

Project Summary Information

Date of Document Preparation: March 3, 2021	
Project Name	Chennai City Partnership: Sustainable Urban Services Program
Project Number	PD000447-IND
AIIB member	Republic of India
Sector/Subsector	Urban / water resource management; water supply and sanitation; urban transport; and solid waste management
Status of Financing	Under Preparation
Program Description	The Program is envisioned as a first-phase engagement and a building block for the Bank's long-term partnership in Chennai Metropolitan Area (CMA) by supporting the government's program of expenditures. As a subset of the overall government program, the Program supported by this Financing will cover the core urban services, including water resource management, water supply and sewerage, urban mobility, solid waste management, and public health. The Program will focus on supporting activities across three interlinked Results Areas (RAs) - RA 1: strengthening governance and institutions for integrated and resilient service delivery; RA 2: enhancing the quality, efficiency and sustainability of urban services; and RA 3: improving financial sustainability of urban services.
Objective	To strengthen institutions and financing for improving the quality and sustainability of selected urban services in the CMA.
Expected Results	The Program objectives will be evaluated against the following key result indicators: (i) enhanced quality, efficiency, and resilience of urban services in CMA; (ii) strengthened governance and institutions for citizen-responsive and resilient service delivery; and (iii) improved financial accountability and sustainability of urban services.
Environmental and Social Category	WB Category "Moderate Risk" (similar to Category B if AIIB's ESP were applicable).
Environmental and Social Information	This Program will be jointly co-financed with the WB as lead co-financier, and its environmental and social (ES) risks and impacts have been assessed in accordance with the WB's Policy on Program-for-Results Financing (PforR Policy). AIIB's Environmental and Social Policy (ESP) was designed to apply to investment projects and has no provisions for its application to PforR operations. Therefore (i) a derogation of the application of AIIB's ESP and PP; and (ii) the application of the WB's PforR Policy to this co-financing in lieu of AIIB's Policies, are requested. This will ensure a harmonized approach to addressing the ES risks and impacts of the program.

	<p>The WB has categorized the ES risks of this Program as “<i>Moderate</i>”, which is similar to Category B if AIIB’s ESP were applicable. As required under the WB’s PforR Policy, the Program excludes activities that are likely to have significant adverse ES impacts, that could be sensitive, irreversible, or unprecedented (similar to Category A if AIIB’s ESP were applicable). As required for a PforR program, an Environmental and Social Systems Assessment (ESSA) is being conducted for the Program. The ESSA will be complemented by the Program Action Plan (PAP) at the operational level. Based on the full assessment, the overall ES risk rating will be reviewed and only those activities eligible for the PforR financing will be included in the final Program design. The ESSA will also include key actions in PAP comprising capacity strengthening and management measures as needed to manage the environmental and social risks.</p> <p>Potential risks for water supply and sanitation, water resource resilience and urban mobility sectors include construction-related adverse impacts such as air pollution, dust and noise pollution, worker and public safety, and generation of scrap and debris. These impacts are expected to be localized, temporary and reversible, which can be mitigated effectively through Mitigation management measures.</p> <p>Given the ongoing pandemic, virtual platforms will be used for target group consultations and workshops to ensure that the stakeholders are provided opportunity to meaningfully participate in the process and inform the preparation of the action plan for risk management throughout the lifecycle of the operation. Once the draft ESSA report is ready, it shall be publicly disclosed and disseminated through a state-level consultation workshop before Program appraisal.</p>
Cost and Financing Plan	<p>Program cost: USD991 million</p> <p>Financing Plan:</p> <p>(i) Asian Infrastructure Investment Bank (AIIB) Loan: USD150 million (15.10 percent);</p> <p>(ii) International Bank for Reconstruction and Development (IBRD) Loan: USD150 million (15.10 percent); and</p> <p>(iii) Govt of Tamil Nadu: USD691 million (69.80 percent)</p>
Borrower	Republic of India
Implementing Entity/Sponsor	GCC, WRD, CMWSSB and MTC
Estimated date of loan closing	December 31, 2026

Contact Points:	AIIB	World Bank	Borrower	Implementation Organization/Sponsor
Name	Sangmoo Kim	Elif Ayhan	Prasanna V. Salian	Pooja Kulkarni
Title	Sr. Investment Operations Specialist (Urban)	Sr. Disaster Risk Management Specialist	Deputy Secretary, Department of Economic Affairs, Ministry of Finance	Special Secretary, Finance Department, Government of Tamil Nadu & CEO TNIDB
Email Address	sangmoo.kim@aiib.org	eayhan@worldbank.org	pv.salian@nic.in	pooja.kulkarni@ias.gov.in
Date of Concept Decision	March 3, 2021			
Date of Appraisal Decision/Estimated Date of Appraisal Decision	Q2 2021			
Date of Financing Approval/Estimated Date of Financing Approval	Q3 2021			
Independent Accountability Mechanism	AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to this operation. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. The WB's independent accountability mechanism addresses issues raised by persons adversely affected by a WB-financed operation and allows them to report alleged non-compliance with the WB's operational policies and procedures, including its PforR Policy.			