



Draft Design and Monitoring Framework

Project Number: 40389
July 2009

PAK: Project Preparation Technical Assistance for Punjab Cities Improvement Investment Program

A design and monitoring framework is an active document, progressively updated and revised as necessary, particularly following any changes in project design and implementation. In accordance with ADB's public communications policy (2005), it is disclosed before appraisal of the project or program. This draft framework may change during processing of the project or program, and the revised version will be disclosed as an appendix to the report and recommendation of the President.

Asian Development Bank

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact Improved municipal environment and public health for an estimated 6 million persons in over 800,000 households across some 11 larger intermediate cities of Punjab Province.</p>	<ul style="list-style-type: none"> • Safe, reliable water provided continuously to a majority of households; drainage/sewage treatment/SWM coverage increased • Percentage of children under 5 years old suffering from diarrhea reduced 	<ul style="list-style-type: none"> • Multiple Indicators Cluster Survey-Pakistan • Pakistan Standard of Living and Measurement Survey 	<p>Assumptions</p> <ul style="list-style-type: none"> • Political and economic stability prevails <p>Risks</p> <ul style="list-style-type: none"> • Punjab towns adversely affected by broader economic shocks or civil unrest • Political divisiveness continues, slowing impetus for reform
<p>Outcome Design of a MFF, including summary sector road map and medium term investment program acceptable to ADB and GoP</p>	<ul style="list-style-type: none"> • Signed MoU on MFF based on PPTA outputs 	<ul style="list-style-type: none"> • Loan processing mission results 	<p>Assumptions</p> <ul style="list-style-type: none"> • Prompt decision-making by GoPb • GoPb open to fundamental reforms <p>Risks</p> <ul style="list-style-type: none"> • Political divisions force conservative approach • Rent-seeking behavior trumps reform and service-orientation
<p>Outputs</p> <p>1. Sector analysis including reviews of up to 11 intermediate cities, including GIS/spatial and socio-economic database for Sialkot</p> <p>2. Policy framework and institutional development plan, including options for municipal development financing mechanisms, utility operations support funding, and streamlined infrastructure implementation</p> <p>3. Investment program, including infrastructure mapping, strategy and action plan for WSS, SWM, and other investment areas, engineering feasibility</p>	<ul style="list-style-type: none"> • MFF Road Map and broader investment program agreed; complementarities with development partner assistance achieved • Sex-disaggregated data collected • Urban strategy for Sialkot agreed • Institutional design agreed with focus on service delivery, system management and results; corporatized service provider model agreed • Program design agreed to promote economies of scale, leverage private sector expertise, achieve geographical and sector focus to streamline MFF implementation • Fewer, larger contracts with skilled contractors to streamline implementation and facilitate safeguard compliance 	<ul style="list-style-type: none"> • PPTA Review and Loan Processing Missions • PPTA Progress and periodic reports • Workshops/consultations • Press reports • PPTA Review and Loan Processing Missions • PPTA Progress and periodic reports • Workshops/consultations • Press reports 	<p>Assumptions</p> <ul style="list-style-type: none"> • Effective interagency cooperation and coordination, including land transfers and data exchange • Availability of high quality consultants willing to work in Pakistan and for PPTA • GoPb receptive to reform agenda <p>Risks</p> <ul style="list-style-type: none"> • Political pressures for contract issuance distracts GoPb from fundamental reforms and sustainable results • Political pressures detract from efforts to resolve project implementation issues • GoPb cannot provide counterpart staff or budget contribution • GoP places limits on consultancy inputs under loan, compromising effective program design for sound management and project implementation

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<p>studies, procurement plan, detailed ToRs, selection criteria for subsequent tranches, and Facility Administration Manual</p> <p>4. Due diligence analyses and documentation (e.g., socioeconomic surveys economic and financial analysis, financing plan, and governance risk assessment, including financial management and procurement capacity assessments, resettlement, environment, gender, labor, etc.)</p> <p>5. Consultation and communication strategy and plan</p> <p>6. Capacity development for accelerated MFF implementation, including results monitoring system</p>	<ul style="list-style-type: none"> • Priority infrastructure investments identified and cost-effective approaches agreed, private sector approaches leveraged • Financial analysis endorsed; risks mitigation measures agreed • Social and environment safeguard requirements of ADB and GoP met; economic analysis endorsed • Governance risk management plan^a • Gender and labor sensitive design agreed; pro-poor service delivery mechanisms developed • Public awareness achieved, with positive press and community feedback; plan agreed • Substantive, gender-inclusive consultations conducted • Institutions established, tender documents prepared, loan-financed consultants fielded • Results monitoring indicators agreed, baseline data determined, monitoring mechanism established, including system for consistent collection of sex-disaggregated data and monitoring 	<ul style="list-style-type: none"> • PPTA Review and Loan Processing Missions • PPTA Progress and periodic reports • Workshops/ consultations • Press reports. • PPTA Review and Loan Processing Missions • PPTA Progress and periodic reports • Workshops/ consultations • Press reports. 	

^a Funding for Governance Risk Assessment and Risk Management Plan (RAMP) provided by RETA 6445: Support for the implementation of the Second Governance and Anitcorruption Action Plan (financed by the Governance Cooperation Fund). The RAMP identifies and responds to public financial management, procurement and corruption risks that are likely to undermine the development effectiveness of ADB supported activities.

<p>Activities/Milestones</p> <ul style="list-style-type: none"> • Sectoral, policy and institutional review (Month 1-3) • Legal and regulatory review (Month 1-3) • Socio-economic analysis, including baseline indicators survey (Month 1-3) • Review municipal development fund models and service provider options (Month 1-3) • Review urban infrastructure implementation support models (Month 1-3) • Mapping and master planning and feasibility studies (Month 1-6) • Feasibility studies infrastructure works (Month 2 - 6) • Financial analysis and assessment of financial management capacity (Month 3-6) • Economic and willingness to pay analysis (Month 3-6) • Procurement capacity assessment (Month 3 – 6) • Environmental safeguard review, including EARF and IEEs (Month 3-6) • Social safeguard review, including LARF and LARPs (Month 3-6) • Preparation of gender analysis and Gender Action Plan (Month 3- 6) • Risk analysis and mitigation plan, including RAMP (Month 3-6) • Communications needs review, planning and community outreach (Month 3-6) • Consultative workshops (Month 1-18) • Support and training for procurement (Month 7-18) • Advisory support on staff recruitment and organization (Month 7-18) • Establishing subproject implementation capacity/system (Month 7-18) • Results monitoring and evaluation system development (Month 7-18) • Regional study tours of municipal fund/utility corporation models (Month 3-8) <p>Reporting Milestones</p> <ul style="list-style-type: none"> • Consultants fielded (October 2009) • Inception Report (October 2009) • Workshop consultants (From November 2009) • Interim Report (December 2009) • Socio-economic survey (December 2009) • Willingness-to-pay survey (December 2009) • Capacity Development and Implementation Progress Reports (from January 2010) • Draft Final Report (February 2010) • Facility Administration Manual (February 2010) • Final Report (December 2010) 	<p>Financing Inputs</p> <ul style="list-style-type: none"> • ADB: \$1,000,000 grant from Technical Assistance Special Funds • ADB: \$400,000 grant the Multi-Donor Trust Fund under the Water Financing Partnership Facility (Contributors: the governments of Australia, Norway, Austria, and Spain) • Government: \$200,000 equivalent <p>Consultant Inputs:</p> <ul style="list-style-type: none"> • 26 person-months, international • 34 person-months, national
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