

INDIA
Capacity Building for Industrial Pollution Management Project
First Implementation Review Mission: April 4-7, 2011

Aide Mémoire

I. Introduction and Objectives

1. The first Implementation Review mission of this project was undertaken over the period April 4 - 7, 2011. Since project effectiveness October 2010, field visits to the four pilot sites were undertaken in September and December 2010 and detailed technical discussions with the project teams were held in October 2010, December 2010 and January 2011. During the current mission, discussions were held with the Ministry of Environment and Forests (MoEF) and the State Pollution Control Boards of Andhra Pradesh and West Bengal, followed by a round-table discussion with technical experts in the field of industrial pollution and remediation. Wrap-up meetings were held with the Secretary, MoEF, and the Department of Economic Affairs. The list of people met during the mission is presented in Annex I.

The objectives of the mission were: (i) Review of overall status of implementation, including financial management and procurement arrangements; (ii) Assessment of the role of environmental information and support through the Environmental Compliance Centres (iii) Up-scaling of the current project and the institutionalization of GOI's national program for industrial pollution management;

2. The Aide Memoire summarizes the discussions since October 2010¹ and agreed next steps. The mission wishes to thank the officials from MoEF and the State Pollution Control Boards of Andhra Pradesh (APPCB) and West Bengal (WBPCB) for their cooperation.

II. Key Project Data

Project Data		Project Performance Ratings		
Board Approval:	3 June 2010	<i>Summary Ratings:</i> <i>Last</i> <i>Now</i>		
Effectiveness Date:	13 October 2010			
Original Closing Date:	30 September 2015	Achievement of Project Development Objectives	-	S
MTR Date:	30 June 2013			
Original Grant Amount:	\$ 64.15m	Implementation Progress	-	S
Amount Disbursed:	\$ 3.5m			

III. Project Development Objectives

3. The *development objective* of the project is to build capacity in selected state agencies for undertaking environmentally sound remediation of polluted sites and support the

¹ Bank team: Charles Cormier (Lead Environment Specialist, TTL), Ruma Tavorath (Sr. Environment Specialist, Co-TTL), Arun Manuja (Financial Management, Arvind Mantha (Financial Management), A.S.Harinath (Environment), Swayamsiddha Mohanty (Procurement), S. Krishnan (Procurement ,Consultant), Sangeeta Kumari (Social Development) and Bela Varma (Program Logistics).

Government of India in the development of a National Program for Rehabilitation of Polluted Sites (NPRPS).

4. The Government of India has recognized the importance of addressing the critical issue of industrially contaminated sites and has allocated a substantial national budget for the establishment of the NPRPS and initiating more remediation activities across the country. It has also expressed interest in the up-scaling of the current Bank supported project to address more sites and to support the piloting of the NPRPS mechanism.

IV. Current Implementation Progress

5. The sections below detail issues and actions required under each project component, and list of agreed actions is detailed in Section IX.

Component 1: Strengthening of Environmental Institutions: Building capacity for addressing pollution remediation

6. *Sub-component 1.a. National Program for the Rehabilitation of Polluted Sites:* The project defines four studies to be undertaken for the development of the NPRPS i.e., (i) policy and regulatory, (ii) institutional and financial, (iii) inventorization, and (iv) development of methodologies and standards for remediation. The Terms of Reference for these studies have been developed and are currently being reviewed by the technical experts. MoEF aims to initiate the bid process for these consultancies by end May.

7. The mission team noted that there are a number of training programs which are common and it was discussed and agreed that 3 national trainings will be led by MoEF while other trainings would be jointly undertaken by the two states PCBs. A joint training committee consisting of officials from APPCB and WBPCB will be constituted to (i) decide on the contents of proposed training programs; (ii) identify the institutions for organizing the training programs; (iii) decide upon the recipients of the training along with the members from each PCB; and (iv) Budgetary estimates for each training program.

8. It was also agreed that the following two training activities would be undertaken on priority, before March 2012; These are the training on cost-benefit analysis of remediation process and an international study tour for exposure to new and innovative remediation technologies and methodologies. Details of the training activities are provided in Annex III. Recognizing MoEF's key role in initiating and expediting training activities under this project, it was agreed that MoEF will need to hire a training consultant to support the team in undertaking a training needs assessment and designing the CBIPM project training plan.

9. It was agreed that a network of SPCBs will be established by MoEF initially through an electronic media process for information dissemination and in future training sessions will be organized for providing technical guidance in subjects such as source identification, remediation and enforcement of hazardous waste sites.

10. *Sub-component 1.b. Environmental Compliance Assistance Centers (ECAC):* The West Bengal ECAC has been functional since 2008, with funding under AECEN². The ECAC has prioritized Sponge iron & steel industry and Chemical and petrochemical sectors³ and has actively undertaken information dissemination activities through its newly launched website and newsletters and a number of workshops and consultations,⁴ and documented reports on demonstration projects of clean technologies.

