employment status)				
12. Will the project be in an area (land or territory) occupied, owned, or used by indigenous people, and/or claimed as ancestral domain?				
C. Identification of Special Requirements <i>Will the project activities include:</i>				

KEY CONCERNS (Please provide elaborations on the Remarks column)	YES	NO	NOT KNOWN	Remarks
13. Commercial development of the cultural resources and knowledge of indigenous people?				--
14. Physical displacement from traditional or customary lands?				--
15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact the livelihoods or the cultural, ceremonial, spiritual uses that define the identity and community of indigenous people?				--
16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied or claimed by indigenous people?				
17. Acquisition of lands that are traditionally owned or customarily used, occupied or claimed by indigenous people?				

Table 12: Project Categorization Criteria (Indigenous People)

Category A	A proposed project is classified as category A if it is likely to have significant impacts on Indigenous Peoples. An IPP, including assessment of social impacts, is required. Projects that are classified as category A will not be considered under the RBL program
Category B	A proposed project is classified as category B if it is likely to have limited impacts on Indigenous Peoples. An IPP, including assessment of social impacts, is required.
Category C	A proposed project is classified as category C if it is not expected to have impacts on Indigenous Peoples. No further action is required.
Note: The RBL program will have beneficial impact on the indigenous people/scheduled tribe communities or groups. No project having adverse impact on indigenous people/scheduled tribe communities or groups will be considered will be considered under the program.	

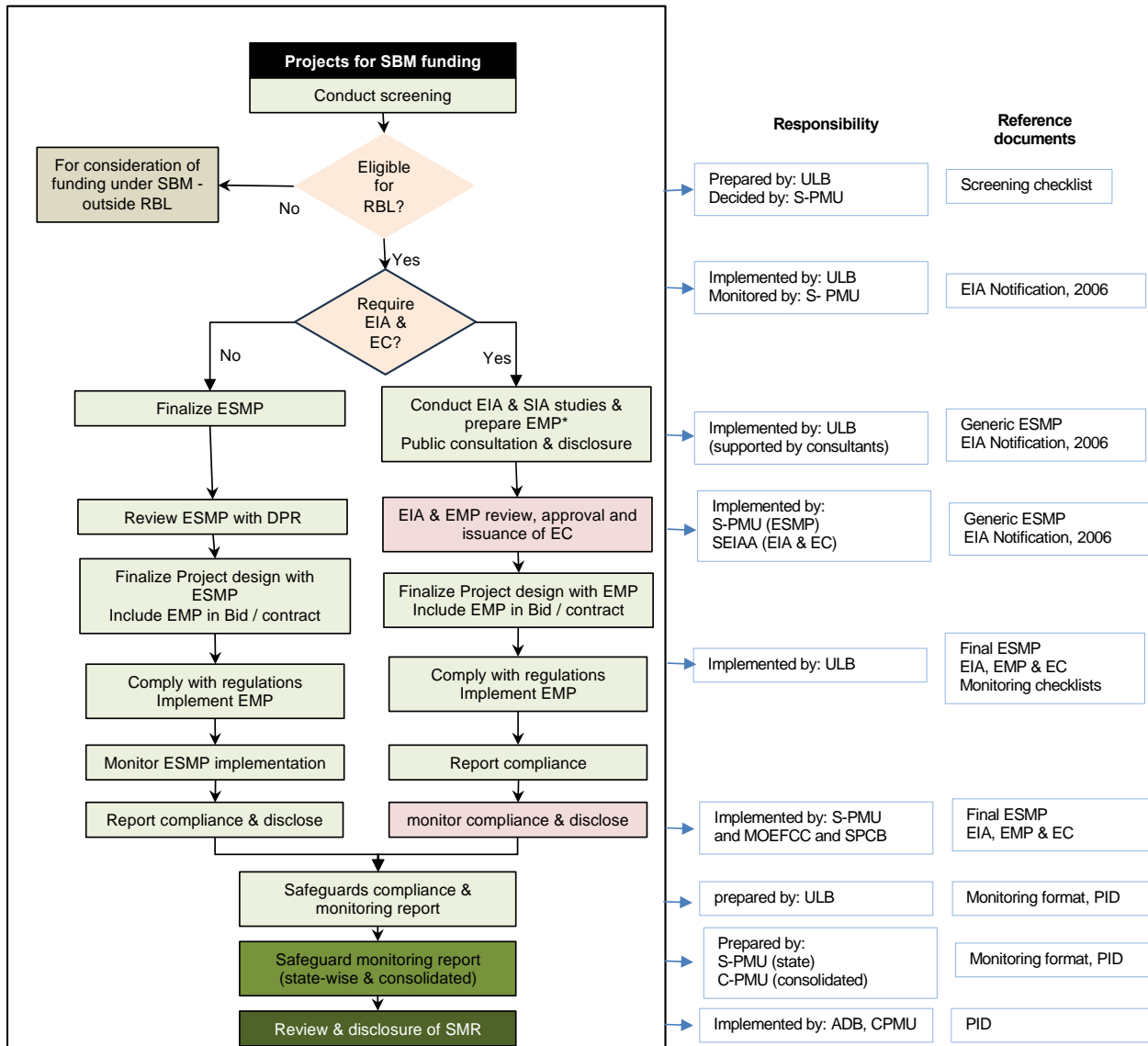
Exclusion Criteria (for Involuntary Resettlement and Indigenous Peoples Impacts)

