

**The World Bank**

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INTERNATIONAL DEVELOPMENT ASSOCIATION

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October 4, 2007

Mr. A. K. Tripathy, IAS  
Chief Secretary  
Government of Orissa  
Secretariat  
Bhubenswar

Dear Mr. Tripathy:

***India: Proposed Orissa State Roads Project (P096023)  
Pre-Appraisal Mission, September 10-15, 2007***

We would like to thank the Government of Orissa (GOO) and the Orissa Works Department (OWD) for the kind cooperation and support extended to the World Bank mission that visited Orissa for the pre-appraisal of the proposed Orissa State Roads Project (OSRP). Attached for your information and perusal is the mission's finalized Aide Memoire (AM). We would like to take this opportunity to highlight some of the key issues raised in it.

Although most of the critical actions for appraisal have been complied with, the mission was not able to complete the appraisal of the proposed project because the final loan amount has not been finalized. We encourage the GOO and the Department of Economic Affairs to decide on the loan amount at the earliest so that the Bank could appraise the project on a confirmed loan amount. The setting of the loan amount should take into account Orissa's requirement for road development and its ability to absorb the project within its current fiscal space as set out in the Fiscal Responsibility Act. The mission had undertaken a quick review of the impact of the project on the fiscal situation and debt sustainability of the project and found that the project will have minimal negative impact on Orissa's fiscal situation and that GOO has adequate fiscal space to absorb the project.

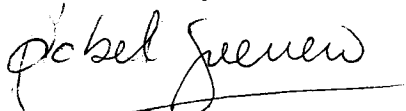
An important aspect of effective project implementation is the completion of land acquisition and other pre-construction activities before the contractor mobilizes. However, we note that OWD has issued notification for land acquisition in only 40 villages (out of 155) coming within the first year project roads, whereas the requirement is for at least 100 villages. We would like to encourage OWD to expedite the notifications so that the next stages in land acquisition could start immediately for the first year roads. The mission discussed with OWD the possibility of using the 'consent award' method to acquire strip of land for road construction. This method is being used in several other states in India, including Tamil Nadu, Karnataka, and Punjab and has proven to significantly reduce the time taken to acquire land for road construction. We would like to encourage GOO to review this possibility and inform us at the earliest whether the consent method will be applied to acquire land under the proposed OSRP. This will help OWD and the Bank team to develop a realistic timeline for project processing and implementation, as the conventional method takes considerably longer time to acquire land.

We have noted OWD has made good progress during the mission on the preparation of the Institutional Strengthening Action Plan (ISAP). As the ISAP requires broader government actions, it will need to be vetted through the GOO and approved by Cabinet before Loan Negotiations to ensure government backing and endorsement of the reform actions laid out in the ISAP. On the Governance and Accountability Action Plan (GAAP) discussed during the last several missions, we are pleased to note that OWD has made good progress on the establishment of the website dedicated for OSRP to comply with the Right to Information (RTI) Act and the project's disclosure requirements. As in the ISAP, the GOO needs to secure Cabinet approval of the GAAP before Loan Negotiations.

We have now updated the project processing timeline taking into account the pending key actions for appraisal and negotiations. Assuming the GOI and GOO will have reached an agreement on the final loan amount for the project, we plan to field an appraisal mission by end-October 2007 and assuming all prior actions are completed, Loan Negotiations could take place in early December 2007, with World Bank Board consideration scheduled for late January 2008.

With regards,

Yours sincerely,



Isabel M. Guerrero  
Country Director, India

**Copy to:**

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## INDIA

### PROPOSED ORISSA STATE ROADS PROJECT (P096023)

#### WORLD BANK MISSION

SEPTEMBER 10-15, 2007

#### DRAFT AIDE MEMOIRE

##### A. Introduction

1. A World Bank mission comprising Binyam Reja (Sr. Transport Economist/TTL), A.K. Swaminathan (Sr. Transport Specialist), Mohammed Hasan (Sr. Social Development Specialist), Neha Vyas (Environment Specialist), Manmohan Sing Bajaj (Sr. Procurement Specialist), Manvinder Mamak (Sr. Financial Management Specialist), Isabel Chatterton (Sr. Financial Analyst), Sri Kumar Tadimalla (Sr. PPP Specialist), Krishnan Srinivasan (Consultant, Transport Specialist), Ernst, Huning (Consultant, Institutional Development), Pradeep Valsangkar (Consultant, IT/MIS Specialist), Harissh Chawla (Consultant, Construction Management) visited Orissa from Sept 10-15, 2007 for various periods for the mission of the proposed Orissa State Roads Project (OSRP).

2. The mission met with concerned officials of the Government of Orissa (GOO) and the Orissa Works Department (OWD), and worked closely with staff from the Project Management Unit (PMU) of the proposed OSRP. The draft Aide Memoire (AM) is prepared for discussion with GOO officials in a wrap up meeting chaired by the Development Commissioner on September 14, 2007. The mission thanks GOO and OWD for their kind cooperation and support during the mission.

##### 3. Scope of the Mission

- Finalize preparatory activities and assess appraisal condition compliance and readiness for implementation
- Finalize implementation arrangement, including Monitoring, Evaluation and Reporting arrangement
- Firm up the Policy and Institutional Development component to be supported under the project, and agree on key policy reform actions to be taken by the government during the course of project implementation
- Identify and agree on legal covenants to underpin the policy and institutional reforms
- Review progress with second year project preparation activities

##### B. Summary of Project Preparation Activities and Prior Actions for Appraisal

4. *World Bank Management Decision Meeting.* The mission informed GOO that the World Bank management has given the go ahead to start the appraisal process of the

proposed OSRP. However, the mission has not been able to complete the appraisal of the project because key prior actions agreed during the May 2007 mission have not been completed by the GOO and OWD. Table 1 below provides the status of agreed prior actions for appraisal.

5. ***Key actions remaining for appraisal.*** The mission informed GOO that without the completion of the prior actions, the appraisal cannot be completed. The mission urges GOO and OWD to ensure the pay particular attention and follow up in order the complete the appraisal process.

