

INDIA  
STATE OF KARNATAKA

May 24, 2016

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

INDIA: Loan No. 8601-IN  
(Karnataka Urban Water Supply Modernization Project)  
Performance Monitoring Indicators

Dear Sirs and Mesdames:

We refer to: (a) Section II.A of Schedule 2 to the Loan Agreement of even date between India and the International Bank for Reconstruction and Development (Bank); and (b) Section II.A of the Schedule to the Project Agreement between the Bank and the State of Karnataka.

Unless otherwise agreed with the Bank, we shall monitor and evaluate implementation of the Project in accordance with the Performance Monitoring Indicators attached to this letter.

Very truly yours,

INDIA

By \_\_\_\_\_  
Authorized Representative

STATE OF KARNATAKA

By \_\_\_\_\_  
Authorized Representative

Attachment – Performance Monitoring Indicators

Public Disclosure Authorized

Public Disclosure Authorized

## Results Framework and Monitoring

### India: Karnataka Urban Water Supply Modernization Project (P130544)

**PDO:** The PDO is to provide city-wide access to a continuous piped water supply in the eligible cities in the state of Karnataka and to strengthen service delivery arrangements at the city level.

**These results are at:** Project Level

#### Project Development Objective Indicators

	Type of Indicator	Baseline	Cumulative Target Values**					
			YR 1	YR 2	YR3	YR 4	YR5	YR6
<b>Indicator 1:</b> Direct project beneficiaries (number), of which female (percentage) and BPL (percentage)	Core	100,000	100,000	250,000	750,000	1,100,000	1,100,000	1,100,000 Female: 48%; BPL: 16%
<b>Indicator 2:</b> Operations escrow accounts functioning without a continuing breach of covenants during the reporting year	Custom	0	0	1	1	1	1	1
<b>Indicator 3:</b> PPP for water service delivery awarded and functioning	Custom	0	0	1	1	1	1	1
<b>Indicator 4:</b> Establishment of operational city-owned SPV responsible for water services	Custom	0	0	1	1	1	1	1

#### Intermediate Results Indicators

##### Component 1: Capital Investment Program

<b>Indicator 5:</b> Number of people in urban areas provided with access to improved water	Core	0	0	75,000	125,000	200,000	200,000	200,000 Female: 48%; BPL: 16%
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sources' under the project, of which female, BPL	Type of Indicator	Baseline	Cumulative Target Values**					
			YR 1	YR 2	YR3	YR 4	YR5	YR6
<b>Indicator 6:</b> New piped house connections resulting from the project intervention, of which BPL (percentage)	Core	0	0	15,000	50,000	60,000	60,000	60,000 BPL: 16%
<b>Indicator 7:</b> Piped household water connections benefitting from rehabilitation works undertaken by the project, of which BPL (percentage)	Core	0	0	20,000	70,000	96,000	96,000	96,000 BPL: 16%
<b>Indicator 8:</b> Length of new distribution pipeline installed (Kilometers)	Custom	0	0	300	1,000	1,500	1,500	1,500 (Max)
<b>Indicator 9:</b> Additional treatment plant capacity installed (MLD)	Custom	0	0	10	25	50	50	50 (Max)
<b>Indicator 10:</b> DMAs with 25% leakage or less	Custom	0	0	13	40	50	50	50
<b>Component 2: Institution Building</b>								
<b>Indicator 11:</b> Water utilities the project is supporting	Core	0	0	1	1	1	1	1
<b>Indicator 12:</b> Institutional development plan for the SPV prepared and approved by the ULB	Custom	0	0	1	1	1	1	1

Type of Indicator	Baseline	Cumulative Target Values**						
		YR 1	YR 2	YR3	YR 4	YR5	YR6	
<b>Indicator 13:</b> Customer information management and billing system functioning	Custom	0	0	1	1	1	1	1
<b>Indicator 14:</b> GIS functioning	Custom	0	0	1	1	1	1	1
<b>Indicator 15:</b> SPV's involvement in management of water supply operations in the city (%)	Custom	0	0	50	70	80	90	90
<b>Indicator 16:</b> Grievances registered related to delivery of project benefits addressed (%)	Core	0	0	60	70	80	90	95
<b>Indicator 17:</b> Revenue collection efficiency in the city	Custom	Low	Low	From the SIP	80	85	90	95

### Component 3 : Technical Assistance for Sector Development

<b>Indicator 18:</b> Customer feedback survey completed and available online for improved social accountability	Custom	0	0	1	1	1	1	1
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Note: BPL = Below Poverty Line; DMA = District Metering Area.