

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
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May 13, 2013

Mr. B. K. Patnaik
Chief Secretary & Chief Development Commissioner
Government of Odisha
Secretariat
Bhubaneswar

Dear Mr. Patnaik:

***India: Odisha State Roads Project (OSRP) - (Loan No. 7577-IN)
Implementation Support Mission, April 08-27, 2013***

I thank the Government of Odisha (GoO) and the Odisha Works Department (OWD) for the support extended to the Bank team during the Implementation Support Mission held during April 08-27, 2013.

I am glad to note that the project has now been formally restructured and activities related to procurement, land acquisition, resettlement & rehabilitation and the Utility shifting and Institutional Development Component have continued to progress. At the same time I recognize that achievement of physical and financial progress on the ground will be contingent upon expeditious contract award, mobilization of contractors and commencement of work in these packages and these processes are yet to be finalized. Accordingly, we are retaining the “moderately unsatisfactory” rating for the project for now.

You will appreciate that in order to ensure successful implementation of the project it is important to maintain the good momentum that was built up during the restructuring effort. In this regard, I would like to draw your attention to two key issues which need your support and guidance:

Finalization of the revised R&R entitlement framework, which shall be a pre-requisite for award of contracts for the upgradation of the Jagatpur-Chandbali road. We have reviewed the revised R&R framework shared by PMU and found it to be acceptable with one notable exception. The revised framework proposes that the *shop-keepers* with legal title would be given “100 sq.m. of land or Rs.15,000/- in lieu thereof”. This appears to be inequitable considering that the option of Rs.15,000/- is unlikely to be adequate to acquire 100 sq.m. of land at the current market prices. Also, such an unbalanced compensation structure enhances the risk of resistance/litigation, with adverse implications for the timely implementation of the project. Accordingly, we request you to kindly consider upward revision of the compensation amount to a more appropriate level, for example, as was done in the case of title holders of residential properties. The mission already suggested alternative formulations for this compensation and would be happy to provide any further clarifications or assistance you may require in this regard. A

comparative analysis of packages offered to affected legal shopkeepers in other states/projects is attached herewith for your ready reference.

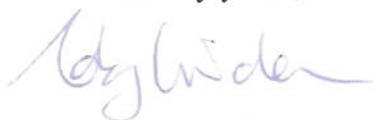
Civil Works contracts' procurement and preparatory activities: Of the total of six contract packages under the project, five are in various stages of procurement. We are glad to note that the government is keen to expedite the award of these contracts before the end of July 2013. In order to translate this intent into reality, the pace of related land acquisition and R&R activities needs to be accelerated including through early convening of the Rehabilitation and Peripheral Development Committees (RPDCs) and arranging timely disbursement of various forms of compensation. In a similar vein, the administrative decisions related to contract award would need to be processed on a priority basis, especially at the state government level. Accordingly, we request that the State-Level Empowered Committee (SLEC) closely monitor the progress of procurement as well as preparatory activities related to these five contracts, viz., Bhawanipatna-Khariyar (P-01A & P-01B), Anandpur-Bhadrak-Chandbali (P-02), and Jagatpur-Chandbali (P-04A & P-04B).

A copy of the Aide Memoire detailing our team's assessment of the project progress, along with the suggestions and agreements reached with the Project Management Unit (PMU) on a set of actions for further improving the pace and quality of implementation, is attached.

Our task team stands ready to assist the GoO and can participate in any review/discussion meetings that you may wish them to attend. Should you require any clarifications, please do not hesitate to contact my colleagues Mr. Rajesh Rohatgi (email: rrohathgi@worldbank.org) or Mr. Sri Kumar Tadimalla (email: stadimalla@worldbank.org).

With regards,

Sincerely yours,



Toby Linden
Acting Country Director, India

Enclosure: R&R Package offered for Affected Legal Shop Owners in Various Indian States

cc: Mr. Vijay Chibber, Secretary, Ministry of Road Transport & Highways,
Government of India, New Delhi
Mr. Nilaya Mitash, Joint Secretary (MI), Department of Economic Affairs,
Ministry of Finance, Government of India, New Delhi
Mr. C. Kandasamy, Director General, Ministry of Road Transport & Highways,
Government of India, New Delhi
Mr. J. K. Mohapatra, Principal Secretary, Department of Finance, Government of
Odisha
Mr. S.K. Ray, Engineer-in-Chief-cum-Secretary, Odisha Works Department,
Government of Odisha
Mr. N.K. Prachan, Chief Engineer, (World Bank Projects), Odisha Works
Department, Government of Odisha
Ms. Aparna Bhatia, Director (MI), Department of Economic Affairs, Ministry of
Finance, Government of India, New Delhi

Attachment

R&R Package offered for Affected Legal Shop Owners in Various Indian States

Various Indian states and projects have adopted different packages to enable the affected land losers and legal shopkeepers to re-establish their business with a mixture of compensation and rehabilitation benefits. The underlying principle has been to provide an overall package commensurate with the replacement value (actual market value) of the affected property. States such as Andhra Pradesh, Kerala, Karnataka, and Punjab have adopted consent award methods to determine land prices rather than going by the registered/circle rates for LA compensation. For example, Bihar in 2007 adopted an approach offering the land losers 30% solatium after adding 50% to the registered cost/circle rate (considering 150 % as base). Their policy offers 60% solatium on 150% of the registered value if the land loser voluntarily hands over the land. This effectively works out to 240% of circle rate or registered value of the land acquired. Similarly, Haryana and Uttar Pradesh have revised their LA packages several times in the last two years in order to keep pace with changing real estate markets. The Ministry of Railways, Uttar Pradesh and Haryana offer attractive R&R packages to top up compensation packages. Provided below is a table explaining details of compensation and R&R packages offered in different states.

State/Project	Entitlements for a Displaced Legal Shop Owner
Karnataka (2010)	<ul style="list-style-type: none"> a) Land Compensation through negotiations at 150% in fully developed urban and 200 % of guidance value or average of sale deeds whichever is higher b) Structure compensation at BSR without depreciation plus 30% solatium c) 25% extra compensation for partially affected structures d) RR Assistance e) SHOP: Alternative shop or INR 75,000 as income asset restoration assistance (or provision of shop in market complex if over 20 shops affected in 2 km stretch) + Shifting allowance of INR 10,000 – Subsistence allowance of INR 30,000 f) RES-cum-SHOP: Developed Plot for those without homestead+ INR 40,000 + Alternative Shop, or INR 75,000+ INR 10,000 as shifting allowance + INR 30,000 subsistence allowance+ INR 25,000 as grant g) TENANTS (C/ R+C) : rental allowance of INR 6000 in rural and Rs 9000 in urban areas; INR 10,000 as shifting allowance, and 75,000 as income assistance
Punjab (2007)	<ul style="list-style-type: none"> a) Compensation through private negotiation (negotiated at 1.5 Crore per acre) + structure costs without depreciation b) 25% extra compensation for partially affected structures for repairing/strengthening; in case of Kutcha structure actual amount of the structure subject to a minimum of Rs. 6000/-. c) For self-relocating persons additional support for construction @ 25 % of structure compensation or INR 30000/- whichever is higher/ or . d) Shops as defined in Para 15(b, c and d). e) Transitional allowance for 90 days @ Average Wage Rate (AWR) of Punjab. f) Shifting allowance @ Rs. 1000/- for Kutcha and Rs. 2500/- for Pucca structures. g) Livelihood support as 9 months wage towards re-establishing livelihood h) Training.
DFCCIL (2010)	<ul style="list-style-type: none"> a) Compensation at latest declared state rate or 160% of circle rate, whichever is higher

	<ul style="list-style-type: none"> b) Structure compensation at BSR without depreciation c) Re-imbursement of stamp duty d) INR 20,000 as ex-gratia to individual Khatedars e) INR 25,000 to artisans, self-employed, traders, etc. f) INR 10,000 as shifting allowance g) INR 15,000 for cattle shed, if attached h) 750 days of minimum wage as livelihood assistance i) Construction allowance if BPL
Kerala (2012)	<ul style="list-style-type: none"> a) Compensation at replacement value as decided by land Purchase Committee (Recently Kerala government fixed a price of INR 11,45,364 for one cent (1 acre=100 cents) of land in the Pappanamcode-Karakkamandapam stretch for widening of Karamana-Kaliyikavila road) b) Structure cost without depreciation c) INR 36000 towards 6 months rent+ INR 35000 towards shifting d) Employment allowance for up to two persons @ INR 36000 (companies Excl) e) INR 200,000 as RR assistance for commercial tenants (Banks, companies Excl.)
AP (2007)	<ul style="list-style-type: none"> a) Compensation through flexible consent award starting with 150 % of registered value as base price for negotiation (award can go up to 190% at SLAO level and up to 300% of registered value with government approval) b) Structure compensation at BSR without depreciation c) An alternate site (40 sm in rural or 25 sm in urban or cash equivalent in lieu thereof.+ construction assistance of INR 10,000/ alternate shop/work place allotted by project. d) Subsistence allowances equal to 240 days of minimum wages. e) A transportation allowance of INR 2000-7,000 .
Maharashtra Cyclone Risk Reduction Project	<ul style="list-style-type: none"> a) Cash compensation for the land and structure at replacement cost shall be given to the titleholder as decided by the Competent Authority. b) If the replacement cost is more than the compensation (at "market price" as determined by the land acquisition authority), then difference to be paid in the form of "assistance". c) Stamp duty and other fees payable for registration shall be borne by 'requiring body' . d) In the case of loss of house, a house may also be offered in lieu of the acquired house (150 sm in urban and 250 sm in rural areas). e) In case of linear acquisitions, an ex-grata amount will be paid as decided by the competent authority at the time of acquisition f) Each PAF shall get financial assistance, and transportation cost for shifting of building materials, belongings etc. as per NRRP, 20007 or State Policy g) For partially affected structures, compensation at replacement cost for loss of affected area with assistance for repairing partially affected/ remaining structure.

INDIA

Odisha State Roads Project

Seventh Implementation Support Mission, April 08-23, 2013

Aide Memoire

I. INTRODUCTION

1. A World Bank team¹ undertook the seventh implementation support mission for the Odisha State Roads Project (OSRP) during April 08-23, 2013. The primary purpose of this mission was to ascertain the overall implementation status of the project. The mission visited all four corridors and held discussions with the Project Management Unit (PMU), contractor, consultants Odisha Forest Development Corporation (OFDC) and field divisions of Odisha Works Department (OWD).