- Confirmation of the Loan Size by the Department Economic Affairs (DEA). Currently, the loan size has come up to be around US\$340 million to finance 80% of the total project cost. This is substantially higher than the US\$250 million agreed previously. The GOO will need to follow up with the DEA and the Department of Expenditure to confirm the loan amount as soon as possible so that the project could be appraised. A fiscal impact analysis carried out during the mission suggests that Orissa should be able to accommodate the new loan amount and meet the fiscal targets set in the Medium Term Expenditure and the ceiling sets in the Fiscal Responsibility Act.
- Land acquisition notification. The OWD has only completed notifications in 30 out of 155 villages coming within the first year project corridors requiring land acquisition. Since the project implementation and work execution will be adversely affected by delays in land acquisition, the mission has informed GOO that complete notification of the land acquisition for first year roads will be critical for completion of the appraisal. In addition, the mission has informed GOO that once the notifications are completed, the LA process should start immediately. In order to expedite the process, the government may consider acquire the land through consent method as done in other states of India, including Tamil Nadu, Punjab.

6. ***Status Prior Actions for Appraisal***

Submission of draft bidding documents for first year contracts for clearance by the Bank and bid documents issued	<b><i>Delayed. Bid documents were cleared by the Bank in July, but OWD has not issued the bidding document pending Finance Department clearance</i></b>
Resettlement Action Plan (RAP) approved by the GOO and land acquisition notifications issued for all first year contracts that require land acquisition.	<b><i>Not yet met. Land acquisition notification is seriously delayed and impacting project appraisal</i></b>
Social Assessment, Resettlement Policy Framework and RAP for first year roads cleared by the Bank and disclosed to the public.	<b><i>Met</i></b>

Environment Assessment (EA) and Environment Management Plan (EMP) for first year roads finalized, cleared by the Bank, and disclosed to the public.	<i>Met</i>
Staffing of the PMU completed.	<i>Substantially met. Some key staff and AE still remaining.</i>
Procurement plan for the first 18-months of procurement activities (works, services, and goods) finalized	<i>Met</i>
PPP Transaction Adviser Mobilized	<i>Contract to be awarded and mobilization expected soon</i>
Asset Management consultant mobilized, and RFP issued to IT/ICT and Road Sector Master Plan and Financing Study consultancies.	<i>Delayed. Contract Negotiations ongoing</i>
Technical proposals received from supervision consultant for first year roads.	<i>Met. Technical evaluation completed</i>
GOO and DEA decision on the World Bank loan amount for OSRP	<i>Seriously delayed</i>
Financial Management manual prepared and TOR for external audit agreed.	<i>Substantially met. Need to be finalized</i>
Preparation of second-year works substantially advanced.	<i>Seriously delayed</i>

#### 7. *Prior Actions for Negotiations*

- Bids received for first year roads and ready for award.
- Land cleared for construction, including utility shifting, land acquisition and tree-cutting completed for 40% of the first year contracts.
- ISAP and Governance and Accountability Action Plan (GAAP) formally endorsed by the Government.
- Draft bidding documents for second-year contracts ready.

8. *Project Timeline.* The timetable for project processing is provided below. If the above actions are met earlier, the appraisal and negotiations dates could be brought forward.

- Completion of Project Appraisal: End-Sept 2007
- Loan Negotiations in Washington DC: December 2007
- Loan Approval by World Bank Board: January 2007

### **C. Project Description**

9. The mission confirmed the Project Development Objective and Components, and expected outcome.

10. The Project Development Objective (PDO) is to remove transport bottlenecks in targeted transport corridors for greater private sector investment and economic and social development activities.

11. The PDO will be achieved by (a) improving the performance, safety and carrying capacity of priority roads in the state in an environmentally and socially sustainable way, (b) modernizing and strengthening OWD's management structure and procedures, (c) increasing the role of the private sector in road infrastructure financing and management, (d) assisting GOO to establish conducive policy, institutional and governance frameworks to improve road sector management, financing and safety.

12. *Outcome Indicators.* At the end of project implementation, businesses and households in project areas will enjoy significant reduction in generalized transport cost, and the OWD will improve its capacity and efficiency to provide sustainable road infrastructure service to users. The outcome indicators and monitoring framework is provided in Annex...

13. The collection of the baseline data and outcome targets have been discussed with OWD and need to be completed before the completion of the appraisal process. The OWD will monitor the results from this project with periodic data collection on vehicle operating costs and speeds (by vehicle type) on the completed project corridors. The agreed upon results framework is given in Annex 3.

14. A User Satisfaction Survey will be carried out during the first year of the project, repeated at mid-term and completion to track changes in the perception of road users on the services provided by the road network and road agency.

## **Project components**

15. The proposed project comprises two components: (a) Road Corridor Improvement Component, (b) Sector Policy and Institutional Development Component. Annex 4 has detailed project description.

***Component A: Road Corridor Improvement Component (Estimated Cost: US\$394 million; Bank Financing: US\$297 million)***

16. This component will support the widening and upgrading of about 906 km of existing single and intermediate lane roads to double lane standard, comprising 11 State Highways and 3 Major Districts Roads. Once improved, the separate road links will form five logical transport corridors, serving 16 (out of 30) districts in the state and cover over 50 percent of the state's area and population. The corridors will connect industrial, mining and tourist areas to major National Highways and ports in Orissa and neighboring Andhra Pradesh, as well as enhance the availability of transport services for the poor and tribal communities living along road corridors.

17. **Project Phasing.** To start implementation on 900 km of roads of the project selected for upgrading a phasing strategy has been adopted. The upgrading contracts in the project will be in 2 stages i.e. let out as Year-1 and Year-2 roads. The year-1 roads comprise about 204 km and the Year-2 roads comprise about 700 km.

18. **Design and Engineering Standards.** Depending on the present and projected traffic levels and the speeds to be adopted for the SH roads, the road cross-section were finalized. In general, all roads are proposed to be widened to two lanes (7 meters of carriageway width). Some of them, about 100km in length, with higher potential for future traffic will be designed with paved shoulders of 1.5m while others are designed with gravel/earthen shoulders. The total width of the carriageway plus the shoulders on either side is maintained at 12m as per the Indian standards. The road section from Anandpur to Karanjia, due to its passing through a reserve forest, has been designed to narrower standards of 5.5m of carriageway width with 0.5m of treated shoulders and at least 0.9m of gravel/earthen shoulders. In built up areas as requested by the local inhabitants and also seconded by the OWD, it was agreed that the land acquisition and adverse impact to the roadside inhabitants will be kept to a minimum. The designs in such locations cater for a 10m wide road with 1.5m of raised footpaths and drains underneath. Free service lanes of minimum 1.5m after the footpaths are provided for the local traffic and for underground utilities and services.

