



# Design and Monitoring Framework

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## DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b></p> <ul style="list-style-type: none"> <li>Improved urban infrastructure and JNNURM led reforms lead to higher quality of urban basic services and faster and sustained economic growth in India.</li> </ul>	<ul style="list-style-type: none"> <li>100% of the urban population have access to water supply</li> <li>Sewerage and sewerage treatment coverage increased to 70% of the urban population with remaining 30% to be provided with low cost on-site sanitation systems</li> <li>Urban sector reforms envisaged under JNNURM are achieved</li> </ul>	<ul style="list-style-type: none"> <li>Household survey data</li> <li>JNNURM progress reports</li> <li>MOUD commissioned studies and surveys</li> </ul>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>Fiscal flexibility</li> <li>Urban development continues to be high priority</li> <li>Success of innovative and supplementary municipal financing</li> <li>Robust private sector interest in urban sector</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>Impact of prolonged global economic slowdown</li> <li>Resistance to fiscal decentralization and urban basic service tariff reforms</li> </ul>
<p><b>Outcome</b></p> <ul style="list-style-type: none"> <li>By end of 11th Five Year Plan of India (2012), the targeted investments in urban infrastructure and enabling institutional reforms envisaged by JNNURM are achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Time bound implementation of JNNURM is undertaken</li> <li>Weaker cities catch up with other advanced cities in JNNURM implementation</li> <li>Cities are successful in exploring other sources of financing including private capital</li> <li>Capacity building at state and city level in infrastructure and reforms</li> <li>Capacities built in JNNURM are consolidated into viable and sustainable institutional set up</li> <li>Supporting cities to consolidate reforms to ensure higher bankability of the cities and improved basic urban services</li> <li>Assess lessons learnt from current phase of JNNURM and institutionalize best practices</li> <li>Develop recommendations for the next phase program planning process</li> </ul>	<ul style="list-style-type: none"> <li>Data from JNNURM monitoring and evaluation systems</li> <li>Reports from the State and city level implementation cells</li> <li>Regular missions</li> <li>Consultant reports</li> </ul>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>Commitment of states and cities to JNNURM reforms</li> <li>Commitment to transparent and efficient implementation of JNNURM</li> <li>The lagging cities given higher attention in implementation support</li> <li>Commitment to institutionalize capacities built in JNNURM</li> </ul>

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			<b>Risks:</b> <ul style="list-style-type: none"> <li>• Weaker cities unable to catch-up with advanced cities</li> <li>• Weak capacity of the municipal/urban managers and urban local bodies/service providers</li> </ul>
<b>Outputs</b> 1. Strengthen MOUD's stewardship role in the implementation of JNNURM and consolidation and institutionalization of JNNURM systems for further scaling up of urban investments and reforms achieved  2. Improved effectiveness of JNNURM in states lagging	<ul style="list-style-type: none"> <li>• Regular quantitative and qualitative monitoring reports are obtained from states and cities, and analytical reports of performance of JNNURM prepared for top management review purposes</li> <li>• Information technology used effectively for monitoring and evaluation purposes</li> <li>• High quality and time-bound implementation of urban infrastructure monitored and deviations addressed in a timely manner</li> <li>• Best case studies identified and disseminated</li> <li>• Awards and recognition for best performing states and cities instituted</li> <li>• Institutional assessment is done to assess the sustainability of the capacity building under JNNURM</li> <li>• Measures to create ideal sustainable institutions to undertake large urban infrastructure projects undertaken</li> <li>• The project management capacities assembled to implement JNNURM at the national, state and city level are institutionalized under a sustainable institutional framework</li> <li>• Procurement practices reviewed and standardized procurement guidelines developed</li> <li>• Engineering guidelines for improving quality of infrastructure projects developed and disseminated</li> <li>• Survey of basic urban services conducted and compared to the baseline surveys from 1998-99 by NIUA</li> <li>• States that are lagging in reforms identified and appropriate support provided</li> <li>• Monitoring systems developed and used</li> </ul>	<ul style="list-style-type: none"> <li>• Data from JNNURM monitoring and evaluation systems</li> <li>• Reports from the state and city level implementation cells</li> <li>• Regular missions</li> <li>• Consultant reports</li> </ul>	<b>Assumptions:</b> <ul style="list-style-type: none"> <li>• Effective implementation of JNNURM</li> <li>• Commitment to JNNURM reforms at all levels</li> <li>• Urban development continues to be a top priority</li> </ul> <b>Risks:</b> <ul style="list-style-type: none"> <li>• Political unwillingness to private partnerships in urban sector</li> <li>• Reluctance to undertake reforms in true spirit</li> <li>• Continued reluctance to reform municipal financing</li> </ul>

