



**The World Bank**

IN Punjab Rural Water and Sanitation Sector Improvement Project (P150520)

REPORT NO.: RES39683

RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
IN PUNJAB RURAL WATER AND SANITATION SECTOR IMPROVEMENT PROJECT  
APPROVED ON MARCH 24, 2015  
TO  
INDIA

Water Global Practice  
South Asia Region

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## ABBREVIATIONS AND ACRONYMS

DEA	Department of Economic Affairs, Government of India
DWSS	Department of Water Supply and Sanitation
IA	Implementing Agency
IP	Implementation Progress
PDO	Project Development Objective



**BASIC DATA**

**Product Information**

Project ID P150520	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 24-Mar-2015	Current Closing Date 31-Mar-2021

**Organizations**

Borrower Department of Economic Affairs	Responsible Agency Department of Water and Sanitation
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**Project Development Objective (PDO)**

Original PDO

To improve water and sanitation service levels, reduce open defecation, and strengthen service delivery arrangements in targeted villages in Punjab

**Summary Status of Financing (US\$, Millions)**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IBRD-84870	24-Mar-2015	11-May-2015	19-Jun-2015	31-Mar-2021	248.00	136.27	111.73

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No



**I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING**

1. Current ratings of progress towards achievement of the PDO and overall implementation progress (IP) are Moderately Unsatisfactory (MU). With less than seven months before closing the project, the overall physical progress on the civil works stands at 53% and disbursement stands at 55% (USD 136.27 out of 248.00 Million). Only one of six PDO indicators has been fully achieved and the remaining indicators are likely to fall short of targets by the project closing date of March 31, 2021.

2. The purpose of this restructuring is to cancel funds available as savings. The DEA (ref: F.No. 3/13/2013-FB-III, dated June 23, 2020) requested the Bank to cancel \$ 20 million as proposed by the Government of Punjab in their letter dated June 8, 2020.

**II. DESCRIPTION OF PROPOSED CHANGES**

The purpose of this restructuring is to cancel \$ 20 million. This cancellation has necessitated reduction in allocation of funds against the components and disbursement categories. As a result of reduced allocation of funds, the targets in the Results Framework are also readjusted. The disbursement estimates are also changed based on actual amounts disbursed till now and estimates for the remaining period.

**III. SUMMARY OF CHANGES**

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Cancellations Proposed	✓	
Reallocation between Disbursement Categories	✓	
Disbursement Estimates	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Loan Closing Date(s)		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓



Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**

**COMPONENTS**

<b>Current Component Name</b>	<b>Current Cost (US\$M)</b>	<b>Action</b>	<b>Proposed Component Name</b>	<b>Proposed Cost (US\$M)</b>
Transformation - Improved Livability of Villages	100.67	Revised	Transformation - Improved Livability of Villages	91.22
Inclusive Household Water and Sanitation Services	119.03	Revised	Inclusive Household Water and Sanitation Services	114.76
Improved Water Quality	108.13	Revised	Improved Water Quality	103.69
Strengthening Institutions and Project Management	43.93	Revised	Strengthening Institutions and Project Management	29.94
<b>TOTAL</b>	<b>371.76</b>			<b>339.61</b>



**CANCELLATIONS**

Ln/Cr/Tf	Status	Currency	Current Amount	Cancellation Amount	Value Date of Cancellation	New Amount	Reason for Cancellation
IBRD-84870-001	Disbursing	USD	248,000,000.00	20,000,000.00	23-Jun-2020	228,000,000.00	BORROWER'S REQUEST FOR COUNTRY REASONS

**REALLOCATION BETWEEN DISBURSEMENT CATEGORIES**

	Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
				Current	Proposed
IBRD-84870-001   Currency: USD					
iLap Category Sequence No: 1		Current Expenditure Category: Toilet Grants under Pt B.3 of Proj			
	60,000,000.00	56,770,376.40	58,600,000.00	100.00	100.00
iLap Category Sequence No: 2		Current Expenditure Category: Gd,Wk,NCS,CS for all Prj excpt cat1			
	143,950,000.00	69,800,689.97	129,270,000.00	64.00	64.00
iLap Category Sequence No: 3		Current Expenditure Category: Cat5:Gd,Wk,NCS,CS,exc cat1&2			
	43,430,000.00	0.00	39,510,000.00	50.00	50.00
<b>Total</b>	<b>247,380,000.00</b>	<b>126,571,066.37</b>	<b>227,380,000.00</b>		

