

# **Report on Annual Performance Assessment (APA) 2022-2023 of Punjab Cities Program**

**Final Consolidated Report**  
*June 15, 2023*



# Caveats & Restrictions

## Caveats

“A caveat is a warning of a specific limitation of something such as information or an agreement.” (Collins Dictionary)

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# Acronyms and Abbreviations

ADP	Annual Development Plan
APA	Annual Performance Assessment
CFMS	Computerized Financial Management System
CTS	Complaint Tracking System
DLI	Disbursement Linked Indicator
E&S	Environmental and Social
ESSA	Environmental and Social Safeguard Assessment
FD	Finance Department
FY	Financial Year
GIS	Geographic Information System
GRMS	Grievance Redressal Management System
IDAMPs	Integrated Development and Asset Management Plan
IPF	Investment Project Financing
KPIs	Key Performance Indicators
LG&CD	Local Government & Community Development Department
MACs	Minimum Access Conditions
MCs	Municipal Committee
O&M	Operations and Maintenance
OSR	Own Source Revenue
P for R	Program for Result
PBGs	Performance Based Grants
PC-I	Planning Commission Form 1
PCP	Punjab Cities Program
PLGB	Punjab Local Government Board
PMDFC	Punjab Municipal Development Fund Company
PMs	Performance Measures
PPRA	Public Procurement Regulatory Authority
RTI	Right to Information
TORs	Terms of Reference





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Objectives of this assessment report are to provide a comprehensive evaluation of the performance of 16 MCs against the DLIs, identify key findings, draw conclusions based on the analysis.

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# Highlights

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# Highlights



**Aggregate Score  
(Average) 72**

Investment Planning & Budgeting <i>(24 points)</i>	16
Own Source Revenue <i>(18 points)</i>	16
Procurement <i>(08 points)</i>	4
Financial Management & Audit <i>(12 points)</i>	12
Environment & Social Management <i>(10 points)</i>	10
Transparency & Accountability <i>(08 points)</i>	8
Urban Infrastructure <i>(20 points)</i>	6



## Scores Achieved by MCs

### North Punjab

▪Daska	65	▪Kamoke	77
▪Hafizabad	68	▪Muridke	80
▪Jhelum	65	▪Wazirabad	70

### Central Punjab

▪Gojra	78	▪Jhang	65
▪Kamalia	76	▪Okara	83
▪Jaranwala	70		

### South Punjab

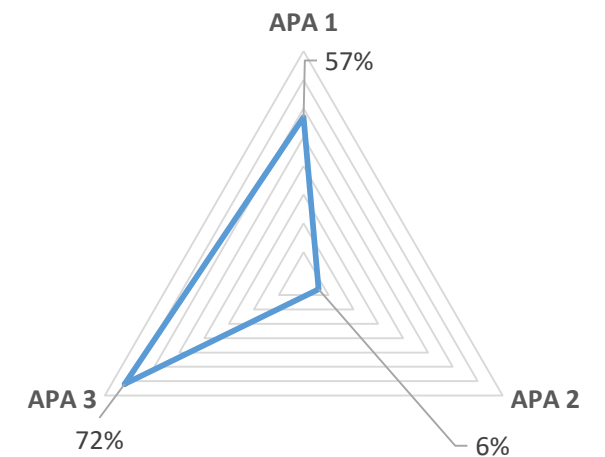
▪Bahawalnagar	79	▪Burewala	65
▪Kot Addu	68	▪Khanewal	73
▪Vehari	63		

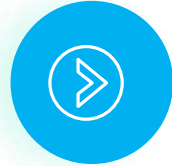


**Disbursement US\$ 45 Mn**



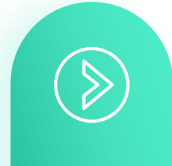
## Comparative Analysis





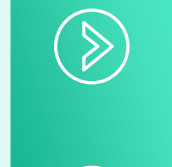
# Assignment

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The Project

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Scope of the Assessment

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Execution

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# The Project – Factsheet



## North Punjab

- Daska
- Hafizabad
- Jhelum
- Kamoke
- Muridke
- Wazirabad

## Central Punjab

- Gojra
- Jaranwala
- Jhang
- Kamalia
- Okara.

## South Punjab

- Bahawalnagar
- Burewala
- Khanewal
- Kot Addu
- Vehari



### FUNDED BY

World Bank-funded hybrid PforR and IPF operation



### TOTAL COST

USD 200 million



### TENURE

5 years (2018 -2023)\*

\* The Project has been extended for 18 months till 2025



### PROGRAM DEVELOPMENT OBJECTIVES

To strengthen the performance of participating MCs, focusing on urban management and improvement of municipal infrastructure for satisfactory service delivery.



### PROGRAM FUNDING

**Window 1:** the PBGs were provided to the MCs of the 16 selected cities for investments in municipal infrastructure and services

**Window 2:** Provided support to provincial government agencies i.e. LG&CDD, PLGB, PMDFC and FD.



# Scope of the Assessment

The objective of the consultancy was to assess the annual performance of participating MCs against the DLIs. It was aimed to incentivize the better performing MCs by giving them access to larger amounts of PBGs. And to encourage the less performing MCs to improve their compliance of MACs by earning higher scores in the Performance Measures to receive larger amount of PBGs.

DLIs	Requirements	DLI 1: MACs	DLI 2: PMs
<b>Investment Planning and Budgeting</b>	MCs should conduct the investment planning and appraisal process to use Performance-Based Grant (PBG) funds	✓	✓
<b>Human Resources</b>	MCs should have in place/assigned core locally appointed staff, to operate the systems	✓	
<b>Own Source Revenues</b>	MCs should draw up plans to enhance their revenue through a detailed analysis of all revenue sources	✓	✓
<b>Procurement</b>	MCs should ensure that all procurements are made in accordance with the PPRA rules.	✓	✓
<b>Financial Management and Audit</b>	MCs must have in place a Computerized Financial Management System for carrying out all accounting and reporting functions.	✓	✓
<b>Environment and Social Management</b>	MCs should evaluate all development projects for potential environmental and social risks and take appropriate measures to mitigate such risks.	✓	✓
<b>Transparency, and Accountability</b>	MCs should establish a Complaint Tracking System and Performance Management System to ensure transparency and accountability.	✓	✓
<b>Signed Program Operation Specific Participation Agreement</b>	MCs Chairman should have signed Operation Participation Agreement	✓	
<b>Achievement of Urban Infrastructure Targets</b>	MCs should use PBGs for eligible municipal infrastructure and service investments	✓	✓

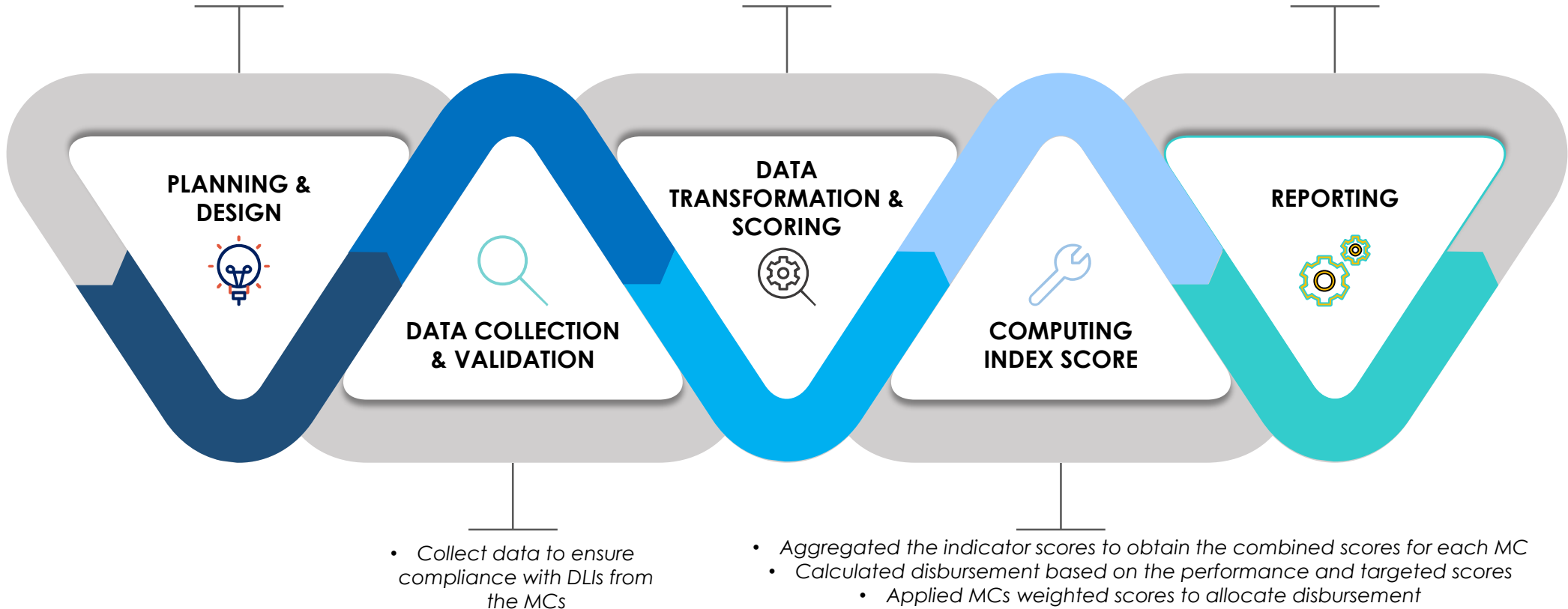
# Execution - Approach

The approach adopted for the annual performance assessment of PCP was systematic, data-driven, and aligned with the program's objectives. The process ensured that the outcomes were accurate and demonstrated comprehensive picture of the program's performance. Our approach for the annual performance assessment of PCP involved the following:

- Understanding the DLI Framework
- Planning the Process to assess the MCs
- Designing effective procedures to carry out assessment

- Standardized the indicators to make them comparable
- Assigned scores to the indicators based on the prescribed benchmarks

- Reporting the outcome of annual performance assessment of each MC



# Execution - Data Collection Plan

Data collection tools, duly aligned with the established PMs as per DLI 2, were designed which included, checklists, interviews, surveys, observation and review of documents and data records. These tools captured quantitative and qualitative data relevant to the PCP.

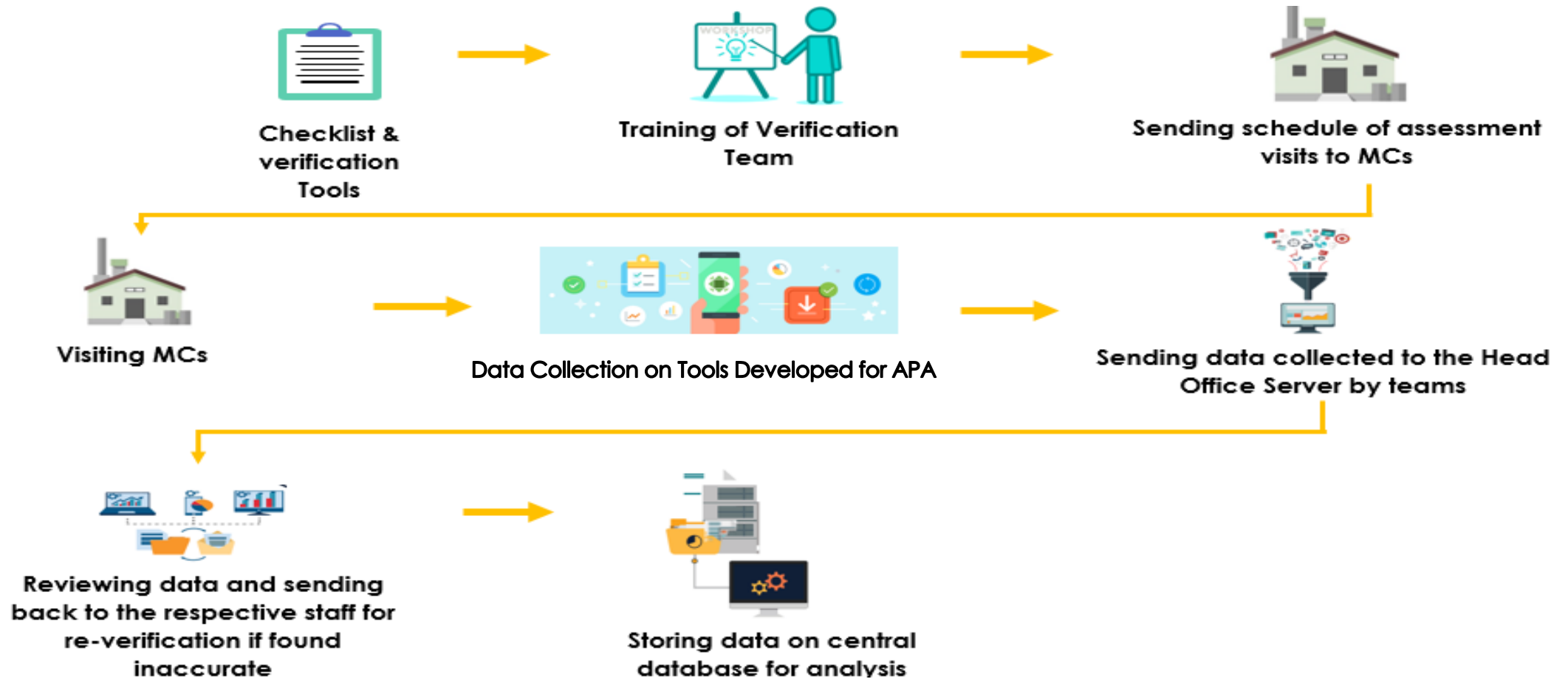
The data collection activities were executed across the targeted MCs. While monitoring the process closely to ensure adherence to the established methodology, timely data collection, and data integrity were given key consideration. Close communication was maintained with the data collection team for clarification and troubleshooting, where needed.

