

Project Administration Manual

Project Number: 49228-004
Loan Number: 4262
November 2022

India: Rajasthan State Highway Investment
Program (Tranche 3)

ABBREVIATIONS

ADB	–	Asian Development Bank
APFS	–	audited project financial statements
EARF	–	environmental assessment and review framework
EFP	–	environmental focal person
EMoP	–	environmental monitoring plan
EMP	–	environmental management plan
EPC	–	engineering, procurement, and construction
EWCD	–	elderly, women, children, and people with disability
GESI-AP	–	gender equity and social inclusion action plan
GOI	–	Government of India
GOR	–	Government of Rajasthan
GRC	–	grievance redress committee
IEE	–	initial environmental examination
MDR	–	major district road
MFF	–	multitranche financing facility
NGO	–	nongovernment organization
PAM	–	project administration manual
PIU	–	project implementation unit
PMC	–	project management consultant
PMU	–	project management unit
PPMS	–	project performance management system
PPP	–	public–private partnership
RSA	–	road safety audit
RPWD	–	Public Works Department of the Government of Rajasthan
SOE	–	statement of expenditure

CONTENTS

	Page
I. PROJECT DESCRIPTION	1
II. IMPLEMENTATION PLANS	1
A. Project Readiness Activities	1
B. Overall Project Implementation Plan	3
III. PROJECT MANAGEMENT ARRANGEMENTS	4
A. Project Implementation Organizations: Roles and Responsibilities	4
B. Key Persons Involved in Implementation	4
C. Project Organization Structure	5
IV. COSTS AND FINANCING	6
A. Cost Estimates Preparation and Revisions	7
B. Key Assumptions	7
C. Detailed Cost Estimates by Expenditure Category	8
D. Allocation and Withdrawal of Loan Proceeds	8
E. Detailed Cost Estimates by Financier	10
F. Detailed Cost Estimates by Outputs and/or Components	11
G. Detailed Cost Estimates by Year	12
H. Contract and Disbursement S-Curve	13
I. Fund Flow Diagram	13
V. FINANCIAL MANAGEMENT	15
A. Financial Management Assessment	15
B. Disbursement	20
C. Accounting	21
D. Auditing and Public Disclosure	21
VI. PROCUREMENT AND CONSULTING SERVICES	22
A. Procurement Risk Assessment and Mitigation	22
B. Advance Contracting and Retroactive Financing	23
C. Procurement of Works and Consulting Services	23
D. Procurement Plan	24
E. Consultant's Terms of Reference	24
VII. SAFEGUARDS	24
A. Environmental Safeguards	24
B. Social Safeguards	30
C. Indigenous Peoples	33
D. Grievance Redress Mechanism	34
E. Capacity Development	34
F. Prohibited Investment Activities	35
VIII. GENDER AND SOCIAL DIMENSIONS	35
A. Gender	35
B. Health	37
C. Labor	37
IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION	37
A. Project Design and Monitoring Framework	37

B.	Monitoring	38
C.	Evaluation	39
D.	Reporting	39
E.	Stakeholder Communication Strategy	40
X.	ANTICORRUPTION POLICY	42
XI.	ACCOUNTABILITY MECHANISM	42
XII.	RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL	43

APPENDIXES

Appendix A: Design and Monitoring Framework.....	44
Appendix B: Procurement Plan	46
Appendix C: Gender Equality and Social Inclusion Plan Monitoring Matrix	51

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with the policies and procedures of the government and Asian Development Bank (ADB). The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Government of Rajasthan through the Public Works Department is wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the policies and procedures of the government and ADB. ADB staff is responsible for supporting implementation including compliance by the Government of Rajasthan through the Public Works Department of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At loan negotiations, the borrower and ADB have agreed to the PAM and ensured consistency with the framework financing agreement and the loan and project agreements. Such agreements are reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the PAM and the framework financing agreement and the loan and project agreements, the provisions of the framework financing agreement and the loan and project agreements shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP), changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval, they will be subsequently incorporated in the PAM.

I. PROJECT DESCRIPTION

1. As the third tranche of the Rajasthan State Highway Investment Program, this project will improve the efficiency and safety of transport on the state highways of Rajasthan, thereby providing good quality connectivity for social and economic activities. The project will (i) upgrade about 290 kilometers of state highways and major district roads (MDR) to two-lane or intermediate-lane standards in keeping with road safety requirements, and (ii) enhance the capacity of the Public Works Department of the Government of Rajasthan (RPWD) by improving the business processes and procedures of its Public–Private Partnership (PPP) Division. The project will catalyze the sustainable development of Rajasthan through the collaboration of the public and private sectors.

2. The impact will be good quality connectivity provided in all areas, aligned with India’s Strategy for New India @ 75.¹ The outcome will be the improved efficiency and safety of transport on the state highways of Rajasthan.

3. The project will deliver the following two outputs:

- (i) **State highways and major district roads improved.** About 290 km of state highways and MDRs in Rajasthan will be constructed, rehabilitated, operated, and maintained in good condition. The project roads will be upgraded to two-lane or intermediate-lane standards and will incorporate features responsive to the needs of the elderly, women, children, and people with disability (EWCD) and climate-resilient features.²
- (ii) **Capacity of the Rajasthan Public Works Department enhanced.** The PPP Division’s capacity to implement streamlined business operating procedures and gender equality and social inclusion (GESI) will be further enhanced.

II. IMPLEMENTATION PLANS



A. Project Readiness Activities

Table 1: Project Readiness Activities

Indicative Activities	2017	2021	2022									Responsible Individual/Unit/ Agency/Government
	Mar	Dec	Mar	Apr	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Establish the PMU	■											GOR
Advance contracting actions		■	■	■	■	■	■	■				GOR and ADB
Fact-finding mission			■	■								ADB
Staff review meeting									■			ADB
Loan negotiation										■		GOI, GOR, and ADB
ADB President approval										■		ADB
Loan signing											■	GOI, GOR, and ADB

¹ Government of India, NITI Aayog. 2018. *Strategy for New India @ 75*. Delhi.

² The project will complement the central government’s state road safety incentive program.

Indicative Activities	2017	2021	2022									Responsible Individual/Unit/Agency/Government	
	Mar	Dec	Mar	Apr	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Government legal opinion provided													GOI and GOR
Loan effectiveness													ADB

ADB = Asian Development Bank, GOI = Government of India, GOR = Government of Rajasthan, PMU = project management unit.

Source: Asian Development Bank estimates.

B. Overall Project Implementation Plan

4. The implementation plan records key implementation activities of the project on a quarterly basis, which will be updated annually and submitted to ADB with contract and disbursement projections for the following year.

Table 2: Project Implementation Plan

Activity	Implementation Period				2021				2022				2023				2024				2025				2026			
					Year 1				Year 2				Year 3				Year 4				Year 5				Year 6			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
A Project Preparation																												
1 Project preparation, processing, and approval of tranche 3																												
B Road Improvement																												
1 Recruit all authority engineers																												
2 Procurement of civil works for tranche 3																												
3 Road construction under tranche 3																												
C Capacity Development																												
1 Extend the contract of the current project management consultant																												
2 Finalize the project performance monitoring system and start the system operation																												
3 Conduct trainings on GESI in the road transport sector																												
4 Complete the gender responsive budgeting																												
5 Develop the toolkit to support the committees on Sexual Harassment at Workplace																												
6 Implement the streamlined business operating procedures																												
Project Management activities																												
1 Prepare and manage the implementation of procurement plans																												
2 Monitor the implementation of resettlement plan, gender action plan, and the environmental management plan																												
3 Monitor project performance and ensure timely delivery of outputs																												
4 Prepare and submit quarterly progress reports within 45 days of end of each quarter																												
5 Prepare and submit annual audited project financial statements within 6 months of the end of each financial year																												

GESI: gender equality and social inclusion

Source: Asian Development Bank

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations: Roles and Responsibilities

Table 3: Project Implementation Organizations - Roles and Responsibilities

Project Implementation Organizations	Management Roles and Responsibilities
Executing agency	<p>State Government of Rajasthan through the RPWD</p> <ul style="list-style-type: none"> • Overall coordination of project implementation • Interagency coordination • Day-to-day project management • Consultant recruitment and procurement of works • Withdrawal application preparation and submission • Project progress report preparation and submission • Maintaining project accounts and complete loan financial records • Maintaining completed project roads • Feasibility study and detailed project report preparation • GESI action plan implementation and reporting
ADB	<ul style="list-style-type: none"> • Monitor and review overall implementation of the project in consultation with the executing agencies and/or implementing agencies, including the project implementation schedule; actions required in terms of poverty reduction, environmental impacts, and resettlement plans if applicable; GESI action plan; timeliness of budgetary allocations and counterpart funding; project expenditures; progress with procurement and disbursement; statement of expenditure when applicable; compliance with particular loan covenants; and the likelihood of attaining the project's immediate development objectives • Posting on the ADB website of the updated project data sheet, audited project financial statement, and safeguard documents

ADB = Asian Development Bank, GESI = gender equality and social inclusion, RPWD = Public Works Department of the Government of Rajasthan.

Source: Asian Development Bank.

B. Key Persons Involved in Implementation

Executing Agency

Government of Rajasthan through the Public Works Department (RPWD)

Mr. Vaibhav Galriya
Principal Secretary (RPWD)
Government of Rajasthan
Email: ps.pwd-rj@nic.in

Mr. D.R. Meghwal
Chief Engineer (NH)
Public Works Department
Government of Rajasthan
Telephone: +91 0141 2954570
Email: CENH.PWD@RAJASTHAN.GOV.IN

Mr. Avinash Sharma
 Additional Chief Engineer, PPP Division
 Public Works Department
 Government of Rajasthan
 Telephone: +91 0141 2223547
 Email: aceppp.pwd@rajasthan.gov.in

Asian Development Bank
 Transport and Communications
 Division, South Asia Department

Mr. Kanzo Nakai
 Officer-in-Charge
 Telephone: +63 2 8683 1771
 Email: knakai@adb.org

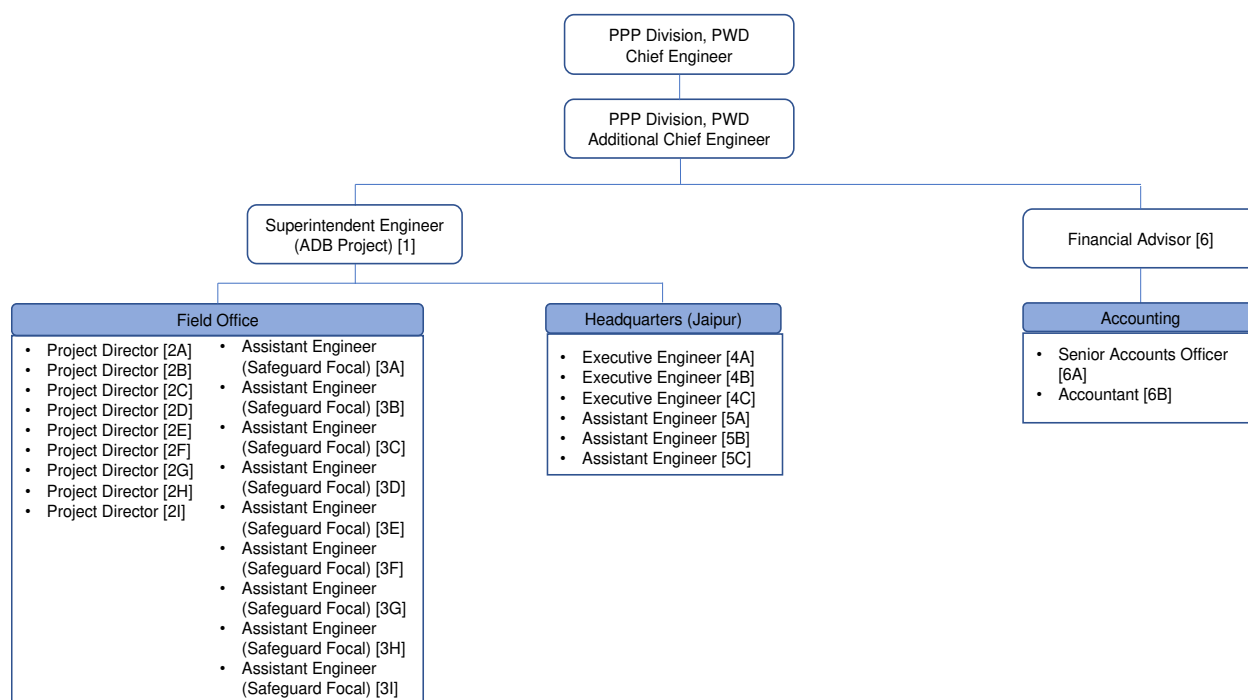
Mission Leader

Mr. Yang Lu
 Transport Specialist
 Telephone: +63 2 8632 4481
 Email: yanglu@adb.org

C. Project Organization Structure

5. Figure 1 and Table 4 show the reporting lines and essential internal structures of the project implementation units and their staffing assignments.

Figure 1: Project Organization Structure



ADB = Asian Development Bank, PPP = public-private partnership, PWD = Public Works Department of the Government of Rajasthan.

Source: Asian Development Bank.