Concerned ULB will carry out the screening and assessment for each project to confirm and report that the proposed project successfully meets the exclusion criteria as mentioned below. Safeguards focal person at the state level PMU will monitor and provide required capacity building inputs to ULBs in carrying out this assessment by the ULBs.

RBL Program will exclude a project if any of the following holds true or applicable to the proposed project:

- (i) Involves land acquisition (involuntary or through negotiated settlement)
- (ii) Involves physical displacement (permanent or temporary)
- (iii) Involves permanent economic displacement (livelihoods or income)
- (iv) Involves adverse impacts to indigenous people/scheduled tribe communities including activities that adversely affect the dignity, human rights, livelihood systems, or culture of indigenous peoples, or affect the territories or natural or cultural resources that indigenous peoples own, use, occupy, or claim as ancestral domain or an asset.

PROCESS FLOWCHART FOR SCREENING AND EXCLUSION, PREPARATION, IMPLEMENTATION, MONITORING, AND REPORTING ON SAFEGUARDS



ADB = Asian Development Bank, C-PMU = central program management unit, DPR = detailed project report, EC = environmental clearance, EIA = environmental impact assessment, EMP = environmental management plan, ESMP = environmental and social management plan, MOEFCC = Ministry of Environment, Forests and Climate Change, PID = project implementation document, RBL = results based lending, SEIAA = state-level EIA authority, SIA=social impact assessment, SMR = safeguards monitoring report, SPCB = state pollution control board, S-PMU =state-level PMU, SBM = Swatch Bharat Mission, ULB = urban local body.

*Note: EMP to include involuntary resettlement impact avoidance and mitigation measures, and specific actions for participation and inclusion of indigenous peoples, if any.

STRUCTURE OF A GENERIC ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

Note: This appendix provides the structure of an Environmental and Social Management Plan (ESMP) applicable to the projects covered by the RBL program. The suggested ESMP template will be adapted (by ADB TA consultants) to prepare a generic ESMP for each activity type.

1. Introduction

This section should give a small description about the SBM-U 2.0, and the need for the ESMP.

2. Project Description

This section should provide a summary of the proposed project activities (activity type e.g. a typical MRF for which this generic ESMP has been prepared) and applicable regulatory requirements.

3. Summary of Potential Impacts

This section should summarize the predicted adverse environmental and social risks¹ and impacts (associated with the specific project activity covered by this generic ESMP) that must be mitigated.

4. Description of Planned Mitigation Measures

This section should set out clear and achievable targets, and quantitative indicators of the level of mitigation required. Each measure should be briefly described in relation to the risk, impact² and conditions against which it is required. These should be referred to designs, development activities, equipment descriptions, and operating procedures and implementation responsibilities.

Template for Summarizing Mitigation Measures

Project Activity	Potential Environmental and Social Risks and Impacts	Proposed Avoidance and Mitigation Measures	Institutional Responsibilities	Cost Estimates
Pre-Construction Phase				
Construction Phase				
Operation and Maintenance Phase				

¹ Safeguards risk screening will ensure that projects involving significant adverse environmental and/or social impacts (such as land acquisition, physical displacement, and permanent livelihood displacement) are excluded under the RBL program. Further, projects with legacy or reputational risks will also not be included under the program.