Throughout the data collection process, we implemented robust quality assurance measures to validate and verify the collected data. We also cross-checked data from different sources, conduct sample audits, and perform data quality checks to ensure accuracy, consistency, and completeness.



# Execution - Data Collection Plan

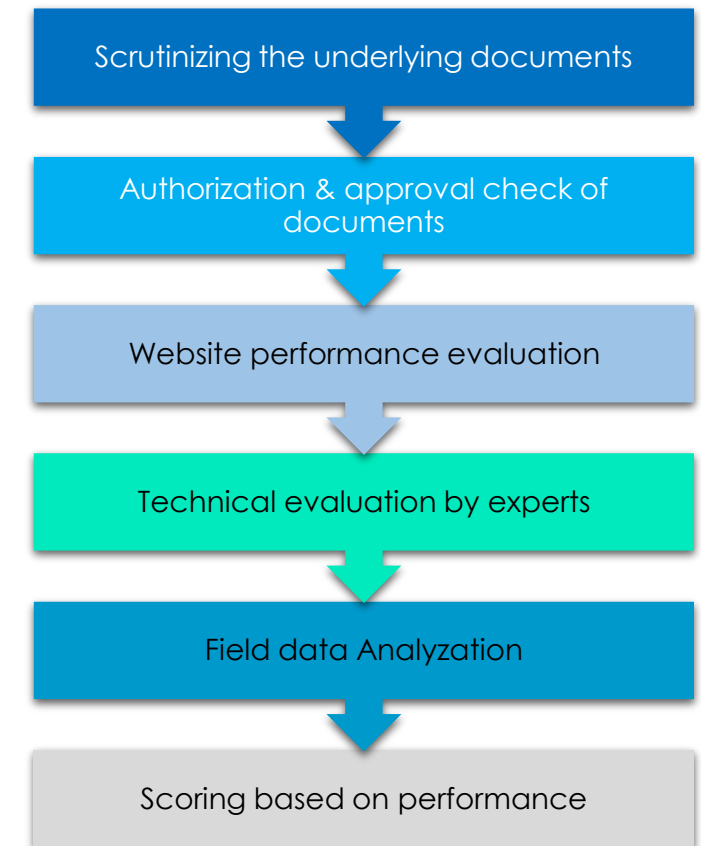
The set of indicators that formed the Municipal Performance Framework are a combination of metrics that have varied nature and specifications that require careful scrutiny. For this purpose, the aforementioned data collection tools were used to collect data from the MCs by following a series of steps presented below:



# Execution - Data Analysis

The data collected during the assessment was thoroughly analyzed to evaluate the performance of the program against the established performance Indicators. The analysis was aimed to identify trends, patterns, and areas of concern, providing valuable insights for decision-making. The analysis process went through the following stages:

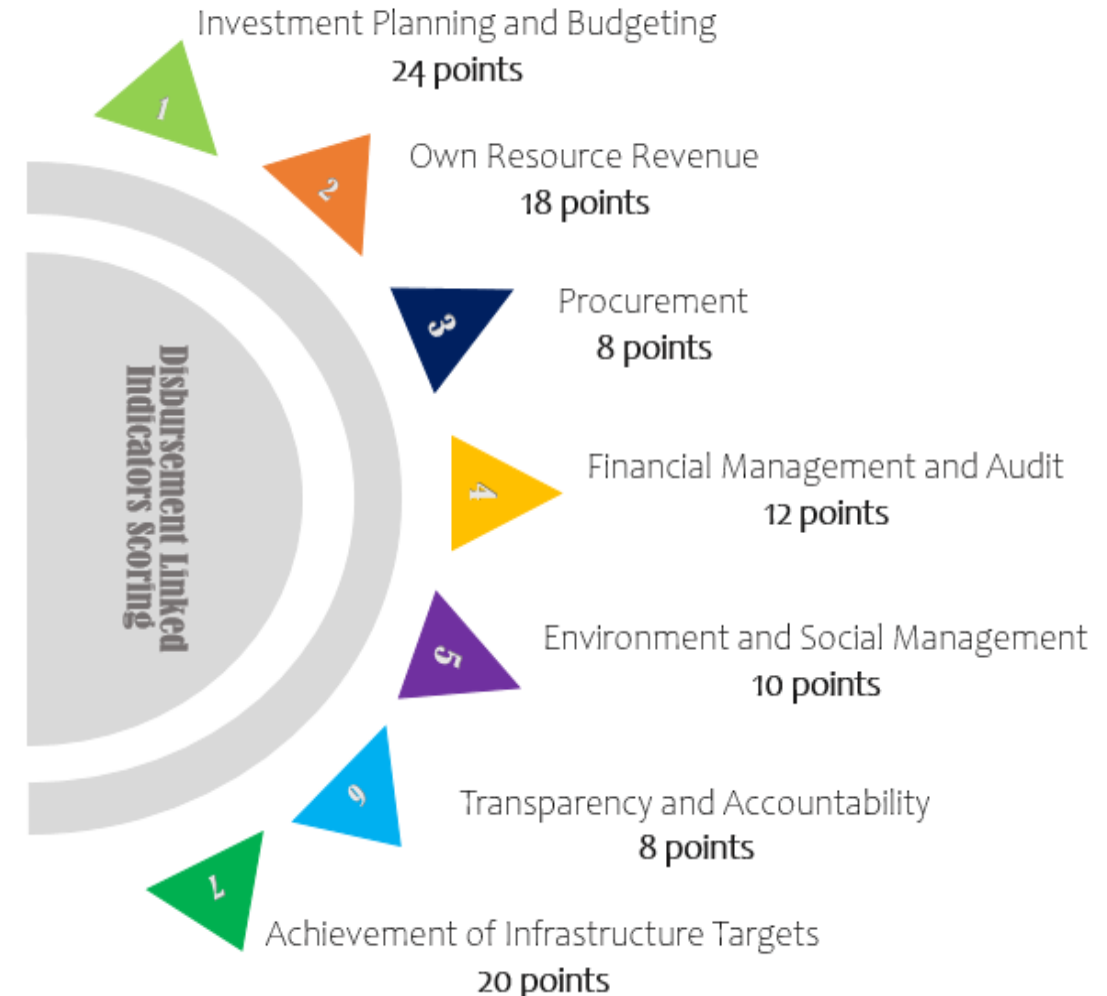
- The collected documents, such as financial records, reports, and plans, were carefully examined. This involved confirming the completeness, and reliability of the information provided in the documents.
- Ensured that the documents obtained from the MCs have the necessary authorization and approvals, crucial to assess the legitimacy and compliance of their actions. These steps assisted in validating the authenticity of the information and provision of confidence in the assessment process.
- If the program involved websites or online platforms, their performance was examined. This included assessing the functionality, user experience, and information accuracy of these websites, ensuring they adequately serve their intended purposes.
- Engaged Experts such as environmentalists and engineers that provided specialized evaluations of technical aspects related to the program. These experts assessed areas like environmental impact, infrastructure development, and other technical parameters to gauge the MCs' performance accurately.
- The collected field data, collected from surveys, interviews, and observations, was thoroughly examined to evaluate the performance of each MC. This analysis assisted in determining the extent to which the MCs have achieved the PMs and also helped in provision of insights into their overall performance.
- To quantify, the MCs' performance, scores were assigned based on predefined criteria aligned with the established DLIs to determine the disbursement levels.



# Execution - Data Transformation & Scoring

The data collected for the various indicators across the Index was assigned scores. For instance, the indicator assessed if the MC has published summary of annual budget, approved sub-projects, expenditure on the website. Scoring was carried out in accordance with the scoring scheme provided in the TORs.

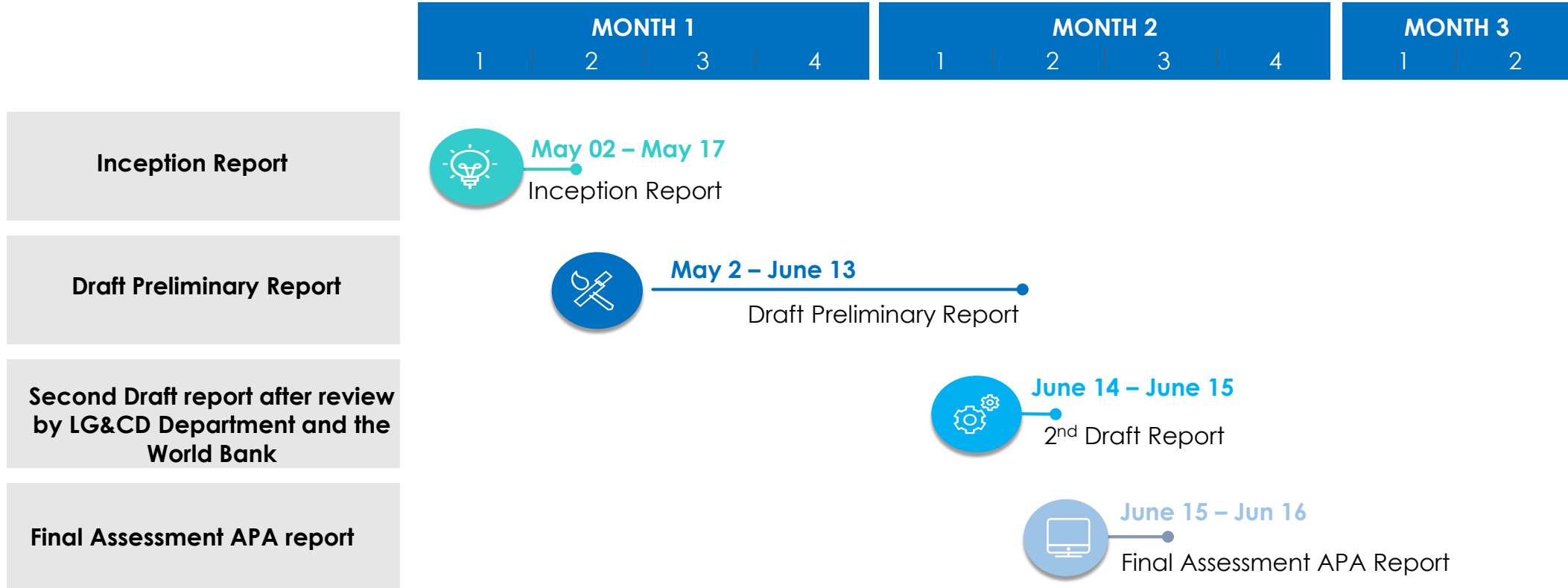
The program interventions had the following maximum scores as specified in the TORs. Scores were assigned according to the compliance with the performance indicators, which means that DLI-2 is also scalable, whereby disbursements were adjusted based on whether Program MCs perform better or poorer than expected (as set out in the PMs). This means that if Program MCs performed higher than expected, they received higher disbursements. This system ensured direct peer comparison and competition as an incentive to improve performance.





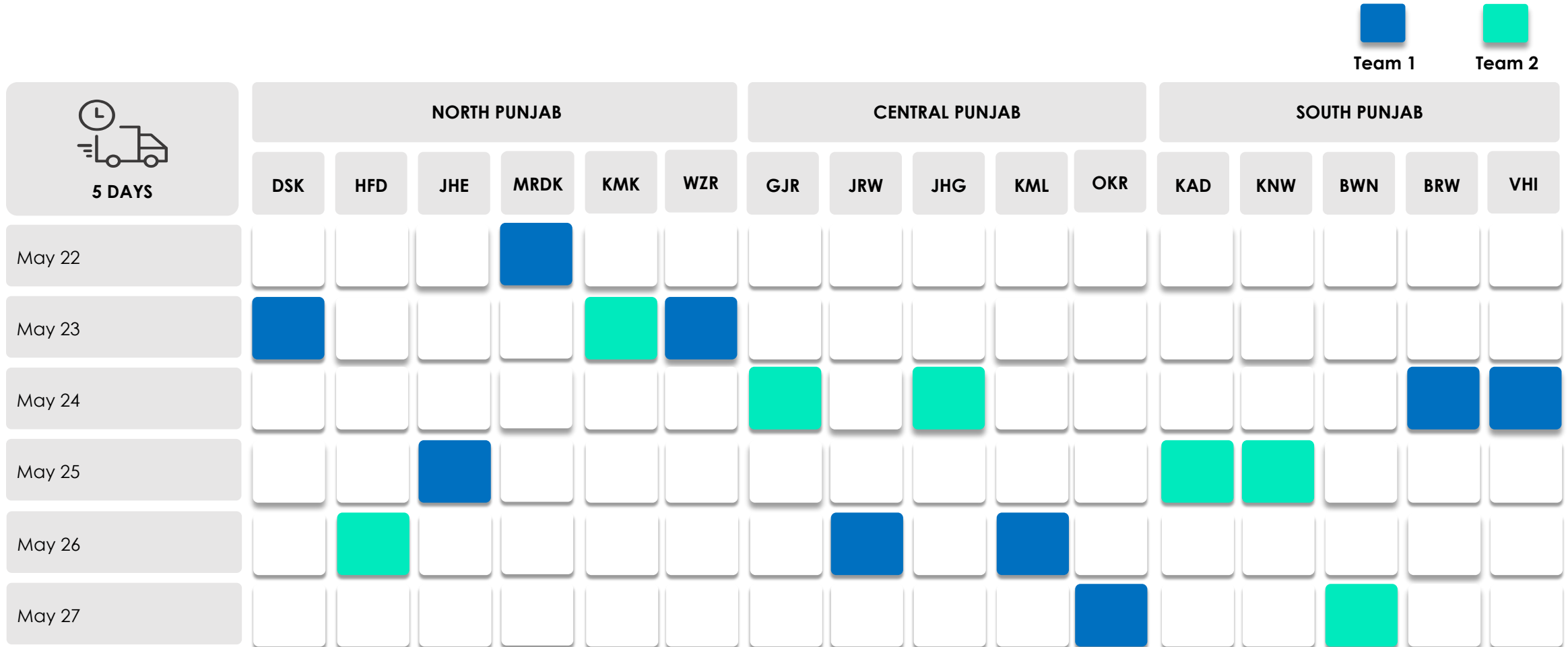
# Execution - Project Timelines & Schedule

