WELCOME to this latest issue of our e-Newsletter.

Let me first wish all our partners in India a very Happy New Year! Rather late, I suppose, but we are reconnecting through this e-Newsletter for the first time in 2023—so I take this opportunity to wish you and your families a safe and fruitful new year.

The year 2022 is behind us and, hopefully, so is the anxiety that we all endured due to the COVID-19 pandemic. With the arrival of this new year, the first issue of this e-Newsletter features some special coverage and lots of exciting stories.

While we are in the final stages of formulating our new 5-year country partnership strategy for India for 2023–2027, we were privileged to welcome ADB President Masatsugu Asakawa in New Delhi in February. It was his first time visiting India since he became ADB President in 2020. President Masa—as we address him within ADB—took the opportunity to meet with the Indian leadership during his stay. He had extremely fruitful meetings with Honorable Prime Minister Narendra Modi and Honorable Finance Minister Nirmala Sitharaman on a range of issues relating to India’s development priorities and how ADB could support these. In these pages, we bring to you a flavor of President Masa’s first India visit, including his participation in the G20 meetings in Bengaluru.

We also provide here an overview of the emerging areas of ADB support to India, along with an insightful conversation with the Director of the Department of Economic Affairs on the Government of India’s expectations from ADB going forward.

We are also happy to share how ADB is supporting India during its G20 Presidency, the opportunities and challenges that India’s energy transition ambitions present, and updates on recent ADB events and knowledge products.

As always, we are keen to hear from you on any comments and suggestions. Happy reading!
ADB President Masatsugu Asakawa met with Prime Minister Narendra Modi in New Delhi on 21 February 2023.
ADB President Masatsugu Asakawa visited New Delhi on 20–22 February and met with Indian Prime Minister Narendra Modi and Finance Minister Nirmala Sitharaman to discuss the country’s development priorities and ADB support. It was the president’s first visit to the country since assuming office in January 2020.

Prime Minister Modi and President Asakawa discussed a range of issues, including ADB’s support to India’s infrastructure, social development, and climate actions, scaling up of ADB assistance to meet the country’s priority development needs, and ADB’s country partnership strategy (CPS) for India for 2023–2027. ADB is now finalizing the new 5-year CPS following a comprehensive stakeholder consultation process.

President Asakawa congratulated the Prime Minister on his strong leadership in combating the COVID-19 pandemic and steering India towards a quick recovery. “Despite the disruptions caused by the pandemic, India remains the fastest growing major economy in the world with an expected 7% growth in fiscal year 2022,” the ADB president said.

He also congratulated the Indian leadership on the country assuming the G20 Presidency for 2023 which, he said, presented a unique opportunity for India to give developing nations a voice in outlining their aspirations and needs.

“India and ADB have had a long and valuable partnership, and we look forward to enhancing this to tackle the region’s complex development challenges,” President Asakawa said. “ADB will provide multifaceted support for India’s key priorities, including the important infrastructure push under the PM Gati Shakti initiative (National Master Plan for Multimodal Connectivity), building future cities, mobilizing domestic resources, and strengthening basic services in disadvantaged districts.”

ADB’s India program will support the country’s green growth agenda to help the country fulfill its global climate action commitments. ADB will focus on supporting the decarbonization of transport and the clean energy transition, including carbon market development and circular economy transition. Climate change adaptation actions are also envisioned through projects on flood management, coastal protection, water use efficiency improvement, and agriculture value chain development.

President Asakawa also met with Finance Minister Nirmala Sitharaman and highlighted the measures that ADB has taken to assist some Asian economies that are struggling with widening current account deficits, pressure on foreign exchange reserves, issues in servicing of external debt, as well as natural disasters and food crises.

India is a country on the move, fast emerging as a global economic powerhouse.

An honor to meet 🇮🇳 Prime Minister @narendramodi & discuss ADB’s intention to support the country’s fast, inclusive, green growth with up to $25 B over the next 5 years.

More: ow.ly/DevR50MXUtS

ADB President Masatsugu Asakawa tweeted after his meeting with Prime Minister Narendra Modi.
To help reach India’s goal of fast, inclusive, and green growth, President Asakawa conveyed to the Finance Minister ADB’s intention to provide $20 billion–$25 billion resources over five years.

The President then traveled to Bengaluru and participated in the G20 Finance Ministers and Central Bank Governors meeting on 24–25 February.

The President also met with a group of climate technology entrepreneurs and discussed various modalities through which ADB supports private enterprises across a wide range of sectors such as infrastructure, finance, agriculture, and social. He said India, as a start-up hub in the region, is a key focus country for ADB Ventures, an ADB initiative that invests in early-stage companies with technology-enabled solutions that contribute to multiple Sustainable Development Goals, with emphasis on climate and gender impact.

During his visit, President Asakawa met with the staff of ADB’s India Resident Mission and also laid the foundation stone for the extension of ADB’s office building in New Delhi.

The President’s visit was widely covered by the Indian media, including interviews with The Economic Times and Mint newspapers.

ADB President meets PM Modi, proposes $25 billion support to India’s development priorities

ADB President Interview with The Economic Times

India needs to invest in physical and human capital, continue undertaking reforms: ADB President

Window for India to be linked to global value chains deeply: ADB

ADB President Interview with Mint

‘Build green, inclusive cities’: ADB President
ADB President Asakawa at his meeting with climate technology entrepreneurs in New Delhi on 21 February 2023.

