



Project Implementation Report

(1 July 2021 – 30 June 2022)

Project Title:	Sustainable Cities Integrated Approach Pilot in India
GEF ID:	9323
UNIDO ID:	150312
GEF Replenishment Cycle:	GEF-6
Country(ies):	India
Region:	SA - Southeast Asia
GEF Focal Area:	Climate Change Mitigation (CCM)
Integrated Approach Pilot (IAP) Programs¹:	IAP – Cities
Stand-alone / Child Project:	Sustainable Cities Integrated Approach Pilot
Implementing Department/Division:	ENE / ESI
Co-Implementing Agency:	-
Executing Agency(ies):	Ministry of Housing and Urban Affairs (MoHUA), Municipal Corporations of Bhopal, Jaipur, Mysuru, Vijayawada, and Guntur, and State Governments of Madhya Pradesh, Rajasthan, Karnataka, and Andhra Pradesh
Project Type:	Full-Sized Project (FSP)
Project Duration:	60 months
Extension(s):	1 (until April 2024)
GEF Project Financing:	USD 12,110,092
Agency Fee:	USD 1,089,908
Co-financing Amount:	USD 113,953,705
Date of CEO Endorsement/Approval:	2/21/2017
UNIDO Approval Date:	3/13/2017
Actual Implementation Start:	4/11/2017
Cumulative disbursement as of 30 June 2022:	10.870.526,45
Mid-term Review (MTR) Date:	5/31/2021
Original Project Completion Date:	4/10/2022
Project Completion Date as reported in FY21:	4/10/2022
Current SAP Completion Date:	4/10/2024

¹ Only for GEF-6 projects, if applicable

Expected Project Completion Date:	4/10/2024
Expected Terminal Evaluation (TE) Date:	1/31/2024
Expected Financial Closure Date:	7/31/2024
UNIDO Project Manager²:	Ms. Katarina Barunica Spoljaric

I. Brief description of project and status overview

Project Objective							
<p>The project aims to demonstrate and promote the adoption of integrated sustainability strategies into urban planning and management to create a favourable environment for investment in infrastructure and service delivery, thus building the resilience of pilot cities. This project is closely aligned with the Government of India's programs on waste management, one of which is the Swachh Bharat (Clean India) Mission.</p> <p>The general framework of the project is organized into four components:</p> <ul style="list-style-type: none"> - Sustainable Urban Planning and Management - Investment Projects and Technology Demonstration - Partnership and Knowledge Platform - Monitoring and Evaluation <p>Expected outcomes:</p> <ul style="list-style-type: none"> - Increased scope and depth of integrated urban sustainability management policies and processes, including institutionalization within the local governance structure. - Reduce cities' greenhouse gas emissions through investment projects focused sustainable waste and wastewater management and low-emission and environmentally sound technology demonstration. - Promotion of "Sustainable Cities" through partnership approach. 							
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Project Core Indicators</th> <th>Expected at Endorsement/Approval stage</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">6</td> <td>Greenhouse Gas Emissions Mitigated (metric tons of CO₂e)</td> <td>5.72 M metric tons (760,000 metric tons direct, 4.96 M metric tons indirect)</td> </tr> </tbody> </table>		Project Core Indicators		Expected at Endorsement/Approval stage	6	Greenhouse Gas Emissions Mitigated (metric tons of CO ₂ e)	5.72 M metric tons (760,000 metric tons direct, 4.96 M metric tons indirect)
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Baseline
<p>The role of cities in addressing global environmental issues is two-pronged – they are both sources of emissions and other types of pollution, as a consequence of their being economic power houses; and, they can be avenues for providing innovative solutions for most important environmental issues. In 1950, only 30% of the world's population lived in urban areas, currently more than 50%, and by 2050, it is projected that 66% of the world's population will be in urban dwellings. As the world continues to urbanize, sustainable development challenges will be increasingly concentrated in cities, particularly in the lower-middle-income countries where the pace of urbanization is fastest. Integrated policies to improve the lives of both urban and rural dwellers are needed.</p> <p>In the Indian context, out of 1.39 billion population (as per census 2021), 493 million (35.5%) people live in the urban areas. The existing pace of urbanization and economic growth becomes a cause for increasing existing city problems concerning emissions, transportation, water supply, sewage disposal, municipal waste, the lack of open landscaped spaces, and water pollution. Most of these environmental problems have their origin in unplanned development of cities leading to significant increase in energy use and waste generation, with increased pressure on food production systems, and which results in increase GHG emissions and in severity of environmental and social problems observed in Indian cities. Financing urban infrastructure and sustainable city solutions is clearly a formidable challenge. The fact that municipal services in India are significantly underfunded has resulted in inadequate infrastructure and poor public service delivery by municipal bodies. A number of barriers to invest in sustainable city projects include; lack of knowledge and/or capacity of the city to report and market mitigation projects, climate change mitigation is low on the city agenda due to the lack of political willingness, electorate mandate or awareness of financial advantages, difficulties in aligning all stakeholders involved, making integrated projects and aggregating smaller ones, lack of credit worthiness of the city, regulatory disincentives and, lack of capacity and/or engagement of the private sector.</p>

² Person responsible for report content

The GEF6 SC-IAP India Child Project aims to integrate sustainability and resilience strategies into urban planning and management contributing to the attainment of goals of ongoing cities missions as well as implementing an integrated set of technologies and interventions to assist pilot cities in carrying out and facilitating investments in low carbon technologies which will reduce GHG emissions, thus facilitating deployment of sustainable and resilient cities strategy within selected priority areas (waste and wastewater). Building institutional capabilities for effective implementation of programs at national and local level – with emphasis on the coordination between different national stakeholders as well as correlation with relevant international standards through nesting of developed framework, methodologies and strategies into relevant existing and new Indian National Missions. The project is being implemented in the following 5 Indian cities: Jaipur, Mysore, Vijayawada, Guntur and Bhopal. Together, these cities represent the diverse urban environment of India, owing to their geographical spread and differences in economic development status.

Please refer to the explanatory note at the end of the document and select corresponding ratings for the current reporting period, i.e. FY22. Please also provide a short justification for the selected ratings for FY22.

In view of the GEF Secretariat's intent to start following the ability of projects to adopt the concept of adaptive management³, Agencies are expected to closely monitor changes that occur from year to year and demonstrate that they are not simply implementing plans but modifying them in response to developments and circumstances or understanding. In order to facilitate with this assessment, please introduce the ratings as reported in the previous reporting cycle, i.e. FY21, in the last column.

Overall Ratings ⁴	FY22	FY21
Global Environmental Objectives (GEOs) / Development Objectives (DOs) Rating	<i>Satisfactory (S)</i>	<i>Satisfactory (S)</i>
The pilot projects which will deliver Global Environmental Objectives are progressing, with three projects already in the advanced stage of implementation (Jaipur, Mysuru and Guntur) and the remaining two (Bhopal and Vijayawada) will start implementation soon. All these pilot projects, when finalized, are expected to deliver or exceed GHG emission reductions planned for the project.		
Implementation Progress (IP) Rating	<i>Satisfactory (S)</i>	<i>Satisfactory (S)</i>
According to the MTR implementation of most components is in substantial compliance with the original plan. The project faced a slight delay in the implementation of activities due to the COVID pandemic, however, all activities resumed in late 2021 and are now implemented within the planned scope.		
Overall Risk Rating	<i>Low Risk (L)</i>	<i>Low Risk (L)</i>
The project risk level is low, there are no significant changes in the project environment, the government counterpart (MoHUA) is highly supportive of the project, and project partners (Municipal Corporation of respective cities) are engaged in the project implementation. For the pilot project implementation, there is no significant risk of not achieving their objectives within the project timeframe.		