² Social safeguard risks and impact assessment will consider (but not limited to) potential impacts to informal waste workers and other vulnerable persons or groups (refer involuntary resettlement screening checklist), use of government land (proposed project site) that may be in use as recreation space, playgrounds, for public events or other such uses, and appropriate avoidance and/or mitigation measures will be proposed as agreed under the RBL program.

Project Activity	Potential Environmental and Social Risks and Impacts	Proposed Avoidance and Mitigation Measures	Institutional Responsibilities	Cost Estimates

5. Description of Planned Environmental Monitoring

This section should outline the specific monitoring protocols, parameters, and expected frequencies. It should identify objectives and specify the type of monitoring required; it also describes environmental performance indicators which provide linkages between impacts and mitigation measures identified above – parameters to be measured, methods to be used, sampling location and frequency of measurements detection limits and definition of thresholds to signal the need for corrective actions. Monitoring and supervision arrangements should be specified to ensure timely detection of conditions requiring remedial measures; furnish information and the progress and results of mitigation and institutional strengthening measures; and assess compliance with national and ADB environmental safeguard policies.

Template for Summarizing Monitoring Requirements

Mitigation Measure	Parameters to be Monitored	Location	Measurements (as applicable)	Frequency	Responsibilities	Cost
Pre-Construction Phase						
Construction Phase						
Operation and Maintenance Phase						

6. Description of Planned Public Consultation Process

The ESMP should include a plan for public consultation activities during the finalization and implementation of the ESMP. The degree of consultation will depend on the project and local situation, but will normally include (i) notification to local communities about project activities are going to take place; (ii) disclosure of the results of (environment) monitoring programs to local communities and other stakeholders; and (iii) provision for independent third-party monitoring, where necessary. Projects with potential for significant adverse impacts may require public consultation on the design of mitigation measures and provide for public participation in environmental monitoring. Stakeholder consultation is also recommended during the preparation of final monitoring reports. Public consultation plan will also focus on the requirements related community participation in project planning, implementation and more specifically on disclosure related to project information. It will similarly include plans related to informed and meaningful consultation with affected communities and user groups, if any, related to use of government land,

seeking to identify alternatives to avoid impacts. The ESMP will also include monitoring and reporting requirements related to consultation activities.

7. Description of the Responsibilities and Authorities for Implementation of Mitigation Measures and Monitoring Requirements

This section should specify the institutional arrangements for implementation - taking account of the local conditions. Responsibilities for mitigation and monitoring shall be defined along with arrangements for information flow, and for coordination between agencies responsible for mitigation. ESMP specifies the organizations and individuals that will be responsible for undertaking the mitigating and monitoring measures, e.g., for enforcement of remedial actions, monitoring, training, and financing. A third party may be contracted in case the local authorities' capacity is limited. The ESMP may propose institutional strengthening activities including establishment of appropriate organization arrangements, appointment of key staff and consultants; and arrangements for counterpart funding and on lending when necessary.

Template for summarizing Institutional Capacity Building and Training

I. Strengthening Activity	Position (Responsibilities)	Strengthening Program		Schedule*	Cost Estimate
Mitigation					
Monitoring					
II. Training Activity	Participants	Course	Content	Schedule	Cost Estimate
1. Project specific risk and impact screening and assessment					
2. ESMP Implementation Re-design Conflict Resolution					
3. Environmental Processes, Methods and Equipment					
4. Environmental Policies and Programs					
5. Social safeguards on risk and impact identification (including to vulnerable persons/groups), avoidance and mitigation, GRM, consultation and participation					
6. Livelihoods enhancement and convergence with other programs					
6. RBL program monitoring and reporting					

*Capacity building activities will be planned and carried out from the early stages of the program cycle. The training calendar in the ESMPs will reflect this consideration.

8. Description of Responsibilities for Monitoring, Reporting and Review

10. Environmental and Social Responsible Procurement Plan

This section should include 2 sections: (i) the plan for procurement of the specific items and equipment required to implement of the mitigation and monitoring programs in the ESMP, and (ii) a description of procedures to ensure consistency of all project procurement with the principles and practices of environmentally and socially responsible procurement of goods and services.

