

ADB GEF PROJECT IMPLEMENTATION REPORT (PIR)

I. Project Profile

ADB Official Project Title: Road Network Upgrading Project (Additional Financing-GEF)

ADB Project Number: Grant 0404-TIM (Project No. 46260-002)

1. General Information	1	GEF ID (PMIS ID)	5773
	2	Focal Area(s)	Climate Change Adaptation
	3	Region	Regional (Pacific)
	4	Country	Timor-Leste
	5	GEF Project Title	CPDP: Upscaling Climate Proofing in the Transport Sector in Timor-Leste: Sector Wide Approaches
	6	Project Size (FSP; MSP)	FSP
	7	Trust Fund (GEFTF; SCCF; LDCF)	LDCF
2. Milestone Dates	8	GEF CEO Endorsement Date (mm/dd/yy)	06/24/2017
	9	ADB Approval Date (mm/dd/yy)	09/11/2014
	10	GEF Grant Signing (mm/dd/yy)	12/03/2015
	11	Project Implementation Start Date (mm/dd/yy)	12/21/2015
	12	Date of 1st GEF Grant Disbursement (mm/dd/yy) (Definition: First disbursement date is the date when GEF funds are actually disbursed to the executing agency in the country or when funds are disbursed directly to the suppliers of goods for the project; could include initial date of cash advance to Imprest accounts)	05/17/2016
	13	Final date of GEF Grant Disbursement (mm/dd/yy) (For recently closed project) Proposed/Revised Implementation End (mm/dd/yy)	06/30/2020
	14	Actual Implementation End (mm/dd/yy)	
3. Funding	15	Expected Financial Closure Date (mm/dd/yy)	10/30/2020
	16	PPG/PDF Funding (USD)	None
	17	GEF Grant (USD)	\$4,560,000
	18	Total GEF Disbursement as of 30 June 2018 (USD)	\$1,471,697.29
	19	Confirmed Co-Finance at CEO Endorsement (USD)	
	20	Materialized Co-Finance at project mid-term (USD)	
4. Evaluations	21	Materialized Co-Finance at project completion (USD)	
	22	Proposed Mid-term date (mm/dd/yy)	
	23	Actual Mid-Term date - if applicable (mm/dd/yy)	01/31/2018 to 02/07/2018 (please also fill out part IV)
	24	Proposed Terminal Evaluation date (mm/dd/yy)	
	25	Actual Terminal Evaluation Date (mm/dd/yy)	
	26	Tracking Tools Required (Yes/No/ Focal Area TT)	

	27	Tracking Tools Date - if applicable (mm/dd/yy) Midterm Tracking Tool Terminal Evaluation Tracking Tool	
5. Ratings	28	Overall Implementation Progress Rating (IP)	HS
	29	Overall Development Objectives Rating (DO)	S
	30	Overall Risk Rating	L
	31	Overall Project Rating	S
6. Status	32	Status (GEF grant for ADB board approval/ GEF grant on-going)	GEF grant on-going
	33	Implementation Status (1 st , 2 nd , 3 rd PIR..., Final PIR)	3 rd PIR
7. Files	34	PIR File Name (GEFID#_2018_ADB_Country_ProjectName)	5773_2018_ADB_Timor-Leste_Road Network Upgrading Sector Project-Additional Financing-GEF.doc

II. Project Contacts

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Division and Department	PATE/PARD
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EA Project Officer	Council for Administration of the Infrastructure Fund, Government of Timor-Leste
Name and Agency	
Email	
Co-Implementing Partner	Ministry of Public Works (formerly Ministry of Public Works, Transport and Communications), Government of Timor-Leste
Name and Agency	Mr. Salvador Soares dos Reis Pires, Minister
Email	
Project Coordinator/Manager	
Name and Agency	
Email	
UNDP Country Program Officer	
Email	

III. Project Implementation

A. Project Description:

The GEF grant and which will contribute towards the objective of climate resilience through (i) physical measures to counter climate change variability and extreme events, (ii) expanding knowledge and understanding of climate change amongst policy makers, planners and engineers, (iii) implementation of community based approaches to sustainable watershed management, (iv) development of adaptation measures in maintenance practice and (v) establishment of improved linkages between climate-change and transport sector professionals. \$3.15 million of the total grant of \$4.5 million is allocated to meet the cost of the physical measures to counter climate change and extreme events associated with the upgrading of the road from Manatuto to Laclubar Junction; and Laclubar Junction to Natarbora with a total length of 81 kilometers (km).