11. While recognizing the importance of ECAC to support industries to aim for voluntary environmental compliance, there are complex issues related to the establishment of additional institutional mechanisms in states which already have similar centers (e.g., ENVIS centers and waste minimization circles) and related to the financial sustainability of such semi-independent organizations and their mechanism for creating a service demand for services related to compliance mechanism, clean technologies, pollution prevention etc. It was agreed that the Bank and MoEF will send comments on the draft TOR prepared by the WBPCB. WBPCB will expedite the consultancy process for the development of Business strategy of ECAC, which will define the institutional linkages with WBPCB, related staffing requirements, priority sectors and the financial mechanism. It was also agreed that APPCB will undertake a similar analysis which will define the necessity, scope and strategy of the AP-ECAC.

12. *Sub-component 1.c. Institutional Capacity Building of State Pollution Control Boards:* To build technical skills related to implementation and monitoring of pilot remediation activities, the project had identified specific laboratory and monitoring equipment which need to be acquired by the two state PCBs. A joint expert committee was set up with representatives from APCB and WBPCB to discuss and agree on technical specifications of the proposed equipment. The Central Pollution Control Board was also consulted on these technical specifications. The bids of APPCB are expected to be received by end April, followed by technical evaluation. However, WBPCB foresees a delay in signing of contract until September, due to the upcoming elections. They expect the supply and installation of equipment to be completed by the end of the year.

13. The mission agreed with APPCB's proposal to utilize the GIS to address the data requirements related to contaminated soil and ground water at priority hazardous waste sites and near illegal dumpsites. APPCB had also noticed that much of its Program support related procurement of goods and works has been subsumed under counterpart contribution - and so cannot be reimbursed under the project. These activities (including advertising costs, furniture etc) will push the state contribution above the requisite 15%. This issue is to be further discussed with MoEF and will need to be addressed through a minor project restructuring process , so as to keep the state's contribution to 15%.

² Asian Environmental Compliance Enforcement Network funded under USAID.

³ These were focused on Sponge iron industry and Tannery and Chrome Chemicals manufacturing sectors, Lead Acid Storage Battery Manufacturing, Secondary Lead Smelting and Processing sectors; Dyeing, Bleaching and Integrated Textile Processing Sector and Chemical & Petrochemical Sector.

14. Studies: There are some identified studies to be undertaken by each state; these include:

- West Bengal
 - i. Inventorization and characterization of hazardous waste categories and sampling and analysis;
 - ii. Assessment of Contamination and Design of Remediation Plan for 5 contaminated areas; and
 - iii. Periodic sector study and report preparation of Sponge Iron, Tannery and Chemical and Petrochemical Sectors.

- Andhra Pradesh
 - i. Inventorization and characterization of hazardous waste categories and e-waste and GIS works;
 - ii. Prioritization, characterization and study the impact of captive landfills on the environment (as there are no legacy sites); and
 - iii. GIS Mapping of Hazardous waste units, illegal dumps and Municipal waste dumps for 3 districts for a period of 12 months.

15. It was agreed that the study on “Impact of Municipal Solid Waste Dump Sites on the Environment” can be done just by one state – Andhra Pradesh – and the findings shared with West Bengal.

Component 2: Investments in Priority Remediation and Environmental Improvements: Rehabilitation of orphan hazardous waste sites and municipal dumpsites⁵

16. The first activity under this component is the contracting of a consultancy firm for undertaking the detailed reassessment / engineering studies for the four pilot sites. Both AP and WB have completed the bidding process for hiring of the Assessment and design consultants for the four pilot sites. Based on the expression of interest, Proposals were requested from the shortlist of qualified firms. The evaluation of the Technical proposals received for this assignment is now in process and the contracts are expected to be issued by June 2011. MoEF has designated appropriate technical experts to participate in the evaluation of these technical proposals.

17. One issue with municipal dumpsites is the requirement for its closure and discontinuation of dumping and associated alternative sanitary landfill site. For Dhapa, this issue was resolved and the demarcated area has been closed since 2009. For Kadapa in AP, the site continues to be functional and is expected to be closed by September 2011. The site for the new sanitary landfill has been identified and approved by appropriate authorities. The Municipal Corporation has initiated the tendering process for construction of the landfill. However, it has been informed by the Municipal authorities that the finalization of the tenders will be taken up after the by-elections and election code in Kadapa. As a result, the schedule of dates will be delayed by approximately more than a month.

⁵ The four pilot sites are: Noor Mohammad Kunta, AP; 7 chemically contaminated sites in Hooghly district, WB; Old municipal dumpsites in Kadapa District, AP and in Dhapa, WB.

18. The project team from MoEF, the two states and the World Bank had undertaken field visits to the four pilot sites during November and December 2010.

