



## Project Data Sheet

### Project 48289-002

Project Name	Peshawar Sustainable Bus Rapid Transit Corridor Project
Project Number	48289-002
Country / Economy	Pakistan
Project Status	Active
Project Type / Modality of Assistance	Loan

#### **Loan 3543-PAK: Peshawar Sustainable Bus Rapid Transit Corridor Project**

Source of Funding / Amount	Ordinary capital resources	US\$ 335.00 million
	<b><u>Loan 8336-PAK: Peshawar Sustainable Bus Rapid Transit Corridor Project</u></b>	
	Agence Francaise de Developpement	US\$ 150.00 million

Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Knowledge solutions Partnerships Private sector development

Sector / Subsector **Transport** / Urban public transport - Urban roads and traffic management

Gender Effective gender mainstreaming

Description The proposed project will help develop a sustainable urban transport system in Peshawar by delivering the city's first integrated BRT corridor, directly benefiting 0.5 million people. The project will comprise two interlinked outputs: (i) the construction of a 26-kilometer (km) BRT corridor and associated facilities, and (ii) effective project management and sustainable BRT operations through institutional developments. The project is economically justified by major time savings for future BRT passengers, vehicle operating cost savings, better air quality, and carbon emissions savings, which will improve the health of Peshawar's citizens and mitigate climate change. The project will also make Peshawar more livable and safe, boost private sector investment, and foster gender equity.

Peshawar is the capital city of the northwest province of Khyber Pakhtunkhwa in Pakistan. A 2-hour drive from the national capital of Islamabad, Peshawar sits in the Indus valley near the Afghan border. Although the last census was conducted in 1998, the city's population was estimated at 1.8 million in 2016, and is projected to reach 3.0 million by 2030 based on current growth rates. Internal displacement and Afghan refugee migration has driven rapid population growth, and there is significant pressure to maintain infrastructure development and service provision in accordance with the growing demand for housing, transport and basic urban services. Car and motorcycle ownership remains low but is increasing due to a growing middle class. Combined with other factors such as inefficient public transport and weak traffic management to organize competing modes, motorization is exacerbating congestion and increasing air and noise pollution. Traffic conditions on key arterial roads have declined to unmanageable levels, with average peak hour travel speeds as low as 11 km per hour. No notable investment in public transport has occurred in decades. In contrast, recent large investments in various flyovers reflect the prioritization of private road transport. Due to its limited infrastructure, the city's urban transport system fails to provide mobility for all.

Poverty is widespread in Peshawar, with an incidence of 40%. The unemployment rate is about 10% for men but 90% for women, who have fewer opportunities to achieve economic independence. The poorest people and women travel mostly on foot or via informal public transport mainly comprising pickup trucks and large and medium-sized buses from the 1980s and 1990s. Altogether, these vehicles serve around 70% of the total demand for motorized transport, but represent only 43% of total traffic. In response to the high market demand, many operators without permits are plying the city's key corridors in a disorganized and inefficient manner. There is no effective public oversight of supply and demand or of the quality of public transport vehicles, bus stops are rudimentary and lack schedule and itinerary information, the ticketing system is obsolete, and operators compete for passengers, worsening congestion and impairing safety. The incidence of traffic collisions is increasing, mainly affecting pedestrians, and 84% of surveyed passengers complain about crowded and unsafe conditions during the rush period and the improper behavior of drivers and conductors. A well-designed and accessible public transport system in Peshawar would therefore substantially benefit the urban poor and women. Project preparation. In May 2014, the Cities Development Initiative for Asia completed a prefeasibility study to improve Peshawar's urban transport system. The Asian Development Bank (ADB) subsequently provided technical assistance to prepare Peshawar's BRT corridor. ADB also approved a \$10 million project design advance (PDA) loan from ADB's ordinary capital resources (OCR) in November 2016 to prepare detailed engineering design, facilitate operational planning, and undertake advance procurement for civil works and equipment. Tendering for the first civil works' packages has begun in May 2017. Project readiness is demonstrated by the fact that contracts are expected to be signed and contractors mobilized to begin works once the proposed loan is approved and declared effective, likely in the fourth quarter of 2017.