2. A wrap-up meeting, chaired by the OWD Secretary, Government of Odisha (GoO) was held on April 12, 2013. The mission also met the Development Commissioner and briefed him on overall project status and key issues. This aide-memoire summarizes mission assessment, the findings and recommendations to improve the implementation status of the project.

II. KEY PROJECT DATA & PERFORMACNE RATING

Key Project Date		Project Performance		
<i>Loan Amount:</i>	US\$196 million	Summary Ratings	Last	Now
<i>Board Approval:</i>	Sep 30, 2008			
<i>Effectiveness Date:</i>	April 15, 2009	Development Objectives	MU	MU
<i>Project Age:</i>	46 months	Implementation Progress	MU	MU
<i>Disbursed:</i>	US\$ 20million (8%)			
<i>Closing Date:</i>	June 30, 2016	Risk Flags: Slow Disbursement		

HS=Highly Satisfactory; **S**=Satisfactory; **MS**=Moderately Satisfactory; **MU**=Moderately Unsatisfactory; **U**=Unsatisfactory; **HU**=Highly Unsatisfactory; **NA**=Not Applicable; **NR**=Not Rated

III. SUMMARY

3. Subsequent to the lifting of suspension of disbursement on October 9, 2012, the restructuring of the project has been completed, which came into effect from April 9, 2013. The restructuring involved following key changes to the project

¹ Consisting of Messrs/Mmes Rajesh Rohatgi (Mission Leader), Sri Kumar Tadimalla (CO-TTL) Manvinder Mamak (Financial Management Specialist), Khabilongshup Khumujam (Environmental Specialist), Satya N. Mishra (Social Development Specialist), Swayamsiddha Mohanty (Procurement Specialist), Amrit Inder Singh (Consultants - Highway Engineering), Ernst Huning (Consultant, Institutional Development), Krishnan Srinivasan (Consultant, GAAP) and N S Srinivasan (Operations Analyst)

- i. Changes in the scope of Road Corridor Improvement Component – Removal of two major road work contracts and one minor bridge contract from phase II
- ii. To remove “PPP enabling support” from the component entitled, “PPP Enabling, Sector Policy and Institutional Development and Implementation Support.”
- iii. Cancellation of US\$ 45m from the Loan
- iv. To extend the loan closing date by 18 months until June 30, 2016, from the original closing date of December 31, 2014.

4. In addition, the proposed restructuring includes corresponding changes to (i) results monitoring framework; (ii) Financing plan and Project Costs; (iii) Governance and Accountability Action Plan and; (iv) Legal Agreements.

5. The mission was pleased to note that activities related to procurement, LA, R&R, Utility shifting and Institutional Development component are progressing apace. Out of the six civil contracts, P03 (Berhampur – Taptapani) has been awarded, while the procurement activities for five contracts, viz., Bhawanipatna-Khariyar (P-01A & P-01B), Anandpur-Bhadrak-Chandbali (P-02), and Jagatpur-Chandbali (P-04A & P-04B) are ongoing. However, the achievement of physical and financial progress on the ground will be contingent upon expeditious contract award, mobilization of contractors and commencement of work in these packages.

6. The implementation of institutional development component is generally satisfactory but there are signs of slippage in some important milestones, requiring more proactive management and closer monitoring by OWD. In that context, the combined capacity of the OWD ‘ISAP Cell’ and the agency-wide ‘ISAP nodal officers’ for the ISAP implementation may need further strengthening over coming year to deal effectively with the increasing outputs and impacts of the IS consultancies.

7. **Key Implementation Issues:** The mission updated the status of action agreed during the previous mission (Annex 1) and suggested an action plan to resolve current implementation issues (Annex 2). Following paragraphs describe key issues, which need to be urgently resolved by the GoO

- **Finalization of the revised R&R entitlement framework,** which shall be a pre-requisite for award of contracts for the upgradation of the Jagatpur-Chandbali road (P04 A and P04B) have been reviewed by the Bank and found acceptable with one notable exception. The revised framework proposes that the shop-keepers with legal title would be given “100 sq.m. of land or Rs.15,000/- in lieu thereof”. This appears to be inequitable considering that the option of Rs.15,000/- is unlikely to be adequate to acquire 100 sq.m. of land at the current market prices. Also, such an unbalanced compensation structure enhances the risk of resistance/litigation, with adverse implications for the timely implementation of the project. Accordingly, we request you to kindly consider upward revision of the compensation amount to a more appropriate level, for example, as was done in the case of title holders of residential properties. The mission already suggested alternative formulations for this compensation and would be happy to provide any further clarifications or assistance you may require in this regard.
- **Civil Works contracts’ procurement and preparatory activities:** Of the total six contract packages under the project, five are in various stages of procurement. We are glad to note that the government is keen to expedite their award before the end of July 2013. In order to translate this intent into reality, the pace of related Land Acquisition and R&R activities needs to be accelerated including through early convening of the Rehabilitation and Peripheral Development Committee (RPDCs) and arranging timely disbursement of various forms of compensation. In a similar vein, the administrative decisions related to contract award would need to be processed on a priority basis, especially at the state government level. Accordingly, we request that the State

Level Empowered Committee (SLEC) may closely monitor the progress of procurement as well as preparatory activities related to these five contracts, viz., Bhawanipatna-Khariyar (P-01A & P-01B), Anandpur-Bhadrak-Chandbali (P-02), and Jagatpur-Chandbali (P-04A & P-04B).

- **Harmonization of IT Initiatives and Related Decisions:** The IT-based initiatives under the Institutional Development Component of the project are making notable progress. These activities – Odisha Road Asset Management System (ORAMS) and IT-ICT-MIS strategy – should ideally be harmonized with the other ongoing/planned IT interventions/approach of the state government, so as to avoid duplication or incompatibility with respect to software, hardware and bandwidth. For example, ORAMS could utilize/share the IT-infrastructure space and/or communication bandwidth that is already in place or likely to be made available by the Information Technology Department of the state government. Similarly, the contractors’ database being developed under the IT-ICT-MIS strategy would need to be dove-tailed with the e-procurement platform of the state government. In order to facilitate such harmonization and integration, PMU and OWD should have a good understanding of the existing/planned arrangements of the IT and other departments, so that they can suitably calibrate the timing and scoping of their IT-related procurement decisions. We request you to facilitate such co-ordination between PMU, OWD, IT and other departments.

8. **Monitoring and Evaluation** Result indicator framework has been revised as part of the project restructuring to reflect the changes as well as improve the overall monitoring of achievement of the PDOs. In this regard, two outcome indicators are proposed to be dropped namely – “favorable response by firms about the condition of road corridors improved under the project” and “(i) OWD efficiency and transparency improved; (ii) Operation and Maintenance arrangement for the Core Road Network put in place; (iii) core business functions fully operational; and (iv) OWD meets RTI disclosure requirements”. In place of these three new indicators are proposed namely – (i) Improvement in Road User Satisfaction Index; (ii) Improvement in Network Congestion Indices and; (iii) RTI compliance Ratio of PMU

9. Intermediate outcome indicator for Road Corridor Improvement Component “461 Km of state highways widened and upgraded efficiently” is being modified to “310 Km of state highways widened and upgraded efficiently”. Another intermediate outcome indicator “Social safeguard measures (R&R, TDP, HIV/AIDS Mitigation, and Road Safety Awareness program) effectively implemented in project corridors” is being replaced with “Percentage of project displaced households and/or business enabled to reestablish their shelter and/or business”. One of the Intermediate outcome indicators “One Road Identified for PPP is concessioned out to the private sector” for Institutional Development Component is being dropped. The targets are also being adjusted based on updated economic analysis and current status of various studies. As per the current framework, indicators will be assessed in the year 2014 and at the end of Project. Required consultants are on board to monitor indicators and secondary information to monitor indicators are also being collected by the PMU.

10. **Implementation Progress (IP) and Project Development Objective (PDO) Ratings** have been maintained at “Moderately Unsatisfactory” levels, which can be considered for upgrading upon award of remaining five civil work contracts by August 2013.

IV. ROAD CORRIDOR IMPROVEMENT COMPONENT

11. **P-01 Bhawanipatna - Khariar Road** The maintenance of this road is being done by EEs of OWD Kalahandi and Bhadrak. In the Kalahandi section, potholes have been filled from 0 to 2.4 km and 10.8 to 18.2km. SDBC layer has been provided on half width, 3.5m., from 21.66 to 24.57 km. But no maintenance work has been carried out from 4.0 to 10.2 km. The road on approaches to Tel Bridge, 27.0 to 30.0 km has totally disappeared and needs immediate reconstruction JE intimated that the approval for

these sections is awaited from CE (Roads). In the Bhadrak section, 40 to 70 km, the road is in a fair condition, thanks to the previous contractor for laying DBM and BC in long sections. In the balance portion, SDBC has been laid except from 67.55 to 70 km. The mission suggested EE Bhadrak to take up this portion also.

12. **P-02 Chandbali - Bhadrak road.** The mission appreciated efforts of PMU and local field divisions in undertaking repair works. The overall situation of roads as compared to last visit has been substantially improved. However, there is still a scope of improvement. The mission was informed that Repair work from 0 to 18 km is yet to be taken up as sanction for this was awaited, which may be expedited. The mission further pointed out that Tihidi and Bhadrak town (residential cum commercial) area are the critical stretches from road user's safety and needs immediate attention. Road safety works have been totally neglected, at many places the shoulders are missing and there are deep trenches which can cause fatal accidents. The mission suggested engaging a contractor for safety works. Some of the improvement suggested base on site visit include: (a) closing of abandoned work front at both ends and delineation with sand bags; (b) provide and enforce use of PPE by workers; (c) barricading cut off road section approaching to structures; and (d) at abandoned GSB work front being used for traffic plying, ensure water sprinkling to minimize dust generation (will aggravate with approaching summer). These actions are needed to avoid any further inconvenience, accident risk and hardship to people. OWD/PMU has further informed that additional fund has been sanctioned under regular road maintenance and tendering process is in progress.

13. **P-03 Berhampur – Taptapani Road.** The new contractor, M/s RKD Construction Pvt. Ltd. has started mobilization of machinery and manpower and it was certified by the contractor (along with PMU and Supervision consultant) that encumbrances free Mile Stone -1 (total 9.7km) has been handed over to him. During discussions, contractor informed that erection of Hot Mix Plant will be completed by July and in the intervening period he proposes to use another plant, 90-100 kms away. The mission suggested PMU not to accept the proposal and instruct the contractor to get the HMP erected at this site at top priority. The mission cautioned that, in case plant is not erected by May end it will not be possible for the contractor to complete MS-1 by its completion date of 24/11/2013. Supervision Consultant and PMU must closely monitor the progress and take suitable remedial measures as per the contract, if required.