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currently and improved financial sustainability	<p>to rank and identify lagging states and cities both in reforms and infrastructure aspects</p> <ul style="list-style-type: none"> <li>• Special attention and support provided to at least five lagging states and its cities</li> <li>• Regular field trips conducted to the lagging cities to identify institutional, financial, technical, procurement, engineering, community participation, and other bottlenecks</li> <li>• Identified bottlenecks are addressed in a timely manner to ensure better execution in lagging state</li> <li>• Review the counterpart state and city funding for JNNURM projects</li> <li>• Assess and assist in developing PPPs to attract private capital</li> <li>• For nonbankable projects, assess and assist the states and cities in exploring capital markets, bilateral and multilateral funding sources through sovereign and nonsovereign mechanisms</li> <li>• Through consultations with key stakeholders, MOUD and states evolve plans for sustaining the momentum generated by JNNURM for scaling up urban infrastructure investments and reforms</li> <li>• Draft plans for next phase of JNNURM prepared</li> </ul>		

Activities with Milestones	Inputs
<p><b>1. Strengthen MOUD's stewardship role in the implementation of JNNURM is effective and Consolidate and institutionalize JNNURM systems for further scaling up of urban investments and reforms achieved</b></p> <p>1.1. Review monitoring process of investment program and develop rating system: December 2009</p> <p>1.2. Investment program rating system to segregate projects that are high risk introduced: January 2010 to March 2012</p> <p>1.3. Review monitoring process of reform program and develop rating system: December 2009</p> <p>1.4. Support monitoring of the reform program, and present quarterly city reform ranking: January 2010 to March 2012</p> <p>1.5. Develop strategy for Annual JNNURM Award function, among others, to award the best performing cities and states in various categories: December 2010</p> <p>1.6. Support in conducting Annual JNNURM Award function</p> <p>1.7. Review MIS systems and develop action plan for strengthening: March 2010</p> <p>1.8. Support implementation of the MIS systems: 2010</p> <p>1.9. Review and update procurement and contracts of services of various agencies/ institutions: December 2009</p>	<ul style="list-style-type: none"> <li>• Government of the United Kingdom : \$2,200,000</li> <li>• Government \$1,000,000 for counterpart staff, consultant services, office space, and other expenses</li> <li>• ADB staff time of two person-months for selection of consultant firms, implementation, monitoring and evaluation</li> <li>• 400 person-months of consulting services through a firm and individual consultants.</li> </ul>

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| <p>1.10. Produce a plan for institutionalizing JNNURM at central and state level: December 2010</p> <p>1.11. Support implementation of the institutionalization of JNNURM arrangements: by June 2011</p> <p>1.12. Implement transitional arrangements by documenting processes, and transferring technology and process: by January 2012</p> <p>1.13. Support policy development on maintenance of JNNURM assets and monitoring and reporting mechanisms: December 2010</p> <p>1.14 Support survey by National Institute of Urban Affairs (NIUA) conduct a survey of the JNNURM cities in 2009-201 similar to the one done by NIUA in 1998-99 to assess the improvement of basic urban services and identify key gaps.</p> |  |
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**2. Improved effectiveness of JNNURM implementation in lagging states and Strengthen Financial Sustainability**

- 2.1. Identify the selected lagging states and cities for support: November 2009
- 2.2. Review of the investment program in the selected lagging states: November 2009 to December 2013
- 2.3 Conduct training programs: January 2010 to December 2013.
- 2.4. Support in developing DPRs, procurement, setting monitoring systems: January 2010 to December 2013.
- 2.5. Develop review mechanism of counterpart funding of state and city: December 2009
- 2.6. Provide support in structuring projects and arrange finances from investment banks: January 2010 to December 2011
- 2.7. Develop and support institutionalization of financial intermediation by JNNURM state units in selected states: January 2010 to December 2011
- 2.8. Review of program implementation lessons: April to June 2011
- 2.9. Develop draft proposal for next phase program: December 2011

ADB = Asian Development Bank, JNNURM = Jawaharlal Nehru National Urban Renewal Mission, MIS = management information system, MOUD = Ministry of Urban Development, NIUA= National Institute of Urban Affairs, PPP = public-private partnership.