Table 4: Project Implementation Units

No.	Sr. No	Position	Name	Existing	Appointment Timeframe
1		Chief Engineer (NH)	Sh. D.R. Meghwal	<input checked="" type="checkbox"/> appointed	
2		Additional Chief Engineer (PPP)	Sh. Avinash Sharma	<input checked="" type="checkbox"/> appointed	
3	[1]	Superintendent Engineer (ADB Projects)	Sh. A.K. Jain	<input checked="" type="checkbox"/> appointed	
4	[2A]	Project Director 1 (T1, Annuity 1)	Sh. H.L. Agrawal	<input checked="" type="checkbox"/> appointed	
5	[2B]	Project Director 2 (T1, Annuity 2 & T2, EPC 1 & 4)	Sh. V.K. Jain	<input checked="" type="checkbox"/> appointed	
6	[2C]	Project Director 3 (T1, Annuity 3 & T2, EPC 3)	Sh. Dinesh Kumar Meena	<input checked="" type="checkbox"/> appointed	
7	[2D]	Project Director 4 (T1, EPC 1)	Sh. Somesh Rathi	<input checked="" type="checkbox"/> appointed	
8	[2E]	Project Director 5 (T2, EPC 2 & T3, EPC 2)	Sh. S.M. Swami	<input checked="" type="checkbox"/> appointed	
9	[2F]	Project Director 6 (T2, Annuity 1 & 2)	Sh. R.K. Maheshwari	<input checked="" type="checkbox"/> appointed	
10	[2G]	Project Director 7 (T3, EPC 1)	Sh. Niranjan Singh Choudhary	<input checked="" type="checkbox"/> appointed	
11	[2H]	Project Director 8 (T3, EPC 3)	Sh. Pawan Kulshrestha	<input checked="" type="checkbox"/> appointed	
12	[2I]	Project Director 9 (T3, EPC 4)	Sh. Rajesh Kumar Meena	<input checked="" type="checkbox"/> appointed	
13	[3A]	Assistant Engineer (Safeguard Focal) (T1, Annuity 1)	Sh. Gaurav Mittal	<input checked="" type="checkbox"/> appointed	
14	[3B]	Assistant Engineer (Safeguard Focal) (T1, Annuity 2 & T2, EPC 1 & 4)	Smt. Lalit Meghwal	<input checked="" type="checkbox"/> appointed	
15	[3C]	Assistant Engineer (Safeguard Focal) (T1, Annuity 3 & T2, EPC 3)		<input type="checkbox"/> appointed	
16	[3D]	Assistant Engineer (Safeguard Focal) (T1, EPC-1)	Sh. Rajat Dhankhad	<input checked="" type="checkbox"/> appointed	
17	[3E]	Assistant Engineer (Safeguard Focal) (T2, EPC 2 & T3, EPC 2)	Sh. Krishan Saroagi	<input checked="" type="checkbox"/> appointed	
18	[3F]	Assistant Engineer (Safeguard Focal) (T2, Annuity 1 & 2)	Sh. Balu Ram Jat	<input checked="" type="checkbox"/> appointed	
19	[3G]	Assistant Engineer (Safeguard Focal) (T3, EPC 1)	Smt. Priya Kavaria	<input checked="" type="checkbox"/> appointed	
20	[3H]	Assistant Engineer (Safeguard Focal) (T3, EPC 3)	Sh. Dharmendra Kumar	<input checked="" type="checkbox"/> appointed	
21	[3I]	Assistant Engineer (Safeguard Focal) (T3, EPC 4)	Sh. Vikas Meena	<input checked="" type="checkbox"/> appointed	
22	[4A]	Executive Engineer (T1)	Sh. A.C. Meena	<input checked="" type="checkbox"/> appointed	
23	[4B]	Executive Engineer (T2 & T3)	Sh. Rajendra Tandon	<input checked="" type="checkbox"/> appointed	
24	[4C]	Executive Engineer (Safeguard)	Sh. Mukesh Sukhija	<input checked="" type="checkbox"/> appointed	
25	[5A]	Assistant Engineer (T1)	Sh. Suman Achera	<input checked="" type="checkbox"/> appointed	
26	[5B]	Assistant Engineer (T2 & T3)	Sh. K.C. Vashisth	<input checked="" type="checkbox"/> appointed	
27	[5C]	Assistant Engineer (Safeguards Officer)	Sh. Saurabh Shrivatava	<input checked="" type="checkbox"/> appointed	
28	[6]	Financial Advisor	Sh. Ramsukh Jatoliya	<input checked="" type="checkbox"/> appointed	
29	[6A]	Senior Accounts Officer	Sh. Rajesh Sharma	<input checked="" type="checkbox"/> appointed	
30	[6B]	Accountant	Sh. Shishram Yadav	<input checked="" type="checkbox"/> appointed	

ADB = Asian Development Bank, EPC = engineering, procurement, and construction, PPP = public-private partnership, RPWD = Public Works Department of the Government of Rajasthan, Sh. = Mr.

Source: Asian Development Bank.

IV. COSTS AND FINANCING

6. The project is estimated to cost \$158.10 million, including taxes and duties, physical and price contingencies, and interest and other charges during implementation (Table 5).

Table 5: Summary Cost Estimates
(\$ million)

Item	Amount ^a
A. Base Cost^b	
1. State highways and major district roads improved	148.56
2. Capacity of Rajasthan PWD enhanced	0.75
Subtotal (A)	149.31
B. Contingencies^c	6.57
C. Financing Charges During Implementation^d	2.22
Total (A+B+C)	158.10

PWD = Public Works Department

^a Includes taxes and duties of \$14.41 million. Such amount does not represent an excessive share of the project cost.

^b In April 2022 prices.

^c Physical contingencies computed at about 3%. Price contingencies computed at average of 3.0% on foreign exchange costs and 5.3% on local currency costs.

^d Includes interest, commitment, and other charges on all sources of financing.

Source: Asian Development Bank.

7. The financing plan is in Table 6. ADB will finance the expenditures in relation to part of the civil works cost during construction and capacity building on project management in particular, for streamlining business procedure. The government will finance utility works; social mitigation measures; project management; other consulting services, including authority engineers, road safety experts; and operation and maintenance. The government will shoulder the financing shortfall, if required.

Table 6: Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank	110.00	69.58
Government	48.10	30.42
Total	158.10	100.00

Source: Asian Development Bank estimates.

8. Asian Development Bank (ADB) financing of \$110 million will have a 25-year term, including a grace period of 5 years, using the straight-line method, an annual interest rate determined in accordance with ADB's Flexible Loan Product, a commitment charge of 0.15% per year, and such other terms and conditions set forth in the draft loan and project agreements. Based on this, the average loan maturity is 15.25 years and the maturity premium payable to ADB is 0.10% per annum.

A. Cost Estimates Preparation and Revisions

9. The cost estimates were prepared by ADB and the RPWD with information for the investment costs extracted from the consultants' detailed project report.

B. Key Assumptions

10. The following key assumptions underpin the cost estimates and financing plan:

- (i) Exchange rate: ₹81.3930 = \$1.00 (as of 10 November 2022).

- (ii) Price contingencies based on expected cumulative inflation over the implementation period are as follows:

Table 7: Escalation Rates for Price Contingency Calculation

Item	Escalation Rates (%)				
	2022	2023	2024	2025	2026
Domestic rate of price inflation	4.80%	5.00%	4.50%	4.00%	4.00%
Foreign rate of price inflation	1.70%	1.70%	1.80%	1.80%	1.80%

Source: Asian Development Bank estimates.

C. Detailed Cost Estimates by Expenditure Category

Table 8: Detailed Cost Estimates by Expenditure Category

	Cost Estimates (\$ million)				% of Total Base Cost
	Foreign Exchange	Local Currency	Total Cost		
A. Investment Costs					
1. EPC package	33.33	77.76	111.09	74.40	
2. Utility shifting	0.00	10.38	10.38	6.95	
3. Authority engineer	0.00	3.11	3.11	2.09	
4. Environmental management	0.00	1.04	1.04	0.70	
5. Land acquisition and resettlement	0.00	4.40	4.40	2.95	
6. Project management consultant	0.00	0.75	0.75	0.50	
Subtotal (A)	33.33	97.45	130.78	87.59	
B. Recurrent Costs					
Project management costs	0.00	18.54	18.54	12.41	
Subtotal (B)	0.00	18.54	18.54	12.41	
Total Base Cost	33.33	115.99	149.31	100.00	
C. Contingencies					
1. Physical	0.93	2.20	3.13	2.10	
2. Price	0.87	2.57	3.44	2.30	
Subtotal (C)	1.80	4.77	6.57	4.40	
D. Financial Charges During Implementation					
1. Interest during construction	2.03	0.00	2.03	1.36	
2. Commitment charges	0.19	0.00	0.19	0.13	
Subtotal (D)	2.22	0.00	2.22	1.49	
Total Project Cost (A+B+C+D)	37.35	120.76	158.10	105.89	

EPC = engineering, procurement, and construction.

Note: Numbers may not sum precisely because of rounding.

Source: Asian Development Bank estimates.

D. Allocation and Withdrawal of Loan Proceeds

11. The following table should be read in conjunction with schedule 3, allocation and withdrawal of loan proceeds of the loan agreement.

Table 9: Allocation and Withdrawal of Loan Proceeds

No.	Item	Allocation from ADB financing (\$ million)	Basis for Withdrawal from the Loan Account
1.	Works	103.82	100.0% of eligible expenditure claimed
2.	Consulting Services	0.75	100.0% of eligible expenditure claimed
3.	Unallocated	5.43	
	Total	110.00	

ADB = Asian Development Bank

Source: Asian Development Bank estimates.

E. Detailed Cost Estimates by Financier

Table 10: Detailed Cost Estimates by Financier

(\$ million)

Item	ADB - Loan		GOR		Total Cost	
	Amount	% of Cost Category	Amount	% of Cost Category	Amount	Taxes and duties
A. Investment Costs						
1. EPC package	103.82	93.46	7.27	6.54	111.09	11.90
2. Utility shifting	0.00	0.00	10.38	100.00	10.38	1.11
3. Authority engineer	0.00	0.00	3.11	100.00	3.11	0.48
4. Environmental management	0.00	0.00	1.04	100.00	1.04	0.11
5. Land acquisition and resettlement	0.00	0.00	4.40	100.00	4.40	0.00
6. Project management consultant	0.75	100.00	0.00	0.00	0.75	0.11
Subtotal (A)	104.57	79.96	26.21	20.04	130.78	13.71
B. Recurrent Costs						
1. Project management costs	0.00	0.00	18.54	100.00	18.54	0.00
Subtotal (B)	0.00	0.00	18.54	100.00	18.54	0.00
Total Base Cost	104.57	70.03	44.74	29.97	149.31	13.71
C. Contingencies						
1. Physical	2.93	93.61	0.20	6.39	3.13	0.34
2. Price	2.50	72.67	0.94	27.33	3.44	0.36
Subtotal (C)	5.43	82.65	1.14	17.35	6.57	0.70
D. Financial Charges During Implementation						
1. Interest during construction	0.00	0.00	2.03	100.00	2.03	0.00
2. Commitment charges	0.00	0.00	0.19	100.00	0.19	0.00
Subtotal (D)	0.00	0.00	2.22	100.00	2.22	0.00
Total Project Cost (A+B+C+D)	110.00	69.58	48.10	30.42	158.10	14.41

ADB = Asian Development Bank, EPC = engineering, procurement, and construction, GOR = Government of Rajasthan.

Notes:

1. Numbers may not sum precisely because of rounding.

2. ADB will cover taxes and duties on (i) 100% of civil works cost claimed during the construction, and (ii) 100% cost of the project management consultant. All other taxes and duties will be borne by the governments.

Source: Asian Development Bank estimates.

F. Detailed Cost Estimates by Outputs and/or Components

Table 11: Detailed Cost Estimates by Outputs
(\$ million)

Item	Total Cost	Output-1		Output-2	
		Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Costs					
1. EPC package	111.08	111.08	100.00	0.00	0.00
2. Utility shifting	10.38	10.38	100.00	0.00	0.00
3. Authority engineer	3.11	3.11	100.00	0.00	0.00
4. Environmental management	1.03	1.03	100.00	0.00	0.00
5. Land acquisition and resettlement	4.40	4.40	100.00	0.00	0.00
6. Project management consultant	0.75	0.00	0.00	0.75	100.00
Subtotal (A)	130.77	130.02	99.42	0.75	0.57
B. Recurrent Costs					
1. Project management costs	18.53	18.42	99.42	0.106	0.57
Subtotal (B)	18.53	18.42	99.42	0.10	0.57
Total Base Cost	149.31	148.45	99.42	0.85	0.57
C. Contingencies					
1. Physical	3.13	3.11	99.36	0.02	0.67
2. Price	3.44	3.39	98.63	0.04	1.36
Subtotal (C)	6.57	6.50	98.98	0.06	1.03
D. Financial Charges During Implementation					
1. Interest during construction	2.02	2.025	99.785	0.005	0.24
2. Commitment charges	0.19	0.189	99.427	0.001	0.57
Subtotal (D)	2.22	2.214	99.755	0.006	0.27
Total Project Cost (A+B+C)	158.10	157.172	99.412	0.930	0.58

EPC = engineering, procurement, and construction.

Note: Numbers may not sum precisely because of rounding.

Source: Asian Development Bank estimates.

G. Detailed Cost Estimates by Year**Table 12: Detailed Cost Estimates by Year**
(\$ million)

Item	Total Cost	2022	2023	2024	2025	2026
A. Investment Costs						
1. EPC package	111.09	5.19	83.06	14.95	3.95	3.95
2. Utility shifting	10.38	0.52	8.31	1.35	0.10	0.10
3. Authority engineer	3.11	0.16	2.49	0.41	0.03	0.03
4. Environmental management	1.04	0.00	0.00	0.21	0.42	0.42
5. Land acquisition and resettlement	4.40	0.88	1.76	1.76	0.00	0.00
6. Project management consultant	0.75	0.00	0.00	0.15	0.30	0.30
Subtotal (A)	130.78	6.75	95.62	18.83	4.80	4.80
B. Recurrent Costs						
1. Project management costs	18.54	2.32	4.63	4.63	4.63	2.32
Subtotal (B)	18.54	2.32	4.63	4.63	4.63	2.32
Total Base Cost	149.31	9.06	100.25	23.46	9.43	7.11
C. Contingencies						
1. Physical	3.13	0.15	2.33	0.42	0.12	0.12
2. Price	3.44	0.02	2.02	0.74	0.28	0.38
Subtotal (C)	6.57	0.17	4.35	1.16	0.40	0.49
D. Financial Charges During Implementation						
1. Interest during construction	2.03	0.01	0.32	0.65	0.70	0.36
2. Commitment charges	0.19	0.08	0.09	0.02	0.00	0.00
Subtotal (D)	2.22	0.09	0.41	0.66	0.70	0.36
Total Project Cost (A+B+C+D)	158.10	9.32	105.00	25.29	10.53	7.96

EPC = engineering, procurement, and construction.

Note: Numbers may not sum precisely because of rounding.

Source: Asian Development Bank estimates.