19. The existing horizontal have been modified at critical spots to avoid sharp curves and/or accident black spots. Vertical and horizontal alignment designs cater at most of the places to serve the standards fit for good state highways i.e. a speed of 80kmph. Cross drainage structures have been widened to cater to the increased width of approach roads. Other aspects like lane marking, road signs, junction improvements with important major roads, providing road side appurtenances/amenities for trucks and buses and pedestrian amenities in built-up areas have all been incorporated in the designs to cater to public needs. Bypass options wherever the roads pass through heavily built up towns have been

considered in consultation with OWD and the local public. Eight bypasses/realignments around congested towns have been considered to ensure smooth flow of traffic. The project also considers the need for wildlife movement at critical places and provides for animal crossings and underpasses.

20. Specification and design standards adopted for the upgrading component of the project are consistent with the specifications for state highways as per Indian standards and cater for traffic flow over the next 20 years. Due to the very poor condition of pavement surface observed on certain stretches the existing pavement has been scarified and a new pavement built along with the widening portions to prevent reflective cracking and differential settlements. Raising the roads wherever necessary due to high water table levels have been done. Bridges and other important cross drainage structure designs for rehabilitation or reconstruction have been based on rational testing procedures estimating residual life through the latest techniques. The designs of new structures have been based on hydrological studies, geotechnical investigations and standard structural design methods consistent with the Indian codes and specifications.

### **Review of Designs and Drawings**

21. The mission reviewed the designs and drawings for the Year-2 roads namely (i) Anandpur-Karanjia; (ii) Taptapani-Raipanka; (iii) Raipanka-JKPur; (iv) Bhawanipatna-Muniguda; and (v) Jagatpur-Chandbali. Based on the review the team conveyed its comments to the OWD team and the consultants which need to be incorporated to the extent possible to enable a good wholesome design which will then form the basis for the second year bid documents. Also, some aspects of bridge designs pertaining to hydrological surveys, geotechnical investigations and structural designs were discussed and the mission advised the consultant and OWD to get the issues resolved and finalized as soon as possible to enable finalising the bid documents for the corresponding roads.

### **Social Aspects**

22. **Land acquisition:** The mission had detailed discussion on the progress with regard to land acquisition (LA). It was informed that for the first year packages, LA process could be initiated (with the notification of section 4(1) of the LA Act) in 30 out of a total 155 villages coming within the project corridors and requiring LA. The mission expressed serious concerns for the slow progress and apprehended that this would impact the project implementation schedule. It was pointed out that for the award of contract, a significant portion of the land is required to be in possession of OWD and activities envisaged under the Resettlement Action Plan (RAP) are completed. Evidently, this requires concerted efforts on the part of the concerned executive engineers who will have to take it up vigorously with the respective District Administration to accelerate LA process. The mission suggested that the use of 'consent award' method to compensate land required for the project could accelerate the LA process and pointed out that this method is increasingly being adopted in other states including Andhra Pradesh, Tamil Nadu, Karnataka, etc. The mission was assured that the land required for first year works would be acquired and compensated; the resettlement and rehabilitation (R&R) entitlements agreed for the project would be extended to the eligible project affected



families before the land is handed over to contractors. *No construction will be undertaken unless lands have been acquired and compensated.*

23. **Resettlement Action Plan:** As pointed out during the last mission that state Resettlement and Rehabilitation (R&R) Policy requires RAP to be approved by the Rehabilitation and Periphery Development Advisory Committee (RPDAC). However, the mission was informed that the RPDACs required for this project had not yet been constituted although the PIU submitted RAP to the concerned Revenue Divisional Commissioner (RDC) and the District Collectors (DC). The mission urged OWD to take this matter with the concerned RDCs and DCs and ensure that RPDACs are constituted for the project districts and RAP approved at the earliest. It was agreed that RPDACs would be constituted by the end of October 15 2007 and RAPs would be approved by these committees by October 31, 2007. This would help initiate implementation of RAP from the first week of December 2007.

24. **Tribal Development Plan (TDP):** For each of the packages (of Year 1 of the project) with significant tribal population, TDP has been prepared based on the TD strategy agreed for the project. The focus of TDP is on community development activities including small infrastructure required by the local communities. Package level NGOs will work with local communities to assess their needs and involve them in planning and implementing community based activities proposed as part of TDP.

25. **Implementation arrangement:** The project envisages involvement of NGOs both at the PIU level and at each Package level. The TOR for these two levels of NGOs was reviewed by the mission and found to be acceptable. The mission was informed that PIU had advertised in the local news papers inviting applications. These NGOs have been short listed adopting certain evaluation criteria. The mission reviewed the evaluation criteria and advised that those short listed should be issued RFP to submit their proposals.

26. The mission reiterated to strengthen the Social Management Unit of PIU which is at present severely hard pressed though has been meeting the requirements of project preparation. Full strength of the SMU is required not only to take up LA and RAP implementation of the first year packages but also to make preparation for the package in subsequent years. *It was agreed that all institutional arrangement agreed for the social component of the project including NGOs would be in place before project negotiation.*

27. **Feasibility Consultant:** The Consultant prepared the social screening report for Phase II and III roads. This report was reviewed by the mission and found that in the present form, it is not an acceptable document. It was agreed that the consultant would work on this report and resubmit it by end November 2007. The mission was informed that the preparation of RAP for the stretches proposed in year 2 &3 of the project is under progress.

### **Environment Aspects**

28. **Regulatory Clearances.** The mission was informed that the process for obtaining Environmental and Forest Clearances (year-one works) has been initiated. The

Forest Land Diversion and Tree Felling application were submitted, but clearance has not been obtained.

29. ***Institutional Arrangements.*** The mission reiterated to strengthen PIU and fully staff its Environment Management Unit to ensure that adequate staff is available for implementation of environmental management plans including biodiversity aspects.

30. The mission discussed in detail OWD's current proposal to hire a retired Forest Official in the Environmental Management Unit. To actively support and implement the multifarious activities envisaged in the EMPs like regulatory requirements, plantation and tree preservation activities, wildlife protection and community initiatives linked with medicinal plants, the mission suggested that sufficient experience and expertise should be considered during selection.

31. ***Endorsement of EMPs and Biodiversity Management Plan.*** The EMPs and the Biodiversity Management Plan contain certain suggestions/proposals that require concurrence of the State Environment and Forest Department including the Wildlife Wing before they can be implemented.