The grant will finance 4.7%, equivalent to \$2.93 million, of the total cost of civil works for the upgrading of Manatuto to Laclubar Junction, and Laclubar Junction to Natarbora, representing the estimated cost of climate resilience measures that have been incorporated in the designs.

B. Implementation Progress (IP) Rating:

Contract for Manatuto to Laclubar Junction segment is held by R.D. Interior Jr. Construction/Hebei Road and Bridge Group Co., Ltd. (JV) while contract for Laclubar Junction to Natarbora segment is held by China Nuclear 22nd Construction Co. Civil works for both contracts commenced in January 2015, and March 2015, respectively.

As of Q1 2018, civil works completion is at 61.90%. The Manatuto to Laclubar Junction segment is 75.50% complete while the Laclubar Junction to Natarbora segment is 50.82% complete.

Delays encountered were due mainly to (i) exceptionally abnormal climatic/weather conditions in site areas, (ii) unforeseen shortages in the availability of workers, and (iii) delayed issuance of working visa for the contractor's foreign personnel. Due to the delays, ADB has endorsed the request to extend the time of completion of both civil works contracts. Contract completion for Manatuto to Laclubar Junction has been extended from 2 July 2017 to 24 December 2018 while contract completion for Laclubar Junction to Natarbora Road has been extended from 28 February 2018 to 24 April 2019.

Contracts for consulting services have reached around \$224,000 equivalent to 28.53% of total allocation. These contracts are for (i) the National Bio-Engineering and Watershed Coordination and Technical Officer (Ms. Dircia Elvira D.C. Carvalho who was engaged on 7 August 2017), (ii) International Bio-Engineering and Watershed Management Specialist (Mr. Shakar Rai, engaged on 27 January 2017), and (iii) geotechnical investigation and laboratory testing of the Karimbala-Atabae Damaged Sections. Disbursements for consulting services contracts are at 62.43%.

Accomplishments on Bio-Engineering include the following (i) capacity development and awareness, and (ii) physical work on site.

(i) Capacity Development

- a) completion of the Guideline on Bio-engineering Practices for Roadwork and Slope Stabilization;
- b) conduct of Bio-engineering orientation training for DRBFC, Project Implementation Supervision Consultant, and Contractor; and
- c) continuous on-the-job training to the National Bio-Engineering and Watershed Management Officer.

(ii) Physical work on site

- a) Bio-engineering activities started for Manatuto to Laclubar Junction contract package (Sta. 72+540 and Sta. 77+650);
- b) Revised drawings and bill of quantity of bio-engineering in process for approval; and
- c) Watershed management intervention of Certula Aldea of Fatumakerek Suco at Sta. 93+280 and Turalalan Aldea of Orlalan Suco at Sta 99+000 of Manatuto to Laclubar Junction; Laclubar Junction to Natarbora Road has been prepared by adopting bio-engineering techniques.

The geotechnical investigation and laboratory testing of Karimbala-Atabae Damaged Sections were conducted by Geotechnick Ltd. with field investigation conducted on 5 April 2018 through 8 June 2018. The investigation comprised of the following activities: (i) cross-section at 10 locations; (ii) drilling 9 boreholes to explore subsurface stratigraphy and groundwater conditions and to obtain samples of the subsurface materials for laboratory testing; (iii) geological mapping; (iv) surface seismic; and (v) analysis of field and laboratory data to develop engineering recommendations.

a. GEF Grant Disbursement

Delays encountered by civil works were due mainly to (i) exceptionally abnormal climatic/weather conditions in site areas, (ii) unforeseen shortages in the availability of workers, and (iii) delayed issuance of working visa for the contractor's foreign personnel.

Total disbursements to date amount to \$1,620,052.54. Further disbursements amounting to \$327,091.75 is expected for the remainder of the 2018 which will bring total disbursements to \$1,970,144.29, equivalent to 42.70% of total grant value.

b. Gender Action Plan Implementation Status

The International Social and Gender Development Specialist was employed in the Project Management Unit (PMU) last September 23, 2017.

Gender sensitivity training with the introduction of Grievance Mechanism started in November 2017 at different venues (Lot 4, RNUSP, and RNUP). Total attendees 54 with 23 females and 31 males or 42% female-attendees.

PMU/DRBFC commemorated the celebration of International Women's Month (March) by:

- (a) Issuing guidelines on How to Address Sexual Harassment,
- (b) Assigning gender focal persons at project sites, and
- (c) Conducting GAP Planning Workshop for the gender focal persons.