H. Contract and Disbursement S-Curve

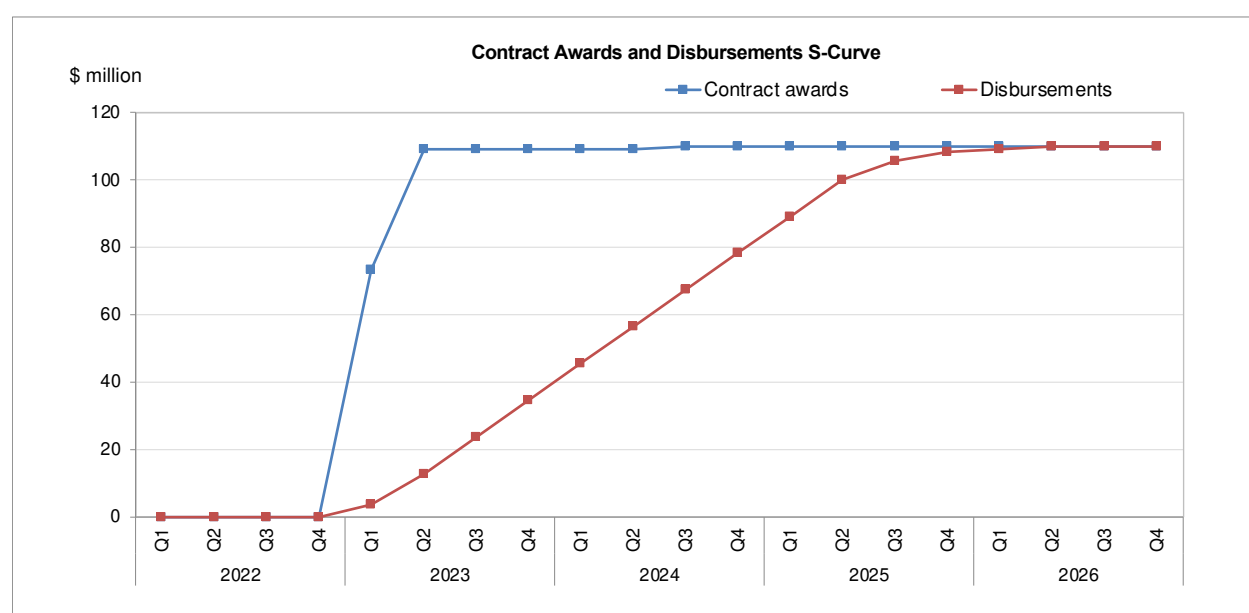
12. The following table and graph show the quarterly contract awards and disbursement projections of the ADB loan over the life of the project.

Table 13: Contract Award and Disbursement Baseline Projections
(\$million)

	Contract Award						Disbursement					
	Q1	Q2	Q3	Q4	Total	Cum	Q1	Q2	Q3	Q4	Total	Cum
2022	-	-	-	-	-	-	-	-	-	-	-	-
2023	73.48	35.70	-	-	109.18	109.18	3.67	9.13	10.92	10.92	34.64	34.64
2024	-	-	0.82	-	0.82	110.00	10.92	10.92	10.92	10.92	43.68	78.32
2025	-	-	-	-	-	110.00	10.92	10.92	5.41	2.72	29.97	108.29
2026	-	-	-	-	-	110.00	0.89	0.82	-	-	1.71	110.00

Q = quarter.

Source: Asian Development Bank estimates.



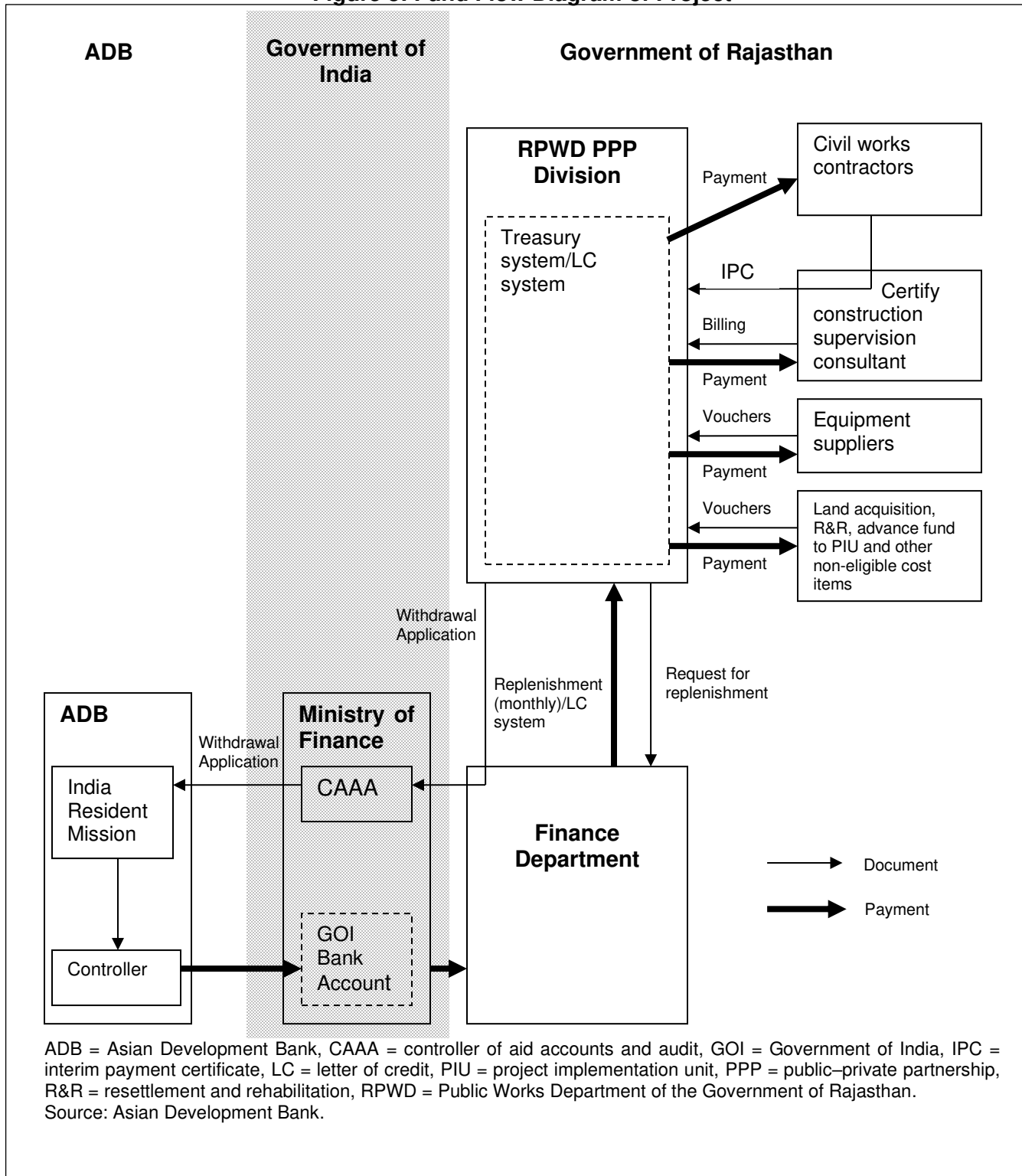
Q = quarter.

Source: Asian Development Bank estimates.

I. Fund Flow Diagram

13. The following diagram shows how the funds will flow from ADB to the borrower to implement project activities. The funds of the private sector as concessionaires will directly be utilized for construction, and therefore are not part of the fund flow process.

Figure 3: Fund Flow Diagram of Project



V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

14. The financial management assessment conducted in March 2019 was updated in March 2022 in accordance with ADB's Guidelines for the Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note.³ The financial management assessment considered the capacity of the executing agency, the RPWD, particularly its PPP division, including fund-flow arrangements, staffing, accounting and financial reporting systems, financial information systems, and internal and external auditing arrangements. The status of the financial management action plans agreed for tranches 1 and 2 were reviewed and updated. The PPP division has dedicated financial management staff who are already familiar with ADB's procedures to manage tranches 1 and 2. For tranche 1 and 2, no major disbursement issues were identified, and audited project financial statements (APFS) were submitted on a timely basis with unqualified opinions. The PPP Division has fully complied with financial management Action Plans agreed for tranche 1 and 2, including preparation and implementation of a project financial management manual, implementation of Tally system for project financial management with appropriate chart of accounts in accordance with program expenditure categories and adequate controls in place to reconcile transactions with government's integrated financial management system, establishment of internal audit cell in RPWD and conducting internal audits of the multitranche financing facility (MFF) on semi-annual basis, submission of APFS for tranche 1 and 2 on a timely basis and in acceptable quality, and submission of timely and comprehensive quarterly progress reports.

15. Based on the assessment, it was concluded that RPWD/the PPP division has adequate financial management capacity to: (i) record the required financial transactions; (ii) provide reliable annual financial statements and audit reports in a timely manner; (iii) safeguard the financial assets; and (iv) administer the statement of expenditure (SOE) procedure in accordance with ADB's disbursement procedures. Based on the assessment, continuity of external consultant to support PPP division in program financial management and some quality improvements required in APFS were identified as key financial management risks. It is concluded that the overall pre-mitigation financial management risk of the implementing agency is moderate. The Government of Rajasthan has agreed to implement an updated action plan to address the deficiencies. A financial management specialist will be recruited on expiry of existing consultant's contract to further strengthen RPWD's financial management capacity. Detailed guidance on improvements in quality of APFS was provided to PPP division's financial management team during tranche 3 processing. The PPP division also assured to continue to submit APFS and quarterly progress reports on a timely basis and ensure that internal audit is conducted on a semi-annual basis. The key risk analysis is presented in Table 14.

Table 14: Financial Management and Internal Control Risk Assessment

Risk	Risk Assessment	Risk Description	Mitigation Measures or Action Plans
Inherent Risk			
1. Country-specific risks	M	There is no significant weakness in the budgetary process or in the public sector accounting and reporting system that is expected to directly impact the project.	No specific measures required at the project level.

³ Financial Management Assessment Report is available upon request.

Risk	Risk Assessment	Risk Description	Mitigation Measures or Action Plans
		<p>Strong PFM is one of the key elements of the Government of India's strategy for strengthening governance, optimizing outputs from public resources, and ensuring inclusive and broad-based development. The 2010 Public Financial Management Performance Assessment Report for India identified that the public financial management system is well structured but unevenly implemented.</p> <p>ADB's 2018-2022 Country Partnership Strategy for India notes that public financial management at the state level needs to be improved to facilitate the strategic pillar of providing inclusive network infrastructure and services.</p>	
2. Entity-specific risks	L	The PPP Division under the RPWD already has experience in implementing MDB-funded projects, including tranche 1 and 2 of the RSHIP (Loan 3534-IND and Loan 3815-IND). No significant disbursement or APFS-related issues have been reported.	The same organizational arrangement is used for the project.
Overall Inherent Risk: M			
Control Risk			
1. Implementing entity	L	The same PMU will implement tranches 1, 2, and 3 of the investment program. Dedicated and competent financial management staff are deployed.	Continuous training on the update of ADB's financial management requirement will be provided.
2. Fund flow	L	Consistent with other projects in India, total project cost is budgeted and released to the GOR/EA as annual budget allocation. ADB loan proceeds are disbursed through reimbursement procedure to the GOI. No fund flow issues have been observed in tranche 1 and 2.	<p>The GOR and/or EA properly budgets the project costs to ensure availability of funds for the project. Dedicated budget for this project is available with its own heading. Below is the summary of budget allocations for tranche 1 and 2, which RPWD confirmed were adequate for the program: FY2021: ₹627.1 crores FY2022: ₹738.3 crores</p> <p>For Tranche 3, ₹350.30 crores have already been budgeted as of 31 March 2022.</p>

Risk	Risk Assessment	Risk Description	Mitigation Measures or Action Plans
3. Staffing	M	<p>The PPP Division has dedicated financial management staff to manage tranches 1 and 2. They are already familiar with ADB procedures.</p> <p>The financial staff normally transfers in 4 years, and proper transfer of knowledge and experience is needed.</p> <p>The financial management staff is supported by external consultants. However, the existing consultant's contract is scheduled to expire in September 2022.</p>	<p>Financial staff are required to stay until the end of the project. If there is transfer of staff, their replacement should be assigned immediately with sufficient knowledge transfer.</p> <p>The PPP Division and ADB will closely monitor the financial management staff resource needs during implementation so that in case of staff shortage, additional sanctioned staff can be mobilized.</p> <p>The contract may be extended beyond September. In case not extended, the PPP Division has agreed to recruit consultant for continuity of external support by October 2022.</p>
4. Accounting policies and procedures	M	<p>The existing cash-based accounting with the GOR's General Finance and Accounting Rules is followed. In India, the basis of accounting and financial reporting of the states is guided by the GOI standards. For the ADB-specific requirements, a comprehensive program financial management manual has been developed and approved in October 2021. The manual covers project financial management policies and procedures particularly for effective implementation of recently deployed Tally system, internal controls, specific forms, detailed chart of account in accordance with program expenditure categories, reconciliations with government's financial management system, and preparation of program financial statements.</p>	<p>Existing accounting and financial policies and procedures are followed.</p> <p>The PPP division is to ensure comprehensive implementation of the program financial management manual.</p> <p>The training was provided to RPWD on Accounting Manual on 17 October 2019. Total 24 RPWD participants attended this training, including ACE, SE, EE, and AO and accounting staff. Another workshop was conducted on 4 August 2022. Total 25 RPWD participants attended this participatory workshop, including chief engineer, FA, ACE, SEs, all PD of PIUs, and AO and accountants. On the job training was also carried out solely for accountants on Computerized FMS and Accounting Manual during August/September 2022.</p>
5. Internal audit	M	<p>Internal audit of the program might not be carried out on a timely basis.</p>	<p>An internal audit cell has been established in RPWD, under the financial advisor. The cell is also responsible for carrying out internal audits of the program. As of August 2022, internal audits of</p>

Risk	Risk Assessment	Risk Description	Mitigation Measures or Action Plans
			<p>the PPP division, including all tranche 1 and 2 PIUs, are completed since inception up to FY2021; while FY2022 audits are in progress. Summary of key internal audit findings are included in the quarterly progress reports submitted by PPP Division. The RPWD will ensure that internal audit of all program activities continue till program completion and are carried out on timely basis.</p>
6. External audit	M	<p>The AG of the GOR is mandated to carry out the statutory audit. However, as there was considerable delay in completing the audit by the AG, the EA engaged a professional audit firm for carrying out audits of program financial statements.</p>	<p>The PPP division has engaged external audit firm for carrying out audits of program financial statements of all tranches. The APFSs for tranche 1 and 2 up to FY2021 have been submitted on time, with mostly unqualified audit opinions. The audits are conducted in accordance with the TOR agreed with the DEA, CAG, and ADB. The PPP division reviews the auditor's report and responds to the auditor's recommendations in a timely manner.</p> <p>Although the APFS submitted for tranches 1 and 2 were of acceptable quality, ADB suggested quality improvement measures to i) ensure cost sharing in accordance with the financing plan for civil works and consultancy, ii) ensure amounts mentioned in various annexures are consistent with each other and, iii) ensure that date of authorization of financial statements is clearly mentioned. The PPP division's financial management team was provided detailed guidance during the processing of tranche 3 for implementation of these suggestions.</p>

Risk	Risk Assessment	Risk Description	Mitigation Measures or Action Plans
7. Reporting and monitoring	M	The quarterly progress reports might not be submitted to ADB or the submitted reports do not include ADB specific requirements.	The PPP division has submitted quarterly progress reports within 45 days after each quarter. The latest report submitted for quarter ended December 2021 contained adequate information in compliance with ADB requirements. The financial management section of the report included project budget summary and financial progress for tranches 1 and 2, summary of key payments, detailed financial progress in comparison with physical progress, summary contractor ledgers, claims and disbursements by ADB, reconciliation of project expenditure with ADB's LFIS, status of financial management action plan, summary of key internal and external audit findings along with actions taken by management, and capacity building activities undertaken. The PPP division will ensure submission of quarterly progress reports on a timely basis.
8. Information systems	M	<p>The GOR, as part of public financial management reforms, has implemented the computerized government financial transactions system, which include budgeting, fund management, treasury, and accounting functions.</p> <p>On the other hand, the PPP division has implemented the Tally system.</p>	<p>The implementation of the Tally system is completed, with all transactions completed and updated from the project starting in 2017 till date. This will be continued until the financial closure of the projects.</p> <p>The computerized system suffices to the project information requirements and enables to compile project financial statements. The program financial management manual has detailed chart of accounts and has specified procedures for carrying out monthly reconciliations with GOR's IFMS through which payments are made by the treasury.</p>
Overall Control Risk= M			
Overall (Combined) Risk = M			

H = High, L = Low, M = Moderate, S = Substantial.