14. There seems to be lack of communication between PMU and Consultant as different figures for the amount of Equipment and Machinery Advance released to the contractor by them. The mission had requested the Team Leader of Supervision Consultant in January to review the DPR and Bid documents in accordance with the Objective and the Scope of Services but this has so far not been done.

15. **P-04 Jagatpur- Chandbali Road** The mission highlighted that this is the most challenging road out of the four project roads. The alignment passes through a number of small and big towns, eg Kendrapara, as such there are many issues involved for smooth flow of both local and through traffic. The design data provided during our field visit indicated proposed road level, ranging from 0.8m to 2.4m from the existing level. This is a very critical issue since the existing embankment level is already sufficiently high w.r.t. to the general ground level (in some stretches even 3 to 5m above general ground level), water table looks to be about 5 to 6m below general ground level. Though the raising of embankment may be necessary in some stretches due to site conditions and past experience, yet, in mission's opinion there is ample scope for optimization of the proposed Finished Road Levels. With these exceptionally high road levels, there is a risk of creating Dykes and more problems in the area. The mission propose that the DPR should be thoroughly reviewed jointly by the supervision consultant and the PMU, before issuance of pre-bid minutes so that the adjustments in earthworks could be reflected in corrigendum.

16. *Construction Supervision Consultant* The mission was concerned to note the quality of services being provided by the Construction supervision consultants of phase I roads. The mission observed that review of the DPRs and Bid documents in accordance with the Objective and the Scope of Services was required to be done within two months of the commencement of services. However, the Bank has yet to see a detailed report in this regard by consultants. There have been considerable delays in submission of monthly progress reports (MPR). The quality of these reports is extremely poor. The Bank reviewed three MPRs and observed that the consultant has produced voluminous reports by copying/pasting same data but devoid of any substance. There are many mistakes, which show that consultants do not appear to have any quality control mechanism and no one is reviewing these reports before submission. The Consultant has mentioned about the maintenance of project roads but even the March report doesn't mention the progress achieved. Appending the identical photographs in different reports doesn't serve any purpose. The mission suggests PMU to take up this matter with management of CSC and issue appropriate contractual notices.

V. SOCIAL SAFEGUARDS MANAGEMENT

17. The mission reviewed progress of the land acquisition (LA) and resettlement and rehabilitation (R&R) activities for P-01, P-02, and P-03 with field visits to Berhampur-Taptapani road and Jagatpur-Chandbali (P04) roads. The LA and R&R activities have continued with compensation awarded for 80% of the land till date including relocation of 13 more structures in the last few months taking the tally to 2,070 of the total 2,821 in all phase I roads (Of 343 residential structures, 190 have been relocated; of 1600 commercial structures 1153 have been relocated; and of the 878 kiosks affected, 727 have been relocated).

18. The Project has progressed in addressing the outstanding safeguards issues in the following areas: (i) disclosing the entitlements, grievance redress processes, and eligibility lists amongst the people, (ii) setting out guidelines for providing site allowances to the displaced residential and commercial squatters, (iii) streamlining the grievance redress mechanisms with new GRCs constituted in Bhadrak and Kendrapara districts, (iv) establishing local resettlement committees (LRC) at key locations to accelerate R&R process, (v) issuing guidelines for valuation of affected structures, and (v) preparing the Draft external safeguards quality audit Report. The actions now requiring attention are: (i) completing balance LA for the Phase- I roads by August 2013, (ii) completing R&R for Phase-I roads with distributing site allowances amongst the displaced squatters by September 2013, (iii) providing ex-gratia in lieu of LA compensation to the affected tribal PAPs losing effective possession of land as per ORRP, 2006, (iv) delegation of responsibility to the field SLAOs to accelerate payment of agricultural allowances to the land losers; (v) addressing livelihood restoration issues raised in the draft safeguards review report, (vi) establishing GRCs in all the concerned districts, (vii) finalizing the draft safeguards review report with incorporating Bank review comments, and (viii) finalizing the RAP for P-04 with addressing the Bank's comments, specifically with regard to the Entitlements Framework. The safeguards rating has been maintained as Moderately Satisfactory.

19. *LA Status:* The quality of LA and R&R management has improved whereas the actual progress has been moderate in last six months. From June 2012 to January 31, 2013, LA award was completed for additional 0.61 acres of land with proposals for additional LA initiated for some 33 acres for the Phase-I roads. The SLAO (Ganjam) has assured to accelerate LA award for P-03 in the coming weeks. Contrary to the position stated by PMU in July 2012 that LA had been completed for P-01, available data showed that the PMU was making efforts to bridge gaps in LA requirements for P-01 with fresh LA proposals initiated in the last few months. Following tables provide a snapshot of LA R&R progress

Table: Summary of Progress in Land Acquisition*

Road Package	Number of Villages	Land Required (in Acres)	LA started (in Acres)	Awarded (in Acres)
P-01	46	80.00	80.00	64.45
P-02	80	70.190	70.190	57.020
P-03	33	53.04	53.04	41.754
Total	159	203.19	203.19	163.22

*Status shared with Bank in January 2013

Table: Progress in Relocation of Affected Structures (April 4, 2013)

Sl. No.	Package	No. of PAPs (R+C+K)	PAPs having No. of Structures (R+C+K)	Residential Structures *			Commercial Structures *			Kiosk (K)			Total (R+C+K)		
				No. of Affected Structures	Shfted after getting R&R Assistance	Rehabilitated	No. of Affected Structures	Shfted after getting R&R Assistance	Rehabilitated	No. of Affected Structures	Shfted after getting R&R Assistance	Rehabilitated	No. of Affected Structures	Shfted after getting R&R Assistance	Rehabilitated
1	P-01	236	247	76	72	68	114	111	105	57	57	39	247	240	212
2	P-02	1677	1734	112	76	62	992	930	658	630	561	386	1734	1567	1106
3	P-03	824	840	155	42	40	494	112	86	191	109	97	840	263	223
	Total	2737	2821	343	190	170	1600	1153	849	878	727	522	2821	2070	1541

20. *Progress in R&R:* As per the latest update provided in the Table-2, relocation of over 750 structures in Phase-1 roads is yet to be undertaken including over 160 structures for P-02 and over 570 structures for P-03. Given that the contract for P-03 has been awarded and the same for the rest two are expected to be done in the coming months, PMU has committed to finalize the eligible PAP lists and disburse compensation and R&R assistances to the remaining PAPs before August 2013. Local Resettlement Committees (LRC) have been formed at critical locations to finalize the eligibility lists and to ensure timely completion of R&R. Of 84 Common Property Resources (CPR) affected, 83 have been relocated. The PMU is requested to provide regular updates regarding the reconstruction of these structures.

21. *Finalizing RAP for Jagatpur-Chandbali Road (P-04):* The PMU has revised the Draft RAP for P-04 incorporating most of the Bank's review comments, broadly addressing the Bank's concerns except the entitlements offered for legal shopkeepers. The revised framework offers the legal shop-keepers with alternative plot of "100 sq.m. size or Rs.15,000/- in lieu thereof". This appears to be inequitable considering that the option of Rs.15,000/- is unlikely to be adequate to acquire 100 sq.m. of land at the current market prices. Also, such an unbalanced compensation structure could enhance the risk of resistance/litigation, with adverse implications for the timely implementation of the project. Therefore, the R&R package for the legal shop owners needs to be revised to a more appropriate level as has been done in the case of title holders of residential properties (shopkeepers are offered INR 52,500 (INR 15,000 as site allowance and INR 37,500 as construction allowance and residence-owners are offered INR 340,000 (INR 75,000 as site allowance, INR 225,000 as construction allowance and INR 36,000 as maintenance allowance). The experience shows that linear projects affect businesses more adversely than other categories in view of the former's loss of unique locational business advantage, and as a result road projects passing through urban/ semi urban settings suffer cost and time overruns due to opposition from the affected businesses and court litigation. The **Annex-3** provides an analysis of entitlements provided to affected shop owners in other Indian states.

22. *Site Allowances for Squatters:* Site allowances will be paid to all the residential and commercial squatters at rates agreed in the revised Entitlement Matrix for P-04 including those already relocated without receiving the same. The identification process has been very slow in view of lengthy procedures, which needs to be simplified for greater efficiency. The PMU informed the residential and commercial squatters occupying endowment lands shall be provided with site allowances and structure compensation.

23. *Agricultural Allowances:* In the last twelve months, the PMU has managed to award agricultural allowances to only 161 farmers of the total 4186 land losers, which shows inefficiency of the process adopted. In the interest of greater efficiency, the PMU has agreed to delegate the responsibility to the SLAOs to verify eligibility with land acquisition data and accordingly disburse the agricultural allowances to the eligible PAPs.

24. *External Safeguards Review:* The PMU has shared the draft Safeguards Review Report. The report has raised concerns regarding: (a) functioning of grievance redress mechanisms, (b) loss livelihoods of the displaced BPL families, (c) rehabilitating the displaced tribal families, (d) NGO capacity, and (e) institutional capacity issues. The Bank has advised the PMU to finalize the report incorporating the Bank's comments and prepare a Note explaining measures taken/ planned to be taken to address issues raised in the report including especially livelihood issues.

25. *Evaluation of the Affected Structures:* During field visit discussions, it was observed that a lack of shared understanding regarding the evaluation of the affected structures could slow down R&R process. The Chief of Social Management Unit (SMU) has issued guidelines clarifying the structure evaluation procedures to the concerned Works engineers, which is appreciated.

26. *Information Dissemination and Grievance Redress:* The SMU has with the help of NGOs and social mobilisers disseminated information regarding the entitlements and the GRC process. The contact information for GRCs needs to be clearly disclosed to the people. The process for constituting the GRC mechanism at the district level has been started and needs to be completed by May 2014, giving people to get their grievances resolved prior to the completion of the R&R process. The PMU is advised to document grievance applications received and resolved in order to monitor progress.

27. *Documentation and Monitoring:* The PMU has prepared detailed update for dealing with preconstruction activities for the P-03 and should adopt the same format for monitoring progress of similar activities for the other roads. The documentation available for monitoring progress in LA however was not up to date. The Chief –SEMU is requested to prepare an update using the agreed formats providing information regarding magnitude of land required, progress in acquiring the same and number of land owners affected.

