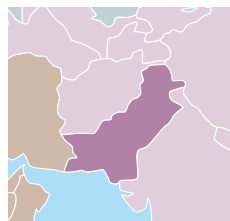




Asia **Pakistan**



# Rural Roads Construction Project



Contributing to better traffic conditions by paving rural roads as well as constructing new ones

### [External evaluator]

Satoshi Ohira and Kazuhiro Takanashi, Keio University

### Rating

Effectiveness, Impact	a	Overall rating <b>B</b>
Relevance	a	
Efficiency	b	
Sustainability	b	

### Project Objectives

To improve rural traffic conditions by upgrading a total of about 936 km of existing unpaved roads to all-weather motorable roads, as well as constructing new roads, in 33 districts of 4 provinces in Pakistan, thereby contributing to rural social and economic development.

### Outline of the Loan Agreement

- Loan amount / disbursed amount: 11,468 million yen / 10,545 million yen
- Loan agreement: August 1993
- Terms and conditions: 2.6% interest rate; 30-year repayment period (including a 10-year grace period); general untied
- Final disbursement date: November 2004
- Executing agency: Ministry of Local Government and Rural Development (MLGRD)

### Effects of Project Implementation (Effectiveness, Impact)

This project has resulted in shortening travel distances and times and reduced transport costs between villages in rural Pakistan. (In some areas, the time has been reduced by more than half, from 60 minutes to 20 minutes.) The construction of new roads and the paving of existing ones almost automatically increased the convenience of travel within a village. It is also assumed that the replacement of dirt roads with paved ones has produced health benefits.

It is observed that these outcomes have produced socioeconomic benefits as well. For example, better access to markets and easier access to credit have helped vitalize agricultural production. Expanded commutable areas have led to increases in non-agricultural income. Above all, increased mobility has had a significant social impact on women. The employment of women has promoted their integration into society. An expanded scope of activity for female doctors has supported the improvement of the healthcare environment for women.

Therefore, this project has largely achieved its objectives and its effectiveness is high.

### Relevance

The project has been highly relevant with Pakistan's national policies and development needs at the times of both appraisal and ex-post evaluation. At these two points in time, rural development remained high on the agenda for the economic development for Pakistan. Above all, rural road development is a central issue for rural development. This underlines the significance of this project.

### Efficiency

Project costs was lower than planned (88% of the planned cost), but the period was much longer (234% of the the planned period); therefore the evaluation for efficiency is moderate. The implementation delay was caused by a number of factors, including a delay in the project launch itself and the extra time needed in connection with changes to the road design policy.

### Sustainability

The sustainability of this project is fair. The executing agency has sufficient operation and management skills, although the budget is inadequate and there are a few problems with the current conditions.

### Conclusion, Lessons Learned, Recommendations

In light of the above, this project is evaluated to be satisfactory.



Kabula, Punjab Province



Manak, Punjab Province