**Component B: PPP Enabling, and Sector Policy and Institutional Development  
Component (Estimated Cost: US\$23 million)**

32. Discussions in the mission confirmed that the objective of project support in this component is to assist the GOO to introduce private sector financing and management in the road sector and to improve the OWD's institutional capacity to deliver effective and sustainable road infrastructure in the state. The assistance to be provided to help meet this objective will be comprise three activities: PPP Enabling Support, OWD Modernization, and Sector Policy and Institutional Development.

***PPP Enabling Support***

33. GOO and the OWD regard Public Private Partnerships (PPPs) as an important means to achieve better quality and cost effectiveness in the provision of road services in the state. Accordingly, as part of the OSRP, three road stretches are identified for developing under PPP approach with a provision for support for engaging transaction advisers and for meeting the state's share of the viability gap funding, if any required, for these projects. It is envisaged that the institutional capacities created and experience gained while developing these PPP projects would help OWD subsequently in scaling up the share of PPPs in the provision of road services.

34. OWD has selected the transaction adviser for the development of the selected road stretches as PPPs way back in May 2007 but has not yet finalized the contract. GOO clearance to award the contract has only been received this week. Therefore, significant delays are expected in the preparation of these PPP roads. Preparation of PPP projects, piloting them through the GoI processes and taking them to market involves considerable time, say, up to 12-18 months. In view of this, OWD needs to expedite the transaction advisory contract immediately, agree on a fast track plan to compensate for the delay in signing the contract, and concomitantly build its own capacities to better manage the PPP process. The mission explained to GOO that the additional road added (Digachhia-Dhamra for 35 km connecting the proposed Dhamra Port) to the Transaction Adviser

services free of charge of mutual agreement should be considered separate from the project as the transaction will be undertaken by OWD's own resources. The OWD will replicate the methodology adopted by the project for preparing the added road.

35. **PPP Regulatory Arrangement..** During the course of the project preparation, the institutional framework for undertaking PPPs in the state has undergone considerable change. In August 2007, GOO pronounced a PPP policy that paved the way for constitution of a High Level Clearance Authority (HLCA, under the chairmanship of the Chief Minister) for approving PPP projects with investment of over Rs.500 crore and an Empowered Committee on Infrastructure (ECI, chaired by the Chief Secretary) for facilitating infrastructure development in the state under PPP approach. In implementing the policy, a state level PPP Cell constituted in the State's Planning & Coordination Department is expected to play a pivotal role by way of assisting the ECI in a variety of tasks that are germane to the development of PPPs.<sup>1</sup> This state level PPP Cell, in turn, is expected to work in close coordination with dedicated PPP Cells/Units created in the line Departments responsible for the sectors with potential for PPP projects. In this context, the mission pointed out that although the state PPP cell may actively facilitate the preparation of projects, the actual contracting of the consultants should always be done by the line agency which has responsibility over the services in question. This will ensure that the line takes the ultimate ownership over the transaction, leaving the state PPP cell without any potential conflict of interest. In line with this Policy, GOO has gazetted the resolution concerning the Empowered Committee for Infrastructure and the creation of a PPP cell in the OWD. The OWD PPP cell has been formed comprising the Joint Secretary Planning, the Additional Financial Advisor, and an Executive Engineer from the OWD.

36. Going forward, the OWD PPP Cell is expected to assume ownership on behalf of OWD for all road PPP transactions regardless of the sponsor (IDCO, industrial organisations, OWD, etc) and will be essentially the regulatory authority for PPP roads on behalf of the government. Specifically, the OWD PPP Cell would be required to ensure that these PPP projects are conceptualized, structured and implemented in a manner that is attractive to the private sector and, at the same time, ensure better value-for-money for the government and the end users. In order to do this regulatory function effectively, the OWD PPP Cell would need to be equipped with financial, legal and concession management skills, which would need to be suitably ramped up in tune with the actual increase in the number of PPP transactions in future. OWD PPP Cell should also liaise closely with the State PPP Cell. **To facilitate this and ensure better coordination on all PPP related issues, it was agreed that a representative from the State PPP Cell would be included in the OWD PPP Cell.**

37. In order to ensure effective regulatory capacity in OWD for PPP, the mission agreed to support the creation of capacities for managing road sector PPPs at one central location, i.e., the OWD PPP Cell. Already, the three projects identified for development

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<sup>1</sup> These tasks are reported to include developing guidelines for evaluation of projects to determine their suitability for private participation, facilitating the creation of a shelf of projects and their monitoring, preparation of pre-feasibility and detailed project reports, conducting bidding process, capacity building and evolving appropriate mechanisms for regulation and grievance redressal.

as PPPs under the OSRP form part of the OWD's program, which includes development of 7 more roads (see Annex \_\_\_). The OWD would vest the responsibility for timely and adequate preparation of PPP projects supported under the OSRP directly to the OWD PPP Cell. Accordingly, the OWD PPP Cell will have a PPP Nodal Officer to work as a main counterpart for the Transaction Advisor. Such an arrangement would facilitate quicker adoption and replication of best practices implemented in the selected projects for all other road projects to be transacted as PPPs in the state. In order to help the OWD PPP Cell in pursuit of its mandate, the mission strongly recommended that they should immediately start building capacities through (a) internal allocation of staff with suitable technical skills; and (b) engaging a full-time financial analyst (for a 2-year period) and a legal expert (on a retainer basis, with a total effort commitment of 6 man months spread over 1-2 years). These experts would assist the OWD PPP Cell *inter alia* in reviewing the work of the transaction advisers for PPP projects under the OSRP. In addition, it was agreed that a comprehensive assessment of the training and capacity building needs of the OWD Cell would be carried out as part of the ISAP, following which additional capacity building support could be considered.

### **Sector Policy and Institutional Development**

38. The program of sector policy initiatives and IS actions under this component has now been mapped out in a comprehensive Institutional Strengthening Action Plan (ISAP) finalized by the OWD task force. This is already being forwarded to the OSRP Steering Committee and will then be combined with a "summary-level ISAP matrix" and covering note finalized during the mission (*Annex \_*), for submission to the GOO for consideration and endorsement. OWD is confident of GOO endorsement before project negotiations.