Alignment with country strategy. The project is consistent with the Government of Pakistan's Vision 2030, Framework for Economic Growth, and National Climate Change Policy. It supports the priorities set out in the Khyber Pakhtunkhwa Integrated Development Strategy 2014-2018, and is aligned with ADB's country partnership strategy and Sustainable Transport Initiative. The project design includes lessons from past assistance, notably the need for strong political consensus, and a robust governance structure. Coordination with development partners has been ensured, particularly with expected cofinanciers such as the AFD and European Investment Bank (EIB). Private sector participation is being considered for the BRT operations (para. 20), but not for construction as globally few mass transit systems recover their capital costs through revenues alone, especially as fares must be affordable and socially acceptable.

ADB's assistance to the project adds value via the following:

(i) Organizational and institutional developments. ADB supported the legislation for (a) the Khyber Pakhtunkhwa Mass Transit Ordinance, which established the Khyber Pakhtunkhwa Urban Mobility Authority (KPUMA) and was approved in September 2016; and (b) a special purpose vehicle called TransPeshawar, which was licensed in December 2016. The KPUMA is responsible for developing policies and regulations, and planning, coordinating, and funding urban transport at the provincial level. TransPeshawar will own the BRT infrastructure and assets, and is responsible for the BRT operations and management of service contracts.

(ii) Project design and innovation. ADB's intervention resulted in innovative design features such as (a) the promotion of nonmotorized transport through universal accessibility, the inclusion of bicycle lanes along the BRT corridor, and a bicycle sharing system at Peshawar University; (b) 'lane strip pavement for BRT-dedicated lanes; (c) a modern fare collection system using smart cards to enable distance-based fares; and (d) the use of satellite imagery to map the corridor and facilitate the engineering design.

(iii) Operational planning and financial sustainability. ADB promoted a third-generation BRT system using a 'direct service operational model allowing BRT vehicles to travel along the BRT corridor in the busiest parts of the city and off-corridor in less congested areas. This approach expands the system's reach and capacity, lessens passenger transfers, and increases ridership and financial sustainability. The project was designed primarily to limit required operational subsidies, and create additional sources of revenue through parking and commercial activities.

(iv) Stakeholder engagement and bus industry transition. ADB strongly emphasizes engagement with the existing bus industry, and established a negotiation process enabling existing operators to participate in the new BRT system. The project design includes a fleet scraping program and compensation mechanism for nonparticipating operators. A large stakeholder engagement and participation plan is also being implemented to ensure buy-in from the communities impacted by the project.

Project Rationale and Linkage to Country/Regional Strategy

Impact	Safe, affordable, comfortable, and environment-friendly transport system in Peshawar achieved Quality of life in Peshawar improved
--------	---

### **Project Outcome**

---

Description of Outcome	Quality of public transport in Peshawar improved, benefiting a population of half a million
------------------------	---

Progress Toward Outcome	On track.
-------------------------	-----------

### **Implementation Progress**

---

Description of Project Outputs	Peshawar's first sustainable BRT corridor and associated facilities constructed Effective project management and sustainable BRT operations established
--------------------------------	--

220 buses have procured, which is the final number of buses required by the system based on the latest approved operations plan. 128 hybrid electric plug in (93 12-meter buses, and 35 18-meter buses) have been put in operations. Remaining 92 buses are anticipated to be delivered and put in operations by June 2021.

All ITS equipment has been procured and delivered to Peshawar. Installation is on-going.

Core staff of TransPeshawar has been recruited. Additional recruitments are on-going with the upcoming start of operations.

For station management staff the target of 10% for female is achieved, whereas for the Vehicle operating company, finding females is not easy due to local culture, however all opportunity is provided.

The latest financial model shows that minimum subsidies will still be required at least in the first years of operations.

To be confirmed as the operations has just started.

