



Housing and Communal Services Project (P079032)

EUROPE AND CENTRAL ASIA | Russian Federation | Social, Urban, Rural and Resilience Global Practice Global Practice | IBRD/IDA | Specific Investment Loan | FY 2008 | Seq No: 17 | SUBMITTED | ISR27080 |

Implementing Agencies:

Key Dates

Key Project Dates

Bank Approval Date:26-Feb-2008

Effectiveness Date:05-Feb-2010

Planned Mid Term Review Date:17-Mar-2014

Actual Mid-Term Review Date:13-Apr-2014

Original Closing Date:30-Nov-2012

Revised Closing Date:15-May-2018

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective is to reform and modernize the housing and communal services sector at the regional and municipal levels.

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

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

The objective is to reform and modernize the housing and communal services sector at the regional and municipal levels.

Components

Name

Support to HCS reform implementation at the federal level:(Cost \$2.12 M)

Support to implementation of HCS reforms at the sub-national level:(Cost \$8.54 M)

Preparation and implementation of HCS investment plans:(Cost \$188.94 M)

Project management and monitoring of results:(Cost \$6.40 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory



Overall Risk Rating

● Moderate

● Moderate

Implementation Status and Key Decisions

The Project implementation progresses satisfactorily, with more than 84 percent of the loan funds disbursed as of beginning of February 2017. Most Project Development Objective (PDO) indicator targets have either been met or are showing a positive momentum and are expected to be met following the completion of all the investment contracts. The Project has had a significant impact on the housing and municipal services reform agenda of the participating cities. Positive impacts include, among others, elimination of arrears in social payment (0 percent against the baseline of 20 percent), increase in the percentage of multi-family buildings managed by professional management companies (98 percent against the end target of 90 percent with the baseline of 15 percent), and reduced number of pipe breaks in distribution networks. Due to these changes and communication campaign implemented under the Project, the customer satisfaction rating of HCS quality has improved consistently in the participating cities up to 76 percent (compared to the baseline value of 55 percent). The number of the Project beneficiaries exceeded 2 million people, and more than 1.1 million of them are female. The rehabilitation of the water networks under the Project resulted in 196,300 improved piped household connections. Further improvements in the quality of services are expected once all on-going investment contracts are completed.





Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Substantial	● Substantial
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Substantial	● Substantial
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	--	--
Overall	--	● Moderate	● Moderate

Results

Project Development Objective Indicators

► Quality of delivery of communal services for the population improved (percentage of population rating services as satisfactory or better) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10%	73%	76%	80%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018



► Social payment arrears eliminated (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20%	0%	0%	0%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

► Percentage of municipalities that have completed monetization of housing allowances and where cash payments are transferred to individual social accounts of citizens (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	80%	100%	100%	100%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

► Percentage of multi-family buildings managed by professional management companies (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15%	98%	98%	90%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

Indicator value of 98% includes all types of management companies, including private managing companies (84%), as well as homeowners associations and housing cooperatives

► Percentage of private companies managing communal sector facilities on the basis of concession agreements and other agreements in the total number of communal entities (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	18%	82%	70%	65%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

Verified actual value of indicator



► Percentage of private investments in the total amount of investments to upgrade the communal infrastructure (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	26%	95%	100%	70%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

► Quality of delivery of communal services, including district heating, water supply, hot water supply and waste water disposal, improved (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Number of pipe breaks: 30.4 in water supply systems, 19.2 in waste water systems, 10.5 in heating systems	Number of pipe breaks: 0.15 in water supply systems, 0.03 in waste water systems, 0 in heating systems	Number of pipe breaks: 0 in water supply systems, 0.05 in waste water systems, 0 in heating systems	Number of pipe breaks: 6.08 in water supply systems, 3.8 in waste watersystems, 2.1 in heating systems; Net output of water 97% andnet outputof heat 97%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

Based on data collected in the project participating cities with respective type of investments supported, for calendar year 2015. Data for calendar year 2016 will be available in March 2017.

▲ Number of breaks per km of pipe a year in cold water services (Text, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	30.40	0.15	0.00	6.10
Date	30-Jun-2008	01-Jun-2016	01-Feb-2017	15-May-2018

▲ Number of breaks per km of pipe a year in wastewater systems (Text, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	19.20	0.03	0.05	3.80
Date	30-Jun-2008	01-Jun-2016	01-Feb-2017	15-May-2018

▲ Number of breaks per km of pipe a year in heating systems (Text, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.50	0.00	0.00	2.10
Date	30-Jun-2008	01-Jun-2016	01-Feb-2017	15-May-2018

► Financial viability of communal entities, including district heating, water supply, hot water supply and waste water disposal, improved (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	60.00	25.00	38.00	10.00
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

End target value is not fully achieved due to impact of financial crisis enhanced by declined sales due to transition from payments made by consumers based on consumption standard to payments made on basis of metered consumption, while the caps on tariffs (maximum increase in tariffs) were regulated by the state and were not allowed to be increased. Caps on tariffs and decline in sales led to reduction in gross revenues of the enterprises, with the expenditure part being unchanged, which was the main reason of the increased number of loss-making enterprises in the Russian communal sector in 2015. At the same time, the reached value of 38% share of loss-making utilities in the project participating cities is much lower than the average share of 49.2% loss-making communal enterprise in Russia (data of Unified Inter-Agency Statistic System of the Russian Federation, 2015).