19. Issues related to land ownership of the four pilot sites was discussed and it was agreed that Memorandum of Agreement will need to be signed between the state PCBs and the respective land-owning authorities. This activity is on critical path and the states were urged to have these signed before contracts are issued for the reassessment / engineering studies.

Component 3: Project Management

20. The MoEF has established a Technical Evaluation Panel, whose first meeting was held on 15 March 2011. The Project Oversight committee has also been constituted in August 2010 and its first meeting is scheduled for June 2011.

21. At State level, the state steering committees have been constituted and the Project Implementation Units are operational with key staff and consultants in place. Recruitment of additional supporting consultants is also ongoing. The mission discussed the fee structure of consultants and advised that the states should assess and revise terms of contract - if needed - to attract the best skilled candidates.

22. Since the establishment of a Project Management Unit at MoEF was not endorsed, it had been decided that MoEF would hire a Project Management Consultancy for support on technical, financial and procurement issues related to the project. The MoEF initiated and completed the contractual and selection process and also received Bank's No Objection on the identified consultancy firm. However, in March it was decided to write off this process and re-think a new institutional structure which can support the national program and the associated up-scaling of the current project. MoEF is in process of drafting the revised proposal, but as a temporary arrangement, it has been agreed that MoEF will hire individual consultant to support the core team in the implementation of Training, Procurement and Financial Management components. It has also been agreed to extend the contracts of the existing consultants, who are currently supporting the core project team.

V. Environment and Social

23. The state PCBs and MoEF was advised to establish the grievance feedback mechanism as soon as possible. For a start they will need to create project webpage which should be linked to their existing PCB/MoEF websites respectively.

24. The requirements of Bank's social safeguards policies were explained and the mission reiterated the need for appointing a social expert in the PIUs prior to the hiring of pilot sites design consultants, to enable review and supervision of the social aspects of the pilot site remediation designs such as Resettlement Action Plans and their implementation. A communication expert should also be hired to develop information dissemination and communication strategy for the project. This will include review of media releases and communications to external stakeholders; and be responsible for addressing complaints and grievances for the project. The Communication expert will work in close coordination

with Social expert to facilitate the setting up of institutional arrangements and implementation of the social aspects of the project. The Bank will review and comment on the draft ToR for the social and communications experts who will need to be hired.

25. Based on a field visit by Bank's Social development specialist to West Bengal (details in Annex V) the following suggestions are provided which will apply to sites in both states:

- a) As defined in the PAD, it is clear that management of pollution in the pilot sites would require the adoption of an area approach. While the specific treatment/mitigation activity to be carried out will be limited to the site, activities such as awareness of the neighbouring communities is important to meet the long term sustainable of pollution preventive/management. The state PCBs need to facilitate consultations and for a, which will need to be well documented as part of the studies to be carried out by the consultants.
- b) Ownership of land at the pilot sites needs to be confirmed

26. The state PCBs will have to prepare Environmental and Social management action plan for the pilot sites to comply with the operational policies of the Bank. However, this can be done only after the technology choice is finalized. If these plans are carried out by the technical design consultant, they will have to be peer-reviewed by an independent agency or consultant to ensure neutrality. The other option is to hire an independent agency to undertake the task.

VI. Procurement:

27. The implementation of the project has just started and most of the procurement transactions are being prior reviewed by Bank. The mission reviewed the progress on procurement vis-à-vis the procurement plan and adherence to agreed procedure by various agencies engaged in the process. It is proposed not to assign a procurement rating yet, as the implementation of the project has just started. Mission will review the progress on procurement and adherence to agreed procedure by various implementing agencies engaged in the process and assign rating to the project. However, the procurement risk at this stage continues to be rated as Moderate.

28. The mission discussed the various issues on procurement that needed attention, explained various procedural aspects to the implementing agencies and reviewed the progress of procurement vis-à-vis the procurement plan agreed for first 18 months of implementation period of the project. The State implementing agencies, i.e., APPCB and WBPCB made presentations on the planned procurement activities for next 12 months. The following set of activities were agreed :

- i MoEF, APPCB and WBPCB will send a revised draft procurement plan for Bank's review by end of April 2011.
- ii Procurement Disclosures: The implementing agencies will upload the following procurement information on project webpage, keeping in view the requirements of Bank's Procurement and Consultancy Guidelines:

- EOI, RFP/Bid Documents
 - Procurement Plan
 - Results of bidding/proposals
- iii Upload the complaint review process in their website or provide link to the same on their website.
- iv Proper record keeping and asset numbering.

VII. Financial Management

29. An advance of US\$ 5.00 million has been disbursed into the project Designated Account. The project has recently submitted an IUFR for the period April 2010 to March 10, 2011 reporting the expenditures incurred only by MoEF and does not include the expenses incurred by AP and WB PCBs. The mission advised MoEF to submit a consolidated IUFR incorporating the expenditures incurred by APPCB, WBPCB and MoEF for the retroactive period (i.e., October 2009 to July 22, 2010).