Such campaigns will be implemented once the operations start. Currently being designed yet to be started

This component has been deleted from the project scope in the revised PC-1.

Status of Implementation  
Progress (Outputs, Activities, and Issues)

All stations are designed to be universally accessible. Most of construction is completed to achieve this, with some remaining issues in the works which are being completed .

The reconstruction of the whole corridor including footpaths, roads, street lights and bicycle lanes included in the project design that has been awarded for construction. Some portions of work is completed, while remaining is anticipated to be complete by June 2021.

Bicycle lanes are constructed in sections where right of way was available, in some constrained sections shared lane will be constructed. A crossing over railway line is pending subject to approval of railway authority. Anticipated to be completed by June 2021.

Partial work is completed on Park-and-ride facility and commercial buildings, the remaining work is anticipated to be completed by June 2021.

About 155 bus stops are mostly completed on the off corridor routes. Finishing works are anticipated be completed by June 2021.

Design and construction of the whole 26 km corridor completed based on Gold standard.

The building housing KPUMA, TransPeshawar and Control center in Chamkani are completed and operationalized.

Safe crossing in most cases grade separated have been built in the operational model and constructed.

Geographical Location

Peshawar

**Safeguard Categories**

Environment	A
Involuntary Resettlement	A
Indigenous Peoples	C

## Summary of Environmental and Social Aspects

---

Environmental Aspects	<p>Following ADB's Safeguards Policy Statement (SPS) 2009, environmental impact assessment (EIA) has been prepared by the implementing agency (IA), PDA, which meets the requirements of the SPS pertaining to the environment safeguards, objectives and implementation procedures, the KPK Environmental Protection Act (2014), and the Pakistan EPA Review of EIA/IEE Rules 2000. To ensure compliance with the ADB's SPS 2009 and the country environmental legislation, Peshawar Development Authority (PDA) and the Deputy Commissioner's Office (DCO), through the Project Management Unit (PMU,) will follow the EIA and environmental management plan (EMP).</p>
Involuntary Resettlement	<p>The government through PDA and the DCO, on behalf of KPUMA and the project management unit, shall ensure that the design of the Peshawar BRT minimizes land acquisition and resettlement impacts by exploring design alternatives that limits most works within the existing right of way and unencroached sections and all other activities under the project are carried out in full compliance with all applicable laws and regulations of Pakistan, ADB's SPS 2009, and the approved resettlement plan and livelihood restoration plan.</p>
Indigenous Peoples	<p>The project will not adversely affect people classified as indigenous people as defined by the ADB's SPS 2009.</p>

## Stakeholder Communication, Participation, and Consultation

---

During Project Design	<p>Workshops, meetings, focus group discussions with NGOs, structured interviews with stakeholders and specific consultations will be held for persons who may be affected by the Project.</p>
During Project Implementation	<p>PDA and DCO shall ensure that the resettlement plan and monitoring reports are disclosed by: (i) uploading the draft and ADB approved final land acquisition and resettlement plans (LARP) on PDA and ADB websites, (ii) placing hard copies of approved resettlement plan translated into Urdu in the offices of Planning and Development Department, KPUMA, District Revenue Department, PDA and representatives of displaced persons (DPs), and (iii) translating the executive summary of ADB approved resettlement plans, bearing information on project impacts, asset valuation, entitlements, compensation budget and provisions with institutional arrangements in place and providing to the affected community. A continued process of consultation and participation of stakeholders particularly with DPs will be followed to ensure transparency in implementation of LARP and to keep the stakeholders informed and receiving and incorporating their feedback at various stages of project implementation. It will provide a good measure to improve the social acceptability of the project and ensure effective participation of the stakeholders especially DPs in the process of LARP implementation, and the Project. Public consultation will assist obtaining cooperation from informed DPs and other stakeholders, to avoid cost and time in dealing with complaints.</p>

## Business Opportunities

---

## Consulting Services

All consultants will be recruited according to ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The terms of reference of the consultants for engineering design, procurement and construction management (EPCM) under the project design advance loan indicate that Phase 2 of the EPCM assignment will include construction supervision of the civil works in the ensuing loan.