II. Targeted results and progress to-date

Please describe the progress made in achieving the outputs against key performance indicator's targets in the project's **M&E Plan/Log-Frame at the time of CEO Endorsement/Approval**. Please expand the table as needed.

³ Adaptive management in the context of an intentional approach to decision-making and adjustments in response to new available information, evidence gathered from monitoring, evaluation or research, and experience acquired from implementation, to ensure that the goals of the activity are being reached efficiently

⁴ Please refer to the explanatory note at the end of the document and assure that the indicated ratings correspond to the narrative of the report

Please fill in the below table or make a reference to any supporting documents that may be submitted as annexes to this report.

Project Strategy	KPIs/Indicators	Baseline	Target level	Progress in 2022
Component 1 – Sustainable Urban Planning and Management				
Outcome 1: Increased scope and depth of integrated urban sustainability management policies and processes, including institutionalization within the local governance structure				
Output 1.1: Guidance and methodology for sustainability plan development under SC-IAP proposed for adoption by the relevant national and local stakeholders	Methodology for development of SCS – guidance document (specific for Indian cities) adopted	No available integrated methodology for SCS development for Indian cities	One (1) methodology guidance document for development of specific for Indian cities including stakeholder's engagement process and resilience management	<ul style="list-style-type: none"> Stakeholder consultation and data validation with various Government agencies have been carried out for the urban sustainability assessment framework (USAF). The USAF report has been developed and submitted to UNIDO There are 131 indicators in USAF which are formulated using 235 data inputs across 12 sectors. By applying the developed framework, urban sustainability indicator report which provides multi-sectoral outlook as well as granular sector-specific data to assess city's performance relative to national and international standards have been developed for five cities. The city fact sheet for all five cities have been developed which showcases preliminary analyses that has emerged after applying the USAF to each city. It highlights how the city fares across twelve USAF sectors on its primary indicators, draws attention to where the city functions well and aspects that need attention as per the benchmarks of the USAF. City profiles and diagnostic report have been prepared for all five cities. Some of the strategic issues identified in project cities includes; sprawling and scattered urban development, endangered natural assets, vulnerability in informal settlements, high dependence on fossil fuel-based vehicle, sub-optimal use of non-motorized transport, weak urban mobility, fragmented blue and green network etc. The sustainable city strategies have been developed for all five cities with key actions and interventions to address the issues identified in diagnostics. USAF Technical Manual developed as a supplementary document to the main USAF r and contains the metadata of all 131 indicators. Indicator metadata includes details such as indicator rationale, formula for calculation, details of performance evaluation and recommendations for frequency of updating each primary data input. On the next steps, UNIDO and UN-Habitat will jointly work together for setting up a national workshop and knowledge dissemination especially on how the USAF will be implemented and how it benefits the cities and, in that line, to build capacity building and then essentially to institutionalize the framework as the process that is guiding the city planning not only for the 5 cities but also as an opportunity to scale up in other cities in India. Work towards the ownership of this framework since the inception the project is
Output 1.2: Established institutional framework for sustainable city planning and management	National and local level sustainable city planning and management supporting structure	Structures created per national mission	Adopted official structure for integrated sustainability planning and management in cities	
Output 1.3: Integrated sustainability and resilience plans (SCS – Sustainable City Strategy) developed for at least 4-5 cities	Number of SCSs developed	Only urban development plans and separate plans for different national missions available. GHG emissions inventories initiated during the PPG	4-5 SCSs developed	
Output 1.4: City performance measured against indicators consistent with international standards (e.g. ISO 37120), as well as SC IAP program level indicators	Number of cities with improved tracking systems and enhanced capacity for measuring local and global sustainability indicators	Indicators dependent on different cities missions, without reference to international standards	Project reports; Indicator database; City performance reports	

				embedded with Swachh Bharat Mission which is led by MoHUA. But the USAF crosses many other sectors of urban development and those sectors have been dealt by other Divisions or the departments MoHUA.
Component 2 – Investment projects and technology demonstration				
Outcome 2: Low-emission and environmentally-sound technologies contribute to city greenhouse gas emission reduction				
Output 2.1: Detailed project reports developed for 4-5 city investment projects	Number of bankable project reports	None readily available	Four (4) to five (5) bankable detailed project reports developed	<ul style="list-style-type: none"> The detailed project report for all prioritized investment projects of cities have been developed. The prioritized projects have been approved by the Project Steering cum Advisory Committee chaired by Joint Secretary, MoHUA.
Output 2.2: Innovative waste-to-energy / clean technologies with productive use applications demonstrated in 4-5 cities	Number of pilot projects	No city projects on low-emission and environmentally sound technologies implemented under SC-IAP	Four (4) to five (5) city demonstration projects on low emission and environmentally sound technologies implemented under SC-IAP	<ul style="list-style-type: none"> Project team were engaged with Municipal Corporations on the development of technical specifications for planned investment projects. Implementation of technology demonstration projects for three cities are in advanced stages. Two cities to start the implementation in early August 2022 (at the final stage of project developer selection)
Output 2.3: Business model established and PPP mode of operations promoted for the 4-5 investment projects	Business models / Contractual agreements between cities and operating entities; Number of innovative financing mechanisms and approaches; Funds leveraged to support the investment flow to urban sustainability in the IAP projects	No business models / contractual agreements established under SC-IAP; Some PPP models already in place in some cities	4-5 business models / contractual agreements established in the 4-5 investment projects	<ul style="list-style-type: none"> The business model adopted for Mysuru includes private sector contribution demonstrating Public-Private Partnership mode of operation restricted only to operation and maintenance phase. The GEF grant funds are disbursed based on project deliverables and milestone completion reporting by the respective city corporations. 6th PSAC meeting approved new project proposal from Bhopal as an alternative to 250 TPD Biomethanation project based on organic municipal waste. City demonstration projects for investment support: <ul style="list-style-type: none"> Bhopal: Deployment of 250 Bio-CNG garbage collection vehicle operated based on Bio-CNG from 400 TPD plant currently under construction by BMC. Jaipur: Construction of 90 MLD sewerage treatment plant is currently underway and expected to be completed early 2023. Rejuvenation of existing 62.5 MLD unit to latest treatment standards has been completed. Unit II of 62.5 MLD capacity work has commenced and expected to be completed early 2023. Mysuru: Civil works for two waste to compost facilities have been majorly undertaken. The tenders for procurement of equipment (funded under GEF grant) has been issued and the selection of contractor for equipment delivery is currently underway. Vijayawada: Obtained required administrative from State Government and technical sanction to issue the tender for rejuvenation of 20 MLD STP to meet effluent parameters as per NGT Norms and repairs of Bio-Gas Energy plants at 4 no's UASBR technology-based plants for power generation to reduce carbon emissions. The selection of project developer is currently under process. Guntur: The contractors for deployment of 220 Electric Three-Wheeler autos for

