



# Technical Assistance Report

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Project Number: 43166-01  
Cluster Capacity Development Technical Assistance (C-CDTA)  
August 2009

## Cluster Technical Assistance India: Advanced Project Preparedness for Poverty Reduction (Financed by the Government of the United Kingdom)

Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 3 August 2009)

Currency Unit	–	Indian rupee/s (Re/Rs)
Re1.00	=	\$0.021
\$1.00	=	Rs48.06

## ABBREVIATIONS

ADB	–	Asian Development Bank
CDTA	–	capacity development technical assistance
DFID	–	Department for International Development of the United Kingdom
JTAC	-	Joint cluster TA advisory committee
PPTA	–	project preparatory technical assistance
SARD	–	South Asia Department
TA	–	technical assistance

## TECHNICAL ASSISTANCE CLASSIFICATION

<b>Type</b>	–	Cluster capacity development technical assistance (C-CDTA)
<b>Targeting classification</b>	–	Targeted intervention—geographic
<b>Sector (subsectors)</b>	–	Multisector—transport, and information and communication technology; energy; agriculture and natural resources; public sector management; water supply and other municipal infrastructure and services
<b>Themes (subthemes)</b>	–	Economic growth (widening access to markets and economic opportunities), social development (human development), capacity development (institutional development)
<b>Climate change</b>		No
<b>Location impact</b>		National (100%)
<b>Partnership</b>		Government of the United Kingdom

## NOTES

In this report, "\$" refers to US dollars.

Vice-President	X. Zhao, Operations 1
Director General	K. Senga, South Asia Department (SARD)
Country Director	T. Kondo, India Resident Mission, SARD
Team leader	P. Dutt, Senior Transport Specialist, SARD
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In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

## I. INTRODUCTION

1. In recent consultations with the Asian Development Bank (ADB), the Government of India acknowledged ADB's significant role in strengthening processing of the India program by fast-tracking projects and enhancing capacity development. In this context, the Government emphasized the need for ADB support for intensive project preparedness and capacity development in poorer states and pro-poor sectors. ADB intends to respond to the Government's request with a cluster technical assistance (TA) to support identified projects in poorer states and pro-poor sectors, and develop local capacity for improved project implementation. The Government concurs with the impact, outcome, outputs, implementation arrangements, and cost and financing arrangements of the cluster TA. The design and monitoring framework is in Appendix 1.<sup>1</sup>

## II. ISSUES

2. About 302 million of India's population lives below the national poverty line.<sup>2</sup> National poverty in 2004/05 is estimated to be 27.5%, down from 36% in 1993/94 and 54.9% in 1973/74.<sup>3</sup> Despite this improvement, 390 million currently live on less than \$1 a day, 460 million at less than \$1.25 a day,<sup>4</sup> and about 630 million at less than \$1.35 a day.<sup>5</sup> About 233 million of India's population are undernourished, representing 43% of Asia's total. In 2004/05, 28.3% of residents of rural areas were living in poverty compared with 25.7% in urban areas (footnote 3). The global economic crisis triggered unemployment in a few key labor-intensive sectors, and slowed growth rates in manufacturing, potentially compounding poverty impacts.

3. Regional disparities in poverty persist. State poverty incidence reaches highs of 46.4% for Orissa, 41.4% for Bihar, 40.9% for Chhattisgarh, and 40.3% for Jharkhand. The Government identifies Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh, and Uttarakhand as needing more comprehensive interventions.

4. On 30 June 2006, ADB approved a cluster TA for \$15 million.<sup>6</sup> The said cluster TA directly contributed to enhancing project preparedness, improving project design, and strengthening effective implementation capacity for projects under ADB's India program (2006–2010). It provided capacity development support to help improve the operating capacity of executing agencies in states such as Bihar, Chhattisgarh, Jharkhand, and Orissa. Specific capacity development assistance was provided in subsectors such as clean development mechanism, integrated water resource management, tourism planning, environmental planning, public–private partnerships, and municipal innovations in urban sector projects. These early initiatives for poorer states and pro-poor sectors need to be consolidated to ensure sustainability and development effectiveness. The experience in implementing the said cluster TA substantiated this need, and generated deep interest and the subsequent Government request for a follow-on facility for low-income states and pro-poor sectors.

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<sup>1</sup> The TA first appeared in the business opportunities section of ADB's website on 16 June 2009.

<sup>2</sup> The all-India average poverty line of 2004/05 translates to \$0.30 per capita per day in rural areas and \$0.45 per capita per day in urban areas based on August 2007 dollar equivalent rates.

<sup>3</sup> Government of India. 2007. Press Release on Poverty Estimates for 2004-2005. Press Information Bureau. Planning Commission. New Delhi.

<sup>4</sup> World Bank. PovcalNet Online. Poverty Analysis Tool. <http://iresearch.worldbank.org/PovcalNet/jsp/index.jsp>

<sup>5</sup> ADB. 2008. *Key Indicators for Asia and the Pacific 2008*. Manila.

<sup>6</sup> ADB. 2006. *Technical Assistance Cluster to India for Project Processing and Capacity Development*. Manila (TA 4814-IND); financed by the Government of the United Kingdom and completed on 30 June 2008.

5. Over the past decade, ADB, at the request of the Government, has moved its focus to comparatively less-developed states that have limited financial and technical capacity to undertake detailed project design. ADB is committed to assisting these states and executing agencies not only in formulating projects for sustainable development but also in developing their long-term capacities to plan and implement projects.

6. Some states require limited support in the form of incremental consulting services, while others require extensive support, including detailed design, cutting across the boundaries of capacity development, policy and advisory, and project preparatory TA. A facility like the cluster TA provides the flexibility to meet diverse and fast-emerging requirements, and to be relevant, responsive, and results-oriented.

7. The ADB policy on cluster TA excludes their use for project preparatory TA (PPTA).<sup>7</sup> A waiver of this was sought under the previous cluster TA and approved by the Board on 30 June 2006 (footnote 6). This allowed inclusion of PPTA under the stated cluster TA. In a similar manner for the proposed cluster TA, a waiver of PPTA exclusion is requested. This is based on the encouraging experience of the said cluster TA in terms of enhanced project preparedness, client ownership, comprehensive monitoring by ADB and the Government, flexibility in responding to client needs, and capacity development (para. 4).

### III. THE PROPOSED CLUSTER TECHNICAL ASSISTANCE

#### A. Impact and Outcome

8. The proposed cluster TA, formulated in close consultation with the Government, will facilitate enhanced preparedness of ADB-supported projects in poorer states and pro-poor sectors. This will encompass a full range of activities including feasibility studies, preliminary design, due diligence, detailed design, and preparation and evaluation of bid documents, up to the point of readiness for contract award. The cluster TA will ensure that sufficient capacity is built for effective project implementation. Enhanced project preparedness, improved design, and better capacity for effective implementation created through this cluster TA will greatly impact the quality and speed of delivery of proposed infrastructure and development investment in lower-income states and sectors identified as essential for inclusive and sustainable growth and poverty reduction.

#### B. Methodology and Key Activities

9. The cluster TA will support advanced preparation of projects in the India program through component TA projects encompassing varying project preparation and capacity development requirements for effective implementation. The cluster TA will reduce project start-up time after its approval, reduce the number of stand-alone TA projects in the India program, build critical project implementation capacity in lower-income states, strengthen the direct and indirect contribution to poverty reduction and more inclusive growth in the respective state, and enhance government ownership of ensuing projects.

10. Component TA projects to be included under the cluster TA were carefully selected from the India program in terms of representing the poorest states in India or the pro-poor nature of

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<sup>7</sup> ADB. 1997. *Review of the Bank's Technical Assistance Operations*. Manila (R119-97, 10 July), as also referred in ADB. 2008. *Technical Assistance. Operations Manual*. OM D12/BP. Manila.

the sector or activity involved. A strong focus is placed on the poorest states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, and Rajasthan, among others. The pro-poor sectors in the ADB India program, such as water resources management, agriculture, rural development, development of less-developed regions, and urban poverty reduction, are well represented.

11. Component TA projects are identified for 2009 and 2010.

Projects for 2009 include

- (i) Capacity Development of Bihar Power Sector Entities (\$0.5 million);
- (ii) Capacity Development in Value Chain Management for Agribusiness (\$0.6 million);
- (iii) Capacity Development for Agribusiness Value Chains and Marketing Legal Framework in Bihar (\$0.25 million);
- (iv) Capacity Development for Community-Based Flood Risk Management in Assam (\$0.5 million);
- (v) Capacity Development for Sustainable Coastal Protection and Management (\$0.2 million);
- (vi) Capacity Development for the Jharkhand State Roads Sector (\$0.75 million);
- (vii) Madhya Pradesh State Roads III (\$0.6 million);
- (viii) Preparing an Investment Plan for Himachal Pradesh Urban Development (\$0.5 million);
- (ix) Capacity Development for Rural Cooperative Credit Structure Reform (attached to the Rural Cooperative Credit Restructuring and Development Program) (\$2.0 million);<sup>8</sup>
- (x) Water Users Association Empowerment for Improved Irrigation Management in Chhattisgarh (attached to Chhattisgarh Irrigation Development Project) (\$0.7 million);<sup>9</sup> and
- (xi) Support for the Jawaharlal Nehru National Urban Renewal Mission, Phase II (\$2.2 million).

Projects identified for 2010 include

- (i) Preparing Integrated Coastal Protection and Management (\$0.9 million);
- (ii) Uttarakhand Energy Efficiency (\$0.8 million);
- (iii) Developing the Orissa Public Resource Management Program (\$0.3 million);
- (iv) Preparing the Madhya Pradesh Urban Environmental Improvement Project II (\$0.7 million);
- (v) Rajasthan Urban Development, Phase III (\$0.6 million); and
- (vi) Land Transport Management and Master Plan for Sikkim (\$1.0 million).

12. The main activities to be covered and financed under the cluster TA are (i) feasibility studies or preliminary design—including preliminary engineering studies, economic analysis, initial environmental examination, and social impact studies; (ii) due diligence on safeguard

<sup>8</sup> ADB. 2006. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Rural Cooperative Credit Restructuring and Development Program. Manila. (Loan 2281-IND).

<sup>9</sup> ADB.2005. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Chhattisgarh Irrigation Development Project. Manila. (Loan 2159-IND).

issues (social and environmental) as necessary; (iii) capacity development—implementation capacity, including strengthening participatory processes; (iv) support for preparation of bidding documents; (v) support for procurement—calling for bids, conducting pre-bid meetings, evaluating bids, negotiating contracts with successful bidders, and preparing for contract signing; and (vi) detailed design—preparing detailed project reports.

### **C. Cost and Financing**

13. The cluster TA, with a cost of \$14,000,000, will be financed on a grant basis by the Government of the United Kingdom.<sup>10</sup> ADB will administer the TA. The Government will provide counterpart contributions in kind estimated at \$3,500,000. Details of the cost estimates and financing plan are in Appendix 2, Table A2.1.

14. The estimated funding requirement for each of the proposed component TA projects is in Appendix 2, Table A2.2. The Government was advised that approval of the cluster TA does not commit ADB to financing any ensuing project.

### **D. Implementation Arrangements**

15. The Department of Economic Affairs of the Government will be the Executing Agency for the cluster TA. The state governments or other department agencies or institutions under the related component TA projects will be the implementing agencies.

16. A joint cluster TA advisory committee (JTAC) will be constituted to provide overall guidance on programming and critical project-related aspects of the cluster TA. The joint secretary of the Department of Economic Affairs and the country director of the ADB India Resident Mission will cochair the JTAC. Relevant sector directors of the ADB South Asia Department (SARD), sector specialists from the resident mission, project officers of the cluster TA, and project officers of the component TA projects under the cluster TA will be members of the JTAC.

17. The responsibilities of the JTAC will include (i) addition or deletion of component TA projects in the cluster TA, and (ii) review of monitoring reports on the status of component TA projects. The JTAC will, based on the information available, discuss (i) progress on each of the component TA projects; and (ii) key issues and problems and proposed solutions. Timing and implementation arrangements of component TA projects of the cluster TA will be determined by SARD director general based on the outlined scope and indicative budget provided herein with appropriate adjustment, if required, within the total funds and overall implementation time frame of the cluster TA.

18. The ADB India Resident Mission will nominate a project officer and project support team for the cluster TA as a whole. Project officers of component TA projects will provide semiannual inputs to the cluster TA project officer. Monitoring will be against (i) progress with project implementation milestones for project preparedness and (ii) disbursements, among others. The Department of International Development (DFID) of the United Kingdom will be provided copies of the progress reports. The project officer of the cluster TA will provide an information paper

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<sup>10</sup> The Government of United Kingdom through the Department for International Development (DFID) has confirmed its intention vide its letter dated 17 December 2008 to support this partnership to focus on the poorest states in India where ADB has operations. The joint understanding between DFID and ADB also encompasses the pro-poor sectors in the ADB India program.

annually, to inform the ADB Board of Directors of progress under the cluster TA. This will ensure monitoring of the cluster TA by ADB Management and the Board.

19. For streamlined processing of component TA projects under the cluster TA, three types of component TA projects are identified:

- (i) **Type A.** This includes component TA projects ready to commence implementation upon approval of the cluster TA. The five component TA projects listed under type A (para. 20) will commence implementation upon the endorsement of the SARD director general.
- (ii) **Type B.** This includes component TA projects in the 2009 India program that will be processed separately for approval of the SARD director general as and when they are ready for implementation. It also includes proposed 2010 component TA projects and those attached to loans that are under processing. In line with requirements for processing component TA projects, the Type B component TA projects will require a memorandum outlining the outcomes, scope, intended outputs, cost estimates, budget, implementation arrangements, implementation schedule, terms of reference for consultants, consultant selection methods, and other aspects, as appropriate. Each of these component TA projects will be subject to review by departments and/or offices concerned before submission to the head of the department for approval.
- (iii) **Type C.** This includes TA projects approved earlier by ADB, and funded by the United Kingdom Cooperation Fund for Technical Assistance (DFID Trust Fund). These are being included under this cluster TA to facilitate smooth transition to the new partnership arrangement financed by the Government of the United Kingdom.

20. Type A component TA projects include (i) Capacity Development of Bihar Power Sector Entities; (ii) Capacity Development for Sustainable Coastal Protection and Management; (iii) Capacity Development for Jharkhand State Roads Sector; (iv) Madhya Pradesh State Roads III; and (v) Support for the Jawaharlal Nehru National Urban Renewal Mission, Phase II. Concept papers for these component TA projects are in Appendix 4. The detailed TA paper for the component TA on the Jawaharlal Nehru National Urban Renewal Mission, Phase II, and the initial poverty and social assessment for the Madhya Pradesh State Roads III PPTA are in Supplementary Appendix A and B.

21. Type B component TA projects include (i) Capacity Development in Value Chain Management for Agribusiness, (ii) Capacity Development for Agribusiness Value Chains and Marketing Legal Framework in Bihar, (iii) Preparing for Integrated Coastal Protection and Management, (iv) Preparing an Investment Plan for Himachal Pradesh Urban Development, (v) Uttarakhand Energy Efficiency, (vi) Developing the Orissa Public Resource Management Program, (vii) Preparing the Madhya Pradesh Urban Environmental Improvement Project II, (viii) Rajasthan Urban Development Phase III, (ix) Capacity Development for Community-Based Flood Risk Management in Assam, and (x) Land Transport Management and Master Plan for Sikkim. Concept papers for these component TA projects are in Appendix 4.

22. Since Type C component TA projects include two already approved TA projects, only a change in funding source from the previous DFID Trust Fund to the current partnership is sought. These include (i) Capacity Building for Rural Cooperative Credit Structure Reform (attached to the Rural Cooperative Credit Restructuring and Development Program), and (ii)

Water Users Association Empowerment for Improved Irrigation Management in Chhattisgarh (attached to the Chhattisgarh Irrigation Development Project). TA papers as already approved for these two component TA projects are in Supplementary Appendix C and D.

23. A consolidated cluster TA completion report will be prepared for the cluster TA. No separate TA completion reports need to be prepared for the component TA projects. The mission leaders for each component TA project will provide complete information to the project officer of the cluster TA for preparing the consolidated completion report.

24. Each of the component TA projects will require a team of consultants to be engaged separately. Cost estimates for the consulting services, both international and national, were prepared in consultation with project divisions of the component TA projects. However these are estimates that will be finalized during preparation of component TA project implementation plans. The broad requisite fields of expertise are in Appendix 3, and will be detailed in the component TA project documents.

25. Consultants under various component TA projects will be engaged in accordance with the *Guidelines on the Use of Consultants* (2007, as amended from time to time) and other arrangements satisfactory to ADB for the engagement of national and international consultants. Consultant packages identified for each component TA project will comprise both firms and individuals as appropriate. Overall, estimates indicate a requirement of 200 person-months of international and 1,250 person-months of national consulting services. Given the overall scale of consulting services requirements, and accompanying staff resource implications for the consulting services division, project officers of component TA projects are encouraged to use the services of consulting firms where possible.

26. In the case of small contracts, purchase of equipment and related procurement activities, ADB's *Procurement Guidelines* (2007, as amended from time to time) will be followed. Equipment procured will be handed over to the respective implementing agencies of the component TA projects. Active involvement of stakeholders will be assured through workshops, as necessary. Disbursements under the cluster TA and component TA projects will be made in accordance with ADB's *Technical Assistance Disbursement Handbook*.<sup>11</sup>

27. The cluster TA will ensure enhanced ownership by the executing and implementing agencies due to their involvement from the initial stages of project design and enhanced capacity for implementation, among others. Under the cluster TA the responsibilities of the mission leaders will be enhanced to include for each component TA project, (i) preparation of component TA project in terms of outlined scope and indicative budget provided herein with appropriate adjustment, if required, implementation plans and their approval by the SARD director general as required, (ii) identification of capacity development requirements, and (iii) support for monitoring of component TA projects, to assess risks and suggest midcourse corrections; among other aspects (para. 17).

28. The cluster TA will be implemented over 3 years from 1 September 2009 to 31 August 2012.

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<sup>11</sup> ADB.2008. *Technical Assistance Disbursement Handbook*. Manila.

#### IV. THE PRESIDENT'S RECOMMENDATION

29. The President recommends that the Board approve
- (i) ADB administering the cluster technical assistance not exceeding the equivalent of \$14,000,000 to the Government of India to be financed on a grant basis by the Government of the United Kingdom for Advanced Project Preparedness for Poverty Reduction, and
  - (ii) in respect of the cluster technical assistance, the waiver of the policy concerning exclusion of project preparatory technical assistance, as proposed in paragraph 7 of this report.

## DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b> Poverty reduction in low-income states in India</p>	<p>Proportion of new ADB loans to low-income states</p> <p>Poverty headcount in low-income states</p> <p>Enhanced capacity</p>	<p>Government of India data sources</p> <p>National sample survey data</p> <p>Country economic indicators</p> <p>Government census and surveys</p>	<p><b>Assumption</b> Timely availability of data</p> <p><b>Risks</b> Unforeseen economic and natural crises and disasters that could undermine poverty reduction efforts</p>
<p><b>Outcome</b> Achievement of comprehensive project preparedness in the poorer states in the ADB India program (including Assam, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttarakhand, and in the pro-poor sectors)</p> <p>Enhanced capacity of government and other executing agencies to successfully implement projects</p>	<p>Proportion of new loans to low-income states increases over 2007 levels by at least 5%</p> <p>Accelerated component TA approval from ADB</p> <p>Accelerated procurement and contract awards</p>	<p>ADB review missions</p> <p>Project implementation readiness monitoring system</p> <p>Approved component TA concept papers</p>	<p><b>Assumptions</b> Active cooperation from the executing agency</p> <p><b>Risks</b> Policy changes and diminished support for designated subprojects</p> <p>Insufficient involvement of concerned departments in capacity development (This risk can be mitigated to some extent by continued policy dialogue with the state governments and other stakeholders)</p>
<p><b>Outputs</b></p> <ol style="list-style-type: none"> <li>1. Feasibility studies</li> <li>2. Detailed design</li> <li>3. Bidding documents</li> <li>4. Procurement</li> <li>5. Due diligence</li> <li>6. Capacity development</li> </ol>	<p>Feasibility studies completed</p> <p>Completion of DPRs for the component TA projects</p> <p>Bidding documents completed</p> <p>Procurement process initiated</p> <p>Due diligence of social and environmental safeguard measures of all ADB-supported projects, as necessary</p> <p>Project implementation units strengthened</p> <p>Project staff at state and field levels trained on</p>	<p>ADB review missions</p> <p>Project management information system data</p> <p>TA output reports</p>	<p><b>Assumptions</b> Executing agency and support agencies provide due support including (i) data and information, (ii) resources for land acquisition, (iii) cooperation in providing environmental clearance</p> <p>Monitoring and quality support are effective</p> <p>Willingness of states and implementing agencies to implement TA projects and provide committed counterpart support and contribution</p>

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
	<p>project arrangements</p> <p>Project management information system established and fully operating (e.g., financial, physical, institutional, socioeconomic)</p> <p>Policy and other enabling framework established</p>		
<b>TA Activities and Inputs</b>		<b>Inputs</b>	
<p><b>A. By the Government</b></p> <p>(i) Set up project offices and appoint counterpart staff</p> <p>(ii) Prepare draft DPRs</p> <p>(iii) Complete necessary surveys and provide support to consulting teams and mission staff</p> <p>(iv) Provide office space, data, information and documents, detailed project reports (and other inputs as appropriate), and other support to the component TA</p> <p><b>B. By Consultants (including subcontracted nongovernment organizations)</b></p> <p>Undertake designated TA activities in close interaction with the state, the Government, stakeholders, and ADB</p> <p>Further preparation of subproject implementation packages</p> <p>Institutional strengthening for program delivery</p> <p><b>C. By ADB</b></p> <p>(i) Recruit consultants in coordination with the Government</p> <p>(ii) Monitor and supervise TA activities regularly</p> <p>(iii) Guide the TA activities through inception and review missions</p>		<p>Counterpart financing of \$3,500,000 to be provided in kind</p> <p>Counterpart staff, operating and other implementation expenses (in kind)</p> <p>Engineering designs and other activities for DPR preparation as appropriate (in kind)</p> <p>Capable international and national consultants engaged</p> <p>Grant financing of \$14,000,000 from the Government of the United Kingdom, to be administered by ADB</p> <p>Internal staff resources</p> <p>Inception and review missions</p>	

ADB = Asian Development Bank, DPR = detailed project report, TA = technical assistance.

Source(s): ADB assessments.

## COST ESTIMATES AND FINANCING PLAN

**Table A2.1: Overall Cost Estimates and Financing Plan for the Cluster TA**  
(\$'000)

Item	Total Cost
<b>A. Government of the United Kingdom Financing (through DFID)<sup>a</sup></b>	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants (200 person-months)	3,400.0
ii. National Consultants (1,250 person-months)	7,700.0
b. International and Local Travel	500.0
c. Reports and Communications	300.0
2. Equipment (computer, printer)	100.0
3. Workshops, Training, Seminars, and Conferences	
a. Facilitators	100.0
b. Training Program	100.0
4. Surveys	300.0
5. Miscellaneous Administration and Support Costs	400.0
6. Representative for Contract Negotiations	200.0
7. Contingencies	900.0
<b>Subtotal (A)<sup>b</sup></b>	<b>14,000.0</b>
 <b>B. Government Financing</b>	
1. Office Accommodation and Transport	1,250.0
2. Remuneration and Per Diem of Counterpart Staff	1,500.0
3. Others	750.0
<b>Subtotal (B)</b>	<b>3,500.0</b>
<b>Total</b>	<b>17,500.0</b>

ADB = Asian Development Bank, DFID = Department for International Development.

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

<sup>b</sup> Total amount includes ADB's administration fee, audit cost, bank charges, and provision for foreign exchange fluctuations (if any), to the extent that these items are not covered by the interest and investment income earned on this grant or any additional grant by the Government of the United Kingdom.

Source: ADB estimates.

**Table A2.2: Breakdown of Financing by Component TA Projects <sup>a</sup>**

<b>Year/ Item</b>	<b>Type</b>	<b>Project Name</b>	<b>Amount (\$'000)</b>
<b>2009</b>			
1	CDTA	Capacity Development of Bihar Power Sector Entities	500
2	CDTA	Capacity Development in Value Chain Management for Agribusiness	600
3	CDTA	Capacity Development for Agribusiness Value Chains and Marketing Legal Framework in Bihar	250
4	CDTA	Capacity Development for Community-Based Flood Risk Management in Assam	500
5	CDTA	Capacity Development for Sustainable Coastal Protection and Management	200
6	CDTA	Capacity Development for Jharkhand State Roads Sector	750
7	PPTA	Madhya Pradesh State Roads III	600
8	PPTA	Preparing the Investment Plan for Himachal Pradesh Urban Development	500
9	CDTA	Capacity Development for Rural Cooperative Credit Structure Reform (attached to the Rural Cooperative Credit Restructuring and Development Program) <sup>b</sup>	2,000
10	CDTA	Water Users Association Empowerment for Improved Irrigation Management in Chhattisgarh (attached to Chhattisgarh Irrigation Development Project) <sup>c</sup>	700
11	CDTA	Support for the Jawaharlal Nehru National Urban Renewal Mission (Phase II)	2,200
		<b>Subtotal (2009)</b>	<b>8,800</b>
<b>2010</b>			
1	PPTA	Preparing Integrated Coastal Protection and Management	900
2	PPTA	Uttarakhand Energy Efficiency	800
3	PATA	Developing the Orissa Public Resource Management Program	300
4	PPTA	Preparing the Madhya Pradesh Urban Environmental Improvement Project II	700
5	PPTA	Rajasthan Urban Development, Phase III	600
6	PATA	Land Transport Management and Master Plan for Sikkim	1,000
		<b>Subtotal (2010)</b>	<b>4,300</b>
		<b>Contingency</b>	<b>900</b>
		<b>Total</b>	<b>14,000</b>

CDTA = capacity development technical assistance, PATA = policy and advisory technical assistance, PPTA = project preparatory technical assistance.

<sup>a</sup> Amounts here covers only Government of the United Kingdom's grant financed costs.

<sup>b</sup> ADB. 2006. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Rural Cooperative Credit Restructuring and Development Program. Manila. (Loan 2281-IND).

<sup>c</sup> ADB.2005. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Chhattisgarh Irrigation Development Project. Manila. (Loan 2159-IND).

Source: ADB estimates

## CONSULTING SERVICES REQUIREMENTS

Recruitment of consultants will be in accordance with Asian Development Bank (ADB) *Guidelines on the Use of Consultants* (2007, as amended from time to time) and other arrangements satisfactory to ADB for the engagement of consultants. Each of the 17 component technical assistance (TA) projects will require a team of international and national consultants to be engaged separately. This will be reflected in the concept papers of the component TA projects. Based on estimates aggregated from the component TA projects, consulting inputs are estimated as 200 person-months of international and 1,250 person-months of national consulting services. Full technical proposals will be required for consulting services with contract budgets over \$1.0 million, simplified technical proposals for contract budgets over \$500,000 and less than or equal to \$1.0 million, and biodata technical proposals for contract budgets of \$500,000 and less. International and national consultants in the following areas of expertise will typically be required:

- (i) civil engineer(s)
- (ii) highway engineer(s)
- (iii) material engineer(s)
- (iv) geotechnical engineer(s)
- (v) pavement engineer(s)
- (vi) structure or bridge engineer(s)
- (vii) transport economist(s)
- (viii) contract management specialist(s)
- (ix) social development specialist(s)
- (x) resettlement specialist(s)
- (xi) environment specialist(s)
- (xii) climate change experts
- (xiii) capacity development or governance specialist(s)
- (xiv) private sector specialist
- (xv) energy sector specialists
- (xvi) institutional development specialist(s)
- (xvii) project management specialist(s)
- (xviii) procurement specialist(s)
- (xix) financial management specialist(s)/ PPP specialists
- (xx) economist(s)
- (xxi) accounting specialist(s)
- (xxii) urban sector specialists, such as water supply specialist(s); roads specialist(s); solid waste specialist(s); sanitation specialist(s)
- (xxiii) water utility specialist(s)
- (xxiv) urban planner(s)
- (xxv) public administration specialist(s)
- (xxvi) training and communications specialist(s)
- (xxvii) irrigation or water resources management specialist
- (xxviii) participatory irrigation or water management or water users association specialist
- (xxix) water disaster management specialist
- (xxx) river engineer
- (xxxi) agriculture specialists
- (xxxii) agriculture economists
- (xxxiii) sociologists

## CONCEPT PAPERS FOR THE COMPONENT TECHNICAL ASSISTANCE PROJECTS

This appendix contains the concept papers for component projects of the proposed cluster technical assistance to India: Advanced Project Preparedness for Poverty Reduction:

(i)	Table A4.1	Capacity Development of Bihar Power Sector Entities
(ii)	Table A4.2	Capacity Development in Value Chain Management for Agribusiness
(iii)	Table A4.3	Capacity Development for Agribusiness Value Chains and Marketing Legal Framework in Bihar
(iv)	Table A4.4	Capacity Development for Community-Based Flood Risk Management in Assam
(v)	Table A4.5	Capacity Development for Sustainable Coastal Protection and Management
(vi)	Table A4.6	Capacity Development for the Jharkhand State Road Sector
(vii)	Table A4.7	Madhya Pradesh State Roads Project III
(viii)	Table A4.8	Preparing an Investment Plan for Himachal Pradesh Urban Development
(ix)	Table A4.9	Capacity Development for Rural Cooperative Credit Structure Reform (attached to the Rural Cooperative Credit Restructuring and Development Program) <sup>a</sup>
(x)	Table A4.10	Water Users Association Empowerment for Improved Irrigation Management in Chhattisgarh (attached to Chhattisgarh Irrigation Development Project) <sup>b</sup>
(xi)	Table A4.11	Support for the Jawaharlal Nehru National Urban Renewal Mission, Phase II
(xii)	Table A4.12	Preparing Integrated Coastal Protection and Management
(xiii)	Table A4.13	Uttarakhand Energy Efficiency
(xiv)	Table A4.14	Developing the Orissa Public Resource Management Program
(xv)	Table A4.15	Preparing the Madhya Pradesh Urban Environmental Improvement Project II
(xvi)	Table A4.16	Rajasthan Urban Development, Phase III
(xvii)	Table A4.17	Land Transport Management and Master Plan for Sikkim

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<sup>a</sup> ADB. 2006. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Rural Cooperative Credit Restructuring and Development Program. Manila. (Loan 2281-IND).

<sup>b</sup> ADB. 2005. Report and Recommendation of the President to the Board of Directors on a Proposed Program Loan and Technical Assistance Grant to India for the Chhattisgarh Irrigation Development Project. Manila. (Loan 2159-IND).

**Table A4.1: Capacity Development of Bihar Power Sector Entities  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)																							
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report: COBP 2009</li> <li>Document reference number and date approved:</li> <li>In case of change in the TA title, type, or amount, please state reason:</li> </ul>																							
2. TA Type		3. Modality																					
<input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA <input type="checkbox"/> PATA <input type="checkbox"/> R- PATA <input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA		<input type="checkbox"/> Cluster <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																					
4. Categorization of TA <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA																							
5. Coverage <input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional                      India, State of Bihar																							
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research																							
<input type="checkbox"/> Promoting inclusive growth <input type="checkbox"/> Address increasing commodity price <input type="checkbox"/> Addressing climate change <input type="checkbox"/> Demographic change <input type="checkbox"/> Regional integration <input type="checkbox"/> Other																							
7. Assistance Focus																							
a. Sector(s)																							
<input type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input checked="" type="checkbox"/> Energy <input type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector																							
Subsector(s): Energy sector development																							
b. Targeting classification																							
<input checked="" type="checkbox"/> Targeted intervention <input type="checkbox"/> <input type="checkbox"/> TI-H <input type="checkbox"/> TI-M <input checked="" type="checkbox"/> TI-G <input type="checkbox"/> General intervention (more indirectly addressing poverty reduction)																							
c. Theme(s)																							
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender equity <input type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input checked="" type="checkbox"/> Capacity development																							
Subthemes: <u>Widening access to markets and economic opportunities</u> and promoting macroeconomic stability																							
d. Location impact																							
<table border="1"> <thead> <tr> <th>Relative weight of spatial impact of the project</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </tbody> </table>				Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Relative weight of spatial impact of the project	High	Medium	Low																				
Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																				
National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																				
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
8. Partnership																							
9. Name of the Specialist (project team leader) in Charge of the Project: Andrew Jeffries		Name of the Alternate Specialist:																					
<ul style="list-style-type: none"> <li>Local Number 4444</li> <li>Email Address: ajeffries@adb.org</li> </ul>		<ul style="list-style-type: none"> <li>Local Number:</li> <li>Email Address:</li> </ul>																					

10. Department, Division: SARD, SAEN
11. Key Development Issues to be Addressed Inclusive economic growth and inclusive development
<p>12. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>The Electricity Act, 2003, is the cornerstone legislation for power in India, and provides the legal framework for its efficient development. The Act primarily focuses on the restructuring of state electricity boards, open access, and competition. In Bihar, reforms required by the Electricity Act are still evolving, although by most measures reform has fallen behind the rest of India. The state government of Bihar recently began passing legislation for reforms, and is in the process of finalizing its financial restructuring plan for the Bihar State Electricity Board (BSEB). Eight new successor companies to BSEB are now formally registered with the Registrar of Companies—one holding company, one generation company, one transmission company, and five distribution companies. A draft transfer scheme for all assets, liabilities, and personnel from BSEB to the new companies is currently under discussion with all stakeholders. The three-member Bihar Electricity Regulatory Commission (BERC) was set up and issued its first retail tariff notification for the 2008 financial year.</p> <p>BSEB has limited institutional capacity as a consequence of constraints on recruitment of professional staff for the past 20 years. Compounding the skill shortage within the organization is the absence of adequate training programs to develop employees, and minimal computer use by professional staff. Consequently, BSEB's ability to tackle the issue of rampant losses; and to plan for the efficient expansion, and the technical and financial management of the state's electricity assets is limited. The unbundling of BSEB will exacerbate the problem in the short term, as it will create the need for new technical skills and for timely completion of accounts for multiple companies rather than just for the consolidated BSEB.</p> <p>An underlying feature of the Electricity Act is the requirement to establish state electricity regulatory commissions, with considerable responsibilities to promote sector reform in their respective states. The act requires the commissions to determine tariffs; regulate power purchase arrangements between generators and distribution companies; facilitate intrastate transmission and electricity wheeling; and issue licenses for intrastate transmission, distribution, and power trading. Additional responsibilities include adjudicating disputes between sector companies, promoting cogeneration and renewable energy, specifying grid codes, and enforcing quality and reliability standards.</p> <p>BERC was established in 2002 under the provisions of the Electricity Regulatory Commission Act, 1998, and was made functional in 2005 under provisions of the Electricity Act, 2003. BERC's mandate is to introduce transparency and economic regulation to the sector. With the unbundling of the vertically integrated BSEB into generation, transmission, and distribution companies, and various sector companies, BERC will be expected to act beyond the statutory roles prescribed for it, and be actively involved in the evolving state policy-making with an objective of improving the financial health of the sector. This will include providing guidance and advice to new participants in power, and initiating discussions in critical areas such as power procurement from renewable sources and demand-side management. In addition, BERC will need to pass interim orders in any proceeding, hearing, or matter before it; examine books and accounts related to generation, transmission, distribution supply, or utilization of electricity; and impose penalties for contravention of licensing provisions.</p> <p>BERC is a young organization that heavily depends on external consultants for its daily operations. In line with the provisions of the Electricity Act, 2003, a new organization chart for BERC and job descriptions for key positions were prepared and agreed to in principle by the state government. The new organization chart reflects the evolving regulation requirements and experiences in other states of India. BERC will need to commence the process of staffing BERC in accordance with the approved structure.</p> <p>The Asian Development Bank (ADB) technical assistance will help the state government of Bihar through the following components:</p> <p>Component 1: Assist BERC in assessing a reporting framework for power entities it oversees, including available information and data requirements. Based on this assessment, it will determine user requirements and identify the functional specifications of a computer system, and assist BERC in developing a methodology for computing the cost of supply at various voltages.</p> <p>Component 2: Develop capacity in BSEB and successor entities through training programs and computerization. Training programs will include transmission and distribution system planning, which is considered essential to reduce rampant electricity losses.</p>
<p>b. Impact</p> <p>Component 1: The presence of an effective regulator will enhance the efficiency of power delivery to end consumers through performance improvements and transparency. Improved efficiency and effectiveness will relieve or at least lessen the burden of power generation and distribution on the state budget, and will facilitate economic development by removing impediments to growth and allowing reallocation of scarce public resources.</p>

<p>Component 2: Capacity development of BSEB will improve the technical skills and thus the operating performance of BSEB, and assist with the unbundling process as mandated by the Electricity Act, 2003.</p>
<p>c. Outcome The CDTA will result in (1) BERC operating as an independent electricity regulatory commission, and a transparent regulatory framework for the power industry in Bihar; and (2) BSEB will have the capacity to implement the proposed ADB project efficiently</p>
<p>d. Outputs Component 1            (i) A reporting framework for the power entities            (ii) Specifications for a regulatory management information system (RMIS)            (iii) A cost-of-supply framework and model            Component 2            (i) Organized training programs            (ii) Computerization of select successor entities</p>
<p>13. Assumptions and Risks Physical risks arising during implementation of subsequent projects will be evaluated and addressed in the design and construction of each project.</p>
<p>14. Implementation Arrangements</p> <p>a. Proposed executing and implementing agencies Bihar Electricity Regulatory Commission and Bihar State Electricity Board</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and implementing agencies previously conducted  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c. ADB inputs</p> <p>d. Complementary inputs to be provided by Government and/or other TA providing agencies</p>
<p>15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance: Consultations</p>

#### 16. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA is estimated at \$900,000 equivalent. It is proposed that ADB provide \$500,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government will finance the remaining \$400,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom <sup>a</sup>	500,000
Government of India Financing	400,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>900,000</b>

Source: ADB estimates

#### 17. JSF Amount Requested \$0.00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved

Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:

Results of the discussion:

#### 18. Monitoring and Evaluation

#### 19. Estimated period of TA implementation

a. Approval of TA: August 2009

b. Physical completion of TA: August 2010

c. Closing of TA: December 2010

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.