To conduct the Phase 2 assignment, the use of the single source selection (SSS) method may be considered to recruit the same consulting firm as the one selected for Phase 1, subject to satisfactory performance of such firm under Phase 1. Otherwise, quality and cost-based selection method will be used to recruit the supervision consultants with a quality-cost ratio of 90:10. An estimated 396 person-months (108 international, 288 national) of consulting services are required to supervise the quality of civil works under the project.

All advance contracting and retroactive financing will be undertaken by Peshawar Development Authority and TransPeshawar in conformity with ADB Procurement Guidelines (2015, as amended from time to time) and ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. The borrower, Peshawar Development Authority (PDA) and TransPeshawar have been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the project.

## Procurement

Advance contracting. Advance contracting will be undertaken for construction of BRT corridors and buildings, specifically Package 1 (Chamkani to Bala Hisar Fort), Package 3 (University Road Hayatabad Ring Road), Package 4 [(Lot 1) Hayatabad bus depot and Park and Ride, (Lot 2) Chamkani bus depot, Park and Ride, TransPeshawar office and BRT control center and (Lot 3) Dabgari staging facility, commercial area, and Park and Ride,], and Package 5 (multi-storey parking plaza for Lady Reading Hospital. Prior to loan effectiveness (i) bid documents will be drafted and agreed, (ii) invitation for bids will be advertised and (iii) evaluation of proposals will be carried out.

Retroactive financing. Retroactive financing will be applied for payment of the maximum amount of eligible expenditures up to \$97 million, the equivalent of 20% of the total ADB loan, incurred before loan effectiveness, but not more than 12 months before the signing of the loan agreement.

All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (2015, as amended from time to time). International competitive bidding procedures will be used for civil works contracts estimated to cost \$15 million or more, and supply contracts valued at \$2 or higher. Shopping will be used for contracts for procurement of works and equipment worth less than \$0.10 million.

Responsible ADB Officer	Wright, Lloyd F.
Responsible ADB Department	Sectors Group
Responsible ADB Division	Transport Sector Office (SG-TRA)
Executing Agencies	<i>Khyber Pakhtunkhwa Urban Mobility Authority TransPeshawar (The Urban Mobility Company)</i>

## Timetable

---

Concept Clearance	15 Dec 2014
Fact Finding	20 Feb 2017 to 10 Mar 2017
MRM	17 Apr 2017

Approval 23 Nov 2017  
 Last Review Mission -  
 Last PDS Update 20 Jun 2022

### Loan 3543-PAK

#### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Jun 2017	12 Sep 2017	15 Nov 2017	31 Dec 2021	31 Dec 2022	-

#### Financing Plan

#### Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	437.00	Cumulative Contract Awards			
ADB	335.00	06 Oct 2023	324.32	0.00	97%
Counterpart	102.00	Cumulative Disbursements			
Cofinancing	0.00	06 Oct 2023	333.97	0.00	100%

#### Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	Satisfactory	Satisfactory	Satisfactory	-	-	Satisfactory

### Loan 6009-PAK

#### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
23 Nov 2016	05 Jan 2017	05 Jan 2017	01 Jan 2019	-	15 Nov 2017

#### Financing Plan

#### Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	2.35	Cumulative Contract Awards			
ADB	0.00	06 Oct 2023	0.00	0.00	0%
Counterpart	2.35	Cumulative Disbursements			
Cofinancing	0.00	06 Oct 2023	0.00	0.00	0%

### Loan 8336-PAK

#### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
23 Nov 2017	22 Jan 2019	22 Jan 2019	31 Dec 2022	31 Dec 2023	-

**Financing Plan****Loan Utilization**

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	150.00	Cumulative Contract Awards			
ADB	0.00	06 Oct 2023	0.00	138.26	99%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	150.00	06 Oct 2023	0.00	98.28	70%

© 2023 Asian Development Bank

This page was generated from </projects/48289-002/main> on 12 December 2023