The work plan of the assignment spanned over the duration of 06 weeks. The assignment phases included key requirements identification, project understanding, developing a proposed approach, preparing checklists to assess MCs compliance, collecting and analyzing data, and reporting. An overview of the work plan is as:



# Execution - Visit Plan

To verify various PMs, we visited 16 MCs across Punjab in 6 days. Two (2) teams were deputed for the purpose as per the following plan:



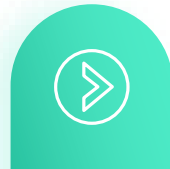
DSK=Daska, HFD= Hafizabad, JHE=Jhelum, KMK=Kamoke, MRDK=Muridke, WZR=Wazirabad, GJR=Gojra, JRW=Jaranwala, JHG= Jhang, KML=Kamalia, BWN= Bahawalnagar, BRW=Burewala, KNW=Khanewal, KAD = Kot Addu, VHI= Vehari, OKR= Okara





# Assessment Methodology

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Assessment Areas

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Assessment Criteria

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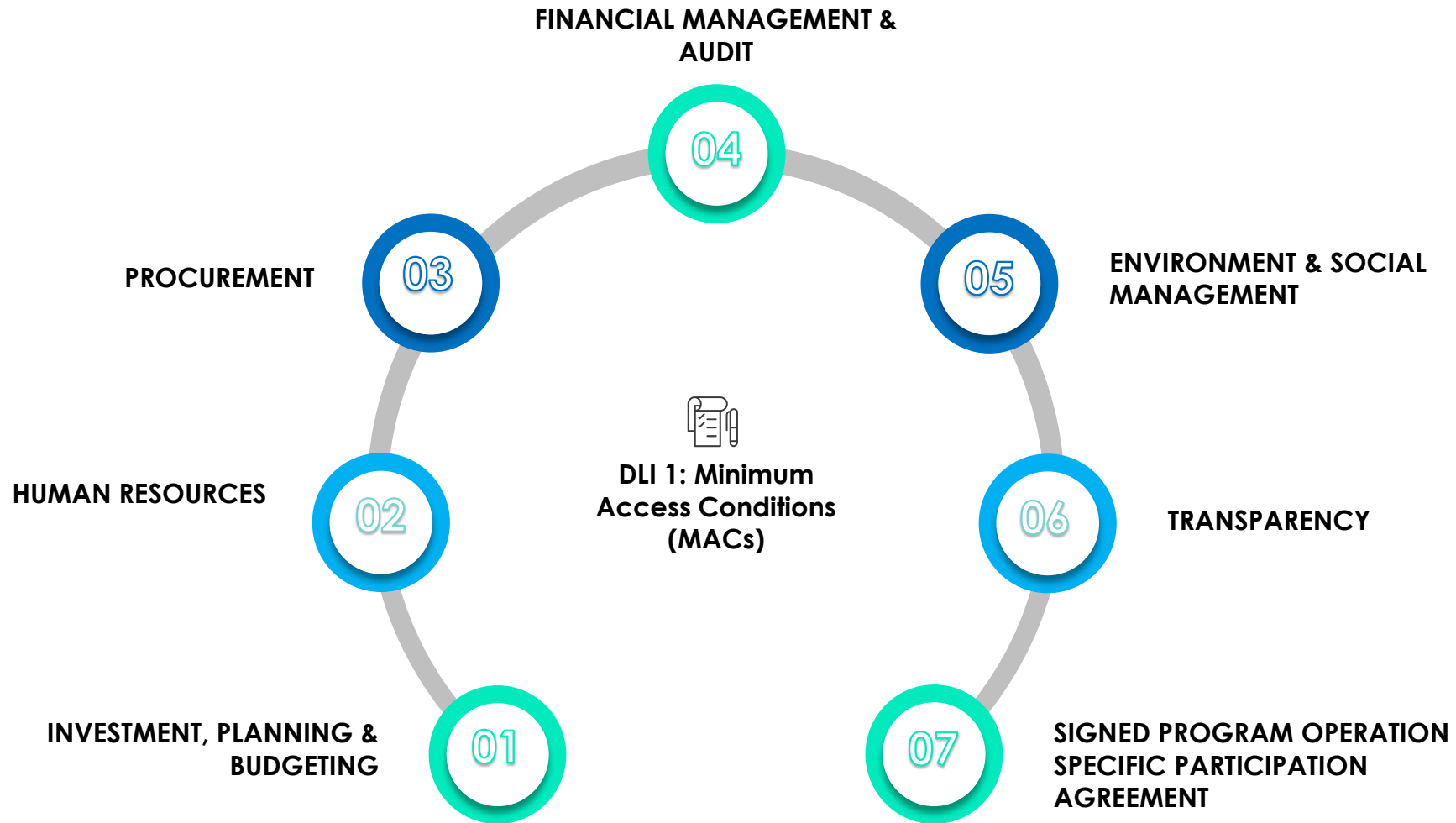


Limitations and Clarifications

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# Assessment Areas – DLI 1

DLI 1 consisted of MACs. Compliance of which is a pre-condition to access the PBGs. Any failure to meet any MAC results in the disqualification of an MC from accessing its PBG for that year. All MCs are to be accessed against following MACs for access to PBGs (25% of total PBG envelope).



All of the 16 MCs met the MACs and have thus qualified for the allocation of PBGs based on PMs. The World Bank has expressed its satisfaction with the achievement of MACs through its letter dated March 3, 2023. Thereby, the focus of the assignment was the evaluation of PMs for the MCs.

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March 3, 2023

Dr. Kazim Niaz  
Secretary  
Ministry of Economic Affairs  
Government of Pakistan  
Islamabad

Dear Dr. Niaz:

**Re: Punjab Cities Program (P156972 IDA Credit No. 6243-PK)  
Confirmation of Results Achievement**

We refer to the Financing Agreement ("Financing Agreement") between the Islamic Republic of Pakistan ("Recipient") and the International Development Association ("Association") dated May 29, 2018 for the above-noted Program.

We also refer to Results Notification Letter from the Government of Punjab dated March 1, 2023, evidencing the achievement of Disbursement Linked Result (DLR) #1 (Year 4) of the Program, and seeking payment of US\$10 million.

We are pleased to inform you that the Association accepts the evidence furnished in fulfillment of the withdrawal conditions set out in Schedule 2, Section IV, B.1 of the Financing Agreement, and confirms the achievement of the DLRs given in the Annex-1 to this letter.

At your convenience, please submit a signed Withdrawal Application, together with this Confirmation, online through Client Connection.

We also wish to inform you that the amount disbursed will be charged to the Credit Account in the currency of the credit at the rate of exchange in effect at the time of disbursement, subject to the limits, in the currency of the credit, of: (a) the remaining undisbursed amount of the World Bank credit, and (b) the amount allocated to the specific DLRs.

Yours sincerely,

*Najiy Benhassine*  
Najiy Benhassine  
Country Director, Pakistan

**Attachment: Annex-1: Summary of status of results and related proceeds to be disbursed.**

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-2- March 3, 2023

Cc:

**Government of Pakistan:**  
Mr. Muhammad Humair Karim, Additional Secretary, Ministry of Economic Affairs  
Mr. Adil Akbar Khan, Senior Joint Secretary, Ministry of Economic Affairs  
Mr. Muhammad Azam Khan, Deputy Secretary, Ministry of Economic Affairs

**Government of Punjab:**  
Dr. Sohail Anwar Choudhary, Acting Chairman, Planning and Development Board  
Mr. Mujahid Sherdil, Secretary, Finance Department  
Dr. Irshad Ahmed, Secretary, Local Government and Community Development Department  
Mr. Muhammad Shafiq Ahmad, Member (Social Infrastructure), Planning & Development Board  
Mr. Arqam Tariq, Special Secretary (Expenditure & Corporate Finance), Finance Department  
Ms. Maria Tariq, Additional Secretary, Local Government and Community Development Department  
Mr. Yasir Mubeen, Chief Urban Development, Planning and Development Department  
Syed Zahid Aziz, Managing Director, Punjab Municipal Development Fund Company

**The World Bank:**  
Mr. Naveed Kamran Baloch, Executive Director, Pakistan  
Mr. Abdelhak Bedjaoui, Alternate Executive Director, Pakistan

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-3- March 3, 2023

**Annex 1: Summary of Results Achieved against Targets**

Disbursement Linked Indicator (DLI)	Disbursement Linked Result (DLR)	Result Achieved Under this Confirmation	
		As per Notification	As Confirmed by the Task Team
<b>DLI-1:</b> MCs have achieved Minimum (MACs) Conditions (MACs)	<b>DLR-1</b> (Results to be achieved in Year-4): Number of MCs achieving all MACs, as confirmed through verification protocols	<b>Investment Planning and Budgeting</b> 1.1 MC has updated infrastructure maps 1.2 MC has an approved Annual Development Plan (ADP) 1.3 MC Annual Budget Estimates generated from the CFMS, have been approved by Chairman/Council 1.4 MC has contributed 20% co-financing for PBGs during the FY  <b>Human Resources</b> 2.1 MC has in place/assigned core locally appointed staff to operate the systems  <b>Procurement</b> 3.1 MC has an approved Procurement Plan for current FY 3.2 MC has a procurement committee in place as required by PPRA rules  <b>Financial Management &amp; Audit</b> 4.1 MC has functional Computerized Financial Management System (CFMS) 4.2 MC is generating Cash Book through CFMS 4.3 MC has submitted CFMS-based annual financial statements for the previous FY for audit purposes 4.4 The MC has no adverse or disclaimed audit opinion for previous FY  <b>Environment and Social Management</b>	1.1 GIS-based updated infrastructure maps have been prepared by all 16 MCs 1.2 Approved ADPs are available for all 16 MCs 1.3 Annual Budget Estimates, generated from CFMS have been approved in all 16 MCs 1.4 All 16 MCs have opened separate bank accounts and deposited 20% co-financing for PBGs  2.1 Core locally appointed staff are available to operate computerized systems in all 16 MCs  3.1 Approved Procurement Plans are available for all 16 MCs 3.2 Procurement Committees have been notified in all 16 MCs. Signed Decisions/ Minutes of meeting are available for each.  4.1 CFMS is operational across all 16 MCs; reports up to June 2022 are available 4.2 Cashbooks are being generated through CFMS in 16 MCs; reports up to June 2022 are available 4.3 Annual Financial Statements have been submitted to AGP for 16 MCs 4.4 Audit Reports of 16 MCs are available.  5.1 Focal persons for E&S management have been notified in each MC