39. OWD Modernization Support The focus of project-funded assistance to OWD here will mainly be: (a) establishing of a Road Asset Management System in OWD, including the creation of a Road Information System, development of software applications for maintenance planning and optimal resource allocation; (b) establishing and building the capacity of core business units/cells in OWD, including for Environment and Social Management, Road Safety, Road Asset Management and PPP Transactions responsibilities; (c) revision and updating of the PWD Codes and Manuals to improve OWD contract management and procurement practices; (d) planning and implementation of IT/ICT/MIS to modernize the financial management system, computerize the record keeping and introduce e-procurement; (e) support the implementation of the GAAP and compliance with RTI *suo moto* disclosures; and (f) implementation of an extensive training and core skills development program for OWD staff.

40. Policy & Institutional Development In this field, the focus of project-funded assistance to GOO will mainly be the improvement of Orissa's road sector policy, institutional and legal framework, to align it with the rapidly changing environment and context. This will include: (a) establishing an effective O&M structure for managing the state's Core Road Network, initially within a restructured OWD but eventually outside OWD, possibly in a separate Road Development Corporation; (b) implementing sustainable road maintenance financing options; (c) establishing GOO Policy for the sector that clarifies the roles and responsibilities both of the state's roads-related public

sector agencies and of the public and private sectors relative to each other in the overall provision of road infrastructure; (d) developing proposals for a new apex ‘road authority’ to coordinate and integrate the various roads-related agencies in the state; (e) preparation of a Master Plan for the main road network, including a modernized ‘road classification system’ and an updated ‘ownership framework’ covering the various roads-related agencies; (f) updating and/or defining the legal Right Of Way for the state’s road network; (g) developing Road Safety Policy Action Plan; (h) toll road management and operating arrangement, and (i) develop axle load control policy and strategy.

41. In this context, the OWD and the mission confirmed the range of consultancy services required during the project for implementation of the ISAP, viz.

- (i) Establishment of (Road) Asset Management System
- (ii) Revision of PWD Codes and Manuals
- (iii) IT/ICT/MIS/FMS Strategy Development and Implementation
- (iv) Road Sector Institutional Development – a comprehensive suite of studies and implementation preparations (including on legal and statutory aspects) covering diverse policy and institutional interventions in the road sector, viz.
  - Core Road Network management & development
  - Re-organization and strengthening of OWD
  - OWD staff training needs assessment and HRD strategy
  - Road Safety policy and action planning
  - Road sector policy environment and institutional arrangements
  - Master Planning for the state’s main road network
  - Roads financing arrangements and strategy for a state-level Road Fund
  - Out-sourcing of toll collection and maintenance on OWD roads
  - Heavy vehicle axle load regulation and management; and
  - Construction industry skills development (including Construction Academy).

42. The draft terms of reference (TOR) for the integrated package of *Road Sector Institutional Development* consultancy services were refined with OWD during the mission (*Annex \_*) and a tentative budget estimate for these services has also been developed. The OWD will now need to issue the EOI and then finalize the short-listing, TOR / RFP, etc., with the aim of getting the Bank’s clearance before project negotiations.

43. The OWD has finalized TOR and shortlisted potential consultants for the planned *Revision of PWD Codes & Manual*, which is an important task towards improving procurement and governance in OWD. The department expects to invite proposals shortly and on this basis, the selection may be submitted for the Bank’s clearance before project negotiations, aimed at mobilization by early 2008.

The scope of new TOR for *I-ICT-MIS planning / strategy development services* for OWD was resolved during the mission, in response to recognition during this mission that an overall OWD strategy and prioritized plan for its IT-ICT-MIS needs should be developed separately, upfront, and confirmed with GOO before proceeding onto (e.g.) ‘systems development’ services and significant IT-ICT investments. This task shall include a review of realistic alternatives for achieving an *OWD computerized Financial*

*Management System (FMS)*, given an unresponsive outcome from approaches to the original vendor of the (unused) 1999/2000 ‘limited project FM’ software. OWD will now prepare a short-listing and draft RFP (etc.) on the ‘needs assessment & strategy development’ services for clearance by the Bank during October (*see Annex \_*). Meanwhile, other on the previous EOI response for more comprehensive IT-ICT-MIS development services will be deferred until the OWD strategy is determined with GOO.

## Costs and Financing

44. Table 1 provides the cost and financing arrangement for the proposed OSRP. The estimated total project cost is US\$457 million, of which US\$349 million is proposed for financing from the proposed Bank loan. The estimated base project cost is US\$421 million, of which Bank financing at 80 percent of project cost is US\$318. The physical and price contingencies are US\$13 million and US\$24 million respectively. Under the PPP Enabling Support component, about US\$15 million is earmarked for a possible state contribution to the VGF, and to finance independent engineer for supervision of PPP roads during the construction phase.

**Table 1 Project Cost and Financing**

	<b>Project Component</b>	<b>Cost</b>	<b>%</b>	<b>Bank Financing</b>	<b>%</b>	<b>Govt Financing</b>	<b>%</b>
A	<b>Road Improvement</b>	<b>394</b>	86.2%	<b>297</b>	<b>93.3%</b>	<b>98</b>	<b>70.0%</b>
	Civil Works	357	78.2%	280	88.0%	78	55.7%
	Supervision Cost	14	3.1%	11	3.5%	3	2.2%
	LA, R&R, Utility Shifting	23	4.9%	6	1.8%	17	12.1%
B	<b>Sector Institution and Policy Development</b>	<b>23</b>	<b>5.1%</b>	<b>18</b>	<b>5.7%</b>	<b>5</b>	<b>3.6%</b>
	PPP Enabling Support	17	3.7%	13	4.2%	4	2.7%
	OWD Modernization	4	0.9%	3	1.0%	1	0.7%
	Sector Planning and Policy Development	2	0.4%	2	0.5%	0	0.3%
C	Incremental Operating Costs	2	0.5%	2	0.6%	0	0.3%
D	PPF Refund	1	0.2%	1	0.3%	-	0.0%
	<b>Total Base Project Costs</b>	<b>421</b>	<b>92.1%</b>	<b>318</b>	<b>100.0%</b>	<b>103</b>	<b>74.0%</b>
	Physical Contingency	13	2.7%	-	0.0%	13	9.0%
	Price Contingency	24	5.2%	-	0.0%	24	17.0%
E	Front End Fee					-	0.0%
	<b>Total Financing Required</b>	<b>457</b>	<b>100.0%</b>	<b>318</b>	<b>100.0%</b>	<b>140</b>	<b>100.0%</b>

45. **Decision on Loan Amount.** The mission learned that GOO's State-level Project Monitoring Committee has approved the cost estimate from the last mission, and that the GOO is now in the process of requesting DEA for a higher loan amount. In this regard, the mission urges the GOO and DEA to reach a decision on the desired level of loan amount, taking into account GOO's fiscal space for borrowing and its ability to come up with counterpart funding requirements during the project implementation period. At 20 percent counterpart funding by GOO, the loan amount would be about US\$360 million, while at 30 percent the loan amount would be reduced to about US\$315 million. Maintaining the current loan amount of US\$250 million would require GOO's counterpart funding to increase to 40 percent or to significantly reduce the scope of the project. The latter option, however, should be avoided as the current demand for road improvement in Orissa is high and Orissa has not had any externally aided project in the main road sector for many years. Also, road sector investment in Orissa has been lower than many other states in India, putting the state at a competitive disadvantage specially as it tries to attract major industrial and mining investors to the state.