• Email Address: mmongiorgi@adb.org	• Email Address:
10. Department, Division: SARD, SANS	
11. Key Development Issues to be Addressed Sustainable economic growth and capacity development	
<p>12. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy The CDTA is associated with the proposed Agribusiness Infrastructure Development Program (AIDP). Support for agribusiness development in India is consistent with Asian Development Bank (ADB) strategy, which recognizes that greater crop diversification and value addition in agriculture has the potential to significantly reduce poverty and improve the quality of life in rural India. The AIDP and CDTA are also in line with the 11th Five Year Plan (2008–2012), which addresses the three main constraints to agriculture growth: (i) out-of-date technologies, (ii) lack of public investment in basic infrastructure, and (iii) limited diversification.</p> <p>Agricultural growth has fallen from an average of 3.5% during 1982–1997 to around 2% during 1998–2005. This has adversely affected the rural economy, and the overall level of poverty and social development in the country. The sector employs 56.7% of the country's workforce and provides livelihood to two thirds of the population. The rural–urban divide has worsened, and per capita household expenditure in rural India is estimated to now be less than half that in urban areas. With nearly three quarters of the country's poor (or nearly 220 million people) living in rural areas, agriculture and rural development are critical to poverty reduction and inclusive development. Two thirds of India's population derives their livelihood from agriculture, which is dominated by a large number of small farmers: of the nearly 120 million individual farm holdings comprising 170 million hectares (ha), roughly 60% are less than 1 ha while another 20% are only 1–2 ha.</p> <p>Given high inefficiencies and extremely high post harvest losses, development of agribusiness could have strong multiplier effects on employment, equitable income growth throughout the economy, reduced vulnerability, household food security, and higher farm and non farm incomes that can lead to poverty reduction. Diversification of Indian agriculture and increased efficiencies in the value chain will contribute to the goal of reducing poverty by raising the productivity of land and water resources in a sustainable manner, and augmenting the accrued economies. Private sector participation in such activities can reduce the burden on central and state finances, and ensure greater efficiency.</p> <p>b. Impact The concepts and practices of value chain management in commercial agriculture need greater dissemination in India. The CDTA will promote the understanding of stakeholders regarding various agribusiness-related commercial business models and on how integrated value chain management can improve agriculture marketing. It will contribute to improved investment decisions in commercially viable integrated business models along the agricultural value chains developed under the Agribusiness Infrastructure Development Project in Bihar and Maharashtra. At the same time, the CDTA activities will give higher bargaining power to farmers, including smallholders, and female and poor farmers, upgrading their position in the value chain and providing a greater share of the returns accruing from the chain to them.</p> <p>c. Outcome The CDTA will help generate awareness about integrated value chain management among agribusiness stakeholders of the value chains developed under the AIDP in Bihar and Maharashtra.</p> <p>d. Outputs Outputs will comprise the following: (i) better access for producers to markets and facilities for adding value to agricultural produce; (ii) greater bargaining power for producers through collective (group) initiatives, resulting in higher net price realization for their produce by about 10%–12%; (iii) better economies of scale for traders and processors by enabling them to deal with groups of producers rather than with individual farmers, and improving opportunities for long-term contract farming; and (iv) better quality of produce at lower prices for consumers due to lower wastage during transit and handling.</p> <p>The CDTA has three components: (i) component 1: supporting the formation of farmer groups and producer companies as the first step in setting up efficient integrated value chains for high-value crops in Bihar and Maharashtra; (ii) component 2: developing mechanisms such as contract farming to coordinate production, distribution, and retail arrangements between different stakeholders along the value chains of high-value crops in Bihar and Maharashtra; and (iii) component 3: building stakeholder capacity on value chain approaches by developing their skills in different chain activities and in chain management decision-making.</p>	
13. Assumptions and Risks The private sector's willingness to invest in the development of agriculture value chains and small farmers' willingness to diversify to high-value-added crops and integrate into the value chains are essential for successful development of the value chains. The risk is insufficient willingness and participation of the private sector and small farmers in this initiative.	

14. Implementation Arrangements

a. Proposed executing and implementing agencies:  
 Department of Agriculture in Bihar and Department of Co-operatives and Agricultural Marketing in Maharashtra

b. Institutional, organizational, procurement, and/or financial management assessments on the executing and implementing agencies previously conducted  
 Yes  No  
 Not assessed yet, but will be done during processing of the AIDP

c. ADB inputs

d. Complementary inputs to be provided by Government and/or other TA providing agencies  
 Will be identified during CDTA design.  
 Consultant inputs, area of expertise, duration and expected results, and terms of reference will be determined during CDTA design to finalize the component proposal.

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15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:  
 During the first project preparatory technical assistance (PPTA) for the AIDP, project components were identified on the basis of sector stakeholders' priorities at state-level consultations. Public consultations and field surveys were carried out. Crucial stakeholders for the design of the AIDP included central and state public, private, and cooperative sectors, as well as state and local farmers, entrepreneurs, trade organizations, and financial institutions. Nongovernment organizations also play supportive roles and as such will be consulted. As part of public and stakeholder consultation for preparation of an initial environmental examination, meetings and discussions were held with national and local government officials in both states and discussions were held with local residents. Interviews were carried out with selected communities during the field visits.

During implementation of the second PPTA for the AIDP (to start in August 2009), private sector stakeholders will be consulted for the preparation of detailed projects reports of the identified value chains. General stakeholder consultations will be conducted to increase ownership of the AIDP by local rural communities.

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16. Cost Estimates and Proposed Financing Arrangements  
 The total cost of the TA is estimated at \$825,000 equivalent. It is proposed that ADB provide \$600,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government will finance the remaining \$225,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom <sup>a</sup>	600,000
Government of India Financing	225,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>825,000</b>

Source:

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17. JSF Amount Requested                   \$           .00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
 Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:  
 Results of the discussion:

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18. Monitoring and Evaluation  
 Monitoring and evaluation mechanism will be designed during CDTA and AIDP processing in 2009.

19. Estimated period of TA implementation:

- a. Approval of TA: August 2009
- b. Physical completion of TA: August 2010
- c. Closing of TA: December 2010

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.3: Capacity Development for Agribusiness Value Chains and Marketing Legal Framework in Bihar  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)				
• Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: Not included				
• Document reference number and date approved:				
• In case of change in the TA title, type, or amount, please state reason:				
2. TA Type		3. Modality		
<input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA		<input type="checkbox"/> Cluster		
<input type="checkbox"/> PATA <input type="checkbox"/> R- PATA		<input type="checkbox"/> Sovereign <input checked="" type="checkbox"/> Nonsovereign		
<input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA				
4. Categorization of TA <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA				
5. Coverage				
<input type="checkbox"/> Country <input checked="" type="checkbox"/> Subregional <input type="checkbox"/> Interregional    Bihar				
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research				
<input type="checkbox"/> Promoting inclusive growth		<input type="checkbox"/> Address increasing commodity price		
<input type="checkbox"/> Addressing climate change		<input type="checkbox"/> Demographic change		
<input type="checkbox"/> Regional integration		<input type="checkbox"/> Other		
7. Assistance Focus				
a. Sector(s)				
<input checked="" type="checkbox"/> Agriculture and natural resources		<input type="checkbox"/> Industry and trade		
<input type="checkbox"/> Education		<input type="checkbox"/> Public sector management		
<input type="checkbox"/> Energy		<input type="checkbox"/> Transport and ICT		
<input type="checkbox"/> Finance		<input type="checkbox"/> Water supply and other municipal infrastructure and services		
<input type="checkbox"/> Health and social protection		<input type="checkbox"/> Multisector		
Subsector(s): Agricultural production and markets				
b. Targeting classification				
<input type="checkbox"/> Targeted intervention				
<input type="checkbox"/> TI-H		<input type="checkbox"/> TI-M		
<input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)		<input type="checkbox"/> TI-G		
c. Theme(s)				
<input checked="" type="checkbox"/> Economic growth		<input type="checkbox"/> Gender equity		
<input type="checkbox"/> Social development		<input type="checkbox"/> Private sector development		
<input type="checkbox"/> Environmental sustainability		<input type="checkbox"/> Governance		
<input type="checkbox"/> Regional cooperation and integration		<input checked="" type="checkbox"/> Capacity development		
Subthemes: Promoting economic efficiency and enabling business environment, institutional development, and organizational development				
d. Location impact				
Relative weight of spatial impact of the project		High	Medium	Low
Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Urban	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Partnership				
9. Name of the specialist (project team leader) in Charge of the Project: Marzia Mongiorgi-Lorenzo		Name of the Alternate Specialist:		
• Local Number: 5988		• Local Number:		
• Email Address: mmongiorgi@adb.org		• Email Address:		

10. Department, Division: SARD, SANS
<p>11. Key Development Issues to be Addressed</p> <p>Agriculture's share of India's gross domestic product (GDP) has steadily declined—from 56% in 1950 to 18% in 2007—with rapid growth of the services sector. The agriculture sector remains significant—economically, socially, and politically—providing livelihoods to about 58% of India's population. Despite the huge production base and huge domestic market, agribusiness is poorly developed. Three broad indicators are (i) exports as a percentage of total production, (ii) processed food as a percentage of agricultural production, and (iii) movement of products within the country. The low quality of decision making among the bulk of the country's agribusiness participants is partly to blame. They include individual producers, directors of market-oriented organizations (such as self-help groups and producer cooperatives), and officials of line departments and non-government organizations. Most directors in the country's legion of primary producer agribusiness cooperatives lack appropriate administrative management skills. In addition, the present marketing and processing systems are characterized by long and fragmented supply chains, high wastage, poor infrastructure, and excessive market regulations. Farmers are not effectively integrated into the agricultural value chain; and agro enterprises have weak linkages with farmers, consumers, service providers (research, extension, finance), and international markets. All these factors contribute to slow agribusiness development, limiting the generation of off-farm employment.</p> <p>Bihar, the third most populous state in India, accounts for one seventh of the country's population living below the poverty line. The state has a high rate of persistent poverty, weak governance, and inadequate infrastructure. Bihar has the lowest per capita income among the major states of India, less than a quarter of the national average. Occupational structure reveals the dependence of the majority of the work force on agriculture. The agriculture sector accounts for more than 80% of the state's workforce. The state is the third largest producer of vegetables and sixth largest producer of fruits in India. Yet the agriculture sector contributes to only 40% of the state's GDP. The average size of landholding in Bihar is 0.75 ha, half the national average. Small and marginal farms constitute 91% of total landholdings.</p> <p>Studies by the National Horticulture Mission identify the paucity of skilled human resources, especially in horticulture; and a number of failures in export-oriented units based on capital intensive imported technology. Lack of skills contributes to these failures. Nongovernment organizations and line departments have capacity limitations in understanding modern agribusiness concepts. Their approach concentrates primarily on physical infrastructure without planning for a shift to institutional arrangements to ensure proper utilization and be more suitable for a modern business environment.</p> <p>The 1960 Bihar Agricultural Produce Market Committee (APMC) Act aimed to improve regulation of buying and selling of agricultural produce, and to establish markets for agricultural produce in Bihar state, as well as accompanying issues. The Bihar Agricultural Produce Markets Act had the same salient features of the APMC Act and prohibited transactions outside the "market" established under the act. In 2006, the Bihar government, advocating the principles of a free market, repealed the APMC Act by bringing into force the Agriculture Produce Market (Repeal) Act, 2006, with immediate effect. The repeal of the APMC Act created a regulatory vacuum in the state's agriculture sector. Although the legal framework of the country provides certain rights and remedies under the prevailing civil and criminal statutes, enforcing any right or availing of any remedy under the prevailing legal framework is a lengthy and expensive process. In such a situation, the farmers dealing with perishable commodities will be most adversely affected. At this nascent stage of development of the agriculture sector, a regulated environment is needed for market participants to safeguard the interests of various stakeholders, including farmers, and to encourage private sector participation.</p>
12. TA Description
<p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>The CDTA is associated with the proposed Agribusiness Infrastructure Development Investment Program (AIDIP). The AIDIP and CDTA are in line with the 11th Five Year Plan (2008–2012), which addresses the three main constraints to agriculture growth: (i) out-of-date technologies, (ii) lack of public investment in basic infrastructure, and (iii) limited diversification. Supporting agribusiness development in India is consistent with the Asian Development Bank (ADB) strategy, recognizing that greater crop diversification and value addition in agriculture has the potential to significantly reduce poverty and improve quality of life in rural India.</p>
<p>b. Impact</p> <p>Recognizing that the concepts and practices of value chain management in commercial agriculture are not very well-known in Bihar, the CDTA will promote effective stakeholder understanding of a commercial business model and integrated value chain management to meet the needs of improved marketing and market predictability for agribusinesses. The CDTA impact will be more efficient value chain management by agribusiness stakeholders in selected horticultural chains in Bihar.</p>
<p>c. Outcome</p> <p>The expected outcomes of the CDTA are improved investment decisions and business practices resulting from use of a commercially viable integrated business model along the value chain by participating stakeholders in selected horticultural value chains in Bihar. The CDTA will also help (i) improve institutional capacity for effective implementation and management of the AIDIP, (ii) strengthen the institutional capacity of agribusiness development government agencies and</p>

farming communities, and (iii) strengthen the legal framework for agricultural marketing.
<p>d. Outputs</p> <p>CDTA outputs include (i) enhanced capacity of agribusiness stakeholders (farmers, traders, processors, service providers, and government officials) in understanding and using value chain principles, technologies, management, and operation, (ii) trained agricultural professionals with updated skills in sustainable agricultural practices, and the ability to use new information and communication technologies to access and evaluate relevant electronic information and knowledge; (iii) new and stronger institutional capacity for management, service delivery, resource generation and management, and participatory and accountable governance of public sector organizations involved in agribusiness; and (vi) a new legal alternative to repeal of the APMC Act, if needed, by completing a study on the regulatory framework for agricultural marketing in Bihar.</p>
<p>13. Assumptions and Risks</p> <p>As the activities will focus on institution and capacity Development, the development of social or environmental safeguard issues is unlikely. Some expected risks include a sudden government change in policies. However, the CDTA will mitigate these risks by ensuring thorough consultations at the design stage, and retaining a flexible approach to adapt to changing needs and circumstances.</p>
<p>14. Implementation Arrangements</p> <p>a. Proposed executing and implementing agencies: to be determined</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agencies previously conducted</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c. ADB inputs</p> <p>An institute will be engaged to provide training to various levels of functionaries involved in agricultural marketing activities. An individual consultant will be engaged for the study on the legal framework for agricultural marketing.</p> <p>d. Complementary inputs to be provided by government and/or other TA providing agencies</p> <p>The implementing agency will (i) identify suitable counterpart staff to liaise with the team of consultants during TA implementation, (ii) nominate government officials for training, and (iii) provide a suitable office space for the consultants in Patna.</p>
<p>15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:</p> <p>During the first project preparatory technical assistance (PPTA) for the AIDIP, project components were identified on the basis of sector stakeholders' priorities at consultations with in the state. Public consultations and field surveys were carried out. Crucial stakeholders for the design of the AIDIP included central and state public, private, and cooperative sectors, as well as state and local farmers, entrepreneurs, trade organizations, and financial institutions. During implementation of the second PPTA for the AIDIP, the private sector stakeholders will be consulted for the preparation of detailed project reports of the identified value chains. General stakeholders' consultations will be held to increase local rural community ownership of the AIDIP.</p>

#### 16. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA is estimated at \$300,000 equivalent. It is proposed that ADB provide \$250,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government will finance the remaining \$50,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom <sup>a</sup>	250,000
Government of India Financing	50,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>300,000</b>

Source:

#### 17. JSF Amount Requested \$0.00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:

Results of the discussion:

#### 18. Monitoring and Evaluation

Monitoring and evaluation mechanisms will be designed during processing of the AIDIP and the linked CDTA

#### 19. Estimated period of TA implementation:

- a. Approval of TA: October 2009
- b. Physical completion of TA: October 2010
- c. Closing of TA: January 2011

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.4: Capacity Development for Community-Based Flood Risk Management in Assam  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)				
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: COBP 2008</li> <li>Document reference number and date approved: IN-418-08, December 2008</li> </ul>				
2. TA Type		3. Modality:		
<input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA <input type="checkbox"/> PATA <input type="checkbox"/> R- PATA <input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA		<input type="checkbox"/> Cluster <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign		
4. Categorization of TA <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA				
5. Coverage				
<input type="checkbox"/> Country <input type="checkbox"/> Subregional <input checked="" type="checkbox"/> Interregional                      Assam State				
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research				
<input type="checkbox"/> Promoting inclusive growth <input type="checkbox"/> Address increasing commodity price <input type="checkbox"/> Addressing climate change <input type="checkbox"/> Demographic change <input type="checkbox"/> Regional integration <input type="checkbox"/> Other				
7. Assistance Focus				
a. Sector(s)				
<input checked="" type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input type="checkbox"/> Energy <input type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector				
Subsector(s): Water resource management				
b. Targeting classification				
<input type="checkbox"/> Targeted intervention <input type="checkbox"/> TI-H <input type="checkbox"/> TI-M <input type="checkbox"/> TI-G <input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)				
c. Theme(s)				
<input checked="" type="checkbox"/> Economic growth <input checked="" type="checkbox"/> Gender equity <input checked="" type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input checked="" type="checkbox"/> <u>Capacity development</u>				
Subthemes: Widening access to markets and economic opportunities, other vulnerable groups, <u>institutional development</u>				
d. Location impact				
	Relative weight of spatial impact of the project	High	Medium	Low
	Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Urban	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Partnership				
9. Name of the Specialist (project team leader) in Charge of the Project: K. Yokoyama		Name of the Alternate Specialist: Y. Siddiqi		
<ul style="list-style-type: none"> <li>Local Number: 6937</li> <li>Email Address: kyokoyama@adb.org</li> </ul>		<ul style="list-style-type: none"> <li>Local Number: 6582</li> <li>Email Address: ysiddiqi@adb.org</li> </ul>		