11. Detailed Cost Estimates

This section should provide the detailed costs of implementation. These should be specified for both the initial and recurring expenses for implementing all measures defined in the ESMP, integrated into the total project costs and factored into loan negotiations. All costs — including administrative design and consultancy, and operational and maintenance costs — resulting from meeting required standards or modifying project design should be captured. A budgeting plan should be attached to resolve the issues of how those costs are to be met.

12. Mechanisms for feedback and adjustment

The section should outline the procedures and mechanisms that will be used to modify and reshape the project in the light of monitoring results. A feedback mechanism, with proposed timing and procedures, should be included in the ESMP to provide for modifications to the Project, and the executing agencies, the Safeguards Management Office, and the ADB.

**OUTLINE OF URBAN LOCAL BODY-LEVEL ENVIRONMENT AND SOCIAL SAFEGUARDS
REPORT
(PROGRAM COMPLIANCE AND MONITORING REPORT)**

1. Overview of ULB, SWM action plan, sanitation plan, preparation, approval, and overall proposals
2. Compliance status of program actions that are the responsibility of ULBs
3. Name and designation of officers (i) in charge of overall SBM in the ULB, (ii) project-wise, and (iii) safeguards focal person
4. List of projects – name and location, type, capacity, current status, implementation modality
5. Screening (summary outcome including list and number of projects screened, projects meeting exclusion criteria, projects assessed to be ineligible- cumulative and current status for the reporting period), completed screening forms – to be attached to report
6. Project-wise Clearance and requirements, EIA, PCB, other clearances, and current status
7. Project-wise Finalization of ESMPs and inclusion of social mitigation measures in EMPs
8. Confirmation of inclusion of EMPs and ESMPs in bid and contract documents
9. Implementation of EMPs / ESMPs
 - a. Confirmation that design-related measures are included in the project
 - b. Confirmation that construction-related measures are implemented by the contractor and monitored by ULB
 - c. Confirmation that operation stage measures are implemented by the operator / ULB
 - d. Confirmation of implementation of social impact mitigation measures (as per the ESMP or EMP with social mitigation measures and activities)
 - e. Additional social impacts (such as temporary income loss, if any) assessed during project implementation and confirmation of mitigation measures taken
10. Public consultations conducted and documents disclosed
11. Disclosure of documents – Plans, DPRs, EIAs (including SIAs and EMPs with social mitigation measures) and ESMPs
12. Complaints received, redressed and outstanding
13. Any complaints received by regulatory agencies – PCB, MOEFCC
14. Any major incidents occurred during the reporting period

**OUTLINE OF STATE-PROGRAM MANAGEMENT UNIT AND CENTRAL-PROGRAM
MANAGEMENT UNIT SAFEGUARDS REPORT
(ENVIRONMENT AND SOCIAL SAFEGUARDS MONITORING REPORT)**

1. Executive summary
2. RBL program description, participating states and activities
3. Compliance status of program actions
4. Status of implementation –
 - a. State-wise number and type of projects status, current and cumulative
 - b. Implementation modality / type of contracts – state-wise
5. Results of screening – state-wise – ineligible, eligible (EIA including SIA and ESMP). Confirmation that EIAs include SIA and social mitigation measures.
6. Status of EIA/SIA studies, public consultation, disclosure, EC
7. Consent and authorization - status
8. Clearance of CRZ, forest, ASI
9. Preparation of ESMPs
10. Consultations conducted
11. Inclusion of EMPs and ESMPs in bids
12. Implementation of EMPs and ESMPs
 - a. Design related, construction and operation related
13. Disclosure of documents – Plans, DPRs, EIAs, monitoring reports and ESMPs
14. Complaints received, redressed and outstanding
15. Any complaints received by regulatory agencies – PCB, MOEFCC
16. Any major or fatal accidents during the reporting period.

State level Semi-Annual Environmental and Social Safeguard Monitoring Report will be prepared as per the outline above. The state reports will be combined to prepare program level report for onward submission to ADB.