ADB President Asakawa lays the foundation stone for the extension of ADB’s office building in New Delhi on 22 February 2023.

ADB President Asakawa with staff of the India Resident Mission in New Delhi on 22 February 2023.
As India moves forward and adapts to the post-COVID-19 era, ADB assures India that it will intensify its assistance in response to the country’s development priorities of fast recovery and inclusive and sustainable growth.

The year 2022 finally signaled the waning of COVID-19. After nearly two years of disruptions, daily life returned to normal as people returned to offices and markets, entertainment scenes came alive, and traffic swamped the roads. Economic activity across the country regained momentum.

To ensure that this growth momentum is sustained over the long run, the Government of India is making sure the economy is backed by robust and modern infrastructure, efficient logistics, social investments, managed urbanization, and green initiatives.

The push for integrated infrastructure development is spotlighted by the PM Gati Shakti initiative (National Masterplan for Multimodal Connectivity) and the National Logistics Policy (NLP). Similarly, the recent Union Budget provides for a 37% increase in central government capital expenditure in FY2023 (compared to the last budget), which could lead to multiplier effects and boost job creation, income, and consumption. The budget also increased allocations to the education and health sectors, piped water scheme (Jal Jeevan Mission), Faster Adoption and Manufacturing of Electrical Vehicles scheme, and agriculture sector. The government also made a large funding provision for energy transition and net zero objectives, energy security, and urban development.

ADB is already in partnership with the government in many of its key programs. Since commencing its India operations in 1986, ADB has committed $52.28 billion in sovereign lending and $6.75 billion in non-sovereign lending and investment as of 31 December 2022. The ongoing portfolio comprises 68 projects worth about $16 billion. ADB will continue to expand its India program in 2023 and beyond to reinforce government initiatives, and adjustments in priorities will be reflected in ADB’s new country partnership strategy for India for 2023–2027. ADB support will place special emphasis on the following strategic areas and priority programs going forward:

LOOKING AHEAD AND FORWARD TO 2023
ADB in India

LOGISTICS AND INDUSTRIAL CORRIDOR DEVELOPMENT

ADB is assisting the implementation of PM Gati Shakti, the NLP, and industrial corridor development. ADB initially supported the Logistics Division in the development of the NLP and the design and implementation of logistics sector initiatives. Moving forward, ADB is ready to support (i) state- and city-level logistics master planning and investments, (ii) multimodal logistics parks along highways and railways, and (iii) further industrial corridor planning and investments to attract private investments.

CITIES AS ENGINES OF GROWTH

Building on ADB’s knowledge work with NITI Aayog on Cities as Engines of Growth, ADB is ready to assist Indian cities to improve urban governance and creditworthiness, undertake necessary reforms and investments for futuristic cities initiatives, as well as accelerate implementation of AMRUT 2.0 and Swachh Bharat Mission 2.0.

CLIMATE CHANGE ADAPTATION

ADB is currently providing assistance in (i) flood control, river erosion management, and river channel stabilization, (ii) irrigation water use efficiency, and (iii) coastal protection and development. ADB is ready to upscale climate change adaptation programs with the use of the Innovative Finance Facility for Climate in Asia and Pacific (IF-CAP) fund, including planning and implementation of the National Climate Adaptation Mission.

ENERGY TRANSITION

On top of the advisory support that ADB has provided on several aspects of energy transition, ADB stands ready to expand investments in (i) newer areas such as electric vehicles and urban and industry energy efficiency and (ii) new technologies such as energy storage, floating solar, offshore-wind, and green hydrogen, with viability gap financing exploring concessional resources.

ADB is supporting infrastructure development in major manufacturing hubs to promote investments and create jobs.

An ADB-funded project in Assam is helping protect communities and their land from erosion along the Brahmaputra River.
CIRCULAR ECONOMY MISSION

Building on its ongoing support to NITI Aayog to develop the mission document on circular economy encompassing 11 nodal ministries, ADB stands ready to support action planning and investments in the realization of the mission goals.

HEALTH

ADB is supporting several states on medical human resource development. ADB is ready to support a national program leveraging the private sector in establishing health facilities in Tier 2 and 3 cities through public–private partnerships, facilitating appropriate risk sharing with state and local bodies.

MISSION KARMAYOGI

ADB is supporting Mission Karmayogi through the Capacity Building Commission to develop capacity building plans for 16 departments of the Government of India. ADB is in discussion with the commission to replicate this at state levels.

SKILL INDIA

The government has identified skilling as one of four transformative areas for India. ADB’s skills program across six states is helping in modernizing technical and vocational education and training infrastructure, introducing outcome-based training norms, establishing credible certification processes, improving competencies of trainers, and expanding the capacity of high-quality vocational education and training. Going forward, ADB can partner with the government in developing a national program on skills education benchmarked to good international practices, in alignment with the new National Education Policy.