10. Department, Division: SARD, SANS
11. Key Development Issues to be Addressed Sustainable economic growth, social development and capacity enhancement
<p>12. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy The CDTA aims to strengthen the capacity of the state government of Assam to implement the proposed Assam Integrated Flood and Riverbank Erosion Risk Management Investment Program (AIFRERMIP). The 11th Five Year Plan (2007–2012) of the Government of India accords substantially high priority to addressing the chronic flood problems constraining the development of the eastern region. An integrated flood risk management (IFRM) approach is promoted, comprising (i) sound planning framework and knowledge base, (ii) comprehensive structural and nonstructural measures, and (iii) institutional foundations. The Asian Development Bank (ADB) country partnership strategy for India envisages enhanced roles for ADB in addressing the country's water sector problems including water disaster risk management, in response to the Government's growing priorities as well as ADB's Strategy 2020.</p> <p>Project preparatory technical assistance (PPTA) has been provided in two phases to (i) prepare the AIFRERMIP and (ii) provide critical support for enhancing implementation readiness through advancing institutional reforms and establishing project management systems and capacities (TA No. 7136). The AIFRERMIP aims to put into operation the participatory and community-based IFRM in selected existing flood embankment systems and adjacent riverine areas around urban, suburban, and other strategic areas of the state, where poverty incidence is high. The CDTA will provide critical capacity development support to this end, following the reform framework and action plans being developed under the ongoing PPTA.</p> <p>Analysis of development constraints and issues relevant to the CDTA Effective flood and river erosion risk management remains high on the development agenda of Assam; 90% of its agricultural land and urban areas are located in flood-prone areas. About 50% of these areas are covered by flood embankment systems with poor reliability. Despite recent reforms, such as preparation of a draft state water policy, a large gap remains between the present and required policy and institutional framework and capacities of the sector agencies. Their approach remains largely ad hoc and structure-oriented; they lack a sufficient knowledge base and management systems to respond to the highly dynamic Brahmaputra River environments in an adaptive, efficient, and sustainable manner. Capacities to pursue comprehensive risk management programs in consultation with diverse stakeholders with effective linkages with the state's disaster management systems are also limited. The CDTA will address these issues in association with AIFRERMIP implementation.</p> <p>b. Impact The overall impact of the CDTA (and the AIFRERMIP) will be the enhanced, inclusive, and sustainable economic growth in flood-prone areas of Assam. Risks of massive flood and erosion damage will be reduced in the project areas to support increased investments in urban and rural industries, services, and agriculture.</p> <p>c. Outcome The CDTA outcome is enhanced reliability and effectiveness of state flood and riverbank erosion risk management systems. They will be operated with the effective participation of local disaster management committees with sufficient representation of diverse local stakeholders, in particular poor and other vulnerable groups including indigenous people. The public agencies designated to deliver the relevant programs will be held accountable, and perform their functions to the satisfaction of the concerned disaster management committees.</p> <p>d. Outputs In support of operationalizing participatory IFRM under the AIFRERMIP, key CDTA outputs include (i) an autonomous Assam IFRM agency set up as an autonomous agency (registered under the Societies Registration Act) and made functional integrating structural and nonstructural flood and disaster risk management functions, (ii) community-based disaster management committees strengthened with diverse stakeholder representation, (iii) guidelines for IFRM to define institutional mechanisms of the disaster management committees, (iv) progress in preparing state investment plans for IFRM integrating catchment management interventions with a river basin perspective, and (v) progress in institutional reforms for water resources department (WRD) in terms of organizational restructuring with strengthened capacities for data and knowledge base management, quality control, and asset management systems for sustainable maintenance. The TA will be implemented over 24 months from April 2010 to March 2012, coinciding with the initial implementation period of the AIFRERMIP.</p>

## 13. Assumptions and Risks

The gap between the existing and requisite capacities to put into operation participatory and sustainable IFRM remains a critical issue, comprising a policy and planning framework, transparency and accountability of mechanisms to deliver IFRM programs, and sustainable maintenance financing. These are being addressed through the ongoing PPTA (phase 2), with immediate actions such as finalization of a draft state water policy, establishment of the Assam IFRM board and participatory disaster management committees, and preparation of action plans for WRD institutional reforms and sustainable maintenance mechanisms. Risk of implementation delay is being addressed by the ongoing PPTA (phase 2), with early establishment of project management systems and capacities of the project organizations.

The AIFRERMIP is classified as category A for involuntary resettlement and environment (and B for indigenous peoples). It involves acquisition of a strip of land in association with embankment renovation and shifting, and provision of riverbank protection structures. Careful monitoring and response to dynamic river processes is required, although the project itself will not have significant negative environmental impacts given its nature of sustaining the functions of the existing embankment systems with higher reliability.

## 14. Implementation Arrangements

## a. Proposed executing and implementing agencies

Assam IFRM agency (to be established) anchored to the Water Resources Department, state government of Assam

## b. Institutional, organizational, procurement, and/or financial management assessments on the executing and implementing agencies previously conducted

Yes  No

Institutional assessment was undertaken during the PPTA (phase 1), based on which a comprehensive institutional development roadmap and action plan were developed and are being initiated under the ongoing PPTA (phase 2), encompassing the agendas shown in item 13.

## c. ADB inputs

## d. Complementary inputs to be provided by government and/or other TA providing agencies

Provision of counterpart staff (including working groups on institutional development, disaster management committee development, and technical assessments), information (including data and survey and/or study reports), office space, utilities, and operating costs of counterpart facilities (to be developed during TA fact-finding.)

International and national consultants will be engaged to prepare the TA outputs together with the executing agency, covering the expertise of water resources institutions, water disaster risk management, participatory development, and river engineering. ADB will engage the consultants in accordance with *Guidelines on the Use of Consultants* (2007, as amended from time to time).

## 15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance

The Assam state government submitted an investment proposal in December 2005; this resulted in the CDTA. During the PPTA (phase 1), two state workshops were organized in December 2007 and June 2008, with representatives of the Government of India, the state and local governments, local research institutions including universities, and advocacy nongovernment organizations active in social and environmental safeguards agendas. Given the highly dynamic morphological behavior of the Brahmaputra, the CDTA's approach involving improving the existing flood management infrastructure in an incremental manner adapting to the natural processes (such as providing revetments along the naturally developing bank lines as and when needed, as opposed to placing structures to control or obstruct the natural process), was supported. Nongovernment organizations stressed that (i) the ownership and capacity of WRD should be strengthened to institutionalize the approach with stakeholder participation and accountability, which is presently lacking, (ii) careful environmental and social impact assessments should be undertaken with sufficient stakeholder consultation, and (iii) sufficient attention should be provided to enhance the livelihoods of the most vulnerable people who are mostly located outside the flood embankment systems.

During implementation, the AIFRERMIP will strengthen and utilize the existing district, subdistrict, and village disaster management committees. They will be empowered to take a lead role in plans and decisions on subproject and community implementation of the concerned IFRM plans, based on which the programs will be delivered by the designated organizations under the monitoring and supervision of the disaster management committees. Special efforts will be provided to the enhanced participation of women, schedule tribes, and scheduled castes in the subproject areas in the subproject disaster management committees.

#### 16. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA is estimated at \$625,000 equivalent. It is proposed that ADB provide \$500,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government will finance the remaining \$125,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	500,000
Government of India Financing	125,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>625,000</b>

Source:

17. JSF Amount Requested                   \$0.00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:

Results of the discussion:

#### 18. Monitoring and Evaluation

CDTA implementation will be monitored on the basis of the output targets indicated in item 9, and the TA work plan to be prepared at TA fact-finding and detailed at TA inception. Seminars on the approach of preparing the outputs will be organized for individual agendas at inception and midterm, inviting experienced experts. A national workshop will be organized at the draft final stage to finalize the outputs, which will be disseminated.

#### 19. Estimated period of TA implementation:

a. Approval of TA: Nov 2009

b. Physical completion of TA: March 2012

c. Closing of TA: July 2012

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.5: Capacity Development for Sustainable Coastal Protection and Management  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS) <ul style="list-style-type: none"> <li>• Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report: Not included</li> <li>• Document reference number and date approved:</li> <li>• In case of change in the TA title, type, or amount, please state reason:</li> </ul>																							
2. TA Type <input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA <input type="checkbox"/> PATA <input type="checkbox"/> R- PATA <input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA	3. Modality: <input type="checkbox"/> Cluster <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																						
4. Categorization of TA: <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA																							
5. Coverage <input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional																							
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research <input type="checkbox"/> Promoting inclusive growth <input type="checkbox"/> Address increasing commodity price <input type="checkbox"/> Addressing climate change <input type="checkbox"/> Demographic change <input type="checkbox"/> Regional integration <input type="checkbox"/> Other																							
7. Assistance Focus a. Sector(s) <input checked="" type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input type="checkbox"/> Energy <input type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector Subsector(s):																							
b. Targeting classification <input type="checkbox"/> Targeted intervention <input type="checkbox"/> TI-H <input type="checkbox"/> TI-M <input type="checkbox"/> TI-G <input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)																							
c. Theme(s) <input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender equity <input type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input checked="" type="checkbox"/> <u>Capacity development</u> Subthemes: Promoting economic efficiency and enabling business environment, natural resources conservation, and institutional and organizational development																							
d. Location impact <table border="1" style="width:100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 30%;">Relative weight of spatial impact of the project</th> <th style="width: 15%;">High</th> <th style="width: 15%;">Medium</th> <th style="width: 15%;">Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </tbody> </table>				Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Relative weight of spatial impact of the project	High	Medium	Low																				
Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
Urban	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
8. Partnership																							
9. Name of the specialist (project team leader) in charge of the project: Rezaul K. Khan • Local Number: 6454		Name of the Alternate Specialist: • Local Number:																					

• Email Address: <a href="mailto:rkkhan@adb.org">rkkhan@adb.org</a>	• Email Address:
10. Department, Division: SARD, SANS	
<p>11. Key Development Issues to be Addressed</p> <p>The Asian Development Bank (ADB) is preparing a project to address immediate coastal protection needs by implementing economically viable protection works using environmentally and socially appropriate solutions in the states of Goa, Karnataka, and Maharashtra of India. The project will address the causes and potential causes of coastal erosion and coastal instability. Investments in this part will be directed mainly at coastal infrastructure that is presently causing, or with a potential to cause, damage to natural coastal processes. In addition, the project will support investments for natural protection measures such as the development and planting of dunes, and planting of mangrove or other trees for protection or shelter. The project will support investments in the wider area of coastal management including water quality, navigational entrances, dredging, and training of river and drain mouths. It will develop capacity to meet the long-term needs of sustainable coastal protection and management including the development of central, state, and district capacities for shoreline planning, detailed planning, modeling, and design; and coordination and management of coastal infrastructure. In addition, the project will support initiatives to increase the participation of the private sector and communities in the planning, design, financing, implementation, and maintenance of coastal protection and management projects. Some other states have shown strong interest for similar interventions for sustainable management of their coastal areas. Accordingly a new project preparatory technical assistance for the next group of states is programmed for 2009.</p> <p>Since the state executing agencies of the proposed Sustainable Coastal Protection and Management Project are substantially underresourced, and given the complex nature of project designs and extensive coordination needs with the three states, further capacity development is needed for processing the Project. In addition, meeting the Department of Economic Affairs' readiness criteria for project processing requires specialist assistance.</p>	
12. TA Description:	
<p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>The country partnership strategy for India (2009–2012) envisages enhanced roles for ADB in increasing effectiveness and sustainability of coastal protection and management measures in coastal states.</p>	
<p>b. Impact</p> <p>The impact of the CDTA will be sustainable shoreline protection and management to meet the needs of the stakeholders and environment.</p>	
<p>c. Outcome</p> <p>The key outcome of the CDTA is the preparation of an investment program to address the coastal protection and management needs through the implementation of economically viable protection works using environmentally and socially appropriate solutions in the states of Goa, Karnataka, and Maharashtra.</p>	
<p>d. Outputs</p> <p>The CDTA outputs comprise (i) sustainable shoreline management, (ii) an investment program for each state including economically viable and socially and environmentally acceptable solutions, and (iii) financially and environmentally sustainable coastal zone management mechanisms. Key activities include (i) supporting finalization of project designs and interventions, (ii) following up with states and executing agencies on outstanding issues and implementation arrangements for the project, (iii) conducting environmental assessment and stakeholder consultations, and (iv) conducting a study tour of state officials to familiarize them with coastal protection measures proposed by the project. The CDTA will focus on supporting implementation of ADB's operation and management of interventions in coastal protection and management. The CDTA will be implemented over 9 months from July 2009 to March 2010.</p>	
13. Assumptions and Risks	
<p>The CDTA involves some issues and risks including implementation delays and organizations that may not be effective in implementing sustainable coastal protection measures. Measures will be taken to minimize such risks.</p>	

14. Implementation Arrangements	
a. Proposed executing and implementing agencies: Ministry of Water Resources	
b. Institutional, organizational, procurement, and/or financial management assessments on the executing and implementing agencies previously conducted <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
c. ADB inputs	
d. Complementary inputs to be provided by government and/or other TA providing agencies No complementary inputs are envisaged	
15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance: Formal consultation with government and beneficiaries will be conducted in due course.	
16. Cost Estimates and Proposed Financing Arrangements	
The total cost of the TA is estimated at \$200,000 equivalent. ADB financing It is proposed: that the ADB provide \$200,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility. <sup>a</sup>	
<b>Source</b>	<b>Amount (\$)</b>
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	200,000
Government of India Financing	
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total</b>	<b>200,000</b>
Source:	
17. JSF Amount Requested	\$0.00
a. Elements that justify JSF financing:	
b. Coordination with local Japanese Embassy or any other embassy when external funding is involved Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:	
Date of the discussion:	
Results of the discussion:	
18. Monitoring and Evaluation CDTA implementation will be monitored on the basis of the output targets indicated above, and the TA work plan to be prepared.	
19. Estimated period of TA implementation:	
a. Approval of TA: August 2009	
b. Physical completion of TA: August 2010	
c. Closing of TA: December 2010	

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.6: Capacity Development for the Jharkhand State Road Sector  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)			
• Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: COBP 2009			
• Document reference number and date approved:			
• In case of change in the TA title, type, or amount, please state reason:			
2. TA Type		3. Modality	
<input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA		<input type="checkbox"/> Cluster	
<input type="checkbox"/> PATA <input type="checkbox"/> R- PATA		<input type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign	
<input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA			
4. Categorization of TA: <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA			
5. Coverage			
<input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional                    State of Jharkhand			
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research			
<input type="checkbox"/> Promoting inclusive growth		<input type="checkbox"/> Address increasing commodity price	
<input type="checkbox"/> Addressing climate change		<input type="checkbox"/> Demographic change	
<input type="checkbox"/> Regional integration		<input type="checkbox"/> Other	
7. Assistance Focus			
a. Sector(s)			
<input type="checkbox"/> Agriculture and natural resources		<input type="checkbox"/> Industry and trade	
<input type="checkbox"/> Education		<input type="checkbox"/> Public sector management	
<input type="checkbox"/> Energy		<input checked="" type="checkbox"/> Transport and ICT	
<input type="checkbox"/> Finance		<input type="checkbox"/> Water supply and other municipal infrastructure and services	
<input type="checkbox"/> Health and social protection		<input type="checkbox"/> Multisector	
Subsector(s): Road transport			
b. Targeting classification			
<input type="checkbox"/> Targeted intervention			
<input type="checkbox"/> TI-H		<input type="checkbox"/> TI-M	
<input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)		<input type="checkbox"/> TI-G	
c. Theme(s)			
<input checked="" type="checkbox"/> Economic growth		<input type="checkbox"/> Gender equity	
<input type="checkbox"/> Social development		<input type="checkbox"/> Private sector development	
<input type="checkbox"/> Environmental sustainability		<input type="checkbox"/> Governance	
<input type="checkbox"/> Regional cooperation and integration		<input checked="" type="checkbox"/> Capacity development	
Subthemes: Widening access to markets and economic opportunities			
d. Location impact			
Relative weight of spatial impact of the project	High	Medium	Low
Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Partnership			
9. Name of the Specialist (project team leader) in Charge of the Project: Hideaki Iwasaki		Name of the Alternate Specialist:	
• Local Number: 5413		• Local Number:	
• Email Address: hiwasaki@adb.org		• Email Address:	
10. Department, Division: SARD, SATC			

<p>11. Key Development Issues to be Addressed Sustainable economic growth and capacity enhancement</p>
<p>12. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy The Asian Development Bank (ADB) has been providing assistance to India to develop roads, one of the key infrastructure subsectors for inclusive economic growth. Since 2003, it has focused assistance on the relatively poor and weak capacity states to support the Government in its efforts to reduce interstate disparities. The state of Jharkhand is one of the poor states in terms of per capita gross state domestic product, poverty incidence, and other socioeconomic indicators. As the first ADB assistance to the state's infrastructure development, an investment project, the Jharkhand State Roads Project (JSRP), is currently being prepared for ADB processing in 2009. The Road Construction Department (RCD) of the Jharkhand government is the executing agency for the JSRP. The CDTA will be attached to the JSRP, and provide assistance in improving efficiency of the state's road sector, focusing on institutional strengthening of RCD. This is in line with the ADB strategy for India's state road sector, under which ADB provides technical assistance for capacity Development along with financial assistance to improve the state road network.</p> <p>Analysis of development constraints and issues relevant to the proposed TA While substantial capacity enhancement measures have been taken within RCD in preparation for the JSRP, further capacity Development is necessary for RCD to be able to deliver the JSRP in an efficient and timely manner, and to maintain the created asset in a sustainable manner.</p>
<p>b. Impact The JSRP will be delivered in a timely manner. Further the overall state road network in Jharkhand will be maintained and improved by RCD in a more effective manner, resulting in time and cost savings for road transport in the state. This will, in turn, facilitate economic growth and social development in the state.</p>
<p>c. Outcome At CDTA completion, RCD is expected to have improved capacity in project management and will be ready to take full responsibility for maintaining the road asset to be created at the end of the JSRP in a sustainable manner. Further RCD will be ready to replicate the good practices introduced for the JSRP in other areas of its operation.</p>
<p>d. Outputs In the early part of JSRP implementation, the CDTA will assist RCD in (i) improving its business procedure for project management and asset management; (ii) adopting best practices and tools for project planning, design, road asset management, and road safety; and (iii) enhancing its staff's skills through dedicated, structured training in these aspects. The CDTA will assist RCD in determining the types and specifications of the equipment and facilities to be procured under the JSRP for strengthening RCD's quality assurance function.</p>
<p>13. Assumptions and Risks While the current RCD management is keen to introduce various reforms, non managerial RCD staff could resist the new business procedures and redefinition of RCD's roles in improving and maintaining roads.</p>
<p>14. Implementation Arrangements</p> <p>a. Proposed executing and implementing agencies: Road Construction Department, State Government of Jharkhand</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted <input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p>An institutional assessment was carried out during the project preparatory technical assistance (PPTA) for the JSRP. Based on the assessment, institutional strengthening for JSRP implementation was identified as a priority. A project implementation cell created within RCD is being staffed with qualified officials.</p> <p>c. ADB inputs</p> <p>d. Complementary inputs to be provided by government and/or other TA providing agencies</p> <p>ADB will engage the consultants in accordance with <i>Guidelines on the Use of Consultants</i> (2007, as amended from time to time). The project implementation cell will be fully staffed and functioning by the start of the CDTA; its staff will serve as counterpart staff for the CDTA. RCD will provide office accommodation and make reports and other documents related to JSRP preparation and implementation available to the CDTA consultants.</p>