VI. SECTOR POLICY AND INSTITUTIONAL DEVELOPMENT, AND IMPLEMENTATION SUPPORT COMPONENT

28. *Institutional Development* The main elements of the Institutional Strengthening Action Plan (ISAP) are now mostly satisfactorily underway within the respective revised timeframes, although the mission and OWD noted risks of potential delays in some important 2013 milestones in the three consultancy services providing support to the ISAP implementation (addressed more specifically below). The respective consultants' required staff are all now 'on board' and various major outputs have been submitted for progressive OWD decision / clearance. There are increasingly positive impacts and benefits from the part-time 'ISAP Facilitator' services engaged since late 2012, particularly in the more direct and focussed involvement by OWD senior managers, other GOO senior officials and the ISAP Steering Committee / Working Group in key ISAP fields, and in the OWD oversight of action by the main ISAP consultants. This support will be vital in achieving effective OWD results in the more

complex and challenging ISAP targets, such as the revision / modernization of the Odisha Works Code & Manual.

29. *ISAP Management Capacity*: The circumstantially-reduced ISAP Cell (OWD) staffing at present and the resulting constraint on overall OWD capacity (i.e., between that Cell and the various OWD-wide part-time 'nodal officers' identified for specific ISAP activities, including in the PMU) for the growing ISAP implementation workload, particularly in the monitoring, procurement and 'contract-management' functions for the 3 major ISAP consultancies, and the mission has urged OWD to at least restore the ISAP Cell staffing to agreed levels as quickly as possible. The mission also urged OWD, the ISAP Facilitator and the RSID consultants (in particular) to facilitate some more 'out-of-state' OWD staff 'exposure / awareness' visits (on key matters such as organizational structures, HRM / HRD frameworks, Project Management and IT-ICT-MIS applications in PWD-style entities) as soon as possible over 2013, to strengthen the OWD knowledge base for the RSID decision-making milestones looming over the rest of 2013.

30. *Disbursement Monitoring*: There are still serious delays between OWD and the ISAP consultants in **concluding** important ISAP outputs and payment milestones, resulting in a growing 'lag' in disbursement of Project funds allocated for these ISAP consultancy services. The ISAP Cell and the mission agreed on new local measures for more focussed and comprehensive 'ISAP activity and payment status' monitoring. It was also agreed that OWD will henceforth maintain these and will include 'ISAP consultancy - contract payments / funds disbursement' reporting in both the QPRs and in pre-mission Project Status reports.

31. *Integration of ISAP Activities*: Some outputs of the individual ISAP consultancies have increasingly strategic, wide-ranging implications and it was agreed that more evident and effective consultations and interactions between the leadership of the 3 consultants' teams are now needed. Some valuable 'inter-consultancy' meetings were held during the mission (e.g., on IT-ICT server capacity / acquisition and connectivity strategy for both general OWD and AMS-specific purposes) and the OWD needs to ensure (including via the ISAP Facilitator) that more direct 'planning & coordination' interactions will continue between the 3 major ISAP consultancies.

Particular matters addressed during the mission and needing further OWD attention are as follows.

- *Roads Sector Institutional Development (RSID) Consultancy*: The main activities of the RSID consultants at present concern the revising of the Odisha Works Code and Manual for eventual GOO-wide application, drafting and other preparations on OWD Re-organisation and Training & Human Resources Development (HRD) Policy, and the first-stage Road Safety Infrastructure and Institutional (capacity) Assessment. Interim outputs have been circulated within OWD for review and the mission provided various direct comments, which enable OWD to 'clear' these outputs itself progressively, without further Bank input. Key points now are:
 - The now-widened '**Code & Manual Revision**' task needs to be managed proactively to ensure its completion within 2013 between OWD and other concerned GOO agencies
 - The evolving **HRD & Training Policy** for OWD needs to focus more evidently on the HRD dimension, at the conceptual, strategic and operational / implementation levels
 - The consultants' approach to the study of **OWD Re-Organization & Development** is not comprehensive enough (e.g., in its limited attention to the non-roads OWD elements), still appear to lack cogent high-level OWD support for its aims and scope, and needs to include the development / provision of 'business case' –style justifications (including in terms of budgetary implications and 'performance' outcomes) for any major proposed instances of OWD establishment and staffing 'enrichment'

- The report on **Road Safety infrastructure and institutional features** in the state was found to be generally satisfactory and may be accepted by OWD in its present form; however it was agreed that the consultants shall now make a further submission by end-May 2013 to OWD (to be shared with the Bank) on (i) their proposal(s) for further gathering and analysis of ‘proxy data’ and secondary information from GOO sources to enhance the insights into the geo-spatial and institutional dimensions of road safety in Odisha, and (ii) their strategy and preparations for – and beyond - the mid-2013 RS Workshop for GOO stakeholders, including initial broad scoping of possible post-Workshop ‘demonstration’ (pilot) initiatives
 - The inclusion of rural and *panchayat* roads in the ‘mapping’ stage of the **Road Network Master Planning** task has increased the data gathering and review workload, although most of the ‘incoming’ rural and *panchayat* roads are not expected to qualify in economic and strategic terms for the main Master Plan analysis. Hence it was agreed that OWD may facilitate some extra resources for this data-processing activity, provided that it does not jeopardize the now-agreed September 2013 output milestone(s) in this Task;
 - At the present stage, the growing number of interactive and/or convergent issues and outputs from the ‘individual’ Tasks under the RSID consultancy services require more proactive and dynamic engagement by the Consultant’s team, particularly at the Team Leader level, to ensure (i) the overall RSID outputs achieve the expected **combination** of policy, structural and capacity enhancements in both OWD and the roads sector during the remaining OSRP period, and (ii) that this involves an ongoing **integrated approach** with the ISAP implementation consultancies dealing with IT-ICT-MIS and Asset Management. This level of engagement, perception and responsibility is still not sufficiently evident in the RSID consultants’ team, particularly at the Team Leader level. It was agreed that OWD will take this up with the Consultant as a matter of urgency.
- **IT-ICT-MIS Strategy & Action Plan (Project Management) Consultancy:** The consultants have now completed both an ‘As-Is Report’ and preliminary documents outlining the likely ‘To Be’ future OWD scenario, which is now under OWD consideration. The ‘gap analysis’ and ‘business process review’ stage have been completed but documents on those are still awaited from the consultants. The mission and OWD jointly reviewed the emerging systems architecture and applications proposals with the consultants and discussed various implementation and operational aspects, particularly in relation to Project Management tools, overall data management, ‘IT-ICT management’ capacity options for OWD and the main alternatives for state-wide ICT connectivity to enable ‘whole of agency’ utilization of new tools and systems. With specific briefing from the consultants, the mission and OWD took the opportunity to raise with senior GOO officials, the increasingly urgent need for the consultants to be able to:
 - Access and review the Service Level Agreements (SLAs) established by other GOO agencies for the central E-Nirman and WAMIS systems, to assess their suitability for longer-term OWD requirements;
 - Resolve with the concerned GOO agencies the adequacy and readiness of centralized GOO data storage and management facilities – or the scope within GOO policy for OWD-centered alternatives – to match the likely OWD database requirements for all AMS, operational and management purposes in the future scenario;
 - Plan for an effective state-wide ‘connectivity’ solution for at least the medium-term ICT needs of OWD; and
 - Prepare a viable OWD ‘IT-ICT Management’ functional and capacity solution.
 - **Asset Management System (AMS) Consultancy:** The procurement process for the COTS ‘core’ AMS software has progressed to the stage where the BID Evaluation Report may be forwarded before end-April 2013 for Bank review / clearance, which is likely to enable OWD action to

award the contract by mid-May 2013. The mission noted that in parallel, some other matters need to be progressed in this consultancy, namely:

- The proposal to acquire Arc-GIS software (etc.) for OWD is agreed in principle and now needs to be submitted promptly for appropriate action between OWD and the Bank
- The finalized Report on the inaugural Annual Maintenance Plan is now overdue and should be forwarded to the Bank as quickly as possible
- The OWD proposal (EOI / TOR / RFP) for procurement of multi-year, comprehensive, automated, vehicle-based road network Data Collection services is lagging and needs to be finalized and submitted for Bank review /clearance by / before mid-May 2013
- The technical options and procurement strategy for AMS-dedicated database / data storage capacity and ICT connectivity among all planned AMS users needs further urgent resolution jointly with the (abovementioned) IT-ICT-MIS consultants and OWD regarding the GOO-level issues involved, and then should be finalized by OWD for Bank review/clearance by end-May 2013

VII. GOVERNANCE AND ACCOUNTABILITY ACTION PLAN (GAAP)

32. The mission reviewed the status of all the actions in the GAAP, with particular reference to training on the online Complaint Handling System, enhanced project disclosure through availability of the website in the local language and progress on the disclosable material project indicators, status of the Road User Satisfaction Survey and the socio-economic data collection consultancy services, the status of revisions to the state's e-procurement system and progress on the material project indicators, and assessed overall GAAP implementation progress as **Satisfactory**. Key observations and actions agreed upon are as follows:

33. The mission was informed that work the Oriya version of the website has been initiated. Translation of website content has been entrusted to Odia Bhasa Pratisthan, and this task would be accomplished latest by **April 30, 2012**. ***It was also agreed that the vernacular version of the website would be hosted online by May 31, 2013.***

34. On the training of staff on the **Complaint Handling System**, the consultants have trained staff of nine (9) field divisions on the same. Training of staff of other divisions on the CHS is underway. The mission informed the PMU that it should initiate discussion with the IS Cell and the OWD on rollout of the CHS to the entire OWD. ***In this regard, the PMU suggested and the mission concurred that the justification for this may be buttressed by an earlier independent review of the CHS (originally slated for September 2013).***

35. The mission assessed the status of action on computing material project information (MPI) and disclosing the same on the OSRP website as suggested by literature from *Construction Sector Transparency Initiative (CoST)*.² In this regard, the mission was informed that data on projects for the past five years has been collected from twelve divisions and similar data collection is ongoing from the other remaining field divisions. The data collected include contract price (at award), actual contract cost (post variations and price escalations), scheduled time of completion and actual time of completion, which would enable determination of cost and time overruns. The mission suggested that such information should also be useful for populating the road cost database that would be part of the overall IT-ICT-MIS solution being developed for the OWD. ***It was agreed that the format for data collection***

² A multi-national effort to explore ways to enhance transparency and accountability in the construction sector

would be agreed upon by May 15, 2013 and that data from all the remaining divisions on projects for the last five years would be collected by July 15, 2013.

36. On the RUSS, the team was pleased to note that the consultants have finished the baseline survey and submitted their draft report. They made a presentation on the same, with comprehensive details of the findings. The mission suggested some of the recommendations could be presented better, in terms of which department should be responsible for the same and what type of intervention could be best (based on the user survey). Further, considering that the project has been restructured, and the delay of the baseline survey, the mission suggested that the follow-on surveys may be conducted in December 2014 and remaining on the On collection and analysis of baseline socio-economic data along project corridors for assessing achievement of the PDO (as per the Project Agreement), the mission was informed that the award of the contract to the RUSS consultants is pending GOO approval. Considering that some of the earlier roads (i.e., Athagarh-Narsinghapur and Sambalpur-Rourkela) are no longer part of the project, the mission suggested that the consultants may need to submit a revised proposal to the PMU without reference to these roads, with any corresponding reduction in the cost of the proposal. ***The PMU indicated that they would request the consultants to submit such a revised proposal by April 30, 2013.***

37. On e-procurement, the mission was concerned that the state procurement authorities have still not acted upon needed revisions to their e-procurement system to comply with Bank's suggestions (following the Bank's assessment of the system in 2010). While this may not affect the OSRP, considering that procurement of all works and consultancy services have already been made, the mission urges the PMU/e-procurement unit to make the necessary changes to strengthen their system and to enable any future procurement of works under OSRP or any future project funded by the Bank.

38. On vigilance aspects, there have been no complaints related to fraud and corruption on the project. The mission was informed that the second workshop on Vigilance and Quality is slated to be held in June of this year³.

VIII. ENVIRONMENTAL MANAGEMENT AND SAFEGUARDS

39. The mission focused on the following: (a) review of EMP implementation to ascertain the progress made on various pre-construction activities that fall within the charter of responsibilities of PMU/OWD, now that civil works on P03 has started and bids has been invited for P01 and P02; (b) actions taken by GoO on issues such as safety and drainage on P02 that were identified as critical during the last mission; (c) assessment of progress and compliances to EMP on various issues of P03, and (d) review of preparatory activities for P04 the bidding process for which has also started.

Phase I works

40. *Implementation of EMPs:* Bid process for P01 and P02 has started and is targeted to be awarded by August 2013. The contract for P03 has commenced in month of January 2013. There are not many activities on-going from the environmental and safety point of view in P01 and P02, except for P03 where contractor has been mobilized and civil work (Mile stone – I) is in progress. Various activities related to preconstruction activities like identification of location for contractor camp site, establishment of facilities in camp, getting statutory clearance for WMM, Concrete Batching Plant, Hot Mix plant and Crusher, identification of borrow areas, traffic safety management etc. is in progress for P03. Tree cutting permissions for all contract packages of Phase I & II have been obtained with decent progress on tree cutting on all packages. Keeping in view above situations of civil works and readiness of preconstruction

³ Last such workshop was held in January 2011.

activities on all three Phase I contracts and the efforts made by PMU/OWD on activities that fall within their charter of direct responsibilities with regard to environment, health and safety, including those pertaining to managing the abandoned work fronts, the mission continues to rate the over-all EMP performance on the project as 'moderately satisfactory'.

41. The mission has also had a detail discussion with OWD/PMU on readiness with respect to various pre-construction activities like tree cutting, utility shifting, CPR relocation, land acquisition and R&R requirements etc., for awarding four contracts (P01A, P10B, P02, P04A & P04B) by August, 2013 and to assess availability of encumbrance free stretches (mile stone) as mention in Contract. Contract – specific status and issues are briefly summarized in following paragraphs.

42. *P01(Khariar-Bhawanipatna)*: The trees cutting and utilities shifting (electric poles, PH/RWSS) for mile stone I and II are completed. Only shifting of 7 electric poles and 200m water supply pipeline at Milestone III is balance that will be done once LA compensation is paid. Shifting of 3 CPR's is also completed for this contract.

43. *P02 (Anandpur-Bhadrak-Chandbali)*: In MS-I, the shifting of Electric Pole and tube wells are completed and, tree cutting and shifting of water pipeline is in progress. On balance trees (600) to be cut in MS –I, Nodal Officer (Environment), PMU updated the mission that these trees numbers also includes the trees being saved and final figure of trees to be cut will reduce once subtracting trees saved. Bank has shown its concern on preconstruction activities status on MS-I and OWD/PMU has been suggested to; i) complete enumeration of trees saved, ii) coordinate with OFDC on engaging additional team for tree cutting, and ii) expedite shifting of water supply pipeline. The OWD/PMU has agreed to complete tree cutting and shifting of water supply pipeline in MS-I by July 15, 2013 and by June 15, 2013 respectively. A total of 59 CPR's has been shifted out of 60, and shifting of balance one CPR at Randia Bazar would be done once 11 kv electric connection is shifted.

44. *P03 (Berhampur-Taptapani)*: The contract for this package had commenced from January 25, 2013 and contractor is mobilized. The civil work in milestone – I, freed from any encumbrances is in progress. Tree cutting in MS-II is also completed and cutting of 27 trees (in total) for MS-III & IV is balance, which would be completed once land compensation is paid. The shifting of 21 CPR's are also completed for this contract. On issue raised on earlier mission on stretch of road where small parcel of forest land were to be diverted, OWD/PMU informed that with engineering design modification (toe wall to restricting X-sectional width) the forest land diversion has been avoided. OWD/PMU agreed to communicate forest department with a formal letter mentioning about engineering intervention adopted to avoid diversion of forest land and for closure of forest land diversion process, with a copy shared with World Bank by April 17, 2013. The shifting of various utilities like electric poles, hand pumps, tube wells and water supply lines (2.2 km at different locations) are in progress and might become critical at later stage. OWD/PMU needs to expedited the activity considering handing over dates of milestones to contractor.

45. The civil work (site clearing, earth work) has started in MS-I and simultaneously establishment of key facilities in construction camp are also in progress. Considering various activities being planned by the Contractor in coming months, an overall assessment on compliance to environment management plan requirements through site visit, meeting and sample base checking of documents has been carried out to ascertain practicality of achieving the planned targets. Some key issues identified and actions to be completed as agreed during the mission are listed below:

- Establishment of various facilities (labour camp, equipment/machinery service, fuelling area, sanitation facilities, plants installation and operation etc.) in construction camp needs to be expedited.

- Construction Camp:* a) In response to application submitted to SPCB for approval of identified location for establishment of camp site, obtaining Gram Sabha resolution is one of the requirements. The mission therefore suggested to conduct the Gram Sabha at the earliest, and document the agreed resolution. This will help SPCB official to do site verification; b). Considering that the camp is located at lower level w.r.t surrounding topography, high possibility of runoff from surrounding area flowing toward camp is envisage and require a planned drainage system that would trap and channelize runoff discharge to appropriate outfall; c). The staking of fine dust generated from crusher is located on wind direction (no settlement on downwind side) as per the camp layout plan and envisaging possible fugitive dust generation, the mission suggested to provide a wind barrier to contain the fine dust; d). Effluent from septic tank needs to be capture though providing soakage pit, which at present is absent, to prevent contamination and creating unhygienic condition near camp area; e). existing temporary structures of Galvanized Iron (GI) sheet used for storing of material should be shifted to respective facilities as indicated in layout plan; f). Raw material (boulders) for crushers should be obtained from license quarry only and supporting document of such quarry would be submitted to CSC and PMU; g). the mission suggested contractor to reflect details of each facilities being establish in the layout plan.; and h). Plantation of broad leave trees, which will be one of the prerequisite conditions for obtaining of CTO (Consent to Operate) of HMP and crusher, should be started at boundary of camp site to trap fine dust before on set of monsoon.
- SPCB Clearances:* The installation of crusher plant was in progress, though this activity is yet to start for WMM, Concrete Batching Plant and Hot Mix Plant. The CSC and contractor informed about submitting of applications to SPCB in first week of April, 2013 for obtaining NOC for installation of WMM, Concrete Batching plant and Crusher. It was also informed that the process is yet to be initiated for HMP due to delay in procurement of HMP. The mission highlighted the urgent need for obtaining Consent to Operate (CTO) from SPCB and operationalization of these plants to meet with set work plan targets. The contractor assured during the meeting (April 9, 13) held at their camp office that for WMM, Concrete Batching Plant and Crushers, the NOC and CTO will be obtained by May 8, 2013 and for HMP by July 12, 2013. The mission expressed concern on the proposed timeline for obtaining these clearances and suggested to rigorously follow up with SPCB to obtain these clearances at the earliest. It was also suggested that CSC should closely monitor progress of this activity and to update in their monthly report submitted to PMU.
- Borrow area:* The compliance to set conditions for excavation of earth by Revenue department should be adhere to, as non-compliance to approved quantity and obtaining of Gram Sabha resolution has been noted during inspection of one borrow area (km 35+500) approx.
- As per work plan, contractor is planning to complete 10 structures by July end. The mission team advice of ensuring necessary traffic safety measures are provided in such locations along with ensuring providing temporary diversion with adequate number of pipe for cross drainage and temporary detours are in drivable conditions. The mission suggested that the contractor should prepare and submit to CSC by May 15, 2013 an EMP implementation plan for each milestone indicating EMP activity, measures to be done, responsibility and completion date/timeline. The PMU will share with the Bank, once this EMP implementation plan is received from CSC. Long stretch work front (approx. between km 37 to km 39) were opened and such practice should be discourage, as management of traffic and ensuring safety of road users would be very difficult especially during monsoon season.

- The mission reviewed reporting done by contractor and found that reporting formats provided in EMP as part of the contract were being used. Mission further emphasizes standardization of monitoring reports and inclusion of Action taken Reports to monitor progress and lapses in EMP implementation. It was agreed that the ES, CSC would ensure as inclusion of action taken report in line with EMP implementation plan being submitted by the Contractor, which will be submitted to PMU on monthly basis.

Phase II works

46. *P04 (Jagatpur-Chandbali)*: The updated EIA and corridor-specific EMP are yet to be shared with the Bank. OWD/PMU due to slow pace of consultation that requires at least three rounds at each location/village, the EIA report could not be finalise. The mission advice that this is a follow-up consultation to consultation already conducted during project preparation in 2006, whereby the issues and feedbacks have already been documented and OWD/PMU can expedite the process by conducting at village/settlement that is representative of settlements adjoining to road corridor. It has been agreed with OWD/PMU that follow-up consultation at eight locations i.e. Salaipur, Nichintkoli, Paga, Padamapur, Chandbali, Aul, Patamunda and Kendrapada by giving due notice to people will be conducted along corridor and will be completed by April 26, 2013. Meanwhile, after incorporating summary of follow-up consultations that has happen until now in the EIA report, OWD/PMU would submit the EIA & EMP report by April 22, 2013 for the Bank review and clearance process. The finding of remaining follow-up consultation would be updating in while finalizing the EIA report. It was also agreed that unless the World Bank approves the EIA and EMP report, the contract of P04A and P04B would not be awarded.

