

## India : Kerala Solid Waste Management Project

### 1. Project Information

Project ID:	P000453	Instrument ID:	L0453A
Member:	India	Region:	Southern Asia
Sector:	Urban	Sub-sector:	Integrated waste management
Instrument type:	<input checked="" type="checkbox"/> Loan:105.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier(s):	World Bank
ES category:	A	Borrowing Entity:	Ministry of Finance, India
Implementing Entity:			
Project Team Leader:	Ankur Agrawal		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Christopher Damandl, Project Counsel; Aditi Khosla, Alternate Counsel; Shodi Nazarov, OSD - Financial Management Specialist; Susrutha Goonasekera, OSD - Social Development Specialist; Xinchen Zhang, OSD - Environment Specialist; Guoping Yu, OSD - Procurement Specialist; Ankur Agrawal, Back-up PTL; Jinghui Li, Project admin		
Completed Site Visits by AIIB:	Mar, 2022 World Bank and AIIB conducted a virtual implementation support mission in March 2022. Further, World Bank conducted a physical Technical Mission in June 2022. Nov, 2022 World Bank and AIIB conducted an implementation support mission in November 2022. Further, World Bank conducted a technical visit in February 2023. May, 2023 World Bank and AIIB conducted an implementation support mission in May 15-19.		
Planned Site Visits by AIIB:	Nov, 2023 AIIB and World Bank plan a site visit in November 2023.		
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2023/03		

### 2. Project Summary and Objectives

The project's objective is to strengthen the institutional and service delivery systems for Solid Waste Management (SWM) in Kerala.

The project will support the government to improve the SWM situation in Kerala by providing SWM infrastructure investments at both regional and municipal-levels. The project will support all 93 Urban Local Bodies (ULBs) across 14 districts in Kerala in improving access to efficient and reliable delivery of SWM services to their populations.

The total project cost is USD300 million financed by AIIB and World Bank to the extent of USD105 million each and the balance USD90 million is counterpart funds by the Government of Kerala (GoK). The project includes the following components:

Component A (USD110 million): Development of Regional SWM Facilities which will support construction, rehabilitation, closure and remediation of SWM facilities servicing a cluster of local bodies;

Component B (USD150 million): Improvement of SWM Infrastructure in Participating ULBs will improve local-level SWM service delivery systems by providing funds to the participating ULBs; and

Component C (USD40 million): Institutional Development, Capacity Building and Project Management Support which will provide technical assistance and capacity building at state and local levels.

The project's implementation period is from June 2021 to June 2027.

### 3. Key Dates

Approval:	Mar. 25, 2021	Signing:	Jan. 21, 2022
Effective:	Mar. 29, 2022	Restructured (if any):	
Orig. Closing:	Dec. 31, 2027	Rev. Closing (if any):	

### 4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	4.76	Most recent disbursement (amount/date):	2.80/Jul. 03, 2023
Undisbursed:	100.24	Disbursement Ratio (%) <sup>1</sup> :	4.53

### 5. Project Implementation Update

Under component A, the process of land identification and screening is ongoing. The consulting firm for undertaking feasibility study (FS) has been onboarded in June 2023. Land transfer/acquisition process will commence once the identified site is confirmed to be feasible by FS. Under Component B, SWM Plan preparation for all participating ULBs in ongoing and the first batch of sub-projects aggregating to USD8 million have been prepared.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Development of Regional SWM Facilities	Identification of land for development of regional SWM facilities is still ongoing. Several land parcels have been identified under each cluster and are being screened for suitability. The screening process is	The identification of land parcels for all the 5 clusters is underway.  Contract has been signed with the consulting firm for preparing the ESIA.	The procurement of goods and works under this component will begin after the FS has been completed.

