

**PROFORMA FOR PREPARATION OF PRELIMINARY PROJECT REPORT
FOR BILATERAL FINANCIAL COOPERATION.**

Part I: Project Summary						
1.	Project Name					
2.	Project Implementing Agency					
3.		Central Sector Project		State Sector Project		
	Sectoral area of the project					
	Central Line Ministry					
	Administrative State Government					
4.	Broad objectives of the project					
5.	Location of the project (specify Districts)					
6.	Project implementation period					
7.	Components of total estimated cost (in Rs. Crore)					
	Source	Loan/Credit	Grant	Equity	Other (specify)	Total
	Total estimated cost					(sum above)
8.	Total bilateral development assistance proposed (specify both in Rupees and in donor currency. Please specify name of agency for assistance. Include additional technical cooperation component, if any, and activities proposed to be implemented through technical cooperation.)					
9.	Details of previous phase(s), if any. Has any impact assessment been made for previous phase?					
Part II: Project Design and Output						
10.	Is any separate institutional arrangement required to be established for the implementation of the project? If yes, specify details with timeline for establishment.					
11.	Has any feasibility study/pre-appraisal/pre-investment study been conducted? If yes, specify details of findings.					
12.	Quantifiable outputs including Target Population and outcomes of the project.					
13.	Does the project require sector adjustment policy formulation? If yes, give details					
14.	Is the project covered under any existing government schemes/programmes/Multilateral/Bilateral Assistance/Other assistance?					
15.	Is any subsidy envisaged from centre/state government for project execution and viability? If yes, mention source					
16.	Linkages with completed or ongoing project(s) of similar nature					
	S. No.	Name of the project	Implementation period	Quantifiable outcome/achieved/targeted	Total cost of the project (in Rs. Crore)	
		Ongoing				
		Proposed				
		Completed				
17.	Details on costs to be funded from the bilateral official development assistance should be provided in Annexure. The component should include Materials/Equipments/Construction, Personnel/Experts from External Agency/ Price escalation, Physical contingency, Consulting services, Land Acquisition, Administration cost, VAT & Other Taxes, Interest Payment on Loan, Front End Fee and Others, if any Specify along with percentage (%) of total cost for each component.					
18.	Detailed year-wise physical and financial target plan with quantifiable and qualitative (verifiable) target indicators, including year-wise utilization of proposed bilateral development assistance.					
19.	Is private sector or NGO participation proposed in the project? If yes, specify nature of the proposed involvement and why work cannot be done by Government agencies.					
20.	Impacts on (i) environment including land, water, air, biodiversity, etc. (ii) women and children (iii) employment (iv) poverty alleviation and (v) productivity and economic growth should be included.					

Part III: Clearances Required	
21.	Details of statutory clearances required for implementation of project. Specify status of obtaining clearances and time frame for clearances
22.	Details of debt sustainability clearance from the Department of Expenditure for State Sector project
23.	Does the project involve land acquisition? If so, indicate: <ul style="list-style-type: none"> • Total land to be acquired • Actual land acquired so far • Target land acquisition completion date • Is there any legal issue or any other obstacle being faced by the acquisition authority which could push the target dates mentioned? If so, specify details
24.	Does the project involve resettlement and rehabilitation? If so, indicate its magnitude, cost and present status of plan
25.	Is Environmental Impact Assessment clearance required? If yes, has the proposal to MoE&F been submitted? If not, when is it likely to be submitted?
26.	Is Forest clearance required? If yes, has the proposal to MoE&F been submitted? If not, when is it likely to be submitted?

Signature of the Head of the
Project Implementation Agency
with seal and date.

