



The World Bank

Andhra Pradesh Disaster Recovery Project (P154847)

REPORT NO.: RES45953

DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
ANDHRA PRADESH DISASTER RECOVERY PROJECT
APPROVED ON JUNE 17, 2015
TO
REPUBLIC OF INDIA

URBAN, RESILIENCE AND LAND

SOUTH ASIA

Regional Vice President:	Hartwig Schafer
Country Director:	Junaid Kamal Ahmad
Regional Director:	John A. Roome
Practice Manager/Manager:	Abhas Kumar Jha
Task Team Leader(s):	Atishay Abbhi, Deepak Singh



I. BASIC DATA

Product Information

Project ID P154847	Financing Instrument Investment Project Financing
Original EA Category Full Assessment (A)	Current EA Category Full Assessment (A)
Approval Date 17-Jun-2015	Current Closing Date 31-Mar-2021

Organizations

Borrower Republic of India	Responsible Agency Revenue and Disaster Management Department, Government of Andhra Pradesh
-------------------------------	---

Project Development Objective (PDO)

Original PDO

The Project Development Objectives (PDO) are to restore, improve, and enhance resilience of public services, environmental facilities, and livelihoods in Targeted Communities, and to enhance the capacity of state entities to respond promptly and effectively to an eligible crisis or emergency.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-56940	17-Jun-2015	16-Jul-2015	28-Aug-2015	31-Mar-2021	172.50	116.75	55.75



Policy Waiver(s)

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

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

Overall Project Status: The Project was prepared to support the Government of Andhra Pradesh's (GoAP) recovery efforts after a very severe cyclone storm, Hudhud, made landfall on the coast of Andhra Pradesh in 2014. The progress towards achieving the PDO is currently rated Moderately Satisfactory and implementation progress is Satisfactory. Current credit disbursements stand at \$101.09 million (58.61%). An additional about \$15 million IFR has recently been submitted that would take the disbursements to about 67%. Commitments stand at 100%.

This Restructuring Paper seeks approval to extend the closing date to September 30, 2021 from current closing date of March 31, 2021.

Rationale for Extension of closing date

All contracts under the project have been awarded and are under implementation. However, certain activities will not be completed by current project closing date (March 31, 2021). This is largely on account of COVID-19 related lockdown and delays in payments of contractors and service providers. Work is yet to be completed in certain components, in particular,

1. Component 1 (Underground Cabling or UGC): Over 41% of UGC works are pending, with current cumulative physical progress of the four packages standing at 58.13%. Full completion likely by March 2022.
2. Component 2: Restoration of connectivity: Out of the 563kms rural roads, 35km is estimated to be completed by April 2021. For major district roads and bridges, all works are completed except 1 bridge, which is expected to be completed by April 2021.
3. Component 3 (Restoration of Beach Front and Hill Park): About 90% of the Kailasagiri Hill Park work is yet to be completed and it is expected to be completed by August 2021. RK Beach restoration contract is awarded while works are yet to start as final CRZ clearance from the state's environmental authorities is awaited. It would take at least 12 month to achieve substantial completion.
4. Component 4: Restoration and environmental services and livelihoods support: All targets have been achieved, in terms of mangrove, avenue and shelterbelts plantation and nurseries. Construction work for elephant moat and night houses are nearing completion.
5. Component 5: Capacity building for DRM: Three major capacity building activities - establishment of APCOSMIC and AP-ALERT systems, and conducting Multi Hazard Risk Assessment - have pending milestones that are expected to be completed by March 2022.

Accordingly GoAP, requested a further extension of closing date by 12 months to complete all balance works and satisfactorily achieve the Project Development Objective. Following the Department of Economic Affairs' (DEA) directives to GoAP at the Tripartite Portfolio Review Meeting (TPRM) in January 2021, the GoAP created a "green channel" and allocated budget to ringfence funds for the project and cleared all pending bills amounting to about \$15 million in financing terms.

On March 24, 2021, the DEA recommended to the World Bank, via correspondence F.No.05/02/2014-FB.VIII/V, extension of closing date by 6 months, subject to the conditions that: (i) no new contracts would be awarded during



the extension period and; (ii) GoAP will send the monthly financial and physical targets for the extended period, duly concurred by Finance Department to DEA and World Bank. DEA has also advised that the project may be reviewed in July 2021.

This is the second extension of the Credit closing date (since the original closing date of September 30, 2020). All audits are up to date and have received unqualified (clean) opinions.

III. DETAILED CHANGES

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-56940	Effective	30-Sep-2020	31-Mar-2021	30-Sep-2021	30-Jan-2022