

### AN ANALYSIS OF THE REASONS FOR DELAYS IN IMPLEMENTING MEGA PROJECTS

An evaluation of the reasons reported by Ministries for delays in implementing the 116 mega projects (i.e. Projects with a Total Estimated Cost of over Rs. 3 billion) indicate the following -

Reason	Number of Foreign Funded Projects that reported this reason as a cause for delay	Number of Locally Funded Projects that reported this reason as a cause for delay	Total Number of Projects that reported this reason as a cause for delay
<b>Inadequate imprest</b>	<b>01</b>	<b>01</b>	<b>02</b>
<b>Delays in conducting critical activities</b>			
- <i>Delay in preparation of detailed design</i>	(04)	(03)	(07)
- <i>Delay in land acquisition</i>	(03)	(01)	(04)
- <i>Delay in construction works</i>	(04)	(0)	(04)
- <i>Delay in obtaining cabinet approval for signing of agreements</i>	(02)	(0)	(02)
- <i>Delay in approving EIA report</i>	(01)	(01)	(02)
- <i>Other critical activities</i>	(05)	(02)	(07)
- <b>Total</b> for delays in conducting critical activities	<b>19</b>	<b>7</b>	<b>26</b>
<b>Procurement delays</b>	<b>08</b>	<b>03</b>	<b>11</b>
<b>Project Management Issues</b>	<b>02</b>	<b>02</b>	<b>04</b>
<b>Delay in obtaining Donor funds</b>	<b>02</b>	-	<b>02</b>
<b>Civil unrest in the North &amp; East</b>	<b>04</b>	<b>01</b>	<b>05</b>
<b>Inadequate financial allocation</b>	<b>01</b>	-	<b>01</b>
<b>Litigation</b>	<b>01</b>	<b>01</b>	<b>02</b>
<b>Other reasons</b>	<b>05</b>	<b>02</b>	<b>07</b>
<b>Total</b>	<b>43</b>	<b>17</b>	<b>60</b>

The analysis indicates that implementation progress of mega projects is affected mainly due to *delays in the conduct critical activities* and *procurement delays*. Delays in critical activities include delays in the *preparation of detailed designs, in executing construction works, and in land acquisition*.

These are essentially issues that must be addressed by the line Ministries and the Project Management Units. Some of these delays are avoidable and some are unavoidable.