Gender Focal Persons were assigned to lead in mainstreaming gender perspectives in the road sector such as development and implementation relevant to the project. Moreover, to promote and actively pursue equal participation of men and women in the consultation meetings, employment in road construction and maintenance, transfer of technical knowledge.

The GAP Planning Workshop was conducted on 21 March 2018. The objective of the workshop was to collectively evaluate the level of achievement of the set goals and objectives as specified in the Gender Action Plan. Specifically, the activity was intended to provide the participant's opportunity to review the GAP particularly the strategies for its implementation, to identify good practices and look for gaps or areas of improvement and appreciate gender focal persons' role in realizing the goals of GAP

The PMU/DRBFC has started the tracking and monitoring the Gender Action Plan (GAP) activities vis-à-vis the targets in November 2017.

c. Social and Environmental Safeguard Plan Implementation Status

Social Safeguard

As of this period, all the 154 affected persons (AP's) previously processed in Package 1 had already received their compensation. But additional five (5) APs were affected by the recent excavation activities and these were also assessed, the agreements signed and submitted for processing of payment. This brings the number of affected persons to a total of 159 APs, as a result of the project implementation.

As of this period, compensation for a total of 166 affected persons has been released for Package 2, except for one with additional affected assets and trees and who is still awaiting payment. However, additional assets were assessed to be affected as a result of excavation works, during the period, for five (5) APs. The signed agreements together with other documentary requirements were submitted for processing and payment.

Unfortunately, because of changes in government, the compensation process is experiencing some delays.

The Grievance Redress Committee for the project was established and is already being operationalized.

Environmental Safeguards

The renewal of Environmental License for Manatuto-Laclubar-Natarbora Road was already approved and released. The road project is given the renewal of Environmental License for another two (2) years and three (3) months, starting from the notification date of 16 December 2016, and will therefore expire on 16 March 2019.

Contract Package CP-1: Manatuto-Laclubar Junction (35.125 kms.)

Mineral extraction license for sand (13/2017) and gravel (14/2017) in Cribas is valid until 07 April 2019. The environmental license (05/C) for Contractor's Facilities, including river quarry in Cribas-Manatuto Municipality is valid until 21 June 2018.

Partial compliance with the use of PPE for workers as well as installation of warning signs and barriers at critical work areas was noted.

Minimal dusty areas were observed, due to relatively long paved road completed. Contractor was advised to observe regular watering even in camp area.

For waste management in camp and work areas, the Contractor was advised to coordinate with the Manatuto Authority for proper disposal of all solid waste materials in designated landfill area.

For slippery road as a result of frequent rains, the Contractor was also advised to institute proper maintenance by clearing mud so as to maintain safe riding condition.

Contract Package CP-2: Laclubar Jct. – Natarbora (44.595 kms.)

Contractor's Environmental license (01/C) for their quarries and facilities at Barique is only valid until 16 May 2018; the Contractor is making follow-up on the license renewal. Meanwhile, mineral extraction license for 3 quarry sites expired last 11 January 2017; license renewal is also being worked out.

Waste management, dust control and sanitation should be observed even in Contractor's camp. Contractor was advised to properly manage waste, re-use and recycle, to be collected in segregated waste bins, as well as regular watering and cleaning of toilet in the camp. Partially complied.

Partial compliance was also observed in the installation of signage and posting of safety officer and trained flagmen in designated areas.

Some workers are observed not fully equipped with PPE while working on sites. Contractor was reminded to comply with the safety requirements. Partial compliance was observed.

CPAR issued with Ref. No. 177/PMU/III/2018 involving issue on PPE wearing by workers, dust control, installation of appropriate warning signs, posting of flagmen, proper waste management were observed to be partially complied.

C. Global Environmental Benefits (GEB) Objective/ Development Objective (DO) Rating:

The target of 30% reduction in travel time from Manatuto to Natarbora can easily be attained once the road surfacing using asphalt concrete is completed. To be able to adapt to the climate change, in particular increase in intensity of rain, the project installed minimum size of pipe culverts of 910mm diameter. Several box culverts were also introduced to cope with the increase in volume of water discharge from gullies. Embankment in some locations will be strengthened by the introduction of mechanically stabilized earth (MSE) due to the condition of soil on site and the susceptibility of the

materials to erosion. Bio-engineering measure for the project is improved with the proper guidance from the Bio-engineering specialist mobilized under the GEF grant. National staff of the Ministry were provided trainings by the Bio-engineering Specialist.