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-4- March 3, 2023

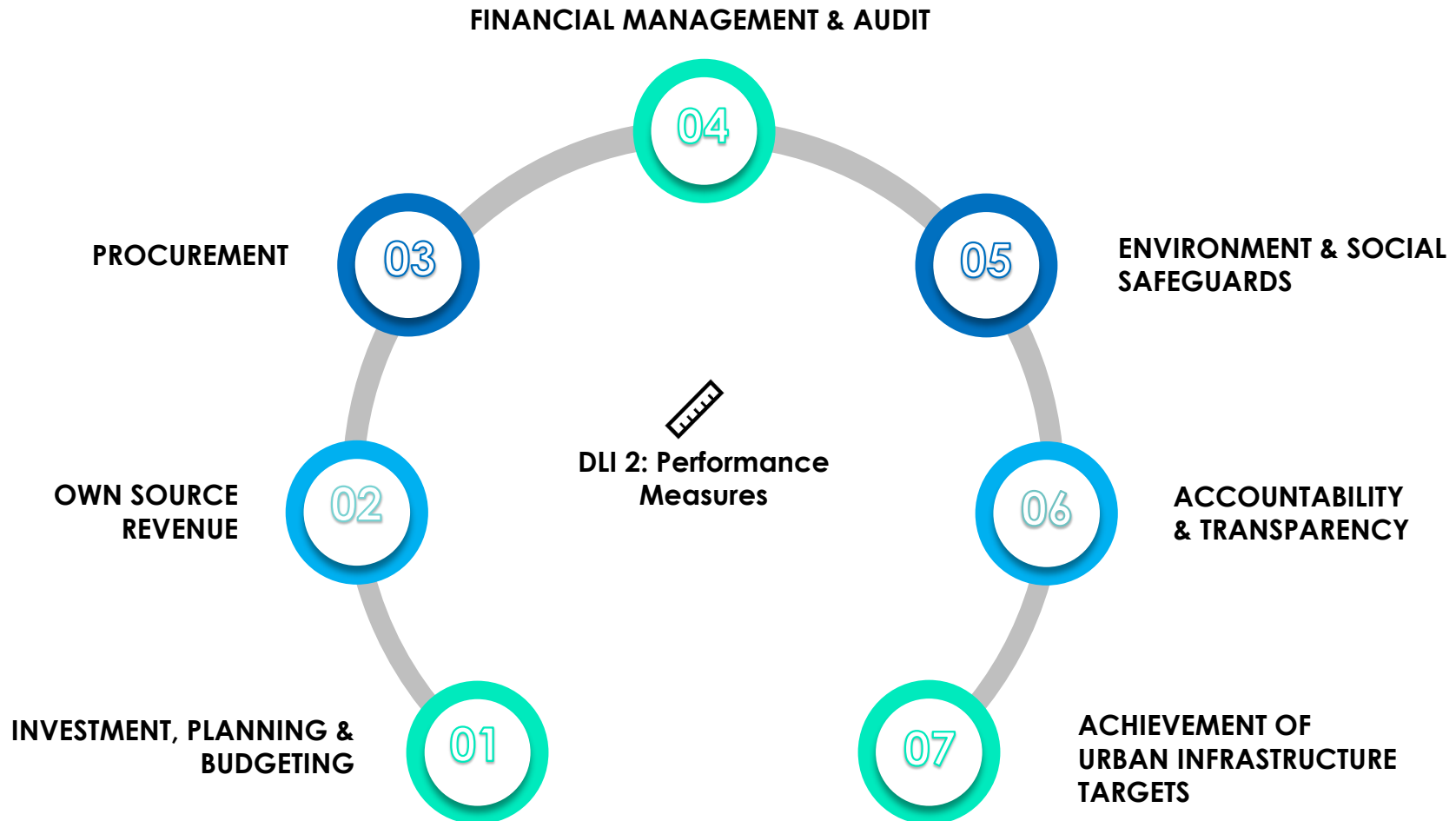
Disbursement Linked Indicator (DLI)	Disbursement Linked Result (DLR)	Result Achieved Under this Confirmation	
		As per Notification	As Confirmed by the Task Team
		5.1 MC has designated Environmental and Social (E&S) management focal persons 5.2 MC has developed an E&S management system with gender considerations, including procedures for preparation, approval, and supervision of investments 5.3 MC has developed acceptable capacity to prepare, approve, and supervise management instruments  <b>Transparency and Accountability</b> 6.1 MC has an operational website 6.2 MC has functional Complaint Tracking System (CTS) 6.3 MC has functional Performance Management System (PMS)  <b>Operation Specific</b> 7.1 MC Chairman has signed Program Participation Agreement (PPA)	5.2 E&S Management Framework has been developed and approved, with gender considerations, including procedures for preparation, approval, and supervision of investments 5.3 E&S focal persons of all 16 MCs have been provided training, and they are able to develop and implement relevant E&S management instruments  6.1 All 16 MC websites are operational & updated; reports up to December 2022 are available 6.2 CTS is functional in all 16 MCs; reports up to December 2022 are available 6.3 PMS is functional in all 16 MCs; reports up to December 2022 are available 7.1 PPAs have been signed by all 16 MCs
<b>Credit Proceeds to be Disbursed under this confirmation</b>		USD 625,000 multiplied by the number of MCs attaining the MACs <sup>1</sup> (625,000 x 16) = USD 10 million	

\* The Operation Implementing Entity will divide the total disbursement amount among the MCs achieving the MACs on the basis of their respective Provincial Finance Commission (PFC) Award shares.

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# Assessment Areas – DLI 2

The PMs for DLI 2 were built on the foundations laid by MACs. It challenged the MCs to raise their performance to achieve incremental targets. Qualified MCs were able to access PBGs (75% of total PBG envelope) every year, based on scores obtained in the APA. PBGs were allocated to the MCs proportionate to their performance scores (weighted with the APA score).





# Assessment Criteria

01

## Investment planning and budgeting (maximum 24 points)

### Performance Indicators

#### 1.1 O&M budgeting and planning done for major infrastructure services (maximum 3 points)

- a) MC has developed O&M plans based on O&M Manuals, and allocated requisite budget allocations for Water Supply, Sewerage, and Solid Waste Management for the current FY: 1 point
- b) MC has spent above 80% of the budgeted O&M expenditures for infrastructure and services in the previous FY: 2 points

#### 1.2 Infrastructure maps used as a planning tool (maximum 3 points)

- a) Infrastructure Maps have informed the selection of eligible priority investments: 3 points

#### 1.3 Expenditure control of fuel and energy (maximum 10 points)

- a) Energy and fuel audit of electric/mechanical assets completed/updated for previous FY: 10 points

#### 1.4 Asset inventory prepared and updated (maximum 3 points)

- a) Asset inventory prepared/updated upto previous FY indicating age, condition and book value of assets: 3 points

#### 1.5 Three-year rolling IDAMP prepared and updated (maximum 5 points)

- a) Consultations have been held with all stakeholder groups, ensuring adequate representation of women: 2 points
- b) Three years, rolling IDAMPs prepared/updated per approved IDAMP guidelines: 1 point
- c) IDAMPs operationalized and are a basis of all capital and O&M expenditures of current FY: 2 points

## Verification Methodology

- a) Verified that O&M Plans were drawn up in conformity with O&M Manuals
- b) Confirmed that proper budget was allocated for all three services i.e. Water Supply, Sewerage and Solid waste management
- c) Analyzed the O&M Budgetary Comparison document and performed variance analysis to verify whether 80% of budgeted expenditure was spent on infrastructure and services in FY 2021-2022
- d) Selected a sample of expenditure on services and infrastructure projects and verified them through inspecting vouchers and tracing them in the cash book
- e) Selected a sample from list of ongoing infrastructure projects and cross check selected sample from list of eligible investments to ensure that sample contains eligible investment
- f) Checked whether those investments were appearing on GIS maps or not to confirm that GIS maps were being used as planning tools
- g) Obtained Energy and Fuel Audit Report of FY 2021-2022 and inspected to ensure that they were updated
- h) Reviewed asset inventory and confirmed that it indicated the age, condition and net book value of assets
- i) Performed cut-off on last five purchase invoices for previous FY and trace them in the asset inventory to ensure that the inventory was updated
- j) Inspected minutes of meetings of stakeholders and checked whether adequate representation of women was ensured or not
- k) Obtained copy of rolling IDAMPs from management and ensured they were consistent with the IDAMP guidelines
- l) Selected a sample of capital and O&M expenditures and checked their compliance with IDAMPs

## Documents Examined

List attached as Annexure A



# 02

## Own Source Revenue (maximum 18 points)

### Performance Indicators

#### 2.1 Revenue Enhancement Plan prepared (maximum 3 points)

MC OSR enhancement plan has been prepared and includes:

- a) analysis of previous FY's revenue performance; and
- b) revenue enhancement strategies for previous FY.

#### 2.2 Own Source Revenue increased (maximum 15 points)

MC has achieved a nominal percentage increase in total MC's own source revenues in previous FY:

- a) If increase 3-5 percent: score 5 points;
- b) If increase 6-8 percent: score 10 points;
- c) If increase 9 or above percent: score 15 points

### Verification Methodology

- a) Ensured that OSR Enhancement plan was prepared
- b) Ensured that OSR Enhancement Plan was showing revenue performance analysis and OSR Strategy of previous FY
- c) Obtained Working of increase in OSR and confirmed from the Financial statements of respective FYs

### Documents Examined

List attached as Annexure A

# Procurement (maximum 08 points)

## Performance Indicators

### 3.1 Adherence to PPRA rules

- MC has prepared Procurement Plan for previous FY: 2 points
- Records pertaining to procurements include the following information:
  - a) Adequate relevant auditable records on procurement process: 1 point;
  - b) Bidding documents drawn up in accordance with PPRA rule 25 and 38: 1 point;
  - c) Procurement Grievance Redressal Committee formed: 1 point;
  - d) Tender advertised on appropriate medium: 1 point;
  - e) Tenders evaluated per criteria in bidding documents and recommendation to award made accordingly: 1 point;
  - f) Public disclosure of contract award: 1 point;

## Verification Methodology

- a) Ensured that MC prepared procurement plan for financial previous year
- b) Ensured that major procurements were included in the procurement plan
- c) Checked if procurement records was available with MCs
- d) Selected sample of at least three (3) procurements for previous FY and performed following compliance checks:
  - i. Ensured that Bidding documents were in accordance with PPRA rules 25 and 38
  - ii. Ensured that Procurement Grievance Redressal Committee was notified
  - iii. Ensured that tender advertised on appropriate medium as per requirement of PPRA Rules
  - iv. Ensured that Tenders evaluated as per criteria in bidding documents and recommendation to award made accordingly
  - v. Obtained evidence of public disclosure of contract award

## Documents Examined

List attached as Annexure A

# 04

## Financial Management & Audit (maximum 12 points)

### Performance Indicators

#### 4.1 Functionality of the CFMS (Maximum 12 Points)

- CFMS generated reports for FY 2022-2023 included the following (if reports NOT generated 0 points):
  - a) Cash Book: 2 points
  - b) Classified Abstract: 1 point
  - c) Contingency Check Register: 1 point
  - d) Establishment Check Register: 1 Point
  - e) Water Consumer Demand & Collection Record: 1 point
  - f) Shop Demand & Collection Register: 2 points
  - g) Bank Reconciliation: 3 points
  - h) Water & Shops Arrears List: 1 point

### Verification Methodology

Obtained and inspected the following documents generated from CFMS of FY 2022-2023 :

- a) Cash Book
- b) Classified Abstract
- c) Contingency Check Register
- d) Establishment Check Register
- e) Water Consumer Demand & Collection Record
- f) Shop Demand & Collection Register
- g) Bank Reconciliation
- h) Water & Shops Arrears List

### Documents Examined

List attached as Annexure A

# 05

## Environment & Social Safeguards (maximum 10 points)

### Performance Indicators

#### 5.1 Annual targets set for incremental application of environmental and social screening including gender considerations, assessment, and mitigation processes on all infrastructure investments (maximum 2 points)

- MC has undertaken incremental application of environment and social screening (including gender considerations), assessment, and mitigation processes for:
  - a) rehabilitation, repairs, and O&M of assets: 1 point
  - b) implementation of the new infrastructure sub- projects (year 2 onwards): 1 point

#### 5.2 Eligible investments screened for potential environmental and social safeguard impacts (maximum 3 points)

- a) All capital investments are screened for potential environment and social impacts per ESSA:3 points

#### 5.3 Environmental and Social Assessments, Resettlement Action Plans and other management plans for social and environmental impacts prepared and implemented (maximum 5 points)

- a) E&S management plans for all capital investments were prepared and implemented per ESSA:5 points

### Verification Methodology

- a) Checked number of screening planned and conducted for Rehabilitation.
- b) Ensured that social & environmental screening checklist were prepared for Rehabilitation
- c) Ensured number of screening conducted for new infrastructure projects were as per the plan
- d) Ensured that Social & Environmental screening checklist was duly signed by the competent authority
- e) Ensured that E&S category was assigned to each project
- f) Ensured that ESMP was prepared according to the category assigned.
- g) Ensured that assessment reports were prepared as per the ESSF.

### Documents Examined

List attached as Annexure A



# 06

## Accountability & Transparency (maximum 08 points)

### Performance Indicators

#### 6.1 Information available to citizens on MC's website (maximum 4 points)

- a) MC has published the following information on its website: Summary of annual budgets, approved sub- projects, expenditures (per Punjab Local Government Act 2013 Section 107 (10)): 1 point
- b) MC has disseminated and updated on its website, information from CTS and PMS (quarterly updates): 2 points
- c) MC has disseminated results of procurement Grievances Redress Mechanism decisions in MC: 1point

#### 6.2 CTS transformed into Grievance Redress Management system for MC (Maximum 2 points)

- a) MC has undertaken and operationalized system upgrades including feedback to complainants through SMS: 2 points

#### 6.3 MC responds to citizens' requests per Right-to-Information Act (maximum 2 points)

- a) MC has put in place a system to respond to citizen requests for access to information: 2 points

### Verification Methodology

- a) Inspected websites to ensure availability of Annual budget, Sub-project details and expenditures.
- b) Navigated through the website to identify the required information related to CTS and PMS was available.
- c) On sample basis verified registered complaints, official response to those complaints and their resolution in relation to their mandate and cross-checked from the information available on website
- d) Obtained report from Chief Officer related to system upgradation.
- e) Generate a complaint to confirm the following
  1. Acknowledgement complaint receipt
  2. Reporting of complaint resolution to the complainant
  3. Functionality of RTI system
- f) On sample basis, verified RTI requests addressed according to SOPs of RTI Act.
- g) Obtain evidence that MC has responded to the request for information access

### Documents Examined

List attached as Annexure A





# Achievement of Urban Infrastructure Targets

(Maximum 20 points)

## Performance Indicators

### 7.1 Urban infrastructure targets achieved (maximum 20 points)

- MC is using PBGs for eligible municipal infrastructure and service investments, whereby:
  - a) Sub-projects are implemented as per Workplan: 4 points
  - b) Sub-projects are implemented per technical design: 3 points
  - c) Infrastructure contracts include gender responsive working conditions for workers: 3 points
  - d) Adequate construction supervision is undertaken: 3 points
  - e) All payments are made per certificates (interim and/or completion): 4 points
  - f) Deviations are minimal between estimated, contract, and completion costs (variation under 10%): 3 points

## Verification Methodology

- a) Obtained the list of projects awarded and in progress to check the project's current status.
- b) Ensured that the approved work plans were available
- c) Ensured that the project's progress was in accordance with the work plan
- d) Ensured that project adhered to the approved technical design.
- e) Ensured that supervision framework included monitoring of progress as per work plan and approved technical design
- f) Ensured that the infrastructure contract contained clauses pertaining to gender responsive working conditions i.e. Equal Opportunity policy.
- g) Reviewed the supervision contracts and framework for all contracts.
- h) Reviewed periodic supervision reports of projects under development
- i) Obtained list of project payments made against the ongoing projects.
- j) Ensured that payments vouchers were supported by interim/payment certificates
- k) Checked from Project completion report the variations in costs and obtain explanation of any variations or changes in the costs over time, including the reasons for these variations and their impact on the project's overall financial performance.