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates  
Yes

Year	Current	Proposed
2015	0.00	0.00



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2016	49.00	49.32
2017	33.00	33.07
2018	30.00	30.73
2019	45.00	9.67
2020	55.00	12.86
2021	36.00	92.17



**Results framework**

COUNTRY: India

**IN Punjab Rural Water and Sanitation Sector Improvement Project**

**Project Development Objectives(s)**

To improve water and sanitation service levels, reduce open defecation, and strengthen service delivery arrangements in targeted villages in Punjab

**Project Development Objective Indicators by Objectives/ Outcomes**

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Improve water and sanitation service levels</b>									
PDO Indicator: Villages with higher service levels managed by the GPWSCs (Number)		926.00	1,200.00	2,200.00	3,300.00	3,087.00	5,035.00	5,406.00	5,406.00
<i>Action: This indicator has been Revised</i>									
PDO Indicator: GPWSCs that are managing O&M of water supply schemes through full cost recovery (Number)		926.00	1,500.00	2,000.00	3,000.00	4,182.00	4,700.00	5,301.00	5,301.00
<i>Action: This indicator has been Revised</i>									
PDO Indicator: Villages receiving improved improved quality of water (Number)		8,933.00	8,933.00	8,933.00	9,054.00	9,147.00	9,197.00	9,757.00	9,757.00







Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Component 1 - Transformation: Improved Livability of Villages</b>									
New piped household water connections that are resulting from the project intervention (Number)		0.00	50,000.00	125,000.00	250,000.00	450,000.00	500,000.00	540,070.00	540,070.00
<i>Action: This indicator has been Revised</i>									
New household sewer connections constructed under the project (Number)		0.00	0.00	5,000.00	40,000.00	8,080.00	10,000.00	11,150.00	11,150.00
<i>Action: This indicator has been Revised</i>									
<b>Component 2: Inclusive Household Water and Sanitation Services</b>									
Piped household water connections that are benefiting from rehabilitation works undertaken by the project (Number)		0.00	50,000.00	125,000.00	250,000.00	400,000.00	450,000.00	492,150.00	492,150.00
<i>Action: This indicator has been Revised</i>									
Improved latrines constructed under the project (Number)		0.00	130,000.00	325,000.00	520,000.00	480,410.00	480,410.00	480,410.00	480,410.00



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Component 3: Improved Water Quality</b>									
Intermediate Results Indicator: Annual report published on the state-wide rural drinking water quality status (Yes/No)		No	No	Yes	Yes	Yes	Yes	Yes	Yes
<b>Component 4: Institutional Development and Project Management</b>									
Intermediate Results Indicator: DWSS organizational transition plan for improved service delivery approved and implemented (Text)		zero	Approval of new structure and posting a Head	Filling of all senior sanctioned positions and implementing new job descriptions	Complete DWSS restructuring; and approval and implementation of training plans	Development and reporting of key performance metrics at unit and department level	Reporting of key performance metrics at unit and department level	Reporting of key performance metrics at unit and department level	Fully Operational DWSS with service delivery efficiency improved
Intermediate Results Indicator: Percentage of grievances redressed within the stipulated time period /proposed time standard (Days)		6.60	6.60	6.00	5.50	5.00	5.00	5.00	5.00
People trained to improve hygiene behavior/sanitation practices under the proj (Number)		0.00	500,000.00	1,000,000.00	1,500,000.00	2,642,255.00	2,642,255.00	2,642,255.00	2,642,255.00
People trained to improve hygiene behavior/sanitation practices - female (Number)		0.00	250,000.00	500,000.00	750,000.00	1,268,282.00	1,268,282.00	1,268,282.00	1,268,282.00





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