				primary waste collection and installation of floating solar plant to offset the power requirements for charging the autos have been appointed. This initiative of GMC is also being scaled up to other 77 urban local bodies in Andhra Pradesh. The EV autos are in transit and the floating solar contractor is executing the activities as per the work plan agreed with GMC.
Output 2.4: Enhanced capacity of local urban bodies in promoting investments in sustainability projects	Number of local officials trained	No training or awareness raising provided yet under SC-IAP	At least 50 key officials and contractors within pilot cities (40% of which are female) trained on technological, financial and management aspects of sustainability investment projects	<ul style="list-style-type: none"> • UNIDO partnered with University of Washington to execute the capital investment budgeting exercise to all five cities. • Investment planning committees have been formed for each Corporation, with a Coordinator appointed by the respective Commissioners. • University of Washington has completed the customization of the Excel-model that will be handed over to the Corporations as part of this activity. • Detailed information on financial performance for the five cities has been collected and entered into the investment planning model. • Relevant officers from Accounting/Revenue Divisions have been introduced to the Excel-model that will allow them to produce more accurate capital budget projections over the years. • Detailed information on project designs and technical specifications are being collected. • Engineering officers have been engaged to understand the requirements of the investment planning model so that they can use the Excel-model to project long-term capital and operating expenditures, as well as to predict savings due to more energy-efficient and resilient specifications. • Resiliency and energy saving information is also being collected and will soon allow the modelling of exposure to hazards for each city. • Conducted a 2 day national workshop in June 2022 in New Delhi for the city officials on sustainable planning and capital investment planning exercise and public-private partnerships in the Indian context.
Component 3 – Partnerships and knowledge management platform				
Outcome 3: Promotion of sustainable cities through partnership approach				
Output 3.1: Partnership for sustainable cities in India established and linked with external networks	Partnership platforms for sustainable cities established	Some platforms may have been established within the different cities' missions but not within the context of SC-IAP	1 global city network promotes Indian sustainable cities	<ul style="list-style-type: none"> • UNIDO in coordination with MoHUA has developed the Indian Platform for Sustainable Cities. • The Swachhatam portal (Management Information System) has been revamped and integrated all the Swachh Bharat Mission-related initiatives and web

Output 3.2: Platform for Urban Sustainability (PLATFUS) web service operationalized	Web service operationalized	Web service for different cities missions operational but none particularly integrated for sustainable cities	Multi-functional web based PLATFUS operationalized and available for access by city stakeholders and partners	<p>platforms of MoHUA under one umbrella. The platform has been developed and completed a one-year operations and maintenance phase with the support of GEF grant.</p> <ul style="list-style-type: none"> The platform offers flexible and user-friendly access to data for central, state, and ULB officials for real-time monitoring of mission activities. The platform also has an additional feature on GHG feature integrated enabling cities to closely track, monitor, and record emissions from the waste sector. MoHUA is currently reviewing the developed GHG feature and will enable the feature to five cities and gradually increase to other cities.
Output 3.3: Increased awareness of sustainability issues in cities and enhanced capacities of local urban bodies in promoting and implementing sustainable city strategies	<p>Number of trainings, study tours, site visits, city twinning sessions, meetings organized and delivered</p> <p>Number of stakeholder trained</p> <p>Number of learning materials prepared</p>	None in the context of SCIAP, except for participation in the Global Platform for Sustainable Cities (GPSC) managed by World Bank	<p>Participation in activities of the GPSC</p> <p>Training and other learning events on sustainable urban planning practices and other thematic areas of sustainable cities for at least 200 stakeholders (30% of which are female)</p> <p>Study visits to at least two model cities</p> <p>Learning and advocacy materials on sustainable cities</p>	<ul style="list-style-type: none"> NIUA has developed the training modules on waste, wastewater, and water management for city officials based on the training and assistance need analysis conducted in 2020. NIUA has also completed the training of trainers manual for providing capacity building to ground-level staffs. Training of trainers session was organized with experts for conducting the capacity building of ground level staffs on three thematic areas; leadership skills for the inclusive work environment, occupational health and safety, and provisions for social security scheme. The training delivery is planned between July -September 2022. Based on the outcomes and lessons learned from five cities, the capacity building will be scaled up to 25 other ULBS.
Component 4 – Monitoring and Evaluation				
Outcome 4: Project implementation in line with GEF and UNIDO guidelines				
Output 4.1: Regular monitoring exercises conducted	GEF PIRs prepared	Not yet started for the SCIAP	Prepare GEF PIRs on yearly basis	<ul style="list-style-type: none"> GEF PIR for 2019, 2020, and 2021 has been submitted
Output 4.2: Mid-term review and final independent evaluation completed	Project mid-term review carried out including submission of GEF Tracking Tools. Project final evaluation carried out including submission of GEF Tracking Tools	Not yet started for the SCIAP	<p>Carry out independent mid-term review in project year 3</p> <p>Carry out independent final evaluation</p>	<ul style="list-style-type: none"> The mid-Term Review assessment was conducted between March-May 2021. The independent evaluators have interviewed 52 informants as part of this exercise covering the beneficiary cities, line ministry, project team, project key partners, and key officers of the GEF SCIAP program. The 2021 Mid Term Review suggested a two-year extension considering the initial two-year delay at the project start and Covid-19 challenges for implementation, upon which the Project Advisory and Steering Committee, in its fifth meeting on 11 November 2021, requested UNIDO to prepare for such zero cost extension. Further to PSAC approval of the extension, the Project Manager in coordination with UNIDO Country Representative obtained approval for the extension from the GEF Operational Focal Point for India (MoEFCC). The project extension request has been submitted to the GEF Secretariat.

III. Project Risk Management

1. Please indicate the overall project-level risks and the related risk management measures: (i) as identified in the CEO Endorsement document, and (ii) progress to date. Please expand the table as needed.

Describe in tabular form the risks observed and priority mitigation activities undertaken during the reporting period in line with the project document. Note that risks, risk level and mitigations measures should be consistent with the ones identified in the CEO Endorsement/Approval document. Please also consider the project's ability to adopt the adaptive management approach in remediating any of the risks that had been sub-optimally rated (H, S) in the previous reporting cycle.