30. It was informed that the retroactive expenditure can be claimed for one year period before the effective date of implementation, i.e., will commence on October 13, 2009 & prospective period (July 2010 to March 2011) by May 15, 2011.

31. The mission also suggested to the project authorities to initiate necessary steps in time to ensure that the audit certificates for the expenditures incurred by MoEF, APPCB and WBPCB for the financial year 2010-2011 is submitted to the Bank prior to the due date (i.e., September 30, 2011). (Details in Annex IV).

VIII. Technical Discussions

32. A round-table technical discussion was organized with key experts on industrial pollution from Central Pollution Control Board, the Technical Evaluation Panel and other State Pollution Control Boards. The following key points emerged from the deliberations:

- There is need to develop a process for ranking and prioritizing contaminants in investigated sites
- Consideration to a ranking system for contaminated sites based on comparative risk methodology, based on criteria associated with the potential human health and ecological risks.
- Select remedial action and technologies that are protective of human health and the environment, and cost effective: techno-economic and sustainable
- Selection of technology should be based on standards to be applied to soil, sediment and end use of the remediated land.
- While land is a state subject, ownership and future land-use patterns are important considerations when initiating remediation action plans to address liability issues and also review potential for cost recovery.
- Need to involve stakeholders (communities, local governments, municipalities, NGOs) and increased awareness;
- Strengthen mechanism for pollution prevention;

- 43 critically polluted sites identified by CEPI (CPCB) and Blacksmith; could utilize the CEPI ranking system along with a risk based approach.
- Parameters for analysis of environmental samples to be decided – (Cost based)

33. Some of the above issues were also discussed during the Workshop on “Management of Hazardous waste toxic sites” which was hosted by MoEF, in collaboration with Blacksmith Institute, in March 2011. The key messages from the Minister for Environment and Forests, Mr. Jairam Ramesh, during the workshop were:

- India has allocated US\$ 45 million (Rs. 200 crores) from the national budget to be utilized within FY 2012 for remediation activities.
- Formation of an independent society for implementation.
- Complete the inventorization of hazardous sites by end 2012.
- Focus on Bioremediation options, which are cost-effective and shows expeditious results.
- Shift the focus of the CBIPM project to specifically hazardous waste sites and limit involvement in solid waste dumpsites to only those which are in critical areas and ecosystems (such as Dhapa which is in a designated Ramsar site).
- Project could consider inclusion of mercury contaminated sites into the remediation program.
- Immediate upscaling of the current CBIPM project to \$300 -500m, preferably under a changed name that reflects the real nature of the project.
- Expedite the project activities, especially the contractual processes and commence the work on-ground.

34. Based on a request from the Government of India, the Secretariat of the Institutional Development Fund (IDF) has agreed to support a project for the Design of Market Based Emissions Trading Scheme to Improve Air Quality in India. The objectives of the project are to design an emissions trading scheme for suspended particulate matter, which will introduce continuous monitoring and transparency and enable cost effective compliance of air quality standards along with building capacity of environmental regulators in the use of economic instruments. The emissions trading scheme intends to target around 900 polluting industries which emit particulate matter (PM10) in 3 states: Gujarat, Tamil Nadu and Maharashtra. Recognizing the synergies on the issue of pollution prevention, it has been agreed that this activity will be implemented under the aegis of the CBIPM project.

IX. Agreed Next steps and Mission:

35. The next formal Implementation review mission is scheduled for mid October 2011. Activities to be undertaken and completed within the next six months were agreed, as detailed in the table below:

Action	Responsibility	Due Date
Finalize the TORs for NPRPS studies consultancies	MoEF/TEP	April 27
Initiate the consultancy bid process		End May
Create electronic network for SPCBs for information dissemination through NIC	MoEF	end June

Comments on draft TOR Business strategy of ECAC prepared by the WBPCB	Bank and MoEF	End April
Initiate the consultancy process for the Business strategy of ECAC	WBPCB	May 15
	APPCB	June 15
Constituting joint training committee	MoEF, APPCB and WBPCB	July 30
Final TOR and issuance of EOI for sector studies	WBPCB	End May
Technical evaluation of bids for laboratory equipment	APPCB, WBPCB	2 nd week May
Issuance and signing of contract for procurement of laboratory equipment	APPCB	June 15
	WBPCB	September
Issuance of contracts for Assessment and design consultants for the four pilot sites	APPCB, WBPCB	June 25
Review and comment on the draft ToR for social and communications experts at PIU.	Bank	May 10
Confirm ownership of land at the pilot sites	APPCB, WBPCB	July 1
Signing of Memorandum of Agreement for four pilot sites with the respective land-owning authorities	APPCB, WBPCB	July 20
Hiring of Procurement, Financial Management and Training specialists	MoEF	end May
Create project webpage and grievance mechanism	MoEF, APPCB, WBPCB	End May
Maintaining procurement related information on project webpage	MoEF, APPCB, WBPCB	End May
Hiring of social expert in PIUs	APPCB, WBPCB	Mid June
Submission of consolidated IUFRR for the period April 2010 to March 2011	MoEF in coordination with APPCB & WBPCB	May 15
Consolidated Annual Work plan for FY 2011-12	MoEF in coordination with APPCB & WBPCB	May 15