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DOE's OM No. 1(2)-PF.II/03 dated 7th May, 2003

Generic structure of DPR

- i. **Context/background:** This section should provide a brief description of the sector/sub-sector, the national priority, strategy and policy framework as well as a brief description of the existing situation.
- ii. **Problems to be addressed:** This section should elaborate the problems to be addressed through the project/scheme at the local/regional/national level, as the case may be. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/surveys/reports. Clear evidence should be available regarding the nature and magnitude of the problems to be addressed.
- iii. **Project Objectives:** This section should indicate the Development Objectives proposed to be achieved, ranked in order of importance. The deliverables/output for each Development Objective should be spelt out clearly. This section should also provide a general description of the project.
- iv. **Target beneficiaries:** There should be clear identification of target beneficiaries. Stakeholder analysis should be undertaken, including consultation with stakeholders at the time of project formulation. Options regarding cost sharing and beneficiary participation should be explored and incorporated in the project. Impact of the project on weaker section of society, positive or negative, should be assessed and remedial steps suggested in case of adverse impact.
- v. **Project strategy:** This section should present an analysis of alternative strategies available to achieve the Development Objectives. Reasons for selecting the proposed strategy should be brought out. Involvement of NGOs should be considered. Basis for prioritization of locations should be indicated (where relevant). Options and opportunity for leveraging government funds through public-private partnership must be given priority and explored in depth.
- vi. **Legal Framework:** This section should present the legal framework within which the project will be implemented and strength and weakness of the legal framework in so far as it impacts on achievement of project objectives.
- vii. **Environmental Impact assessment:** Environmental impact assessment should be undertaken, wherever required and measures identified to mitigate adverse impact, if any. Issues relating to land acquisition diversion of forest land, rehabilitation and resettlement should be addressed in this section.
- viii. **On-going initiatives:** This section should provide a description of ongoing initiatives and the manner in which duplication will be avoided and synergy created through the proposed project.
- ix. **Technology issues:** This section should elaborate on technology choices, if any, evaluation of options, as well as the basis for choice of technology for the proposed project.
- x. **Management arrangements:** Responsibility of different agencies for project management and implementation should be elaborated. The organization structure at various levels as well as monitoring and coordination arrangements should be spelt out.

- xii. **Means of Finance and Project Budget:** This section should focus on means of finance, evaluation of options, project budget, cost estimates and phasing of expenditure. Options for cost sharing and cost recovery (user charges) should be considered and built into the total project cost. Infrastructure projects may be assessed on the basis of the cost of debt finance and the tenor of debt. Options for raising funds through private sector participation should also be considered and built into the project cost.
- xiii. **Time frame:** This section should indicate the proposed 'Zero' date for commencement and also provide a PERT/CPM chart, wherever relevant.
- xiv. **Risk analysis:** This section should focus on identification and assessment of project risks and how these are proposed to be mitigated. Risk analysis could include legal/contractual risks, environmental risks, revenue risks, project management risks, regulatory risks, etc.
- xv. **Evaluation:** This section should focus on lessons learnt from evaluation of similar projects implemented in the past. Evaluation arrangements for the project, whether concurrent and mid-term or post-project should be spelt out. It may be noted that continuation of projects/schemes from one Plan period to another will not be permissible without an independent, in depth evaluation being undertaken.
- xvi. **Success criteria:** Success criteria to assess whether the Development Objectives have been achieved should be spelt out in measurable terms. Base-line data should be available against which success of the project will be assessed at the end of the project (Impact assessment). In this regard, it is essential that the base-line surveys be undertaken in case of large, beneficiary-oriented projects.

Success criteria for each Deliverable/Output of the project should also be specified in measurable terms to assess achievement against proximate goals.

- xvii. **Financial and economic analysis:** Financial and economic analysis of the project may be undertaken where the financial returns are quantifiable. This analysis would generally be required for investment and infrastructure projects, but may not always be feasible for social sector projects where the benefits cannot be easily quantified.
- xviii. **Sustainability:** Issues relating to sustainability, including stakeholder commitment, operation and maintenance of assets after project completion, and other related issues should be addressed in this section.

Note: Requirement of the EFC/PIB format may also be kept in view while preparing the DPR.

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An outline of Matrix

Strategy	Indicators	Sources/Mean of verification	Assumptions/Risks
Goal (Linked up with a government priority/ programme/policy).			
Objectives (Purpose/expected benefits).			
Output/Results (Goods/services/materials/expected changes, the target population will get, which they cannot achieve on their own without intervention of the project).			
Activities (Tasks/actions to be carried out by utilizing resources, viz. human, financial, equipment, etc.).	Input/Costs		