



Second Irrigation and Drainage Improvement Project (P086592)

EUROPE AND CENTRAL ASIA | Kazakhstan | Water Global Practice |
IBRD/IDA | Investment Project Financing | FY 2013 | Seq No: 9 | ARCHIVED on 16-Dec-2017 | ISR30851 |

Implementing Agencies: Ministry of Finance, Ministry of Agriculture

Key Dates

Key Project Dates

Bank Approval Date:27-Jun-2013

Effectiveness Date:29-Jan-2015

Planned Mid Term Review Date:01-Oct-2018

Actual Mid-Term Review Date:--

Original Closing Date:31-Dec-2021

Revised Closing Date:31-Dec-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project development objective is to improve irrigation and drainage service delivery to support farmers in the Project areas. This will be achieved through rehabilitation and modernization of irrigation and drainage systems; improved management, operation and maintenance of these systems; and more efficient use of associated irrigated lands; all with improved participation of users in developing and managing the rehabilitated / modernized systems.

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

No

Components

Name

Rehabilitation and Modernization of I&D Systems Infrastructure:(Cost \$323.38 M)

Sustainable Management, Operation and Maintenance of I&D Systems:(Cost \$6.93 M)

Agricultural Development:(Cost \$9.80 M)

Project Management, Technical Assistance, and Training:(Cost \$2.89 M)

Overall Ratings

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



Implementation Status and Key Decisions

Progress on IDIP2 has been made since the previous mission: (i) topographic, soil, hydrological, and engineering surveys completed for all IDIP2 10 schemes, and their reports and drawings submitted (ii) participatory detailed designs completed for 6 schemes, and designs are ongoing for the remaining 4 schemes with completion rates ranging from 10% to 65%; (iii) designs for 5 schemes are submitted to the State Expertise, of which two have been approved by the Expertise; (iv) the first ICB for works has been issued to bidders comprising two lots, Kapal and Makhtarl 1a; (iv) reports completed on “Construction Supervision and Quality Control” (component 1) and “Farmer Training Needs Assessment and Program” (components 2 and 3), and reviewed by the Bank; (v) Client and SMEC[1] finally agreed on their contract amendment, mainly revising the scope of works under the institutional and agricultural components to be consistent with the change in Kazakhstan law, and also adjusting clauses on VAT and corporate taxes. The Bank has recently issued a no objection to the amendment with minor comments; and (vi) improved collaboration between the Client and its TA consultants SMEC.

However, there are serious concerns as delays continue to occur in processing the preparatory steps towards rehabilitation. The bid opening for the first bids (mentioned under iv) in paragraph above) took place on October 23, 2017. We have noted that bid prices were higher than estimates, and urged a prompt review and bid analysis in order to progress on the procurement and subsequently investments. A cost higher than estimate should not be a reason for concern at face value, given the time that has lapsed, variances between initial prefeasibility and current bid prices, and macro-economic changes. The team is ready to review analysis for the observed discrepancy with designers’ estimates.

Of equally serious concern is the continued delay in initiating activities under Components 2 and 3 (beyond the preparatory works mentioned in paragraph 2). It will be urgently required that the time-based contract is operationalized and that water management and agricultural activities feature more prominently not only in the planned activities but also in the design choices under component 1.

During and after the mission all dates for procurement were reviewed and inserted into a dashboard (a printout is attached for reference in annex 4). If progress is maintained against this plan, by September 2018 all contracts could be committed – except for Kyzylkum SPA, which is expected by December 2018. This requires diligent and proactive management of the procurement reviews and approvals and readiness for contract awards, as all components still needs to get to on-the-ground implementation.

Decisions have been recorded in the Aide Memoire attached to this Implementation Status Report.

Risks

Systematic Operations Risk-rating Tool

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



Results

Project Development Objective Indicators

► Water users provided with new/improved irrigation and drainage services (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	120,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

▲ Water users provided with irrigation and drainage services - female (number) (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	40,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

► Area provided with new/improved irrigation or drainage services (Hectare(Ha), Corporate)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

▲ Area provided with new irrigation or drainage services (Hectare(Ha), Corporate Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

Overall Comments

The most recent mission was not accompanied with a progress report that indicates interim targets for the results framework. Ratings will be



updated with the next project progress report. Since no physical progress has been made on the ground, the indicators will still reflect baseline values.