An ADB-funded skills project in Kerala is helping develop a viable skills ecosystem in the state.
ADB commenced its lending operations in India in 1986. Since then, ADB has consistently endeavored to tailor its operations to the country’s evolving development priorities with close guidance from the Department of Economic Affairs (DEA) of India’s Ministry of Finance. We have especially looked to Juhi Mukherjee, Director (ADB) of DEA, for regular guidance on our operations since her posting in DEA in October 2020. We spoke to Ms. Mukherjee on the government’s expectations from ADB while we formulate the new country partnership strategy (CPS) for India for 2023–2027.

### ADB’S NEW COUNTRY STRATEGY SHOULD SUPPORT GOVERNMENT’S KEY INITIATIVES: DEA DIRECTOR

ADB is currently preparing its new CPS for India for 2023–2027. From the Government of India’s perspective, what should be the focus areas of ADB’s assistance going forward?

This CPS will lay the foundation for India@100. ADB may attune its priorities to the Government of India’s vision for Amrit Kaal, supporting our initiatives, including PM Gati Shakti, logistics policy, industrial corridors, climate change adaptation, and energy transition. The government is also incentivizing and promoting alternative fertilizers and balanced use of fertilizers as well as encouraging natural farming. It is also improving access of farmers to markets and credits and digitalization of the agriculture sector. ADB’s support to the government’s initiatives in the agriculture sector will be most welcome. It is also important that the Finance Plus elements of knowledge, best practices, and capacity building continue to be an important part of ADB’s work in India. Creation of livelihoods should be seen as a crosscutting theme across priorities. The absorptive capacity of India’s private sector is huge and will only increase immensely due to the government’s initiatives such as the PM Gati Shakti, National Logistics Policy, and Productivity Linked Incentives. Hence, ADB’s private sector operations call for more absolute lending to have a meaningful contribution and impact.

### Combating climate change

Combating climate change is one of the government’s key priorities. What would be DEA’s expectation from multilateral development banks (MDBs), including ADB, to support the government’s climate actions?

ADB is encouraged to adopt and promote the philosophy of Mission LIFE—Lifestyle for Environment Movement and India’s commitment made at COP26 (Panchamrit) to combat the adverse impacts of climate change. Under the National Green Hydrogen Mission, India is targeting to produce 5 MMT of green hydrogen by 2030. The Union Budget for 2023–2024 has allocated ₹19,700 crores for the mission. It is hoped that ADB can partner with India in frontier areas such as green hydrogen and may also provide knowledge support in the green hydrogen sector.

### How does DEA strive to ensure better project implementation by MDBs?

DEA accords prime importance to the Finance Plus elements of a project and takes steps to ensure best use of MDB funding as well as knowledge resources. Various interventions have been initiated across the project life cycle to bring about optimum results. These include:

- standardization of guidelines for processing funding proposals across MDBs for both state and central sector projects;
- regular screening of proposals for seeking funding;
- regular tripartite monitoring of pipeline as well as ongoing projects;
- compiling best practices;
- handholding projects which have shown suboptimal progress due to extenuating circumstances;
- use of information technology platforms for each separate stage of the project, from preliminary proposal stage to negotiation and thereafter to monitor progress;
- online disbursement platforms with real-time information have also greatly helped project implementing agencies; and
- carrying out regular capacity building programs for all stakeholders.
As the COVID-19 pandemic waned in 2022, ADB worked closely with the Government of India to support projects helping India’s recovery.

ADB’s $1.8 billion commitment in sovereign lending in 2022 consisted of projects to strengthen India’s logistics ecosystem; improve connectivity, including to economic clusters, rural communities, and markets; and enhance urban mobility, alongside projects to improve energy networks, urban services, and developing industrial estates. In addition, ADB committed $208 million for six private sector transactions during the year.

Some of the key sovereign and non-sovereign (private sector) projects committed in 2022 were:

CHENNAI METRO RAIL INVESTMENT PROJECT

Through this project, ADB supports India’s metro network expansion with a $350 million loan to improve connectivity in Chennai city. It will support the development of three new metro lines—3, 4, and 5—that will connect the central area of Chennai to major destinations in the south and west of the city. This will help improve overall livability by providing an integrated transport system that is safe, affordable, and sustainable.

ASSAM SOUTH ASIA SUBREGIONAL ECONOMIC COOPERATION CORRIDOR CONNECTIVITY IMPROVEMENT PROJECT

This $300 million project will upgrade 312.5 kilometers of state highways and major district roads in Assam, including six road sections in the western, central, and southern regions. Reduced travel time and vehicle operating costs and the operation of public transport services will improve the mobility and accessibility of people in the less developed areas of Assam and provide a vital link to markets, jobs, social services, and education and health facilities.

Expansion of Chennai Metro Rail will help improve connectivity across the city.
ADB committed a $250 million loan to help the government carry out wide-ranging reforms in India’s logistics sector. The program will help develop an institutional and policy framework for incentivizing private sector participation in multimodal logistics projects, improving logistics efficiencies to boost trade, and increasing the use of automated systems to improve service delivery.

STRENGTHENING MULTIMODAL AND INTEGRATED LOGISTICS ECOSYSTEM PROGRAM (SUBPROGRAM 1)

TRIPURA POWER DISTRIBUTION STRENGTHENING AND GENERATION EFFICIENCY IMPROVEMENT PROJECT

The $220 million loan for this project will help improve energy security, quality of supply, efficiency, and resilience of the power sector in Tripura. The project will finance the replacement of the aging Rokhia power plant with a highly efficient, state-of-the-art plant that will reduce greenhouse gas emissions through fuel savings. The project will also include investments in the power distribution network to increase the generation capacity, efficiency, and resilience of the power sector against climate change and natural disasters.

