ADB ASIAN DEVELOPMENT BANK

India: MFF - Rural Roads Sector II Investment Program - Tranche 5

Project Name	MFF - Rural Roads Sector II Investment Program - Tranche 5
Project Number	37066-063
Country	India
Project Status	Closed
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	**Loan 2651-IND: MFF - Rural Roads Sector II Investment Program - Tranche 5** Ordinary capital resources — US$ 203.81 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development
Sector / Subsector	**Transport** - Road transport (non-urban)
Gender Equity and Mainstreaming	Some gender elements
Description	The Project will finance part of the cost of a subset of the Investment Program comprising construction and upgrading of 312.45 kilometers (km) rural roads in the state of Chhattisgarh, 2,443.60 km rural roads in the state of Madhya Pradesh, 1,509.9 km rural roads in the state of Orissa, and 443.49 km rural roads in the state of West Bengal that are part of the Government of India's rural roads program - Pradhan Mantri Gram Sadak Yojana (PMGSY) meaning Prime Minister's Rural Roads Program. It is expected that the proposed investment will bring about the outcome of reduced poverty and deprivation, and economic growth of rural communities in the vicinity of the subproject roads by providing them with enhanced access to markets; employment opportunities; and social services including health and education.
Project Rationale and Linkage to Country/Regional Strategy	Poor road infrastructure affects economic growth in rural areas. It impacts negatively on domestic and local trade, on the final cost of goods, competition and competitiveness, logistics in general, movement of people, inward investment opportunities, and ultimately on employment. Poor road connectivity has a strong link to poverty. Past neglect of the rural road network has cut off rural communities from mainstream economic centers in the country and even locally. Poor road connectivity has resulted in slow development, and in some cases a faster than needed exodus of young people to cities. The Government is trying to redress this problem under PMGSY, Assam, Orissa, and West Bengal, which are first targeted under the Investment Program, are among the 10 states with large rural populations that lack adequate coverage in terms of all-weather road connectivity. The poverty head count rates in these states are among the highest in India.
Impact	Contribute to reduction in poverty and deprivation, and support economic growth of the communities connected by Investment Program roads.

Project Outcome

Description of Outcome	Improved connectivity of rural community to markets, district headquarters, and other centers of economic activity via Investment Program roads
Progress Toward Outcome	As of 30 June 2014, a total of 1,487 habitations have been connected with breakdown as follows: i) Orissa - 347; ii) Madhya Pradesh - 825; iii) West Bengal - 164, and iv) Chattisgarh - 151. All activities completed.
Implementation Progress	
Description of Project Outputs	Construction and upgrading of rural roads into all- weather standard Improved community participation
Status of Implementation Progress (Outputs, Activities, and Issues)	As of 30 June 2014, 4,136 km completed with breakdown as follows: Chhattisgarh - 310 km, Orissa - 1,157 km, Madhya Pradesh - 2,246 km, and West Bengal - 423 km. Target is fully achieved.

Geographical Location	

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects
Involuntary Resettlement
Indigenous Peoples
Stakeholder Communication, Participation, and Consultation
During Project Design
During Project Implementation

Business Opportunities

Consulting Services	The Project has no provision for financing consulting services. The services of TSC will continue to be financed under Project 4 loan proceeds and will include conducting safeguard due diligence, impact monitoring, preparation of project completion reports and other services for all projects under the MFF according to the terms of reference.
Procurement	Under the advance contracting and retroactive financing provisions of the Facility Financing Agreement, Madhya Pradesh started advance procurement action under proposed Project 5 in November 2009 and by March 2010 subcontracts amounting to more than $58 million were awarded. Orissa started advance procurement action in February 2009, and by March 2010 subcontracts amounting to mover than $70 million were awarded packages exceeded more than $17 million. Procurement of civil works followed national competitive bidding procedure using the PMGSY standard bidding documents and procedures with the agreed ADB-financing specific adjustments in the areas of eligibility, anticorruption, social and environmental safeguards.

Responsible Staff

Responsible ADB Officer	Srivastava, Ashok
Responsible ADB Department	South Asia Department
Responsible ADB Division	India Resident Mission
Executing Agencies	*Ministry of Rural Development* *Krishi Bhawan* *New Delhi 110001* *India*

Timetable

Concept Clearance	-
Fact Finding	-
MRM	06 Mar 2010
Approval	06 Jul 2010
Last Review Mission	-
Last PDS Update	23 Mar 2015

Loan 2651-IND

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Jul 2010	02 Aug 2010	29 Oct 2010	30 Jun 2013	30 Jun 2014	01 Jan 2015

Financing Plan		Loan Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	203.81	Cumulative Contract Awards			
ADB	203.81	06 Jul 2010	192.26	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	06 Jul 2010	192.26	0.00	100%

Project Page	https://www.adb.org/projects/37066-063/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=37066-063
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