

Implementation Status & Results
India
Karnataka Panchayats Strengthening Project (P078832)

Operation Name: Karnataka Panchayats Strengthening Project (P078832)	Project Stage: Implementation	Seq.No: 10	Status: ARCHIVED	Archive Date:
Country: India	Approval FY: 2006			
Product Line: IBRD/IDA	Region: SOUTH ASIA	Lending Instrument: Specific Investment Loan		
Implementing Agency(ies): Government of Karnataka				

Key Dates

Board Approval Date	29-Jun-2006	Original Closing Date	31-Mar-2012	Planned Mid Term Review Date	Last Archived ISR Date	13-Jun-2011
Effectiveness Date	04-Oct-2006	Revised Closing Date	31-Mar-2012	Actual Mid Term Review Date	09-Nov-2009	

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The development objective of the project is to improve the effectiveness of service delivery by Karnataka Gram Panchayats (village governments) particularly with respect to the management of public resources and the delivery of relevant services that the rural people prioritize.

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

Yes No

Component(s)

Component Name	Component Cost
Block grants to Gram Panchayats	93.82
Information Systems for Constituents	1.30
Building Capacity of Panchayats	7.30
Building Capacity of the State	1.65

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Moderately Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Satisfactory
Overall Risk Rating		Moderate

Implementation Status Overview

The project has been under implementation for 4.5 years. There has been a rapid increase of funding to gram panchayats in recent years, primarily from centrally and state-sponsored schemes. As a result, the state government has focused on increasing spending of these schemes. To this end, GoK is making good progress in improving transparency and participation in panchayat governance and strengthening the management capacity of the gram panchayats through a wide range of capacity building activities as well as recruiting new staff. Less attention is paid to strengthen gram panchayat's autonomy and their capacity to respond to local priorities. The state government is not giving much

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attention to motivating gram panchayat to increase own revenue, nor is it increasing the share of discretionary grants in overall transfers to panchayats. As the project is closing in March 2012, it is critical to put in measures to ensure sustainability of the institutional development objectives of the project.

Locations

Country	First Administrative Division	Location	Planned	Actual
India	State of Karnataka	State of Karnataka		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Rising number of Gram or Ward Sabhas with agendas relevant to improving service delivery.	<input type="checkbox"/>	Text	Value	4,305 sabhas 747,946 participants	6,969 sabhas 784,213 participants	
			Date	05-Oct-2006	26-Sep-2011	25-Oct-2012
			Comments		Gram and Ward sabhas held: 2006-07 : 4305 2007-08 : 4709 2008-09 : 5602 2009-10 : 5664 2010-11 : 6969	
Total amount of revenues generated from own sources by all village governments in the project area.	<input type="checkbox"/>	Text	Value	INR 30.7 crore	INR 36.34 crore	US\$ 16 million
			Date	05-Oct-2006	26-Sep-2011	25-Oct-2012
			Comments		2006-7: Rs. 24.72 crore, 31% collection rate 2007-8: Rs 29.63 crore, 34% collection rate 2008-9: Rs 26.54 crore, 34% collection rate 2009-10: Rs 29.07 crore, 31% collection rate. 2010-11: Rs.36.34 crore, 30% collection rate.	
Rising satisfaction of village residents with service delivery by gram panchayats.	<input type="checkbox"/>	Text	Value	NA		60%
			Date			
			Comments			

Intermediate Results Indicators

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Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increased block grants to poor Panchayats equal to IDA disbursements based on formula	<input type="checkbox"/>	Text	Value	0%		100%
			Date	05-Oct-2006	01-Sep-2011	25-Oct-2012
			Comments		GoK statutory grant was Rs 5 lakh per GP at Project Preparation. It's now Rs 6 lakh per GP on budget but Rs 2.4 lakh actual release. IDA block grant release each year: 2006-07: Rs 46.8ores 2007-08: Rs 77.6rores 2008-09: Rs 125crore 2009-10: Rs 120 crore 2010-11: Rs 84 crore	
GP revenues, expenditure and procurement decisions publicly disclosed	<input type="checkbox"/>	Text	Value	3%	95%	90%
			Date	05-Oct-2006	30-Sep-2011	25-Oct-2012
			Comments		Out of 1341 Gram Panchayats of the project area, 1273 GPs have regular disclosure practice information.	
GPs that have implemented the new Financial Management and Accounting System	<input type="checkbox"/>	Number	Value		1279.00	
			Date		30-Sep-2011	31-Mar-2012
			Comments		Nearly all Panchayats have implemented the new double-entry accounting system and PanchaTantra.	

Data on Financial Performance (as of 25-Aug-2011)

Financial Agreement(s) Key Dates

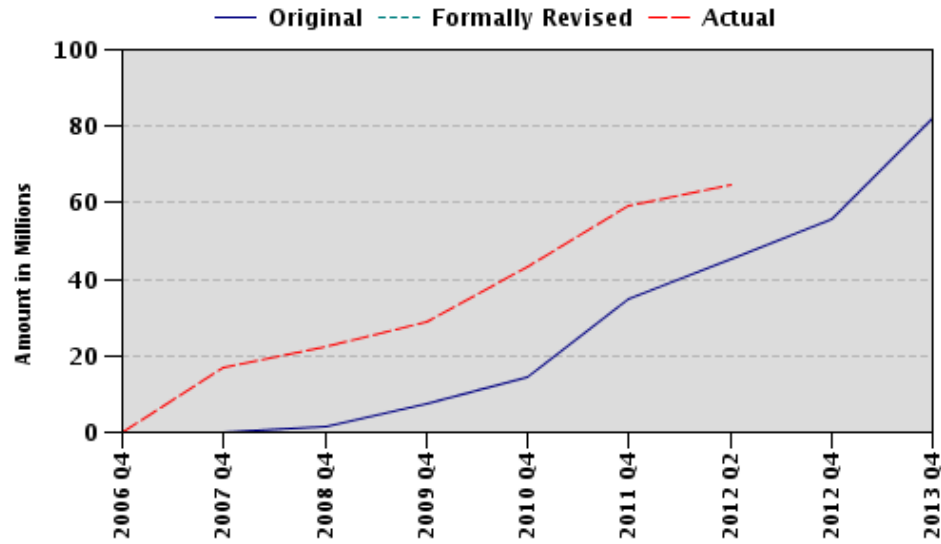
Project	Loan No.	Status	Approval Date	Signing Date	Effectiveness Date	Closing Date
P078832	IDA-42110	Effective	29-Jun-2006	24-Jul-2006	04-Oct-2006	31-Mar-2012

Disbursements (in Millions)

Project	Loan No.	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P078832	IDA-42110	Effective	XDR	82.20	82.20	0.00	64.89	17.31	79.00

Disbursement Graph

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Key Decisions Regarding Implementation

The mission noted the progress on a number of fronts and is happy to report that the project is no longer a problem project. Many aspects of project management have improved and we have upgraded the ratings accordingly. The priority for the remaining period includes addressing the sustainability challenges and complete a rigorous impact evaluation based on the evaluation strategy agreed during project appraisal.

Restructuring History

There has been no restructuring to date.

Related Projects

There are no related projects.

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