HIMACHAL PRADESH RURAL DRINKING WATER IMPROVEMENT PROJECT

The $96 million loan for this project will provide safe, sustainable, gender-responsive, and inclusive rural water supply and rural sanitation services for about 620,000 people in 10 districts of Himachal Pradesh. Using the sector loan modality, it will upgrade rural water schemes and introduce smart water management practices to ensure the effective management of new and rehabilitated water supply assets.

Developing the logistics sector will help reduce logistics costs and improve competitiveness of Indian goods.
SPECIAL ISSUE

GREENCELL ELECTRIC BUS FINANCING PROJECT

This project involves a loan of up to $34.5 million (up to $19.4 million from ADB and $14.0 million from an ADB-administered Clean Technology Fund) to Greencell Express Private Limited for the purchase of electric buses and construction of allied infrastructure for inter-city routes in South India. Additionally, the financing plan includes a grant of up to $5.2 million from the Climate Innovation Development Fund for investment in a battery energy storage system and a grant of up to $325,000 from the Clean Technology Fund.

SHRIRAM TRANSPORT FINANCE COMPANY SUPPORTING ACCESS TO FINANCE FOR SMALL COMMERCIAL VEHICLE OPERATORS

The project provides long-term financing of up to $100 million to Shriram Transport Finance Company, a commercial vehicle financier focused on single truck owners and small fleet owners. It will enhance the availability of commercial vehicles used in the last mile delivery of goods, especially essential services. The project will also support the availability of fuel-efficient vehicles complying with BS-VI standards.

SMARTCHEM CLIMATE SMART HIGH EFFICIENCY CROP NUTRITION PROJECT

This project includes a loan of up to $30 million to Smartchem Technologies Limited, one of the largest specialty fertilizers manufacturers in India. The investment will finance new capex and associated maintenance capex for optimum utilization of the company’s new fertilizer plant as well as research and development of new specialty fertilizers.
India scaled up its renewable energy capacity by 250% between 2014 and 2021. It now ranks fourth in renewable energy capacity in the world. Nevertheless, India is further embarking on a sweeping energy transition effort to replace fossil fuel use in the industrial sector. Focused on investing in energy efficiency, expanding renewable energy generation, and the use of green hydrogen for energy storage, India expects to reduce its dependency on fossil fuels in the medium term.

The Government of India will actively pursue these goals through initiatives such as proposed solar cities and parks, the National Green Hydrogen Mission, and the Green Energy Corridor. It is also rolling out policy measures and incentives to enable the uptake of green energy and technology, including the production-linked incentive scheme for entities that set up manufacturing facilities for clean technology.

ENSURING A JUST TRANSITION IS KEY TO INDIA’S ENERGY TRANSITION GOALS

India has scaled up its renewable energy capacity by 250% within 7 years.

CHALLENGES TO ENSURING THE ENERGY TRANSITION

Attempting clean energy transition at the scale that India requires faces many challenges. These include access to affordable financing, lack of institutions that can deploy financing effectively in new low-carbon growth areas, and technology risks. Another key consideration, which has far-reaching impact, is ensuring a just transition.

ENSURING A JUST TRANSITION

Transitioning away from fossil fuels usage can have both positive and negative impacts on consumers, workers, communities,
The energy transition will alter most existing occupations in terms of task composition, structural change, a transformation of existing jobs, and new skills. Skills development measures are thus integral to preparations for these changes to enable individuals and communities to be future ready. In India’s case, the good news is that the government has already put in place resources and institutions that can be leveraged to initiate work on supporting the just transition, including skills development.

District Mineral Foundation Funds (DMFs), which were introduced in 2015 as a benefit-sharing scheme with mining-affected communities, are one such resource. While the Mines and Minerals (Development and Regulation) Amendment Act 2015 stipulates utilization of 60% of the funds for high-priority areas including skills development, a recent evaluation indicates that most states have low disbursement levels of their DMFs and the funds.

More localized case studies such as the solar photovoltaic park in Rewa, Madhya Pradesh, point to a solar park employing a handful of full-time employees for operation compared to a large coal-fired power plant that typically employs hundreds of employees, contractors, and businesses, all along the supply chain.

A recent European Union auditor report found that the bulk of the just transition funding to coal-reliant regions in Europe had neither led to improved economic opportunities for communities nor to an expanded uptake of clean energy technologies. Significant net jobs losses have been reported in the coal sector in the United Kingdom, the United States, Germany, and Poland.

Governments clearly need to design policy mechanisms and targeted programs to realize the social opportunities of the transition including quality green jobs, and improvement in working conditions and gender equality, while supporting impacted communities.

3 It is noteworthy that the Government of Jharkhand has formed a Just Transition Task Force comprising officials from 13 different departments to study the effects of transition from fossil fuel-based to non-fossil-based ecosystems. The task force will assess the impacts of accelerated phase-out of coal mines and industries on the state’s economy as well as on the communities that are directly or indirectly dependent on these industries.
funding for skills development and education is nowhere close to mandated levels. There is scope to scale up fund utilization for skills development under DMFs.