	(i) Risks at CEO stage	(i) Risk level FY 21	Risk level FY 22	(i) Mitigation measures	(ii) Progress to-date	New defined risk ⁵
1	Lack of project implementation support at national and state level	Low	Low	Project is in line with national adopted programs and missions. Additionally implementation of GEF 6 SC IAP Child Project India received support and is implemented in cooperation with MoHUA of India. State Governments have been requested by MoHUA to extend all support to development and deployment of the programme. Additionally, Municipal Corporations of all cities have been engaged actively in formulating project objectives and potential outcomes.	<ul style="list-style-type: none"> UNIDO and UN-Habitat provide updates to MoHUA on the work progress on investment and technology demonstration projects and urban planning components respectively. 6 Project Steering cum Advisory Committee meetings have been completed involving officials at the National and City level and other project partners pertinent to SCIAP for their inputs and feedback. Efforts have been taken to nest the SCIAP project outputs/framework/tools etc. with other national programs and missions. The investment projects supported by the GEF grant are in line with municipal corporation priority. Since the project is closely embedded with the national mission on Swachh Bharat (clean India mission), SCIAP activities are complementing the ongoing initiatives of cities for meeting the local priorities and objectives of national mission. A two-day national workshop was organized in New Delhi for the key city officials pertinent to SCIAP project. It included specific session on SCIAP project progress review across all three components workshop on municipal finance and sustainability planning. 	<input type="checkbox"/>
2	Lack of project implementation support at local level - other city development strategies will be adopted/used as they were initiated earlier/result from other	Low	Low	Methodology has been designed to incorporate and be compatible with relevant national regulations, standards and strategies, therefore using the methodology for preparing sustainable city development strategy should render the resultant document fully compliant to national requirements	<ul style="list-style-type: none"> UN-Habitat has reviewed National and State level legislation, policies, development plans and Department report to ensure Sustainable City Strategy (SCS) developed to ensure full compliance to national and State/City requirements. Review of International and National frameworks that assess the 	<input type="checkbox"/>

⁵ New risk added in reporting period. Check only if applicable.

	national/state regulations and programs				resilience and sustainability of cities has been completed. It resulted in the identification of strengths and gaps, which were then included or filled, respectively, when formulating themes and indicators about strategic and spatially oriented urban planning.	
3	Lack of project implementation support at local level – no clear responsibilities and authorities assigned at city level	Low	Low	Methodology requires establishing a Core Team covering vital areas of city operations and development especially in engineering and town planning area responsible for development and implementation of the sustainable city strategy. Officials from various departments have been engaged even in the proposal preparation and data collection stage to ensure buy in during implementation. Potential institutional mechanism for the implementation of the project has been arrived at jointly by MoHUA, and Commissioners and Additional Commissioners of participating cities, with an objective to synchronize ongoing initiatives.	<ul style="list-style-type: none"> The Urban Sustainability Assessment Framework (USAF) guides an integrated cross-sectoral planning approach. It provides benchmarks in multiple sectors – governance and data management, finance and economy, housing and property, water, sanitation, waste management, clean energy, resilience, environment, public space, safety, urban form, transport, and social infrastructure. Efforts are being taken to nest the USAF with other National Missions of MoHUA that promote climate agenda in the urban sector. This will aid in mainstreaming USAF not just in Swachh Bharat Mission (SBM) but across other missions which are sector-specific, namely – AMRUT, Smart Cities Mission, and Urban Transport Mission. Thus, the missions with sectoral focus have the flexibility to deep dive into a specific sector of USAF or a combination of sectors. UN-Habitat is also closely working with cities on translating the SCS with proposed interventions into implementable projects in the short and medium term with convergence of various national mission schemes as potential source of funding. 	
4	Project will not cover all important city activities	Low	Low	<ul style="list-style-type: none"> Methodology is based on most comprehensive and most widely used standards, where all important city sectors are covered both for baseline estimation as well as for strategy planning. Comprehensive interaction with city officials ensured to identify important city needs and requirements. 		
5	Insufficient financial resources to complete GHG reduction actions	Low	Low	Methodology recognizes national programs and missions for support of undertaken GHG reduction actions. Investment pilot project selection methodology promotes activities that are eligible for co-financing under relevant national programs and missions. Participating cities have formally committed to co-financing support under ongoing initiatives.	<ul style="list-style-type: none"> Capacity building and hands-on training have been planned for July 2022 for city officials from the engineering and planning departments where they will be introduced to an Excel-based model offering a step-by-step process for analyzing the business-as-usual model and low carbon scenario for select projects of cities and enabling them to choose cost-effective solutions for investment plans. 	<input type="checkbox"/>
6	Implemented pilot investment project will not continue operation	Low	Low	Demonstration investment project selection methodology promotes activities that are eligible for co-financing under relevant national programs and missions as well as are in line with city most required interventions. Additionally, project methodology requires establishing and operating a MRV process. Selected investment projects will be co-financed under other national programs, so their financing sources are diversified. Capacity building and skill development activities shall be taken up at implementation level to ensure qualified manpower is available at operational level to ensure project operation and maintenance	<ul style="list-style-type: none"> Different type of agreement is in place with the project developer/contractors of the investment projects to be sure that they keep operational after implementation is completed. For instance, the maintenance costs are foreseen and allocated in the Municipal Corporation's budget or the operator's budget in the case of the PPP model. 	
7	Lack of partnership engagement (from stakeholders, government,	Low	Low	Early engagement strategy, regular outreach with networks to keep the momentum. Dissemination of information and knowledge to ensure scalability of project beyond the selected pilot cities	<ul style="list-style-type: none"> The project activities support National Mission on Swachh Bharat. On the ground level, cities need to ensure that they take necessary actions and interventions to fulfill the objectives of the mission. 	<input type="checkbox"/>

	private sector, etc.)				<ul style="list-style-type: none"> The project is acknowledged by MoHUA and the executing municipal corporations. UNIDO is engaged with all the key partners including contractors regularly. Progress reports are periodically exchanged. 	
8	Unviable investment/project	Low	Low	The project will actively involve the private sector to ensure that financial modelling, business plan development, rollout of financial mechanisms is in alignment with the interest of investors. Early partners can create flexibility to overcome financial challenges and build trust between the municipalities and investors, where a track record does not exist.	<ul style="list-style-type: none"> As part of the support to the cities in the preparation of investment projects, economic parameters have been taken into consideration. Business plans are proposed keeping in mind effective engagement of the private sector and convergence of national schemes for investment to reduce financial challenges. 	<input type="checkbox"/>
9	Financial/Market Risk The price of energy generated from WTE plant in Jaipur, biogas utilization plant in Vijayawada, and the compost from Mysore compost plant may not be competitive in the market.	Medium	Medium	For WTE plant in Jaipur – there is an existing government of India policy that all energy from WTE plants must be absolutely bought by utilities and the project will ensure that this is implemented in the Jaipur plant For the biogas utilization in Vijayawada - it will be studied and considered during project implementation whether conversion to electricity or bottling of the biogas for industrial/transport applications would be more profitable and the best options will be chosen to ensure sustainability of the operations of the private sector partner. For the Compost Plant in Mysore, while there is considerable risk that the compost produced could be more costly than ordinary compost or fertilizers in the market, the value addition will be that the compost produced from the Mysore plant will be ensured to be free from heavy metals	<ul style="list-style-type: none"> Technical assistance on Municipal Finance has been designed to provide support to cities in developing viable business models for investment projects. Generated energy will be utilized for operating purposes thus reducing the operational cost of the facilities. Relevant regulations for compost pricing will be discussed with Ministries to help stimulate the market. 	<input type="checkbox"/>
10	COVID-19 impacting project implementation	Medium	Medium	Some project activities have been slowed down due to restriction measures imposed in particular states during the second wave of Covid-19 (March -July 2021).	<ul style="list-style-type: none"> The UNIDO project team ensured continuity of business and pursued its engagement with Municipalities and other project partners through virtual modality. The training delivery for mid-level and senior/decision makers was delayed due to the restrictions on having in-person meetings. NIUA adapted to the circumstance and developed the training of trainers manual for ground-level staffs. The training delivery for all the city officials across all the hierarchy levels has been planned between June 2022 – August 2022. Likewise, Technical Assistance (TA) activities of Municipal Finance were also introduced virtually to all the cities. The UW team and city officials from engineering, planning, finance, and accounts interacted virtually between September 2021-June 2022 Vijayawada STP project approval at the state government level was delayed due to the reduced number of staffs working due to Covid-19 restriction measures imposed. However, the approvals were secured in early 2022. Investment project activities experienced slight delays in completing the milestone activities as it includes civil works and 	<input type="checkbox"/>

