



Pakistan: Khyber Pakhtunkhwa Cities Improvement Projects - Second Project Readiness Financing

Project Name	Khyber Pakhtunkhwa Cities Improvement Projects - Second Project Readiness Financing	
Project Number	55107-001	
Country / Economy	Pakistan	
Project Status	Active	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 6042-PAK: Khyber Pakhtunkhwa Cities Improvement Projects - Second Project Readiness Financing	
	Ordinary capital resources	US\$ 15.00 million
Operational Priorities	OP1: Addressing remaining poverty and reducing inequalities OP2: Accelerating progress in gender equality OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability OP4: Making cities more livable OP5: Promoting rural development and food security OP6: Strengthening governance and institutional capacity OP7: Fostering regional cooperation and integration	
Sector / Subsector	Transport / Urban public transport Water and other urban infrastructure and services / Other urban services	
Gender		
Description	<p>Khyber Pakhtunkhwa Cities Improvement Projects (KPCIP) - Second Project Readiness Financing (PRF) will finance eligible project preparation and design activities of ensuing urban development and mobility projects agreed in the country operation business plan 2021-2023 and indicative country pipeline and monitoring report 2022-2024 (planned) for Pakistan. The ensuing projects will assist the Government of Pakistan to improve the quality of life of urban residents in Khyber Pakhtunkhwa province (KPK). It is anticipated that the ensuing projects will consist of 3 projects: (i) Khyber Pakhtunkhwa Sustainable Urban Mobility Project 1, (ii) Khyber Pakhtunkhwa Sustainable Urban Mobility Project 2, and (iii) Khyber Pakhtunkhwa Cities Improvement Project 2.</p> <p>The PRF will ensure high readiness of the ensuing projects in the urban sector in KPK, by delivering the following outputs:</p> <p>Output 1: Due diligence and detailed engineering designs completed, and procurement activities supported. The PRF 2 will support the due diligence of ensuing projects by covering the following aspects: technical, economic, financial, environmental and social safeguards, gender, climate change assessments, institutional framework, private sector participation opportunities, and integrity. It will also support financial and procurement capacity assessments to identify risks and formulate mitigating measures. Due diligence will include the review, validation, or upgrading of preexisting and ongoing studies and due diligence. The PRF 2 will support the preparation of detailed engineering designs for civil works and goods. This includes support for surveys, studies, geological and hydrological investigations, and other technical assessments necessary for detailed engineering designs. Climate and natural disaster resilience measures and innovations will be integrated into the designs. The PRF 2 will support procurement, including preparation of bidding documents, in line with the ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).</p> <p>Output 2: Project readiness financing implementation support provided and capacity of executing and implementing agencies improved. The PRF 2 will finance consulting services to (i) support the executing and implementing agencies in implementing the project; and (ii) strengthen their capacities to sustainably operate the planned investments. Support to implementing agencies will include the following aspects: technical, project management, financial management, procurement, gender, environmental and social safeguards. The PRF 2 will also conduct capacity development needs assessments and formulate capacity development programs for implementing agencies and government officials.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>KPCIP PRF 2 will support the government's efforts to improve the quality of life of urban residents in KPK, by building on the lessons learnt from the long-term engagement of the Asian Development Bank (ADB) in this region of the country. The Peshawar Sustainable Bus Rapid Transit (BRT) Corridor Project that was started in 2017 and commissioned in August 2020, initiated the transformation of KPK cities through sustainable urban mobility initiatives. The first KPCIP PRF approved in 2019 focuses on institutional reforms, municipal services and green growth covering five selected cities and supports the ensuing KPCIP planned for Board approval in 2021. Building on these projects, the government has proposed to continue this systematic approach to planning, higher quality of project readiness, and institutional reforms for sustainable project operations. The PRF 2 will build on success of the first PRF by financing the preparation and detailed designs of series of sustainable urban mobility, municipal services and climate resilience projects in KPK, benefiting an additional 4 million people across multiple cities. All subprojects will be tailored to city-specific features and urban environments.</p>	
Impact		
Project Outcome		
Description of Outcome		
Progress Toward Outcome		
Implementation Progress		
Description of Project Outputs		
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Khyber Pakhtunkhwa	
Summary of Environmental and Social Aspects		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Responsible ADB Officer	Lu, Xijie
Responsible ADB Department	Sectors Group
Responsible ADB Division	Water and Urban Development Sector Office (SG-WUD)
Executing Agencies	Planning & Dev.Dept.,Gov't of Khyber Pakhtunkhwa

Timetable

Concept Clearance	-
Fact Finding	31 May 2021 to 07 Jun 2021
MRM	03 Aug 2021
Approval	29 Nov 2021
Last Review Mission	-
Last PDS Update	29 Nov 2021

Loan 6042-PAK

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
29 Nov 2021	15 Dec 2021	13 Jan 2022	31 Dec 2026	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	17.12	Cumulative Contract Awards			
ADB	15.00	21 Jul 2023	5.86	0.00	39%
Counterpart	2.12	Cumulative Disbursements			
Cofinancing	0.00	21 Jul 2023	1.55	0.00	10%

Project Page	https://www.adb.org/projects/55107-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=55107-001
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