As a crucial element of its support for the country’s energy transition, ADB is partnering with the Ministry of Skills Development and Entrepreneurship to develop a Just Transition Worker Support Facility for coal-mining-reliant districts and states. The facility will provide a structured approach through physical and virtual means, and integrate existing resources across skilling and reskilling, entrepreneurship, livelihood development, and relevant social protection initiatives to make available bespoke assistance.

The states will have access to a one-stop provider and curator of solutions for planning or implementation of skilling and livelihoods programs.

As India and other emerging economies strive to accelerate their energy transition, it is imperative that they scale up efforts to ensure a just transition that avoids creating an energy transition divide.

India assumed the G20 Presidency on 1 December 2022. Prime Minister Narendra Modi set the tone for India’s Presidency, saying India’s G20 agenda will be inclusive, ambitious, action-oriented, and decisive, as he also called for human-centric globalization. India has created an extensive calendar of G20 events that are being organized across various states.

India’s G20 theme of Vasudhaiva Kutumbakam (One Earth One Family One Future) affirms the value of all life, and spotlights LiFE (Lifestyle for Environment), with its associated environmentally sustainable and responsible choices, both at individual and national levels. India’s G20 Presidency also marks the beginning of Amritkaal, the 25-year period beginning from the 75th anniversary of India’s independence on 15 August 2022 leading up to its centenary. This period will see India working towards a futuristic, prosperous, inclusive, and developed society, distinguished by a human-centric approach at its core.
ADB SUPPORT

ADB has been invited by the Government of India as Guest International Organization to attend the G20 meetings and Leaders’ Summit. The support to India is a continuation of ADB’s support to Indonesia in 2022.

The G20 consists of two parallel tracks: the Finance and Sherpa tracks. Finance ministers and central bank governors lead the Finance Track, while sherpas lead the Sherpa Track. ADB is providing support to both tracks.

In the Finance track, ADB is supporting key areas including the Infrastructure Working Group (IWG) on Financing Cities of Tomorrow and the Capital Adequacy Review.

In the Sherpa track, ADB support has been requested in key areas that include healthcare, energy transition, climate change, circular economy, global food security, women-led development, and disaster risk reduction. ADB was also requested to provide technical advisory and secretariat services as well as knowledge and intellectual expertise to support Think 20, Urban 20, and Women 20 engagement groups.

ADB President Masatsugu Asakawa has highlighted four basic tenets of ADB support to India’s G20 Presidency.

First is to help bring the voice of developing Asia to the G20.

Second is to amplify the Government of India’s focus on cities. ADB is already supporting the IWG on Financing Cities of Tomorrow and is willing to help transform Indian cities into “Cities of Tomorrow,” to facilitate systematic urban agglomeration with green, clean, and resilient infrastructure, mobilize municipal resources, and leverage more financing.

Third, ADB is liaising closely with G20 Sherpa, Amitabh Kant, on support in priority areas that cover resilient health, energy transition, circular economy, and disaster risk management. In this context, ADB is in discussion with the Ministry of Health and Family Welfare to strengthen the National Centre for Disease Control to become a regional center for disease control.

Finally, ADB is piloting an Innovative Finance Facility for Climate in Asia and Pacific (IF-CAP) that will use guarantees and grant contributions from donor countries and philanthropies to leverage up to $5 for every $1. ADB’s ambition for climate finance was increased to $100 billion from 2019 to 2030. That included an increase that almost doubled the commitment for financing adaptation of up to $34 billion. As the challenge for adaptation is that it requires more concessional and grant finance, ADB is working on the IF-CAP, which will help provide much-needed investment for both climate change adaptation and mitigation.

Congratulations to India 🇮🇳 for great hosting of FMCBG @G20org.

Encouraged to see the final chair’s summary agree to address climate finance, debt distress, cities, food security, & a fair tax system.

An important step toward strong, sustainable growth & transition to net zero

Everyone can reply
Vice President Ashok Lavasa on 16 January 2023 in Maharashtra delivered the welcome speech at a high-level workshop on Financing Cities of Tomorrow as a part of the first Infrastructure Working Group meeting under the India G20 Presidency. ADB presented the “Architecture for Capacity Building of Local Governments for Building Inclusive, Resilient, and Sustainable Cities” concept to the group. ADB is leading this deliverable as a knowledge partner under the India G20 Presidency.

ADB President addresses G20 Finance Ministers and Central Bank Governors

ADB President Masatsugu Asakawa attended the G20 Finance Ministers and Central Bank Governors meeting on 24–25 February 2023 in Bengaluru. The President made one of the lead interventions in the session focusing on international financial architecture, sustainable finance, and infrastructure. In his remarks, the President emphasized that multilateral development banks must continuously evolve and improve to meet the demands of developing member countries. He noted that ADB has already taken several steps in this regard, for example by enhancing its climate ambition and revamping its operational model. He also noted that ADB is comprehensively reviewing options to further optimize its balance sheet. The President also expressed his strong support for India’s G20 Presidency’s focus on financing for sustainable cities, noting that the Asia and Pacific region will be home to 1 billion additional urban residents by 2050.

