PROJECT DATA SHEET

Project Data Sheets (PDS) contain summary information on the project or program: Because the PDS is a work in progress, some information may not be included in its initial version but will be added as it becomes available. Information about proposed projects is tentative and indicative.

PDS Creation Date	–
PDS Updated as of	10 Jun 2013

Project Name	Municipal Finance Policy Loan in Himachal Pradesh
Country	India
Project/Program Number	45267-001
Status	Proposed
Geographical Location	–

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.

Sector	Public sector management
Subsector	Public Expenditure and Fiscal Management
Strategic Agendas	–
Drivers of Change	–
Gender Equity and Mainstreaming Categories	–

FINANCING

Type/Modality of Assistance	Approval Number	Source of Funding	Approved Amount (US$ thousand)
Loan	-	Ordinary capital resources	100,000
–	–	Counterpart	25,000
TOTAL			**US$ 125,000**

SAFEGUARD CATEGORIES

For more information about the safeguard categories, please see http://www.adb.org/site/safeguards/safeguard-categories

Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

SUMMARY OF ENVIRONMENTAL AND SOCIAL ISSUES

Environmental Aspects

–

Involuntary Resettlement

–

Indigenous Peoples

–

STAKEHOLDER COMMUNICATION, PARTICIPATION, AND CONSULTATION

During Project Design

–

During Project Implementation

–

DESCRIPTION

–

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

The proposed Municipal Finance Policy Loan in Himachal Pradesh (MFPLH, the Program) will be designed to strengthen municipal financing while improving service delivery by the urban local bodies (ULBs) and strengthening institutional capacity of ULBs consistent with the Jawaharlal Nehru Urban Renewal Mission (JNNURM) and Urban Infrastructure Development Scheme in Small and Medium Towns (UIDSSMT) in Himachal Pradesh. The program will also help the Government of Himachal Pradesh (GoHP) to meet the criterion set under the Incentive Framework for General Performance Grant by the Thirteenth Finance Commission. The program will draw on similar policy-based lending in India. The program will help GoHP to incentivize and promote reforms (including improved service delivery) among interested and competing ULBs, and provide capacity development support. Reforms in the areas of public financial management and improved capacity development will help the participating ULBs to improve revenue effort and attract investment to sustain the service delivery improvements. Building on these best practices in the participating ULBs, and streamlining of devolution to ULBs and making it more effective - to be designed and supported under the MFPLH- will help GoHP to spread improved service delivery initiatives throughout the state.

DEVELOPMENT IMPACT

Sustained access to improved urban public services in the state

PROJECT OUTCOME

Description of Outcome	Progress Towards Outcome
Improved fiscal, financial, and institutional capacity of ULBs	

in the state	–

OUTPUTS AND IMPLEMENTATION PROGRESS

Description of Project Outputs	Status of Implementation Progress (Outputs, Activities, and Issues)
1. Improved public financial management in ULBs 2. Improved accounting and budget practice 3. The system of devolution from the state to ULBs is streamlined. 4. Service delivery in selected areas of urban utilities in the selected ULBs is improved.	–

BUSINESS OPPORTUNITIES

Date of First Listing	–
Consulting Services	–
Procurement	–
Procurement and Consulting Notices	http://www.adb.org/projects/45267-001/business-opportunities

TIMETABLE

Concept Clearance	10 Feb 2012
Fact-finding	—
Management Review Meeting	–
Approval	–
Last Review Mission	–

MILESTONES

Approval No.	Approval	Signing	Effectivity	Closing		
				Original	Revised	Actual
–	–	–	–	–	–	–

STATUS OF COVENANTS

Covenants are categorized under the following categories—audited accounts, safeguards, social, sector, financial, economic, and others. Covenant compliance is rated by category by applying the following criteria: (i) Satisfactory—all covenants in the category are being complied with, with a maximum of one exception allowed, (ii) Partly Satisfactory—a maximum of two covenants in the category are not being complied with, (iii) Unsatisfactory—three or more covenants in the category are not being complied with. As per the 2011 Public Communications Policy,

covenant compliance ratings for Project Financial Statements apply only to projects whose invitation for negotiation falls after 2 April 2012.

Approval No.	Category						
	Sector	Social	Financial	Economic	Others	Safe	Project Financial Statements
Loan -	–	–	–	–	–	–	–

CONTACTS AND UPDATE DETAILS

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Responsible ADB Division	Public Management, Financial Sector and Trade Division, SARD
Executing Agencies	Urban Development Department

LINKS

Project Website	http://www.adb.org/projects/45267-001/main
List of Project Documents	http://www.adb.org/projects/45267-001/documents