					procurement of equipment and delivery on site. However, the delays have been taken into the workplan and activities have been progressing in parallel. All activities have resumed in late 2021 and are now implemented within the planned scope.
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2. If the project received a **sub-optimal risk rating (H, S)** in the previous reporting period, please state the **actions taken** since then to mitigate the relevant risks and improve the related risk rating. Please also elaborate on reasons that may have impeded any of the sub-optimal risk ratings from improving in the current reporting cycle; please indicate actions planned for the next reporting cycle to remediate this.

NA

3. Please indicate any implication of the **COVID-19** pandemic on the progress of the project.

- Overall, the project has resulted in a positive outcome in 2021 across three components by utilizing the virtual modality for project delivery. As a consequence of the second wave of covid-19 between March – July 2021 some restriction measures were imposed, and physical visits to the project cities for major meetings and discussions with key city officials have been most affected. This indeed had posed difficulty in setting up in-person consultation meetings with city officials for the discussion on sectoral diagnostics issues that emerged from the application of USAF and the corresponding key interventions as part of sustainable city strategies. Hybrid consultation meetings have been undertaken. The data collection work for capital investment budgeting was done mostly through virtual meetings. The capacity building and training delivery of NIUA couldn't be undertaken in 2021.
- The project has been extended until 10 April 2024 and the SCIAP project activities are expected to achieve the desired outputs within this extended timeframe.
- This project is being implemented by UNIDO in close cooperation with the Ministry of Housing and Urban Affairs (MoHUA), Government of India, and in partnership with five municipal corporations, with the support of UN-Habitat. The project preparation was undertaken in 2016, and the CEO endorsement was obtained on 25 February 2017. The project hence became operational on 10 April 2017.
- Actual on-the-ground implementation was contingent on the signature of a project execution agreement, between UNIDO and MoHUA, which took place on 15 March 2019. This two-year delay had occurred to agree on a fund flow mechanism following the appropriate guidance of the public finance system of India. This allowed UNIDO for direct execution of the project. Due to external factors beyond the implementing agency's control, the project execution duration was reduced to 3 years from its 5-year programme, with the project closure date on 10th April 2022.
- With the onset of COVID-19 and the consequence of nationwide lockdown and restriction measures imposed in particular during the first wave (March – September 2020) and second wave (March – July 2021), air travel movement and physical visits to the project cities for major meetings and on-site activities have been most affected.
- In view thereof, the 2021 Mid-Term Review suggested a two-year extension, upon which the Project Advisory and Steering Committee, in its fifth meeting on 11 November 2021, requested UNIDO to prepare for such zero cost extension.
- Therefore, a project extension until 10 April 2024 will allow for the full delivery of the planned outputs (considering both the initial 2-year delay at the project outset and COVID-19 effects since March 2020) as well as to secure delivery of activities such as in-person training, scaling up strategies, etc.

4. Please clarify if the project is facing delays and is expected to request an **extension**.

The SCIAP activities are expected to be completed within April 2024 and no extension beyond April 2024 is foreseen at this stage.

5. Please provide the **main findings and recommendations of completed MTR**, and elaborate on any actions taken towards the recommendations included in the report.

- Main Findings:**
1. Project design assessment - System-level ambition (high); association with National Mission SBM-U bolstered the strength
 2. Relevance- Highly relevant for urban growth challenges. Well-aligned with India's priorities (waste). Responds to Municipal Corporation challenges.
 3. Effectiveness- COVID-19 impacts on Component 3 training, Component 1 stakeholder consultation ==> shift to virtual means has proved suboptimal for absorption, skill-building, buy-in
 4. Efficiency- 2-year delay at outset compensated by the decision to proceed with Components in parallel. Strong procurement expertise is well supporting the implementation.
 5. Scale-up resilience sustainability - Without strong central endorsement, doubt that the project's results will get transformed and exported to other cities across India. Exit strategy elements: municipal finance awareness, ideas for replication but the absence of concrete plans for dissemination and showcasing + application by the 5 pilot cities

6. Project Implementation - Adaptive management, pragmatism in dealing with COVID-19 effects, firm commitment to deliver on planned outputs.
7. Financial Management - Highly satisfactory resource utilization. No instances of wasted resources or impropriety. GEF grant is having a meaningful catalytic effect, unlocking investment in sustainable infrastructure with a 1:10 ratio (re: Component 2 investment projects in cities)
8. Result-based culture/process - Project Management culture focus on agility, results-based planning, implementation, monitoring, and reporting – appropriate tools and practices are being utilized.

Recommendations:

1. Strengthen project ownership across all sustainability aspects at scale
2. Strengthening women's capacities & participation in urban settings
3. Extend the technical project activities until the end of 2023 to allow for the full delivery of the planned outputs
4. Prioritize completion of Component 1 deliverables + capacity building by project's planned close (April 2022)
5. Prepare a plan to strengthen partnership + knowledge management

Actions Taken:

9. UNIDO in coordination with UN-Habitat and NIUA has pursued the organization of a cross-mission workshop to secure the buy-in and embed project outcomes in relevant missions. UNIDO has approached MoHUA in this regard and awaits for meeting confirmation response.
10. Gender lens has been strengthened in all the SCS developed with the help of a gender expert by UN-Habitat. Gender considerations are taken into consideration in all consultation meetings and workshops organized by UNIDO and its project partners.
11. Further to PSAC approval of the extension, the Project Manager in coordination with UNIDO Country Representative obtained approval for the extension from the GEF Operational Focal Point for India (MoEFCC). The project extension request has been submitted to the GEF Secretariat.
12. Component 1 – Further to the development of USAF, sustainability indicator report, city metrics, city profiles and diagnostics, and lastly the sustainable city strategy with key actions and intervention (main outcome of component 1) have been developed by UN-Habitat. However, the UN-UN agreement is being considered for further extension for scaling up within SBM on how USAF can assist and add value to the planning process for SBM 2.0, training and capacity building on USAF including GIS modeling, disseminate the learning in other national urban missions. NIUA has completed the training modules in the waste and sanitation sector. Due to the second wave of Covid-19, the training delivery activity couldn't be undertaken in 2021. Thereof, NIUA's engagement under SCIAP has been extended until December 2022 to complete the agreed scope of activities.
13. UNIDO and project partners will continue to work on knowledge and communication strategy and dissemination aspects and establish linkages with national and international portals such as World Bank, MOHUA, etc to share the knowledge products and reports. It is considered to make linkages with GEF -7 Urban Shift program cities in India and conduct workshops for exchange of lessons from the GEF-6 project. Conversion of training modules to the digital version is also being considered for wider dissemination of knowledge products.