46. **Fiscal Space.** The overall financial health of the Government of Orissa (GoO) has shown a remarkable turnaround in recent years. The fiscal deficit has declined below 3% of GSDP in 2005-06 to 0.4 per cent of GSDP, compared to 7% five years ago. Preliminary actuals for 2006-07 are strongly indicating that Orissa may achieve a fiscal surplus this year. The deficit on current account has been converted into a surplus in 2005-06, for the first time in twenty years. Orissa has achieved a primary surplus of Rs 34 billion (about 4.5% of GSDP) in 2005-06. GoO prepared its Medium-Term Fiscal Plan in 2005 for 2005-10 in accordance with the recommendations of the Twelfth Finance Commission (TFC), with the aim of maintaining the fiscal deficit below 3% of GSDP and eliminating the deficit on current account by 2008-09. Re-scheduling of debt has led to significant savings in interest payments and the government has also swapped high cost debt, thus reducing the debt to revenue ratio to below 300 per cent which is expected to decline further bringing Orissa's debt to more sustainable levels in the next few years. The ratio of interest to revenue receipts has fallen from over 40 per cent in 2001-02 to 26.2% as per the actuals of 2005-06 and is expected to come down further to 18.5 per cent as per the 2006-07 revised estimates.

47. The fiscal turnaround is due to a combination of various factors which includes revenue enhancement, increase in central transfers as well as expenditure curtailment. During the initial years, fiscal improvement was primarily due to revenue enhancement and subsequently from it was underpinned by expenditure curtailment. The improved revenue performance is partly due to successful implementation of VAT as well as better tax administration measures which led to an increase in revenue-GSDP ratio from 14% in 2001/02 to 18.6 per cent 2005/06 and this is expected to rise further to 21 per cent as per the 2006-07 RE's.

48. The second phase of fiscal improvement was characterized by prudent expenditure management, including a freeze on government recruitment. The quality of expenditure improved in 2005-06, with a drop in the share of salaries, interest and pensions and an increase in capital expenditure as well human development expenditure. The fiscal correction path projects that aggregate capital outlay to rise in the coming

years from 1.4% of GSDP in 2003-04 to 2.04% of GSDP by 2007-08 and further to 2.3 per cent by 2009-10.

49. The counterpart funding requirements of the proposed project is about Rs 7 billion over five years or an average of Rs 1.4 billion annually. Given that the increase in states own revenue in a single year, from 2005/06 to 2006/07 (pre actuals), was Rs 10 billion, the additional resources required by the project are affordable, and seem likely to be made available. This is contingent on continued adherence to the fiscal correction path, avoiding significant slippages, such as due to unaffordable pay awards to state government staff. It should be noted, however, only Rs 92 crore has been budgeted on account of the Orissa roads sector project in 2006-07. The Finance Department officials say they can allocate additional resources if required. This seems feasible given that revenue performance in the current year is also expected to exceed the budget target.

### **Procurement Aspects**

50. **Procurement Plan:** The Procurement Plan has been revised based on the package wise estimated cost figures, expressed in dollar terms, and will be finalized after more realistic figures have been arrived at. The final version of the plan will have to be arrived at after the number of procurement of consultancy contracts for ISAP and reasonable assessment of Bank funding for PPP contracts can be made and is frozen.

51. **Procurement Capacity and Risk Assessment:** Status of agreed actions for mitigation of procurement risk as identified per the Risk Assessment carried earlier - some aspects of the Action Plan pertaining to procurement capacity building of the PMT/ PIU/ OWD and training of the staff working for it, require attention and require focused monitoring as the same is crucial for the success of the project. The training/ capacity building plan will be more realistically prepared and monitored during implementation phase of the ISAP..

## **D. Financial Management Aspects**

### **Financial Management**

The financial management arrangements for the proposed project have been agreed and considered to be adequate for appraisal. In line with the agreed approach of using the current OWD accounting and reporting system for the project, the project components have been incorporated into the state's budget classification system in a manner that will allow for the financial reports to be generated from the Monthly Appropriation Account prepared by the AG, Orissa. These monthly accounts are prepared by AG on the basis on monthly financial reports submitted by the OWD Divisions. It has also been agreed that report based disbursements will be used for withdrawals from the Loan. In determining the eligible expenditures for the purposes of withdrawal, pro rata charges levied as part of the state's accounting convention, will be deducted from the expenditures reported - these have been built into the format of the interim financial reports. The financial management processes to be adopted for R&R payments have been discussed and agreed - these will



be documented in the RAP documents as well as in the Financial Manual for the project. The key developments since the last mission are summarized as follows:

- The proposed financial management arrangements were discussed with the Finance Department, GoO and agreed.
- A dedicated Chief Accounts Officer (also designated as the Drawing & Disbursement Officer) has joined the PMU.
- TORs for external audit of the annual project financial statements have been drafted and will need to be sent to the C&AG's Office for their concurrence.
- form and contents of the interim financial reports and the commitment and tracking register for contracts are being finalized and will be agreed by negotiations

The pending actions to be completed are listed as follows:

- Positioning of the dedicated finance support positions at the PMU;
- Preparation of the Financial Manual for the project, documenting the agreed financial management arrangements, including budgeting, fund flow, accounting and reporting (including formats of interim financial reports), disbursement and auditing arrangements. The Manual will also include a separate section documenting the agreed financial management processes for R&R payments.
- Concurrence obtained from C&AGs Office on the draft TORs for the external audit;

### **Implementation arrangements**

52. The mission confirmed with GOO that OWD will be the implementing agency for the project. A Project Management Unit (PMU) was established within OWD in 2005 to handle project preparation, and the same PMU will continue to coordinate and manage project implementation during the execution phase. The PMU has been progressively fully staffed as per the staffing plan discussed with GOO and the Bank, and includes the following.