15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance	
During the preceding PPTA, RCD staff were consulted on the scope of the CDTA. During the loan fact-finding mission for the JSRP in July–August 2008 and a follow-up consultation mission in November 2008, further consultation was carried out with RCD to develop the CDTA concept and scope.	
16. Cost Estimates and Proposed Financing Arrangements	
The total cost of the TA is estimated at \$1,000 equivalent. It is proposed that ADB provide \$750,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility. <sup>a</sup> The Government will finance the remaining \$250,000 equivalent.	
<b>Source</b>	<b>Amount (\$)</b>
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	750,000
Government of India Financing	250,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>1,000,000</b>
Source:	
17. JSF Amount Requested                   \$0.00	
a. Elements that justify JSF financing:	
b. Coordination with local Japanese Embassy or any other embassy when external funding is involved	
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:	
Date of the discussion:	
Results of the discussion:	
18. Monitoring and Evaluation	
TA inception and review missions will be undertaken, as part of loan review missions or stand-alone missions, to ensure quality and progress of the CDTA. Several training workshops will be organized to disseminate the CDTA deliverables.	
19. Estimated period of TA implementation:	
a. Approval of TA: August 2009	
b. Physical completion of TA: February 2011	
c. Closing of TA: June 2011	

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.7: Madhya Pradesh State Roads Project III  
Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)																					
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: COBP 2009</li> </ul>																					
<ul style="list-style-type: none"> <li>Document reference number and date approved:</li> </ul>																					
<ul style="list-style-type: none"> <li>In case of change in the PPTA title, type, or amount, please state reason:</li> </ul>																					
2. Coverage																					
<input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional State of Madhya Pradesh																					
<input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																					
3. Assistance Focus																					
a. Sector(s)																					
<input type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input type="checkbox"/> Energy <input checked="" type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector																					
Subsector(s): Road transport																					
b. Targeting classification																					
<input type="checkbox"/> Targeted intervention <input type="checkbox"/> TI-H <input type="checkbox"/> TI-M <input type="checkbox"/> TI-G <input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)																					
c. Theme(s)																					
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender equity <input type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input type="checkbox"/> Capacity development																					
Subthemes: Widening access to markets and economic opportunities																					
d. Location impact																					
	<table border="1"> <thead> <tr> <th>Relative weight of spatial impact of the project</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </tbody> </table>	Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Relative weight of spatial impact of the project	High	Medium	Low																		
Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																		
National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
4. Partnership																					
5. Name of the Specialist (project team leader) in Charge of the Project: Hiroaki Yamaguchi																					
Name of the Alternate Specialist:																					
<ul style="list-style-type: none"> <li>Local Number: 6630</li> <li>Email Address: hyamaguchi@adb.org</li> </ul>																					
<ul style="list-style-type: none"> <li>Local Number:</li> <li>Email Address:</li> </ul>																					
6. Department, Division: SARD, SATC																					
7. Key Development Issues to be Addressed																					
8. TA Description																					
a. Link to country partnership strategy and/or regional cooperation strategy																					
The Asian Development Bank (ADB) provides support to India in road sector development as a core infrastructure operation for inclusive economic growth. Since 2003, it has focused on the relatively poorer and weak capacity states to support the Government's efforts to reduce interstate disparities. The state of Madhya Pradesh is one of the poorest states in India and the first state to receive ADB's assistance to India's state roads (2002). Based on the substantial development of the reform and physical investment in roads under ADB assistance, the state government of Madhya Pradesh (SGMP) has proposed																					

to implement the third generation of ADB assistance for state road development. PPTA is required to ensure full compliance with ADB safeguard requirements and quality assessment in key areas such as project economics and results monitoring.

b. Impact

The resulting project will enhance road transport efficiency and safety, with increased traffic growth rates and reduced travel time on project roads.

c. Outcome

Agreed design of the resulting project.

d. Outputs

The PPTA will assist the executing agency in preparing the project to fully comply with ADB requirements and to enhance overall implementation readiness, including (i) feasibility studies (assessment of project economics and financial sustainability); (ii) environmental studies; (iii) social impact assessments; (iv) resettlement impact studies and preparation of resettlement plans, including detailed action plan for establishing resettlement and rehabilitation; (v) implementation arrangements; (vi) review and finalization of detailed project reports, bidding documents for civil works, and RFP for consultant recruitment; and (vii) assessment of need for institutional strengthening and capacity development of Madhya Pradesh Roads Development Corporation and Public Works Department.

Close coordination with the executing agency, its consultants, and PPTA consultants, and consultation with affected people will be undertaken.

9. Assumptions and Risks

No major social and environmental issues are envisaged as all the proposed roads are to improve existing roads. The executing agency has experience managing safeguard activities in line with ADB safeguard requirements. The executing agency will engage additional consultants to support implementation of safeguard aspects. Frameworks for environmental assessment and review, resettlement, and indigenous peoples will be prepared in line with government and ADB policies and procedures. Capacity enhancement needs will be reflected in these frameworks.

10. Implementation Arrangements

a. Proposed executing and/or implementing agency: Madhya Pradesh Road Development Corporation (MPRDC)

b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted

Yes  No

MPRDC is well experienced in project execution with international best practices for procurement, contract administration, and safeguard implementation. Two road projects are currently under execution in full compliance with government and ADB policies and requirements.

c. ADB inputs

ADB will engage the PPTA consultants in accordance with *Guidelines on the Use of Consultants* (2007, as amended from time to time).

d. Complementary inputs to be provided by government and/or other TA providing agencies

MPRDC will provide consultants to prepare detailed engineering for the engineering study, office accommodation, counterpart staff, and required documents.

11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:

SGMP has developed the state road development program. The ADB assistance will be further conceptualized during the PPTA and the project preparation of the state road project.

## 12. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA preparation/development is estimated at \$750,000 equivalent. It is proposed that ADB under PPTA provide \$600,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$150,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	600,000
Government of India Financing	150,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>750,000</b>

Source:

13. JSF Amount Requested \$0.00

a. Elements that justify JSF financing

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
 Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed:  
 Date of the discussion:  
 Results of the discussion:

14. Estimated period of TA implementation:

- a. Approval of TA \_\_\_\_\_  
 b. Physical completion of TA \_\_\_\_\_  
 c. Closing of TA \_\_\_\_\_

15. Expected Year of Ensuing Loan and/or Grant: 2011

16. Indicative Amount of Ensuing Loan and/or Grant: \$300,000,000.00

17. Description of Ensuing Loan:

18. Indicative loan and/or grant modality: MFF

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.8: Preparing an Investment Plan for Himachal Pradesh Urban Development  
Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

<p>1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)</p> <ul style="list-style-type: none"> <li>• Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: Not included</li> <li>• Document reference number and date approved: Not available</li> <li>• In case of change in the PPTA title, type, or amount, please state reason:</li> </ul>																																							
<p>2. Coverage</p> <p><input checked="" type="checkbox"/> Country    <input type="checkbox"/> Subregional    <input type="checkbox"/> Interregional</p> <p>State of Himachal Pradesh</p> <p><input checked="" type="checkbox"/> Sovereign                      <input type="checkbox"/> Nonsovereign</p>																																							
<p>3. Assistance Focus</p> <p>a. Sector(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Agriculture and natural resources</td> <td><input type="checkbox"/> Industry and trade</td> </tr> <tr> <td><input type="checkbox"/> Education</td> <td><input type="checkbox"/> Public sector management</td> </tr> <tr> <td><input type="checkbox"/> Energy</td> <td><input type="checkbox"/> Transport and ICT</td> </tr> <tr> <td><input type="checkbox"/> Finance</td> <td><input checked="" type="checkbox"/> Water supply and other municipal infrastructure and services</td> </tr> <tr> <td><input type="checkbox"/> Health and social protection</td> <td><input type="checkbox"/> Multisector</td> </tr> </table> <p>Subsector(s): Urban sector development</p> <p>b. Targeting classification</p> <p><input type="checkbox"/> Targeted intervention</p> <p>                    <input type="checkbox"/> TI-H                                      <input type="checkbox"/> TI-M                                      <input type="checkbox"/> TI-G</p> <p><input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)</p> <p>c. Theme(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Gender equity</td> </tr> <tr> <td><input checked="" type="checkbox"/> Social development</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Environmental sustainability</td> <td><input type="checkbox"/> Governance</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation and integration</td> <td><input type="checkbox"/> Capacity development</td> </tr> </table> <p>Subthemes: Urban environmental improvement, institutional development, human development</p> <p>d. Location impact</p> <table border="1"> <thead> <tr> <th>Relative weight of spatial impact of the project</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> </tbody> </table>		<input type="checkbox"/> Agriculture and natural resources	<input type="checkbox"/> Industry and trade	<input type="checkbox"/> Education	<input type="checkbox"/> Public sector management	<input type="checkbox"/> Energy	<input type="checkbox"/> Transport and ICT	<input type="checkbox"/> Finance	<input checked="" type="checkbox"/> Water supply and other municipal infrastructure and services	<input type="checkbox"/> Health and social protection	<input type="checkbox"/> Multisector	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Gender equity	<input checked="" type="checkbox"/> Social development	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Governance	<input type="checkbox"/> Regional cooperation and integration	<input type="checkbox"/> Capacity development	Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																																				
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Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																																				
<p>4. Partnership:</p>																																							
<p>5. Name of the Specialist (project team leader) in Charge of the Project: H. Ikemoto</p> <ul style="list-style-type: none"> <li>• Local Number: 4444</li> <li>• Email Address: hikemoto@adb.org</li> </ul>	<p>Name of the Alternate Specialist:</p> <ul style="list-style-type: none"> <li>• Local Number:</li> <li>• Email Address:</li> </ul>																																						
<p>6. Department, Division: SARD, SAUD</p>																																							

## 7. Key Development Issues to be Addressed

Himachal Pradesh has one of the highest per capita income of any state in India. Due to the abundance of perennial rivers, Himachal sells hydroelectricity to other states such as Delhi, Punjab, and Rajasthan. The economy of the state is highly dependent on three revenue sources: hydroelectric power, tourism, and agriculture. About 45% of the gross state domestic product is from agriculture, which 93% of the population depends upon.

Heavy dependence on agriculture may make the economy of Himachal Pradesh vulnerable to sudden changes in agricultural commodity prices; thus it needs to gradually diversify its income sources. Nevertheless, Himachal Pradesh is facing a number of constraints in industrial development, i.e., lack of dependable transport and poor accessibility. Other problems are poor mineral resources, non availability of infrastructure and communication facilities, shortage of capital, and lack of modern skills. The ample availability of electricity is the state's strength.

As the tourism industry grows, the lack of infrastructure becomes a serious problem. The increasing numbers of tourists are exceeding the capacity of urban infrastructure in the major cities of Himachal Pradesh. Vertical expansion of building as a result of limited availability of flat land, such as high-rise hotels and shops, increase the population density. This places a heavy strain on existing urban infrastructure. The government of Himachal Pradesh has put much effort into investing in urban infrastructure in its major urban cities. For example, Shimla city is covered under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) to address inadequate sewerage provision, solid waste management, and traffic congestion. The government of Himachal Pradesh claims, however, that the JNNURM financial resources are too limited to improve urban services in the state's major cities.

## 8. TA Description

## a. Link to country partnership strategy and/or regional cooperation strategy

India's 11th Five Year Plan (FYP) 2007–2012 identifies 27 national targets, covering both economic and social goals. They include (i) ensuring clean drinking water is available to all by 2009, by the end of the 11th FYP; and (ii) treating all urban wastewater by 2011/12 to clean river water. Also, the FYP recognizes infrastructure bottlenecks and lack of long-term funds for infrastructure investment as binding constraints for achieving the goals. The Plan calls for public sector investment in meeting infrastructure requirements where private participation is unlikely to be forthcoming.

The country partnership and strategy is designed to support the Government of India's efforts to address the binding constraints in the 11th FYP through four strategic pillars (support for inclusive and environmentally sustainable growth, catalyzing investment through the use of innovative business and financing solutions, strengthening results orientation and emphasizing knowledge solutions, and support for regional cooperation. One of the pillars emphasizes the continuation of ADB assistance to infrastructure development in various sectors, including urban.

The outputs of the PPTA will help the government of Himachal Pradesh determine the investment scope, based on which a subsequent PPTA with bridging assistance will be separately proposed. The PPTA will assess

- (i) master plans of the major cities of Himachal Pradesh, and actual land use and development;
- (ii) the regulatory mechanism for urban development;
- (iii) the existing long-term investment plan, if any, and revise and/or develop a new plan in accordance with the master plan; and
- (iv) the size of works that can be financed by the regular capital investment budget of state agencies and urban local bodies (ULB).

## b. Impact

The government of Himachal Pradesh will have a clear investment strategy for improving urban service delivery to promote inclusive growth.

## c. Outcome

A scope of potential urban development projects requiring a large financial resource have been developed.

## d. Outputs

- (i) Modified master plans for the major cities of Himachal Pradesh
- (ii) Recommendations for reforms of the regulatory mechanism for land use and development
- (iii) New and/or revised 10-year investment plan for water supply, sewerage, and solid waste management following the modified mater plans, together with 5-year project pipelines
- (iv) A clear idea of what size of works can be left with the state government agencies and ULB to finance by themselves
- (v) A clear idea of which agencies are legally and technically suitable for implementing investment projects

9. Assumptions and Risks  
The government of Himachal Pradesh has not yet requested ADB financial assistance due to the lack of a clear investment plan and project proposals. The TA may not result in an immediate request for a loan from the government of Himachal Pradesh.

The executing agency has little experience in preparing aid-funded projects. Therefore, the executing agency may have a different understanding of ADB's lending policy, safeguards policy, and procurement and consultant recruitment guidelines. This may result in delay in production of the outputs.

10. Implementation Arrangements

a. Proposed executing and/or implementing agency:  
Urban Development Department, the government of Himachal Pradesh

b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted  
 Yes  No

The PPTA will undertake the executing and/or implementing agency capacity assessment, including identification of procurement and financial management risks and proposed action plan for executing and/or implementing agency capacity building to minimize or eliminate such risks.

c. ADB inputs  
ADB will engage a consulting firm (about 30 person-months) through QBS in accordance with *ADB's Guidelines on the Use of Consultants* (2007, as amended from time to time). The team of consultants comprises (i) an urban planner, (ii) a water supply system engineer, (iii) a sewage system engineer, and (iv) chartered accountants.

d. Complementary inputs to be provided by government and/or other TA providing agencies  
The government of Himachal Pradesh will provide (i) counterpart staff; (ii) office accommodation and associated utilities; (iii) transportation, remuneration, and per diem of counterpart staff; and (iv) other miscellaneous expenditures.

11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:  
The Government of India requested the PPTA. The PPTA will further consult with stakeholders, namely the government of Himachal Pradesh's agencies for land use planning, water supply, sewerage, solid waste management in the course of assessing and identifying the detailed area for investment. The consultation will also be made among stakeholders in defining the precise responsibilities and procedures in relation to project processing and implementation of the prospective ADB loan after the PPTA.

12. Cost Estimates and Proposed Financing Arrangements  
The total cost of the TA preparation/development is estimated at \$625,000 equivalent. ADB financing It is proposed: that the ADB under PPTA provide \$500,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$125,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	500,000
Government of India Financing:	125,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total</b>	<b>625,000</b>
Source:	

13. JSF Amount Requested	\$0.00
a. Elements that justify JSF financing	
b. Coordination with local Japanese Embassy or any other embassy when external funding is involved Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed: Date of the discussion: Results of the discussion:	
14. Estimated period of TA implementation	
a. Approval of TA: October 2009	
b. Physical completion of TA: September 2010	
c. Closing of TA: December 2010	
15. Expected Year of Ensuing Loan and/or Grant:	To be determined
16. Indicative Amount of Ensuing Loan and/or Grant:	To be determined
17. Description of Ensuing Loan:	To be determined
18. Indicative loan/grant modality:	MFF

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.9: Capacity Development for Rural Cooperative Credit Structure Reform  
(attached to the Rural Cooperative Credit Restructuring and Development Program)**

This TA was approved earlier. Only a change in funding source is sought from the previous Trust Fund financing facility of the Government of the United Kingdom to the new partnership financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB. The earlier approved TA paper is included in the Supplementary Appendix C.

**Table A4.10: Water Users Association Empowerment for Improved Irrigation Management  
in Chhattisgarh (attached to Chhattisgarh Irrigation Development Project)**

This TA was approved earlier. Only a change in funding source is sought from the previous Trust Fund financing facility of the Government of the United Kingdom to the new partnership financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB. The earlier approved TA paper is included in the Supplementary Appendix D.

**Table A4.11 Support for the Jawaharlal Nehru National Urban Renewal Mission, Phase II  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS) <ul style="list-style-type: none"> <li>• Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: COBP 2009</li> <li>• Document reference number and date approved:</li> <li>• In case of change in the TA title, type, or amount, please state reason:</li> </ul>																							
2. TA Type <input checked="" type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA  <input type="checkbox"/> PATA <input type="checkbox"/> R- PATA  <input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA	3. Modality:  <input type="checkbox"/> Cluster  <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																						
4. Categorization of TA <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA																							
5. Coverage  <input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional <div style="float: right; text-align: right; font-size: small;">                     Support to the Ministry of Urban Development (MOUD), Government of India for the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), which is being implemented in 63 large cities across the India.                 </div>																							
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research  <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Promoting inclusive growth  <input type="checkbox"/> Addressing climate change  <input type="checkbox"/> Regional integration                 </div> <div style="width: 45%;"> <input type="checkbox"/> Address increasing commodity price  <input type="checkbox"/> Demographic change  <input type="checkbox"/> Other                 </div> </div>																							
7. Assistance Focus a. Sector(s) <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Agriculture and natural resources  <input type="checkbox"/> Education  <input type="checkbox"/> Energy  <input type="checkbox"/> Finance  <input type="checkbox"/> Health and social protection                 </div> <div style="width: 45%;"> <input type="checkbox"/> Industry and trade  <input type="checkbox"/> Public sector management  <input type="checkbox"/> Transport and ICT  <input type="checkbox"/> Water supply and other municipal infrastructure and services  <input checked="" type="checkbox"/> Multisector: Water supply, sanitation, and waste management; and transport and communications                 </div> </div> <p style="font-size: small;">Subsector(s): Water supply and sanitation; waste management; transport management and policies</p> b. Targeting classification <input type="checkbox"/> Targeted intervention <div style="display: flex; justify-content: space-around; font-size: x-small;"> <input type="checkbox"/> TI-H                                    <input type="checkbox"/> TI-M                                    <input type="checkbox"/> TI-G                 </div> <input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)                 c. Theme(s) <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> <u>Economic growth</u>  <input type="checkbox"/> Social development  <input checked="" type="checkbox"/> Environmental sustainability  <input type="checkbox"/> Regional cooperation and integration                 </div> <div style="width: 45%;"> <input type="checkbox"/> Gender equity  <input type="checkbox"/> Private sector development  <input type="checkbox"/> Governance  <input checked="" type="checkbox"/> Capacity development                 </div> </div> <p style="font-size: x-small;">Subthemes: Widening access to markets and economic opportunities; urban environmental improvement; institutional development</p> d. Location impact <table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th style="width: 30%;">Relative weight of spatial impact of the project</th> <th style="width: 15%;">High</th> <th style="width: 15%;">Medium</th> <th style="width: 15%;">Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </tbody> </table>				Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
8. Partnership																							
9. Name of the Specialist (project team leader) in Charge of the Project: Sekhar Bonu		Name of the Alternate Specialist: Hiroyuki Ikemoto																					

