

Implementation Challenges



ADB support to the tsunami-affected states of Kerala and Tamil Nadu is for sustainable livelihoods and basic community infrastructure. Significant preparatory work was required in establishing the basic institutional structures and undertaking extensive public consultation programs. Contract awards for \$96.3 million out of the \$100.0 million allocation have been made. Balance contract awards will be made in 2008, which will include commitments for livelihood components and small works in water supply and sanitation. According to Kunio Senga, Director General of ADB's South Asia Department: "Works are being carried out in close consultation with the local people and in complete coordination with the various agencies implementing the project. The emphasis is on the quality of works being executed and these will have to meet international standards."

Key Challenges

- The start-up operations for TEAP were delayed initially as the government staff were deployed in priority rescue and relief work. Government capacity was put under great strain because of the doubling of workloads, the loss of human resources and infrastructure, and generally by the unprecedented scale of this undertaking.



- ADB has instituted systems that help ensure that reconstruction efforts are not tainted by corruption—this may very well be another reason why money is not being spent as fast as people expect it to be. ADB applies anticorruption guidelines to ensure that despite the intention to do things quickly, this is not done at the cost of integrity, and making sure that good governance principles are followed.
- To ensure consensus in reconstruction efforts in Tamil Nadu and Kerala, a participative approach was followed in project implementation, based on consensus building and bottom-up planning. This process has been time-consuming as it entails optimization of resources, result-based approaches, ensuring that social and environmental safeguards are given due consideration in all reconstruction efforts, documentation, and ensuring accountability, which had to be synchronized with the existing government processes.
- Acceptance of communities and introduction of new livelihood interventions and the corresponding need for local administrations to infuse additional capital for such activities

has been an issue that has slowed the pace of implementation.

- Awareness raising among affected people and government staff on standard monitoring practices and design of disaster-resistant construction was required in order to rebuild better. This requires capacity building of all the stakeholders— Government, affected communities, consultants, contractors, nongovernment organizations (NGOs), community-based organizations (CBOs), and SHGs.

Constraints

- Over 3 years, costs have escalated, primarily because of the rise in the prices of inputs, general inflation, and depreciation of the US dollar against the Indian Rupee. The shortfall of human resources at the field level and escalation of costs have contributed to slow progress in implementation and lukewarm response from contractors.
- Extensive consultations required with beneficiaries/ community and time required for mobilization of the community by civil society organizations, administration, etc., is a time-consuming prolonged process.
- The low level of disbursements may be attributed

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to a number of factors, such as lack of experience and management skills among local executing and implementing agencies to plan and implement emergency reconstruction within a tight time frame; the large number of small contracts, each requiring extensive administration and monitoring; processing time required for obtaining statutory environmental clearances; and delay caused by land acquisition/ resettlement and rehabilitation processes in compliance with social safeguard guidelines.

- For all government departments involved in the rehabilitation efforts, the tsunami restoration work was an addition to their normal operations. Among issues hindering smooth project implementation, the most critical has been staffing shortages in project monitoring units (PMUs) and project implementation units (PIUs), which has delayed bid evaluation, preparation of safeguard documents, and land acquisition.
- The governments of Tamil Nadu and Kerala have requested additional funds (both grant and loan) and extension of the project period to achieve the objectives of the project.

Next Steps

- To meet the time lines and project objectives, Project Monitoring Units (PMUs) and Project Implementation Units (PIUs) in both states have agreed that all contracts need to be awarded by end of March 2008. This has

required a concerted effort by these agencies and the approving authorities in the states.

- The award of the remaining contracts and speedy completion need to be expedited for infrastructure works.
- Remaining interventions under the livelihood component need to be completed. Marketing linkages for products produced under the livelihood programs need to be provided through training of women marketing executives; establishing a chain of sales outlets; quality control, training, and certification; professional branding and marketing support; and linkage with cluster-level production centers.
- The environmental and social safeguard issues continue to need a proactive approach and better understanding in the implementing organizations and are a major agenda in the ongoing capacity-building exercise.

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—Kunio Senga, Director General
ADB’s South Asia Department



Products made in different livelihood groups greatly benefit from consistent quality control, marketing support, and linkages with production centers, and in turn, provide incomes for the groups' members