- (i) Chief Engineer (World Bank Project) as head of the PMU and project coordinator;
- (ii) Six Executive Engineers to manage implementation of the project components and activities, including civil works (2), environment, (1) asset management, (1) PPP (1) and ISAP/Information Disclosure (1);
- (iii) Assistance Commissioner deputed from the Revenue Department to handle land acquisition, R&R and other social aspects;

- (iv) Chief Accounts Office deputed from the Auditor's General to take care of financial management and internal control; and
- (v) Several Assistance/Junior Engineers, social and environmental staff to work with the above senior engineers and officers on various activities.
- (vi) Environment and Social Management Advisers recruited from the market to assist the PMU in the implementation of the environment and social safeguards.

53. ***Governance and Accountability Action Plan.*** The mission discussed with the PMU progress on the Governance and Accountability Action Plan since the last visit. The mission was pleased to note good progress on the establishment of the website on RTI. In addition, the mission was informed about ongoing efforts to have a separate OSRP website and the establishment of organizational arrangements to operationalize the provisions of RTI. While these efforts are promising, the OSRP needs to finalize its disclosure policy, train its staff on RTI, speed up implementation of its e-procurement system and hire skilled IT staff that can maintain the website and other IT related tasks such as creating and maintaining databases. Further, to strengthen the complaints handling mechanism, OSRP will have a full-time CVO in place by December 2007.

54. ***ISAP Activities.*** A Task Force, composed of senior OWD and GOO officials and headed by the Engineer-in-Chief of OWD, was established early during project preparation to draft the ISAP and discuss it widely with all stakeholders, including private sector representatives and relevant government departments. The same Task Force will continue throughout project implementation period and oversee and coordinate the implementation of the ISAP related activities, including the OWD modernization and the preparation and implementation of several policy and institutional reforms.

55. ***Accountability and Transparency.*** As part of the GAAP implementation to be supported under the project, a *disclosure policy* of the project is currently being formulated by OWD with the intention of allowing greater access to information, including disclosure of mid-term review reports, safeguards information, audit reports and selected information on the entire procurement process. In addition, *systems and procedures* are being developed to implement the disclosure policy including document management system and information management system, as well *organizational arrangements* and *capacity building* plan, and *reporting and monitoring* arrangements to monitor implementation of the disclosure policy. As per the RTI requirements, a full time Chief Vigilance Officer (CVO) will be appointed in OWD.

### **Monitoring and evaluation of outcomes/results**

56. A Monitoring and Evaluation and reporting arrangement is being prepared and will be finalized by project appraisal and negotiations. This will include:

- (a) Monitoring project outcomes related to road conditions, traffic volume, vehicle operating costs and vehicle speeds. The Road Asset Management System to be developed by the project will generate the required data for outcome monitoring.

- (b) Institutional development impact monitoring. This will include measuring performance improvement of OWD in terms of road service delivery to users: use of objective criteria for maintenance planning and resource allocation, ISAP implementation and completion of milestones.
- (c) Road user satisfaction surveys at the start of the project, mid-term and project closure will be carried out to assess the overall perceived impacts of GOO' initiatives in the road sector. Road user satisfaction will be an important measure of whether the project is having an impact on the broader investment climate.
- (d) Impact-level monitoring is being discussed, and this will include developing an impact study to assess whether the project roads lead to improved land-use patterns and facilitate location of industries in project areas.
- (e) Monitoring GAAP Implementation and RTI Compliance.
- (f) Third party monitoring for OWD performance and compliance of RTI is under discussion.
- (g) Input-level project activities and expenditure will be monitored through the Financial Management Report format to be agreed by negotiations.

### **Project Monitoring**

57. An appropriate system of monitoring the physical and financial progress of the project components was agreed with the OWD. This will be developed into formats and shared with the OWD to ensure proper monitoring and reporting to the Bank..

### **Loan/credit conditions and covenants**

This will be updated during appraisal

- (a) Standard Loan Effectiveness

### **Implementation Phase**

- (b) *Monitoring, evaluation and reporting.* OWD to comply with the project requirement for quarterly monitoring, as well as to undertake three road user satisfaction surveys, and two land-use impact studies during the project implementation period.
- (c) *Project Management.* OWD to assign and maintain qualified engineers and officers as per the agreed staffing plan.
- (d) *Establishment of Core Road Network (CRN) Management Structure.* GOO to designate the most important roads (at least 25 percent) as CRN, assign Chief Engineer for managing CRN, and create a separate budget code in the

2007/2008 budget. By project mid-term, GOO to create a Road Development Corporation for the management of the CRN.

- (e) *Policy Development.* GOO to complete the agreed ISAP studies by July 2009, and approve a revised Road Sector Policy by July 2010, and Legislative Framework by July 2011. The policies will cover Road Safety, PPP, road maintenance financing, Right of Way for OWD roads, Apex Road Authority, and OWD modernization.
- (f) GOO to complete the Road Master Plan and Road Reclassification study by July 2009 and introduce a new road classification system by July 2010.
- (g) GOO to implement the GAAP and comply with the RTI *suo moto* disclosure by July 2010.
- (h) OWD to complete all pre-construction activities for second year roads within 18 months of project approval.