## Documents Examined

List attached as Annexure A

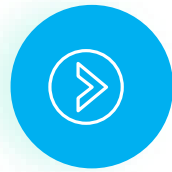
# Limitations and Clarifications

1. Our scope covered the assessment of DLI-I as well. However, PMDFC informed us that DLI-I (Year-4) was fully met, which was confirmed by the World Bank on March 03, 2023. Therefore, the assessment was confined to DLI-II only.
2. The targeted compliance system, identifying the minimum targets set for each year, is defined in the TORs and shown in the table below. As the assessment of the PMs of Year-4 was not done due to the non-fulfillment of DLI-I, therefore the reference year was taken as Y-4, which was also confirmed by the World Bank:

DLIs	Y-1	Y-2	Y-3	Y-4	Y-5
<b>DLI-1</b>	100%	100%	100%	100%	<b>100%</b>
<b>DLI-2</b>		<b>40 points out of 100</b>	<b>50 points out of 100</b>	<b>60 points out of 100</b>	<b>70 points out of 100</b>

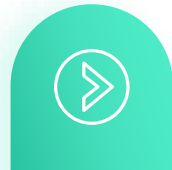
3. The TORs required us to verify and assess the financial reports of the previous financial year (2021-2022). According to the information provided by PMDFC, the reports of the previous financial year (2021-2022) were not reconciled/updated due to the restructuring of the MCs that occurred from February 4, 2022 till June 21<sup>st</sup>, 2022. During this period, all financial matters of the defunct Local Government Units (LGUs) were transferred to the District Councils. PMDFC was of the view that in these circumstances, the financial reports of the financial year 2020-2021 should be considered instead of the financial year 2021-2022, for the assessment of the year under review. After obtaining confirmation from the World Bank, the financial years 2020-2021 was considered as base year.
4. In order to objectively evaluate each requirement against the predetermined DLIs, an absolute scoring approach was adopted.
5. As required by the TORs, the figures of audited financial statements for years 2020-2021 were used to assess the percentage increase in MC's OSR. It is pertinent to mention that these figures were qualified by the auditors as to the accuracy or completeness.
6. OSR in years 2020-2021 was compared with the figures of 2019-2020, as per requirements of Terms of Reference and confirmed by the World Bank.
7. We relied on the data/information provided by the MCs and performed basic sanity / consistency checks on them. But we did not carry out any audit / verification on data input, processing and output to ensure the effectiveness of system and completeness of the data as per applicable auditing standards. Nor we performed any investigative tasks to identify any intentional effort to misrepresent, misreport the data.





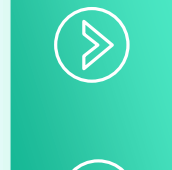
# Assessment Outcome

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Aggregate Scoring

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Aggregate Assessment (DLI-Basis)








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Comparison with Past Assessment (DLI and MC Basis)

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# Scoring (DLI Basis)

	 <b>Investment Planning &amp; Budgeting</b> <i>(24 points)</i>	 <b>Own Source Revenues</b> <i>(18 points)</i>	 <b>Procurement</b> <i>(08 points)</i>	 <b>Financial Management &amp; Audit</b> <i>(12 points)</i>	 <b>Environment and Social Management</b> <i>(10 points)</i>	 <b>Transparency and Accountability</b> <i>(08 points)</i>	 <b>Urban Infrastructure</b> <i>(20 points)</i>	<b>Total Score of MC</b> <i>(100 points)</i>
Bahawalnagar	16	16	8	12	10	6	11	79
Burewala	16	16	3	12	10	8	0	65
Daska	16	16	3	12	10	8	0	65
Gojra	16	16	3	12	10	8	13	78
Hafizabad	16	16	3	12	10	8	3	68
Jaranwala	14	16	3	12	10	8	7	70
Jhang	16	16	3	12	10	8	0	65
Jhelum	16	16	3	12	10	8	0	65
Kamalia	16	16	3	12	10	8	11	76
Kamoke	16	16	3	12	10	7	13	77
Khanewal	16	16	3	12	10	6	10	73
Kot Addu	16	16	3	12	10	8	3	68
Muridke	16	16	3	12	10	8	15	80
Okara	16	16	8	12	10	8	13	83
Vehari	14	16	3	12	10	8	0	63
Wazirabad	16	16	8	12	10	8	0	70
<b>Average Score</b>	<b>16</b>	<b>16</b>	<b>4</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>6</b>	<b>72</b>



# Aggregate Assessment (DLI Basis)

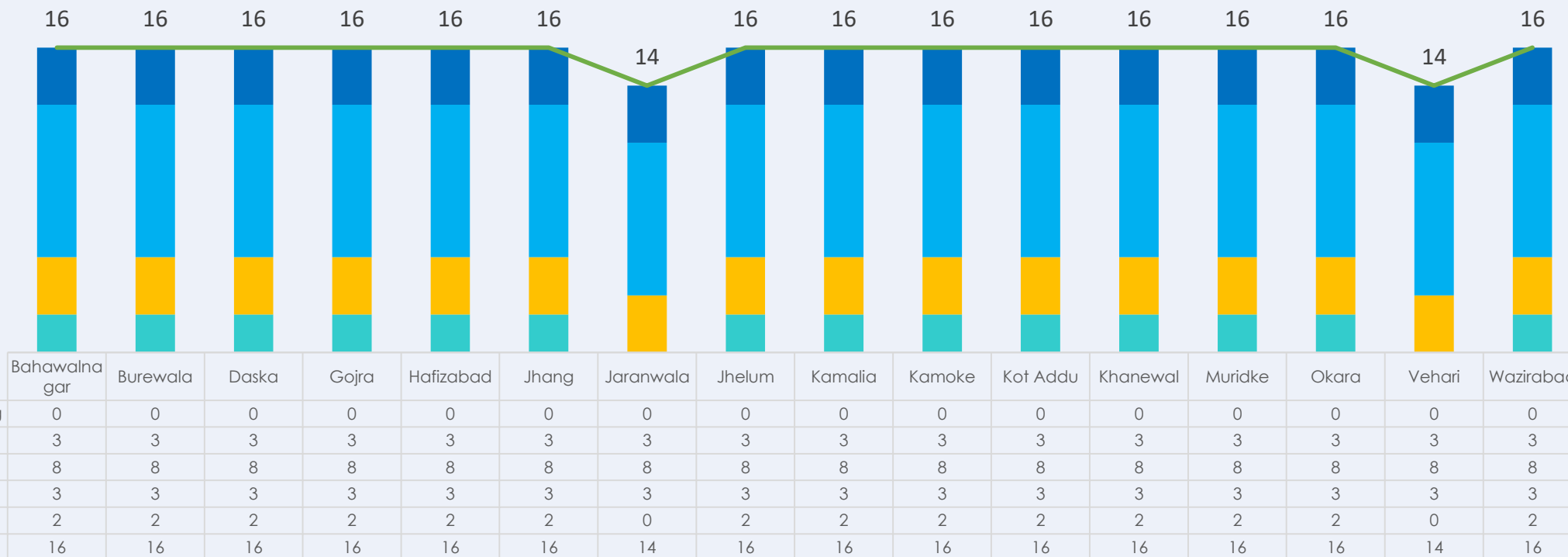
## Performance Measure 1: Investment Planning and Budgeting (24 points)

Result Area 1 (Investment Planning and Budgeting) was focused on five dimensions mainly emphasizing on:

- O&M Planning and Budgeting;
- Utilization of infrastructure maps to identify priority interventions;
- Expenditure control on fuel and energy;
- Asset inventory; and
- Asset management plan.

Assessment results of the area are summarized as:

Total  
**24**  
Points



### A: O&M Planning & Budgeting

- i. O&M manuals were being updated. Therefore, O&M plan and budget preparation as per desired manuals was not possible. Accordingly, no score has been assigned to this PM.
- ii. As elaborated in the "Limitations & Clarifications" section of the report, the MCs were unable to provide financial records for a period of six months, from February 2022 to June 2022. Record for the remaining six months was available for the verification of the expenditures by examining the cash book and vouchers on sample basis. Due to non-availability of the record for the complete year (2021-22) we were unable to assess whether 80% of the O&M expenditure was incurred to meet the requirement of DLI assessment. Resultantly, no score was awarded.

### B: Infrastructure maps used as planning tools

- i. We reviewed the GIS infrastructure maps of each MC and the priority interventions lists. We found that they were effectively utilized as evidence-based planning tools for identifying priority investments.

### C: Expenditure Control of Fuel & Energy

- i. Energy and fuel audit reports till 2023 were in process of finalization. The scores were thus assigned in proportion to the stages achieved. ■

### D: Asset Inventory Prepared and Updated

- i. The asset inventory register as per IDAMP was prepared by each MC. To confirm its completeness, we verified few transactions on sample basis and found it updated.
- ii. The asset inventory register contained detailed information regarding asset, including its age, condition, and book value, and served as a comprehensive record of all assets held by the MCs.

### E: Three-year Rolling IDAMP Prepared and Updated

- i. The minutes of the consultative sessions were provided for assessment purposes. To evaluate female representation, we checked the session attendance list, which was duly signed by all participants. Additionally, we confirmed women's representation through pictorial evidence of the sessions attached to the minutes.
- ii. Based on our review, it was observed that all MCs, except the following, ensured adequate women representation in the consultative sessions:
  - Vehari - 1 women out of 25
  - Jaranwala – 1 women out of 20
- iii. Three years rolling IDAMPs were prepared for all MCs in accordance with the IDAMP guidelines except the GIS based inventory and Asset Management System, resultantly no score was assigned.
- iv. Since the work on the IDAMP was still in progress at the time of compiling this report, no score was assigned to the MCs against the operationalization of IDAMP.



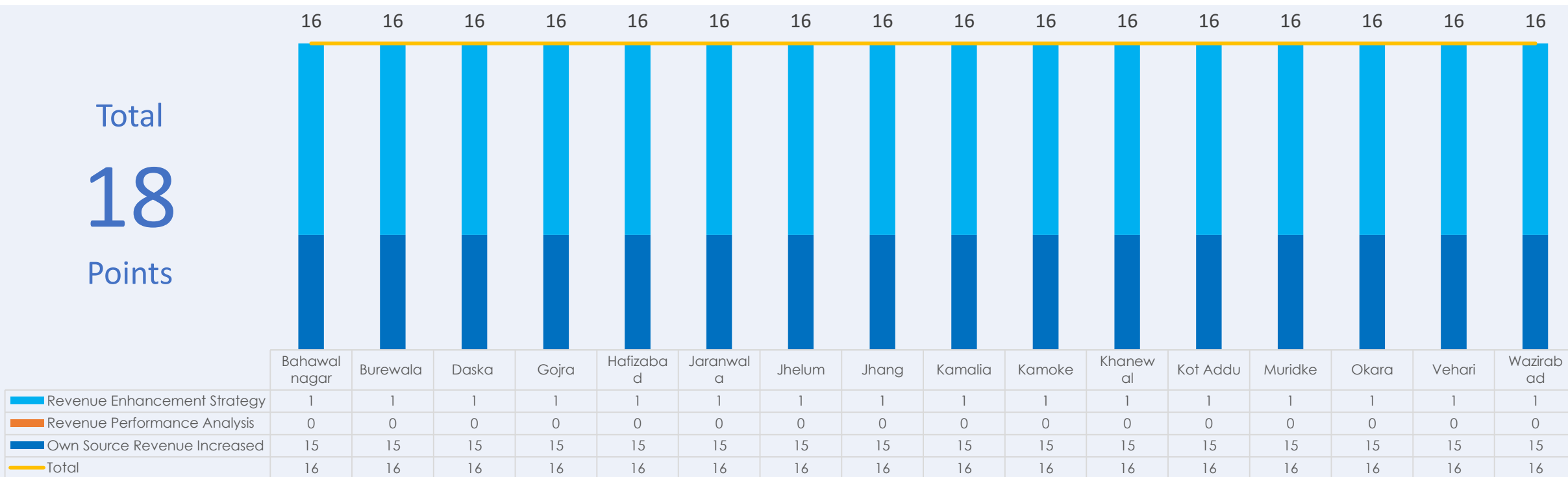
# Aggregate Assessment (DLI Basis)

## Performance Measure 2: Own Source Revenue (18 points)

Result Area 2 (Own source revenue) was focused on the areas mainly emphasizing on:

- OSR enhancement plan including detailed analysis of each main source of revenue,
- Strategy for OSR and
- Increase in OSR as compared to previous year.

Assessment results of the area are summarized as:





## A: Revenue Enhancement Plan and Analysis

- i. The revenue enhancement plan, coupled with the analysis of revenue growth from the previous financial year, demonstrated commitment to maximizing Own Source Revenue. But detailed analysis and strategy was missing from the proposed revenue enhancement plan. It is pertinent to highlight that the effectiveness of revenue enhancement initiatives are ultimately measured by the increase in revenue and the financial outcomes achieved.

Although management maintained ancillary record, but the specific detailed strategy linked analysis was not available.

- ii. The comparison of the period 2020-2021 with 2019-2020 yielded an overall increase in OSR throughout all MCs; with an average increase of 69%. While determining these figures, as per directions of the World Bank, revenue pertaining to Urban Immovable Property Tax was not considered from the figures reported in the MCs audited financial statements.