IV. Environmental and Social Safeguards (ESS)

1. As part of the requirements for **projects from GEF-6 onwards**, and based on the screening as per the UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP), which category is the project?

- Category A project
- Category B project
- Category C project

(By selecting Category C, I confirm that the E&S risks of the project have not escalated to Category A or B).

Please expand the table as needed.

	E&S risk	Mitigation measures undertaken during the reporting period	Monitoring methods and procedures used in the reporting period
(i) Risks identified in ESMP at time of CEO Endorsement	Non-compliance to national regulatory requirements	Obtain necessary Environmental Clearance (EC) from State Environmental Impact Assessment Authorities (SEIAAs) as applicable and Consent to Establish (CTE) from the State Pollution Control Boards (SPCBs) prior to initiation of any construction activity. Implement the conditions as stated in the EC/CTE	<ul style="list-style-type: none"> The SCIAP project has been classified as Category B as per the UNIDO ESSPP. It obliges the preparation of an Environment and Social Management Plan (ESMP). Each of the pilot projects implemented within the project scope has obtained the relevant environmental permits. City project officers with the support of UNIDO City Coordinators are responsible for monitoring of the environmental performance of the contractors. For Mysuru and Jaipur, draft ESMPs have been prepared for the respective demonstration projects detailing the activities under various phases such as during the pre-construction, construction, operation, and decommissioning stage indicating the responsible actors for the implementation and monitoring of mitigation measures and associated cost. The projects in Guntur, Bhopal, and Vijayawada ESMPs are under development. The individual projects have been properly classified (as Category B) and the process has followed all required actions including project consultation and disclosure, which has been carried out by the involved cities outlined in the ESSPP and is in compliance. The ESMPs for the individual projects would be further strengthened. The MTR assessment team has provided some valuable suggestions for strengthening the individual ESMPs. The PMU would coordinate with the city coordinator to incorporate the suggestions into the relevant projects.
	Disturbance to local community due to site preparation and construction activities	Develop and implement a community engagement process for disclosure on the project and to enhance community awareness on health and safety - maintain engagement with community during the entire construction period	
	Fugitive and exhaust emissions and noise from vehicles involved in waste transportation	Impart training to all workers on relevant aspects of occupational health and safety related to waste handling and transportation	
	Spillage of waste during transportation, if not properly covered	Establish surveillance programs to screen the health of workers for any potential workplace hazards	
	Health and safety related impacts viz. skin diseases, dizziness, cuts, bruises etc. on the waste handlers	Provide proper PPEs to workers involved with waste transportation Formulate of "Journey Management Plan"	
	Generation of foul odours from waste transport vehicles	Optimize waste transportation routes along congested stretches of the city	
	Accidents involving waste transport vehicles Odour related issues	Routine and scheduled maintenance of project vehicles. Regularly monitor proper covering of vehicles involved in waste transportation Monitoring the movement of waste trucks by installation of GPS enabled tracking devices	
Contamination of soil and ground water due to uncontrolled dumping over a period of more than 30 years	Investigation and site studies to ascertain the extent of contamination in soil, ground water, nearby stream and also in downstream areas		
Pollution of the nearby stream receiving contaminated runoff from the dump site	Develop and implement a remedial action plan to decontaminate environmental media (if required) Developing		
	Climate change: - Increase in intensity and frequency of extreme events (cyclones, floods etc.); - Droughts; - Heat waves	The project will focus on increasing overall resilience of the cities – the climate change risks will directly be addressed by project activities significantly reducing impact of climate change on the project. During site selection for the demonstration	

		projects, relevant climate change risks will be taken into consideration.	
	Environmental change	The project components address the problem of sustainability taking into account local ecosystems, so the realization of the project should effectively decrease the risk of environmental change.	
	Social Instabilities (eg. Riots)	The project components address the problem of social welfare, so the realization of the project should effectively decrease the risk of social instabilities.	
(ii) New risks identified during project implementation (if not applicable, please insert 'NA' in each box)	NA	NA	NA

V. Stakeholder Engagement

1. Using the previous reporting period as a basis, please provide information on **progress, challenges and outcomes** regarding engagement of stakeholders in the project (based on the Stakeholder Engagement Plan or equivalent document submitted at CEO Endorsement/Approval).

Progress: The project is positively characterized by an overall culture of stakeholder engagement, with extensive mapping and consultation underpinning activities. SCIAP project staff are well-represented at the city level. Project Steering Committee (PSC) engages the appropriate stakeholders in an overarching framework providing strategic and operational guidance for the project execution including on matters related to project budget and work plans. The consultation meetings with project execution partners present and discuss the key findings that emerged from the sustainability planning, low carbon investment project, capital budgeting exercise and enhancing the skills and knowledge of city officials for effective implementation in waste and sanitation sectors and obtain feedback and input on the way forward approach.

Challenge: Due to the second wave of Covid-19 between March – July 2021, the outreach shifted to a hybrid consultation model based on mutual convenience. The frequent rotation of committed top management and project champions in the cities remains valid.

Outcome: The engagement process has allowed for participation and buy-in from national and local project partners.

2. Please provide any feedback submitted by national counterparts, GEF OFP, co-financiers, and other partners/stakeholders of the project (e.g. private sector, CSOs, NGOs, etc.).

- National Counterpart – The Chairman of Project Steering cum Advisory Committee for SCIAP acknowledged the contribution from UNIDO and its project partners under SCIAP during the 6th PSAC meeting held on 15 June 2022.
- The Chairman of PSAC appreciated the importance of the Municipal Finance component and expressed interest in further scaling up the lessons learned from SCIAP to other cities with a special focus on innovative and sustainable financing in the sanitation sector. A concept note for the above-suggested activity shall be prepared by UNIDO for further discussion.
- The Chairman mentioned that the Bhopal project demonstrates a good circular economy model to follow and the approach may be promoted for replication to other cities. The Chairman also suggested considering using a mix of 4 and 3-wheelers for the waste collection, to best fit city-specific needs.
- The Chairman encouraged the cities to continue their efforts and take new initiatives to secure a good ranking in the annual cleanliness survey (Swachh Survekshan). The Chairman further stressed the importance of scalability of the actions taken in pilot cities and the value addition of the waste and wastewater processing, documenting the takeaways and innovation in those projects.

- The GEF-OPF and MoEFCC provided positive feedback on the SCIA P project progress across all three components. The GEF-OPF accorded a no-cost extension until April 2024 so that UNIDO and its project partners can continue working on project activities to achieve the desired output.