ACE = additional chief engineer, ADB = Asian Development Bank, AG = accountant general, AO = accounting officer, APFS = audited project financial statements, CAG = Comptroller and Auditor General, DEA = Department of Economic

Affairs, EA = executing agency, EE = executive engineer, FE = , FMS = financial management system, FY = fiscal year, GOI = Government of India, GOR = Government of Rajasthan, IFMS = Integrated Financial Management Systems, IND = India, LFIS = loan and grant financial information services, MDB = multilateral development bank, PD = project director, PFM = public financial management, PIU = project implementation unit, PMU = project management unit, PPP = public-private partnership, RPWD = Public Works Department of the Government of Rajasthan, RSHIP = Rajasthan State Highway Investment Program, SE = , TOR = terms of reference.

Source: Asian Development Bank.

16. The Government of Rajasthan (GOR) has agreed to implement an updated action plan as part of key measures to address deficiencies and ensure continued compliance with ADB financial management and reporting requirements. The financial management expert will continue to be engaged to support the project management unit (PMU) in implementing financial management activities and institutionalizing financial management procedures to comply with ADB requirements. The financial management action plan is provided in Table 15.

Table 15: Financial Management Action Plan

Risk	Mitigating Measure	Timeline	Responsibility
1 Accounting procedure manual	Implementation of financial management manual developed in October 2021.	Throughout the program life cycle.	RPWD
2 Internal audit	The RPWD internal audit cell to conduct internal audits of ADB projects at least semi-annually and will submit a report directly to the chief engineer for review and implement recommended remedial measures.	Every 6 months	RPWD
3 External audit	Submission of audited project financial statements within 6 months of completion of each financial year, in compliance with agreed audit TORs with CAG and of acceptable quality.	Within 6 months of the end of each financial year	RPWD
4 Quarterly progress report	The PPP division will submit QPR in accordance with ADB's periodic reporting requirement. Template used for the latest QPR for December 2021 is to be continued for reporting financial progress. The QPR will also update the RAMS development funded by World Bank.	By 45 days after each reporting period	RPWD

ADB = Asian Development Bank, CAG = Comptroller and Auditor General, PPP = public-private partnership, QPR = quarterly progress report, RAMS = road asset management system, RPWD = Public Works Department of the Government of Rajasthan, TOR = terms of reference.

Source: Asian Development Bank.

B. Disbursement

1. Disbursement Arrangements for ADB Funds

17. The loan proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2022, as amended from time to time) and detailed arrangements agreed upon between the government and ADB.⁴

⁴ The handbook is available electronically at the ADB website: <https://www.adb.org/sites/default/files/adb-loan-disbursement-handbook-2022.pdf>.

18. Reimbursement procedure will be used for civil works and consulting services. The RPWD will be responsible for (i) preparing disbursement projections, (ii) requesting budgetary allocations for counterpart funds, (iii) collecting supporting documents, and (iv) preparing and sending withdrawal applications to ADB.

19. **Statement of expenditure procedure.**⁵ The statement of expenditure (SOE) procedure may be used for reimbursement of eligible expenditures. Supporting documents and records for the expenditures claimed under the SOE should be maintained and made readily available for review by ADB's disbursement and review missions, upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. Reimbursement of individual payments in excess of the SOE ceiling should be supported by full documentation when submitting the withdrawal application to ADB.

20. Before the submission of the first withdrawal application, the borrower should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the government, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is stipulated in ADB's *Loan Disbursement Handbook* (2022, as amended from time to time). Individual payments below such amount should be paid by the RPWD and subsequently claimed to ADB through reimbursement, unless otherwise accepted by ADB. The borrower should ensure sufficient category and contract balances before requesting disbursements. Use of ADB's Client Portal for Disbursements system is mandatory for submission of withdrawal applications to ADB.⁶

2. Disbursement Arrangements for Counterpart Fund

21. All disbursements under government financing will be carried out in accordance with regulations of the Government of Rajasthan.

C. Accounting

22. The RPWD will maintain, or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project following the Government of India's (GOI) cash-based accounting laws and regulations that are consistent with international accounting principles and practices. The RPWD will prepare project financial statements in accordance with the GOI's cash-based accounting laws and regulations that are consistent with international accounting principles and practices, template financial statements provided in the standardized terms of reference for audit of ADB-assisted projects, agreed with the Comptroller and Auditor General of India, the Department of Economic Affairs, and ADB, and which can be referred to as a guide for preparing financial statements.

D. Auditing and Public Disclosure

23. The RPWD will cause the detailed project financial statements to be audited in accordance with international standards on auditing, and government's audit regulations, by the Comptroller and Auditor General or independent auditor, and acceptable to ADB. The APFS together with the

⁵ SOE forms are available in Appendix 7B and 7D of ADB's *Loan Disbursement Handbook* (2022, as amended from time to time).

⁶ The Client Portal for Disbursements (CPD) facilitates online submission of withdrawal applications to ADB, resulting in faster disbursement. The forms to be completed by the borrower are available online at <https://www.adb.org/documents/client-portal-disbursements-guide>.

auditor's opinion will be presented in the English language to ADB within 6 months from the end of the fiscal year by the RPWD.

24. The audit report for the project financial statements will include a management letter and auditor's opinions, which covers (i) whether the project financial statements present a true and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the loan were used only for the purpose(s) of the project; and (iii) whether the borrower or executing agency was in compliance with the financial covenants contained in the legal agreements (where applicable).

25. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor. Procurement Plan is in Appendix 15.

26. The government and the RPWD have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the APFS.⁷ ADB reserves the right to require a change in the auditor (in a manner consistent with the Constitution of the borrower), or for 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. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

27. Public disclosure of the APFS, including the auditor's opinion on the project financial statements, will be guided by ADB's Access to Information Policy.⁸ After the review, ADB will disclose the APFS and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.⁹

VI. PROCUREMENT AND CONSULTING SERVICES

A. Procurement Risk Assessment and Mitigation

28. With the proposed risk mitigation plan, the procurement risk of project is '*low to moderate.*' RPWD is well established with a robust institutional framework and strong technical capability in highway construction. The Rajasthan Transparency in Public Procurement Act and Rules have

⁷ ADB's approach and procedures regarding delayed submission of audited project financial statements:

- (i) When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- (ii) When audited project financial statements *are not received within 6 months after the due date*, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, issuance of new commitment letters, the extension of the loan closing date and the submission of new loan proposals for approval by the ADB Board of Directors or Management. ADB will (a) inform the executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.
- (iii) When audited project financial statements *are not received within 12 months after the due date*, ADB may suspend the loan.

⁸ ADB. 2018. [Access to Information Policy](#). Manila.

⁹ This type of information would generally fall under access to information policy exceptions to disclosure. footnote 7, para. 17(iv).

streamlined the procurement procedures and ensured accountability. The adoption of e-procurement has further enhanced transparency. Most of the RPWD staff have previous experience in procurement from national and state level agencies and are familiar with multilateral development bank procurement regulations and guidelines.

29. The pre-mitigation *substantial* risk mainly refers to the market risks and implementation delays resulting from the prolonged land acquisition process. Since the engineering, procurement, and construction (EPC) contract requires upfront investment to some extent from the contractors and may increase their financial burden, interest from the construction sector to participate in the bidding may be limited. As a mitigation measure, the contracts are presented in large packages to attract qualified international and national contractors. The MFF modality provides a pipeline of subprojects, which will help contractors invest in equipment for projects in remote areas. The contract agreement is carefully designed to retain certain bonus clauses to ensure sufficient attractiveness. As a mitigation measure to reduce the land acquisition delay, early start of land acquisition process, engagement of qualified land acquisition and resettlement specialist and focal person in relevant teams, and regular coordination meetings among higher authorities of the concerned departments are proposed.

B. Advance Contracting and Retroactive Financing

30. All advance contracting and retroactive financing will be undertaken in conformity with ADB's Procurement Guidelines (2015, as amended from time to time) and ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The issuance of invitations for bid under advance contracting and retroactive financing will be subject to ADB approval. The borrower, the GOR, and the RPWD have been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the project.

31. **Retroactive financing.** Withdrawals from the loan account may be made to finance eligible expenditures incurred under the project before the effectivity date but not earlier than 12 months before the date of signing of the loan agreement, in connection with works and consulting services, subject to a maximum amount equivalent to 20% of the loan amount.

C. Procurement of Works and Consulting Services

32. All procurement of works will be undertaken in accordance with ADB's Procurement Guidelines (2015, as amended from time to time).

33. International competitive bidding procedures will be adopted for all civil works contracts over \$40 million. National competitive bidding may be used for contracts below the threshold. It is recommended that all civil works packages are procured under national competitive bidding procedures as all contracts are under \$40 million.

34. All consultants will be recruited according to ADB's Guidelines on the Use of Consultants (2013, as amended from time to time).¹⁰ Consulting firms will be engaged using the quality- and cost-based selection (QCBS) method with a standard quality–cost ratio of 80:20.

35. A project management consultant (PMC) was hired under tranche 1 to (i) facilitate project management and implementation, (ii) strengthen the institutional and operational capacity of the

¹⁰ Checklists for actions required to contract consultants by method are available in the e-Handbook on Project Implementation at <http://www.adb.org/documents/handbooks/project-implementation/>.

executing agency, and (iii) support the preparation of tranche 2 and 3. The PMC's contract is being extended to support continued capacity building activities and the implementation of tranche 2 and 3.¹¹ An individual consultant recruited under tranche 2 as external social safeguards monitor will monitor the entire investment program.¹² The RPWD will also engage authority engineers and road safety consultants to support and supervise the contractors in the field.

D. Procurement Plan

36. An 18-month procurement plan indicating threshold and review procedures, works, consulting service contract packages, and national competitive bidding guidelines is attached in Appendix B.

E. Consultant's Terms of Reference

37. The terms of reference (TOR) for all consulting services financed under this project by ADB are listed in Section E. The contract of the project management consultant engaged under tranche 1, will be extended and its cost will be covered under tranche 2 loan. External monitor engaged under tranche 2 will also support tranche 3 monitoring work. The terms of reference (TOR) of the above consultants can be found in the documents of relevant tranches.

VII. SAFEGUARDS

38. Safeguards categorization for this project is in Table 16.

Table 16: Safeguards Categorization

Environment	Involuntary Resettlement	Indigenous Peoples
B	A	B

Source: Asian Development Bank.

A. Environmental Safeguards

39. The scope of works under this project involves upgrading of four existing state highways through widening of existing roads into two lanes or intermediate lane with shoulders. All four roads are outside any legally protected, eco-sensitive, key biodiversity areas, or critical habitat areas.¹³ Most of the adverse impacts are coterminous with the construction stage, site-specific, largely limited within the project corridor, and are easily mitigated through good engineering practice. The environmental assessment and review framework prepared during facility processing remains valid and was followed in the processing of this tranche. A consolidated initial environmental examination (IEE) based on feasibility reports has been prepared and validated by ADB during the due diligence review. The scale of improvements and alignments are very unlikely to change during construction such that updating of IEE may not be necessary. The IEE will be

¹¹ The extended contract will be funded under tranche 2 loan and transferred to Tranche 3 loan after tranche loan 2 is closed as necessary.

¹² The external monitor's working scope covers the whole MFF program. In case the land acquisition and resettlement activities do not finish by the time tranche 2 loan closes, the contract may be covered under tranche 3 loan, subject to executing agency's performance evaluation.

¹³ Critical habitat according to ADB's Safeguard Policy Statement is an area with high biodiversity value, including habitat required for the survival of critically endangered or endangered species; areas having special significance for restricted range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers individuals of congregatory species; areas with unique assemblages of species or that area associated with key evolutionary processes or provide ecosystem services; and areas having biodiversity of significant social, economic, or cultural importance to local communities.

updated in case there will be significant deviations necessitating updates. Each project road was subjected to environmental screening guided by ADB's rapid environmental assessment checklist and the environmental baseline was compiled including stakeholder consultations, impacts assessed, and concomitant mitigation and monitoring plans prepared. The costs of mitigation and monitoring plans for the construction phase are integrated in the civil works cost estimates.

40. **Implementation arrangements for environmental safeguards.** The responsibilities of various agencies and parties for implementing environmental safeguards are provided below.