<ul style="list-style-type: none"> <li>• Local Number: 5628</li> </ul>	<ul style="list-style-type: none"> <li>• Local Number: 5867</li> </ul>
<ul style="list-style-type: none"> <li>• Email Address: sbonu@adb.org</li> </ul>	<ul style="list-style-type: none"> <li>• Email Address: hikemoto@adb.org</li> </ul>
10. Department, Division: SARD, SAUD	
<p>11. Key Development Issues to be Addressed</p> <p>The Asian Development Bank (ADB) provided TA for the first 3 years of implementation of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), which is likely to be completed in October 2009. The Government of India appreciated this TA support, and requested continued TA support for the remaining period of JNNURM implementation (up to March 2012).</p> <p><b>Growing Significance of Urban Development.</b> The 11th Five Year Plan of India (2007–2012) gives high priority to urban development and notes that "Indian cities will be the locus and engine of economic growth over the next two decades, and the realization of an ambitious goal of 9-10% growth in GDP depends fundamentally on making Indian cities much more livable, inclusive, bankable, and competitive." The plan identifies spatial disparities in urban infrastructure across the cities as one of the major constraints to India's urbanization and economic growth. The JNNURM is the flagship government program to accelerate urban infrastructure development as well as improve urban governance. The Government of India, state governments, and JNNURM cities have committed substantial funds under the ongoing JNNURM to improve urban infrastructure.</p> <p><b>Gaps in Urban Infrastructure.</b> Currently, the provision of urban infrastructure and services in India is characterized by severe deficiencies. While 90% of the urban population has access to water supply, only 74% of the country's population have access to piped water. The amount and quality of piped water is poor, with water available only for a few hours per day. Only 62% of the urban population has access to toilets either connected to sewers, septic tanks, or latrines, which are not properly maintained, leading to health and environmental problems. About 50% of solid waste generated is not collected. Urban roads and transport systems are inadequate making travel within cities time-consuming and inefficient. In absence of reliable rapid transport systems, commuters depend on private transportation. Urban roads are rundown and/or overwhelmed by increasing vehicular traffic. Roads are clogged during rush hour, leading to lost productivity and environmental pollution. India needs huge investments to upgrade its urban infrastructure to improve water and sewerage services, solid waste management, mass transportation systems, among others.</p> <p><b>Scaling Up Investments.</b> The JNNURM is a timely initiative and, given the history of urban infrastructure development in India, the scale of JNNURM intervention is impressive. However, given the speed of urbanization, the pent-up demand for urban infrastructure, and investments in urban infrastructure required to sustain high economic growth, much greater sustained urban infrastructure investments are required in the future. Hence, TA support for the JNNURM is required not only to consolidate the first phase TA support, but also to assist MOUD in increasing urban infrastructure investments and support the reform agenda for enabling governance, fiscal, and institutional changes that will truly transform Indian cities into globally competitive, vibrant, environmentally sustainable, and inclusive cities. While finances are certainly a constraint, state and city institutional capacity to conceive, design, procure, and execute complex urban projects and sustainable mechanisms to operate and maintain the assets being created, is another. Most of the states and cities that are lagging in JNNURM implementation are those whose state and city urban development departments lack agencies with engineering capacity to prepare detailed project reports and procure and monitor civil works effectively. TA is required to support states that are falling behind with JNNURM implementation.</p> <p><b>Institutionalization of Capacities for Long-Term Development.</b> Urbanization will become more intense. In addition to meeting the urban infrastructure gaps that continue to be massive, the momentum of urban development has to shift from reactive to proactive. The current reactive approach is responding to unsystematic urbanization by largely meeting urban basic service needs of the burgeoning urban population. In a proactive approach, urbanization is planned and the urbanization process is utilized to provide stimulus for sustained economic growth by strategic urban investments. To achieve this transformational shift from being reactive to proactive, the institutional and financial framework of urban development will need a systematic overhaul. Given these massive challenges, national and state capacity developed through the JNNURM must be maintained, i.e., complex multidisciplinary capacities (engineering, procurement, financial management, urban planning, municipal finance, and environmental sustainability) relating to urban infrastructure development and urban reforms under a sustainable institutional framework.</p>	
<p>12. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>ADB's country strategy for India gives high priority to urban development, and supports the Government's urban development agenda with dual objectives of improving the quality of life of urban residents, and enhancing the competitiveness of Indian cities to attract investment in a globalizing world. The key outcome of ADB's urban sector assistance comprises contributions to the 11th Five Year Plan's targets for (i) increasing access of the urban population to water supply and sanitation, (ii) enhancing urban accessibility and mobility, and (iii) improving the environment and public health for the urban population. The rationale for continuing ADB support to the JNNURM is as follows: Urban infrastructure</p>	

development on a scale to meet the burgeoning needs of Indian cities has been undermined for decades. The JNNURM is the first large-scale national program to address neglected gaps in urban infrastructure, and address the current demands for infrastructure. However, executing the JNNURM in an institutional context accustomed to small scales of urban investments and an environment of constrained policy, capacity, and governance has been a difficult task. The first phase of ADB assistance through TA helped MOUD set up systems, procedures, and monitoring of the JNNURM. Additional assistance is now needed to consolidate the gains, institutionalize the systems in a sustainable manner, and support states lagging in implementation. The CDTA is in line with ADB's country strategy for urban infrastructure development and is included in the country operations and business plan 2009–2010. The CDTA will support initiatives to institutionalize capacities developed during the current phase of JNNURM implementation, and strengthen such institutionalized national, state, and city urban development capacities.

b. Impact

Improved urban infrastructure and JNNURM-led reforms lead to higher quality urban basic services, and faster and sustained economic growth in India.

c. Outcome

By the end of the 11th Five Year Plan of India (2012), the targeted investments in urban infrastructure and enabling institutional reforms envisaged by the JNNURM are achieved.

d. Outputs

1. MOUD's stewardship role in JNNURM implementation is strengthened, and consolidation and institutionalization of JNNURM systems for scaling up urban investments and reforms are achieved.
2. Effectiveness of the JNNURM in states currently lagging with implementation, and financial sustainability are improved.

Key Activities and Time Frame

1. Strengthen MOUD's stewardship role in JNNURM implementation, and consolidate and institutionalize JNNURM systems for scaling up urban investments and reforms
  - 1.1. Review monitoring process of investment program and develop rating system: December 2009
  - 1.2. Introduce investment program rating system to segregate projects that are high risk: January 2010 to March 2012
  - 1.3. Review monitoring process of reform program and develop rating system: December 2009
  - 1.4. Support monitoring of the reform program, and present quarterly city reform ranking: January 2010 to March 2012
  - 1.5. Develop strategy for annual JNNURM award function, among others, to award the best performing cities and states in various categories: December 2010
  - 1.6. Support conduct of annual JNNURM award function
  - 1.7. Review management information systems (MIS) and develop action plan for strengthening: March 2010
  - 1.8. Support implementation of the MIS: 2010
  - 1.9. Review and update procurement and contracts of services of various agencies and/or institutions: December 2009
  - 1.10. Produce a plan for central and state institutionalization of the JNNURM: December 2010
  - 1.11. Support implementation of the institutionalization of JNNURM arrangements: by June 2011
  - 1.12. Implement transitional arrangements by documenting processes, and transferring technology and process: by January 2012
  - 1.13. Support policy development on maintenance of JNNURM assets, and monitoring and reporting mechanisms: December 2010
2. Improve effectiveness of JNNURM implementation in lagging states, and strengthen financial sustainability
  - 2.1. Identify lagging states and cities for support: November 2009
  - 2.2. Review the investment program in the selected lagging states: November 2009 to December 2013
  - 2.3. Conduct training programs: January 2010 to December 2013
  - 2.4. Support development of DPRs, procurement, setting up of monitoring systems: January 2010 to December 2013
  - 2.5. Develop a review mechanism of counterpart funding for states and cities: December 2009
  - 2.6. Provide support in structuring projects and arrange finances from investment banks: January 2010 to December 2011
  - 2.7. Develop and support institutionalization of financial intermediation by JNNURM state units in selected states: January 2010 to December 2011
  - 2.8. Review program implementation lessons: April to June 2011
  - 2.9. Develop draft proposal for next phase program: December 2011

<p>13. Assumptions and Risks</p> <p>Establishing sustainable national, state, and city institutions to retain capacity built during the current phase of the JNNURM is a major issue, i.e., for undertaking long-term urban development of Indian cities. The TA will address this to some extent by supporting national institution building, and working with five lagging states. A prolonged global economic downturn could slow the Government's efforts to increase urban infrastructure investments. Resistance to fiscal devolution and lack of commitment to strong urban local bodies is a risk for JNNURM reforms. The lack of good quality consultants could be another risk for effective implementation of the CDTA.</p>
<p>14. Implementation Arrangements</p> <p>a. Proposed executing and/or implementing agency Ministry of Urban Development, Government of India</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c. ADB inputs To achieve the project outcomes, the TA will support 400 person-months of national consultant support. The majority of the consultants (310 person-months) will be hired through a firm selected using the quality-and-cost-based-selection (QCBS) system. Independent consultants will provide the remaining 90 person-months.</p> <p>The consulting team to be hired through a consulting firm will consist of a core team (170 person-months) and resident urban infrastructure and procurement experts (140 person-months). The core team will comprise an urban infrastructure finance expert (team leader, 25 person-months); urban infrastructure and water supply, sewerage, and drainage expert (deputy team leader, 25 person-months); procurement expert (25 person-months); monitoring and evaluation and information technology expert (25 person-months); urban infrastructure and urban transport expert (18 person-months); solid waste management expert (18 person-months); economist and financial analysis expert (12 person-months); environmental safeguard expert (12 person-months); and social safeguard and social development expert (10 person-months).</p> <p>In addition, the consultant firm will provide eight resident urban infrastructure and procurement experts (140 person-months) who will be deployed in a flexible manner at selected state headquarters to provide support for JNNURM state implementation. The overall function of the consultant firm is to provide support to MOUD in the overall management of the program with special focus on strategy, systems, processes, institution building, monitoring, and evaluation to ensure high quality and time-bound execution of infrastructure projects financed by the JNNURM with special focus on lagging states. The consultant firm will help strengthen systems and processes for monitoring the quality of infrastructure; and provide, where necessary, support for developing feasibility reports, detailed designs, procurement, hiring of independent quality assurance firms, and training for client state and cities.</p> <p>The Independent consultants will be project management and institutional development experts hired for 100 person-months. ADB will engage consulting firms and individual consultants in accordance with ADB's <i>Guidelines on the Use of Consultants</i> (2007, as amended from time to time). QCBS with simplified technical proposals will be used to select the consultant firm. The quality/cost ratio to be used for the QCBS will be 80:20. All equipment purchased under the CDTA will be handed over to MOUD after TA completion. To facilitate implementation, the CDTA will use an advance payment facility for workshops and surveys. The amount of the advance and its liquidation will be arranged in line with ADB's <i>Technical Assistance Disbursement Handbook</i> (2008).</p> <p>d. Complementary inputs to be provided by Government and/or other TA providing agencies MOUD, the Executing Agency, will be responsible for overall coordination of all CDTA activities. The JNNURM mission director, in MOUD, will be the project director of the CDTA and the consultants will directly report to the mission director. The Government will appoint counterpart staff to be part of the JNNURM project cell, who will work directly with the CDTA consultants. Mobilizing an adequate number of skilled counterpart staff from the market on a contractual basis as well as obtaining staff on deputation from other agencies will be important for CDTA success. During CDTA implementation, close coordinated work between the TA team and counterpart staff will help transfer skills and processes from the consultants to the counterpart staff, and in the process help build sustainable capacity. A steering committee chaired by the MOUD secretary will review CDTA performance quarterly, and provide overall stewardship for enhancing CDTA effectiveness. The member secretary of the steering committee will be the MOUD joint secretary and the JNNURM mission director. Membership for the steering committee will include representatives of the Ministry of Housing and Urban Poverty Alleviation; Department of Economic Affairs, and states and cities. The CDTA will be implemented over 30 months from October 2009 to March 2012.</p>
<p>15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:</p>

Prior consultations include discussions with the MOUD secretary and joint secretary, Government of India; Department of Economic Affairs, Government of India; the consultant firm implementing JNNURM phase 1 support of ADB; staff of the National Institute of Urban Affairs; members of the JNNURM national steering committee, including some members of civil society. Further discussions will be held during the proposed fact-finding mission. The Government of India has strong ownership of the TA and requested this support.

#### 16. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA is estimated at \$3,200,000 equivalent. It is proposed that ADB provide \$2,200,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$1,000,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	2,200,000
Government of India Financing:	1,000,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>3,200,000</b>
Source:	

#### 17. JSF Amount Requested \$0.00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:

Results of the discussion:

#### 18. Monitoring and Evaluation

Monitoring will be done through regular missions, reviewing the output of the consultants vis-à-vis their terms of reference, and by holding discussions with various stakeholders on a regular basis on CDTA effectiveness. Evaluation of the CDTA will be based on the support the CDTA provides to the effective physical and financial progress of the JNNURM along with progress made on reforms.

#### 19. Estimated period of TA implementation:

a. Approval of TA: August 2009

b. Physical completion of TA: December 2012

c. Closing of TA: March 2013

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.12: Preparing Integrated Coastal Protection and Management Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS):			
• Year included in CPS,RCS, COBP, ROBP, CPS, and/or RCS midterm review report: COBP 2009			
• Document reference number and date approved:			
• In case of change in the PPTA title, type, or amount, please state reason:			
2. Coverage			
<input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional			
<input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign			
3. Assistance Focus			
a. Sector(s)			
<input checked="" type="checkbox"/> Agriculture and natural resources		<input type="checkbox"/> Industry and trade	
<input type="checkbox"/> Education		<input type="checkbox"/> Public sector management	
<input type="checkbox"/> Energy		<input type="checkbox"/> Transport and ICT	
<input type="checkbox"/> Finance		<input type="checkbox"/> Water supply and other municipal infrastructure and services	
<input type="checkbox"/> Health and social protection		<input type="checkbox"/> Multisector	
Subsector(s): Water-based natural resources management and land-based natural resources management			
b. Targeting classification			
<input type="checkbox"/> Targeted intervention			
<input type="checkbox"/> TI-H		<input type="checkbox"/> TI-M	
<input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)		<input type="checkbox"/> TI-G	
c. Theme(s)			
<input checked="" type="checkbox"/> Economic growth		<input type="checkbox"/> Gender equity	
<input type="checkbox"/> Social development		<input type="checkbox"/> Private sector development	
<input checked="" type="checkbox"/> Environmental sustainability		<input type="checkbox"/> Governance	
<input type="checkbox"/> Regional cooperation and integration		<input checked="" type="checkbox"/> Capacity development	
Subthemes: Widening access to markets and economic opportunities, natural resources conservation, and institutional development			
d. Location impact			
Relative weight of spatial impact of the project	High	Medium	Low
Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Partnership			
5. Name of the Specialist (project team leader) in Charge of the Project: Arnaud Cauchois		Name of the Alternate Specialist: Rezaul K. Khan	
• Local Number: 5632		• Local Number: 6454	
• Email Address: acauchois@adb.org		• Email Address: rkkhan@adb.org	
6. Department, Division:		SARD, SANS	
7. Key Development Issues to be Addressed			
<p>India has a coastline of about 7,500 kilometers. All the coastal states and union territories are to some extent affected by coastal erosion. About 26% of the mainland coastline faces serious erosion problems; much is actively retreating. Many of the coastal protection strategies employed have been ineffective as coastal properties and investments remain threatened by erosion, particularly during monsoon seasons. Furthermore, the extensive use of rock protection structures has contributed to degradation of beaches and the social environment of the coastal zone. Sea level rise in the Indian subcontinent is projected to be between 15 and 38 centimeters by the middle of the century. The rise in sea level and the likely increased frequency and intensity of storms will exacerbate the erosion problem.</p>			

<p>8. TA Description:</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy The Asian Development Bank (ADB) CPS for India (2009-2012) envisages an enhanced role for ADB in increasing effectiveness and sustainability of coastal protection and management measures in coastal states.</p>
<p>b. Impact The impact of the PPTA and the resulting project is the long-term sustainability and economic development of the shoreline for the benefit of coastal communities in selected states.</p>
<p>c. Outcome The outcome will be an ADB project design that includes preparation of an investment program for ADB financing under a possible multitranche financing facility (MFF) modality that includes (i) infrastructure, (ii) institutional strengthening, and (iii) capacity development.</p>
<p>d. Outputs The PPTA will address the due diligences requirements for an MFF program and support investment preparation for subprojects to be financed through the first tranche of the MFF, including structural and nonstructural costal protection and management interventions.</p> <p>The first component of the PPTA will focus on addressing the due diligence of MFF processing requirements. The following outputs will be delivered: (i) a refined policy framework, (ii) a sector road map, (iii) a medium-term investment program, (iv) a program financing plan, (v) a program design and monitoring framework, (vi) necessary safeguard frameworks (environment, resettlement, and social) and institutional and governance frameworks. Importantly, the PPTA will provide recommendations to establish the program management facility (PMF), which will assist with implementing the investment program, and activities under the first financing tranche (including safeguards, institutional, technical) as well as the preparation of physical and nonphysical investments for inclusion under the subsequent MFF tranches. The PPTA will prepare bidding documents for the PMF consultants and equipment procurement to ensure quick start-up of program implementation.</p> <p>The second component of the PPTA will comprise preparation of the program first tranche investment and due diligence requirements. The outputs will include (i) subproject selection criteria and a list of selected subprojects; (ii) completed subproject feasibility and detail design studies including technical, economic, financial, legal, social, and environmental due diligence; (iii) recommendations for improving coastal zone management mechanisms; (iv) a first tranche investment plan, design and monitoring framework, implementation plan, and tender documents for subproject construction works.</p>
<p>9. Assumptions and Risks The PPTA involves some issues and risks including implementation delays, pressure to develop inappropriate solutions, and ineffective organizations to implement sustainable coastal protection measures. Lack of needed institutional changes to ensure the long term sustainability of the project initiatives is a major risk. Measures will be taken to minimize these. Given the pressure to continue the program of rock-wall construction, change to soft and environmentally appropriate options may not always be perceived as acceptable. A key issue is the sustainability of project interventions, which will require resources, capacities, and organizations for management and maintenance of the completed works. The sustainability of the project will also require the initiation of a number of institutional reforms.</p>
<p>10. Implementation Arrangements</p> <p>a. Proposed executing/implementing agency Ministry of Water Resources/to be determined</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing/implementing agency previously conducted <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c. ADB inputs</p> <p>d. Complementary inputs to be provided by Government and/or other TA providing agencies To be determined during the fact-finding missions.</p>
<p>11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance: Formal consultation with government and beneficiaries will be conducted in due course.</p>

<b>12. Cost Estimates and Proposed Financing Arrangements</b>	
The total cost of the TA preparation/development is estimated at \$1,150,000 equivalent. It is proposed that ADB under PPTA provide \$900,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility. <sup>a</sup> The Government will finance the remaining \$250,000 equivalent.	
<b>Source</b>	<b>Amount (\$)</b>
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	900,000
Government of India Financing	250,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>1,150,000</b>
Source:	
<b>13. JSF Amount Requested</b>	<b>\$0.00</b>
a. Elements that justify JSF financing	
b. Coordination with local Japanese Embassy or any other embassy when external funding is involved	
Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed:	
Date of the discussion:	
Results of the discussion:	
<b>14. Estimated period of TA implementation:</b>	
a. Approval of TA: February 2010.	
b. Physical completion of TA: June 2011	
c. Closing of TA: December 2011	
<b>15. Expected Year of Ensuing Loan and/or Grant:</b>	<b>2012</b>
<b>16. Indicative Amount of Ensuing Loan and/or Grant:</b>	<b>to be determined</b>
<b>17. Description of Ensuing Loan:</b>	<b>to be determined</b>
<b>18. Indicative loan and/or grant modality:</b>	<b>MFF</b>

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.13: Uttarakhand Energy Efficiency  
Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)																					
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report: Not included</li> <li>Document reference number and date approved:</li> <li>In case of change in the PPTA title, type, or amount, please state reason:</li> </ul>																					
2. Coverage																					
<input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional State of Uttarakhand <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																					
3. Assistance Focus																					
a. Sector(s):																					
<input type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input checked="" type="checkbox"/> Energy <input type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector Subsector(s): Renewable energy, electricity transmission and distribution																					
b. Targeting classification																					
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c. Theme(s)																					
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<ul style="list-style-type: none"> <li>Local Number: 5021</li> <li>Email Address: hkobayashi@adb.org</li> </ul>	<ul style="list-style-type: none"> <li>Local Number:</li> <li>Email Address:</li> </ul>																				
6. Department, Division: SARD, SAEN																					
7. Key Development Issues to be Addressed:																					
8. TA Description:																					
a. Link to country partnership strategy and/or regional cooperation strategy Development of the power subsector is an important plank of ADB's country partnership strategy for India.																					
During the 11th Five Year Plan (2008–2012), the Government of India proposes to increase installed generation capacity from about 140,571 megawatts (MW) (as of 31 December 2007) to 209,440 MW. Financing this capacity expansion of 78,577 MW and the associated transmission and distribution system is a major challenge for the power subsector. The Government also aims to reduce aggregate technical and commercial losses from 40% to 15% by 2012. The PPTA will review possible areas and projects for energy efficiency improvement in generation, transmission, and distribution in Uttarakhand by adopting, for example, new generation technology, high-efficiency transmission network development, and																					

demand-side management in distribution. The PPTA will review possible projects in renewable energy for off-grid areas, such as mini-hydro and watermills, hybrid solar, and wind generation, to help achieve the Government's "Power for All by 2012" initiative targets.