SAFEGUARDS SCOPE OF WORK FOR ADB TECHNICAL ASSISTANCE CONSULTANTS

TA Consultant (Environment): Scope of Work and Key Tasks

1. Support Central PMU on the following:
 - Appointing a Safeguards (Environmental and Social) Consultant.
 - Establish a safeguards system for RBL (screening, implementation, monitoring & reporting).
 - Finalize monitoring and reporting formats based on the suggested outlines. Ensure that formats are simple, short and easy to prepare and understand
2. Prepare activity-specific generic ESMPs for each type of projects covered under the SBM program using the generic ESMP template provided in the PID.
3. Conduct capacity building of Central PMU on the following:
 - Implementing the screening of projects through State PMUS and ULBs for excluding non-eligible projects from the RBL program using the Screening Checklists provided in the PID.
 - Monitoring oversight (periodic visits to states and ULBs).
 - Collect and consolidate state level semi-annual Safeguards Monitoring Reports, prepare program level Semi-annual Safeguards Monitoring Report using the template provided in the PID and submit to ADB.
4. Support State PMUs on appointing Safeguards Specialist.
5. Conduct capacity building programs for State PMUs on the following:
 - Implementing the screening of projects through ULBs for excluding non-eligible projects from the RBL program.
 - Providing training for select/sample ULBs on the following:
 - Conducting screening of projects using the screening checklists provided in the PID.
 - Preparing EIA and obtaining EC for applicable projects.
 - Preparing project-specific ESMPs by modifying activity-specific generic ESMPs prepared by the TA Consultant.
 - Incorporating EMP / ESMP in bid and contract documents.
 - Implementation and monitoring of ESMPs.
 - Disclosure of ESMPs.
 - Conducting public consultations.
 - Establishing grievance redress mechanism.
 - Conducting environmental quality monitoring.
 - Prepare ULB level Quarterly Safeguards Compliance and Monitoring Reports using the templates provided in the PID and submit to State PMU.
 - Training of trainers – identify resources persons and to be trainers, and conduct training of trainers to continue training and capacity buildings activities
 - Monitoring oversight (periodic visits to project sites/ULBs).
6. Conduct initial capacity building of few selected project ULBs in environmental safeguards, public consultations and awareness about the improved facilities

TA Consultant (Social): Scope of work and Key Tasks

1. Support in establishing safeguards system (environment and social) for the RBL program and specifically
 - a. assist in processes related to appointment/assigning of safeguards consultants in central PMU and safeguards staff in state PMUs
 - b. establish systems related to safeguards implementation including risk screening, ESMP planning, inclusion of social mitigation measures (including involuntary resettlement impact avoidance and mitigation measures, and specific activities for participation and inclusion of indigenous peoples) in EMPs/ESMPs, ESMP/EMP implementation, monitoring, record keeping and reporting
 - c. review, update and finalize ESMP/EMP implementation monitoring and reporting formats for use by central, state PMUs and ULBs
 - d. establish systems related to safeguards implementation and compliance reporting to ADB

2. Prepare activity-specific generic ESMPs for each project type covered under the SBM program using the generic ESMP template provided in the PID, including specific actions for participation and inclusion of indigenous peoples, if any, in program benefits.

3. Capacity Building of safeguards persons (social) in central PMU, state PMUs on RBL program safeguards implementation and compliances, safeguards roles of central PMU and state PMUs, monitoring and reporting. Conduct initial capacity building of few project ULBs.

4. Guide and support Central PMU in initiating and conducting capacity building of state PMUs and ULBs on safeguards functions, including
 - a. Risk screening of projects and exclusion of ineligible projects as per screening outcomes, preparation and sharing of screening reports
 - b. Conduct EIA to include social impact assessment and include social safeguards mitigation measures and activities in EMPs.
 - c. Preparing project-specific ESMPs by modifying/adapting activity-specific generic ESMPs; incorporating involuntary resettlement impact avoidance and mitigation measures in ESMPs and specific actions for participation and inclusion of indigenous peoples in project benefits.
 - d. Incorporating EMP / ESMP in bid and contract documents.
 - e. Implementation and monitoring of ESMPs
 - f. Disclosure of ESMPs and project information
 - g. Safeguards principles including impact identification, avoidance and mitigation, exclusion criteria
 - h. Livelihoods enhancement including convergence with other government programs
 - i. Conducting meaningful public consultations throughout the project cycle including project information disclosure and information on design and impact mitigation measures and benefits, to surrounding communities.
 - j. Grievance redress mechanism and grievance monitoring and feedback processes.
 - k. Conducting monitoring of unanticipated social impacts during construction.
 - l. Monitoring and reporting