- (i) **PPP division of RPWD.** The PPP division is the PMU and it is responsible for overall compliance with ADB's Safeguard Policy Statement (2009) and the applicable laws and rules under the Ministry of Environment, Forest and Climate Change. The PMU will have an environmental safeguards officer with a rank of executive engineer to coordinate with the project directors of project implementation units (PIUs) to ensure that project implementation complies with the environmental assessment and review framework (EARF) and the environmental management plan (EMP). The environmental safeguards officer is responsible for the following:
- environmental screening and proposed categorization to reflect the significance of potential impacts or risks that a proposed road might present, and advise feasibility for inclusion and identify the needed level of assessment;
 - reviewing and approving all environmental safeguards-related documents such as IEEs, monitoring reports, and due diligence prepared under the investment program with recommendations and clarifications from the PIUs and PMC where necessary;
 - continued employment of the environmental specialist (consultant, recruited under tranche 1) to provide support in preparing IEE reports and processing environmental statutory clearances and permits such as forestry clearances and others on behalf of the PMC for roads funded under the MFF;
 - timely endorsement and signing of key documents and forwarding these to the appropriate agency for processing of forestry clearance, tree cutting permit, permission for groundwater extraction, etc., and for disclosure on the ADB and RPWD websites;
 - ensuring all contractors obtain permits, licenses, etc. for activities such as operation of asphalt plants, quarries, borrow areas, etc., before the implementation of the respective construction activity;
 - taking proactive and timely measures to address any environmental safeguards related challenges at the national or state level such as delays in processing of clearances during pre-construction stage and significant grievances (during construction stage); and
 - reviewing sanctions proposed by the PIU and agreeing with the contractor on actions to be taken on the sanction.
- (ii) **Project implementation units.** The PIUs through the project director will supervise implementation of the EMP and environmental monitoring plan (EMoP) by the contractor through the following:
- reviewing all subplans identified in the EMP to be prepared by the contractor to include camp layout, waste and/or debris management plan,

borrow area management plan, and traffic management plan with guidance from the PMC;

- reviewing monthly, quarterly, and annual environmental monitoring reports prepared by the contractor environmental focal person (EFP);
- conducting monthly site and follow-up inspections to ensure the veracity of the submitted monitoring reports and to enforce the EMP and EMoP;
- conducting compliance conference with the contractor to discuss non-compliance and to agree on corrective measures with guidance from the PMC and the PMU; and
- recommending sanctions to the environmental safeguards officer in the PMU in the case of recalcitrant contractors.

(iii) **Project management consultant.** The main objective of the PMC is to support the PMU in implementing the environmental requirements of the project by providing assistance in the monitoring of EMP implementation through the following:

- conducting environmental site induction training workshops for all contractors, authority engineers, and PIUs to ensure understanding of the EMP and domestic environmental laws and regulations requirements particularly on the required clearances and permits, and training on occupational and community health and safety;¹⁴
- ensuring timely mobilization of the contractor's EFP;
- reviewing and verifying revised EMPs and subplans submitted by the contractor, and advising the PMU on their adequacy;
- conducting monthly site inspections to check the contractor's compliance with the EMP and EMoP;
- participating in public consultations on issues concerning the project and facilitating and/or addressing environment-related grievances that may be submitted to the project grievance redress mechanism (GRM) or elevated by the authority engineers;
- ensuring that contractors secure necessary permits and clearances;
- preparing environmental due diligence reports on EMP implementation needed for the processing of tranche 2 and 3;
- preparing summary monthly, quarterly, and annual environmental monitoring reports based on site observations and the monthly environmental safeguards implementation reports prepared by the contractor's EFP for the review of the PIU and/or PMU and approval by the PMU;
- preparing annual environmental monitoring reports for approval by the PMU (copy to PIU, authority and/or independent engineers) and for further submission to ADB for public disclosure;
- advising the contractor through the PMU and PIUs on how to comply with requirements and address non-compliances;

¹⁴ Site induction training includes but is not limited to (i) discussion and review of the EMP and EMoP detailing how specific environmental risks associated with their scope of work will be managed, legal compliance, inspection and audits, and progress tracking and reporting; (ii) environmental training and awareness needs shall be determined and documented via a training needs analysis prior to commencement; (iii) Health and Safety Awareness Course, which details general environmental awareness and specific performance requirements expected on site; and (iv) grievance redress mechanism.

- reporting apparent unanticipated impacts and recommending mitigation measures to the PMU for advising authority and/or independent engineers to issue the necessary instructions to the respective contractor; and
 - updating the IEE report in situations of unanticipated impacts when deemed necessary.
- (iv) **Authority engineer.** The authority engineer will have a dedicated environmental specialist to monitor the implementation of safeguards standards.¹⁵ Following are the responsibilities of the authority engineer:
- reviewing the IEE and EMP to understand the background environmental issues of the respective subproject;
 - reviewing and approving the revised EMP and other required subplans such as traffic management plan, health and safety plan, waste management plan, etc. prepared by the contractor;
 - mobilizing the environmental specialist to conduct regular (at least weekly) site inspections and monitoring the implementation of the EMP and EMoP by the contractor. During the absence of the environmental specialist, other engineers in the authority and/or independent engineers' team will take the responsibility of regular monitoring;
 - providing on-site training and technical guidance to the contractor workers, as necessary;
 - reviewing the monthly, quarterly, and annual reports prepared and submitted by the contractor;
 - preparing monthly reports on monitoring activities, training, and other environmental safeguard activities implemented;
 - where necessary, identifying the need for corrective actions and issuing official notices to the contractor to implement the corrective actions with clear timeline;
 - facilitating consultations with complainants and ensuring that grievances are addressed in accordance with the project's GRM system for complaints or grievances encountered onsite, whether through formal or informal channels; elevating issues or complaints to the PMC, as necessary;
 - regularly convening meetings to discuss progress or issues on environmental safeguards to ensure that all parties (contractor, PMC, PIUs, PMU) are on the same page on requirements and milestones for environmental safeguards; and
 - based on the site inspections and review of reports submitted by the contractor, assisting the PMC in preparing annual environmental monitoring reports for review and approval by the RPWD. These reports will be further forwarded to ADB for disclosure on its website.
- (v) **Contractor.** The contractor is the principal agent to implement the EMP and EMoP during the pre-construction, construction, and operation stages. Specifically, the contractor will perform the following:
- appoint the contractor's environmental focal person and attend the site induction workshop to be organized by the PMC;

¹⁵ The authority engineer is the supervising authority for contractors that follow the EPC modality. They are also responsible for reviewing and approving the detailed engineering design prepared by the EPC contractor. The authority engineer is not hired under ADB funding.

- obtain necessary environmental licenses, permits, etc. from relevant agencies as specified by the EARF (Table 3) for associated facilities for project road works, quarries, hot-mix plant, etc., prior to commencement of civil works contracts;
- implement all mitigation measures in the EMP and activities in the EMoP. Pollution monitoring will be done on a quarterly basis through NABL and/or MOEFCC accredited testing laboratories.¹⁶ Other EMoP items will be monitored on a monthly basis;
- submit monthly, quarterly, and annual safeguards implementation reports to the authority and/or independent engineers for approval and for further submission to the PIUs and PMC for final submission to the PMU;
- ensure all workers, site agents, including site supervisors and managers, participate in training sessions delivered by the PMC;
- acquire all environmental statutory requirements (permits, no objection certificates, etc.) and fulfill contractual obligations;
- ensure the collection of baseline data on environmental quality through accredited third-party laboratories before the start of physical works and ensure the continued collection of data as given in the EMoP during construction and operation;
- respond promptly to grievances raised by the local community or any stakeholder and implement environmental corrective actions or additional environmental mitigation measures, as necessary; and
- based on the results of EMP monitoring, cooperate with the PMC, authority and/or independent engineers, and PIUs to implement environmental corrective actions and corrective action plans, as necessary.

41. **Ensuring implementation of environmental standards.** The PMU will ensure that all environmental safeguard requirements under the project will be implemented as required by the EARF and consolidated IEE. Rapid environmental assessment checklists will be completed for each project road, including bridges. Based on these checklists, environmental categorization will be recommended based on ADB's Safeguard Policy Statement (2009). The consolidated IEE report must clearly present information and issues that may be unique to a district or geographic area or project road and all sensitive issues identified in the environment checklist must be clearly documented. The EMP and EMoP will be comprehensive and cover all environmental issues that may be expected during road construction and maintenance. Necessary provisions for this will be included in the bidding documents, and accordingly, the contractor will be required to include all costs for implementing the contract package-specific EMP and EMoP.

42. The EMP is a plan for mitigating all anticipated environmental impacts during the pre-construction, construction, and operation stages. Specific mitigation measures with details on location, time, and the responsible agency for implementation are given in the EMP. The EMoP is a plan for monitoring various environment quality parameters and checking the effectiveness of the EMP. It comprises activities on testing the quality of air, water, and noise through laboratory tests and physical monitoring of problems of soil erosion, tree plantations, habitat enhancement activities carried out, and occupational health and safety issues. Quality testing of air, water, and noise will be outsourced by the contractor to NABL and/or MOEFCC accredited laboratories.

43. The PMC and PIU will conduct monthly monitoring of EMP and EMoP implementation and

¹⁶ NABL = National Accreditation Board for Testing and Calibration Laboratories; MOEFCC = Ministry of Environment Forests and Climate Change.

review monthly monitoring records maintained by the contractors. The PMU will also conduct on-site monitoring and review of documents quarterly and bi-annually and provide technical advice to enhance EMP implementation as necessary.

44. All required clearances, permits, and licenses as applicable must be obtained by the contractor with support from the PIUs before the start of construction works in the respective road sections. Permits, licenses, etc., for activities such as operation of asphalt plants, quarries, borrow areas, etc., must be obtained by the contractor before the implementation of the respective construction activity.

Table 17: Environmental Management Periodic Outputs, Deliverables, and Milestones during Construction Phase

Activity	Responsibility	Outputs	Deliverable to ADB	Period
Appointment of contractor environmental focal person	Contractor and PMC	Appointment letter submitted to RPWD through PMC	Included in annual monitoring report	At least 45 days before start of construction
Induction training of contractors	PMC	Training materials and training proceedings	Included in annual monitoring report	At least 30 days before start of construction
On-site training and field level guidance	Authority and/or independent engineers	Records of training and field level guidance provided	Included in annual monitoring report	Continuously as needed during construction
Monthly				
Environmental self-monitoring report	Contractor	Completed checklist submitted to PMC and PIUs	Key findings included in annual monitoring report	Monthly starting from commencement date
Environmental progress report	Authority engineers and/or independent engineers	Report on monitoring, training, and other environmental activities implemented	Summary for inclusion in annual monitoring report	Monthly after commencement date
Site inspection	PMC	Inspection report and summary project-level monitoring report submitted to PIUs and PMU	Included in annual monitoring report	Monthly
Site inspection	PIUs	None		
Quarterly				
Compliance monitoring report	PMC	Project-level summary submitted to the PMU, package-level summary	Key findings included in annual monitoring report	3 months after commencement date

Activity	Responsibility	Outputs	Deliverable to ADB	Period
Site inspection		submitted to the respective PIU None		
Annual				
Annual monitoring report	PMC	Submitted to PMU	Submitted to ADB for review and disclosure on the ADB and RPWD websites	No later than 13 months after commencement
Site inspection	PMU			
Environmental due diligence	PMC	Submitted to PMU	Submitted to ADB	Processing of Tranche 3

ADB = Asian Development Bank, PIU = project implementation unit, PMC = project management consultant, PMU = project management unit, RPWD = Public Works Department of the Government of Rajasthan.
Source: Asian Development Bank.

B. Social Safeguards

45. For the entire investment program, a resettlement framework has been prepared in accordance with (i) the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (2013), which is effective from January 1, 2014 (hereinafter called LA Act 2013); (ii) state laws and regulations; and (iii) ADB's Safeguard Policy Statement (2009). Displaced persons (titleholders and non-titleholders) will be compensated at replacement cost and the rates for different categories of loss and special assistance are detailed in the entitlement matrix of the resettlement plans. The RPWD will employ nongovernment organizations (NGO) to help facilitate land acquisition and resettlement and rehabilitation activities. If during the implementation of the project, any modifications or additional land requirement or involuntary resettlement impacts are identified, a related resettlement plan will be prepared or modified in accordance with the applicable laws referred to in the resettlement plan, and prior approval of ADB will be obtained before any further implementation of the relevant section of the subproject. The resettlement specialist of the PMC will update the resettlement plan with inputs from the NGO.

46. The RPWD will adhere to ADB's Safeguard Policy Statement objectives, which are (i) to avoid involuntary resettlement wherever possible; (ii) to minimize involuntary resettlement by exploring design alternatives; (iii) to enhance, or at least restore, the livelihood of all displaced persons in real terms relative to pre-project levels; and (iv) to improve the standards of living of the displaced poor and other vulnerable groups. Specifically, the RPWD will (i) implement the project in accordance with the resettlement plans; (ii) ensure that all displaced persons should be paid compensation and assistance prior to physical and economic displacement; (iii) ensure that land that is free of encumbrance can be handed over to the contractors, and for areas where there are displaced persons (titleholders and non-titleholders), the relevant compensation and assistance must be fully paid before affected households can be displaced; (iv) ensure that civil works can only start after the relevant sections have been declared free of encumbrance; (v) undertake continued meaningful consultation; (vi) establish an efficient grievance redress mechanism in accordance with the resettlement plans to assist affected persons to resolve grievances and complaints in a timely manner; and (vii) submit semi-annual monitoring reports to ADB on the implementation of the resettlement activities.

47. If negotiated settlement takes place, comprehensive consultations with the affected households will have to be undertaken and the government will ensure that negotiation is undertaken without coercion and documented in a transparent manner. For negotiated settlement, displaced households will be paid as per the entitlement matrix. An independent monitor will be engaged to verify and certify that the process has been done as per the resettlement framework. If negotiated settlement fails, land will be acquired as per (i) the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (2013); (ii) state laws and regulations; and (iii) ADB's Safeguard Policy Statement (2009).