List of Persons Met

Ministry of Environment and Forests

Dr. T. Chatterjee, Secretary
Mr. Rajiv Gauba, Joint Secretary
Mr. Vivek Wadekar, Director (Project Director)
Dr. R.B. Lal, Deputy Director (Project Coordinator)
Mr. R.K. Gupta, Procurement Consultant
Mr. G. Rambabu, Assistant Environmental Engineer
Mr. Kamal Kumar Bisht, Assistant

Department of Economic Affairs

Ms. Kavita Prasad, Director (MI)

Andhra Pradesh Pollution Control Board

Dr. K.V. Ramani, Joint Chief Environment Scientist
Mr. A. Surendra Raj, Joint Chief Environment Engineer
Mr. N.V. Bhaskara Rao, Sr. Environment Engineer
Mr. B.V.S.S. Prakasa Rao, Chief Accounts Officer
Mr. S.S.S. Murali, Environment Engineer
Mr. Y. Atchuta Ramayya, Analyst/Procurement Specialist
Mr. T. Venugopal, Technical Consultant

West Bengal Pollution Control Board

Mr. Sandipan Mukherjee, Member Secretary (Project Director)
Mr. Subrata Ghosh, Chief Engineer
Dr. Tapas Kumar Gupta, Chief Engineer
Mr. U.K. Mukhopadhyay, Chief Scientist
Mr. Debanjan Gupta, Scientist
Mr. S.K. Adhikari, Sr. Environment Engineer
Ms. Sarmishta Kundu, Environment Engineer
Mr. S.K. Khamrui, Finance & Accounts Manager
Mr. Subhasis Paul, Finance & Accounts Manager

Other Government of India Officials/Experts

Mr. R. Ramachandran, Member Secretary, Tamil Nadu Pollution Control Board
Dr. R.S. Mahwar, Additional Director, Central Pollution Control Board
Mr. Vinod Babu, Sr. Environment Engineer, Central Pollution Control Board
Mr. S.K. Singh, Chief Environmental Engineer, Uttar Pradesh Pollution Control Board
Mr. Amit Chandra, Environmental Engineer, Uttar Pradesh Pollution Control Board
Mr. V.R. Patel, Senior Environmental Engineer, Gujarat Pollution Control Board
Mr. K.P. Nyati, Chief Executive Officer, Sustainable Mining Initiative, Federation of India Mineral Industries
Dr. Tapan Chakrabarti, Scientist, Council of Scientific and Industrial Research, at National Environmental Engineering Research Institute (NEERI)

ANNEX II**WEST BENGAL: ACTION PLAN 2010-11**

ACTIVITY	Timeline	Status as on December 2010	Status as on March 2011	Proposed Actions for next 3 months
1. Engagement of dedicated PIU staff/consultants	31 st Jan 2011	Advertisement issued on Dec 6	Personnel engaged, except a few	
2. Finalization and rental of Office accommodation for ECAC	Sept 2010	Completed	Completed	
3. Furniture and office equipment for ECAC	Sept 2010	In process – shopping by end Jan	Procurement under process.	Completion within April 15th.
4. Consultancies – Business strategy for ECAC	End Feb 2011	TOR to be prepared by Jan 7	Under review of World bank	
5. Detailed reassessment/engineering Study, bid document preparation, and supervision – Hooghly and Dhapa	Dec 27, 2010	EOI issued; Evaluation criteria to be finalized and shortlisting to be done by Dec 27	EOI issued, Bid invited and received, being evaluated	
6. Procurement of Laboratory Equipment	Bid docs to Bank: Dec 31	Technical committee constituted; tech specs reviewed and approved ; To be sent to Bank for clearance; Bid docs and advt to be finalized and sent for Bank approval	Bid document being finalized with Bank.	Issue of Advertisement
7. TOR and hiring of national expert for Periodic sector Study of ECAC	TOR to be sent by Jan 15	Consultants to be hired	TOR finalized in case of Sector study on tannery and Chrome Chemicals.	EOI is expected to be issued in May 2011
8. TOR and EOI for international expert for periodic sector study for ECAC	TOR to be sent by Jan 15		TOR of domestic sector study on Sponge Iron Sector to be finalized	9. Sector Specific Reports <ul style="list-style-type: none"> • Report on tannery and Chrome Chemicals Report on lead smelting and lead acid storage battery
10. Improving and strengthening ECAC website (database		Consultant to be hired	Work under progress under AECEN Fund	