One year defects notification period (DNP) and two-years performance-based maintenance (PBM) are included in the civil works contract.

The Bio-engineering specialist prepared the watershed and protection plan for areas along the road. It will be implemented once the budget is secured.

D. Risk Rating:

The risk of the project without intervention would be high but will be greatly reduced with the introduction of the measure discussed above.

E. Overall Rating of the Project:

Overall Rating: With the introduction of measures to mitigate the impact of climate change, the project can be rated as satisfactory.

F. Additional Comments – Good Practices and Lessons Learned:

Involvement of Bio-Engineering Specialist provides the opportunity for the use of locally grown species of plants that can protect the slope and easily grow on site.

G. Knowledge Management:

Capacity Development.

For capacity development and awareness, the following activities were completed:

- i. Guideline on Bio-engineering Practices for Roadwork and Slope stabilization has been prepared.
- ii. Bio-engineering orientation training has been conducted to DRBFC, Project Implementation Supervision Consultant and Contractor.
- iii. On-the-job training to the National Bio-Engineering/Watershed Management Officer is ongoing.

Physical Work on Site.

- i. Watershed management intervention of Certula Aldea of Fatumakerek Suco at station 93+280 and Turlalan Aldea of Orlalan Suco at station 99+000 of Manatuto-Laclubar-Natarbora Road has been prepared by adopting bio-engineering technique.

H. Location Data:

Manatuto to Laclubar Junction; Laclubar Junction to Natarbora road, with a total length of 79.7 km, starts around 65 km east of the capital city of Dili, exactly at Manatuto roundabout (Manatuto District) and continues inland towards the southern direction up to Natarbora, thus completing the central north-south link.

IV. Materialized Cofinancing

Co-financing Table

(For projects which underwent a mid-term review/evaluation or terminal evaluation in FY)
Materialized Co-financing

[Please refer to the PIF template on the GEF webpage]

Sources of Co-financing ¹	Name of Co-financer	Type of Co-financing ²	Amount Confirmed at CEO endorsement / approval	Actual Amount Materialized at Midterm	Actual Amount Materialized at Closing
ADB Ordinary Capital Resources	ADB	Loans (3020, 3341)	93,000,000.00	67,448,263.00	n/a
ADB Concessional Ordinary Capital Resources	ADB	Loans (3021, 3342)	33,220,000.00	24,059,972.00	n/a
Government	Government of Timor-Leste	Government Share	71,140,000.00	n/a	n/a
TOTAL			167,462,000.00		

Data as of 10 August 2018
Source: ADB LFI/S.

Explain "Other Sources of Co-financing": _____

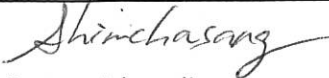
Reminder: Kindly include in your submission a copy of the following:

1. For projects that conducted **Midterm Review Mission**: Copy of the MOU Midterm Review Mission; BTOR and Updated Tracking Tools

¹ Sources of Co-financing may include: Bilateral Aid Agency(ies), Foundation, GEF Agency, Local Government, National Government, Civil Society Organization, Other Multi-lateral Agency(ies), Private Sector, Other
² Type of Co-financing may include: Grant, Soft Loan, Hard Loan, Guarantee, In-Kind, Other

2. For projects that conducted **Project Completion Mission**: Copy of the PCR, Copy of the MOU Midterm Review Mission, and Updated Tracking Tools

Signature:

For 

Name of Project Officer:

Rustam Ishenaliev

Position:

Principal Infrastructure Specialist

Date:

15 August 2018

Endorsed by:

Olly Norojono

Division Director

Director, PATE 

Annex 1: DEFINITION OF RATINGS

Implementation Progress Ratings

Highly Satisfactory (HS): Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.

Satisfactory (S): Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that is subject to remedial action.

Moderately Satisfactory (MS): Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.

Moderately Unsatisfactory (MU): Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action..

Unsatisfactory (U): Implementation of **most** components is not in substantial compliance with the original/formally revised plan.

Highly Unsatisfactory (HU): Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

Global Environment Objective/Development Objective Ratings

Highly Satisfactory (HS): Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.

Satisfactory (S): Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

Moderately Satisfactory (MS): Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.

Moderately Unsatisfactory (MU): Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.

Unsatisfactory (U): Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits.

Highly Unsatisfactory (HU): The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

Risk Rating

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

High Risk (H): There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.

Substantial Risk (S): There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.

Modest Risk (M): There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.

Low Risk (L): There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.