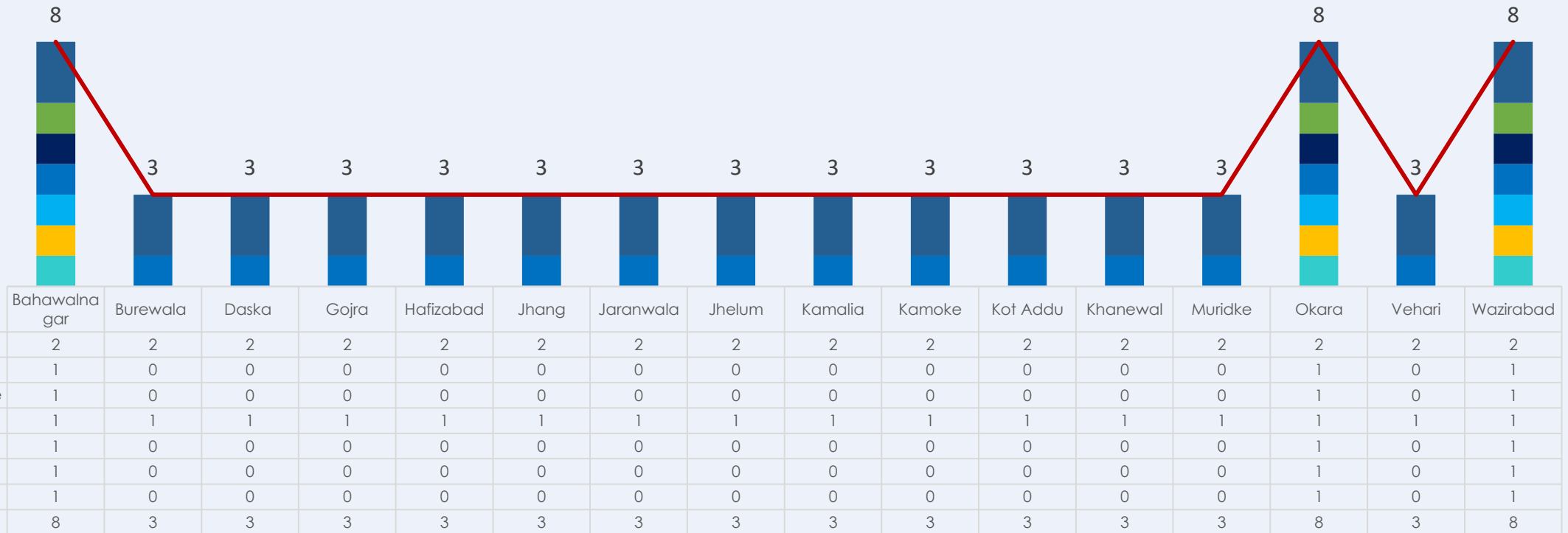
Sr. No.	MC Name	2020-2021 (PKR)	2019-2020 (PKR)	Variation (PKR)	Percentage Increase
1	Bahawalnagar	175,635,453	119,834,469	<b>55,800,984</b>	<b>47%</b>
2	Burewala	237,438,884	145,435,917	<b>92,002,967</b>	<b>63%</b>
3	Daska	190,523,768	125,628,220	<b>64,895,548</b>	<b>52%</b>
4	Gojra	190,090,036	128,865,967	<b>61,224,069</b>	<b>48%</b>
5	Hafizabad	135,931,667	87,556,039	<b>48,375,628</b>	<b>55%</b>
6	Jaranwala	104,345,549	70,037,188	<b>34,308,361</b>	<b>49%</b>
7	Jhang	217,070,912	129,520,295	<b>87,550,617</b>	<b>68%</b>
8	Jhelum	435,684,821	188,629,109	<b>247,055,712</b>	<b>131%</b>
9	Kamalia	101,576,259	58,278,180	<b>43,298,079</b>	<b>74%</b>
10	Kamoke	138,906,118	80,254,957	<b>58,651,161</b>	<b>73%</b>
11	Khanewal	117,571,940	79,047,360	<b>38,524,580</b>	<b>49%</b>
12	Kot Addu	89,790,357	34,433,553	<b>55,356,804</b>	<b>161%</b>
13	Muridke	89,374,426	56,299,353	<b>33,075,073</b>	<b>59%</b>
14	Okara	355,189,135	190,081,658	<b>165,107,477</b>	<b>87%</b>
15	Vehari	136,554,577	109,133,862	<b>27,420,715</b>	<b>25%</b>
16	Wazirabad	167,237,317	96,965,832	<b>70,271,485</b>	<b>72%</b>

# Aggregate Assessment (DLI Basis)

## Performance Measure 3 – Procurement (8 points)

This result area required MCs to prepare a Procurement Plan and ensured adherence to PPRA rules with respect to management of procurement record, preparation of legally compliant bidding documents, formation of grievance committee, advertisement of tender as per PPRA requirements, bid evaluations as per criteria specified in the bid documents and public disclosure of contract award to ensure transparency in the process.

Total  
**08**  
Points



## A: Adherence to PPRA Rules

- i. The procurements pertaining to the period 2021-2022 included direct procurement and procurement through open competitive bidding.
- ii. As per TORs we were required to confirm adherence of PPRA rules for at least three procurements of each MC in the previous financial year. After conducting a thorough review, we found only 3 MCs out of a total of 16, which carried out at least 3 procurements. The scores to the MCs having less than 3 procurements were assigned on proportionate basis.
- iii. It was observed that MC Okara did not completely uploaded the awarded contracts on its website.



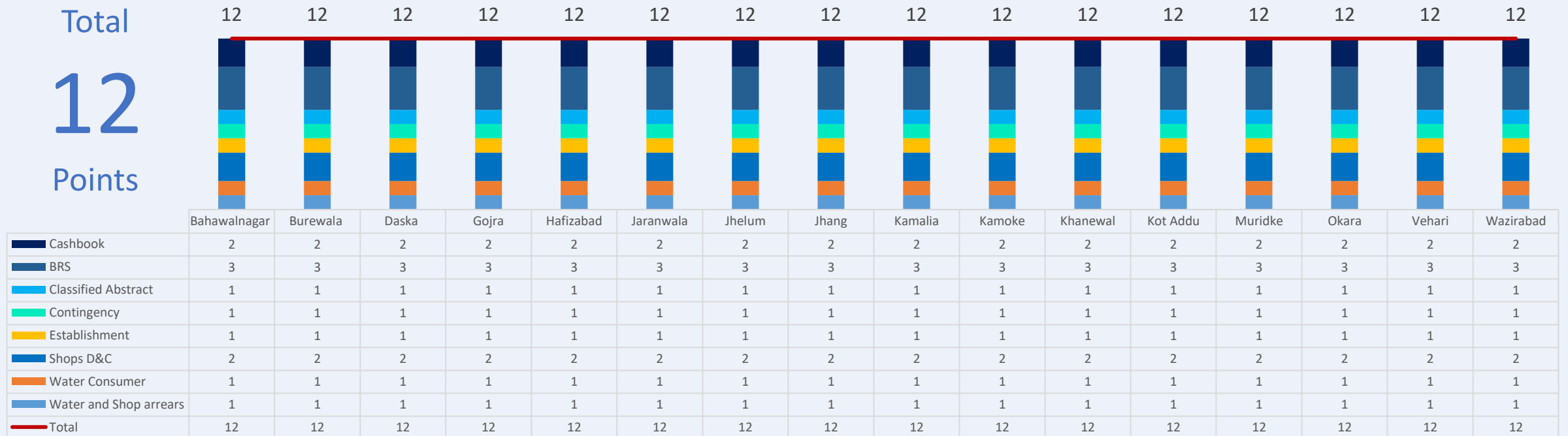
# Aggregate Assessment (DLI Basis)

## Performance Measure 4: Financial Management and Audit (12 points)

Financial Management and Audit required the MCs to have functional CFMS. For this purpose, system generated reports of current FY (2022-2023) were based for performance assessment.

- Cashbook
- Bank Reconciliation Statement
- Classified Abstract
- Contingency Check Register
- Establishment check Register
- Shops Demand & Collection Register
- Water Consumer and Demand & Collection Register
- Water and shop Arrears List

Assessment results of the area are summarized as:



### A: Functionality of CFMS

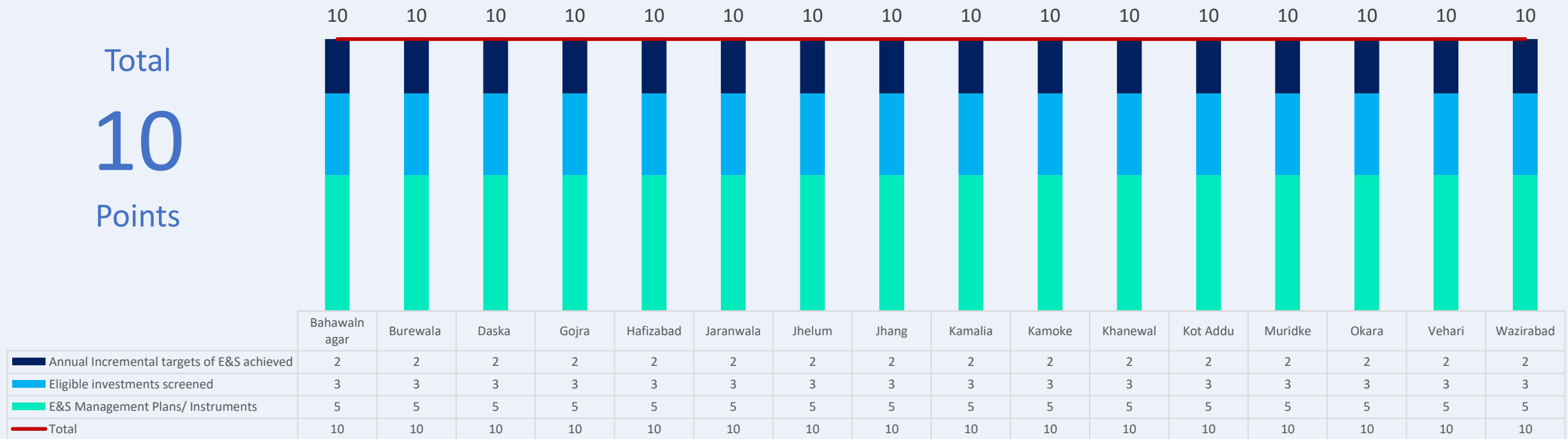
- i. The financial reports for the year 2022-2023 were extracted from CFMS to assess the functionality. It was noted that all reports were available in the system did not specify the financial year to which they pertain.
- ii. Further, we could not confirm the accuracy of the system generated reports in the absence of availability of the related data/information.



# Aggregate Assessment (DLI Basis)

## Performance Measure 5- Environmental and Social Safeguards (10 points)

This area involved assessment of environmental and social management system and practices deployed by the MCs for rehabilitation and new infrastructure projects. Key environmental and social consideration assessed encompasses; incremental application of E&S screening, assessment and mitigation process, screening of all projects for E&S impacts, drawing E&S management plans and implementation of such plan.



## A: Environmental & Social Safeguards

- i. Comprehensive gender action plans were available at the MCs to address gender issues in infrastructure projects. These plans considered the specific needs of workers, including men, women, and girls, and aimed to ensure equal opportunities for all. The examination of relevant documents indicated that both men and women were given representation and work opportunities within the projects.
- ii. Furthermore, detailed environmental and social screening was conducted for all projects, and records of these screenings were maintained as environmental profiling. This screening process helped assess the potential environmental and social impacts of the projects and identify necessary mitigation measures.
- iii. Based on the screening results, the projects were categorized according to the guidelines of the Environmental and Social Safeguard Assessment (ESSA). This categorization enabled the MCs to appropriately address the environmental and social aspects of each project, ensuring compliance with relevant standards and regulations.
- iv. In line with the requirements of the ESSA and Environmental and Social Management Framework (ESMF), E&S instruments and plans were prepared by all MCs. These instruments and plans provided guidelines and strategies for managing and mitigating environmental and social risks associated with the projects.

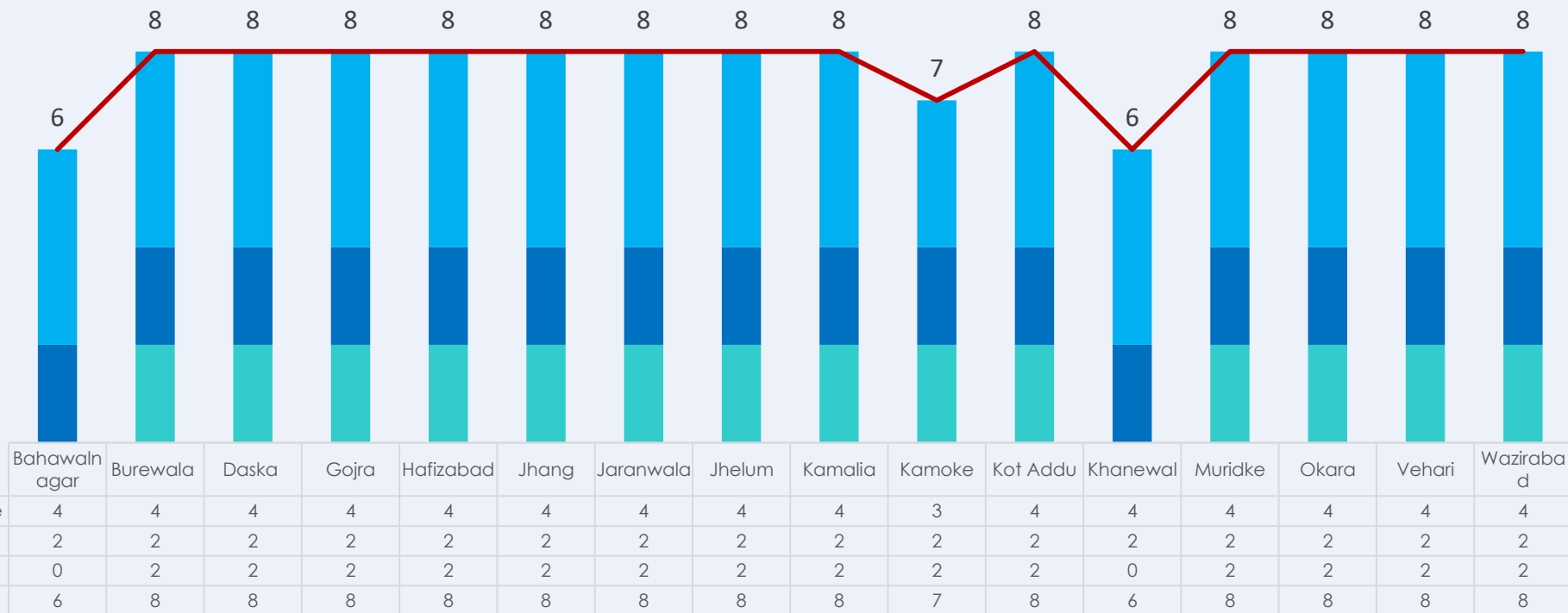


# Aggregate Assessment (DLI Basis)

## Performance Measure 6: Accountability & Transparency (8 points)

This area was aimed to enhance transparency, foster public trust, and ensure effective oversight and governance using the service-related information available on the MCs website. Assessment areas included information dissemination through MC website to the citizens like budget and expenditure statements, CTS and PMS updates, decisions on the grievances raised. Apart from this, MCs were required to have in place an automated GRM system and mechanism to respond to citizen request for access of information.