ACTIVITY	Timeline	Status as on December 2010	Status as on March 2011	Proposed Actions for next 3 months
software)				
11. Publication of ECAC Newsletter		Consultant to be hired	News letter published under AECEN fund	
12. Upgradation of Information System: procurement of server & networking devices, GPS to incorporate GIS mapping of HW units	December 10, 2010	Tech specs finalized; Bid docs to be sent for Bank clearance.	Bid document under preparation	Advertisement to be issued
13. Project web site to be created and linked to PCB website	March 2011		Preparation of Webpage Under progress. It is proposed to have the webpage as a part of WBPCB Website	
14. TOR for Inventorization and Characterization of HW Categories and Sampling and analysis of HW		Draft sent to be Bank – Study to be discussed	TO be taken up	

ANDHRA PRADESH: ACTION PLAN 2010-11

ACTIVITY	Timeline	Status as on March 2011	Proposed Actions for next 3 months (June 2011)
Constitution of Steering Committee		Completed	
Appointment of Project Director	July 2010	Completed	--
Fully functional PIU, FM, Procurement specialist	July 2010	Completed	--
Local Implementation unit (LIU) in place	August 2010	Completed	--
Consultants for Financial Management (specialist and assistant), procurement (assistant) and Technical consultant	Feb 1, 2011	FMA, PA working since January, 2011 TC working since April, 2011	FMS to be re-advertised
Noor Mohammed Kunta Exec Engineer and Dy. Exec Engineer (Full time)	Feb 1, 2011	TORs finalized	Advertisement in May, 2011 Selection in June, 2011

ACTIVITY	Time line	Status as on March 2011		Proposed Actions for next 3 months (June 2011)	
Detailed reassessment / engineering Study, bid document preparation, and supervision – NMK (AP – S3)		1. Shortlist finalized :	04.01.2011	1. Evaluation Committee meeting:	27.04.2011
		2. RFP Final Draft forwarded to the Bank :	07.01.2011	2. Finalization of bids :	05.05.2011
		3. No objection from Bank for Final RFP :	24.01.2011	3. Forwarding to Technical Evaluation Committee (MoEF, GoI) :	10.05.2011
				4.State Steering Committee :	20.05.2011
		4. RFP issued :	25.01.2011	5.Forward to Bank :	27.05.2011
		5. Pre-bid conference:	05.02.2011	6.Final award :	07.06.2011
Detailed reassessment / engr. Study, bid document prep., and supervision – Kadapa (AP –		6. Bid opening :	25.03.2011		

S15)				
Consultancies – Business strategy for ECAC (AP – S2)	March 15 2011	TOR to be prepared; EOI to be issued	To be discussed with MoEF / World Bank	
Office equipment for ECAC (AP – G1)	January 2011	Specs finalized Quotations obtained	Orders to be placed	
Procurement of Laboratory Equipment (AP – G2)	RFP, advt, and placing of orders by March 2011	1. Advertisement issued : 28.02.2011 2. Bid documents to be Issued upto : 29.04.2011	1.Receiving of bids :	30.04.2011
			2.Finalisation of bids:	30.06.2011
			3.No objection from World Bank :	02.07.2011
			4.State Steering Committee meeting :	12.07.2011
			5.Issue of Notification of Awards :	15.07.2011
Project web site to be created and linked to PCB website	March 2011	TOR to be developed (to be discussed)		

MoEF ACTION PLAN 2010-11

<i>Activity</i>	<i>Time Line</i>	<i>Status as on December 2010</i>	<i>Status as on 31st March 2011</i>	<i>Proposed Actions for next 3 months</i>
Finalize Project Operational Manual	15 th May, 2010	Completed	Completed	Completed
Launched Workshop (immediately after effectiveness)	August 2010	n/a	Not needed	Not needed
Management Consultant to be in place	September 2010	RFP completed and proposal invited to be received on 10.01.2011	The process of engagement of this consultancy was completed upto the level of negotiation with the identified consultant. World Bank has given Their 'No objection'. It has now been decided that process of selection of PMC may be started afresh by following the method of QCBS. The world Bank has therefore, been requested to give their 'No objection' to restart the selection process accordingly.	Revised TOR & RFP is to be finalized and the proposal will be invited
TEP Constituted	June 2010	August 2010	TEP constituted as on 16.08.2010	Next TEP meeting to be held in April 2011
First POC meeting	Sept. 2010	August 2010	POC constituted as on 16.08.2010	Proposed to be held in June 2011
PPF Audit report to be submitted	January 2011		Audit report submitted on 28.01.2011	-
Development of Methodology, International Best Practice review, standards and guidelines and remediation of polluted sites Contract finalization	March 2011	Draft to be prepared	The process of engagement of this consultancy will start off after the PMC is in place. However, the draft TOR has been prepared and submitted to TEP members for their	--
Legal and	November	Draft to be		--

