



Pakistan: Balochistan Road Development Sector Project

Project Name	Balochistan Road Development Sector Project								
Project Number	34333-013								
Country	Pakistan								
Project Status	Closed								
Project Type / Modality of Assistance	Loan								
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">Loan 2019-PAK: Balochistan Road Development Sector Project</td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 185.70 million</td> </tr> <tr> <td colspan="2">Loan 2020-PAK: Community Development and Poverty Reduction Project (piggy-backed to Balochistan Road Development Sector Project)</td> </tr> <tr> <td>Concessional ordinary capital resources / Asian Development Fund</td> <td>US\$ 1.00 million</td> </tr> </table>	Loan 2019-PAK: Balochistan Road Development Sector Project		Ordinary capital resources	US\$ 185.70 million	Loan 2020-PAK: Community Development and Poverty Reduction Project (piggy-backed to Balochistan Road Development Sector Project)		Concessional ordinary capital resources / Asian Development Fund	US\$ 1.00 million
Loan 2019-PAK: Balochistan Road Development Sector Project									
Ordinary capital resources	US\$ 185.70 million								
Loan 2020-PAK: Community Development and Poverty Reduction Project (piggy-backed to Balochistan Road Development Sector Project)									
Concessional ordinary capital resources / Asian Development Fund	US\$ 1.00 million								
Strategic Agendas	Regional integration								
Drivers of Change	Governance and capacity development Knowledge solutions								
Sector / Subsector	Transport - Road transport (non-urban)								
Gender Equity and Mainstreaming	Some gender elements								
Description	The objectives of the Project are to reduce poverty and support pro-poor economic growth by (i) enhancing access for rural populations to economic opportunities and social services through improvement of the province's road network, (ii) improving trade facilitation and efficiency of the priority road transport corridor linking Pakistan, Afghanistan and Central Asia together, which passes through Balochistan, and (iii) providing essential institutional support and capacity building of the Communication and Works Department (CWD). The Project will improve the inadequate provincial connectivity and allow better access, psecifically for the rural poor, to education and health facilities, markets, districts, and to the provincial cities. The Project will also support subregional cooperation by (i) improving cross-border movements of goods and passengers at the Chaman border crossing between Pakistan and Afghanistan, (ii) improving access to ports located in southern Pakistan, and (iii) reducing transport cost through improved road conditions and reduced travelling time.								
Project Rationale and Linkage to Country/Regional Strategy									
Impact	Enhanced economic growth and reduced poverty in Balochistan and neighboring areas.								

Project Outcome

Description of Outcome	<ol style="list-style-type: none"> 1. Improve connectivity and access to social services and economic opportunities for the poor in Balochistan 2. Increase efficiency, reduce cost and time for movement of goods, vehicles, and passengers between Pakistan and Afghanistan and Central Asia
Progress Toward Outcome	The overall project progress at the time of loan closing was 77%.

Implementation Progress

Description of Project Outputs	<p>Provincial institutional development, which includes:</p> <ul style="list-style-type: none"> a. Institutional strengthening and organizational changes at Communication and Works Department (CWD) b. Road user charges introduced, road management practices and redesign processes improved c. Strengthened capacity in planning and road maintenance at CWD and at districts d. Strengthened axle-load control e. Improved road safety f. Increased private sector involvement g. Increased involvement of road user associations in various areas of provincial road development <p>Improved 1,100 km of provincial roads in Balochistan New cross-border facility at Chamman. Improved national highways of regional significance</p>
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Provincial Institutional Development Component</p> <p>Agree Policy Matrix Implemented: The consultant under this component assisted CWD to meet road sector policy actions agreed between CWD and ADB at project appraisal. Implementation of this component began from 30 June 2005 and completed on 30 June 2009. The following were achieved: Reorganization of CWD, set up of RMU/RESAC, and development of CWD website. Supporting RMU/RESAC operations including strengthening of human resources and procurement of equipment.</p> <p>Establishment of road maintenance and management system together with installation of HDM-4 and development of data base and data collection system.</p> <p>Capacity building and training of basic technical staff in road design and management, computer aided design, road safety, environment assessment and management, social assessment. The total number of staff trained were: abroad (67) and in-country (421).</p> <p>Provincial Access Component: Contracts awarded for 15 packages for 440.72 km length of roads, six packages completed (103.72 km) and remaining 9 packages are at various stages of construction. Most of the ongoing subprojects are behind schedule for a number of reasons: (i) security, (ii) price escalation, (iii) land acquisition and resettlement, and (iv) nonperformance of contractors on ICB and LCB contracts</p> <p>SRPs for 12 LCB packages were approved in April 2010 for implementation and disclosure to affected persons. RESAC has been assigned to undertake internal monitoring and external monitor has recently been appointed to undertake external monitoring. Further revised LARPs for ICB packages 5, 7 and 9 yet to be submitted to ADB for approval.</p> <p>Cross-border development component comprises physical and nonphysical components: During midterm review mission (13 to 19 Mar. 2008) it was agreed to drop this component from the loan and Government of Pakistan were to finance it from its own resources.</p> <p>National Highway component: Four contracts of 230.33 km length roads were awarded from Sep. 05 to Apr. 06. The overall physical implementation progress is 70% against the original/ revised completion schedule of 97%. The progress of works for the four packages is behind schedule. On NHA's request the reassignment of ICBs 2 and 4 was conditionally approved on 14 April 2009. The reassignment contract was finalized in December 2010.</p> <p>A 12 months extension in loan closing was approved in March 2010 with quarterly milestones. First quarter milestones were partially achieved. Second quarter milestones were not achieved as noted by PRM-based loan review mission was conducted (19-28 July 2010) and considering (i) unachieved loan extension milestones of the second quarter, (ii) incomplete remaining activities against the assignment of civil works contracts ICBs 2 & 4 since 14 April 2009, (iii) continued deterioration of the law and order, (iv) slow pace of progress, and (v) unimproved implementation trend, concluded that completion of remaining activities within next six months is highly unlikely. In accordance with the already communicated loan extensions (25 March 2010) conditions and unaccomplished milestones of first and second quarters, ADB closed the subject loan on 31 August 2010.</p> <p>Both NHA and CWD advised to quickly complete all the loan account closing activities enabling ADB to close the loan account on 31 August 2010. Any leftover liabilities after loan account closing would be the responsibility of the Government of Pakistan.</p> <p>ADB on 8 Sep., 25 Oct., and 3 & 19 Nov. 2010 advised the Borrower, the NHA and CWD that: (i) CWD to refund unutilized IA, reconcile the IA, liquidate against any liabilities by 15 Dec. 2010; (ii) NHA to submit immediately documentation to the assignment of CWs contracts (ICBs 2 & 4); (iii) NHA and CWD to submit all withdrawal applications against all eligible payments for liquidation/reimbursement/direct payment on or before 15 Dec. 2010; and (iv) NHA/CWD to submit Borrower's PCR by 3</p>