Total  
**08**  
Points





## A: Transparency & Accountability

- i. Evaluation of this performance measure required us to evaluate publicly available information on respective MC websites which included CTS and PMS. The systems throughout the MCs were automated but we noted that a separate register for citizen request was though maintained, but in majority of the MCs was not found to have been signed by the citizens to indicate the acknowledgement of the receipt of information.
- ii. Additional MC wise observations, with regards to which no score was awarded, are enlisted below :

Projects	MCs
Grievance certificate not available for complete year (i.e., 12 months)	Kamoke
RTI register not signed by citizen seeking information	Bahawalnagar, Khanewal

# Aggregate Assessment (DLI Basis)

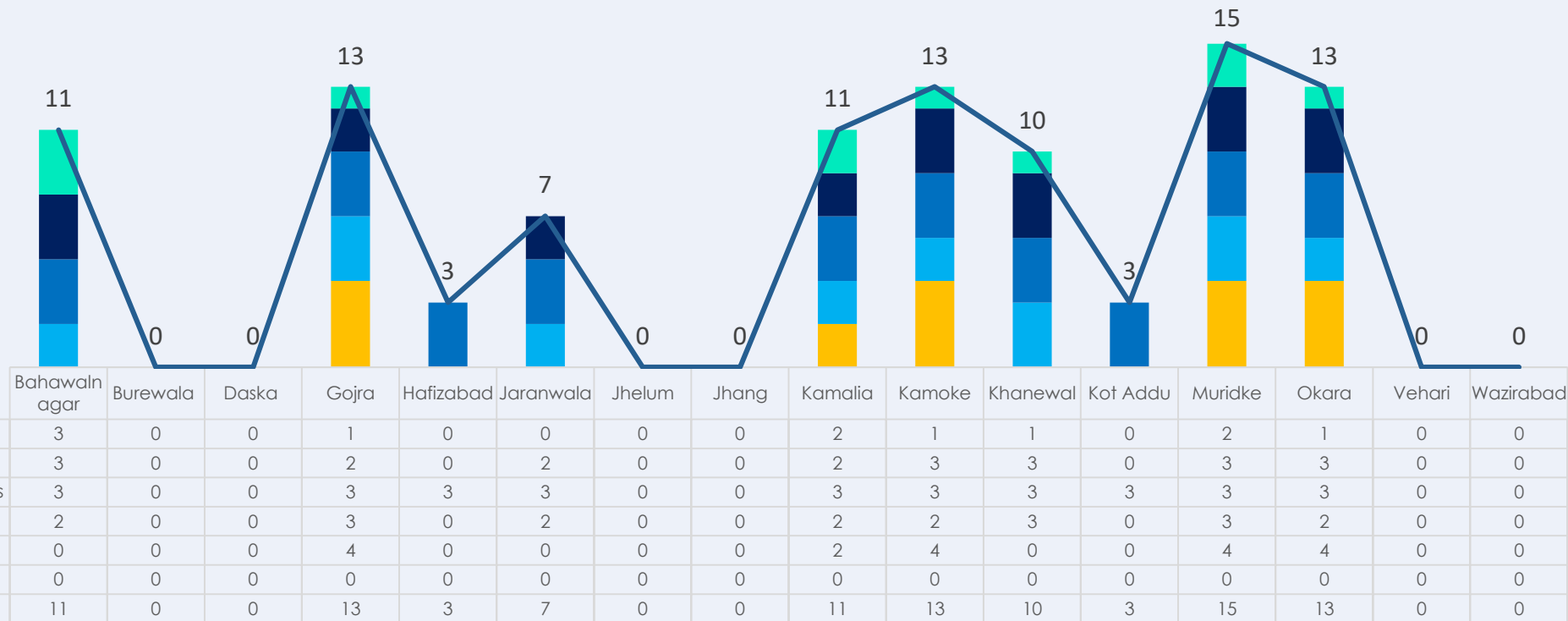
## Performance Measure 7: Urban Infrastructure (20 points)

Performance against the Urban Infrastructure PM was assessed on the basis of the following indicators. It is important to note that for assessment purpose, only projects that were initiated up till May 15th, 2023 were taken into consideration.

- Sub-projects are implemented as per Work plan
- Sub-projects are implemented per Technical Sanction
- Infrastructure contracts included gender responsive working conditions for workers
- Adequate construction supervision was undertaken
- All payments were made as per certificates (interim and/or completion) and
- Deviations were minimal between estimated, contract, and completion costs (variation under 10%)

Assessment results of the area are summarized as:

Total  
**20**  
Points

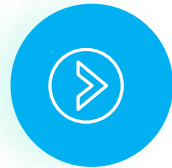


## A: Urban Infrastructure

- i. Infrastructure projects were undertaken by 8 MCs (, namely; Bahawalnagar, Gojra, Jaranwala, Kamalia, Kamoke, Khanewal, Muridke and Okara. Majority of the projects were facing some delays and were in lag, but the work being performed was in accordance with the technical design of the project.
- ii. The contracts pertaining to Hafizabad, Daska & Kot Addu MCs were executed after our team visit so on-site verification was not performed. Therefore, no score was awarded for such MCs other than gender responsiveness clause.
- iii. Since, majority of the MCs undertook more than one project; proportionate scores were awarded to each MC.
- iv. The following projects were being executed with a lag.

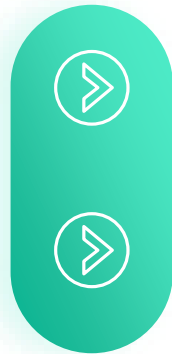
Projects	MCs
Parking shed	Bahawalnagar
Parking shed, Road work	Gojra
Parking shed, Road work	Jaranwala
Road work, Chowk work	Kamalia
Road work, Parking shed	Kamoke
Road work (5 roads)	Khanewal
Road work	Muridke
Benazir Avenue road work, Canal Road work, Parks, Parking shed	Okara

- v. The gender responsiveness clause was included in all executed infrastructure contracts, as a part of standard Form of Contract. For supervision of projects during the execution phase, independent external consultants were engaged who performed their work adequately.
- vi. The payments where made were in accordance with the IPCs submitted. The deviation was linked to completion of activities. Therefore, no deviation in the projects in progress was observed.



# Comparative Analysis

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Comparison with Past Assessment (DLI Basis)

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Comparison with Past Assessment (MC Basis)

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# Comparison with Past Assessment (*DLI Basis*)

1st APA








2nd APA

3rd APA

2019

2022

2023

Performance Area	Performance Indicators	Maximum Score	Scores Assigned (Avg.)		
			1st APA	2nd APA	3rd APA
 <b>1. Investment Planning &amp; Budgeting (24 points)</b>	O&M budgeting and planning done for major infrastructure services	3	0	0	0
	Infrastructure Maps used as a planning tool	3	3	0	3
	Expenditure control of fuel and energy	10	4	0	8
	Asset inventory prepared and updated	3	0	0	3
	Three-year rolling IDAMP prepared and updated	5	0	0	2
 <b>2. Own Source Revenues (18 points)</b>	Revenue Enhancement Plan prepared	3	3	0	1
	Own-source revenue increased	15	10	2	15
 <b>3. Procurement (08 points)</b>	Adherence to PPRA rules	8	7	1	4
 <b>4. Financial Management &amp; Audit (12 points)</b>	Functionality of the CFMS	12	11	2	12
 <b>5. Environment and Social Management (10 points)</b>	Annual targets set for incremental application of environmental and social screening on all infrastructure investments	2	1	0	2
	Eligible investments screened for potential environmental and social safeguard impacts	3	3	0	3
	Environmental and Social Assessments/ Action Plans prepared and implemented	5	0	0	5
 <b>6. Transparency and Accountability (08 points)</b>	Information available to citizens on MC's website	4	4	1	4
	CTS transformed into GRMS for MC	2	0	0	2
	MC responds to citizens' requests per Right-to-Information Act	2	2	0	2
 <b>7. Urban Infrastructure (20 points)</b>	Urban infrastructure targets achieved	20	9	0	6
<b>Total Score</b>		<b>100</b>	<b>57</b>	<b>6</b>	<b>72</b>



# Comparison with Past Assessment (MC Basis)

1<sup>st</sup> APA

2019

2<sup>nd</sup> APA

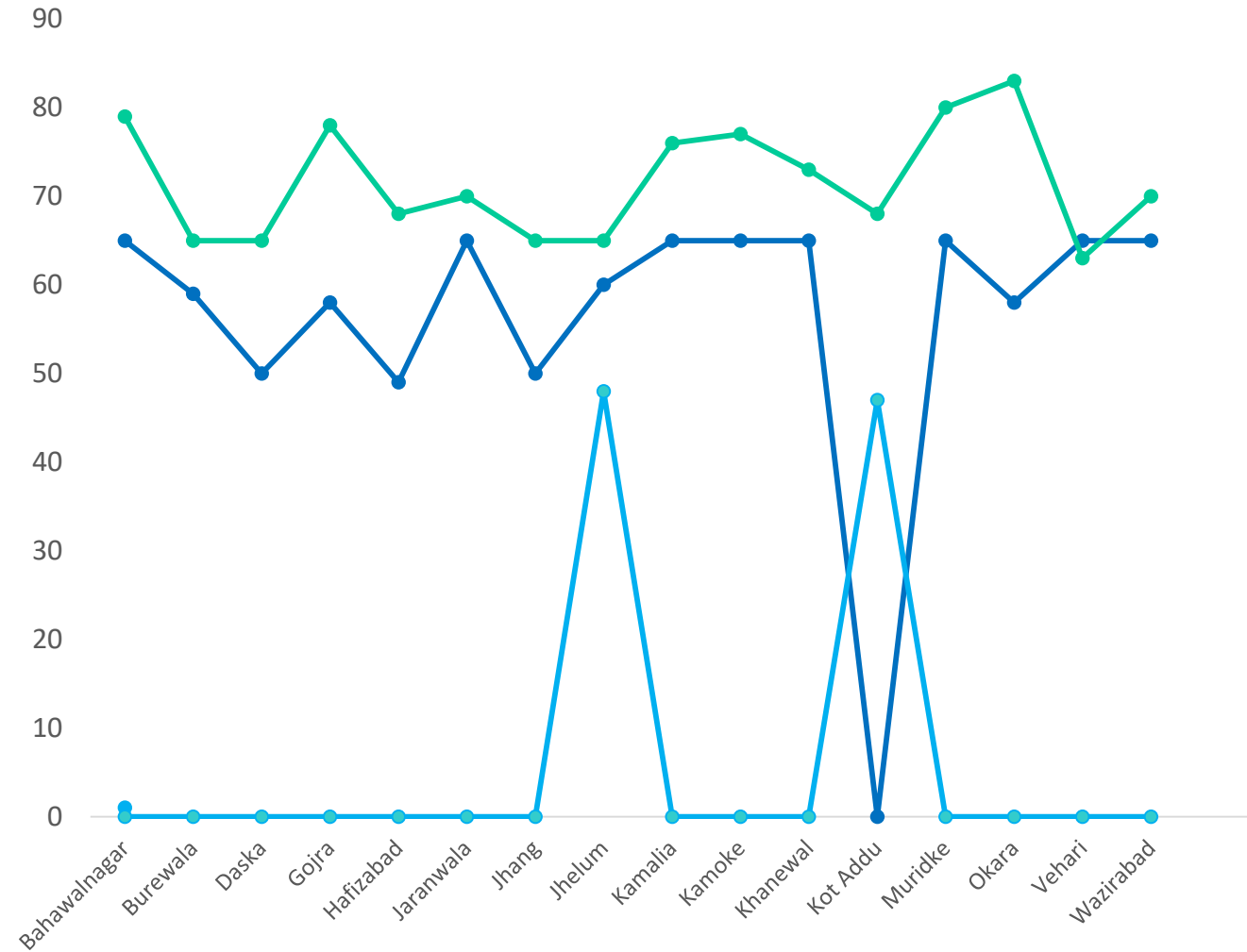
2022

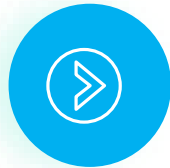
3<sup>rd</sup> APA

2023

	Scores Achieved		
	1 <sup>st</sup> APA	2 <sup>nd</sup> APA	3 <sup>rd</sup> APA
	(100 points)	(100 points)	(100 points)
Bahawalnagar	65	0	79
Burewala	59	0	65
Daska	50	0	65
Gojra	58	0	78
Hafizabad	49	0	68
Jaranwala	65	0	70
Jhang	50	0	65
Jhelum	60	48	65
Kamalia	65	0	76
Kamoke	65	0	77
Khanewal	65	0	73
Kot Addu	0	47	68
Muridke	65	0	80
Okara	58	0	83
Vehari	65	0	63
Wazirabad	65	0	70
<b>Average Score</b>	<b>57</b>	<b>6</b>	<b>72</b>