3. Please provide any **relevant stakeholder consultation** documents.

- The stakeholder engagement report for all five cities for sustainable city strategies is currently underway.
- The agenda and minutes of the meeting for the approved fifth Project Steering cum Advisory Committee meeting held on 11 November 2021 are submitted as an additional report.
- The draft meeting minutes of the 6th PSAC meeting held on 15 June 2022 are also attached. The draft minutes have been shared with MoHUA and are yet to be approved.

VI. Gender Mainstreaming

1. Using the previous reporting period as a basis, please report on the **progress achieved on implementing gender-responsive measures and using gender-sensitive indicators**, as documented at CEO Endorsement/Approval (in the project results framework, gender action plan or equivalent),.

- Gender mainstreaming is not considered to be a primary objective of the project; however, the adopted approach has largely focused on considering this dimension in recruitment, gathering the requested statistics for sex-disaggregated data, and shifting to the broader notion of inclusiveness in stakeholder consultation and initial training sessions.
- The project team is continuously working to ensure high engagement of females in the consultations and training – requirements have been included to engage female staff in training and other capacity-building activities. This is being monitored by registering participation in training by gender.
- The challenge in India is that women are underrepresented in Urban Local Bodies administration, organizations, and companies that are project stakeholders. Therefore, predominantly men engage in the project activities.
- During project implementation, gender-neutral ToRs and gender-sensitive recruitment are practiced at all levels of management. Recruited project staff is trained and their awareness is raised regarding gender issues.
- The gender lens has strengthened in all the sustainability planning strategies developed by UN-Habitat.

VII. Knowledge Management

1. Using the previous reporting period as a basis, please elaborate on any **knowledge management activities/products**, as documented at CEO Endorsement / Approval.

- Knowledge management is a key part of the whole project and is therefore integrated into three technical project components which tackle knowledge management and capacity building of relevant stakeholders pertinent to SCIA P.
- UN-Habitat under Component I completed USAF which is a decision support tool for municipal commissioners and urban planners to support sustainable and resilient urban planning and management of cities in India. It is a framework covering 12 key sectors which include governance and data management, finance and economy, housing and property, water, sanitation, waste management, clean energy, resilience, environment, public space safety urban forms, transport, and social infrastructure. The performance of these sectors is measured using national and international benchmarks. The USAF provides a baseline to evaluate a series of indicators within each sector that will allow city authorities and planning professionals to assess their city's current status in each sector, compare that status with those of peer cities, and set goals for future assessments. The indicators of the framework help in granular planning and identify inequalities in service delivery, resource allocation, accessibility of essential utilities, and recreational opportunities among other within a city.
- USAF Technical Manual is a supplementary document to go along with the main USAF report and contains the metadata of all 131 indicators. Indicator metadata includes details such as indicator rationale, the formula for calculation, details of performance evaluation, and recommendations for the frequency of updating each primary data input.
- Urban Sustainability Indicator report provides a multi-sectoral outlook as well as granular sector-specific data to assess the city's performance relative to national and international standards.
- The city fact sheet showcases preliminary analyses that have emerged after applying the USAF to each city. It highlights how the city fares across twelve USAF sectors on its primary indicators, and draws attention to where the city functions well and aspects that need attention as per the benchmarks of the USAF.
- The city profile and diagnostic report provide a comprehensive outlook of the city's performance by applying the Urban Sustainability Assessment Framework (USAF).. It also puts forth a cross-sectoral analysis to arrive at key issues and challenges that the city currently faces as well as to inform sectoral priorities, a strategic development plan, and resource allocation for the sustainable and resilient development of the city.
- The Sustainable City Strategy has been developed with a strategic response to address these issues.

Component 3- Partnerships and Knowledge Management has two elements; IT platform and Capacity Building and Training within the identified sectors. The IT platform of the SBM-UMIS portal has been revamped and integrated with a single sign-on feature for real-time monitoring of mission-related activities. The Operation and Maintenance phase has been completed. NIUA has developed training modules on water management, wastewater, and solid waste management based on the analysis of capacity gaps and needs of three stakeholder groups. NIUA also prepared an additional module based on the needs of cities on 'Geospatial Technologies and their application in Water, Waste Water and Solid Waste Management sectors' and 'GHG estimation and climate adaptation'. NIUA has also prepared three Training of Trainer (ToT) modules for imparting training to ground functionaries in the five pilot cities. These modules are: (a) Leadership skills for an inclusive workplace (b) Occupational health and safety of ground functionaries, and (c) social security provisions and schemes for ground functionaries. The participants of the ToT are partner organizations who have experience and local knowledge of working in these five cities. These participants will then work with NIUA to deliver the training to ground functionaries in the local language. The ToT ensured that the training methodology is uniform across all cities.

2. Please list any relevant knowledge management mechanisms/tools that the project has generated.

The following documents have been submitted in addition to the PIR report:

- Technical Manual of Urban Sustainability Assessment Framework developed by UN-Habitat
- Urban Sustainability Indicators Report for all five cities
- City metrics report for all five cities
- City profiles and diagnostics for all cities
- Training modules on solid waste management, wastewater management, and water management.
- Geospatial Technologies and their application in Water, Waste Water, and Solid Waste Management sectors and GHG estimation and climate adaptation
- Training and Needs Analysis Report and draft training modules for capacity building in solid waste, wastewater, and water management developed by NIUA.
- The developed IT platform is accessible through <http://swachhbharaturban.gov.in/>. Within this website, provisions have been made for various users i.e. ULB officials, State level officials, and citizens to access data. Various dashboards are developed to provide details at the city level including city profile, city waste collection, transportation and processing facilities, bulk waste generators and non-bulk waste generators and city progress etc. The IT service provider has developed and integrated the GHG emission module into the platform.

VIII. Implementation progress

1. Using the previous reporting period as a basis, please provide information on progress, challenges and outcomes achieved/observed with regards to project implementation.

Progress: The SCIAP project activities across all three components have been taken in parallel. The project partners have completed the deliverables in line with the agreed Terms of Reference. The payment to project partners has been made based on the submission progress report detailing the work and action taken during the reporting period. The investment projects being implemented in cities with the support of the GEF grant are also progressing well on the ground and each city project is at the various stages of progress. The payments to cities are released in tranches based on milestone completion reporting from cities and verification of photos and documents detailing the work undertaken. Out of five cities, three cities are at the advanced stage of implementation and the two other cities will commence the implementation activities soon.

Challenge: The second wave of covid-19 restrictions measures didn't allow for full-fledged physical meetings. Thereof, a hybrid modality was adopted to continue the engagement with project execution partners in the consultation process and receive their feedback on project activities across all three components. The Municipal Commissioners were changed a couple of times in a few cities and it took some time to get their consultation appointments for a project briefing session and for the officials to get acquainted with project activities.

Outcomes achieved:

- Completed and released sustainable city plans for each pilot city based on a developed urban sustainability assessment framework (through UN-Habitat),
- Completed training modules for local government officials and trainers on solid waste, liquid waste, and water treatment and conducted Training of Trainers workshop on leadership skills (through NIUA)
- Completed support for the development and operation of MoHUA SBM Urban information and knowledge portal (through Indicsoft)
- Ongoing support to municipal corporations to improve and climate-proof municipal capital budgeting (UNIDO), ongoing construction of and procurements for the demonstration projects through municipal corporations, respectively on composting (Mysore), EV based waste collection (Guntur), BioCNG based waste collection (new project in Bhopal) and sewerage and sludge treatment (Jaipur and Vijayawada) (UNIDO).