47. On the issue of protecting ‘Coconut Tree Avenue’ (due to its local historical value – an issue brought out during the public consultation process) at Rajkanika, OWD/PMU informed the mission that with engineering intervention (i.e. eccentric widening and toe wall) one side of the ‘coconut tree avenue’ has been saved.

48. The mission also reviewed the progress on pre-construction activities (such as tree cutting, tree transplantation pilot and relocation of water sources). Earlier P04 was a single contract package, base on which the milestone for tree cutting has been identified that showed notable progress in tree cutting and utility shifting. But, the subsequent division of this contract package into two packages i.e. P04-A and P04-B, has resulted into setting of new milestone for each package. The contract package wise pre-construction status is;

- *Package P04-A*. The tree cutting has not started in milestone-I and need reorganizing tree cutting activities to ensure encumbrance free MS-I is made available by the time bid is awarded by August, 2013. PMU has agreed to coordinate with OFDC to look into options for mobilization of additional teams for tree cutting, shifting of existing tree cutting team to MS-I and getting necessary work order from concern DFO. It has been agreed that tree cutting in MS-I will be completed by July 15, 2013 and to plan accordingly for remaining milestones. Utilities like electric poles, water supply line and tube well shifting in remaining milestones are in progress. Though it is completed for MS-I.
- *Package P04-B*. Out of total 1509 trees to be cut in milestone -I, 1013 trees have already been cut and balance 496 trees would be cut by July 15, 2013. A total of 1175 trees are balance in remaining milestones (II, III & IV) and could be achievable by the time the milestones are to be handed to contractor. Electric pole shifting in majority of MS-I stretch is completed, except of 5.2 km stretch and in remaining milestone it is in progress. Shifting of tube well has been completed for entire package, though water supply line shifting is in progress including MS-I.

49. As agreed in earlier missions, the marking of trees (with a band of green colour) is still to be done for trees saved/can be saved along with maintaining proper records of the same. OWD/PMU has also been informed that NOC from wildlife department has been obtained and an amount of Rs. 52 Lacs has been deposited with Wildlife Department, GOO for implementing wildlife mitigation measures recommended by the department.

50. *Compensatory Afforestation Works:* The compensatory afforestation plan for P01 and P03 has been prepared by OWD/PMU and has been submitted to Forest Department, Govt. of Odisha. The estimates for carrying out compensatory afforestation plantation for these two contract packages are yet to be received from concerned DM of Forest Department, Govt. of Odisha. Site visit to P04 was also undertaken and covered nursery site in Salaipur, where 40000 tree saplings (10 species) are being prepared as part of compensatory afforestation. As part of compensatory afforestation, a total of 70000 trees are to be planted under P04 package. Forest Department is targeting to plant 40000 trees sapling by early monsoon (July, 2013) which is the favorable conditions for these trees sapling. A new nursery site has also been identified for preparing saplings for P04B sections.

51. *Supervision Consultant:* Meeting with Environmental Specialist (ES), CSC was also held to understand constrains and improvements that are needed. Base on update provided by ES, CSC and project being at early stage, the mission team suggested for a close monitoring from CSC end through regular site visit. ES, CSC has also been advice to pursue with contractor to ensure necessary statutory clearances are obtained as per agreed timeline and to ensure suggested mitigation measures agreed during the mission is implemented by the Contractor.

52. *Institutional Arrangement and Operational Arrangement.* As have been pointed out in earlier mission also, the OWD/PMU needs to mobilize one Environmental Expert immediately to support Nodal Officer (Environment) to undertake supervision to assess performance of the agreed environment management plans, review progress reports, undertake regular/periodic follow-up, documentation including that pertaining to lessons learnt and good practices of the project, preparing monthly/quarterly reports, organize training for concerned field unit staff, CSC and contractor to best practice examples of environment management etc.

53. *Independent Environmental Committee (IEC):* Recently civil work has started in P03 and considering progress in bidding process of P01 and P02, more of civil work is likely to start by October month. Hence, comprehensive reviews, including field visits should be undertaken by the committee once civil work starts in all Phase I contracts.

IX. FINANCIAL MANAGEMENT

54. *Disbursement Status:* The loan closes in June 2016 and the project has disbursed USD 28.370 million against the revised Loan allocation of USD 196 million which represents 14.47% disbursements as of April 18, 2013. The original loan allocation was USD 250 million of which USD 54 million has been cancelled. The funds disbursed to date includes (a) PPF expenditures of USD 0.547 million (b) IBRD Front end fee of USD 0.625 million (c) reported and documented expenditures of USD 21.413 million and (d) outstanding advance of USD 5.784 million.

55. *Budgets, fund flows and Financial Reporting:* GoO has made a provision for Rs 73.5 crores for the project in the budget for FY 2013-14 – the mission was informed that based on physical progress, additional budgetary allocation may be sought during the year. As in the earlier years, separate budget lines have been created for the various project components on and will greatly facilitate the financial reporting process. Against the original budget of Rs. 105 crores for FY 2012-13, provisional financial reports up to 31-Mar-2013 indicate that the expenditures stand at Rs. 28.99 crores only. The quarterly

Interim Financial Reports for the quarter ended 31-Mar-2013 are due for submission by 15-May-2013. As per the IFRs for the quarter ending December 2012, the total project expenditures during the quarter have been reported as Rs.8.034 crores (with Bank's share of Rs.2.586 crores). The financial progress is summarized as follows:

All figures in
Indian Rupees

Project Components	For quarter ended 31-Dec-2012			Cumulative till date		
	Bank Share	GoO Share	Total	Bank Share	GoO Share	Total
Road Improvement Component	3,379,145	20,227,721	23,606,866	877,806,109	536,376,825	1,414,182,934
PPP Component	0	5,399,000	5,399,000	11,575,974	10,608,337	22,184,311
ISAP and Operating Costs	19,520,711	4,880,178	24,400,889	73,455,018	23,111,771	96,566,789
Rehabilitation & Resettlement	2,958,770	739,692	3,698,462	81,254,935	55,783,834	137,038,769
Land Acquisition, utility shifting and other non-eligible expend		23,237,000	23,237,000		853,477,167	853,477,167
Total	25,858,626	54,483,591	80,342,217	1,044,092,036	1,479,357,934	2,523,449,970

56. *Staffing of the FM function at SPMU:* With the transfer of the incumbent Divisional Accounts Officer [DAO] in Jan-2013, the position presently stands vacant. Efforts made by AG's [A&E] Office to identify and send on deputation a senior and experienced DAO have not been successful. PMU has now initiated the process of hiring an individual consultant with adequate experience and qualifications as Financial Management Specialist on contract basis. Expression of Interest [EOI] has been published in local newspapers for the purpose. As an interim arrangement, the financial management function is being handled by OWD's departmental staff function.

57. *Settlement of terminated contracts under Packages P01, P02 and P03:* The team undertook a quick review of the status of the civil works contracts. For all the three packages [P01, P02 and P03] which have been terminated, final bills have been raised and are under review by Construction Supervision Consultants [CSC]. In all cases, the final payments are pending resolution of disputed claims on account of GSB, labor cess, delay damages etc. For Package P03, the contract for residual works has been awarded, while for packages P01 & P02, the tenders for the residual works have been invited. Material and mobilization advances have been fully recovered for Packages P03, while mobilization [P01 & P02] and material advances [P01] have yet to be recovered for Packages P01 & P02.

58. *Delays in payments to consultants:* In order to identify the bottlenecks and time taken in disbursements to contractors, payments to the following two consultants were reviewed on a sample basis. It was found that payments to LEA Associates were made in an average of one month after the receipt of bills by the project office. The record for payments against RSID contract [Intercontinental Consultants and Technocrats Pvt. Ltd.] and ICT contract [Cybertech Software & Multimedia Pvt. Ltd.] however, indicates lag time of approx. three-four months between the invoice dates and the date of payment. The project office acknowledged some delays in payment processing within their office and indicated that those delays are caused by various quality checks within the office.

59. *Settlement of SMEC Account:* The mission was informed that the anomalies with respect to the detailed final bill of the terminated contract of SMEC, construction supervision consultants have been communicated to the consultant and efforts are being made to resolve the disputed items in the claims made by the consultants and arrive at the final amount payable to the consultants

60. *Financial Management Rating:* Based on the overall assessment, the financial management performance is rated as '**Moderately Satisfactory**'. The downgrade in the ratings is primarily on account of the staffing situation of the FM function at the PMU – absence of dedicated DAO may result in enhanced fiduciary risk of weak oversight and controls over the financial and contract related transactions.

X. PROCUREMENT

Procurement of Works

61. *Package P01 (Bhawanipatna to Khariar) and Package P02 (Chandbali-Bhadrak-Anandpur) –* The Bank has given no objection to the PMU's recommendation for invitation of bids for balance works under Package P01 and Package P02 subsequent to the PMU informing the Bank about termination of contracts of the original packages and has requested the PMU to keep the Bank informed about progress on dispute resolution for these two packages. During the mission, the PMU informed the Bank that the contractor has once again approached the Hon'ble High Court of Odisha appealing for a stay order on the bidding process for balance works. However, as informed by the PMU, the Hon'ble High Court has directed the PMU to proceed with the bidding process but seek the Hon'ble High Court's approval before award of contract for balance works under Package P01.

62. The Balance Works of Package P01 has been divided into two packages, viz. Balance works of P01 Road (Package P01A) and balance works of P01 Bridge (Package P01B). For Package P01A, bids have been received and are under evaluation. The PMU shall make efforts to award the contract by end of May 2013. For Package P01B, bids have been re-invited and bid opening is due in May 2013.

63. For balance Works under Package P02 (Chandbali-Bhadrak-Anandpur), the bid opening is due in May 2013. The balance work of Package P03 (Berhampur-Taptapani) has been awarded and contract signed on January 4, 2013. The bid opening is due in May 2013 for package P04A (Jagatpur to Duhuria) and Package P04B (Duhuria to Chandbali).

64. ***Procurement of Equipment and Goods.*** The Procurement of equipment for Asset Management and equipment for implementation of ISAP are the major goods planned to be procured under the Project. There was considerable delay on part of PMU in evaluation of Bids for the Procurement of Commercial-off-the-Shelf Software for Odisha Road Asset Management System. Bids were opened, as scheduled in December 2012 and the Bid Evaluation Report was sent for Bank's review in April 2013 to which Bank has given no objection. The mission once again requested the PMU to award the contract immediately within the extended bid validity period and to publish the award details on UNDB within two weeks of receiving the Banks "no objection" to the recommendation of contract award.