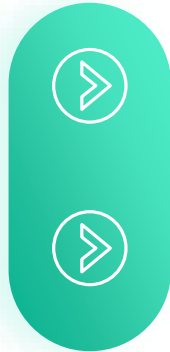
Comparative Analysis of Scores





# Conclusion

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Combined Scoring

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Disbursement Calculations

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# Combined Scoring

Performance Area	Performance Indicators	Scores		
		Maximum	Achieved (Avg.)	Achieved (16 MCs)
 <b>1. Investment Planning &amp; Budgeting</b> <i>(24 points for each MC)</i>	O&M budgeting and planning done for major infrastructure services	3	0	0
	Infrastructure Maps used as a planning tool	3	3	48
	Expenditure control of fuel and energy	10	8	128
	Asset inventory prepared and updated	3	3	48
	Three-year rolling IDAMP prepared and updated	5	2	28
 <b>2. Own Source Revenue</b> <i>(18 points for each MC)</i>	Revenue Enhancement Plan prepared	3	1	16
	Own-source revenues increased	15	15	240
 <b>3. Procurement</b> <i>(08 points for each MC)</i>	Adherence to PPRA rules	8	4	63
 <b>4. Financial Management &amp; Audit</b> <i>(12 points for each MC)</i>	Functionality of the CFMS	12	12	192
	Annual targets set for incremental application of environmental and social screening on all infrastructure investments	2	2	32
 <b>5. Environment and Social Management</b> <i>(10 points for each MC)</i>	Eligible investments screened for potential environmental and social safeguard impacts	3	3	48
	Environmental and Social Assessments/ Action Plans prepared and implemented	5	5	80
	Information available to citizens on MC's website	4	4	63
 <b>6. Transparency and Accountability</b> <i>(08 points for each MC)</i>	CTS transformed into Grievance Redress Management system for MC	2	2	32
	MC responds to citizens' requests as per Right-to-Information Act	2	2	28
	Urban infrastructure targets achieved	20	6	99
 <b>7. Urban Infrastructure</b> <i>(20 points for each MC)</i>				
<b>Total Score</b>		<b>100</b>	<b>72</b>	<b>1,145</b>





# Disbursement Calculation

The targeted compliance system identifying the minimum target set for each year is defined in the TORs and shown in the table below. Based on the World Bank's confirmation, the targets set for Y-4 was considered, as MCs were not able to achieve the PMs in the last FY.

DLIs	Y-1	Y-2	Y-3	Y-4	Y-5
DLI-1	100%	100%	100%	100%	100%
DLI-2		40 points out of 100	50 points out of 100	60 points out of 100	70 points out of 100

Disbursement has been calculated on the basis of performance scores of all MCs and a predetermined formula to calculate the amount of PBG to be awarded. Since all the MCs secured above 60 scores for Year 4, maximum scores for the year i.e., 60 was considered as performance scores of each MC:

$$\begin{aligned}
 \text{Amount to be disbursed (USD)} &= [\text{Sum of performance scores of all MCS}] \times [\text{target disbursement amount in USD}] / [60 \times 16] \\
 &= [60 \times 16 \times 45] / [60 \times 16]
 \end{aligned}$$

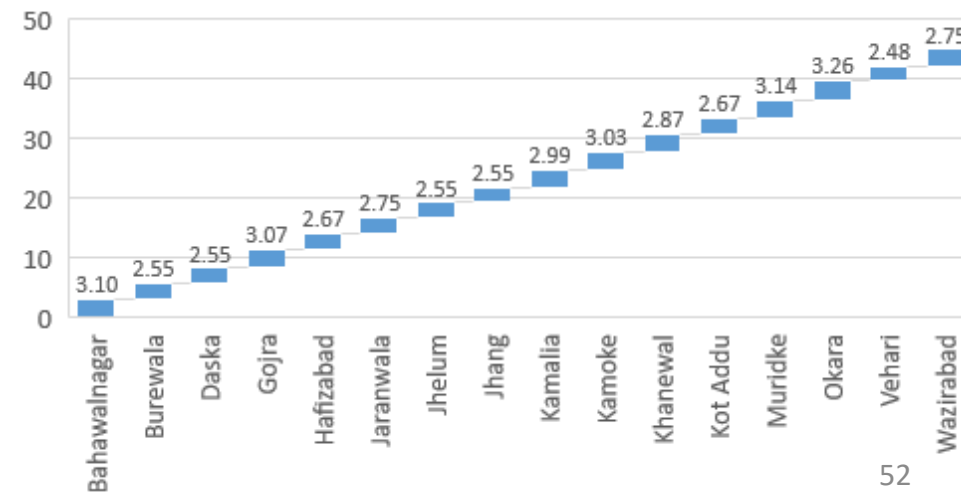
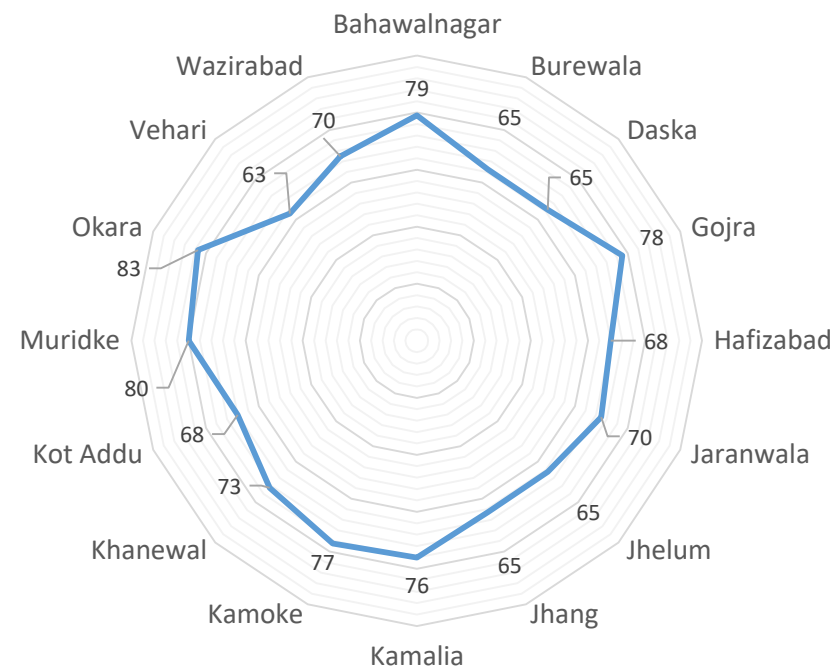
Based on the above, the disbursement amount comes to **USD 45 Million**.

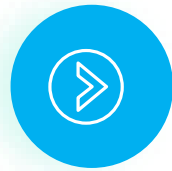
MC	Achieved Score	Weighted Scores	Disbursement Allocation (USD Millions)
Bahawalnagar	79	6.90%	3.10
Burewala	65	5.68%	2.55
Daska	65	5.68%	2.55
Gojra	78	6.81%	3.07
Hafizabad	68	5.94%	2.67
Jaranwala	70	6.11%	2.75
Jhelum	65	5.68%	2.55
Jhang	65	5.68%	2.55
Kamalia	76	6.64%	2.99
Kamoke	77	6.72%	3.03
Khanewal	73	6.38%	2.87
Kot Addu	68	5.94%	2.67
Muridke	80	6.99%	3.14
Okara	83	7.25%	3.26
Vehari	63	5.50%	2.48
Wazirabad	70	6.11%	2.75

The disbursement allocation amongst each MC is based on their respective weighted scores. The computation formulas are as follows:

$$\text{Weighted score} = \frac{\text{Achieved score}}{\text{Total Score of all MCs}}$$

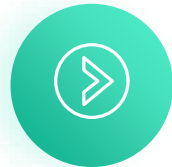
$$\text{Disbursement allocation} = \frac{\text{Achieved score}}{\text{Total Score of all MCs}} \times \text{USD 45 Million}$$





# Appendices

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List of Documents Examined

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## Annexure A: List of Documents

Performance Areas	Documents Examination
<p><b>1. Investment Planning and Budgeting (maximum 24 points)</b></p>	<ul style="list-style-type: none"> <li>▪ O&amp;M Manual</li> <li>▪ O&amp;M Plan</li> <li>▪ ADP</li> <li>▪ Approved Budget</li> <li>▪ Expenditure Statement of previous FY</li> <li>▪ O&amp;M Budgetary Comparison of previous FY</li> <li>▪ Expenditure detail and selected vouchers for previous year</li> <li>▪ Updated Infrastructure related GIS maps</li> <li>▪ PBGs utilization project wise data</li> <li>▪ Evidence of utilization of maps for selection of eligible investments</li> <li>▪ Record of prioritization workshops and approved priority list of infrastructure investments</li> <li>▪ Energy and Fuel Audit Reports</li> <li>▪ Energy and fuel utilization/cost saving report (monthly/annually)</li> <li>▪ Updated asset inventory registers</li> <li>▪ Purchase invoices of assets added during the last FY</li> <li>▪ Evidence of stakeholders consultative session and list of participants</li> <li>▪ Integrated Development and Assets Management Plan (IDAMP)</li> <li>▪ IDAMP guidelines</li> <li>▪ Evidence of Capital and O&amp;M Expenditure as per approved IDAMP</li> </ul>
<p><b>2. Own Source Revenues (maximum 18 points)</b></p>	<ul style="list-style-type: none"> <li>▪ OSR Enhancement Plan showing revenue performance analysis and OSR Strategy for previous FY</li> <li>▪ Signed Annual Financial statements of previous two FYs with breakup of OSR</li> <li>▪ Working of increase in OSR</li> </ul>

## Annexure A: List of Documents

Performance Areas	Documents Examination
<p><b>3. Procurement (Maximum 08 points)</b></p>	<ul style="list-style-type: none"> <li>▪ Procurement Plan of previous FY</li> <li>▪ List of procurements of last FY</li> <li>▪ Complete procurement record of selected sample</li> <li>▪ Bid Documents</li> <li>▪ Notification of GRM committee</li> <li>▪ Evidence of advertisements (newspaper cuttings, PPRA website, MC own website)</li> <li>▪ Bid evaluation report of selected sample</li> <li>▪ Evidence of notification of award correspondence with bidders and uploading on PPRA's and MC's website</li> <li>▪ Record of grievances raised during the previous FY and related documentation</li> </ul>
<p><b>4. Financial Management and Audit (maximum 12 points)</b></p>	<ul style="list-style-type: none"> <li>▪ Internal and External Audit reports</li> <li>▪ CFMS generated reports, as mentioned in the PM, of FY 2022-2023               <ul style="list-style-type: none"> <li>○ Cash Book</li> <li>○ Classified Abstract</li> <li>○ Contingency Check Register</li> <li>○ Establishment Check Register</li> <li>○ Water Consumer Demand &amp; Collection Record</li> <li>○ Shop Demand &amp; Collection Register</li> <li>○ Bank Reconciliation supported by Bank Statements</li> <li>○ Water &amp; Shops Arrears List</li> </ul> </li> </ul>
<p><b>5. Environment and Social Safeguards (maximum 10 points)</b></p>	<ul style="list-style-type: none"> <li>• Screening check list for projects</li> <li>• Social &amp; Environmental screening check list has defined the E&amp;S categories as per ESSA and ESMF</li> <li>• E&amp;S instruments as per the defined categories</li> <li>• Documentation of IEE/EIA</li> <li>• Environmental approvals from EPA</li> </ul>

## Annexure A: List of Documents

Performance Areas	Documents Examination
<p><b>6. Accountability and Transparency (maximum 08 points)</b></p>	<ul style="list-style-type: none"> <li>• MC website links</li> <li>• Approved summary of Annual Budgets, Approved Sub-Projects, Expenditures on website</li> <li>• CTS updates on the website</li> <li>• PMS updates on the website for major services of MCs</li> <li>• Minutes of Procurement Grievance redressal meetings of last FY</li> <li>• Evidence of system upgrade/ system upgradation report from PMDFC</li> <li>• List of complaints received post system upgrade</li> <li>• Report showing redressal of complaints/ complaints status</li> <li>• Evidence of RTI System in place</li> <li>• RTI Register</li> <li>• Report on trainings/ Refreshers conducted</li> </ul>
<p><b>7. Achievement of Urban Infrastructure Targets (maximum 20 points)</b></p>	<ul style="list-style-type: none"> <li>• List of projects awarded and in progress</li> <li>• Admin approval and technically sanction estimates</li> <li>• Infrastructure contracts</li> <li>• Approved work plans</li> <li>• Revised work plans for awarded contracts</li> <li>• Progress reports</li> <li>• Technical design documents as per contract,</li> <li>• Contract clauses pertaining to gender responsive working conditions</li> <li>• Supervision framework for all contracts</li> <li>• Supervision contracts (amendments, variations, addendums)</li> <li>• Time extension awarded to infrastructure contracts</li> <li>• Periodic supervision reports of projects under development</li> <li>• Payments vouchers supported by interim/payment certificates</li> <li>• List of project payments made</li> <li>• Project completion report showing variation of costs</li> </ul>