Geographical Location

Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services	The Project will require 213 person-months of international and 6,743 person-months of domestic consulting services for (i) institutional development with capacity building under the PIDC, (ii) construction supervision of the civil works for the national highways, and (iii) detailed design and construction supervision for the civil works for the provincial roads. All consultants will be selected in accordance with ADB's Guidelines on the Use of Consultants, and other arrangements satisfactory to ADB for the engagement of domestic consultants. The QCBS procedure will be followed for selection of consulting firms. Both NHA and CWD have agreed to include the relevant sections of ADB's Anticorruption Policy in all invitation bidding documents and contracts.
Procurement	Civil works for the national highway component will be procured through four contract packages following international competitive bidding (ICB) among prequalified bidders. ICB will be followed for all civil works contracts with an estimated value exceeding \$3.0 million. Civil works contracts with an estimated value equal to or below \$3.0 million will follow local competitive bidding procedures acceptable to ADB with separate prequalification. Contracts estimated to cost in excess of \$500,000 for goods and related services will be subject to ICB. Civil works for the provincial access component will follow local competitive bidding procedures acceptable to ADB with separate prequalification. Equipment will be procured under international shopping procedures. International shopping procedures will be followed for supply contracts valued at less than \$500,000 equivalent and direct purchase procedures will be followed for items valued at less than \$100,000. The National Highway Authority (NHA) and the Communication and Works Department (CWD) have agreed to include the relevant sections of ADB's Anticorruption Policy in all bidding documents and contracts.

Responsible Staff

Responsible ADB Officer	Ning, Jiangbo
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Pakistan Resident Mission
Executing Agencies	<i>Communication and Works Department, Balochistan</i> <i>* Mr. Syed Inayatullah Shah</i> <i>brdsp@hotmail.com</i> <i>416-D, Samungly Housing Scheme, Quetta</i> <i>National Highway Authority</i> <i>* Mr. Mian Muhammad Asghar</i> <i>gm-adb@nha.gov.pk</i> <i>House No. 520, Main Margalla Road, F-10/2, Islamabad</i>

Timetable

Concept Clearance	08 Mar 2003
Fact Finding	02 Jun 2003 to 13 Jun 2003
MRM	14 Jul 2003
Approval	20 Nov 2003
Last Review Mission	-
PDS Creation Date	17 Jul 2008
Last PDS Update	25 Feb 2011

Loan 2019-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
20 Nov 2003	17 Mar 2004	20 Aug 2004	31 Dec 2009	31 Dec 2010	08 Apr 2011

Financing Plan	Loan Utilization
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	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	267.30	Cumulative Contract Awards			
ADB	185.70	20 Nov 2003	106.92	0.00	94%
Counterpart	81.60	Cumulative Disbursements			
Cofinancing	0.00	20 Nov 2003	113.65	0.00	100%

Loan 2020-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
20 Nov 2003	17 Mar 2004	20 Aug 2004	31 Dec 2009	-	30 Jun 2010

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	1.25	Cumulative Contract Awards			
ADB	1.00	20 Nov 2003	0.43	0.00	98%
Counterpart	0.25	Cumulative Disbursements			
Cofinancing	0.00	20 Nov 2003	0.44	0.00	100%

Project Page <https://www.adb.org/projects/34333-013/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=34333-013>

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