Intermediate Results Indicators

► Number of Subprojects where detailed designs and EAs/EMPs are prepared (Component 1, supported by Components 2 and 3) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	10.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

► Incremental irrigation-water added (Component 1) (Cubic Meter(m3), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	870,000,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

► Operational water user associations created and/or strengthened (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	35.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	29-Nov-2021

► Client days of training provided (number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	24,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021



▲ Client days of training provided - Female (number) (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	8,000.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

▶ Number of Subprojects where "Water Information and Communication Technology" (e.g. Remote Sensing, GIS modeling) is developed to help modernize Subproject performance (Component 2) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	1.00	5.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021


▶ Local government units strengthened (via establishing Rural Support Units and Farmer Support Centers) to provide irrigation and agronomic advisory services (Components 2 and 3) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	29-Jan-2015	05-Jun-2017	05-Jun-2017	30-Nov-2021

Overall Comments
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Data on Financial Performance

Disbursements (by loan)

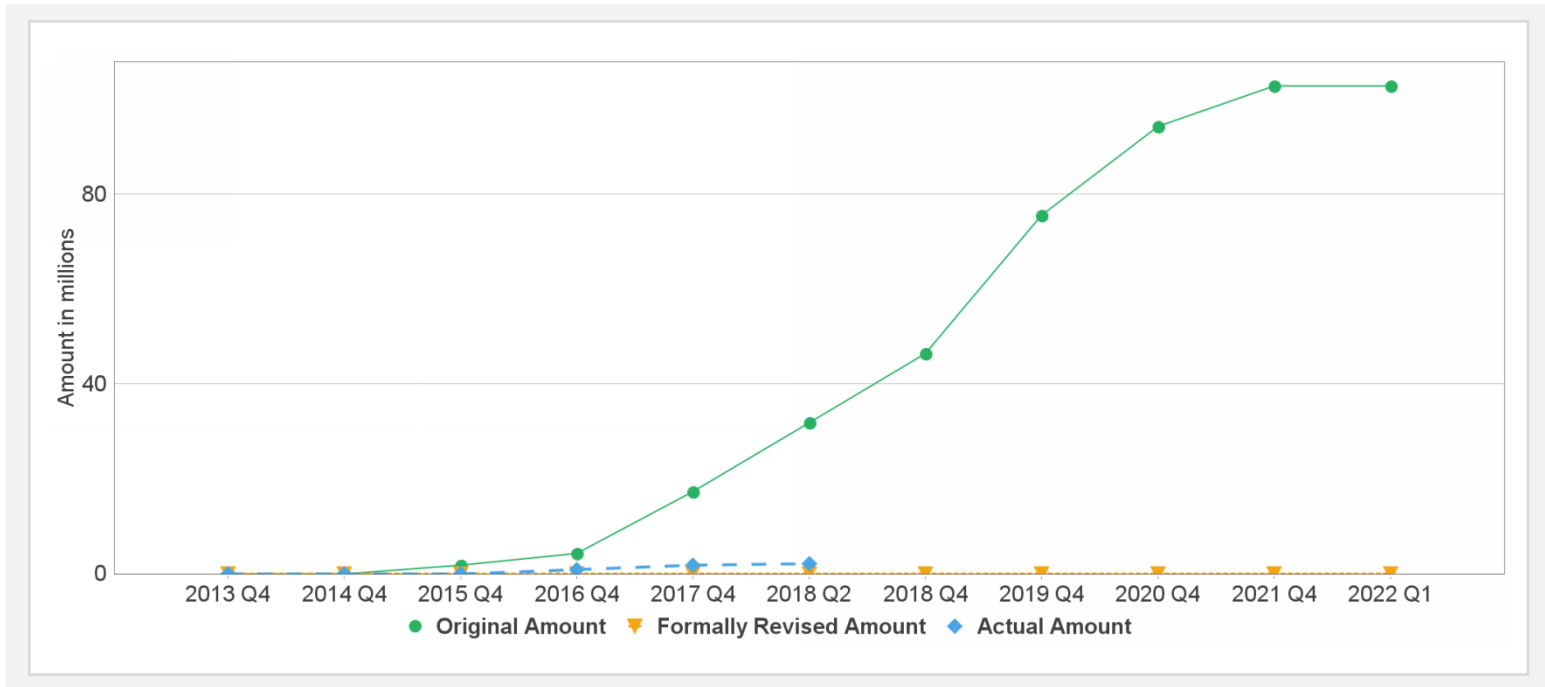
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P086592	IBRD-82770	Effective	USD	102.90	102.90	0.00	2.09	100.81	 2%

Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P086592	IBRD-82770	Effective	27-Jun-2013	29-Apr-2014	29-Jan-2015	31-Dec-2021	31-Dec-2021

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.