**b. Impact**

The anticipated impact of the PPTA (and outcome of the ensuing projects) is sustained inclusive economic growth by improving efficiency and increasing capacity in Uttarakhand's energy sector. A more efficient and effective sector will relieve or at least lessen the burden of the power subsector on the state budget, and will facilitate economic development by removing impediments to growth and allocating scarce public resources away from the power industry.

**c. Outcome**

The outcome of the PPTA is to develop a least-cost project design and comprehensive feasibility studies agreed between the Government and ADB, for improving energy efficiencies in generation, transmission, and distribution, along with additional renewable energy generation development schemes using such approaches as watermills, solar, wind, and biomass. The PPTA will facilitate identification of various options and investment needs to achieve environmental sustainability in the energy sector.

**d. Outputs**

The PPTA will have three principal outputs: (i) Uttarakhand energy efficiency master plan, (ii) a status report on various options (including ways and means) and investment needs to achieve environmental sustainability in the energy sector, and (iii) a draft strategy, and financing mechanism for identified investment options to become commercially viable activities. The financing mechanism for selected options will include potential for private sector participation and various other innovative financing arrangements. These outputs will ensure possible loan and grant projects with cost estimates; technical, financial, economic, and socioeconomic analyses; and social and environmental assessments.

**9. Assumptions and Risks**

Since the review areas are scattered, involving generation, transmission, distribution, and renewable energy, good coordination with all stakeholders, such the national and state governments, executing and implementing agencies, other development partners, and local communities, is required to create the Uttarakhand energy efficiency master plan and other documents, which should be comprehensive and harmonized with all reviewed areas.

Various tough issues, such as the power shortage in urban areas, demand assessment in rural and off-grid areas, power prices and cost recovery, willingness to pay, affordability, subsidization of consumption, regulation, and conflict in use, also need to be covered to understand sustainability of the sector.

Similar to other ongoing ADB projects, such an energy efficiency project based upon rural electrification, the project may be categorized as "B" because it is expected to minimize or mitigate any negative environmental impacts and has positive social and environmental impacts.

10. Implementation Arrangements

a. Proposed executing and implementing agencies

The Uttarakhand Energy Department (UED) will be the Executing Agency for all PPTA components. The four implementing agencies are (i) Uttarakhand Power Corporation Limited for distribution-related components and any on-grid rural electrification; (ii) Uttarakhand renewable energy development agency (UREDA) for renewable energy development including water mills, biomass, off-grid solar rural and/or wind power generation plants; (iii) Uttarakhand Jal Vidyut Nigam Ltd. for hydropower generation areas; and (iv) Power Transmission Corporation of Uttarakhand Ltd. for transmission areas. The Project Management Office (PMO) of UED for ADB projects will set up a steering committee to coordinate with the implementing agencies and oversee PPTA implementation. The PMO will establish the relevant project team for each PPTA component to help the consultants liaise with government ministries and agencies, local authorities, and project area residents; and obtain data and documentation from them. UED will provide sufficient office space, furniture, and support facilities to the PPTA consultants on time.

b. Institutional, organizational, procurement and/or financial management assessments on the executing and/or implementing agencies previously conducted

Yes  No

c. ADB inputs

d. Complementary inputs to be provided by Government and/or other TA providing agencies

The PPTA will require 100 person-months of consulting services (40 international and 60 national). The consultant team will include eight areas of expertise: (i) power sector management, (ii) renewable energy, (iii) urban–rural power distribution, (iv) hydropower and transmission, (v) economic analysis and evaluation, (vi) financial analysis and management, (vii) social safeguard development, and (viii) environmental assessment and management.

The executing and implementing agencies will establish the counterpart project team and appoint its manager for each PPTA component to help the consultants liaise with other government ministries and agencies, local authorities, and people in the project areas, and obtain data and documentation from them. UED will provide sufficient office space, furniture, and support facilities to the PPTA consultants on time.

11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance

All the power sector agencies concerned and key development partners in Uttarakhand were consulted during conceptualization of this assistance program. The Government endorsed the aide memoire that describes the PPTA brief concept and components.

12. Cost Estimates and Proposed Financing Arrangements

The total cost of TA preparation/development is estimated at \$1,000,000 equivalent. It is proposed that ADB under PPTA provide \$800,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$200,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	800,000
Government of India Financing	200,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>1,000,000</b>

Source:

13. JSF Amount Requested \$ .00

a. Elements that justify JSF financing:

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed: Date of the discussion: Results of the discussion:	
14. Estimated period of TA implementation: a. Approval of TA: Mach 2010 b. Physical completion of TA: March 2011 c. Closing of TA: June 2011	
15. Expected Year of Ensuing Loan and/or Grant:	To be determined
16. Indicative Amount of Ensuing Loan and/or Grant:	To be determined
17. Description of Ensuing Loan: tbd	
18. Indicative loan and/or grant modality: tbd	

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.



10. Department, Division: SARD, SAFM
<p>11. Key Development Issues to be Addressed:</p> <p>Orissa is India's 9th largest state by area (share of 4.74%) and 11th largest by population (share of 3.58%). However, it ranks 14th according to gross state domestic product (GSDP) (2005/06) among the 17 nonspecial category states. Though its GSDP has almost doubled during the last 5 years, from Rs434.9 billion in 2001/02 to Rs911.5 billion in 2006/07, its share of India's gross domestic product has increased only marginally from 2.24% to 2.40% from 2001/02 to 2006/07. Annual per capita income of the state is 5th lowest in the country at Rs17,610 compared to the all India average of Rs25,956 for 2005/06. Among the 15 major states of India, Orissa's human development index was the 5th lowest in 1981, 4th lowest in 1991, and again the 5th lowest in 2001, even though the absolute value of the index rose between 1981 and 2001 by 51.3%, albeit from a rather low level (Orissa Human Development Report 2004).</p> <p>Orissa embarked on fiscal reform during the past decade. During 1999–2001, the state signed a memorandum of understanding with the Government of India to implement an agreed set of reform measures. The state enacted the Fiscal Responsibility Legislation in 2005 and formulated a medium-term fiscal plan with monitorable fiscal targets. Orissa has undertaken significant reform to enhance revenue, reform expenditure management, and rationalize staffing. Some of the major reform initiatives are (i) introduction of value-added tax in 2005; rationalization of tax rates, stamp duty, and registration fees; and computerization of commercial taxes; (ii) introduction of a defined contributory pension scheme and fast-track mechanism for completion of infrastructure projects, as well as treasury computerization through on-line verification of budgetary allocation; (iii) introduction of a voluntary retirement scheme for state government employees, restrictions on new recruitment, and staff rationalization through efficient human resources utilization.</p> <p>The state government is now considering reform of public sector enterprises (PSEs) (such as closure, privatization, and restructuring of loss-making PSEs). Inadequate provision of economic and social infrastructure continues to hamper state development, and Orissa continues to be a poor state with considerable scope for development. The overall literacy rate in Orissa was 63% in 2001, which ranks 24th among the 35 states and union territories. Infant mortality continues to be highest in Orissa among all the states. Lack of access to safe drinking water, and inadequate nutrition and health care services are major causes of the state's high infant mortality rate.</p> <p>Weak economic and social infrastructure, slow industrial development, high proportion of tribal population, high cost of service delivery, and inadequate investment are some of the key issues indicating a need for continuing reforms in the state. In the presence of widespread poverty and urgent need for economic and social infrastructure, efficient public resource management reform (PRMR) becomes imperative.</p>
<p>12. TA Description:</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy</p>
<p>b. Impact</p> <p>The impact of the PATA will be improved development management in Orissa by designing a policy matrix for PRMR to help achieve improved financial flexibility for the state government. This will allow it to actively promote social and physical infrastructure development and improve economic growth performance.</p>
<p>c. Outcome</p> <p>The outcomes of the PATA will include an agreed design of a program loan with a policy matrix governing areas of revenue administration, expenditure management, debt management, PSE reform, as well as capacity Development to successfully implement the policy matrix.</p>
<p>d. Outputs</p> <p>Key activities of the PATA include (i) developing revenue augmentation and facilitating administration for tax and nontax revenues; (ii) developing procedures for introducing output-based budgeting, including financial indicators for monitoring; (iii) developing mechanisms for capturing data and providing expenditure estimates for the operation and maintenance of asset-creating projects in the budget; (iv) undertaking a feasibility study and preparing an action plan for creating physical asset registers for state government assets, in preparation for moving to accrual-based accounting; (v) developing efficient debt management and guarantees including maintenance of a debt data system and regular reporting mechanism; (vi) studying the functioning of 29 PSEs currently in operation and providing categorization of enterprises according to whether they should be restructured or closed (for this analysis, Orissa PSE reform program by Department for International Development (United Kingdom) will be used as a basis); and (vii) identifying emerging skill demands in the job market in Orissa with an emphasis on the labor market and rising industries in Orissa.</p> <p>The major outputs of the PATA include (i) an agreed design on a policy matrix, strategy, and action plans, along with an estimation of appropriate adjustment costs, as part of the overall fiscal consolidation program of Orissa PRMR; (ii) a holistic analysis of the operating PSEs and recommendation for reform; (iii) examination of relevant international and national best</p>

practices in designing desirable revenue augmentation, expenditure and debt management, as well as state-owned enterprise reform; and (iv) capacity development of the executing and implementing agencies to improve program management and implementation with resulting impact on timely and effective program implementation.

### 13. Assumptions and Risks

Potential issues include the following: (i) Revenue administration: Orissa has made decent progress in revenue reforms such as introduction of value-added tax in 2005; rationalization of tax rates, stamp duty and registration fees; checking undervaluation of property; computerization of commercial taxes; and on-line registration and e-filing of tax returns. However, potential for improvement remains for revenue collection and administration in terms of low tax base and limited progress in public resource management. (ii) Expenditure management: Currently overall PRMR is lacking. The only department with a medium-term expenditure framework is in the health sector. The state government has not yet developed a proper output-based budget. Reform will be needed for the treasury computerization system with the provision of management information system (MIS) facilities and a bank interface with the treasury system. (iii) Debt management: Orissa's debt to GSDP ratio of 40% is 6th highest among the nonspecial category states and is high compared with the debt to GSDP ratio of 28% for all states. To curb growing interest payment obligations, the state needs to continue swapping and buying back high-cost debt, and access low-cost and concessional borrowings from external funding agencies through the national Government, (iv) PSE reform: The state government's investments in PSEs and devolution of guarantees by government on debts raised by the PSEs have been a major fiscal drain on the state finances. Thus, PSE reform becomes very important for the state to enable development, utilization of resources, and facilitate private sector investments into sectors exclusively reserved for or dominated by the public sector.

Some minor risks involve the nonsustainability of current reform measures, because, for example, of insufficient capacity in specific implementing government agencies. However, these risks can be mitigated by continued policy dialogue with the state government and other stakeholders, including business associations; as well as specific technical assistance and capacity development support.

### 14. Implementation Arrangements

#### a. Proposed executing and/or implementing agency

The Finance Department of the state of Orissa will be the Executing Agency for the PATA. It will provide office space, furniture, equipment, and counterpart staff for TA consultants, who will receive operations advice and guidance from the project director of the Finance Department. The state government will set up a steering committee, cochaired by the commissioner and Finance Department secretary, with the project director acting as the committee secretary.

#### b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted

Yes  No

#### c. Asian Development Bank (ADB) inputs

#### d. Complementary inputs to be provided by Government and/or other TA providing agencies

ADB will engage the consultants in accordance with the *Guidelines on the Use of Consultants* (2007, as amended from time to time). All procurement of equipment will be undertaken in accordance with ADB's *Guidelines for Procurement* (2007, as amended from time to time), and all equipment will be handed over to the state at completion of TA.

### 15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:

The TA was conceptualized in consultation with related stakeholders.

#### 16. Cost Estimates and Proposed Financing Arrangements

The total cost of the TA is estimated at \$375,000 equivalent. It is proposed that ADB provide \$300,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$75,000 equivalent.

Source	Amount (\$)
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	300,000
Government Financing	75,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost</b>	<b>375,000</b>
Source:	

#### 17. JSF Amount Requested \$0.00

a. Elements that justify JSF financing

b. Coordination with local Japanese Embassy or any other embassy when external funding is involved  
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:

Date of the discussion:

Results of the discussion:

#### 18. Monitoring and Evaluation

The TA will be monitored and evaluated through Project Steering Committee and ADB review missions, which will be held once in every 6 months. The good practices and lessons will be disseminated to the public through workshops and publication of articles in external journals or books.

#### 19. Estimated period of TA implementation:

a. Approval of TA: August 2010

b. Physical completion of TA: August 2011

c. Closing of TA: December 2011

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.15 Preparing the Madhya Pradesh Urban Environmental Improvement Project II  
Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS) <ul style="list-style-type: none"> <li>• Year included in CPS, ,RCS, COBP, ROBP, CPS, and/or RCS midterm review report: COBP 2008</li> <li>• Document reference number and date approved:</li> <li>• In case of change in the PPTA title, type, or amount, please state reason:</li> </ul>																																							
2. Coverage <input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional India, State of Madhya Pradesh. <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																																							
3. Assistance Focus <p>a. Sector(s)</p> <table style="width:100%; border: none;"> <tr> <td style="width: 50%; border: none;"><input type="checkbox"/> Agriculture and natural resources</td> <td style="width: 50%; border: none;"><input type="checkbox"/> Industry and trade</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Education</td> <td style="border: none;"><input type="checkbox"/> Public sector management</td> </tr> <tr> <td style="border: none;"><input checked="" type="checkbox"/> Energy</td> <td style="border: none;"><input type="checkbox"/> Transport and ICT</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Finance</td> <td style="border: none;"><input type="checkbox"/> Water supply and other municipal infrastructure and services</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Health and social protection</td> <td style="border: none;"><input type="checkbox"/> Multisector</td> </tr> </table> <p>Subsector(s): Energy sector development</p> <p>b. 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5. Name of the Specialist (project team leader) in Charge of the Project: H. Ikemoto	Name of the Alternate Specialist:																																						
<ul style="list-style-type: none"> <li>• Local Number: 4444</li> <li>• Email Address: hikemoto@adb.org</li> </ul>	<ul style="list-style-type: none"> <li>• Local Number:</li> <li>• Email Address:</li> </ul>																																						
6. Department, Division:	SAUD, SARD																																						

<p>7. Key Development Issues to be Addressed</p> <p>The Government of India's 11th Five Year Plan aims for "faster and more inclusive growth," citing the issue of inequitable share of growth, which is seen as increasing disparities among states, and regions within states; between urban and rural areas; and between various sections of the community. The Asian Development Bank (ADB) supports faster and more inclusive growth mainly focusing on infrastructure development: transport, energy, and urban in weaker states during 2008–2010.</p> <p>Madhya Pradesh was formed in 1956 by merging three states. It inherited its feudal character, large socially and economically disadvantaged population, and poor social and physical infrastructure from the original three states. It is one of the five major states of India known for being worse off than the rest of the country in terms of many development indicators. Therefore, investment in urban infrastructure in Madhya Pradesh will contribute to minimizing increasing disparities among states.</p>
<p>8. TA Description</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>ADB's financial assistance for investment in urban infrastructure in Madhya Pradesh started in 2003. The Urban Water Supply and Environmental Improvement in Madhya Pradesh Project (the Project) invested in water supply, sewerage, and solid waste management in the four major cities. The Urban Administration and Development Department of the state government of Madhya Pradesh (SGMP) was the executing agency. A supplementary loan was provided in 2008, to recuperate the impact of the steep rupee appreciation against the dollar in 2007 and 2008. The Project is expected to be completed in 2011.</p> <p>ADB's financial assistance has two outcomes: (i) improved urban infrastructure is being developed on a large scale in the four cities; and (ii) the weak Project Management Unit (PMU) of the executing agency was transformed into a strong PMU through a major business process reengineering, which resulted in quick decision making, reliable costing, and attainment of public confidence. The executing agency is now capable of implementing a large-scale project, i.e., the PMU can supervise consultants, float contracts for tenders, attract bidders, supervise the contractors, and make immediate payments to contractors.</p> <p>The PMU is now ready to expand its activities to other cities of Madhya Pradesh. This requires (i) development of projects in other cities, (ii) preparation of detailed engineering design, and (iii) identification of a financing source for investment.</p>
<p>b. Impact</p> <p>Reducing vulnerability of people to environmental degradation and natural hazards, and increase economic opportunities in the major cities of Madhya Pradesh.</p>
<p>c. Outcome</p> <p>Agreed designs, and preparedness of subprojects and financing and implementation structure under the Madhya Pradesh Urban Environmental Improvement Project II.</p>
<p>d. Outputs</p> <p>Component 1 Outputs:</p> <ul style="list-style-type: none"> <li>(i) Water supply 24 hours a day, 7 days a week in a discreet pilot area tested for 5 cases</li> <li>(ii) Project implementation units (PIU) formed by each urban local body</li> <li>(iii) 25 subprojects developed by each PIU for water supply improvement first, then sewerage, and solid waste management</li> <li>(iv) Survey of 15 subprojects conducted; and detailed engineering design, safeguard documents, and economic and/or financial analysis prepared, assisted to urban local bodies</li> </ul> <p>Component 2 Output:</p> <ul style="list-style-type: none"> <li>(i) Subproject appraisal tools of the PMU developed</li> <li>(ii) Subproject appraisal capacities developed in the PMU</li> <li>(iii) Subproject appraised by the PMU</li> </ul> <p>Component 3 Output:</p> <ul style="list-style-type: none"> <li>(i) Water and sewerage tariff reform mechanism (e.g., regulators) assessed and necessary documents prepared for processing by SGMP</li> <li>(ii) Legal, financial, and human resource requirements for converting the PMU into urban development corporation assessed and necessary documents prepared for processing by SGMP</li> </ul>
<p>9. Assumptions and Risks</p> <p>Physical risks will arise during implementation of consequent projects and will be evaluated and addressed in the design and construction of each project.</p>