Overall Comments

Intermediate Results Indicators

▶ Number of water utilities that the project is supporting (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	9.00	9.00	8.00
Date	04-Sep-2009	01-Jun-2016	01-Feb-2017	15-May-2018

▶ Piped household water connections that are benefiting from rehabilitation works undertaken by the project (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	201,500.00	161,000.00
Date	14-Dec-2012	01-Nov-2013	01-Feb-2017	15-May-2018

▶ Volume(mass) of BOD pollution load removed by treatment plant under the project (Tones/year, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	61.80	86.00	44.30
Date	14-Dec-2012	01-Jun-2016	01-Feb-2017	15-May-2018



► Number of people in urban areas provided with access to Improved Water Sources under the project (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	320,000.00	647,100.00	563,500.00
Date	14-Dec-2012	01-Jun-2016	01-Feb-2017	15-May-2018

► Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	971,500.00	2,056,000.00	2,170,000.00
Date	14-Dec-2012	01-Jun-2016	01-Feb-2017	15-May-2018

▲ Female beneficiaries (Percentage, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1,103,000.00	1,165,000.00

► Percentage of participating cities connected to the Integrated HCS Information system financed under the project (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No portal	80%	60%	30%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

Target achieved. Verified actual value of indicator



► Percentage of worn-out assets in the communal infrastructure (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	66%	68%	57%	45%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

Target value is expected to be achieved after completion of all investment contracts

► Amount of payable arrears of HCS entities (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	297.7 bln. rubles	16.9 bln. rubles	16.9 bln. rubles	25.0 bln. rubles
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Comments

New data will be available in March 2017

► Percentage of municipal investment plans prepared under the project and percentage already implemented (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No investment plans	61%	70%	80%
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018




► Number of participating municipalities which have implemented their reform programs by at least 80 percent (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0 municipalities	14.00	14.00	14.00
Date	09-Apr-2008	01-Jun-2016	01-Feb-2017	15-May-2018

Overall Comments

Data on Financial Performance

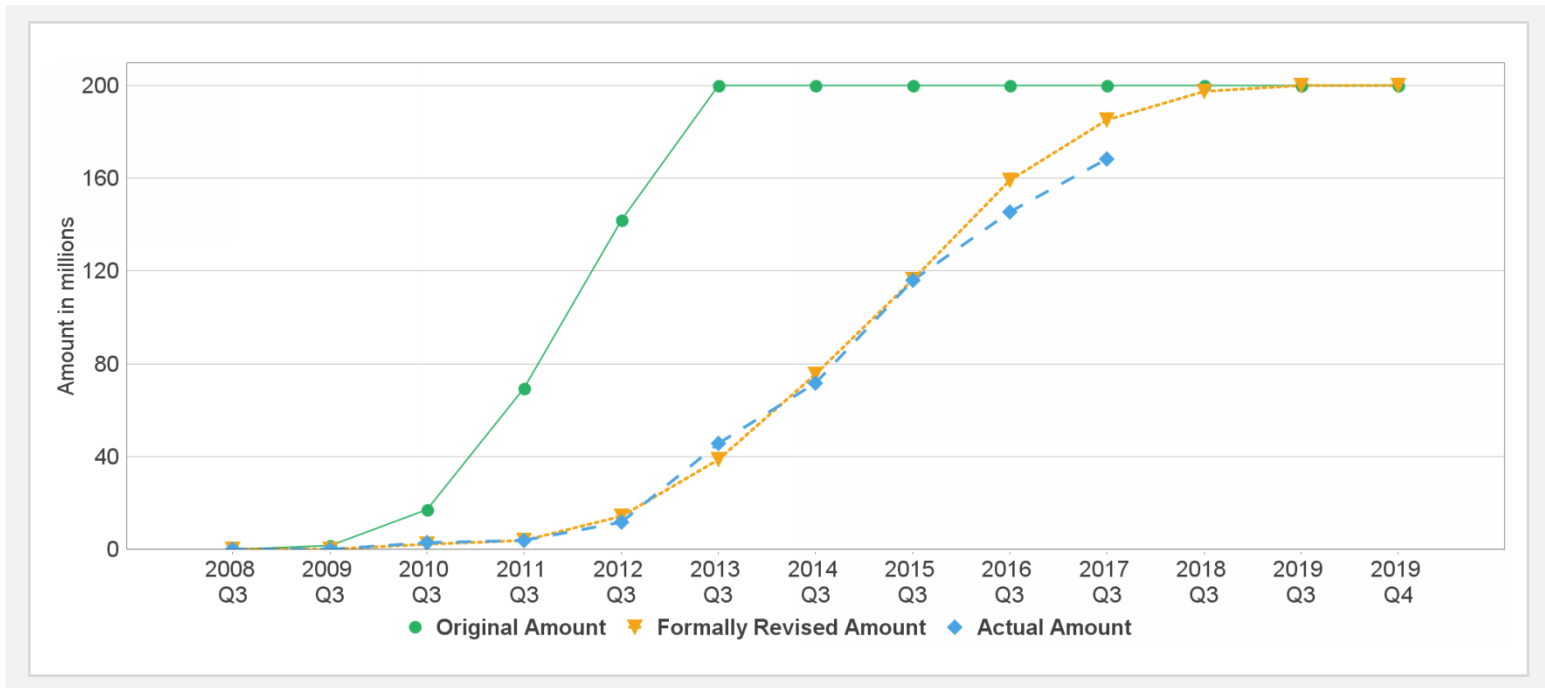
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P079032	IBRD-48880	Effective	USD	200.00	200.00	0.00	168.25	31.75	 84%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P079032	IBRD-48880	Effective	26-Feb-2008	16-Sep-2009	05-Feb-2010	30-Nov-2012	15-May-2018

Cumulative Disbursements



Restructuring History

Level 2 Approved on 28-Jun-2013 ,Level 2 Approved on 07-Dec-2015

Related Project(s)

There are no related projects.