- 6th Project Steering cum Advisory Committee held on 15th June 2022, chaired by JS MoHUA for comprehensive progress review and feedback by pilot cities.
- Conducted 2-day national workshop of city officials from pilot cities focused on sustainability planning and climate resilient capital budgeting.

2. Please briefly elaborate on any **minor amendments⁶ to the approved project that may have been introduced during the implementation period or indicate as not applicable (NA).**

Please tick each category for which a change has occurred and provide a description of the change in the related textbox. You may attach supporting documentation, as appropriate.

<input type="checkbox"/>	Results Framework	NA
<input type="checkbox"/>	Components and Cost	NA
<input type="checkbox"/>	Institutional and Implementation Arrangements	NA
<input type="checkbox"/>	Financial Management	NA
<input checked="" type="checkbox"/>	Implementation Schedule	The 2021 Mid-Term Review suggested a two-year extension, upon which the Project Advisory and Steering Committee, in its fifth meeting on 11 November 2021, requested UNIDO to prepare for such zero cost extension. Further to PSAC approval of the extension, the Project Manager in coordination with UNIDO County Representative obtained approval for the extension from the GEF Operational Focal Point for India (MoEFCC). Project extension request has been submitted.
<input type="checkbox"/>	Executing Entity	NA
<input type="checkbox"/>	Executing Entity Category	NA
<input type="checkbox"/>	Minor Project Objective Change	NA
<input type="checkbox"/>	Safeguards	NA
<input type="checkbox"/>	Risk Analysis	NA
<input type="checkbox"/>	Increase of GEF Project Financing Up to 5%	NA
<input type="checkbox"/>	Co-Financing	NA
<input type="checkbox"/>	Location of Project Activities	NA
<input type="checkbox"/>	Others	NA

3. Please provide progress related to the **financial implementation of the project.**

⁶ As described in Annex 9 of the *GEF Project and Program Cycle Policy Guidelines*, **minor amendments** are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5%.

As of 30 June, 2022		
Components/Outputs	Expenditure (USD)	Funds Available (USD)
Output 1: Sustainable Urban Planning and Management	\$1,728,090.86	\$41,197.14
Output 2: Investment and Technology Demonstration	\$7,538,789.18	\$830,499.82
Output 3: Partnership KM platform	\$764,810.34	\$4,476.66
Output 4: Project Monitoring and Evaluation	\$64,740.71	\$168,680.29
Output 5: Project Management Costs	\$774,095.36	\$194,711.64
	\$1,728,090.86	\$41,197.14
Total	\$10,870,526.45	\$1,239,565.55
Released Budget	USD 12,110,092	

- The project's national co-financing is a combination of government (central, state, municipal) and private sector funding (cash and in-kind). National co-financing allows for country ownership and gains the government's interest in project outputs and outcomes for which their funds are spent.
- The co-financing has been mobilized mostly for the investment and technology demonstration project under component 2. Since the pilot investment projects are focussed on various aspects of waste management and associated closely with one of the National Missions such as the Swachh Bharat Mission (SBM), the pilot projects gain greater interest and support from government stakeholders which has enabled traction for implementation and driven the participating cities to contribute to these infrastructure-related investment projects.
- The GEF grant makes a catalytic effect, unlocking investment in sustainable infrastructure as well as bringing innovative approaches for tackling municipal solid waste management in conjunction with incorporating climate mitigation aspects from other sectors, reflecting an integrated approach.
- Together with the in-kind contributions from UNIDO, MoHUA, NIUA, and municipal actors and the co-financing being channeled by other national partners towards the IT platform developed by Indicsoft, these aspects have significantly enlarged the project's pool of available support while also building national ownership and sustaining project benefits. USD 50.6 million (399.1 Cr) has been identified and verified as of June 2022 related to facility/equipment investment and related activities in the 5 pilot cities that have been leveraged as a result of the GEF grant channeled towards each location, which collectively sums up to 52.5 Cr (i.e. USD 1.42 million or INR 10.5 Crore per city).

IX. Work Plan and Budget

1. Please provide an updated project work plan and budget for the remaining duration of the project, as per last approved project extension. Please expand/modify the table as needed.

Outputs by Project Component	2022				2023				2024				GEF Grant Budget Available (US\$)	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Component 1 – Sustainable Urban Planning and Management														
Outcome 1: Increased scope and depth of integrated urban sustainability management policies and processes, including institutionalization within the local governance structure														
Output 1.1: 1 Guidance and methodology for sustainability plan development under SC-IAP proposed for adoption by the relevant national and local stakeholders														\$41,197.14
Output 1.2: Established institutional framework for sustainable city planning and management														

EXPLANATORY NOTE

1. **Timing & duration:** Each report covers a twelve-month period, i.e. 1 July 2021 – 30 June 2022.
2. **Responsibility:** The responsibility for preparing the report lies with the project manager in consultation with the Division Chief and Director.
3. **Evaluation:** For the report to be used effectively as a tool for annual self-evaluation, project counterparts need to be fully involved. The (main) counterpart can provide any additional information considered essential, including a simple rating of project progress.
4. **Results-based management:** The annual project/programme progress reports are required by the RBM programme component focal points to obtain information on outcomes observed.

Global Environmental Objectives (GEOs) / Development Objectives (DOs) ratings	
Highly Satisfactory (HS)	Project is expected to achieve or exceed <u>all</u> 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 <u>achieve most</u> of its <u>major</u> global environmental objectives, and yields satisfactory global environmental benefits, with only minor shortcomings.
Moderately Satisfactory (MS)	Project is expected to <u>achieve most</u> of its major <u>relevant</u> objectives but with either significant shortcomings or modes overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environmental benefits.
Moderately Unsatisfactory (MU)	Project is expected to achieve <u>some</u> of its major global environmental objectives with major shortcomings or is expected to <u>achieve only some</u> of its major global environmental objectives.
Unsatisfactory (U)	Project is expected <u>not</u> to achieve <u>most</u> of its major global environmental objectives or to yield any satisfactory global environmental benefits.
Highly Unsatisfactory (HU)	The project has failed to achieve, and is not expected to achieve, <u>any</u> of its major global environmental objectives with no worthwhile benefits.

Implementation Progress (IP)	
Highly Satisfactory (HS)	Implementation of <u>all</u> 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 <u>most</u> components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action.
Moderately Satisfactory (MS)	Implementation of <u>some</u> components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.
Moderately Unsatisfactory (MU)	Implementation of <u>some</u> components is <u>not</u> in substantial compliance with the original/formally revised plan with most components requiring remedial action.
Unsatisfactory (U)	Implementation of <u>most</u> components is <u>not</u> in substantial compliance with the original/formally revised plan.
Highly Unsatisfactory (HU)	Implementation of <u>none</u> of the components is in substantial compliance with the original/formally revised plan.

Risk ratings	
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. Risk 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 or materialize, and/or the project may face substantial risks.
Moderate 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 moderate risk.
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 low risks.