48. The responsibilities of respective parties and agencies on implementing the social safeguards are given below:

- (i) **Jurisdictional Collector and Sub-Divisional Magistrate.** This will be the administrator for land acquisition, resettlement, and rehabilitation. The jurisdictional collector and sub-divisional magistrate, being the competent authority for land acquisition, will also look into resettlement and rehabilitation and he and/or she will be supported by the project director, PIU in implementing the resettlement plans.
- (ii) **Project management unit.** The PPP division of the RPWD will be the PMU and will be overall in charge of coordination among the PIUs and project selection for the program. The PMU will have a safeguards officer in the rank of executive engineer and/or a social development and resettlement specialist hired on contract basis. The safeguards officer at the PMU will coordinate with the project director of the PIUs and ensure that implementation of subprojects complies with the resettlement framework and likely safeguard issues are identified. The safeguards officer will have the following responsibilities:
 - Assess the capacity of the PIUs in identifying and managing social safeguard issues and facilitate capacity building of PIU officers and the resettlement plan implementation support NGO.
 - Review and update the resettlement framework as necessary and when there are changes in the applicable law.
 - Review whether the PIUs have taken efforts to avoid or minimize involuntary resettlement impacts during the subproject design stage and during implementation stages.
 - Verify whether the resettlement plan has been prepared and is commensurate to the significance of the impact and whether the documents have been submitted along with the detailed project report.
 - Facilitate coordination between various government departments in land acquisition and implementation of the resettlement plan.
 - Carry out periodic review of the progress on resettlement plan implementation and ensure that the progress reports are submitted in a timely manner.
 - Verify whether the PIUs are handing over the land free from encumbrance as stipulated in the contract document.
 - Consolidate the progress reports received from the respective PIUs and submit the quarterly progress reports to ADB and any other information as required by ADB in a timely manner.
 - Initiate engagement of an external monitor and/or agency to undertake semi-annual monitoring of the subprojects, either through the PMU or PIU,

and submit the semi-annual monitoring report to ADB along with the PMU and/or PIU response to the comments/observations made in the report.

- (iii) **Project implementation unit.** The PIU will be responsible for screening subprojects, setting categorization based on involuntary resettlement impacts, conducting the social assessment, and preparation and implementation of resettlement plans. The road subprojects will be implemented by the jurisdictional PIU. The project director of the PIU will be responsible for subproject compliance with social safeguards and concurrent internal monitoring of resettlement plan implementation. Following are the responsibilities of the project director of the PIU:
- Review the involuntary resettlement impact categorization checklist and subproject appraisal note, undertake field visits wherever required, and advise the field units about the social safeguards documentation required for subprojects.
 - Review the resettlement plan prepared by the consultants and finalize the same.
 - Ascertain the extent of private land to be acquired and the extent of government land to be transferred, and liaison with the jurisdictional additional collector and concerned government departments in getting possession of the same.
 - Initiate engagement of a resettlement plan implementation support NGO to assist the field units in resettlement plan implementation.
 - Review and approve micro plans that contain the list of displaced persons and their entitlements as prepared by field units.
 - Obtain necessary approval for the micro plans and make necessary funds available for disbursement and for development of resettlement sites.
 - Coordinate with the additional collector and field units in identifying suitable land for resettlement sites and monitor the progress of the development of the site and relocation of displaced persons.
 - Undertake internal monitoring of the progress made in resettlement plan implementation and take necessary corrective actions, if required.
 - Review and consolidate the land acquisition and resettlement plan implementation progress reports submitted by the jurisdictional additional collector and the resettlement plan implementation support NGO, and submit monthly progress reports to the PMU;
- (iv) **NGO and/or agency for resettlement plan implementation support.** The implementation of the resettlement and rehabilitation provisions will be carried out by the jurisdictional additional collector with the support of the PIU. The PIU will engage an implementation support NGO, with experience in implementing resettlement plans and in working on similar infrastructure development projects. The NGO should have proven experience in carrying out resettlement and rehabilitation activities and community development and consultations in projects of similar nature, preferably in Rajasthan or in any state. The NGO will play a key role in the implementation of the resettlement plan. Their tasks will include the final verification of displaced persons, consultations, establishment of support mechanisms, facilitating the delivery of rehabilitation assistance as per the resettlement plan provisions, and ensuring that displaced persons receive all the entitlements as per the rehabilitation and resettlement policy of the project.

- (v) **Contractor.** Ensure that civil works only start on the relevant section after it has been declared free of encumbrance. Coordinate closely with the NGO and be responsive in addressing relevant grievances.
- (vi) **Resettlement specialist, project management consultant.** Conduct regular site-level monitoring and provide technical advice to the RPWD and NGO to enable the smooth implementation of the resettlement plans. When updating of the resettlement plans and other planning documents is necessary, ensure that a high quality of documentation is prepared with accurate data as provided by the NGO. Prepare monitoring reports on a semi-annual basis.
- (vii) **External monitor.** An external expert who is not involved in day-to-day project implementation or supervision will be retained by the PMU to act as the external monitor for the project. The external monitor will provide the necessary technical support on compliance issues, if any, to the safeguards focal person at the site level as well as to the PMU, resettlement plan implementation NGO, and other involuntary resettlement agencies involved in the project. The external monitor will conduct site visits periodically or at least every quarter to verify monitoring information. If any critical involuntary resettlement concerns are identified, the external monitor will prepare a corrective action plan. The external monitor will prepare and submit semi-annual reports to the RPWD and ADB. The detailed reference of the external monitor is in Appendix C of tranche 2 loan.

49. A resettlement plan has been prepared for each of the four tranche 3 subproject roads.¹⁷ The resettlement plans are based on the final feasibility report and a census of all potentially affected persons.¹⁸ The resettlement plans indicate that 70 hectares of private land will be required, and 530 private structures, 102 community property and 111 trees will be affected. Land acquisition and impacts on structures will affect an estimated 1,804 households, out of which 441 households will experience potentially significant losses due to the loss of residential structure or loss of greater than 10% of productive asset (land).

50. **Preparation of tranche processing or unanticipated impact.** For the preparation of tranche 3 or whenever unanticipated impacts become apparent, the PMC will be responsible for carrying out the due diligence. The RPWD will be responsible for the initial road selection. Consultants will be hired to conduct land acquisition planning and social impact assessment. All of the affected households will need to be consulted and enumerated in social impact assessment and resettlement planning. A resettlement plan will need to be prepared for a subproject with impacts. Civil works cannot commence on all roads until the right of way is free of encumbrance, meaning that the affected households must be fully compensated and/or assisted prior to the dismantling of structures or relocation. The RPWD will engage a national expert to support the preparation of resettlement planning documents, if necessary.

C. Indigenous Peoples

51. For the entire investment program, an indigenous peoples planning framework has been prepared in accordance with (i) Government of India and state laws and regulations; and (ii) ADB's

¹⁷ For EPC-4, a combined resettlement plan and indigenous peoples plan was prepared.

¹⁸ Engineering design will be finalized by the contractors without the need to significant change of alignments. Should any change entail in corresponding changes in land acquisition and resettlement impacts, a new or updated resettlement plan will be prepared (See para. 44).

Safeguard Policy Statement (2009). Subprojects that will have significant impact on indigenous peoples and categorized as A under ADB's Safeguard Policy Statement for indigenous peoples will not be included for financing.

52. Tranche 3 is classified as category *B* under the ADB Safeguard Policy Statement (2009) for indigenous peoples safeguards. The socio-economic survey finds that a scheduled tribe is present in package 4, Banswara District. There are scheduled tribe households, as identified under relevant constitutional provisions, present and well-integrated with the other communities. Their livelihood systems, language and political system are not distinct from other communities. Scheduled tribe households will be impacted by involuntary resettlement. The resettlement plans provide additional entitlements to indigenous peoples households in alignment with the resettlement framework. If any unanticipated impacts on indigenous peoples are identified during project implementation, the RPWD, with assistance from the NGO and the PMC, will address the impacts in line with national, state and sector policies, the indigenous peoples planning framework and the ADB Safeguard Policy Statement (2009).

D. Grievance Redress Mechanism

53. The grievance redress committee (GRC) will be established at two levels, one at the PIU and another at the PMU, to receive, evaluate, and facilitate the resolution of displaced persons' concerns, complaints, and grievances. The GRC is aimed to provide a trusted way to voice and resolve concerns linked to the project, and to be an effective way to address displaced persons' concerns without allowing it to escalate, resulting in delays in project implementation. The GRC will aim to provide a time-bound and transparent mechanism to voice and resolve social and environmental concerns linked to the project. The GRC is not intended to bypass the government's built-in redressal process nor the provisions of the statute, but rather it is intended to address displaced persons' concerns and complaints promptly, making the GRC readily accessible to all segments of the displaced persons and is scaled to the risks and impacts of the project.

54. The GRC should be formed during project preparation as project-affected people may already have complaints during that stage. The GRC will continue to function for the benefit of the displaced persons during the entire life of the project, including the defects liability period. The response time prescribed for the GRCs would be 4 weeks.

55. **First level of GRC.** The district level GRCs will be a single contact point with the jurisdictional project director of the PIU, who is responsible for receiving, hearing, and resolving the grievances.

56. **Second level of GRC.** The GRC will be a three-member committee (i) chaired by the Additional Chief Engineer (PMU), (ii) Superintending Engineer (ADB), PMU acting as its member secretary, and (iii) a local person of repute and standing in society who is selected by the RPWD Secretary.

E. Capacity Development

57. The RPWD has the capacity to implement safeguard activities as it has experience in implementing projects financed by multilateral development banks. During the inception mission, ADB will provide training to orient all PIU staff involved in implementing safeguard planning documents and relevant stakeholders. PMC experts will provide continued capacity development of RPWD staff and advise the RPWD and the NGO during implementation. In addition, the RPWD

will engage two individual consultants (one for social and one for environmental) to maintain quality control of safeguard documents required for tranche implementation as well as to provide day-to-day support to the RPWD.

F. Prohibited Investment Activities

58. Pursuant to ADB's Safeguard Policy Statement (2009), ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of ADB's Safeguard Policy Statement (2009).

VIII. GENDER AND SOCIAL DIMENSIONS

A. Gender

59. Tranche 3 is categorized *effective gender mainstreaming* based on the Guidelines for Gender Mainstreaming Categories of ADB Projects (2012). A gender equity and social inclusion action plan (GESI-AP) is attached to the project (Table 18) and outlines activities and measurable indicators to: (i) construct state highways and MDRs with features responsive to the needs of the elderly, women, children, and people with disabilities; (ii) conduct livelihood training for women; (iii) conduct gender-based awareness campaigns; (iv) organize training on GESI-responsive highways development; (v) conduct workshops on gender responsive budgeting; and (vi) prepare and adopt a guidance note on the prevention of sexual harassment. Specially, on livelihood promotion, wayside facilities will be constructed with amenities for women's livelihood and services. A needs assessment will be conducted by RPWD to determine the livelihood options and services that the wayside facilities will support.

Table 18: Gender Equality and Social Inclusion Action Plan

Activity	Indicators	Responsibility	Timeline
Output 1: State highways and major district roads improved			
1.1 Include EWCD-responsive features in state highways and major district roads	1. At least 290 km of state highways and MDRs incorporate EWCD-responsive design and safety measures ^a (2022 baseline: 0)	PPP (RPWD)/PIUs	Year 1-4
	2. At least one bus stop with EWCD-responsive features ^p in each of the 7 districts constructed (2022 baseline: 0)		
1.2. Enhance livelihood opportunities for women	3. Demonstration wayside facilities ^c in EPC 2 (3 numbers) and EPC 4 (1 number) toll plazas with amenities for livelihood and services for women (2022 baseline: 0)	PPP (RPWD)/PIUs	Year 1-4
	4. At least 140 women from 7 subproject districts trained in livelihood skills ^d for use in wayside facilities (2022 baseline: 0)	PPP (RPWD)/PIUs	Year 1-4
1.3. Organize gender-based awareness campaigns	5. Awareness campaigns on road safety, HIV/AIDS, human trafficking, and gender-based violence conducted in 59 villages in the project area where 40% of participants are women (2022 baseline: 0)	PPP (RPWD)/PIUs	Year 1-2

	6. Poster boards with vital information on road safety and health including HIV/AIDS, human trafficking, gender-based violence, and COVID-19 installed in 70% of schools in the 59 villages of the project area (2022 baseline: 0)	PPP (RPWD)/PIUs	Year 1-2
Output 2: Capacity of RPWD enhanced			
2.1 Hold training workshops on GESI-responsive highway development for RPWD staff and contractors	7. 5 training workshops prepared and conducted for RPWD, PPP division, PIU officials on GESI-responsive highway development, with at least 90% eligible women as participants (2022 baseline: 0) 8. 4 training workshops prepared and conducted for contractors on enhancing female workforce participation, HIV/AIDS, human trafficking, and gender-based violence awareness (2022 baseline: 0) 9. Post-training survey conducted to assess enhanced awareness on GESI related concerns amongst the trained officials. At least 80% personnel trained report increased understanding of GESI in the transport sector (2022 baseline: 0)	PPP (RPWD)	Year 1-2
2.2 Conduct training workshops for staff in PWD, PPP and PIU on GRB	10. 2 training workshops on Gender Responsive Budgeting conducted for staff in PWD, PPP division, and PIU with 10 women participants (2022 baseline: 0) 11. Post training evaluation survey indicates 80% of participants have acquired knowledge and skills in GRB (2022 baseline: 0)	PPP (RPWD)	Year 2
2.3 Prepare and adopt a guidance note on gender-based violence and sexual harassment at PPP Unit and PIUs	12. One guidance note for implementation of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal Act, 2013) for the PPP Unit and PIUs prepared and adopted (2022 baseline: 0)	PPP (RPWD)	Year 1-4
Project Management Activities			
The RPWD oversees implementation, monitoring, and reporting of the GESI action plan	1. Gender focal points in PPP (RPWD) and PIUs appointed and mobilized to supervise GESI AP implementation	PPP (RPWD)	Year 1
	2. One gender expert in PMC/PIC appointed and mobilized to implement GESI-AP activities	PMC/PIC	Year 1
	3. Implementation NGO gender specialist appointed and mobilized to support GESI AP implementation	Implementing NGO	Year 1
	4. Reporting of GESI AP implementation: (i) Quarterly progress reports; and (ii) completion report along with all supporting material for each GESI AP targets	PPP (RPWD)	Year 1-4

COVID = coronavirus disease, EWCD – elderly, women, children and people with disability; EPC – Engineering, Procurement and Construction; GESI – gender equality and social inclusion; GESI AP – gender equality and social

inclusion action plan; GRB – Gender Responsive Budgeting; HIV/AIDS - Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome; km = kilometer, MDR – major district roads; NGO – nongovernmental organization; PIC – project implementation consultant; PIU – project implementation unit; PMC – project management consultant; PPP (RPWD) – Public-Private Partnership (Rajasthan Public Works Department); PWD = public works department
Source: Asian Development Bank.