**To be completed****Officials Met During Mission – May 2007**

1. Sri A. U. Singh Deo, Honorable Minister, Works & Housing
2. Dr. R. N. Bahidar (IAS), Development Commissioner –cum-Addl. Chief Secretary
3. Sri R.N. Senapati (IAS), Principal Secretary, Finance
4. Er. S. K. Ray E.I.C-cum-Secretary to the Government Works Department
5. Sri Bikas Mohapatra, Addl. Secretary, Finance Department
6. Sri Aurobindo Mishra, Jt. Secretary, Finance Department
7. Sri Sukadev Meher, Engineer-in-Chief (Civil) & Chairman IDS Task Force
8. Er. N. K. Pradhan, EIC(Civil) I/C & Chief Engineer (DPI&Roads)
9. Er. J.M. Nayak, Chief Engineer, World Bank project, Orissa
10. Sri S. N. Dey, Joint Secretary, OWD
11. Sri P. K. Patnaik, Financial Advisor-cum-Joint Secretary, OWD
12. Mr. Sukesh Gupta and Key Consultant Team, M/s C.E.G. Ltd.. Preparation Consultant for Project Roads
13. Sri S. N. Ahmed (OAS), Asst. Commissioner –LA, PIU, OWD
14. Er. S. K. Mishra Executive Engineer, PIU, OWD
15. Er. P. K. Gauda, Executive Engineer, PIU, OWD
16. Er. M. R. Mishra, Executive Engineer, PIU, OWD
17. Dr. N. C. Pal, Executive Engineer, PIU, OWD
18. Er. D. K. Prusty, Executive Engineer, PIU, OWD
19. Er. A. K. Sahoo, Executive Engineer, PIU, OWD
20. Sri A. C. Samantray, F.A. – PIU
21. Mr. S. N. Das, Sr DAO, PIU, OWD
22. Sri R. K. Sahu, Spl. Officer - LA, PIU, OWD
23. Er S. Hota, Assistant Engineer, PIU, OWD
24. Er. B. C. Majhi, Assistant Engineer, PIU, OWD
25. Er. P. K. Mishra , Junior Engineer, OWD
26. Er. K. N. Patra, Junior Engineer, OWD

**Annex 3: Results Framework and Monitoring****INDIA: Orissa State Roads Project****Results Framework (under preparation)**

<b>PDO</b>	<b>Project Outcome Indicators</b>	<b>Use of Project Outcome Information</b>
1. Remove transport bottlenecks in priority transport corridors for greater private sector investment and economic and social development activities.	<p>1.1 vehicle operating costs in project corridors reduced from USD 0.09 to USD 0.05</p> <p>1.2 Average vehicle speed in project corridors increased from 40 KMPH to 55 KMPH</p> <p>1.3 favorable response by firms about the condition of transport infrastructure in the state</p> <p>1.4 OWD efficiency and transparency improved: (i) Operation and Maintenance arrangement for the Core Road Network put in place; (ii) core business functions fully operational; and (iii) OWD meets RTI disclosure requirements.</p>	To assess the project's contribution to remove transport bottlenecks for greater private sector investment and economic and social development activities in Orissa
<b>Intermediate Outcomes</b>	<b>Intermediate Outcome Indicators</b>	<b>Use of Intermediate Outcome Monitoring</b>
1 Five priority road corridors improved in socially and environmentally sustainable way	<p>1.1 906 km of state highways widened and upgraded efficiently and provide</p> <p>1.2 Environmental management plans effectively implemented</p> <p>1.3 Social safeguard measures (R&amp;R, TDP, HIV/AIDS Mitigation, and Road Safety Awareness program) effectively implemented in project corridors</p>	To assess the performance of the project and to redirect it, if necessary, to achieve the PDO
2. PPP in the Road Sector Introduced	2.1 At least two roads identified for PPP are concessioned out to the private sector	To assess the performance of the project and to redirect it, if necessary, to achieve the PDO
3 OWD Core Business Units/Cells Fully Functional	<p>3.1 Road Asset Management, PPP Transactions, Road Safety and Environment and Social Management operational and execute annual business programs, and IT/ICT/MIS operational</p> <p>3.2 Milestones in GAAP and ISAP met</p>	
4 Conducive road sector policy put in place to governing the management, financing and safety of the road network	<p>4.1 Improved Road Policy and Legislative Framework put in place</p> <p>4.2 Sustainable road maintenance financing options studied and agreed by GOO</p> <p>4.3 Road Safety Action Plan put in place</p>	

## 1.1 Disclosure Strategy and Action Plan

The OSRP disclosure strategy is based on the RTI Act both for on-demand disclosure and proactive or suo motu disclosure of information making maximum use of the OSRP website. This enhanced disclosure of information to the citizens is also expected to facilitate civil society oversight, to achieve greater adherence to transparency norms and quality of work during project implementation. To this end, the information will be maintained and provided in a user friendly manner that will maximize the utility of the information. The detailed disclosure requirements are based on the letter and spirit of Sections 4 and 26 of the Right to Information Act 2005 and the Orissa state's Right to Information Manual/Template.

## DISCLOSURE STRATEGY

The following disclosure strategy will be adopted by the Orissa State Roads Project. The intent is to enhance the transparency of the decision making processes inside the project during the implementation phase, including those for procurement, financial management, and social and environmental safeguards and to comply with all the legal requirements under the Right to Information Act, 2005.

1. The Project Management Unit (PMU) of the OSRP will establish a separate website to publish information relating to the project in compliance with the Right to Information Act 2005 as per Section 4 of the Act for *Suo Moto* Disclosure. This website will be linked from the OWD website, the Orissa state government website and from the national RTI portal ([www.rti.gov.in](http://www.rti.gov.in)) section. Information published on the website will remain available online through out the project implementation period and for at least one year after the project has been completed.
2. Information on the website will be organized in such a manner as to facilitate relevance and access to all affected citizens.
3. The PMU will make available the following documents in the OSRP website promptly after their completion: (a) Project Appraisal Document, (b) mid-term review and completion reports, and (c) Quarterly Project Monitoring Reports.
4. The PMU will make available the following documents in the OSRP website promptly after their completion: (a) Environment and Social Assessment Reports and (b) Environment Management Plans, and (c) Resettlement Action Plans
5. The PMU will make all final audit reports publicly available promptly after their receipt, and all the formal responses from the government.
6. The PMU will publish on the OSRP website the following documents and update them regularly as needed:
  - (a) annual procurement plans and schedules, promptly upon their finalization;
  - (b) bidding documents and requests for proposals issued in accordance with the procurement provisions. In the case of requests for proposals (RFP), the relevant documents will only be made available after notification of award to the successful firm

- (c) all short listed consultants and, in cases of pre-qualification, lists of pre-qualified contractors and suppliers. This list will be updated as and when changes are required;
  - (d) make publicly available and publish in the OSRP website information regarding the contract awards for all contracts for goods and works in accordance with the Bank's Guidelines.
  - (e) summary of the evaluation of all bids and proposals for such proposed contracts promptly after the notification of the award to the successful bidder/consultant. Information in these summaries will be limited to
    - (i) list of bidders/consultants
    - (ii) all bid prices and financial proposals as read out at public openings for bids and financial proposals,
    - (iii) bids and proposals declared non responsive (together with reason for such an assessment),
    - (iv) the name of winning bidder/consultant and the contract price.;
  - (f) allow representatives of the end-users of the goods or works being procured to attend the public bid openings;
7. Monitor compliance and progress with the disclosure policy and strategy.