Activity	Time Line	Status as on December 2010	Status as on 31st March 2011	Proposed Actions for next 3 months
Regulatory review and prepare NPRPS framework Contract finalization	2010	prepared	technical inputs / suggestions.	
Institutional and policy studies for establishing NPRPS Contract finalization	February 2011			--
Inventory and mapping of pollution sites Contract finalization	February 2011	Draft TOR ready		--
Training on Innovative remediation technologies Contract finalization	February 2011	--		--
Procurement of office equipment	--	The equipment to be procured in Phase I have been identified	The approval of configurations of the equipments to be procured have been finalized and digitization of the signature have been completed	Orders on DGS&D are to be placed, approval of World Bank has already been taken.
Project website to be created	--	--	--	--

CBIPMP TRAINING PLAN

	Proposed Training	Lead Agency	Timeline for completion
1.	Training on implementation of remediation process based on cost benefit analysis (NPRPS)	MoEF	FY12
2.	Innovative remediation technologies and methodologies focusing on international best practices (study tour/training)	MoEF	FY12
3.	Operation, maintenance and closure of MSW landfills focusing on international best practices	MoEF	FY13
4.	Source, identification, inventorisation and characterization of HW dumpsite	AP	FY13
5.	Transport and fate of contaminants in soil and ground water	AP	FY14
6.	Inspection and enforcement of hazardous waste including the material balance for the production of hazardous waste based on process	AP	FY14
7.	Quantification and categorization of process specific hazardous waste	WB	FY14
8.	Use of modern tools to identify legacy sites and remediation technology for contaminated sites	AP	FY13
9.	Monitoring of landfill gases and leachate analysis for municipality	WB	FY13
10.	Monitoring and environmental impact of legacy sites for various classified hazardous wastes	WB	FY15
11.	ECAC – Professional exchange based on industrial sector specific (South East Asia, US & EU)	WB	FY13

FINANCIAL MANAGEMENT

APPCB: During the mission, it was stated that a separate budget provision of 15% representing the state share has been made and a separate Bank account has been opened wherein the funds have been transferred by MoEF to meet the project expenditures for FY 2010-11. A separate Financial Management cell has been established and the necessary training to the accounts staff has been provided on the newly procured tally accounting software. The payment function is centralized at the Head Office (HO). An internal audit system is already in place and the internal audit of the Board was completed by an independent CA firm till FY 2009-10. It has been agreed that in future, the internal audit will also cover the project expenditures.

The mission advised APPCB to submit the Annual Work plan of FY 2011-12 along with the progress reports, provisional utilization certificate (UC) and the financial reports (IUFs for the retroactive and prospective period) for FY 2010-11 to MoEF. It has been agreed that such reports will be submitted to MoEF by April 30, 2011.

The external auditor's appointment is already in place and it has been agreed that the audit report for the financial year 2010-11 will be submitted to MoEF by May 31, 2011.

WBPCB: During the mission, it was stated that a separate budget provision of 15% representing the state share has been made and a separate Bank account has been opened wherein the funds have been transferred by MoEF to meet the project expenditures. The existing Financial Management cell is functioning properly. The customized accounting software of the Board which was under development is now operational and this system is being used to account and report for the project expenditures. The payment function is centralized at the Head Office (HO). An internal audit system is already in place and the internal audit of the Board was completed by an independent CA firm till FY 2009-10. It has been agreed that in future, the internal audit will also cover the project expenditures.

The mission advised WBPCB to submit the Annual Work plan of FY 2011-12 along with the progress reports, provisional utilization certificate (UC) and the financial reports (IUFs for the retroactive and prospective period) for FY 2010-11 to MoEF. It has been agreed that such reports will be submitted to MoEF by April 30, 2011.

It has been agreed that auditor's appointment will be completed by April 30, 2011 and the audit report for the financial year 2010-11 will be submitted to MOEF by July 31, 2011.

MoEF: MoEF has recently submitted an IUF to the Bank reporting the expenditures of Rs 1.248 million (of MoEF only) for the period April 2010 to March 10, 2011. We have advised MoEF to submit a consolidated IUF integrating the expenditures incurred by APPCB, WBPCB and MoEF for the retroactive & prospective period and also to incorporate the expenditures of Rs 20.467 million incurred under PPF Q527. Similarly, it has been agreed that the consolidated Annual Work plan of APPCB, WBPCB and MoEF for the financial year 2011-12 will be submitted to the Bank by May 15, 2011.

Staffing at MoEF: The establishment of Project Management Cell to support on the technical, financial and procurement matters at MoEF is under discussion/consideration and therefore as a temporary arrangement, it has been agreed that MoEF will appoint

Financial Management consultant (i.e., qualified accountant) to support on the financial matters.