65. ***Procurement of Consultancy Services.*** The mission reviewed the progress of procurement of Consultancy Services since last mission and noted the following in respect of specific procurement under the Project :

- (i) Construction Supervision Consultant for Jagatpur-Chandbali (P04A & B Works) : Evaluation of proposals shall be completed by May 31, 2013.

- (ii) Social Advisor for implementation of RAP of Jagatpur-Chandbali Road – Contract awarded to Dr. L.B. Hota on October 20, 2012.
- (iii) ISAP Facilitator : Contract awarded to Mr. M.V. Murahari Reddy on October 9, 2012.
- (iv) Financial Management Specialist : REoI has been advertised. The PMU shall complete the shortlisting of CVs by May 20, 2013.
- (v) Contract Management Specialist : Re-invitation of CVs shall be published and short-listing of CVs will be completed by June 15, 2013.

66. *Delay in Signing of Contract Agreement* The mission once again expressed concern over the delay in signing of Contract Agreement after obtaining Bank's no objection for Package P03. The mission requested the PMU to review the internal decision making process for expediting the Contract Signing process and publication of award details on UNDB within two weeks of obtaining Bank's no objection for contract award.

67. *Status of e-procurement* The mission met with the staff from e-procurement cell and discussed the pending actions on e-procurement. The PMU has agreed to follow-up with the cell to get the only action of blocking viewing of participating bidders' technical parts, implemented by NIC- the service provider by end of May 2013. This will enable use of e-procurement for all Projects funded by Bank for the State of Odisha.

68. *Procurement Post Review (PPR)* PPR for FY13 was completed during the mission and no major guideline deviations were observed. The report shall be shared with the PMU by end of May 2013.

69. *Disclosure Management* The mission reviewed the Project website and observed that all mandatory procurement information, viz. approved procurement plan, tender notices, contract award details are being regularly updated on Project website.

70. *Procurement Rating* The PMU has expeditiously carried out the bidding process for Civil Works under Package P04, balance works under P01 and P02. However, there are still (a) delays in decision making leading to delay in contract agreement signing, (b) delay in publication of award results on UNDB online, (c) delay in Procurement of several consultancy services, and (d) delay in completion of agreed action of last mission due to which the Procurement Rating remains 'Moderately Unsatisfactory'. This rating shall be reviewed over next six months and shall be upgraded subject to the PMU being able to award the contracts for all Civil works packages in timely manner and immediately after obtaining Bank's no objection and adherence to the timelines indicated in the procurement plan in respect of various procurement packages.

XI. PROJECT RATINGS.

Field	Rating	
	Last Mission	Current Rating
Road Corridor Improvement Component	MU	MU
Sector Policy and Institutional Development, and Implementation Support Component	MS	MS
Environmental Safeguard Management	S	S
Social Safeguard Management	MS	MS
Project Management	MS	MS
Financial Management	S	MS
Procurement quality/timeliness	MU	MU

HS highly satisfactory, S satisfactory, MS Moderately Satisfactory, MU Moderately Unsatisfactory, U unsatisfactory, NA not applicable.

30. The next full mission is proposed to be held in October 2013. However, the Bank will continue to increase its supervision efforts and undertake an interim mission in July/August 2013.

Annexure-1

Status of Action Agreed during the Previous Mission

<i>No.</i>	<i>Action Required</i>	<i>Agency</i>	<i>By Date</i>	<i>Status</i>
Project Management and Civil works				
1	Review existing systems to reduce delays in contract award after receiving Bank's no objection.	OWD/ GoO	Immediate	Continuous
2	Expedite Preparation and procurement of Phase I contracts (P01, P02); Phase II contract P04; 8 Roads proposed to be included in the project as part of the restructuring; and award of P03	PMU	Continuous	Continuous; P03 awarded
3	Continue emphasis on progressing and improvements in Pre-construction Activities including LA R&R	PMU	Continuous	Continuous
4	Strengthening Contract Management by engaging a Contract Management Specialist	PMU	Immediate	Not complied with, EOI reinvited
5	Selection / mobilization of ISAP Facilitator	PMU	Immediate	Complied with
6	Ensure maintenance of P01, P02 and P03	PMU	Immediate	Partially complied with
7	Initiate bidding for P01 and P02	PMU	Oct 31, 2012	Complied with
8	Provide a detailed break-up of the amounts paid to – and the penalties imposed on - the contractors on P01, P02 and P03 w.r.t. maintenance.	PMU	Oct 15, 2012	Complied with
9	Review maintenance arrangements and procurement undertaken	OWD/GoO	Oct 15, 2012	Complied with
IS & GAAP Matters				
1	Finalize and forward to Bank, periodic reports on CRN-centered traffic census and network condition data, required as per Project covenants	PMU / OWD	Complied with	Complied with
2	Collect and forward speed data	PMU/OWD	URGENT and IMMEDIATE	Complied with
3	Forward pre-Bid queries, proposed corrigenda and bid closing date extension proposal on RFP package for AMS / COTS procurement, for Bank review/clearance	PMU / OWD	Mid-Nov 2012	Complied with
4	Preparation of limited 'pre-AMS' road maintenance needs prioritization for FD for IFY 13-14 Budget planning inputs	AMS cons., PMU / OWD	Mid-Nov 2012	Complied with
5	Finalize (AMS) IT-ICT equipment procurement proposal for action via either GOO or Project funding	PMU / OWD	Mid-Dec 2012	Not ready (awaiting 'IT-ICT-MIS PMC' input & GOO (ITD) decision/s)

6	Prepare TOR / RFP (etc.) for procurement of multi-year comprehensive road asset data collection	PMU / OWD	End-Jan 2013	Not done (now end-May 2012)
7	Forward revised consultants' report on "As Is" OWD IT-ICT-MIS capacity and needs, with identification of prioritized high-value / high-impact action targets	Cons. and PMU / OWD	Complied with	Complied with
8	Forward report on results of high-level GOO & stakeholders' Workshop on key RSID issues	RSID cons., PMU / OWD	Mid-Dec 2012	Done via QPR #4
9	New OWD-centered 'core group' on IT-ICT-MIS development to make interstate visit(s) to relevant bodies about IT-ICT-MIS applications/experiences	OWD and Cons.	End-Feb 2013	Pending
10	Prepare proposal for OWD-managed program of collaborative (QC) R&D projects with local institutes	PMU & OWD (QC)	End-Feb 2013	Pending
Environment Management and Safeguard Issues				
<i>Phase I works</i>				
1	Obtain forest land diversion permission for P03	PMU	Oct 31, 2012	Substantially Completed
2	Finalize compensatory afforestation plans and transfer funds for P01 and P02	PMU	Oct 15, 2012	In Progress
3	Ensure proper drainage and safety conditions on all three Phase I contracts	PMU	Continuous	Partially Complied
4	Initiate updating of EMP for P01 and P02	PMU	Oct 31, 2012	Pending
<i>Phase II works</i>				
5	Obtain Wildlife Clearance for P04.	PMU	Nov 15, 2012	Completed
6	Submit the updated EIA and EMP for P04 to Bank for review	PMU	Oct31, 2012	Pending
7	Initiate other environmental activities identified for P04	PMU	Oct 15, 2012	In progress
8	Submit the Environmental Screening Report for Rehabilitation Component to the Bank for review	PMU	Oct31, 2012	Component dropped from OSRP
9	Appoint an Environmental Specialist to guide/help the EMC/PMU	PMU	Immediate	Pending
Procurement				
1	EOI evaluation for Construction Supervision for Jagatpur-Chandbali Road shall be completed and RFP shall be issued	PMU	Oct31, 2012	Complied with delay
2	The SPN for Procurement of Commercial-off-the-Shelf Software for Odisha Road Asset Management System shall be published	PMU	Immediate	Complied with
3	Bid document for Civil Works under Package P04 (Jagatpur to Chandbali) is under preparation and shall be sent for Bank's review	PMU	Immediate	Complied with

4	Bid Evaluation Report for Balance Work of Package P03 (Berhampur-Taptapani) shall be sent for Bank's review	PMU	Oct15, 2012	Complied with
5	Implementation of the e-procurement Action Plan	NIC	Immediate	Pending
6	Prepare Roadmap for linking the complaint handling database to the e-procurement portal and share the same with Bank	PMU/NIC	Immediate	Pending
7	Send the list of post review contracts for FY13, to the Bank	PMU	Oct31, 2012	Complied with
8	Review the CVs of Key Professional Staff of all Consultancy firms hired under OSRP, on sample basis and share the report with Bank	PMU	Oct 31, 2012	Pending
9	Updated Procurement Plan for next 12 months shall be sent for Bank's review	PMU	Immediate	Complied with
Social Development Issues				
1	Replace SLAO at PMU	PMU/GOO	Immediate	Retired officer appointed as consultant
2	Provide remaining RR assistances for Phase-I roads (site and agricultural allowances)	PMU	Oct 31, 2012	Delayed. Targeted by End August 2013
3	Address key R&R Policy Issues (minimum payable amounts for disbursing site allowances squatters and equitable site allowances for legal shop owners;	PMU	Immediate	Complied except for Legal Shop Owners
4	Update Entitlements Matrix for Phase-II roads	PMU	Immediate	Pending. Required before May 2013.
5	Simplify and Disseminate Information regarding GRM	PMU	Immediate	Largely complied. Contacts of district GRCs to be disclosed by May 2013.
6	Initiate independent safeguards review	PMU	Oct31, 2012	Draft submitted, to be finalized by May 2013.
7	Update and submit RAP for Jagatpur-Chandbali road	PMU	Immediate for Milestone 1, and Oct 31, 2012 for the rest	Revised Draft RAP submitted
8	Complete Social Screening for Phase II roads	PMU	Oct 15, 2012	dropped