- ^a Elderly, women, children and disabled (EWCD) features may include the well-marked crossings, safety signage, pedestrian walkways, railings along roads, covered drains, paved shoulder (hard shoulder) and earthen shoulder (soft shoulder), speed bumps, rumble strips, guard stones and solar blinkers. Other gender-responsive features include streetlights; well-lit bus stops, and with CCTV cameras at warranted locations; and separate toilets suitable for women, children, and people with disabilities
- ^b The districts are Johdpur, Nagaur, Churu, Hanumangarh, Alwar, Bharatpur and Banswara. Bus stands/bus shelters located in proximity to educational/health institutions, community centers, habitations, and factories with EWCD-responsive features as per the Ministry of Road and Transport Guidelines (e.g., adequate, and comfortable seating provisions, ramps, roof, solar lights, and emergency contact details (in English and local language).
- ^c Wayside amenities provide rest and refreshment for highway commuters during their journey. They may be stand-alone facilities or integrated in petrol stations. The amenities include, but are not limited to, restaurants, food courts, *dhaba*, fuel pumps, minor repair shops, pharmacies, dormitories for drivers, kiosks, and clean, hygienic, and segregated rest rooms.
- ^d A needs assessment will be conducted to identify relevant livelihood skills

60. The PMU in the RPWD, with support from the PMC and the implementation NGO will be responsible for GESI AP implementation and monitoring. To oversee and monitor GESI AP implementation, gender focal points will be nominated—one in RPWD and one in each of the four PIUs.

B. Health

61. The RPWD shall ensure that civil works contractors provide adequately for the health and safety of construction workers and further ensure that bidding documents include measures on how contractors will address this, including an information and awareness-raising campaign for construction workers on sexually transmitted infections including HIV, and human trafficking. For affected villages, the NGO will undertake awareness building sessions on sexually transmitted infections including HIV, basic hygiene, and human trafficking. The PMC will monitor the implementation.

C. Labor

62. The GOR and the RPWD will ensure that works contracts under the project follow all applicable labor laws of the GOI and the GOR and that these further include provisions that contractors will (i) carry out awareness programs for labor on sexually transmitted infections, including HIV, and disseminate information at work sites on the risks of sexually transmitted diseases as part of health and safety measures for those employed during construction; and (ii) follow and implement all statutory provisions on labor (including not employing or using children as labor, equal pay for equal work), health, safety, welfare, sanitation, and working conditions. Such contracts shall also include clauses for termination in case of any breach of the stated provisions by the contractors.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A. Project Design and Monitoring Framework

63. The design and monitoring framework is attached to the project administration manual as

Appendix A.

B. Monitoring

64. **Project performance monitoring.** The achievement of the project performance targets will be assessed following the design and monitoring framework. A project performance management system (PPMS) is being developed under the support of the tranche 1 loan. The executing agency and PIUs, assisted by the PMC and other consultants as required, will use the PPMS for monitoring of this project. The PPMS will include detailed methodology of data collection and analysis to ensure statistical validity, isolation of compounding factors, and comparison with baseline and control data. As a minimum, the indicators will be monitored before and after project construction, both on the subprojects and control roads. Disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported quarterly through the executing agency's quarterly progress reports and after each ADB review mission. These quarterly reports will provide information necessary to update ADB's project performance reporting system.

65. Indicators to be monitored may include, but not be limited to, the following: (i) number of newly connected habitations (total, by districts, and size); (ii) length of roads constructed and/or upgraded (total, by district, by habitation size, terrain, etc.); (iii) traffic volume and travel time on constructed roads; (iv) periods of construction (by road length, terrain, etc.), amounts and frequencies of variation orders, frequencies and durations of holding up of civil works by rural communities (by causes, including instances of holding up of civil works due to the omissions in design); (v) pavement condition index on project roads; (vi) percentage of detailed design undergoing road safety audits (RSA) and amendments following RSA recommendations; (vii) percentage of existing roads undergoing RSA and percentage of existing roads improved following RSA recommendations; and (viii) progress of capacity development.

66. **Compliance monitoring.** Compliance with loan covenants will be monitored through ADB's project administration missions. These missions include (i) project inception to discuss and confirm the timetable for compliance with the loan covenants; (ii) project review to review compliance with particular loan covenants, and where there is any noncompliance or delay, to discuss proposed remedial measures with the executing agencies; (iii) midterm review mission, if necessary, to review covenants to assess whether they are still relevant or need to be changed, or waived due to changing circumstances; and (iv) completion mission to evaluate the overall compliance during the implementation.

67. **Environment safeguard monitoring.** Records on implementation of the mitigation measures on-site will be maintained by the contractor. Based on these records and spot checks of at least once a month by the PIU, PMC, and the authority and/or independent engineer, the monitoring reports will be compiled on a quarterly basis. These quarterly monitoring reports will further be compiled by the PMC into an annual monitoring report to be submitted to ADB no later than 3 months from the end of monitoring period for disclosure on the RPWD and ADB websites. The PIU will continue preparing annual monitoring reports and submit these for disclosure to ADB and its own website during operation until the facility completion report is prepared by ADB. If there are any changes in the design or alignment, the environmental management plan of the respective subproject will be updated to account for any additional or new environmental impacts. The need for revising the respective initial environmental examination report will also be reviewed and confirmed in discussion with ADB.

68. **Social safeguard monitoring.** Implementation of the resettlement plan and social mitigation measures will be monitored internally by the PIU and PMC under the supervision of the

PMU. Since this project is category A for involuntary resettlement, the PMU will retain an external expert to verify internal monitoring findings. The external monitor will be responsible for overall external monitoring and evaluation of the progress of resettlement implementation. The external monitor will monitor and verify resettlement plan implementation to determine whether resettlement goals have been achieved, livelihood and living standards have been restored, and provide recommendations for improvement. The external monitor will undertake quarterly monitoring during the resettlement plan implementation period. Monitoring will also ensure the recording of displaced persons' views on resettlement issues such as displaced persons' understanding of entitlement policies, options, and alternatives; site conditions; compensation valuation and disbursement; grievance redress procedures; and staff competencies. The external monitor will also evaluate the performance of the NGOs and report its findings simultaneously to the RPWD. The reporting responsibility of ADB lies with the RPWD; the monitoring reports will be sent to ADB quarterly. An important function of the external expert is to advise the RPWD on safeguard compliance issues.

69. If significant non-compliance is identified, the RPWD is required to prepare a corrective action plan to address such issues. The RPWD will document monitoring results, identify the necessary corrective actions, and reflect them in a corrective action plan. The RPWD, in each quarter, will study the compliance with the action plan developed in the previous quarter. Compliance with loan covenants will be screened by the RPWD.

70. **Gender and social dimensions monitoring.** The PMU with support from the PMC and the implementing NGOs will monitor GESI initiatives. The NGO and the PMC will prepare monthly progress reports on GESI activities. They will also provide inputs on the implementation of the GESI action plan for the quarterly progress reports. GESI implementation progress will be reported every quarter using the GESI AP monitoring matrix (Appendix C). Sex-disaggregated data should be collected, consolidated, and reported in the semi-annual social monitoring reports.

C. Evaluation

71. An ADB inception mission will be fielded soon after the legal agreements for the project are declared effective; thereafter, regular reviews will follow at least annually. As necessary, special loan administration missions and a midterm review mission will be fielded, under which, any changes in scope or implementation arrangements may be required to ensure achievement of project objectives. The GOR at the state level and the RPWD at the project level will monitor the implementation of the project in accordance with the schedule and time-bound milestones, and keep ADB informed of any significant deviations that may result in the milestones not being met. Within 6 months of physical completion of the project, the RPWD will submit a project completion report to ADB.¹⁹ Once the project is financially closed, ADB will field a completion mission to evaluate the project performance and learn from its operational experience.

D. Reporting

72. The executing agency will provide ADB with (i) quarterly progress reports in a format consistent with Appendix 1 of the executing agency's progress report;²⁰ (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's

¹⁹ Project completion report format is available at <https://www.adb.org/sites/default/files/institutional-document/33431/pai-6-07a.pdf>.

²⁰ Project administration instructions: <https://www.adb.org/sites/default/files/institutional-document/33431/pai-5-01.pdf>.

performance targets; (b) key implementation issues and solutions; (c) updated procurement plan; and (d) updated implementation plan for the next 12 months; and (iii) a project completion report within 6 months of physical completion of the project. To ensure that the funds are used for the purposes intended, project accounts and the executing agency audited financial statements, together with the associated auditor's report, should be adequately submitted and reviewed.

E. Stakeholder Communication Strategy

73. Consultations with affected persons will be conducted during implementation where the PIU Project Director, supported by the implementation support NGO will be responsible for conducting these consultations. The proposed consultation plan will include the following:

- (i) In case of any change in project design, the affected persons and other stakeholders will be consulted regarding the factors that necessitated the change, efforts taken to minimize resettlement impacts, and mitigation measures available in accordance with the principles of the resettlement framework of the Rajasthan State Highway Investment Program.
- (ii) The PIU, with the assistance of the NGO, will carry out information dissemination sessions in the project area.
- (iii) During the implementation of the resettlement plan, NGO will organize public meetings and will appraise the communities about the schedule/progress in the implementation of civil works, including awareness regarding road construction and HIV/AIDS prevention.
- (iv) Consultation and focus group discussions will be conducted with the vulnerable groups like women-headed households and schedule caste to ensure that the vulnerable groups understand the process and their needs are specifically taken into consideration in the implementation.

74. Salient information regarding the project, including scope, general progress status, beneficiaries, invitations for bid, and consultant recruitment notices, will be provided to the general public. The information will be made available and updated through the official website of the RPWD. The safeguard documents, i.e., IEE, EMPs, and resettlement plans, will be posted on ADB's website. The RPWD will provide relevant information, including those from the above documents, in a timely manner, in an accessible place, and in a form and languages understandable to the displaced people and other stakeholders, including through their website. If the displaced people are illiterate, other appropriate communication methods will have to be used. The resettlement implementation NGO will play a key role in facilitating ongoing consultation and information disclosure with affected people.

75. ADB's communication strategy is summarized in Table 19.

Table 19: Documents for Disclosure

Project Document	Means of Communication	Frequency	Audience
Project data sheet	ADB website	Initial PDS no later than 30 calendar days from approval of the concept paper; and will be updated annually	General public
Design and monitoring framework	ADB website	Draft DMF after fact-finding mission	General public

Project Document	Means of Communication	Frequency	Audience
Initial environmental examination and environmental management plan	ADB and RPWD websites	Prior to ADB Management approval	General public, project-affected people in particular
Resettlement plan	ADB and RPWD websites	Prior to ADB Management approval	General public, project-affected people in particular
Summary poverty reduction and social strategy	ADB website	Prior to ADB Management approval	General public, project-affected people in particular
Legal agreements	ADB website	No later than 14 days of ADB Board approval of the project	General public
Project administration manual	ADB website	After loan approval	General public
Environment monitoring report	ADB website	Annually	General public, project-affected people in particular
Social monitoring reports	ADB website	Semi-annually	General public, project-affected people in particular
Audited project financial statements	ADB website	Annually	General public

ADB = Asian Development Bank, DMF = design and monitoring framework, PDS = project data sheet, RPWD = Public Works Department of the Government of Rajasthan.

Source: Asian Development Bank.

X. ANTICORRUPTION POLICY

76. The Government of India, the State Government of Rajasthan, the Public Works Department of the Government of Rajasthan, and other implementing agencies are advised of ADB's Anticorruption Policy (1998, as amended to date). Consistent with its commitment to good governance, accountability, and transparency, implementation of the project shall adhere to ADB's Anticorruption Policy. ADB reserves the right to review and examine, directly or through its agents, any alleged corrupt, fraudulent, collusive, or coercive practices relating to the project. In this regard, investigation of government officials, if any, would be requested by ADB to be undertaken by the government.

77. To support these efforts, relevant provisions of ADB's Anticorruption Policy are included in the loan regulations, agreements, and the bidding documents. In particular, all contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the state, executing agencies and implementing agencies, and all contractors, suppliers, consultants, and other service providers as they relate to the project. Individuals and/or entities on ADB's Anticorruption Debarment List are ineligible to participate in ADB-financed activity and may not be awarded any contract under the project.²¹

78. ADB's Anticorruption Policy designates the Office of Anticorruption and Integrity as the point of contact to report allegations of fraud or corruption among ADB-financed projects or its staff. It is responsible for all matters related to allegations of fraud and corruption. For a more detailed explanation, refer to the Anticorruption Policy and Procedures. Anyone coming across evidence of corruption associated with the project may contact the Anticorruption Unit by telephone, facsimile, mail, or email at the following numbers and/or addresses:

- Email: integrity@adb.org or anticorruption@adb.org
- Phone: +63 2 632 5004
- Fax: +63 2 636 2152
- Mail (**Please mark correspondence Strictly Confidential**):
 Office of Anticorruption and Integrity
 Asian Development Bank
 6 ADB Avenue, Mandaluyong City
 1550 Metro Manila, Philippines

79. The RPWD's website will provide updated, detailed information on project implementation. For example, it will include procurement-related information, such as the list of participating bidders, name of the winning bidder, basic details on bidding procedures adopted, amount of contract awarded, and the list of goods and/or services procured.

XI. ACCOUNTABILITY MECHANISM

80. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's

²¹ Governance and Anticorruption Action Plan II Guidelines: <https://www.adb.org/sites/default/files/institutional-document/32022/gacap-ii-guidelines.pdf>. See also Sourcebook: Diagnostics to Assist Preparation of Governance Risk Assessments: <https://www.adb.org/sites/default/files/institutional-document/157127/diagnostics-assist-preparation-gras.pdf>.

operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make an effort in good faith to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.²²

XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

Table 20: Record of Changes to the Project Administration Manual

Data Revised	Section	Revision

Source: Asian Development Bank.

²² Accountability Mechanism: <https://www.adb.org/site/accountability-mechanism/main>.