ADB Vice President addresses workshop on sustainable cities

Vice President Ashok Lavasa on 16 January 2023 in Maharashtra delivered the welcome speech at a high-level workshop on Financing Cities of Tomorrow as a part of the first Infrastructure Working Group meeting under the India G20 Presidency. ADB presented the “Architecture for Capacity Building of Local Governments for Building Inclusive, Resilient, and Sustainable Cities” concept to the group. ADB is leading this deliverable as a knowledge partner under the India G20 Presidency.

ADB Institute Dean addresses T20 Conference

On 13–14 January 2023, ADB Institute Dean Tetsushi Sonobe spoke on ways think tanks can boost multilateralism amid increasing geopolitical fragmentation at the Think20 (T20) Inception Conference in New Delhi. He underscored the importance of leveraging think tanks’ convening power via T20 and Think7 (T7). He said this approach could scale up research-based policy solutions and collaboration to bridge efforts by the G7 and G20 to drive sustainable economic development. Dean Sonobe is T7 Lead Chair under Japan’s 2023 G7 Presidency and a co–chair of the T20 task force on macroeconomics, trade, and livelihoods under India’s 2023 G20 Presidency.
**MEETING REVIEWS ADB’S INDIA PORTFOLIO**

ADB’s India Resident Mission conducted on 27 March its first e-Tripartite Portfolio Review Meeting for 2023 for ongoing and prioritized pipeline projects. Additional Secretary Department of Economic Affairs (DEA) Rajat Kumar Mishra and South Asia Regional Department Director General Kenichi Yokoyama co-chaired the meeting, along with Country Director Takeo Konishi and DEA Joint Secretary K. Manicka Raj. Over 150 participants from the government, executing agencies, and ADB discussed portfolio performance of ADB-financed projects and critical systemic project implementation issues, identified measures to improve portfolio performance, and set contract disbursement targets for 2023. Discussion on pipeline projects included the proposed policy-based lending operations for 2023, upcoming thrust areas of the ADB-India country partnership strategy now being finalized, and the national development priorities.

**EXECUTIVE DIRECTOR KHARE DISCUSSES DEVELOPMENT PARTNERSHIP IN VISIT TO ASSAM**

ADB’s Executive Director (ED) for India Sameer Kumar Khare during his visit to Assam on 21-24 March met with the state’s Chief Minister Himanta Biswa Sarma and other senior state officers to discuss ADB funded key projects and the longstanding development partnership between ADB and the state of Assam. ED Khare also visited ADB supported project sites on energy, flood and riverbank erosion risk management, and skills university education. He joined a review of the ongoing ADB funded projects in the state and discussed implementation issues with the finance and planning secretaries of northeastern states. Deputy Country Director Hoe Yun Jeong accompanied the ED in the visit.

**WORKSHOP DISCUSSES MODALITIES TO DEVELOP INDIA’S LOGISTICS COST FRAMEWORK**

India’s Minister of Commerce and Industry Piyush Goyal on 20 March gave special address at the workshop that discussed the importance of developing a viable framework for the calculation of logistics costs as one of the metrics for India’s logistics efficiency. The Department for Promotion of Industry and Internal Trade (DPIIT) in the ministry and ADB jointly organized the workshop. ADB South Asia Regional Department Director General Kenichi Yokoyama, who joined virtually, in his address highlighted ADB’s support to India’s logistics sector since 2015 including for developing the recently launched National Logistics
Policy. Earlier, ADB Deputy Country Director Hoe Yun Jeong gave welcome remarks at the inaugural session attended by NITI Aayog Vice Chairman Suman Bery and DPIIT Secretary Anurag Jain. Logistics experts from India, Japan, South Korea and Thailand jointed the day-long deliberations. Special Secretary, Logistics Division of DPIIT, Sumita Dawra announced setting up a task force for developing a framework for measuring logistics costs that will include representation from government departments and agencies, private sector, think tanks and ADB.

Minister of Commerce and Industry Piyush Goyal addressing the Workshop on Logistics Cost Framework in New Delhi on 20 March.

ADB VICE PRESIDENT ATTENDS G20 FOREIGN MINISTERS MEETING IN DELHI

ADB Vice President Shixin Chen attended the G20 Foreign Ministers Meeting on 2 March 2023 and made interventions on multilateralism and the need to reform and disaster relief. Emphasizing the importance of strong and innovative multilateralism to mobilize collective action toward better development results, the Vice President cited ADB’s recent work in this regard, including on food security and climate financing, such as the Innovative Finance Facility for Climate in Asia and the Pacific preparation. He also highlighted ADB’s timely support to its developing member countries in times of crises with close collaboration with development partners and stressed the importance of putting agile and effective instruments and processes in place. In line with ADB’s commitment to promoting clean energy, the vice president, on 3 March, visited the battery energy storage system, the distribution control center, and the smart grid lab developed by Tata Power Delhi Distribution Limited, to which ADB has provided financing.

Director General Kenichi Yokoyama at his meeting with Ministry of Environment, Forests, and Climate Change Secretary Leena Nandan in New Delhi.

Vice President Shixin Chen met with India’s External Affairs Minister S. Jaishankar at the G20 Foreign Ministers Meeting in New Delhi on 2 March 2023.