10. Implementation Arrangements	
a. Proposed executing/implementing agency	The Urban Administration and Development Department of the Government of Madhya Pradesh
b. Institutional, organizational, procurement, and/or financial management assessments on the executing/implementing agency previously conducted	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. ADB inputs	
d. Complementary inputs to be provided by Government and/or other TA providing agencies	
11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:	
12. Cost Estimates and Proposed Financing Arrangements	
The total cost of TA preparation/development is estimated at \$950,000 equivalent. It is proposed that ADB under PPTA provide \$700,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility. <sup>a</sup> The Government of India will finance the remaining \$250,000 equivalent.	
<b>Source</b>	<b>Amount (\$)</b>
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	700,000
Government Financing	250,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost:</b>	<b>950,000</b>
Source:	
13. JSF Amount Requested	\$0.00
c. Elements that justify JSF financing	
d. Coordination with local Japanese Embassy or any other embassy when external funding is involved	
Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed:	
Date of the discussion:	
Results of the discussion:	
14. Estimated period of TA implementation	
a. Approval of TA: March 2010	
b. Physical completion of TA: March 2011	
c. Closing of TA: June 2011	
15. Expected Year of Ensuing Loan and/or Grant:	2011
16. Indicative Amount of Ensuing Loan and/or Grant:	tbd
17. Description of Ensuing Loan: tbd	
18. Indicative loan and/or grant modality: tbd	

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.16 Rajasthan Urban Development, Phase III  
Project Preparatory Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS)																					
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report:: COBP 2008</li> <li>Document reference number and date approved:</li> <li>In case of change in the PPTA title, type, or amount, please state reason:</li> </ul>																					
2. Coverage																					
<input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional  <input checked="" type="checkbox"/> Sovereign <input type="checkbox"/> Nonsovereign																					
3. Assistance Focus																					
a. Sector(s)																					
<input type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input type="checkbox"/> Energy <input type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input checked="" type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector Subsector(s): Water supply and sanitation																					
b. Targeting classification																					
<input checked="" type="checkbox"/> Targeted intervention <input type="checkbox"/> TI-H <input checked="" type="checkbox"/> TI-M <input type="checkbox"/> TI-G <input type="checkbox"/> General intervention (more indirectly addressing poverty reduction)																					
c. Theme(s)																					
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender equity <input checked="" type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input type="checkbox"/> Capacity development Subthemes: Urban environmental improvement, human development																					
d. Location impact																					
	<table border="1"> <thead> <tr> <th>Relative weight of spatial impact of the project</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> </tbody> </table>	Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Relative weight of spatial impact of the project	High	Medium	Low																		
Rural	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
National	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																		
4. Partnership																					
5. Name of the Specialist (project team leader) in Charge of the Project: Gyongshim An																					
Name of the Alternate Specialist:																					
<ul style="list-style-type: none"> <li>Local Number: 6133</li> <li>Email Address: gyongshiman@adb.org</li> </ul>	<ul style="list-style-type: none"> <li>Local Number:</li> <li>Email Address:</li> </ul>																				
6. Department, Division: SARD, SAUD																					

## 7. Key Development Issues to be Addressed

The urban population in India currently comprises 28% of the total population and is expanding at a rapid pace in conjunction with accelerating economic growth. Urban areas have, in turn, been the key drivers of economic growth, contributing to around 50%–60% of the country's gross domestic product. Acknowledging that urban India is the country's engine for growth, the Government recently strived to give importance to the urban sector and improve urban infrastructure and services through institutional and financial interventions based on the 74th Constitution Amendment Act corroborated with two consecutive five-year plans from FY2002 to FY2011.

Rajasthan is India's largest state with a total area of 0.35 million square kilometers and population of 56.5 million. Rajasthan had been lagging the other states with slow economic growth and development; the state's per capita income is 69% of the country's average. While the state is still predominantly rural, the population shift from rural to urban areas has been a clear trend. The state adopted a policy to promote urban development by providing basic urban infrastructure with sound urban planning.

## 8. TA Description

## a. Link to country partnership strategy and/or regional cooperation strategy

The Asian Development Bank (ADB) has been supporting the government of Rajasthan through the Rajasthan Urban Infrastructure Development Project (RUIDP) and the Rajasthan Urban Sector Development Investment Program (RUSDIP) to improve urban services and infrastructure in the state's major urban centers. While the RUIDP assisted the six largest cities in the state and is in an advanced stage of implementation with residents of the six cities already beginning to receive benefits from improved services, 15 smaller urban local bodies (ULBs) are currently benefiting with the support of the RUSDIP in their urban environment improvement. The state government of Rajasthan recently asked ADB, through the Government of India, to provide further assistance with investment in urban environment improvement for the remaining selected ULBs of Rajasthan.

The PPTA will assist the SGR in preparing a feasible investment program for ADB loan financing for improvement of urban services and infrastructure in selected ULBs. This third phase intervention for Rajasthan will build on the experience of the RUIDP and RUSDIP, and support the needs for urgent improvements in rapidly growing towns.

## b. Impact

Impacts include improved living conditions and urban environment, and optimized social and economic development, in selected ULBs of Rajasthan.

## c. Outcome

The desired outcome of the PPTA will be a feasible investment program for urban sector development in the smaller ULBs in the state of Rajasthan to be financed by an ADB loan.

## d. Outputs

The PPTA will comprise activities for (i) feasibility studies for the investment program and necessary documents including technical, economic, financial, and safeguards due diligence required for preparing the investment program in accordance with ADB policies and guidelines; (ii) identification of institutional development, financial management, and capacity development program for the selected ULBs under the investment program; (iii) identification of required land acquisition notification with disclosure to affected people issued by the implementing agencies, and prepared resettlement guidelines; (iv) community awareness and livelihood generation programs; (v) improvement of overall readiness of participating ULBs for project implementation; and (vi) completion of project readiness-related activities to fast track investment program implementation, including detailed design works.

The outputs of the TA are as follows:

- a. an agreed design for a feasible investment program for ADB financing after completion of a feasibility study, including all necessary documents for loan processing, reflecting technical, economic, financial, and safeguards due diligence;
- b. capacity development of the prospective executing and implementing agencies to improve program management and implementation with resulting impact on timely and effective program implementation;
- c. detailed engineering and design reports for selected investment components, including tender documents; and
- d. an investment program ready for implementation according to the project readiness criteria agreed with Government of India

<p>9. Assumptions and Risks          The PPTA and ensuing investment program are expected to result in net positive benefits to the environment and residents of target ULBs in the state of Rajasthan. The prospective executing and implementing agencies in the state have good experience in processing and/or implementing ADB-funded urban projects, however the institutional and financial capacity of the ULBs is generally low. To ensure the long-term sustainability of assets and service delivery, the project design will need to include extensive capacity enhancement program for ULBs. Therefore, the PPTA and the ensuing investment program will assist the ULBs in building technical and planning capacity, and institutional and financial reform activities, as required for sustainable urban services delivery.</p>																																	
<p>10. Implementation Arrangements</p> <p>a. Proposed executing and/or implementing agency          Urban Governance Department of Government of Rajasthan / special purpose unit for project management</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted  <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>c. ADB inputs</p> <p>d. Complementary inputs to be provided by Government and/or other TA providing agencies</p>																																	
<p>11. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:</p>																																	
<p>12. Cost Estimates and Proposed Financing Arrangements</p> <p>The total cost of TA preparation/development is estimated at \$750,000 equivalent. It is proposed that ADB under PPTA provide \$600,000 equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$150,000 equivalent.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>  TASF-IV</td> <td></td> </tr> <tr> <td>  TASF-others</td> <td></td> </tr> <tr> <td>  JSF</td> <td></td> </tr> <tr> <td>  ATF</td> <td></td> </tr> <tr> <td>  APCF</td> <td></td> </tr> <tr> <td>  CCF</td> <td></td> </tr> <tr> <td>  PEF</td> <td></td> </tr> <tr> <td>  RCIF</td> <td></td> </tr> <tr> <td>  Others: Government of the United Kingdom</td> <td>600,000</td> </tr> <tr> <td>Government of India Financing:</td> <td>150,000</td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>  o cofinancing:</td> <td></td> </tr> <tr> <td>  o parallel cofinancing:</td> <td></td> </tr> <tr> <td><b>Total Cost</b></td> <td><b>750,000</b></td> </tr> </tbody> </table> <p>Source:</p>		Source	Amount (\$)	ADB Financing		TASF-IV		TASF-others		JSF		ATF		APCF		CCF		PEF		RCIF		Others: Government of the United Kingdom	600,000	Government of India Financing:	150,000	Other Financing		o cofinancing:		o parallel cofinancing:		<b>Total Cost</b>	<b>750,000</b>
Source	Amount (\$)																																
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<p>13. JSF Amount Requested</p>	\$0.00																																
<p>a. Elements that justify JSF financing</p> <p>b. Coordination with local Japanese Embassy or any other embassy when external funding is involved          Name of the staff of the local Japanese Embassy / external partner embassy whom you have briefed:          Date of the discussion:          Results of the discussion:</p>																																	
<p>14. Estimated period of TA implementation</p> <p>a. Approval of TA: May 2010</p> <p>b. Physical completion of TA: July 2011</p> <p>c. Closing of TA: September 2011</p>																																	
<p>15. Expected Year of Ensuang Loan and/or Grant:</p>	2011																																

16. Indicative Amount of Ensuing Loan and/or Grant: \$250,000,000
17. Description of Ensuing Loan: To be determined
18. Indicative loan and/or grant modality: MFF

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.

**Table A4.17: Land Transport Management and Master Plan for Sikkim  
Technical Assistance Concept Paper**

Date: June 2009

1. Country Partnership Strategy (CPS) and/or Regional Cooperation Strategy (RCS):																					
<ul style="list-style-type: none"> <li>Year included in CPS, RCS, COBP, ROBP, CPS, and/or RCS midterm review report: Not included</li> <li>Document reference number and date approved: (to be determined)</li> <li>In case of change in the TA title, type, or amount, please state reason:</li> </ul>																					
2. TA Type	3. Modality																				
<input type="checkbox"/> CDTA <input type="checkbox"/> R- CDTA <input checked="" type="checkbox"/> PATA <input type="checkbox"/> R- PATA <input type="checkbox"/> RDTA <input type="checkbox"/> R- RDTA	<input type="checkbox"/> Cluster <input checked="" type="checkbox"/> sovereign <input type="checkbox"/> non-sovereign																				
4. Categorization of TA: <input type="checkbox"/> Category A TA <input checked="" type="checkbox"/> Category B TA																					
5. Coverage <input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional                    Sikkim State, India																					
6. For RDTA: Medium-Term Corporate Strategic Priorities for Research																					
<input type="checkbox"/> Promoting inclusive growth <input type="checkbox"/> Address increasing commodity price <input type="checkbox"/> Addressing climate change <input type="checkbox"/> Demographic change <input type="checkbox"/> Regional integration <input type="checkbox"/> Other																					
7. Assistance Focus																					
a. Sector(s)																					
<input type="checkbox"/> Agriculture and natural resources <input type="checkbox"/> Industry and trade <input type="checkbox"/> Education <input type="checkbox"/> Public sector management <input type="checkbox"/> Energy <input checked="" type="checkbox"/> Transport and ICT <input type="checkbox"/> Finance <input type="checkbox"/> Water supply and other municipal infrastructure and services <input type="checkbox"/> Health and social protection <input type="checkbox"/> Multisector Subsector(s): Road transport																					
b. Targeting classification																					
<input type="checkbox"/> Targeted intervention <input type="checkbox"/> TI-H <input type="checkbox"/> TI-M <input type="checkbox"/> TI-G <input checked="" type="checkbox"/> General intervention (more indirectly addressing poverty reduction)																					
c. Theme(s)																					
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender equity <input type="checkbox"/> Social development <input type="checkbox"/> Private sector development <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Governance <input type="checkbox"/> Regional cooperation and integration <input checked="" type="checkbox"/> Capacity development Subthemes: Widening access to markets and economic opportunities, organizational development																					
d. Location impact																					
<table border="1"> <thead> <tr> <th>Relative weight of spatial impact of the project</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>Rural</td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>Urban</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>National</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Regional</td> <td align="center"><input type="checkbox"/></td> <td align="center"><input type="checkbox"/></td> <td align="center"><input checked="" type="checkbox"/></td> </tr> </tbody> </table>		Relative weight of spatial impact of the project	High	Medium	Low	Rural	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Relative weight of spatial impact of the project	High	Medium	Low																		
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Urban	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																		
National	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
Regional	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																		
8. Partnership: The TA is being financed by the Government of the United Kingdom																					
9. Name of the Specialist (project team leader) in Charge of the Project: tbd	Name of the Alternate Specialist:																				
<ul style="list-style-type: none"> <li>Local Number: tbd</li> <li>Email Address: tbd</li> </ul>	<ul style="list-style-type: none"> <li>Local Number:</li> <li>Email Address:</li> </ul>																				

10. Department, Division: SARD, tbd
<p>11. Key Development Issues to be Addressed</p> <p>Various transport infrastructure, such as an airport in Pakyong, East Sikkim, and the extension of the railway line from New Jalpiaguri to Rangpo at the Sikkim border with West Bengal, is needed to ensure adequate connectivity between transport infrastructure being planned in Sikkim. The land transport system must be optimally developed to ensure full realization of the network benefits of transport infrastructure. This will ensure more effective utilization of funds in the state, and optimum social and economic benefits to the population of the state.</p>
<p>12. TA Description</p> <p>The PATA will prepare a land transport master plan for the state of Sikkim to (i) ensure connectivity of different infrastructure being built, (ii) provide the land transport infrastructure necessary to support socioeconomic development of the state for the next 10 years; and (iii) build planning capacity in land transport in the state to ensure that follow-on planning for required infrastructure can be effectively implemented.</p> <p>a. Link to country partnership strategy and/or regional cooperation strategy</p> <p>The Asian Development Bank (ADB) CPS for 2009–2012 states that in view of the huge infrastructure investment required—nearly \$514 billion over the 11th Five Year Plan period—ADB, in line with the Government's stated priorities in the 11th plan, will continue to focus on infrastructure development in the transport, energy, urban, agriculture, and water resources management sectors. ADB's country strategy in the transport sector emphasizes establishing seamless connectivity via roads: national highways, state roads, and rural roads, as well as connectivity with other modes of transport such as railways. ADB will continue to expand operations to poorer states like Sikkim to help address interstate disparities, build capacity, and support inclusive growth. This is in line with the Government's own development strategy, which emphasizes poverty reduction and social development through faster and more inclusive growth, and promotion of inclusive growth and poverty reduction through infrastructure development, as stated in the 11th Five Year Plan.</p>
<p>b. Impact</p> <p>The impact will be to enhance efficiency of the planning, programming, policy formulation, and monitoring of the land transport network comprising both roads and rail links such that connectivity in the state improves and the percentage of residents having access to roads increases by 30% in the next 5 years and 70% in the next 10 years</p>
<p>c. Outcome</p> <p>The most optimum investment program for core land transport network to support socioeconomic growth of Sikkim for the next 10 years will be adopted after considering different alternatives.</p>
<p>d. Outputs</p> <p>The core road and rail network to support future socioeconomic needs of the state for the next 10 years will be formulated as the prioritized master plan to guide investment decisions.</p>
<p>13. Assumptions and Risks</p> <p>The capacity of relevant state agencies to follow through with the planning process, as well as the availability of financial resources to execute the plan are potential issues and risks.</p>
<p>14. Implementation Arrangements</p> <p>a. Proposed executing and/or implementing agency</p> <p>Sikkim Public Works Department</p> <p>b. Institutional, organizational, procurement, and/or financial management assessments on the executing and/or implementing agency previously conducted</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c. ADB inputs</p> <p>The PATA will finance the engagement of a consultant firm with expertise in transport planning to provide 10 person-months of international and 45 person-months of national consultant input. The firm will be selected using quality and cost-based selection methods; a simplified technical proposal will be required.</p> <p>d. Complementary inputs to be provided by government and/or other TA providing agencies</p> <p>The Government will provide office accommodation, utilities, data and counterpart support equivalent to \$250,000.</p>
<p>15. Nature and/or extent of government and beneficiary involvement in identifying or conceptualizing the assistance:</p> <p>The state government of Sikkim conceptualized the PATA; the scope of the work will be determined in close consultation with relevant government agencies.</p>

16. Cost Estimates and Proposed Financing Arrangements	
<p>The total cost of the TA is estimated at \$1,250,000 equivalent. It is proposed that ADB provide <u>\$1,000,000</u> equivalent on a grant basis from the Department for International Development (United Kingdom) umbrella facility.<sup>a</sup> The Government of India will finance the remaining \$250,000 equivalent.</p>	
<b>Source</b>	<b>Amount (\$)</b>
ADB Financing	
TASF-IV	
TASF-others	
JSF	
ATF	
APCF	
CCF	
PEF	
RCIF	
Others: Government of the United Kingdom	1,000,000
Government of India Financing:	250,000
Other Financing	
o cofinancing:	
o parallel cofinancing:	
<b>Total Cost:</b>	<b>1,250,000</b>
Source:	
17. JSF Amount Requested	\$ .00
a. Elements that justify JSF financing	
b. Coordination with local Japanese Embassy or any other embassy when external funding is involved	
Name of the staff of the local Japanese Embassy/external partner embassy whom you have briefed:	
Date of the discussion:	
Results of the discussion:	
18. Monitoring and Evaluation	
<p>The state government will form a steering committee, which will meet every month to monitor progress of the TA. TA evaluation will be based on the cost-benefit analysis of the increase in coverage proposed by the recommendations compared with the cost of the investment proposed.</p> <p>Good practices and lessons will be disseminated through workshops and seminars.</p>	
19. Estimated period of TA implementation:	
a. Approval of TA:	July 2010
b. Physical completion of TA:	July 2011
c. Closing of TA:	August 2011

<sup>a</sup> Financed by the Government of the United Kingdom through the Department for International Development (DFID), and administered by ADB.