India: Madhya Pradesh Urban Services Improvement Project

**Project Name**: Madhya Pradesh Urban Services Improvement Project  
**Project Number**: 42486-016  
**Country**: India  
**Project Status**: Active  
**Project Type / Modality of Assistance**: Loan, Technical Assistance  

**Source of Funding / Amount**
- Loan 3528-IND: Madhya Pradesh Urban Services Improvement Project  
  Ordinary capital resources  
  US$ 275.00 million  
- TA 9318-IND: Capacity Development of Institutions in the Urban Sector of Madhya Pradesh  
  Technical Assistance Special Fund  
  US$ 1.00 million

**Strategic Agendas**
- Environmentally sustainable growth  
- Inclusive economic growth

**Drivers of Change**
- Partnerships  
- Private sector development

**Sector / Subsector**
- Water and other urban infrastructure and services - Urban policy, institutional and capacity development - Urban sanitation - Urban water supply

**Gender Equity and Mainstreaming**
- Effective gender mainstreaming

**Description**
The proposed Project will support government in improved and sustainable urban services to approximately 1.7 million people in 64 towns of the State (geographic coverage), improved institutional and financial management capacity of benefitting urban local bodies, and the development and operationalization of the Madhya Pradesh Urban Development Company Limited. The proposed Project will be implemented over 5 years from 2017 through 2022 (time slice).

**Project Rationale and Linkage to Country/Regional Strategy**
The Madhya Pradesh Urban Services Improvement Project, the Project, contributes to the state government project for improving urban services in the urban local bodies across the state. The proposed Project will provide improved and sustainable urban services to approximately 1.7 million people in the state of Madhya Pradesh (approximately 8% of the state's urban population), and enhance capacity and strengthen institutional systems of the state to deliver sustainable access to quality urban services. The project is included in the country operations business plan and required project preparatory technical assistance.

**Impact**
Economic growth and urban living conditions improved, and infant mortality reduced in Madhya Pradesh (Twelfth Five-Year Plan and Madhya Pradesh Vision 2018)

**Project Outcome**
**Description of Outcome**
Quality, coverage, efficiency, and sustainability of urban service delivery improved in Madhya Pradesh

**Progress Toward Outcome**
19 out of now 28 DBO packages worth $196 million of ADB loan have already been awarded. Preparatory works and mobilization of contractors are ongoing.

**Implementation Progress**
**Description of Project Outputs**
Water supply infrastructure in 64 project towns and integrated storm water and sewage infrastructure in two tourist towns improved
Systems to ensure sustainable urban infrastructure operation and management in all the project towns established. Capacity of MPUDC, ULBs, and consumers in 64 project towns improved

**Status of Implementation Progress (Outputs, Activities, and Issues)**
Ongoing. Workshops, trainings and field visits were conducted for the officials of MPUDC. Resource persons were invited to facilitate the workshops and trainings.

**Geographical Location**
Madhya Pradesh

**Safeguard Categories**

<table>
<thead>
<tr>
<th>Environment</th>
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</thead>
<tbody>
<tr>
<td>Involuntary Resettlement</td>
<td>B</td>
</tr>
<tr>
<td>Indigenous Peoples</td>
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</tbody>
</table>

**Summary of Environmental and Social Aspects**

**Environmental Aspects**
No significant environmental impacts are anticipated. All the visited project sites are located outside sensitive areas and any impacts during construction and operation can be avoided and/or mitigated through proper design and good high-quality construction and operations and maintenance practices.

**Involuntary Resettlement**
Construction of facilities (treatment plants and pipes) will be on government owned land and reticulation systems would be along the right of way with minimal disturbance to livelihoods.
Indigenous Peoples

Although the state has a substantial proportion of ST population (21%), the concentration is very low in urban areas (5.18%). Especially in urban environments, there is heterogeneity of population composition; hence, there is no potential issue specifically affecting indigenous people.

Stakeholder Communication, Participation, and Consultation

During Project Design

The stakeholders were involved in developing the project through discussions on-site and public consultation at several places in the town, after which views expressed were incorporated into the project and in the planning and development of the project. The project will be made available at public locations and will be disclosed to a wider audience via the ADB, MPUDC and PMU websites. The consultation process will be continued and expanded during project implementation to ensure that stakeholders are fully engaged in the project and have the opportunity to participate in its development and implementation. Measures were taken to include and promote gender equality and women's empowerment in the design of the Project so that women have equitable opportunities for access to and use of relevant services, resources, assets, or opportunities and participation in decision-making process.

During Project Implementation

The public consultation and disclosure program is a continuous process throughout the project implementation, including project planning, design and construction. The Project will ensure participation of all stakeholders, which will strengthen inclusiveness. A constant communication will be established with the affected communities to redress the environmental issues likely to surface during construction phases and also regarding the grievance redress mechanism. ULB/PIU and PMC will organize public meetings and will appraise the communities about the progress on the implementation of project. Meeting will also be organized at the potential hotspots/sensitive locations before and during the construction.

Business Opportunities

Consulting Services

One consulting package was already awarded and ongoing. The project will exclude procurement of services that constitute high-value contracts and such activities will be excluded while defining the proposed Project scope.

Procurement

19 procurement packages were already awarded and ongoing. All other procurement packages under this project shall be carried out using country systems based on the commonly accepted good practice principles embodied in ADB's Procurement Guidelines and Guidelines on the Use of Consultants.

Responsible ADB Officer

Huang, Jingmin

Responsible ADB Department

South Asia Department

Responsible ADB Division

Urban Development and Water Division, SARD

Executing Agencies

Urban Development and Housing Department PSUADD@MPURBAN.GOV.IN Room 327, Vallisabh Bhavan, Mantralaya, Bhopal

Loan 3528-IND

Milestones

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<th>Approval</th>
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Financing Plan

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Status of Covenants

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TA 9318-IND

Milestones

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Financing Plan/TA Utilization

Cumulative Disbursements
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