<sup>1</sup> Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

	<p>expected to be completed by December, 2023. Formal process for land acquisition shall be undertaken post the due diligence and FS. The consulting firm for FS has been onboarded in June, 2023.</p>		
Improvement of SWM Infrastructure in Participating ULBs	<p>Although the feasibility reports for first set of sub-projects have been prepared, but the physical construction has not yet initiated. The PMU is the process of integrating the sub-projects with the ULB wise SWM plans. The commencement of works under is expected to begin only in H1CY24.</p>	<p>ESIAs for Year 1 subprojects and the four dumpsites remediation work are under preparation.</p> <p>The project is at the initial stages of preparing proposals and identifying the level of social risk for each investment under Track 1, dumpsites and preparation of SWM Plans.</p>	<p>Procurement of goods and works for the sub-projects are expected to be tendered in H1CY2024.</p>
Institutional Development, Capacity Building and Project Management Support	<p>All key positions in the SPMU have been hired and deployed. The PMC firm and four Technical Support Consultant (TSC) firms are already on board. At the district level, 68 of 70 positions have been deployed across 14 DPMUs. In addition, 90 (of 93) SWM engineers have also been hired at the city level (PIUs).</p>	<p>Workshop on social safeguards was organized on Aug 8th and Aug 9th 2023.</p> <p>The social screening indicates that the Social specialists of SPMU, PMC, DPMU and TSC lacked clarity on the application of the tools included in the ESMF. A half-day workshop was facilitated with close to 80 E&amp;S participants on the application of the screening checklist to objectively map the level of risk, scope the Social Impact Assessment, identify the relevant risk to prepare mitigation plans and include a realistic budget for implementation of ESMF at sub-project level.</p>	<p>Eight consulting services contracts with total commitment amount of approx. USD 25 million have been awarded and under implementation, including PMC and TSCs. Another seven consulting firms for ESIA, IVA etc. are expected to be awarded by Q4CY23.</p>

**Financial Management:**

An overall budget provision of USD42 million has been made for KSWMP under the approved state budget for 2023-24. The Special Treasury Savings Bank (STSB) account has been opened for the activities of Components 1 and 3 and is receiving funds from the GoK consolidated fund as part of the amounts already remitted by WB, AIIB, and the relevant GoK share. All ULB audits by KSAD have been completed up to FY 2021-22. KSAD has completed only 10 out of 93 ULB audits due for FY 2022-23. The Finance Expert deputed from the Government is in place and is being assisted by the FM Expert of the PMC. The project submitted the revised IFR for the period ending March 31 2023. The project will present the IFR for the period ending September 30 2023, by November 15, 2023. The first external audit of the project (for FY 22-23) has been conducted, and the project will submit the audit

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report by September 30, 2023.

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**6. Status of the Grievance Redress Mechanism (GRM)**

A GRM exists at the SPMU and at the DPMU level. Designated staff at SPMU and at each DPMU are responsible for managing the GRM desk. The project has finalized the MIS module on Grievance Management System. This system will collate information on grievances received via toll free number, on-line and written. This application would have a clear workflow for registration, action taken report, and closure of complaints after receiving feedback from the complainant, including the institutional mechanism with the escalation matrix. It was advised to simplify the registration process and to delete the feature on prioritizing the grievances as all complaints need to be addressed within the stipulated time frame.

The GRM complaints can also be registered on the project's website <https://kswmp.org/>, toll free number 18004250238 or on email [grmkswmp@gmail.com](mailto:grmkswmp@gmail.com).

Two grievances in the nature of complaints from public for waste not picked from premise and waste dumped in a public place have been registered but stand resolved after receiving feedback from the complainant.

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**7. Results Monitoring (please refer to the full RMF, which can be found on the last page of this PIMR)**

Physical construction work under the Project has not begun yet and hence results shall be monitored in due course.

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**Remarks:**

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Project Objective Indicators	Indicator level	Unit of Measure	Cumulative Target Values																		Frequency	Responsibility	Comments		
			Baseline		2021		2022		2023		2024		2025		2026		2027		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual	
Number of people with access to improved solid waste management services	Project	Number (Thousand)	2021	0	0	0	500	0	1000		2000		3000		4000		6000			6000					
Solid waste disposed safely in engineered landfills	Project	Metric tons/year (cumulative)	2021	0	0	0	-	0	-		30000		90000		120000		146000			146000					
Number of ULBs that accessed incentive grants for improving SWM services	Project	Number	2021	0	0	0	-	0	-		30		60		60		60			60					

Project Intermediate Indicators	Indicator level	Unit of Measure	Cumulative Target Values																		Frequency	Responsibility	Comments		
			Baseline		2021		2022		2023		2024		2025		2026		2027		End Target						
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual	
Number of dumpsites closed	Project	Number	2021	0	0	0	0	0	0		0		1		2		3			3					
Number of landfills constructed and operational	Project	Number	2021	0	0	0	0	0	0		1		2		3		3			3					
Number of inter-municipal coordination arrangements in place for regional disposal systems	Project	Number	2021	0	0	0	1	0	2		3		3		3		3			3					
Household coverage of door to door segregated	Project	Percentage	2021	0	0	0	10	0	15		20		30		50		70			70					