Action Agreed during the Mission

<i>No.</i>	<i>Action Required</i>	<i>Agency</i>	<i>By Date</i>
Project Management and Procurement			
1	Review existing systems to reduce delays in evaluation and contract award after receiving Bank's no objection.	OWD/ GoO	Immediate
2	Complete award of contract for all Civil works packages, i.e. Package P01A, Package P01B, Package P02 (Balance Works), Package P04A and Package P04B	PMU	July 30, 2013
3	Complete award of contract for Construction Supervision Consultant for Jagatpur-Chandbali (Package P04) by June 15, 2013.	PMU	June 15, 2013
4	The PMU shall follow-up with the e-procurement cell to get the only action of blocking viewing of participating bidders' technical parts, implemented by NIC- the service provider by May 31, 2013.	PMU	Immediate
5	Review the CVs of Key Professional Staff of all Consultancy firms hired under OSRP, on sample basis and share the report with Bank	PMU	May 31, 2013
6	Hiring of Financial Management Specialist shall be completed	PMU	June 15, 2013
7	Hiring of Contract Management Specialist shall be completed	PMU	June 30, 2013
8	Undertake balance repair works on P01 and P02	OWD	Immediate
9	Review quality of services being rendered by CSC of phase I and issue appropriate contractual notices	PMU	Immediate
ID / ISAP Matters			
1	Strengthen ISAP Cell staffing to agreed levels and capacity	OWD	End-May 2013
2	Prepare proposal for OWD-managed program of collaborative (QC) R&D projects with local institutes	PMU & OWD (QC)	End-May 2013
3	Initiate limited OWD staff study tours/visits with focus on modernized forms of HRD, Organization, Project Management and/or IT-ICT in operation	ISAP Cell / RSID Cons. / OWD	End-July 2013
RSID consultancy			
4	Forward report on Road Safety (RS) Infrastructure & Institutional Capacity in Odisha to Bank	ISAP Cell / OWD	End-April 2013

5	Forward consultants' note to Bank on further RS data analyses and on Workshop focus/strategy/preparations	ISAP Cell / OWD	End-May 2013
6	Submit draft inaugural state roads Master Planning report to Bank for review / comment	ISAP Cell / OWD	End-Sept 2013
7	Forward draft revised Odisha Works Code to Bank for review / comment	ISAP Cell / OWD	End-Nov 2013
Asset Management System consultancy			
8	Forward Bid Evaluation Report on proposals received for (AMS) COTS software for Bank review/clearance	PMU / OWD	End-April 2013
9	Forward finalized Report of inaugural Annual Maintenance Plan to Bank	PMU / OWD	End-April 2013
10	Finalize and forward for Bank review, proposal for acquisition of Arc-GIS software for AMS purposes	PMU / OWD	Mid-May 2013
11	Forward RFP for procurement of comprehensive roads Data Collection services to Bank for review/clearance	PMU / OWD	Mid-May 2013
12	Finalize and forward for Bank review, proposals for procurement of Server(s) and line-connectivity services to support OWD-wide AMS operations	PMU / OWD	End-May 2013
IT-ICT-MIS Strategy & Action Plan consultancy			
13	Forward the finalized 'To Be' analysis / report to the Bank for review / comment	ISAP Cell / OWD	Mid-May 2013
14	Resolve OWD data storage, line-connectivity, core systems' SLAs and 'IT Management' capacity issues at GOO level for future (OWD) IT-ICT-MIS scenario	ISAP Cell / OWD	Mid-May 2013
15	Forward proposal(s) for action to develop/enhance a Works database / management system for OWD	ISAP Cell / OWD	End-July 2013
GAAP			
1	OSRP Website in Oriya Language (Static Website)	PMU	May31, 2013
2	Hands-on training on CHS to PMU field divisions	PMU	Dec31, 2013
3	External review of CHS	PMU	June 30, 2013
4	Collection of works related data for computation and analysis of MPI indicators and population of road cost database	PMU	Template by May 15, 2013 Data by July 15, 2013

5	Organize Workshop on Vigilance	PMU/RDQP	June 2013
Environment Management and Safeguard Issues			
<i>Phase I works</i>			
1	Balance tree cutting in MS – I of P02 to be completed	PMU	July 15, 2013
2	Transfer of fund for compensatory afforestation plantation for P01 and P03 with forest department	PMU	May 30, 2013
3	Ensure safety conditions on P01 and P02 contracts	PMU	Continuous
4	NOC and CTO for WMM, Crushers and Concrete Batching plant to be obtained – by May 8, 2013	PMU	Oct 31, 2012
5	P03 - NOC and CTO for Hot Mix plant to be obtained	Contractor	July 12, 2013
6	P03 - EMP implementation Plan for MS-I of the project to be shared with Bank	PMU	May 15, 2013
7	P03 - Obtain <i>Gram Sabha</i> resolution for Camp site and all operational Borrow areas including the one on km 35+000	Contractor	April 30, 2013
<i>Phase II works</i>			
5	Submission of revised/updated EIA and EMP report for P04 to the Bank for review	PMU	April 21, 2013
6	Complete tree cutting at MS-I of P04-A	PMU	July 15, 2013
9	Appoint an Environmental Specialist to guide/help the EMC/PMU	PMU	Immediate
Social Development Issues			
1	Finalize revised R&R Framework addressing Bank concerns on entitlements for legal shopkeepers and submit the finalized RAP-04 to the Bank	PMU/GOO	May 2013
2	Ensure convening of the Rehabilitation and Peripheral Development Committee (RPDCs) to approve the PAP eligibility lists and complete pending R&R	PMU/GOO	May 2013
3	Delegate responsibility to verify PAP eligibility and disburse agricultural allowance to the field SLAOs to make the procedure more efficient	PMU	Immediate
4	Prepare Action Plan addressing livelihoods and other concerns raised by the safeguards review	PMU	May 2013
5	Complete formation of GRCs in all districts	PMU/GOO	Immediate
Financial Management			
1	Complete selection of FM consultant	PMU	May 31, 2013

R&R Package offered for Affected Legal Shop Owners in Various Indian States

Various Indian states and projects have adopted different packages to enable the affected land losers and legal shopkeepers to re-establish their business with a mixture of compensation and rehabilitation benefits. The underlying principle has been to provide an overall package commensurate with the replacement value (actual market value) of the affected property. States such as Andhra Pradesh, Kerala, Karnataka, and Punjab have adopted consent award methods to determine land prices rather than going by the registered/circle rates for LA compensation. For example, Bihar in 2007 adopted an approach offering the land losers 30% solatium after adding 50% to the registered cost/circle rate (considering 150% as base). Their policy offers 60% solatium on 150% of the registered value if the land loser voluntarily hands over the land. This effectively works out to 240% of circle rate or registered value of the land acquired. Similarly, Haryana and Uttar Pradesh have revised their LA packages several times in the last two years in order to keep pace with changing real estate markets. The Ministry of Railways, Uttar Pradesh and Haryana offer attractive R&R packages to top up compensation packages. Provided below is a table explaining details of compensation and R&R packages offered in different states.

State/Project	Entitlements for a Displaced Legal Shop Owner
Karnataka (2010)	<ul style="list-style-type: none"> a) Land Compensation through negotiations at 150% in fully developed urban and 200% of guidance value or average of sale deeds whichever is higher b) Structure compensation at BSR without depreciation plus 30% solatium c) 25% extra compensation for partially affected structures d) RR Assistance e) SHOP: Alternative shop or INR 75,000 as income asset restoration assistance (or provision of shop in market complex if over 20 shops affected in 2 km stretch)+ Shifting allowance of INR 10,000 + Subsistence allowance of INR 30,000 f) RES-cum-SHOP: Developed Plot for those without homestead+ INR 40,000 + Alternative Shop, or INR 75,000+ INR 10,000 as shifting allowance + INR 30,000 subsistence allowance+ INR 25,000 as grant g) TENANTS (C/ R+C) : rental allowance of INR 6000 in rural and Rs 9000 in urban areas; INR 10,000 as shifting allowance, and 75,000 as income assistance
Punjab (2007)	<ul style="list-style-type: none"> a) Compensation through private negotiation (negotiated at 1.5 Crore per acre) + structure costs without depreciation b) 25% extra compensation for partially affected structures for repairing/strengthening; in case of Kutcha structure actual amount of the structure subject to a minimum of Rs. 6000/-. c) Additional support for construction @ 25% of structure compensation or INR 30000/- whichever is higher/ or . d) Shops as defined in Para 15(b, c and d). e) Transitional allowance for 90 days @ Average Wage Rate (AWR) of Punjab. f) Shifting allowance @ Rs. 1000/- for Kutcha and Rs. 2500/- for Pucca structures. g) Livelihood support as 9 months wage towards re-establishing livelihood h) Training.
DFCCIL (2010)	<ul style="list-style-type: none"> a) Compensation at latest declared state rate or 160% of circle rate, whichever is higher b) Structure compensation at BSR without depreciation c) Re-imburement of stamp duty

	<ul style="list-style-type: none"> d) INR 20,000 as ex-gratia to individual Khatedars e) INR 25,000 to artisans, self-employed, traders, etc. f) INR 10,000 as shifting allowance g) INR 15,000 for cattle shed, if attached h) 750 days of minimum wage as livelihood assistance i) Construction allowance if BPL
Kerala (2012)	<ul style="list-style-type: none"> a) Compensation at replacement value as decided by land Purchase Committee (Recently Kerala government fixed a price of INR 11,45,364 for one cent (1 acre=100 cents) of land in the Pappanamcode-Karakkamandapam stretch for widening of Karamana-Kaliyikavila road) b) Structure cost without depreciation c) INR 36000 towards 6 months rent+ INR 35000 towards shifting d) Employment allowance for up to two persons @ INR 36000 (companies Excl) e) INR 200,000 as RR assistance for commercial tenants (Banks, companies Excl.)
AP (2007)	<ul style="list-style-type: none"> a) Compensation through flexible consent award (190%-300% of circle rate) b) Structure compensation at BSR without depreciation c) An alternate site (40 sm in rural or 25 sm in urban or cash equivalent in lieu thereof.+ construction assistance of INR 10,000/ alternate shop/work place allotted by project. d) Subsistence allowances equal to 240 days of minimum wages. e) A transportation allowance of INR 7,000 .
Maharashtra Cyclone Risk Reduction Project	<ul style="list-style-type: none"> a) Cash compensation for the land and structure at replacement cost shall be given to the titleholder as decided by the Competent Authority. b) If the replacement cost is more than the compensation (at “market price” as determined by the land acquisition authority), then difference to be paid in the form of “assistance”. c) Stamp duty and other fees payable for registration shall be borne by ‘requiring body’ . d) In the case of loss of house, a house may also be offered in lieu of the acquired house (150 sm in urban and 250 sm in rural areas). e) In case of linear acquisitions, an ex-grata amount will be paid as decided by the competent authority at the time of acquisition f) Each PAF shall get financial assistance, and transportation cost for shifting of building materials, belongings etc. as per NRRP, 20007 or State Policy g) For partially affected structures, compensation at replacement cost for loss of affected area with assistance for repairing partially affected/ remaining structure.