India: Second Jharkhand State Road Project

Project Name: Second Jharkhand State Road Project
Project Number: 49125-001
Country: India
Project Status: Active
Project Type / Modality of Assistance: Loan
Source of Funding / Amount: Loan 3276-IND: Second Jharkhand State Road Project
Ordinary capital resources: US$ 200.00 million

Strategic Agendas:
- Inclusive economic growth
- Governance and capacity development

Drivers of Change:
- Transport - Road transport (non-urban) - Transport policies and institutional development

Gender Equity and Mainstreaming:
- Some gender elements

Description:
The project will improve about 176 kilometers (km) of state roads in the state of Jharkhand. It will involve upgrading state roads to a two-lane standard. Five year performance-based maintenance will ensure sustainability. The project will also support increasing the institutional capacity of the State Highways Authority of Jharkhand (SHAJ) as an autonomous road development agency aiming to ensure long-term sustainable development and maintenance of the state road network in Jharkhand. SHAJ will become the nodal agency for promoting road safety in Jharkhand based on the road safety master plan to be developed under the project.

Project Rationale and Linkage to Country/Regional Strategy:
Jharkhand was established on 15 November 2000 through bifurcation from Bihar state. It is surrounded by five states: Bihar in the north, West Bengal in the east, Odisha in the south, and Chhattisgarh and Uttar Pradesh in the west. It is known as a tribal and forest state. Jharkhand is endowed with about 40% of India's mineral resources and has the richest deposits of coal and iron ore in the country. Despite this, it is one of India's poorest states with about 37% of its 33 million population living below the state poverty line. The endowed natural resources have not efficiently contributed to the state's development due to poor access to these areas and limited employment opportunities with the related industries.

To improve mobility and achieve equitable development across the state, Jharkhand's Road Construction Department (RCD) has set targets to increase road density by constructing new state roads and improving conditions of the existing road network. An investment of about $2.5 billion is planned to develop and improve about 6,000 km during 2012-2017, including the construction of 79 bypasses and bridges. Aside from the budget for the continuing scheme from the previous 5-year plan period, the government requires a budget of about $1.6 billion to achieve the target.

Appropriate road maintenance with adequate budget allocation is critical for a sustainable state road network. The state government has implemented five state road projects for a total of 185 km, all under a build-operate-transfer (annuity) scheme, which include 15 years of maintenance by the contractor. It envisages promoting performance-based maintenance contracts to ensure appropriate service for the road network. The maintenance budget allocation is prioritized under these schemes in accordance with the contractual requirements. Mainstreaming these schemes will ensure sustainability of the road network.

Road safety is a concern. In 2012, Jharkhand had 2,119 road accidents/10,000 km, about 72% higher than the national average of 1,227. Annual fatality rates along roads in Jharkhand total 9/10,000 vehicles. While state and district road safety councils conduct road safety awareness campaigns annually in accordance with national government initiatives to promote road safety, no state initiatives address road safety, either for road engineering or road user awareness. Currently, road safety audits are not mandatory for road engineering in Jharkhand; a nodal agency should be designated to promote road safety.

The project is consistent with the strategic objective set out in ADBs country partnership strategy, 2013-2017 for India on development of the state road network in lagging states; and the transport sector objective of increased, more efficient, and sustainable movement of people and goods. The project is included in ADBs country operations business plan, 2015-2017 for India.

Impact:
- Mobility and accessibility improved (Twelfth Five Year Plan)

Project Outcome
- Description of Outcome: Safety and efficiency of the road transport network in Jharkhand state improved
- Progress Toward Outcome: Project is under execution, project outcomes are expected to be realized upon completion.

Implementation Progress
- Description of Project Outputs: State roads reconstructed or rehabilitated
- Institutional capacity of SHAJ improved
- Status of Implementation Progress (Outputs, Activities, and Issues):
  - (1) 4 civil works contracts are under execution.
  - (2) Construction Supervision Consultant is mobilized under the project.
  - (3) SHAJ is working on Project Outputs deemed to be obtained through institutional support.

Geographical Location: State of Jharkhand

Safeguard Categories
- Environment: B
- Involuntary Resettlement: A
- Indigenous Peoples: C

Summary of Environmental and Social Aspects
Environmental Aspects

The implementation of environmental management plans are being monitored by supervision consultants and SHAJ.

Involuntary Resettlement

The resettlement activities are being undertaken in accordance with the resettlement plans and are being monitored by supervision consultants and SHAJ.

Indigenous Peoples

SHAJ shall ensure compliance with ADB’s Safeguard Policy Statement and government guidelines, regulations, and policies.

Stakeholder Communication, Participation, and Consultation

During Project Design

The stakeholders have been consulted during design stage.

During Project Implementation

Consultation as required, will be carried out during project implementation.

Business Opportunities

Consulting Services

Consulting services packages being/will be procured according to ADB’s Guidelines on the Use of Consultants (March 2013, as amended from time to time).

Procurement

Civil work packages being/will be procured under International Competitive Bidding (ICB) procedure in accordance with ADB’s Procurement Guidelines (April 2015, as amended from time to time).

Responsible ADB Officer

Jagir Kumar

Responsible ADB Department

South Asia Department

Responsible ADB Division

India Resident Mission

Executing Agencies

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State Highways Authority of Jharkhand
SHAJERADM@GMAIL.COM
Deen Dayal Nagar, Booty Road, Ranchi-834
Ranchi-834008 India

Timetable

Concept Clearance 28 Nov 2014
Fact Finding 18 Feb 2015 to 27 Feb 2015
MRM 31 Mar 2015
Approval 09 Sep 2015
Last Review Mission -
Last PDS Update 27 Jun 2019

Loan 3276-IND

Milestones

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Financing Plan

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Project Page

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Request for Information

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Date Generated

02 August 2019

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