Disallowances pointed by AG under PPF audit: During the mission this matter has been discussed with MoEF and it was finally concluded that MoEF will refund Rs 2.649 million⁶ to the Bank which being the share of MoEF contribution as pointed out by the AG in the audit certificates of financial years 2008-09 and 2009-10.

FM performance rating is Moderately Satisfactory (MS) and is due to the following:

- a) Consolidated IUFR for FY 2010-11 (incorporating the expenditures incurred by MoEF, APPCB & WBPCB) is not submitted to the Bank, and;
- b) Appointment of Financial Management staff at MoEF is not in place.

The rating will be upgraded once the above two legal covenants are met.

⁶ Sum total of (i) Rs 0.986 million of FY 2009-10 for project preparation cell, and; (ii) Rs 1.663 million of FY 2008-09 & 09-10 for Environment and Social Assessment

SOCIAL DEVELOPMENT

Visit was made to the two pilot sites in West Bengal by project team from the World Bank and WBPCB⁷ to have an in-depth understanding of the potential social issues to be managed under the project. At the end of the visits the observations were shared with the Member Secretary and suggestions were made on next steps for each of the respective sites.

Some of the broad findings and suggestions are:

- a) As defined in the PAD, it is clear that management of pollution in both the pilot sites would require the adoption of an area approach. While the specific treatment/mitigation activity to be carried out may be limited to the site, activities such as awareness of the neighbouring community is important to meet the long term sustainable of pollution preventive/management.
- b) Ownership of land at the two pilot sites needs to be confirmed
- c) SPCB will require facilitating a forum for all concerned parties in order to identify long term solution to avoid further contamination of site and better management of environmental and social impacts. These consultations and forums must be organized and well documented as part of the studies to be carried out by the consultants.
- d) As part of the studies by the Design consultants to be carried out following broad steps would be required on social aspects:
 - i. Identification of stakeholders and consultations
 - ii. Review of relevant studies, plans and proposals
 - iii. Identification of likely social concerns and impacts
 - iv. Delineation of project impact area, define scope of detailed social impact assessment and develop communication strategy
 - v. Enumeration of occupants of the project area (Census and socio-economic survey)
 - vi. Social Impact Assessment as per proposed design
 - vii. Preparation of Resettlement action Plan as per final design
 - viii. Preparation of communication and public participation action plan
- e) The role of social Expert as part of PIU will be to review the process and outputs linked to the social aspects as part of the studies, facilitate setting up of institutional arrangements for implementation plans and supervision of implementation of plans such as RAP. Social expert shall work in close coordination with Communication expert.
- f) The role of communication Expert as part of PIU would be to develop information dissemination and communication strategy for the project. The consultant will review all types of media releases and communications to external stakeholders under the project and participate in the consultations at the project level and review the outputs of consultation and plans prepared as part of design studies. The expert

⁷ Sangeeta Kumari, World Bank, Dr. Adhikari, Mr. Chatterjee and Ms. Kundu from WBPCB

will also act as the complaint officer for the project. Communication expert shall work in close coordination with Social expert.

Hoogly site: It was observed that as per the initial assessments of the SPCB, the polluted spots are currently found all along the old Delhi road. These largely constitute the waste material brought by the abutting land users for building access to their plots and properties. In the event of construction of these access roads in ad hoc manner, water logging was also observed at several places as the drainage along the Delhi road has been disturbed too. The adjoining land use includes the industries/factories, agricultural, residential and informal commercial (petty shops, weigh bridge, vehicle repair and dhabas on the road side). Some of these appear to be encroachment on the road land. The ownership of roadside land would require to be ascertained. SPCB will facilitate a forum for all concerned parties to develop a long term solution to avoid further contamination of site due to dumped waste with high chemical content for access roads and water logging. Some of the likely concerned parties appear to be department concerned for maintenance of old Delhi road, Kolkata Urban development Authority responsible for landuse/conversion along the highway, local bodies/panchayats/municipalities and other occupants/ landusers along the road.

Dhapa Site: The proposed site (Approx. 8 Ha.) under the project for capping and leachate treatment is part of the larger dump area which is said to be more than 100 years old. The site is part of Ramasar site has low lying areas and wetland swampy areas around the proposed bank site and other active sites too. The dump site is in close proximity to two inhabited villages. The boundaries among the various proposals and current usage will require to be clearly defined. The access roads to the two villages also are amidst the dump area. Approximately 500 rag pickers are dependent on this site. Currently there is no tracking system to account for the people entering the site such as the labor with the dump trucks or the rag pickers. The site offers opportunity in the project to identify ways to create safer working conditions for the rag pickers and others. Also a comprehensive management plan for the entire site may be developed as part of the DPR studies.