DIRECTOR-GENERAL OF SOUTH ASIA REGIONAL DEPARTMENT MEETS SENIOR INDIA OFFICIALS IN DELHI

ADB South Asia Regional Department Director General Kenichi Yokoyama led on 24 February an ADB team to consult with India’s Ministry of Environment, Forests, and Climate Change Secretary Leena Nandan and Ministry of Power Secretary Alok Kumar on ADB support in implementing flagship initiatives for tackling climate change, promoting sustainability, and initiating enabling reforms. They discussed ADB’s ongoing knowledge support to the Government of India on promoting the circular economy and power sector programs. The director general highlighted building a strong pipeline of climate change adaptation initiatives at the national and sub-national levels and the need for enabling reforms in the power sector at the sub-national level. Initiatives they discussed included promoting new technologies for greater renewable energy integration and establishing concessional financing facility to drive green growth programs.
ADB PARTICIPATES IN ANNUAL MEETING OF RIVER CITIES ALLIANCE, 2023

Deputy Country Director Hoe Yun Jeong presented on financing interventions for urban river management at the annual meeting of River Cities Alliance held in Pune on 14 February 2023. He highlighted ADB’s vision, strategy, and commitment towards climate change and disaster resilience with focus on integrated water resources management. He shared ADB’s extensive support for urban sector development, including cities as engines of growth, and integrated urban-industrial planning, and ADB’s relevant experience working in the water sector. The deputy country director also elaborated on the ADB financing window available for climate change and disaster risk management, including cofinancing with other concessional trust funds to lower clients’ overall financing cost. He highlighted ADB’s value propositions with special emphasis on Finance Plus elements through the One ADB approach and the unique synergy of financing, knowledge, and partnership. He conveyed ADB’s strong interest in collaborating with key concerned line ministries and the River Cities Alliance on urban river management and a holistic river-centric urban development approach.

EXECUTIVE DIRECTOR KHARE VISITS THREE STATES DURING INDIA VISIT

ADB’s Executive Director (ED) for India Sameer Kumar Khare visited India in January–February and travelled to the states of Uttar Pradesh, Tamil Nadu, and Madhya Pradesh to discuss with senior officials ongoing and prospective ADB-funded projects and to visit project sites. ED Khare, accompanied by India Resident Mission Country Director Takeo Konishi, visited Varanasi in Uttar Pradesh on 3–5 January and met with senior officials of an ADB-funded energy project, visited the project site, and interacted with beneficiaries. In Chennai, Tamil Nadu on 16–21 January and Bhopal, Madhya Pradesh on 2–3 February, the executive director, accompanied by India Resident Mission Deputy Country Director Hoe Yun Jeong, met with chief secretaries and other senior officials of the respective state governments to review the implementation of ongoing projects and discuss possible new areas of ADB investment aligned to their development priorities, and visited project sites.

VICE PRESIDENT LAVASA VISITS INDIA, MEETS FINANCE MINISTER

ADB Vice President Ashok Lavasa during his India visit met with Finance Minister and ADB Governor Nirmala Sitharaman on 20 January and affirmed ADB’s continued support to the Government of India’s flagship programs, priority infrastructure projects, and transformative initiatives such as scaling up clean technologies. The vice president reiterated that ADB’s new country partnership strategy for India for 2023–2027, currently under formulation, would be aligned to the government’s development priorities. He also discussed ADB’s new operating model, which aims to integrate sovereign and non-sovereign operations to augment private sector investments and climate finance, promote public–private partnerships, and provide knowledge support. Vice President Lavasa also met with Minister for Housing and Urban Affairs Hardeep Singh Puri and a number of private sector clients. On 16 January he delivered a welcome speech at Pune at the high-level workshop on Financing Cities of Tomorrow as a part of the first Infrastructure Working Group meeting under India’s G20 Presidency. The vice president also participated in a signing ceremony on 20 January for a $131 million loan to Nhava Sheva Freeport Terminal Private Limited, which is ADB’s first private sector financing of container terminal operations in India.
ADB JOINS GLOBAL PROCUREMENT SUMMIT 2023

In his opening remarks at the 17–18 January procurement summit, Country Director Takeo Konishi highlighted ADB’s new procurement framework that adopts a more principled and risk-based approach, promotes open competitive bidding, and provides more holistic support from design stage to project completion. He also emphasized ADB’s continued support to India’s priority for robust, climate resilient, and inclusive growth with increased focus on the education, health, finance, and public sector management sectors to help speed the country’s post-COVID-19 pandemic recovery.

The summit was organized by All India Management Association with support from the Government of India’s Ministry of Finance and the World Bank to discuss recent efforts to reform public procurement in India with new sustainable practices and application of technology.

ADB TEAM DISCUSSES COLLABORATION WITH UTTAR PRADESH GOVERNMENT

An ADB team led by Country Director Takeo Konishi visited Lucknow on 16–17 January and met with Chief Secretary Durga Shanker Mishra and other officials of the Government of Uttar Pradesh as a follow up on discussions held during July 2022 that formed part of ADB’s strategic engagement approach with select states. The team also discussed proposed ADB collaboration on energy transition with the state government. They met with officials from the departments of finance, public works department, energy, health, agriculture, medical education, urban development and urban planning, skill development, infrastructure, and industrial development.

ADB PARTICIPATES IN MADHYA PRADESH GLOBAL INVESTOR SUMMIT 2023

Deputy Country Director Hoe Yun Jeong presented on the ADB–Madhya Pradesh Partnership: Enhancing Infrastructure and Social Investments panel in the Madhya Pradesh Global Investors Summit 2023 held in Indore on 12 January 2023. He shared ADB’s vision and commitment to social sector development in the context of ADB’s Strategy 2030 and India’s country partnership strategy, and highlighted the prospects of Madhya Pradesh in social infrastructure development and ADB’s possible areas of engagement in the sector. Given ADB’s focus on hardware infrastructure in the state since 1997, there is a need to rebalance ADB assistance more towards social sector investment to support its sustainable and inclusive growth. The session was moderated by Additional Chief Secretary Ashok Barnwal of the Backward Classes and Minority Welfare Department, Farmers Welfare and Agricultural Development, Government of Madhya Pradesh and had participation from UNICEF, the Bill & Melinda Gates Foundation, Central Square Foundation, JSW Foundation, and ITC Foundation.
ADB in India

VIDEOS, BLOGS, AND PROJECT FEATURES

**ADB VIDEOS**

**Transforming Mumbai’s Public Transport with a Safe, Efficient, and Comfortable Metro Rail**
ADB is supporting metro rail expansion in Mumbai with a $926 million loan to help operationalize 58 km of the planned 337 km of the Mumbai Metro network.

**Climate Change and our Health (ADB Insight Full Episode)**
In a new episode of ADB Insight, World Health Organization Chief Scientist Soumya Swaminathan discusses the urgency of climate action to improve public health and help avert the next pandemic.

**Reimagining the Future of Transport Across Asia and the Pacific**
In our co-published report, ADB and Arup explore the key trends impacting the future of transport in Asia and the Pacific and present eight visions to explore ideal future transport systems in the year 2050. Watch our short film to learn more about the trends shaping the future of transport and to discover our vision for future transport that works for both people and the planet.

**ADB BLOGS**

**How Patents and Innovation Procurement Can Boost Asia’s Recovery**
This ADB blog post argues that nurturing innovation can help developing economies leap to productivity-driven growth. Some countries however lack the resources to support creativity and the creation of new and better products and services. Invention and innovation entail know-how, taking risks, and costs.

*Read more*

**Microfinance Survived the Pandemic but Challenges Lie Ahead**
After a sharp contraction during the pandemic, the microfinance sector rebounded well in 2022, says this ADB blog post. The initial concerns, which raised existential issues about the future of this financing activity, which relies on extensive physical interaction and group processes in small communities, have been put to rest.

*Read more*

**Workers Need Digital Skills to Remain Relevant in the Post-Pandemic Job Market**
As one of the fastest-growing regions in the world, Asia and the Pacific has witnessed rapid digitization in recent years. While the trend was evident before the COVID-19 pandemic, the pandemic catalyzed a dramatic acceleration in the demand for digital skills and jobs.

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<th>TECHNICAL STUDIES</th>
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<td><strong>Guidebook for Utilities-Led Business Models: Way Forward for Rooftop Solar in India</strong>&lt;br&gt;This guidebook analyzes India’s plans to use rooftop solar power to boost its renewable energy, explains the benefits it offers, and details why new business models and market mechanisms would drive greater adoption.</td>
<td><strong>Identifying Challenges and Improving Trade Facilitation in the States of Northeast India</strong>&lt;br&gt;This working paper identifies the challenges hindering international trade with northeast India and proposes measures for improving trade with other countries in South and Southeast Asia.</td>
<td><strong>Planning and Capacity Building for High-Speed Rail Development in India: Five Key Lessons</strong>&lt;br&gt;This tip sheet provides an overview of how ADB mainstreaems gender into private sector projects and the business case for advancing gender equality.</td>
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<td><strong>Guidebook for Demand Aggregation: Way Forward for Rooftop Solar in India</strong>&lt;br&gt;This guidebook shows how India plans to meet its ambitious rooftop solar energy targets and why identifying new business models, better engaging utilities, and developing new market mechanisms will speed up its adoption.</td>
<td><strong>Development of Capitals and Capabilities of Smallholder Farmers for Promoting Inclusive Intensification in Agriculture: Experiences from Northern West Bengal, India</strong>&lt;br&gt;Addressing the constraints relating to land and other inputs and the selling of produce is the real challenge for small and marginal farmers, argues this working paper.</td>
<td><strong>Market Access and Firm Performance: Evidence Based on GIS Analysis of Road Network and Manufacturing-Plant-Level Data from India</strong>&lt;br&gt;This working paper discusses that while India’s creative economy is large, its untapped potential is even larger.</td>
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<td><strong>Uniquely Urban: Case Studies in Innovative Urban Development</strong>&lt;br&gt;This report presents case studies that highlight how ADB teams are working together to design innovative urban projects across the Asia and Pacific region that leverage value-added services and support sustainable economic growth.</td>
<td><strong>Creative India: Tapping the Full Potential</strong>&lt;br&gt;This working paper discusses that while India’s creative economy is large, its untapped potential is even larger.</td>
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