DESIGN AND MONITORING FRAMEWORK FOR TRANCHE 3

Impact(s) the Investment Program is Aligned with			
Good connectivity provided in all areas (Strategy for New India @ 75) ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
Outcome	By 2027:		R:
Efficiency and safety of transport on Rajasthan's state highways improved	<p>a. Use of the project roads averaging 2.158 million vehicle-km per day (2022 baseline: 1.446 million) (OP 1.3; OP 2.4; OP 3.2; OP 5.1)</p> <p>b. Road safety audit mainstreamed in the business process of RPWD's PPP Division (2022 baseline: Not mainstreamed) (OP 6.1)</p>	<p>a. RPWD database</p> <p>b. Operation manuals of the PPP Division</p>	<p>Improved roads will not achieve the full economic benefit because of insufficient funding for full routine and periodic maintenance.</p>
Outputs	By 2026:		
1. State highways and MDRs improved	<p>1a. About 290 km climate-resilient state highways and MDRs with EWCD-responsive design and safety measures in Rajasthan improved and maintained under performance-based contracts in good condition^b (2022 baseline: 0) (OP 1.3.1; OP 2.4.1; OP 3.2.5; OP 5.1.1)</p> <p>1b. At least one bus stop with EWCD-responsive features in each of the seven districts constructed^c (2022 baseline: 0) (OP 1.3.1; OP 2.4.1)</p> <p>1c. At least four wayside facilities with amenities for livelihood and services for women constructed and maintained^d (2022 baseline: 0) (OP 1.3.1; OP 2.4.1)</p> <p>1d. Awareness campaigns on road safety, HIV/AIDS, human trafficking, and gender-based violence conducted benefitting 59 villages with 40% women participation (2022 baseline: 0) (OP 2.2.3)</p>	1–2. RPWD project progress reports	<p>R:</p> <p>Limited interest of the construction industry in the works</p> <p>R:</p> <p>Implementation delayed by prolonged land acquisition and resettlement</p>

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
2. Capacity of RPWD enhanced	<p>By 2026:</p> <p>2a. Streamlined business operating procedures implemented (2022 baseline: Not implemented) (OP 6.2.1)</p> <p>2b. Project performance monitoring system implemented (2022 baseline: Not implemented) (OP 6.2.1)</p> <p>2c. Five training workshops prepared and conducted for RPWD officials on GESI-responsive highway development, with at least 90% of eligible women participating (2022 baseline: 0) (OP 6.1.1)</p> <p>2d. Two training workshops on gender-responsive budgeting for staff in RPWD organized, with at least 10 women participants (2022 baseline: 0) (OP 6.1.1)</p> <p>2e. One guidance note on preventing sexual harassment in the workplace (in accordance with the Prevention, Prohibition and Redressal Act, 2013) for the PPP Division and project implementation units prepared and adopted (2022 baseline: Not prepared) (OP 6.2.1)</p>		

<p>Key Activities with Milestones</p> <p>1. State highways and MDRs improved</p> <p>1.1 Recruit all authority engineers by Q4 2022</p> <p>1.2 Procure all civil works by Q4 2022</p> <p>1.3 Implement and complete all civil works by Q4 2024</p> <p>2. Capacity of the RPWD enhanced</p> <p>2.1 Extend the contract of the current project management consultant by Q4 2022</p> <p>2.2 Finalize the project performance monitoring system and start operating it by Q2 2023</p> <p>2.3 Conduct trainings on GESI in road transport in 2022, 2023, 2024, 2025, and 2026</p> <p>2.4 Complete the gender responsive budgeting by Q4 2024</p> <p>2.5 Develop the guidance note to support the committees on sexual harassment in the workplace by Q4 2024</p> <p>2.6 Implement the streamlined business operating procedures by Q4 2024</p> <p>Project Management Activities</p> <p>Prepare and manage the implementation of procurement plans (Q4 2021–Q3 2026)</p> <p>Monitor the implementation of resettlement plan, gender action plan, and the environmental management plan (Q3 2022–Q3 2026)</p> <p>Monitor project performance and ensure timely delivery of outputs (Q4 2022–Q3 2026).</p> <p>Prepare and submit quarterly progress reports within 45 days of end of each quarter (Q1 2023–Q3 2026)</p> <p>Prepare and submit annual audited project financial statements within 6 months of the end of each financial year (Q1 2023–Q3 2026)</p> <p>Inputs</p> <p>Asian Development Bank: \$110.00 million (loan)</p> <p>Government of Rajasthan: \$48.10 million</p> <p>Assumptions for Partner Financing</p> <p>Not applicable</p> <p>EWCD = elderly, women, children, and people with disability; GESI = gender equality and social inclusion; HIV/AIDS = Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome; km = kilometer; MDR = major district road; OP = operational priority; PIU = project implementation unit; PPP = public–private partnership; Q = quarter; R: risk; RPWD = Public Works Department of the Government of Rajasthan.</p> <p>^a Government of India, NITI Aayog. 2018. <i>Strategy for New India @ 75</i>. Delhi.</p> <p>^b EWCD features include but are not limited to well-marked crossings, safety signage, pedestrian walkways, railings along roads, covered drains, paved (hard) shoulders and earthen (soft) shoulder, speed bumps, rumble strips, guard stones and solar blinkers. Other gender-responsive features include streetlights, well-lit bus stops, closed-circuit television cameras at warranted locations; and separate toilets suitable for EWCD. Climate resilient features may involve additional investments for reconstruction and improvement in bridge protection works and raising the approach to bridge level, river protection works, increase in number and improvement of culvert discharge capacity, improvement in road side drainage structures and capacities, slope stabilization works, bioengineering works on hills and embankment slopes, raising of embankment height above high flood level, improvement of pavement rigidity in marsh and/or waterlogged areas, route realignment and/or construction of bypass, rainwater harvesting structures, and tree planting.</p> <p>^c The districts are Johdpur, Nagaur, Churu, Hanumangarh, Alwar, Bharatpur and Banswara. Bus stands and bus shelters close to educational and health institutions, community centers, habitations, and factories with EWCD-responsive features as per the Ministry of Road and Transport guidelines (e.g., adequate and comfortable seating, ramps, roof, solar lights, and emergency contact details (in English and local language).</p> <p>^d Wayside amenities provide rest and refreshment for highway commuters. The amenities can be stand-alone or integrated in petrol stations. The amenities will be finalized after the needs assessment and include, but are not limited to, restaurants; food courts; <i>dhaba</i> (roadside restaurant); fuel pumps; minor-repair shops; pharmacies; dormitories for drivers; kiosks; and clean, hygienic, and segregated restrooms.</p> <p>Contribution to Strategy 2030 Operational Priorities</p> <p>Expected values and methodological details for all OP indicators to which this operation will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (Appendix 6).</p> <p>Source: Asian Development Bank.</p>
--

Procurement Plan

Basic Data

Project Name: Rajasthan State Highway Investment Program -Tranche 3	
Project Number: 49228-004	Approval Number:
Country: INDIA	Executing Agency: Government of Rajasthan
Procurement Risk: <i>Low to Moderate</i>	Implementing Agency: Public Works Department - Rajasthan
Project Financing Amount: \$158.10 million ADB Financing: \$110.00 million Cofinancing (ADB Administered): Non-ADB Financing: \$48.10 million	Project Closing Date: 30 September 2026
Date of First Procurement Plan: 6 December 2021	Date of this Procurement Plan: 10/11/2022

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

1. Procurement and Consulting Methods and Thresholds

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

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works	\$40,000,000 and above	
International Competitive Bidding for Goods	\$3,000,000 and above	
National Competitive Bidding (NCB) for Works	Between \$100,000 and \$39,999,999	The first NCB is subject to prior review thereafter, post review.
National Competitive Bidding for Goods	Between \$100,000 and \$2,999,999	The first NCB is subject to prior review thereafter, post review.
Shopping for Works	Up to \$99,999	
Shopping for Goods	Up to \$99,999	

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS) for Consulting Firm	
Individual Consultant Selection for Individual Consultant	

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

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

Package Number	General Description	Estimated Value	Procurement Method	Review	Bidding Procedure	Advertisement Date (quarter/year)	Comments
EPC-01	Dantiwara-Pipar-Merta City (SH-21)	33,682,736.39	NCB	Prior	1S2E	Q1/2022	Prequalification of Bidders: No Domestic Preference Applicable: No Advance Contracting: Yes Bidding Document: Others e-GP: Yes e-GP Type: e-Bidding Comments: EPC mode of Contract
EPC-02	Churu-Taranagar-Nohar (SH-36)	36,447,983.16	NCB	Prior	1S2E	Q1/2022	Prequalification of Bidders: No Domestic Preference Applicable: No Advance Contracting: Yes Bidding Document: Others e-GP: Yes e-GP Type: e-Bidding Comments: EPC mode of Contract
EPC-03	Kherli-Nadbai-Kumher (SH-44)	11,471,092.82	NCB	Prior	1S2E	Q3/2022	Prequalification of Bidders: No Domestic Preference Applicable: No Advance Contracting: Yes Bidding Document: Others e-GP: Yes e-GP Type: e-Bidding Comments: EPC mode of Contract
EPC-04	Paloda-Garhi-Anandpuriupto State Border (SH-10A)	22,667,902.70	NCB	Prior	1S2E	Q2/2022	Prequalification of Bidders: No Domestic Preference Applicable: No Advance Contracting: Yes

D. Non-ADB Financing

The following table lists goods, works, and consulting services contracts over the life of the project, financed by Non-ADB sources.

Goods and Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments

Consulting Services				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments

Gender Equality and Social Inclusion Action Plan Monitoring Matrix

Date Prepared:
Project Title:
Country:
Project No.:
Loan No.:
Approval and Timeline/Duration of the Project:
Gender Category:
Name of Gender Specialist/ Gender Focal Point:
Quarter Covered by Update:

Activity	Indicators and Targets	Progress to Date		Issues and Challenges (Please include reasons why an activity was not fully implemented, or if targets fall short, or reasons for delay, etc.)
		Progress for the Quarter (This should include information on progress for the current quarter-- qualitative and quantitative updates (sex-disaggregated data))	Cumulative Progress (This should include information on progress (qualitative and quantitative updates including sex disaggregated data) from the start of the implementation of the GESI-AP to the previous quarter's progress report.)	
Output 1: State highways and major district indicators roads improved				
1.1 Include EWCD-responsive features in state highways and major district roads	1. At least 290 km of state highways and MDRs incorporate EWCD-responsive design and safety measures ⁱ (2022 baseline: 0) 2. At least one bus stop with EWCD-responsive features in each of the 7 districts constructed ⁱⁱ (2022 baseline: 0)			

1.2. Enhance livelihood opportunities for women	3. Demonstration wayside facilities ⁱⁱⁱ in EPC 2 (3 numbers) and EPC 4 (1 number) toll plazas with amenities for livelihood and services for women (2022 baseline: 0)			
	4. At least 140 women from 7 subproject districts trained in livelihood skills ^{iv} for use in wayside facilities (2022 baseline: 0)			
1.3. Organize gender-based awareness campaigns	5. Awareness campaigns on road safety, HIV/AIDS, human trafficking, and gender-based violence conducted in 59 villages in the project area where 40% of participants are women (2022 baseline: 0)			
	6. Poster boards with vital information on road safety and health including HIV/AIDS, human trafficking, gender-based violence, and COVID-19 installed in 70% of schools in the 59 villages of the project area (2022 baseline: 0)			
Output 2: Capacity of RPWD enhanced				
2.1 Hold training workshops on GESI-responsive highway development for RPWD staff and contractors	7. 5 training workshops prepared and conducted for RPWD, PPP division, PIU officials on GESI-responsive highway development, with at least 90% eligible women as participants (2022 baseline: 0) 8. 4 training workshops prepared and conducted for contractors on enhancing female workforce participation, HIV/AIDS, human trafficking, and gender-based violence awareness (2022 baseline: 0) 9. Post-training survey conducted to assess enhanced awareness on GESI related concerns amongst the trained officials. At least 80% personnel trained			

	report increased understanding of GESI in the transport sector (2022 baseline: 0)			
2.2 Conduct training workshops for staff in PWD, PPP and PIU on GRB	10. 2 training workshops on GSB conducted for staff in RPWD, PPP division, and PIU with 10 women participants (2022 baseline: 0) 11. Post training evaluation survey indicates 80% of participants have acquired knowledge and skills in GRB (2022 baseline: 0)			
2.3 Prepare and adopt a guidance note on gender-based violence and sexual harassment at PPP Unit and PIUs	12. One guidance note for implementation of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal Act, 2013) for the PPP Unit and PIUs prepared and adopted (2022 baseline: 0)			
Project Management Activities				
The RPWD oversees implementation, monitoring, and reporting of the GESI action plan	1. Gender focal points in PPP (RPWD) and PIUs appointed and mobilized to supervise GESI-AP implementation			
	2. One gender expert in PMC/PIC appointed and mobilized to implement GESI-AP activities			
	3. Implementation NGO gender specialist appointed and mobilized to support GESI-AP implementation			
	4. Reporting of GESI-AP implementation: (i) quarterly progress reports; and (ii) completion report along with all supporting material for each GESI-AP targets			

COVID = coronavirus disease, EWCD = elderly, women, children and people with disability; EPC = Engineering, Procurement and Construction; GESI = gender equality and social inclusion; GESI AP = gender equality and social inclusion action plan; GRB = Gender Responsive Budgeting; HIV/AIDS = Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome; NGO = non-governmental organization; MDR = major district roads; PIC = project implementation consultant; PIU = project implementation unit; PMC = project management consultant; PPP (RPWD) = Public-Private Partnership (Rajasthan Public Works Department)

ⁱ Elderly, women, children, and people with disability (EWCD) features may include the well-marked crossings, safety signage, pedestrian walkways, railings along roads, covered drains, paved shoulder (hard shoulder) and earthen shoulder (soft shoulder), speed bumps, rumble strips, guard stones and solar blinkers. Other gender-responsive features include streetlights; well-lit bus stops, and with CCTV cameras at warranted locations; and separate toilets suitable for women, children, and people with disabilities

ⁱⁱ The districts are Johdpur, Nagaur, Churu, Hanumangarh, Alwar, Bharatpur and Banswara. Bus stands / bus shelters located in proximity to educational / health institutions, community centers, habitations, and factories with EWCD-responsive features as per the Ministry of Road and Transport Guidelines (e.g., adequate and comfortable seating provisions, ramps, roof, solar lights, and emergency contact details (in English and local language).

ⁱⁱⁱ Wayside amenities provide rest and refreshment for highway commuters during their journey. They may be stand-alone facilities or integrated in petrol stations. The amenities include, but are not limited to, restaurants, food courts, *dhaba*, fuel pumps, minor repair shops, pharmacies, dormitories for drivers, kiosks and clean, hygienic and segregated rest rooms.

^{iv} A needs assessment will be conducted to identify relevant livelihood skills