

SBF Project Implementation Monitoring Report

Oman: Duqm Port Commercial Terminal and Operational Zone Development Project

1. Project Information

Project ID:	000013	Investment Number:	L0013A
Member:	Oman	Region:	Middle East and North Africa
Sector:	Transport	Sub-sector:	Port
Financing Type:	<input checked="" type="checkbox"/> Loan <input type="checkbox"/> Guarantee	Co-financier(s):	n/a
Borrower:	Special Economic Zone Authority of Duqm (SEZAD)		
Implementing Agency:	Special Economic Zone Authority of Duqm (SEZAD)		
Project Team Leader:	Roberto Salgado		
Site Visits:	#1 May 25-30, 2017 #2 Oct 31-Nov 2, 2017 #3 Mar 25-29, 2018 #4 Dec 12-16, 2018 #5 Mar 5-6, 2019		

2. Project Summary and Objectives

The objective of the Project is to help Duqm Port capture its full economic potential through improved transport efficiency, strengthened logistics services, facilitated mineral exports, and reduced supply chain delivery time and costs for the wide spectrum of industries in the new Duqm Special Economic Zone and its broader port hinterland. The project investment will mainly include the civil works for the construction of port related infrastructure including port access roads, cargo storage, terminal buildings, and operational zone's facilities buildings. Total Project cost is USD 353.3 million with USD 265.0 (AIIB) and USD 88.3 (SEZAD)

3. Key Dates

Approved:	Dec 8, 2016	Signed:	Jan 16, 2017
Effective:	Feb 24, 2017	Restructured (if any):	
Orig. Closing:	Jun 30, 2021	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

a) Committed:	265.00	b) Cancelled (if any):	-
c) Disbursed:	136.58	d) Most recent disbursement: (amount /date)	11.50 / 16 Oct. 2019
e) Undisbursed:	128.42	f) Disbursement Ratio (%) ¹ :	51.54

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

Project implementation is on track with no execution issues reported. Completion of phase-1: March 19, 2019 (Part of the berth handed over to PDC). Contractor mobilized for Phase 2 and completion planned for November 30, 2019 (EOT-2 Claim received; the Engineer recommended revised completion with additional EOT). The Project is expected to be completed within the original loan closing date of Jun. 2021.

Components	Physical Progress	Environmental & Social Compliance	Procurement	Financial Management
Component 1: Port related infrastructure completed at the terminals on the Commercial Quay (US\$244.74)	Physical Progress: Approx. 64.07% (as of September19)	Full compliance with Environmental & Social Safeguards <ul style="list-style-type: none"> • Construction Environmental Management Plan (CEMP) in place and disclosed on SEZAD and AIIB websites • Daily HSE site visits and Monthly HSE Audits are being carried out. 		No issues
Component 2: Construction Supervision (100% funded through counterpart funds)	Consultants were recruited prior to loan approval	n/a	Recruited ahead of loan approval: ROYAL HASKONING KATIB & ALAMI AND PARTNERS JV	n/a
Component 3: Project Management (100% funded through counterpart funds)	Full Project Management Team on board	n/a	n/a	n/a

6. Status of the Grievance Redress Mechanism (GRM)

Grievance Redress Mechanism (GRM) in place for projects within the Special Economic Zone (SEZ) of Duqm Port. During the Stakeholder Engagement and Public consultation held on 21 March 2018, SEZAD shared with participants handouts which included project description in addition to the GRM associated with the Project and Serka MSF. As of September 30, 2019 (Q3 2019), no formal grievances have been raised about the Project.

7. Results Monitoring

Project Objective Indicators	Baseline (2016)	2017-2020		2021		2025		2030		Others, if any
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Annual gross revenues with the Project (USD million)	1.82	1,82		100		290		360		

Intermediate Result Indicators	Baseline (Year 1)	2017-2020		2021		2025		2031		Others, if any
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Total dry bulk mineral annual exports (millions Ton)	5.5	5.5		6.6		11.8		
Cargo consignment dwell time in port										
(a) 93% of annual cargo throughput				<5 days		<5 days		<5 days		
(b) 6% of annual cargo throughput				≤9 days		≤9 days		≤9 days		
(c) 1% of annual cargo throughput				>10 days		>10 days		>10 days		

Remarks: