

FRAMEWORK FINANCING AGREEMENT
IND: Infrastructure Development Investment Program for Tourism

Parties This Framework Financing Agreement ("FFA") dated 24 August 2010 is between India, acting by its President ("INDIA") and the Asian Development Bank ("ADB").

MFF Investment Program

INDIA is committed to and will implement the Infrastructure Development Investment Program for Tourism (the Investment Program), which is an integral part of the Road Map covering the states of Himachal Pradesh, Punjab, Uttarakhand and Tamil Nadu. Both the Investment Program and the Road Map for these four participating states are described in Schedule 1 hereto. The Investment Programs targets enhanced economic growth and provision of livelihood opportunities for local communities through tourism infrastructure development with a focus on preservation and development of natural and cultural heritage and incidental services.

The total cost of the Investment Program over the period 2010 to 2020 is expected to be three hundred fifty seven million US dollars (\$357,000,000) equivalent. The total cost of implementing the Road Map over the period 2010 to 2018 is expected to be one billion six hundred ninety million US dollars (\$1,690,000,000) equivalent.

Multitranche Financing Facility

The Multitranche Financing Facility ("Facility") is intended to finance various subprojects under the Investment Program, which is an integral part of the Road Map, provided that such subprojects comply with the criteria set out in Schedule 4 hereto and that understandings set out in this FFA are complied with.

Such subprojects fall under the following components:

- (i) Urban Infrastructure and Service Improvement;
- (ii) Connectivity Improvement;
- (iii) Quality Enhancement of Natural and Cultural Attractions;
- (iv) Community-based Activities; and
- (v) Capacity Development, Community Participation and Project Management.

This FFA does not constitute a legal obligation on the part of ADB to commit any financing. Exercised reasonably, ADB has the right to deny any financing request made by INDIA, cancel the uncommitted portion of the Facility, and withdraw INDIA's right to request any financing tranche under the Facility. Financing tranches may be made available by ADB provided matters continue to be in accordance with the general understandings and expectations on which the Facility is based and which are laid out in this FFA.

This FFA does not constitute a legal obligation on the part of INDIA to request any financing. INDIA has the right not to request any financing under the Facility. INDIA also has the right at any time to cancel any uncommitted portion of the Facility.

INDIA and ADB may exercise their respective rights to cancel the Facility or any uncommitted portion thereof, and ADB may exercise its right to refuse a financing request, by giving written notice to such effect to the other parties. The written notice will provide an explanation for the cancellation or refusal and, in the case of a cancellation, specify the date on which the cancellation takes effect.

Indicative Financing Plan

The indicative financing plan for the Investment Program is summarized below.

Table 2: Financing Plan (\$ million) (by financiers)

Sources	Amount (\$ million)	Share of Total (%)
Asian Development Bank	250.00	70.0
Government of India and state governments	107.14	30.0
Investment Program Total	357.14	100.0
State government and other agencies of Himachal Pradesh	436.54	
State government and other agencies of Punjab	253.16	
State government and other agencies of Tamil Nadu	356.84	
State government and other agencies of Uttarakhand	289.03	
Road Map Total	1,692.71	

Source: Asian Development Bank estimates.

(\$ million) (by States)

Item^a	Himachal Pradesh	Punjab	Tamil Nadu	Uttarakhand	Total
A. Base Cost^b					
1. Urban Infrastructure and Service Improvement ^c	26.96	17.90	16.79	20.80	82.45
2. Connectivity Improvement	12.86	3.95	9.92	10.27	37.00
3. Quality Enhancement of Natural and Cultural Attractions ^d	15.89	26.99	22.44	24.14	89.46
4. Community-based Activities	8.51	12.21	9.19	8.91	38.82
5. Capacity Development, Community Participation and Project Management	19.22	17.52	12.83	14.11	63.68
Subtotal (A)	83.44	78.57	71.17	78.23	311.41
B. Contingency^e	7.47	6.06	8.66	6.58	28.78
C. Financing Charges during Implementation^f	4.25	3.91	5.59	3.21	16.95
Total (A+B+C)	95.16	88.54	85.41	88.02	357.14

^a Includes taxes and duties of \$22.50 million to be financed by the states.

^b In mid-2010 prices.

^c Includes provision of basic tourist facilities.

^d Includes restoration.

^e Physical contingencies computed at 10% for civil works; and 5% for field research and development, training, surveys, and studies. Price contingencies computed at 0.0-1.5% on foreign exchange costs and 4.0-5.0% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

^f Includes interest and commitment charges. Interest during construction for ADB loan(s) has been computed at the 5-year forward London interbank offered rate plus a spread of 30 basis points. Commitment charges for an ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Source: Asian Development Bank estimates

Financing Terms ADB will provide loans to finance various subprojects under the Investment Program, as and when the subprojects are ready for financing, provided INDIA is in compliance with the understandings hereunder, and the subprojects are in line with those same understandings. Each loan will constitute a tranche.

Each tranche may be financed under terms different from the financing terms of previous or subsequent tranches. The choice of financing terms will depend on the project, and ADB's financing policies, all prevailing on the date of signing the legal agreement for such tranche.

Tranches may be provided in sequence or simultaneously, and some may overlap in time with each other.

Commitment charges are not payable on the Facility. They are payable only on financing actually committed by ADB as a loan. ADB rules on commitment charges, which are in effect when the legal agreements are signed for a tranche, will apply with respect to such tranche.

Amount

The maximum financing amount available under the Facility is two hundred fifty million US dollars (\$250,000,000). It will be provided in individual loans from ADB's ordinary capital resources.¹

Availability Period

The last date on which any disbursement under any loan may be made will be 30 June 2020. The last Periodic Financing Request (PFR) is expected to be submitted no later than 31 December 2017.

Terms and Conditions

INDIA will cause the proceeds of each tranche to be applied to the financing of expenditures of the Investment Program in accordance with conditions set forth in this FFA and the legal agreements for each tranche.

Execution The Executing Agencies will be the respective participating states, acting through their respective tourism departments as indicated in Schedule 3 to this FFA. The Executing Agencies will implement the Investment Program in accordance with the principles set forth in Schedule 1 of this Agreement, and as supplemented in the legal agreements for each tranche.

¹ Provisions of the Ordinary Operations Loan Regulations applicable to LIBOR-Based Loans Made from ADB's Ordinary Capital Resources, dated 1 July 2001, would apply to each loan, subject to modifications, if any, that may be included under any Loan Agreement (said Ordinary Operations Loan Regulations as so modified, if any, being hereinafter called the Loan Regulations).

Periodic Financing Requests

INDIA may request, and ADB may agree, to provide loans under the Facility to finance the Investment Program and its related projects upon the submission of a PFR. Each PFR should be submitted by INDIA. INDIA will make available to the Executing Agencies the proceeds of the tranche in accordance with the related PFR, and the legal agreements for the tranche.

The first loan will be for an amount of forty-three million four hundred and twenty-three thousand US dollars (\$43,423,000) equivalent, covering initial sets of subprojects of Himachal Pradesh and Punjab, respectively. The first loan for either of the two remaining states, Tamil Nadu and Uttarakhand, to cover its initial sets of subprojects will be for an amount greater than or equal to fifteen million US dollars (\$15,000,000) equivalent. Each subsequent individual loan will be for an amount greater than or equal to eighty million US dollars (\$80,000,000) equivalent except for the final tranche. ADB will review each PFR and, if found satisfactory, prepare the related legal agreements.

The projects for which financing is requested under the PFR will be subject to the selection criteria set out in Schedule 4 hereto, satisfactory due diligence, and preparation of relevant safeguard and fiduciary frameworks and other documents. ADB, INDIA and the participating states have agreed on a Facility Administration Manual and a schedule to initiate these activities.

Until notice is otherwise given by INDIA, Secretary, Additional Secretary, Joint Secretary, any Director or any Deputy Secretary in the Department of the Economic Affairs, Ministry of Finance will be INDIA's authorized representative for purposes of executing PFRs.

General Implementation Framework

The Facility will be implemented in accordance with the general framework set out in Schedule 3 hereto.

Procedures

Tranches to be provided under the Facility will be subject to following procedures and undertakings:

- (i) INDIA will have notified ADB of a forthcoming PFR in advance of the submission of the PFR;
- (ii) INDIA will have submitted a PFR in the format agreed with ADB;
- (iii) ADB may decline to authorize the negotiation and execution of any legal agreement for a tranche; and
- (iv) If ADB confirms acceptance of the PFR, the legal agreements will be negotiated and executed by the parties.

PFR Information

The PFR will be substantially in the form attached hereto, and will contain the following details:

- (i) Loan amount;

- (ii) Description of projects to be financed;
- (iii) Cost estimates and financing plan;
- (iv) Implementation arrangements specific to the projects;
- (v) Confirmation of the continuing validity of and adherence to the undertaking of this Agreement;
- (vi) Confirmation of compliance with the provisions under previous Loan Agreement(s) and Project Agreement(s), as appropriate; and
- (vii) Other information as may be required under the Facility Administration Manual, as agreed between INDIA, the participating states, and ADB.

Safeguards	Attached as Schedule 5 are references to the Safeguard Frameworks that will be complied with during the implementation of the Facility.
Procurement	All goods and services to be financed under the Facility will be procured in accordance with ADB's <i>Procurement Guidelines</i> (2010, as amended from time to time).
Consulting Services	All consulting services to be financed under the Facility will be procured in accordance with ADB's <i>Guidelines on the Use of Consultants</i> (2010, as amended from time to time).
Advance Contracting and Retroactive Financing	Under each tranche, ADB may, subject to its policies and procedures, allow, on request (a) advance contracting of recruitment of consultants and procurement of goods and civil works; and (b) retroactive financing of eligible expenditures for recruitment of consultants and procurement of goods and civil works up to 20% of proposed individual loan, incurred prior to loan effectiveness but not earlier than 12 months before the date of signing of the related legal agreement. INDIA and the participating states acknowledge that any approval of advance contracting and/or retroactive financing will not constitute a commitment by ADB to finance the related project.
Disbursements	Disbursements will be made in accordance with ADB's <i>Loan Disbursement Handbook</i> (2007, as amended from time to time).
Monitoring, Evaluation, and Reporting Arrangements	Tourism departments of Himachal Pradesh, Punjab, Uttarakhand and Tamil Nadu, will be responsible for overall implementation of the Investment Program. Each tourism department has a mission director, who is responsible for overall supervision and continuous monitoring of the Investment Program for the state. Each mission director will be responsible for coordinating with INDIA and various Implementing Agencies, and coordinating with and reporting to ADB. Schedule 2 hereto sets out the Design and Monitoring Framework for the Facility, against which the implementation effectiveness will be evaluated.

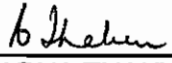
Undertakings

Attached as Schedule 6 are the undertakings provided by INDIA and the participating states.

Signed in New Delhi as of the day and year first above written.

For INDIA

For ASIAN DEVELOPMENT BANK

By 
ANURADHA THAKUR
Director (ADB)
Department of Economic Affairs
Government of India

By 
HUN KIM
Country Director

SCHEDULE 1

ROAD MAP AND INVESTMENT PROGRAM

I. National Tourism Development Road Map

1. India has exhibited impressive economic growth recently. Gross domestic product (GDP) grew at an average annual rate of 7.7% between FY2003 and FY2007 and is forecast to increase to 8.7% during the 11th Five Year Plan (2008-2012), making India one of the fast growing economies. The industry and services sectors provided the impetus for GDP growth with growth rates of 3.9% and 9.8% in 2008, respectively, while agriculture continues to lag with only 1.6% growth in 2008.

2. India's economic growth aims at being inclusive. The percentage of the population below the poverty line has declined from 36% in FY1994 to 27.5% in FY2005, but the rate of decline in poverty has not kept pace with GDP growth.

3. The rural-urban divide is rapidly rising in India with per capita household expenditure in rural areas at less than half of that in urban area.² Economic growth across regions has also not been uniform.

4. However, it is neither easy nor effective to try to reduce the rural-urban disparities by stimulating the growth of the agricultural sector alone. To address the disparities more effectively, it would be important to stimulate the rural non-agricultural sector and the rural service sector as a whole to generate more economic and employment opportunities.

5. In 2008, total foreign tourist arrivals and total domestic tourist visits were around 5.37 million and 562.92 million, respectively, generating about \$11.75 billion in foreign exchange. Virtually every kind of tourism, cultural, religious, eco and adventure, medical and pure relaxation, has significant prospects in the country. The richly varied developed and undeveloped tourist attractions permit product differentiation and branding. Rapid expansion and upgrading of the sector's infrastructure and services to international standards will increase its attractiveness, efficiency and competitiveness against other international destinations.

6. Tourism sector development is primarily the responsibility of the states that maintain tourism ministries, and related departments and corporations under tourism acts or government orders that are involved in the planning, development, regulation and, in many cases, operation of tourist facilities and services in direct competition with those operated by the private sector. Many of the key elements of public sector tourism development and management, such as provision, operation and maintenance (O&M) of access, connectivity and destination infrastructure, and access to publicly-owned culture, nature, and adventure tourism assets, are under the responsibilities of agencies other than the tourism ministries at the state and national level. The annual public sector outlay of the Ministry of Tourism (MOT) at the national level in 2007-2008 was \$204.9 million of which 66% went to product development support to national and state projects, and 25% went to marketing. Private sector participation in the tourism sector is a relatively recent phenomenon with many states still in the transition from tourist service providers to promoters/regulators of tourism development.

² India Country Partnership Strategy 2009-2012, ADB, Manila.

7. The Government's overall strategy for the development of the tourism sector under its 11th Five Year Plan (2007-2012) is enhancing and maintaining the competitiveness of India as a tourist destination by (i) creating world-class infrastructure; (ii) sustained marketing of India as a tourist destination; (iii) filling the growing tourism manpower and capacity gap; and (iv) expanding the scope and methodology of tourism statistics. The overall goals set for the sector by the end of the 11th Five Year Plan are (i) 10 million international tourist arrivals and \$16 billion in foreign exchange receipts, 750 million domestic tourist visits, and an increase in the total number of approved quality accommodation by 100,000 rooms; (ii) maintaining and, if possible, increasing per-visitor spending and length of stay; and (iii) achieving a greater geographic diversification of domestic tourism to spread the benefits of tourism more widely. The total budget for the core development activities under the 11th Five Year Plan is Rs. 9,290 crores (or \$2.0 billion) over 5 years with infrastructure and product development accounting for 43%, and marketing and promotion for 28%.

8. A review of the national and state public sector tourism programs including the national and state programs under the 11th Five Year Plan indicates that development expenditure is focused mainly on large national mega-projects, and upgrading of tourist infrastructure and publicly-owned tourist facilities and services in existing destinations. Less than 5% of total national and state government development outlays in 2007-2008 was directed at sustainable development initiatives such as natural and cultural heritage site restoration, and promoting new community-based culture, nature and adventure tourism destinations.

9. In conformity with the country's growth priorities, the Government with support of development partners including the Asian Development Bank (ADB), has undertaken various schemes during the course of the 10th (2003-2007) and 11th (2008-2012) Five Year Plans. Given the strong market interest in cultural, eco, adventure and other niche tourism products many of which take place in remote, rural areas of India, the tourism sector has been recognized as having the potential to provide additional and alternative livelihood in poor areas and thus contribute towards the national goal of more inclusive and equitable socio-economic development.

10. Within the context of the 11th Five Year Plan at the national and state level, the Road Map (2008-2017) identifies a market-based spatial and strategic framework for sustainable and inclusive tourism infrastructure development that targets 14.5 million international tourist arrivals with an average length of stay of 16 nights and spending \$24.5 billion in foreign exchange, of which 10% should accrue to poor communities, resulting in 5.4 million people taken out of poverty by 2017.³ The Road Map:

- (i) Focuses on tourism investments in broad inter- and intra-state tourism circuits/tourism destinations within five regions of India comprising (a) South Heritage Circuit linking natural, cultural, pilgrimage, and beach and hill station leisure resort tourist destinations in this region centered on Tamil Nadu; (b) West and Central Heritage Circuit linking strong cultural and natural tourist destinations in this region centered on Rajasthan; (c) North West Himalayan Heritage Circuit linking outstanding natural, cultural and pilgrimage tourist destinations in this region; (d) East Heritage Circuit linking the region's unique natural, cultural, and pilgrimage tourist destinations; and (e) North East Himalayan Heritage Circuit linking primary and secondary Himalayan Mountain and Hill cultural and natural tourist destinations in this region;

³ Study to prepare a Road Map for the Development of Tourism Infrastructure in India, 2007

- (ii) Sets out a program of sustainable and inclusive tourism infrastructure development focusing on (a) developing improved tourism access and connectivity; (b) creating and maintaining well-developed tourist destinations through provision of adequate quality tourism environment and visitor support infrastructure; (c) establishing well-restored, conserved and presented heritage sites; and (d) providing well-managed and maintained small-scale community-based infrastructure. The total cost of implementing the Road Map, including public-private partnership (PPP)-based investments, was estimated at \$10.63 billion between 2008 and 2017 with the initial five years to 2012 estimated at \$6.36 billion;

Tourism Infrastructure Investment Program 2008-2017
(In \$ Millions)

Priority Regions/Circuits	Access and Connectivity	Destination Utilities	Destination/ Site Support Infra.	Heritage Restoration/ Cons.	Small-scale Community Tourism Infra.	Total
North West Himalayan Circuit	1,316.75	520.00	52.00	77.00	134.85	2,100.60
West Central Heritage Circuit	829.25	1,302.50	62.00	90.50	145.95	2,430.20
Eastern Culture, Nature and Marine Circuit	600.25	488.75	23.13	38.50	80.85	1,231.48
North Eastern Himalayan Circuit	725.75	1,720.00	98.25	67.50	146.70	2,758.20
Southern Culture, Nature and Pilgrim Circuit	1,047.50	822.50	51.00	117.50	75.82	2,114.32
Total	4,519.50	4,853.75	286.38	391.00	584.17	10,634.80

Source: ADB: Study to Prepare a Road Map for the Development of Tourism Infrastructure in India, 2007

- (iii) Underpins sustainability and capacity development among local communities with cross-cutting institutional and regulatory reforms, and capacity building programs designed to enhance recovery of capital investment and O&M costs through (a) capacity development of public sector tourism officials and site managers; (b) adoption of adaptive reuse, and corporatization strategies for publicly-owned heritage assets; (c) updating and streamlining of the roles and responsibilities of state tourism organizations; (d) promoting greater participation in the provision and O&M of tourism infrastructure, and marketing and regulation of tourism services and activities by the private sector and local communities; and (e) undertaking appropriate policy and regulatory reforms in support of the above initiatives;
- (iv) Sets out strategies and measures related to (a) cost recovery of capital investment and O&M of tourism infrastructure; (b) financial and non-financial incentives to mobilize private sector participation, especially in the provision and O&M of tourism infrastructure and tourist facilities; (c) mainstreaming environmental and social impact mitigation measures in tourism development; (d) promotion of gender equality and empowerment of women in the tourism sector; and (e) mainstreaming greater local community participation; and
- (v) Sets out implementation arrangements based on demand-based prioritization at the state level with financial support from the Government and external development partners.

11. States in the five regions were asked to consider their participation in the implementation of the Road Map (2008-2017). Four states have since sought to participate in the implementation of the Road Map, namely Himachal Pradesh, Uttarakhand and Punjab, the three main states of the North West Himalayan Heritage Circuit, and Tamil Nadu the anchor state of the South Heritage Circuit. State participation in the implementation of the Road Map (2008-2017) is voluntary and demand-based. The experience of the initial four states with the active support of the MOT and the Department of Economic Affairs, Ministry of Finance (DEA/MOF)

should encourage other states to participate in the future. To complement the existing outlays of the national and state governments over the 11th Five Year Plan, ADB has earmarked \$250 million to be provided under a Multitranchise Financing Facility (MFF) to raise the overall level of investments towards developing a more sustainable and inclusive tourism. The related Road Map for each of the participating states follows.

II. State Tourism Road Maps⁴

A. Himachal Pradesh

12. The 11th Five Year Plan for Himachal Pradesh aims at, as its overall goal, achieving faster and more equitable economic growth of 8.5% in Gross State Domestic Product (GSDP) between 2008 and 2012 by increasing energy production, accelerating agricultural growth through horticulture, enhancing education and training, improving health and allied services, increasing rural connectivity, increasing decentralization, strengthening forestry and environmental protection, and promoting employment through service sectors such as tourism and IT services, and promoting enhanced environmental sustainability. The overall outlay for programs under the 11th Five Year Plan is Rs. 14,000 crore (or \$3.04 billion).

13. Himachal Pradesh has a highly scenic forested Himalayan valley and mountain landscape marked by cool summer and cold winter, and rich tangible and intangible cultural features. In 2007, an estimated 340,000 international tourists and 8,480,000 domestic tourists visited the state with annualized increases of 18.6% and 11.3%, respectively, from 2002. Domestic tourists to Himachal Pradesh mainly come from surrounding states while international tourists come mainly from Europe (especially UK), North America (especially USA), Australia and New Zealand, and South and East Asia. Pilgrimage, culture, and mountain resort activities in summer and winter are the main attractions for visiting the state with nature sightseeing and adventure tourism accounting for only a modest fraction of tourism activities. The state is accessible by air from New Delhi to three airports at Shimla, Kullu and Kangra, and by road from Punjab in the southwest, Uttarakhand in the east, and Jammu and Kashmir in the northwest. The state has 2,150 registered accommodations with a bed capacity of about 55,000, 357 restaurants, 742 travel operators and 359 registered tourist guides.

14. In the context of the 11th Five Year Plan, the state's tourism policy focuses on promoting sustainable development of its heritage assets, developing new nature, culture, adventure and ecotourism products, encouraging greater private sector participation and investment, and adopting partnership-based approaches to the marketing and promotion of the state in domestic and international markets. Spatially, the policy seeks to develop pilgrimage, nature, culture, adventure, and summer and winter mountain resort tourism in five thematic tourism circuits with priority given to the development of the Pilgrimage and Tribal Tourism Circuit that is linked by road to the broader North West Himalayan Heritage Circuit through Uttarakhand, Punjab and Jammu and Kashmir in the National Tourism Road Map.

15. The overall programmed investment in tourist infrastructure development in the priority tourism circuits between 2008 and 2017 is shown below. The lead tourism institution is the Himachal Pradesh Department of Tourism and Civil Aviation (DOTCA) working within the framework of the Himachal Pradesh Tourism Development and Registration Act 2002 (HPTD&RA-2002) and supported by the Himachal Pradesh Tourism Development Board (HPTDB) that is responsible for the development, promotion and regulation of the industry, and

⁴ Study to prepare a Road Map for the Development of Tourism Infrastructure in India, 2007

the Himachal Pradesh State Tourism Development Corporation (HPTDC) that develops, operates and maintains tourist facilities. The private sector is primarily engaged in providing tourist facilities and services alongside the HPTDC.

16. Notwithstanding an average annual growth of around 11.6% in total tourist visits between 2002 and 2007, the state's tourist market remains highly concentrated in a few major destinations, is highly seasonal in pattern, yields relatively low average length of stay and expenditure, and has quite modest economic impact. Inadequate statistical data on market demand and supply, weak institutional structures and human capacities for planning, development, investment, regulation and marketing, poor quality of tourism infrastructure and facilities, inadequate protection and management of heritage sites and of environmental and social impacts, and insufficient participation by the private sector and local communities are key issues impeding the development of a more sustainable and inclusive tourism sector.

Total State Tourism Infrastructure Investment Requirements 2008-2017	
	\$Millions
Access and Connectivity	76.75
Destination Infrastructure	68.75
Site Tourism Infrastructure	15.00
Community-based Infrastructure	27.65
Heritage & Conservation	13.00
Total	201.15
AOB Road Map for Tourism Infrastructure Development, 2007	

17. A combination of policy, institutional, and capacity building initiatives followed by physical infrastructure development would be required to effectively address the constraints to achieve more sustainable and inclusive tourism development. The initiatives will:

- (i) Give priority to the development of the Pilgrimage and Tribal Tourism Circuit based on developing at least five thematic cluster destinations along this circuit with strong private sector and local community participation (2009-2017);
- (ii) Undertake a phased thematic cluster destination development program by improving connectivity, destination infrastructure, heritage restoration and conservation, and community-based tourism to and within the thematic cluster destinations (2010-2017);
- (iii) Commence the phased thematic cluster destination development program with the development of one sample cluster destination to prove and fine-tune the overall approach (2010-2012);
- (iv) Undertake policy and regulatory reforms to update the HPTD&RA-2002 regulations, provide for adaptive reuse of publicly-owned heritage buildings under the Himachal Pradesh Ancient and Historical Monuments and Archaeological Sites and Remains Act 1976 (HPAHMAS&R Act 1976), create a state-wide community-based tourism policy, strengthen support for private sector participation in tourism infrastructure and services, and create a state-wide ecotourism strategy in coordination with the state Forest Department (2010-2012);
- (v) Undertake institutional strengthening measure through the HPTDB and DOTCA towards a policy setting and regulating/monitoring. The State may consider establishing within HPTDB a tourism cultural heritage unit, a community-based tourism unit and a tourism investment promotion unit, and establish a cultural heritage management authority to implement adaptive reuse policies (2010-2017); and
- (vi) Undertake a program of capacity building training in tourism planning and development management to public sector tourism and related agencies at state, district, ULB/RLB level, train in heritage site tourism planning, management, carrying capacity determination, interpretation, local community and private sector participation, and monitoring and evaluation to heritage site managers,

guides and NGOs, and build awareness and train skills of communities in CBT activities (2010-2015).

B. Punjab

18. Punjab State occupies the Indus-Ganges plains and part of the foothills of the Himalayan Ranges of northern India bordering Jammu and Kashmir, Himachal Pradesh, Haryana and Rajasthan. The state population of 25 million of which around 80% are estimated to live in rural areas. Although the overall poverty incidence is around 9%, significant pockets of marginalized communities remain, especially in the Shivalik Hill area and near protected forests, wetlands and in the vicinity of major reservoirs where access and land use are restricted and livelihood opportunities limited.⁵ The state's 11th Five Year Plan seeks to address the key challenges of providing essential public services for the poor, regaining agricultural dynamism, increasing competitiveness, developing human resources, protecting the environment and improving governance. Tourism, among others, is seen as a key sector that can contribute to the diversification of the economy from agriculture to non-agricultural activities. The plan targets an average annual growth rate of 8.5% in GSDP during the 11th Five Year Plan to 2012.

19. Punjab drains three important rivers in India (the Ravi, Sutlej and Beas Rivers), is the center of the global Sikh religion, contains a rich historic cultural heritage, and has significant wetland areas rich in migratory birds and Indus freshwater dolphins. In 2007, the state is estimated to have attracted 175,000 international tourists and 3.6 million domestic tourists spending \$168.5 million and supporting 11,000 jobs directly. Tourism increased only modestly between 2002 and 2007 with growth in 2008 and 2009 stalled due to the impact of global recession. Domestic tourists mainly come from the surrounding states and New Delhi while international tourists mainly come from Europe (especially UK), North America and Southeast Asia. Pilgrimage, visiting friends and relatives, and business travel dominate the state's tourist market.

20. The state is accessible: by air from several domestic airports and abroad via Amritsar International Airport and from several domestic airports via Chandigarh Airport; and by road from New Delhi and the surrounding states. The state has 448 accommodation establishments with 8,056 rooms and 7 travel operations companies. The state's leading tourism institution, the Punjab Department of Tourism (PDoT) with a Principal Secretary for Tourism, proposes policy, which is considered by the Minister for approval. The Punjab Heritage and Tourism Promotion Board (PHTPB) has been established to take over the implementation of projects of the PDoT. The operational budget of the PDoT in 2007/08 was \$0.9 million.

21. Although the state has rich and extensive tangible and intangible cultural heritage assets as well as valuable nature-based heritage assets with significant potentials, it has not been able to capitalize on these assets to develop a more balanced, sustainable and inclusive tourism sector. Past neglect in the development of its tourism assets, weak policy and regulatory institutional capacities, inadequate investments in the provision and O&M of tourism infrastructure, and in the protection and management of heritage assets for tourism, limited participation by the private sector and local communities, and a lack of product development and marketing are among the main causes of the state's weak tourism development situation.

22. The state's tourism policy, as set out in the United Nations World Tourism Organization (UNWTO)-sponsored Punjab Tourism

Total State Tourism Infrastructure Investment Requirements 2008-2017

	\$Millions
Access and Connectivity	106.25
Destination Infrastructure	65.00
Site Tourism Infrastructure	27.50
Community-based Infrastructure	10.00
Heritage & Conservation	7.50
Total	216.25

⁵ Slower Poverty Reduction but Increasing Inequality Mainstream

Development Master Plan (2008-2023) completed in 2008 and in the 11th Five Year Plan and related tourism policy statements, seeks to establish Punjab as an environmentally and socially sustainable quality tourism destination in India contributing towards the state's socio-economic development goals. Institutional restructuring; enhancing data collection, planning and development capacities; improving public sector coordination; developing world-class tourism human resources; more diversified product development and destination marketing; and encouraging investment in physical tourism infrastructure and facilities are the main sector development strategies. Based on the 2007 study for the preparation of the national tourism infrastructure road map, the estimated costs of tourism infrastructure development in the state's priority tourism circuits are shown below. The policy is targeting an increase in the volume of tourists using hotels, guest houses and home stay from 1.5 million in 2008 to 1.9 million by 2013, 2.7 million by 2018, and 4 million by 2023. In the short to medium term to 2014, the road map's strategic focus for the tourism sector development in Punjab is to:

- (i) Focus on building up the public sector policy and institutional framework and human capacities necessary to move the state's tourism sector to a new and higher profile by giving special attention to:
 - (a) Implementing policy and regulatory reforms including (1) providing for adaptive reuse of publicly-owned heritage buildings under the Punjab Ancient and Historical Monuments and Archaeological Sites and Remains Act of 1964 (PAHMAS&R Act 1964); (2) creating a state-wide ecotourism and community-based tourism policy; (3) strengthening the provision of the order establishing the PHTPB to increase private sector participation; and (4) adopting policies for ensuring high product quality standards (tourism land use zone, tourism enterprise standards and accreditation/certification, destination cluster-based environmental impact assessments (EIAs), and cost recovery of O&M);
 - (b) Implementing institutional strengthening measures including (1) formation of PHTPB, expanding private sector participation and moving PDoT to a policy setting and regulatory/ monitoring role; (2) establishing within PHTPB a tourism cultural heritage unit, a community-based tourism unit, and a tourism investment promotion unit; and (3) establishing a cultural heritage management unit to implement adaptive reuse policies; and
 - (c) Implementing capacity building measures focusing on (1) training in tourism planning and development for public sector tourism and related agencies at state, district, ULB/RLB level; (2) training in heritage site tourism planning, management, carrying capacity determination, interpretation, local community and private sector participation, and monitoring and evaluation for heritage site managers, guides and NGOs; and (3) awareness building and skills training in CBT activities;
- (ii) Drive new product and market development and promote a wider distribution of the benefits of tourism by developing thematic pilgrimage, cultural heritage, and ecotourism circuits and corridors linked to the surrounding states with priority being given to consolidate the two hubs of Amritsar and Chandigarh as staging points for day excursions to natural and cultural attractions in the corridors between Patiala-Chandigarh-Ropar, and Amritsar-Kapurthala-Gurdaspur;

- (iii) Give priority to the development of the corridor linking the Amritsar-Kapurthala-Gurdaspur, and Patial-Chandigarh-Rupnagar areas via the Grand Trunk and Royal Highway Corridor based on developing at least seven thematic cluster destinations along this circuit with strong private sector and local community participation; and
- (iv) Undertake consolidation of infrastructure and heritage conservation works in the gateway hubs (Amritsar, Patiala and Rupnagar) and surrounding day-excursion areas (thematic cluster destinations) of the main state tourism circuit (2010-2014).

23. In the medium to longer term (2015 to 2023), the state's road map seeks to create new cultural destination hubs at Patiala and Kapurthala based on developing these centers into overnight stay destinations, and to establish additional day-excursion circuits, as well as resort developments in lakes, and ecotourism developments at its wetland and forest areas.

C. Tamil Nadu

24. Tamil Nadu is a tropical monsoonal coastal state with the Bay of Bengal in the east and bordered by Kerala and Karnataka in the west and Andhra Pradesh in the north. The state's economy is predominantly based on the tertiary sector and manufacturing. Agriculture employs a large part of the workforce that however comparatively contributes less to the GSDP. Over 54% of the state's 62.4 million people live mainly in rural areas, with 20.5% of these mainly in the rural areas living below the state poverty line. Despite being the third largest economy of India, a large proportion of the population remains excluded from the benefits of socio-economic development.

25. In this context, the primary goal of the state's 11th Five Year Plan is to safeguard the livelihood of the population and improve the living conditions in the rural and urban areas. The Plan focuses on (i) reviving the agricultural sector through a second green revolution; (ii) mitigating socio-economic disparities; and (iii) enhancing environment protection and management. The Plan emphasizes not only the rate of economic growth but also the nature and pattern of growth in order to rectify the imbalances and disparities in the state economy. The Plan is targeting an annual average GSDP growth rate of 8.5% during the period by focusing on: (i) improving agricultural productivity and crop diversification; (ii) promoting industrial expansion in key economic zones; (iii) improving urban management; and (iv) addressing inequities in human development through improved connectivity and access to social infrastructure and economic diversification away from agriculture to other growth sectors such as tourism. The total public sector outlays for the 11th Five Year Plan are Rs. 80,000 crore or \$17.4 billion at 2006/07 prices.

26. The tourism assets of Tamil Nadu include extensive coastline and marine biodiversity, the forested Western Ghats, its ancient and rich Tamil culture and relicts of its long history of trading with Asia, the Middle East, and Europe. It is the heartland of Hindu culture in India spanning over two millennia and remains a living pilgrimage center for Indians. In 2007, the state attracted 50.6 million domestic and 1.75 million international tourist visits generating an estimated spending of \$6.7 billion. Total tourism volumes increased by 13.4% annually between 2001 and 2007 but decelerated significantly in 2008 and 2009 due to the global recession. International tourists to Tamil Nadu mainly come from Sri Lanka, Europe, Malaysia, Singapore, and North America while domestic tourists come primarily from within the state and the surrounding states. International tourists come mainly to experience the state's cultural heritage while domestic tourists come mainly for pilgrimage, festival, visiting friends and relatives, and

beach resorts.

27. The state is accessible by good-quality roads from the surrounding states as well as by air via Chennai International Airport (from a number of domestic airports and 19 airports abroad) and four domestic airports at Coimbatore, Madurai, Tiruchirapalli⁶ and Tuticorn. The state has 197 star-rated hotel establishments providing 11,120 rooms, 68 registered travel operators, 5 domestic tour operators and 59 tour transportation companies. Additional 29 hotel projects will add around 4,000 rooms to the market by 2010. The Department of Tourism and Culture (DOT&C) is responsible for tourism and the associated agencies that include the Department of Culture (Including State ASI) and Tamil Nadu Tourism Development Corporation (TNTDC). Cultural properties such as temples are under the domain of the Hindu Religious and Charitable Endowment Department, which is primarily responsible for temple administration and maintenance, while the state's publicly-protected monuments are maintained by the Department of Culture. The operational budget for tourism of the DOT&C in 2007/08 was \$9.8 million of which over 60% went to investments in tourism infrastructure and facilities.

28. The current pattern of tourism remains highly concentrated in seven main pilgrimage centers (Chennai, Udhagamandalam, Kodaikanal, Tiruchchirapalli, Coimbatore, Madurai and Palani) that accounted for an estimated 57% of total tourist visits in 2007 leaving the rest of the state with a relatively small volume of tourism to share between them. Although the state contains a vast array of nature, culture and adventure tourism assets, the potential of these assets to diversify the tourism products and increase the flow of benefits going to poorer communities has yet to be effectively tapped. Overall, the main concerns for tourism development in Tamil Nadu to move forward include (i) highly concentrated pattern of tourism; (ii) inadequate destination and product development and diversification; and (iii) inadequate provision and O&M of connectivity and destination infrastructure.

29. The state is currently in the process of formulating a tourism master plan that seeks to make Tamil Nadu the top destination in India for attracting domestic and foreign tourists; increase the number of tourist visits from 52.4 million in 2007 to 71.8 million or at a rate of 10% per annum by the end of the 11th Five Year Plan; increase the length of stay of tourists; and increase the average daily spending by foreign as well as domestic tourists. The destination development strategies focus on (i) improvements in 25 destinations; and (ii) development of seven priority tourism circuits. Within this overall strategic framework, the DOT&C is giving priority to the development of two broad thematic tourism super corridors/circuits: (i) the East Coast Leisure and Cultural Heritage Corridor; and (ii) the Southern Heritage and Ecotourism Grand Circuit. These two super corridors/circuits are seen to provide a framework for integrating many of the 25 priority smaller destinations and the seven main tourism circuits.

30. The overall cost estimates of the tourism infrastructure based on the priority circuits in Tamil Nadu are shown in the table. Although the draft master plan provides a broad spatial framework for tourism development in the state, it needs to give greater attention to environmentally and socially sustainable and more inclusive tourism growth. The strategic direction (road map) for the tourism sector development in the state is to:

- (i) Adopt the inter-state/state tourism circuit and cluster destination

Total State Tourism Infrastructure Investment Requirements 2008-2017	
	\$Millions
Access and Connectivity	75.00
Destination Infrastructure	85.00
Site Tourism Infrastructure	11.25
Community-based Infrastructure	12.75
Heritage & Conservation	12.50
Total	196.50

ADB Road Map for Tourism Infrastructure Development, 2007

⁶ Tiruchirapalli airport also has international terminal facilities, mostly serving the Middle East.

- approach, giving priority to the East Coast Leisure and Cultural Heritage Corridor, and the Southern Heritage and Ecotourism Grand Circuit (by 2009);
- (ii) Give priority between 2010 and 2014 to developing at least five thematic cluster destinations along East Coast Leisure and Cultural Heritage Corridor, and the Southern Heritage and Ecotourism Grand Circuit with strong private sector and local community participation;
 - (iii) Undertake policy and regulatory reforms between 2010 and 2012 to: (a) strengthen provisions for cost recovery of investment in heritage site conservation; (b) create a designated tourism land use zone to protect heritage landscapes; (c) create PPP-based tourism enterprise facilities, and a service standard and accreditation/certification system; (d) strengthen existing EIA approach to cover small-scale developments in tourist destination clusters; and (e) enact the proposed state tourism law and transform the DOT&C and its Commissionerate into a policy setting and regulating/monitoring agency.
 - (iv) Implement institutional strengthening measures between 2010 and 2014 designed to: (a) strengthening policy, planning and research unit, a tourism cultural heritage unit, a community-based tourism unit, and a tourism investment promotion unit; strengthen; and (b) explore PPP-based options for licensing, standards and products as needed.; and
 - (v) Implement capacity building measures between 2010 and 2013 designed to provide: (a) training in tourism planning and development for public sector tourism and related agencies; (b) training in heritage site tourism planning, development and management for heritage site managers, guides and NGOs; and (c) awareness building and skills training in CBT activities for local communities.

31. In the longer term (2015 to 2017), the number of thematic cluster destinations in the East Coast Leisure and Cultural Heritage Corridor, and the Southern Heritage and Ecotourism Grand Circuit should be expanded, and development of new circuits and destinations focusing on rural culture, nature and adventure-based assets should commence.

D. Uttarakhand

32. Uttarakhand is a mountainous state located in the Himalaya foothills (Terai) and ranges of northern India bordering Tibet in China to the north, Nepal to the east, Himachal Pradesh to the west and Uttar Pradesh to the south. The state has a land area of 55,845 km² ranging in elevation from 400 meters to 7,000 meters and is the source of India's two holy rivers—the Ganges and the Yamuna. The state has 35,400 km² of forest cover most of which is in protected forests, national parks and wildlife sanctuaries including the UNESCO-listed Valley of Flowers National Park under the management of the state Forest Department. 74% of the population of 8.65 million lives mostly in rural areas, which includes 82.8% of 1.5 million scheduled castes, and 93.8% of 0.26 million indigenous peoples. An estimated 39.6% of the population lives below the poverty line with high poverty levels among minority groups and indigenous peoples.

33. In the context of high poverty rates, the main thrust of the state's 11th Five Year Plan is directed at (i) reviving the agricultural sector through a second green revolution; (ii) mitigating socio-economic disparities and divides between the hilly districts and the plains focusing on caste-based divides, rural-urban divides, and gender-based divides; (iii) improving environmental protection and management; and (iv) enhancing governance and public service delivery systems. Key strategies include agricultural diversification and productivity improvement and industry development; creation of employment through non-farm service sectors such as tourism; strengthening infrastructure and energy production; promoting

enhanced social services especially in the area of education and training, and health services; and promoting enhanced environmental sustainability. Specific targets include (i) reducing the state's poverty ratio from 39.6% to 23.6% by 2011/12; and (ii) achieving an annual growth rate of 9.9% during the 11th Five Year Plan period.

34. In 2007, the state attracted 106,000 international and 22.1 million domestic overnight and day tourists staying an average of 3 days and spending around \$439.3 million. Although the growth in tourism had been quite strong between 2001 and 2007, overall growth decelerated significantly in 2008 and 2009 due to the global recession. International tourists mainly come from Europe (especially UK, Germany, France and Italy), USA, Australia, Nepal, Korea and Japan while domestic tourists mainly come from the northern Indian states. The main purposes of visiting the state included pilgrimage and hill station summer and winter holidays for the domestic tourists, and adventure travel for the international tourists. Over 60% of total tourist visits are concentrated in Dehradun/Mussoori, Haridwar, Nainital and Pithoragarh.

35. The state is connected by air from New Delhi to Dehradun, and in the near future to Pithoragarh, and Patnagar using 50-to-75 seat turbo-prop aircrafts. There are 13 classified hotels with 949 rooms, 95 Paryatak Awas Girhs operated by the Garhwal and Kumaon Tourist Corporations, and about 536 guest houses, lodges and bungalows providing 27,186 rooms or 74,734 beds. The state has 26 registered travel agent establishments including 11 who also operate tour transportation vehicles. The Uttarakhand Tourism Development Board (UTDB) created under the UTDB Act in 2001 facilitates development of sites as part of state and centrally-sponsored programs. It is also responsible for development coordination and promotion, and for the implementation of the Tourism Registration Act that is also the basis for the levy of a luxury tax on hotels. The projects of the UTDB are executed by the respective agencies or service providers such as the Department of Public Works (PWD) as deposit works or entrusted to the Kumaon (East) and Garhwal (West) Mandal Vikas Nigam (KMVN and GMVN) that have autonomy in terms of execution. The operational budget for tourism in 2007/08 was \$16 million of which over 76% went to investments in tourism infrastructure and facilities.

36. Key issues facing the state's tourism sector include (i) highly concentrated and pilgrimage dominated pattern of tourism that excludes most of the poorer sectors living in the hilly sections of the state from benefiting; (ii) inadequate and poorly maintained and operated tourism infrastructure; (iii) high cost of developing tourism infrastructure in hilly and mountainous areas; (iv) limited participation by the private sector and local communities; and (v) weak public sector institutional capacities for tourism planning, development, sustainable heritage site management, O&M, product development and marketing, partnering with the private sector and local communities, and impact monitoring and evaluation.

37. The state's tourism policy seeks to develop its tourism resources in an eco-friendly manner, with active participation of the private sector and the host communities, and contribute to employment and income/revenue generation. Its recently completed UNWTO Master Plan (2008) sets out a broad strategy for achieving the state's policy goals that focuses on (i) improving the physical and socio-economic

environment of designated tourism destinations in particular; (ii) identifying new and unique tourism products based on currently underutilized natural, cultural and adventure tourism resources; (iii) provision of strategic marketing policies and initiatives; (iv) identifying a

**Total State Tourism Infrastructure
Investment Requirements 2008-2017**

	\$Millions
Access and Connectivity	119.25
Destination Infrastructure	67.50
Site Tourism Infrastructure	15.00
Community-based Infrastructure	27.65
Heritage & Conservation	7.00
Total	236.40

ADB Road Map for Tourism Infrastructure Development, 2007

comprehensive planning and development control system for tourism development areas; and (v) introduction of development briefs for specific development proposals in environmentally sensitive areas as a tool for sustainable development and a prerequisite for conversion of land. The Master Plan divides the state into seven geographic tourism development zones, with priority being given to three zones based on (i) the Yamuna Tonse Valley-from Asan Barrage to Lakhamandal covering Chakrata (part of zone 1 and 6 - Base Dehradun); (ii) the Northern Buffer Zone of Jim Corbett National Park from Kotdwar to Lansowne (zone 3 - Kotdwar, Ramnagar and Pantnagar as the entry points); and (iii) the Nainital-Alomora Pithoragarh Corridor (parts of zone 2 and 5: Pithoragarh Airport and Kathgodam railhead). The overall cost estimates of the investments in tourism infrastructure based on the priority circuits is shown in the table. The strategic direction (road map) for the tourism sector development in the state is to:

- (i) Adopt the inter-state/state tourism circuit and cluster destination approach giving priority to the Yamuna Tonse Valley-from Asan Barrage to Lakhamandal circuit, the Northern Buffer Zone of Jim Corbett National Park from Kotdwar to Lansowne circuit, and the Nainital-Alomora Pithoragarh Corridor;
- (ii) Give priority between 2010 and 2014 to developing at least four thematic cluster destinations along three priority state tourism circuits involving strong private sector and local community participation;
- (iii) Undertake policy and regulatory reforms between 2010 and 2012 to (a) strengthen provisions for cost recovery of investment in heritage site conservation; (b) create designated tourism land use zones to protect heritage landscapes; (c) create PPP-based tourism enterprise facilities, and a service standard and accreditation/certification system; and (d) strengthen existing EIA provisions to cover small-scale developments in tourist destination clusters;
- (iv) Implement institutional strengthening measures between 2010 and 2014 to (a) restructure the UTDB into a tourism policy implementing agency and establish within a policy, planning and research unit, a tourism cultural heritage unit, a community-based tourism unit, and a tourism investment promotion unit; (b) adoption by UTDB of a PPP-based product development approach; and (c) establish a Cultural Heritage Management Unit or Authority; and
- (v) Implement capacity building measures between 2010 and 2014 to provide: (a) training in tourism planning and development for public sector tourism and related agencies; (b) training in heritage site tourism planning, development and management for heritage site managers, guides and NGOs; and (c) awareness building and skills training in CBT activities for local communities.

38. In the longer term (2015 to 2017), the strategy is to expand the number of thematic cluster destinations in the priority circuits and commence development of new circuits and destinations focusing on rural culture, nature and adventure-based assets.

SCHEDULE 2

DESIGN AND MONITORING FRAMEWORK FOR THE INVESTMENT PROGRAM

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Enhanced contribution of the tourism sector to sustainable and inclusive economic growth	By MFF completion: <ul style="list-style-type: none"> 50% increase in local employment created by tourism in each participating state (target: 30% women) 30% increase in aggregate contribution of tourism to the gross domestic product of each participating state. 	State tourism statistics State economic and employment statistics	Assumption Participating states are committed to sustainable tourism development. Risk Adverse economic conditions
Outcome Increased volume of domestic and international tourists to destinations within each participating state	By MFF completion: <ul style="list-style-type: none"> 40% increase in total domestic tourism in four participating states 40% increase in total international tourists in four participating states 30% increase in average length of stay of tourists in four participating states 	State tourism reports and statistics Program performance monitoring reports Independent social and market surveys Project completion reports	Assumption Participating states are committed to playing the role of facilitator and regulator of commercial tourism development, including discrete public-private partnership and community participation schemes.
Outputs 1. Enhanced quality of natural and cultural attractions	By MFF completion: <ul style="list-style-type: none"> Himachal Pradesh. Improved quality of attractions in about nine tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites. Punjab. Improved quality of attractions in about seven tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites. Tamil Nadu. Improved quality of attractions in about nine tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites. Uttarakhand. Improved quality of attractions in about seven tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites. Throughout MFF implementation: Gender-sensitive community needs incorporated in all management plan-based investments for natural and cultural heritage sites. 	Project quarterly progress reports ADB review mission aide-mémoire Independent social and market surveys Project completion reports	Assumptions Capacity built for sustainable protection and management of natural and cultural heritage sites Improved coordination with line departments and the Archaeological Survey of India on design, management, and implementation issues Communities engaged in heritage site management and tourism activities Management plans prepared and implemented Risks Project implementation capacity of executing agencies and implementing agencies Delays by line agencies and/or Archaeological Survey of India
2. Greater participation by local communities in tourism-related economic activities	By MFF completion: <ul style="list-style-type: none"> Administrative framework in place to foster community-based tourism products including bed and breakfast facilities and homestay arrangements, and traditional culture and crafts Community-based systems established and 	Quarterly progress reports ADB review mission aide-mémoire Independent social	Assumption Participating states committed to playing the role of facilitator of community-based tourism promotion activities

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
	functional in the management of natural and cultural heritage sites (target: 30% women) <ul style="list-style-type: none"> • Around 500 individuals spread over 25 communities trained on heritage management and tourism-related skills (target 30% women) 	and market surveys Project completion reports	Risk Project implementation capacity of executing agencies and implementing agencies
3. Improved basic urban infrastructure and services at tourist destinations and attractions	By MFF completion: <ul style="list-style-type: none"> • Himachal Pradesh. Improved basic tourist facilities in about nine tourist clusters including basic services, information signage, information centers, and waste management arrangements. • Punjab. Improved basic tourist facilities in about seven tourist clusters including basic services, information signage, information centers, and waste management arrangements. • Tamil Nadu. Improved basic tourist facilities in about nine tourist clusters including basic services, information signage, information centers, and waste management arrangements. • Uttarakhand. Improved basic tourist facilities in about seven tourist clusters including basic services, information signage, information centers, and waste management arrangements. 	Project quarterly progress reports ADB review mission aide-mémoire Independent social and market surveys Project completion reports	Assumptions Timely and effective implementation of project Line agencies respond to the site-level requirements including timely delivery of off-site arrangements Risk Limited project implementation capacity of executing agencies and implementing agencies
4. Improved connectivity	By MFF completion: <ul style="list-style-type: none"> • Himachal Pradesh. Improved access to tourist attractions by way of 75 km of last-mile connectivity improvement and improved signage. • Punjab. Improved access to tourist attractions by way of around 50 km of connectivity improvement inclusive of roadside infrastructure and improved signage. • Tamil Nadu. Improved access to tourist attractions by way of around 50 km of connectivity improvement inclusive of roadside infrastructure and improved signage. • Uttarakhand. Improved access to tourist attractions by way of around 50 km of connectivity improvement inclusive of roadside infrastructure and improved signage. 	Project quarterly progress reports ADB review mission aide-mémoire Independent social and market surveys Project completion reports	Assumption Timely and effective implementation of connectivity components and institutional capacities built for sustainable operation and management of airports and roads Risk Project implementation capacity of executing agencies and implementing agencies
	Throughout MFF implementation (outputs 1 and 2): <ul style="list-style-type: none"> • Women's participation in consultative processes for selection of subprojects sites encouraged (target: 30% women), women's equal access to employment and training opportunities on core labor standards (including equal wages for work of equal value) promoted (target: 30% women) • Information, education, and communication and awareness campaigns carried out to mitigate health, social, and gender-related risks associated with infrastructure 	Project quarterly progress reports ADB review mission aide-mémoire Project completion reports	

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>5. Strengthened capacity of sector agencies and local communities for planning, development, management, and marketing of tourist destinations and attractions</p>	<p>development</p> <p>By MFF completion:</p> <p>Capacity development</p> <ul style="list-style-type: none"> • Training programs on environment, culture, and tourism developed and implemented • About 1,000 staff of state tourism offices and related organizations (tour operators and guides) trained in environment, culture, tourism planning, coordination, monitoring, and marketing (target: 30% women) • Adequate community level tourism development units set up and made functional by the State PIUs (target: 30% women) • At least two public-private partnership transactions per participating state supported • Establishing tourist information systems/centres <p>Planning</p> <ul style="list-style-type: none"> • SLBs defined for ULBs/RLBs/associated project entities, and data collection and monitoring carried out; • Organizational and financial management measures for state tourism organizations and associated project entities, including planning, protecting, operating and managing nature- and culture-based tourist attractions; • Sustainable funding ensured to meet required O&M expenditure of assets created by ULBs/RLBs; • For ULBs/RLBs, evaluation undertaken, and steps taken to ensure adequacy of budgetary provision for meeting O&M expenditure including introduction of appropriate taxes or admission/user charges. <p>Fostering Community Participation</p> <ul style="list-style-type: none"> • Gender-sensitive value chain analyses undertaken to establish stronger links between tourism and local economies • Schemes for tourism-based, gender-responsive livelihood generation, involving social mobilization and microfinance services, designed and implemented • Tourism-related skills development activities in heritage management and hospitality-related skills implemented in the communities • Partnerships between communities, private sector, and public sector established for enhanced tourist destination management and viable community tourism product development <p>Marketing and Promotion</p> <ul style="list-style-type: none"> • Promotional materials on proposed tourist destinations and attractions developed and disseminated • Independent arrangements for marketing and promotion program in place • Links established with market for community-based products 	<p>Project quarterly progress reports</p> <p>ADB review mission aide-mémoire</p> <p>Independent social and market surveys</p> <p>Project completion reports</p> <p>Master plans</p> <p>Management plans</p>	<p>Assumptions</p> <p>Sector agencies committed to capacity development and take necessary actions for institutional and financial improvements</p> <p>Sector agencies make staff available for training</p> <p>Sector agencies committed to community participation</p> <p>Community awareness and mobilization programs are effective to engage local people</p> <p>Communities are willing to engage in heritage management and tourism</p>

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
Activities with Milestones		Inputs	
<ol style="list-style-type: none"> 1. Project management units and Project implementation units established by September 2010 2. Loan-funded consultants for project 1 appointed by June 2011 3. Start of community awareness program by January 2011 4. Cultural heritage site management plans initiated by January 2011 and completed by November 2011 5. Detailed designs and estimates prepared for subprojects under project 1 no later than April 2011 6. Contract awarded and construction commenced for subprojects under project 1 by August 2011 7. Construction completed by June 2020 		ADB: \$250.00 million Government of India and state governments: \$107.14 million Total: \$357.14 million	

ADB = Asian Development Bank, O&M = operation and maintenance, MFF = multitranche financing facility, RLB = rural local body, SLB = service level benchmark, ULB = urban local body.

^a The actual targets of some of the indicators will be set after the baseline survey has been completed as there is currently no information on these indicators.

Source(s): Asian Development Bank.

SCHEDULE 3

IMPLEMENTATION FRAMEWORK

1. Unless modified or amended in specific loan or project agreements under the Facility, the Investment Program will be implemented as follows:

A. Implementation

2. State-Level Empowered Committee (SLEC) will be established in Himachal Pradesh, Punjab, Tamil Nadu and Uttarakhand, chaired by each state's Chief Secretary, with Principal Secretary/Secretary of the Department of Tourism as member secretary and comprised of secretaries from relevant line departments as indicated in the FAM. The SLEC shall be empowered to take all decisions on behalf of the State and will (i) act as a policy making body, (ii) provide overall advice and guidance to the State's EA and PMU, and (iii) accord all approvals under the Facility. The members of SLEC may vary from state to state. In addition to the listed members, each State may in addition include members in the SLEC from other departments as necessary to ensure smooth implementation of the Projects under the Investment Program.

3. Each State acting through its tourism departments of Himachal Pradesh, Punjab, Tamil Nadu and Uttarakhand will be the Executing Agencies (EAs) and will provide overall strategic guidance on the implementation of the Road Map/Master Plan and ensure overall compliance with the loan covenants and undertakings set forth in this FFA. Each tourism department⁷ has a mission director/chief executive officer, who shall be responsible for overall supervision on the Investment Program for the state.

4. Implementing Agency (IA) will be Punjab Heritage and Tourism Promotion Board (PHTPB) for Punjab, and HP Tourism Development Board (HPTDB) for Himachal Pradesh, while the other two states will also have the Tourism Development Board or its equivalent as IAs. The EAs/IAs in coordination with concerned line agencies shall constitute a Project Management Unit (PMU) in each state for the overall management of the project activities and preparation of subproject proposals to be compiled in the PFR. Each PMU will be headed by a full-time Project Director (PD) and will consist of personnel deputed from relevant departments of the concerned state and recruited from the market. In addition, district level committees chaired by Deputy Commissioners will make various inputs to the Investment Program through EAs and IAs. The IAs shall establish a community participation cell within each PMU.

5. Each PMU will establish project implementation units (PIUs) in strategic locations in the concerned state for day-to-day management of works and capacity building activities. The PIUs will consist of engineers and experts deputed from relevant departments of the concerned state. Each PMU will engage a team of project management consultants to strengthen its project management capabilities. In addition, each PMU will also engage design and supervision consultants for the PIUs to strengthen their day-to-day project management capacities. Third party quality audit consultants, benefit monitoring and evaluation consultants, and external monitoring and evaluation consultants will also be engaged to support the PMU and PIU.

6. A national level Steering Committee comprising of experts and relevant Government officials from the centre and the participating states, will be established by INDIA to monitor the

⁷ Department of Tourism & Civil Aviation for Himachal Pradesh, Department of Tourism for Punjab, Department of Tourism for Uttarakhand; and Department of Tourism and Culture for Tamil Nadu.

overall implementation of the Investment Program to ensure the realization of expected impacts in the four participating states.

B. Implementation of the Components and Subproject Selection Criteria

7. Each EA will ensure that all subprojects meet, to the satisfaction of ADB, the criteria described in Schedule 4 to this FFA.

Participation of ULBs/RLBs

8. One of the Project objectives is to enhance the participation of ULBs/RLBs in the planning, implementation and management of the subprojects. Towards this the PMU shall develop and /or enhance the capacity of the ULBs/RLBs to carry out the following:

- (i) Have defined appropriate service level benchmarks (SLBs) as referred to in paragraph 3(xiv) of Schedule 6 to this FFA, in consultation with the relevant authorities;
- (ii) Have an appropriate database, on data collection and monitoring, based on the guidelines for effective and accurate data collection of tourism-related statistics referred to in paragraph 3(xiv) of Schedule 6 to this FFA;
- (iii) evaluate adequacy of budgetary requirements for necessary expenditures, in particular those for operation and maintenance (O&M), of the subproject(s) to be financed;
- (iv) ensure the funds required to meet the expenditures referred to in Item (iii) above by taking into consideration various funding sources, including subsidies, and its own financial performance and in the alternative taken steps towards schemes as necessary, to ensure the financial sustainability through the introduction of appropriate taxes or admission/user charges as permissible under law.

C. Program Performance Monitoring and Progress Reports

9. The State will ensure that within 3 months of the effective date of the first loan, the PMU will establish a Program Performance Monitoring System (PPMS) in a form and substance acceptable to ADB. The PPMS will track Investment Program implementation activities, corresponding target dates, expected outputs and outcomes, and assigned responsibilities under a monitoring mechanism that can be used to track progress on specific activities. The PPMS will aim to detect any deficiency and discrepancy between the plan and the execution of the Investment Program in using the resources efficiently in order to ensure that timely corrections can be made to adjust the design of the Investment Program. The IAs will undertake periodic Investment Program and subproject performance reviews to evaluate the scope, implementation arrangements, progress and achievements of objectives of the Investment Program.

10. Each EA will prepare and provide ADB with quarterly progress reports on implementation of each individual project. Such progress reports will include report on progress made during the period of review, changes if any on implementation schedule, problems or difficulties encountered and remedial actions taken, work to be undertaken and subprojects/components to be proposed for financing in the coming quarter. The reports will also include a summary financial account for each IA, expenditures to date, and report on benefit monitoring undertaken pursuant to previous paragraph of this Schedule.

D. Review

11. (a) Based on a review of quarterly progress reports submitted in accordance with the preceding paragraph, ADB and the State, as required, will meet to discuss progress of the Investment Program under each loan and any changes to implementation arrangements or remedial measures required to be undertaken towards achieving overall objectives of the specific Project and the overall Investment Program.

(b) In addition to regular reviews including a midterm review for each loan, a detailed mid-term review of the Investment Program will be undertaken, within such period from the effective date as agreed under the first loan agreement, by ADB and the State. The mid-term review will include a detailed evaluation of the Investment Program scope, implementation arrangement, any outstanding issues, environment, resettlement and other safeguard issues, achievement of scheduled targets, and other issues, as appropriate.

E. Accounts

12. The EA will ensure that proper accounts and records are maintained and audited in a timely manner, for the Projects (including each subproject/component therein) and the Investment Program to adequately identify use of the loan proceeds in such manner and detail as may be specified under each loan agreement and project agreement.

F. Others

13. The State will ensure that the Projects under the Investment Program will be carried out in accordance with the Gender Action Plan (Web-linked Document 13 to the RRP), and ADB's *Policy on Gender and Development (1998)*.

14. The State will promptly notify ADB of any proposal to amend/cancel or repeal any of the provisions of concerned regulations to set up each implementing agency, and will give ADB an adequate opportunity to comment on such proposal before taking any action.

SCHEDULE 4

SELECTION CRITERIA AND APPROVAL PROCEDURES FOR SUBPROJECTS

1. The Investment Programs targets enhanced economic growth and provision of livelihood opportunities for local communities through tourism infrastructure development with a focus on preservation and development of natural and cultural heritage and incidental services. There is strong interest among the domestic and international markets in CBT experiences and flow of CBT already exists, which could be enhanced with modest interventions, resulting in substantial additional economic activities. CBT development will, therefore, create significant flow of benefits to primary and secondary beneficiaries, which can contribute to significant poverty reduction, a more sustainable environment, and enhanced protection of the value of tourist attractions. Local community participation in the tourism value chain may include community-based tourism (CBT) activities, such as establishment of Bed & Breakfasts (B&Bs), as well as direct or indirect participation in the broader tourism value chain, such as employment in a hotel outside the village, and production and sale of food and handicraft to tourism enterprises. To this end, the basis for selecting, preparing and appraising new subprojects is set out below.

2. This Schedule lays down the selection criteria (part I), technical criteria (part II) and the relevant procedures for preparing and approval of subprojects (part III). Although the subprojects under tranche 1 may not fully meet the selection criteria set out in this Schedule, they have been appraised and found to meet the objectives of the Investment Program and the State Road Map, in particular for starting out various reform initiatives, for the two states. Accordingly the selection criteria and administrative procedures for approving subprojects described herein will apply only to those subprojects to be financed under the second tranche onwards.

3. "Attraction" is centered on four themes covering cultural, pilgrimage, natural heritage or tribal (as applicable), of tourism asset. "Destination" is a larger geographic area surrounding or adjacent to an "attraction(s)". "Gateway centre" is a domestic or international transportation hub that tourists normally go through to reach a "destination(s)". "Cluster" comprises a group of Attractions around a Destination. "Circuit" comprises an inter-connected group of Destinations.

I. Eligibility Criteria for Locations of Attractions, and Gateway Centres

A. Attraction Eligibility Criteria

4. The selection of Destinations along a priority tourism circuit must be connected to at least one main Gateway Centre that is, in turn, connected either by air, rail, road or water transportation to one or more domestic or international transportation hubs; provided that not more than 20 percent of ADB loan under each Project shall be available for financing Gateways. However this limit may be relaxed where investment is proposed for preservation/development of natural and cultural heritage sites. Following this the attractions for inclusion in subprojects must be based on the following eligibility criteria:

- (i) Attractions must be located along the identified state tourism circuits as defined in the State Road Map/Tourism Master Plan, and adhere to the relevant land use plan(s) and zoning regulation(s) as available;
- (ii) Attractions must form part of a thematic attraction cluster to be justified by current and projected segmented tourism patterns and market demand based on surveys of existing and potential tourism markets;

- (iii) Attraction must be so located that contributes towards a emergence of clear sub-circuits in the State;
- (iv) Attractions must qualify for at least two of the following categories: cultural heritage, natural heritage, pilgrimage heritage; or tribal heritage (as applicable)
- (v) Attractions must have the potential to draw a large number of tourists to the tourist destinations;
- (vi) Attractions must contribute to offering a diverse set of tourist destination activities that complement the tourist destination theme, build market appeal, and increase each tourist's length of stay and expenditure;
- (vii) Attractions must be able to contribute to the growth of the tourism value chain and provide linkages and benefits for surrounding local communities.

B. Gateway Centre Eligibility Criteria

5. The selection of tourist Gateway Centres for inclusion in subprojects must be based on the following eligibility criteria: The Gateway Centre

- (i) must connect the destination and attractions as a domestic or international transportation hub that is either located in the state or in an adjoining state within adequate distance to ensure access and connectivity within a reasonable access time;
- (ii) must contain significant concentrations of tourist accommodation, restaurants, and tourist support services such as tourist information, travel operations services with room for expansion to support a increasing flow of tourists;

C. Eligibility Criteria for Local Communities

6. The selection of local communities for participation in the subproject(s) must be based upon the following criteria: The local community

- (i) shall comprise clusters of villages within or adjacent to, a tourist attraction site;
- (ii) must be accessible through an existing road including that which has the potential to enhance access to other tourist attraction(s), and gateway centre(s), through minimum upgrading.;
- (iii) There is strong support and commitment from key stakeholders (e.g., local community members, ULB/RLB, SHG, tourism and related concerned agencies, private sector tour operators and carriers, and development partners and NGOs);
- (iv) Cost recovery mechanisms for recurrent operating costs are in place or there is a clear willingness to put them in place.

II. Technical criteria for Subprojects

A. General

7. General technical requirements that must be followed in selecting, undertaking and operating the subprojects are set out below:

- (i) Proposed works under the subprojects shall conform to each of the safeguard frameworks as referred in Schedule 5 to this FFA;
- (ii) Proposed works must give preference to the use of local materials and labor;

- (iii) Building/streetscape/community market's designs, materials and scale must be compatible to the local architectural vernacular, and physical and cultural landscape;
- (iv) Proposed works will result in significant improvements to the quality of the site environment and enable it to host tourists in a safe, healthy and secure manner;
- (v) Design of environmental infrastructure and last-mile road connectivity shall comply to nationally-accepted benchmarks and standards;
- (vi) Environmental infrastructure including water supply, sanitation, solid waste management, drainage and flood control shall be provided where existing provisions are assessed to be insufficient for both community and projected tourism use;
- (vii) Responsible organization exists or can be established to maintain and operate the assets to be created;

B. Municipal Services

8. All incidental municipal services linked to subprojects such as water supply, sanitation, solid waste management, drainage and flood control, shall be eligible under the subproject subject to following the minimum requirements as detailed in the FAM.

C. Tourist Support Infrastructure and Services

9. All incidental tourism facilities under eligible subprojects such as visitor information and interpretation facilities, public toilets, street signage lighting and landscaping, community markets, CBT facilities and services, shall be eligible under the subproject subject to following the minimum requirements as detailed in the FAM.

D. Tourist Destination Connectivity Infrastructure

10. All incidental tourism destination and connectivity infrastructure under eligible subprojects such as Heliports, up-gradation of short air-strips, last-mile connectivity improvements, wayside facilities, shall be eligible under the subproject subject to following the minimum requirements as detailed in the FAM.

E. Heritage Restoration and Conservation

11. Description of types of eligible heritage restoration and conservation subprojects are set out below:

- (i) Improvements to structural stability;
- (ii) Restoration of building including facades, decorations, artworks, carvings, roof, structures of buildings including masonry, foundations, etc.;
- (iii) Restoration of interior of buildings and structures including artworks, furnishings and fittings;
- (iv) Restoration of building plumbing, drainage, wiring, etc.;
- (v) Restoration of building grounds including gardens, paths, ground structures, drainage, landscaping and lighting;
- (vi) Conservation measures to protect building facades, interiors, furnishing and fittings, and grounds including reduced and/or controlled access infrastructure for tourists;

- (vii) Restoration and conservation works to protect tangible village architectural landscapes as well as intangible cultural heritage of village;
- (viii) Restoration of existing trekking trails, rest houses and related facilities in protected areas;

12. The guidelines that must be followed in undertaking heritage restoration and conservation subprojects are set out in the FAM.

III. Subproject Approval Procedure

13. **Subproject Concept Report (SCR).** The PIUs will identify potential subprojects, through stakeholder participation, and prepare a Subproject Concept Report (SCR) for each subproject with the help of consultants, and propose a list of subprojects to the respective PMU. The SCR must clearly indicate the salient features of the subproject, expected outcome and must contain maps, drawings and photographs of the proposed project site, checklists on the subproject's impact on environment, resettlement and indigenous people along with the Project Readiness Checklist ("Checklist") as issued by the Government. The PMUs will conduct the initial screening of the proposals and submit these to the SLEC for in-principle approval in accordance with subproject selection criteria shown above subject to final review and approval by the ADB.

14. **Subproject Appraisal Report (SAR).** Based on SCRs as approved in-principle by the SLEC, the PMU and PIU will prepare a Subproject Appraisal Report (SAR) of each subproject with the help of the project management consultants and design and supervision consultants. ADB shall review the SAR on compliance and other requirements as included in this FFA. On the basis of the safeguards categorization, the SAR must include an appropriate resettlement plan and an indigenous peoples development plan or integration of specific actions in favor of the indigenous people in the resettlement plan following the respective frameworks, if required, and Initial Environmental Examination (IEE) reports or Environmental Impact Assessment (EIA) reports, as applicable, following the Environmental Assessment and Review Framework (EARF) developed for the Investment Program. The SAR would present the EA's assessment of the subproject, including the scope, eligibility, cost, financing and implementation arrangements, an initial environmental examination or environmental impact assessment, a resettlement plan, an indigenous development plan if applicable, and economic, financial, and institutional analyses. ADB may suggest modifications as required that shall be undertaken by the PMU to bring the subprojects in compliance with its requirements and financing under the Project and submit the modified SARs for ADB's review and approval.

15. **ADB's Assessment.** ADB may send a subproject proposal review mission, comprising a team of specialists, who will review the project scope, financing size and documentation requirements, particularly on safeguards, and may conduct further field visits to ascertain all subproject selection criteria and safeguard requirements are met. ADB may also suggest how the SAR, particularly the portions related to safeguards, economic and financial analyses, may be further improved. The (i) summary of subprojects, consolidated cost estimates and financing plan under a tranche, (ii) draft SAR and all its attachments, (iii) source excel files for cost estimates, economic and financial analyses, and (iv) updated Checklist as issued by the Government must be submitted to ADB, preferably electronically, 4 weeks before the subprojects proposal review mission, so as to identify which subprojects would require field visits. The PMU will finalize the SAR based on the ADB's comments, including on account of detailed designs, and submit the finalized SAR to ADB, to confirm whether all comments are appropriately incorporated.

16. **Detailed Engineering Design.** On finalization of the SAR, the PMU and PIU will engage the project management consultants and design and supervision consultants to produce detailed engineering design and cost estimates. The finalized SARs including detailed designs and costs shall be submitted by the PMU for Administrative and Expenditure approval by SLEC.

SCHEDULE 5

SOCIAL DIMENSIONS AND SAFEGUARD FRAMEWORKS

1. The Government will ensure that all the requirements prescribed in this Schedule, and the following safeguard frameworks and plans that have been prepared with respect to the Facility and the first tranche and of which ADB has been provided full copies, and which are deemed incorporated herein by reference, are complied with during the processing and implementation of the subprojects under the Facility.

- (i) Environmental assessment and review framework, dated July 2010;
- (ii) Resettlement framework dated July 2010;
- (iii) Indigenous peoples planning framework dated July 2010;
- (iv) Initial environmental examinations and environmental management plans dated July 2010 for the first tranche.
- (v) Gender action plan (Link Document No. 13 to the FAM).

2. The frameworks cover the Facility-specific information and requirements in accordance with ADB's safeguard policies: (i) the general anticipated impacts of the projects likely to be financed under the MFF on the environment, involuntary resettlement, and indigenous peoples; (ii) the safeguard criteria that are to be used in selecting components of the projects; (iii) the requirements and procedure that will be followed for screening and categorization, impact assessments, development of management plans, public consultation and information disclosure (including the 120-day disclosure rule, if required), and monitoring and reporting; and (iv) the institutional arrangements (including budget and capacity requirements) and the client's and ADB's responsibilities and authorities for the preparation, review and clearance of safeguard documents.

3. Prior to the preparation of each PFR, the applicability and relevance of each safeguard framework for environmental assessment, involuntary resettlement, and indigenous people will be reviewed by the respective participating states and updated to ensure relevance and consistency with applicable country legal frameworks and ADB's safeguard policies, as amended from time to time.

4. In all cases, for each new PFR preparation, the client will review ongoing subprojects to check on the status of compliance with the safeguard plans and frameworks, and submit the review reports to ADB, together with other required safeguard documents relevant to the subprojects included in the tranche being processed. In any case, if major noncompliance is discovered in the course of the review of ongoing projects, a corrective action plan will be prepared and submitted to ADB.

SCHEDULE 6

UNDERTAKINGS

1. The implementation of the Investment Program shall conform to ADB's mandatory policies on anticorruption, procurement, consulting services, and disbursement as described in detail in the FAM.

2. The Borrower, the State and the relevant implementing agency shall ensure that all contracts financed by ADB in connection with the Project shall include provisions specifying the right of ADB to review and examine the records and accounts of the State, or relevant implementing agency and all the contractors, suppliers, consultants, and other service providers as they relates to the Project. The Borrower, the State and relevant implementing agency shall allow and assist ADB's representatives to carry out random spot checks on the work in progress and utilization of funds for the project.

3. INDIA and the four participating states (i.e., Himachal Pradesh, Punjab, Tamil Nadu and Uttarakhand) have given the following undertakings:

- (i) The PMUs and PIUs established by the implementing agencies will employ sufficient staff with adequate and relevant expertise, and will be equipped with necessary office space, facilities, equipment, support staff and management information systems for the entire duration of the MFF. Senior officials shall be assigned as full-time Project Directors and heads of the PMUs.
- (ii) Sufficient counterpart funds (including contingency funds to mitigate unforeseen cost increases) will be made available from India's and/or state budgets each fiscal year and will be allocated and disbursed in a manner that ensures timely and effective implementation of the subprojects.
- (iii) All land and rights-of-way required for any of the subprojects will be made available in a timely manner; compensation in accordance with the Resettlement Framework (RF) will be provided prior to the commencement of civil works; and involuntary resettlement, including relocation, will be carried out in accordance with the RF and resettlement plans agreed upon between the Government, the states and ADB; the relevant laws and regulations of the Government and the states; and ADB's *Safeguard Policy Statement* (2009). A resettlement plan will be prepared for every subproject involving land acquisition or resettlement, including relocation, and will be submitted to ADB for review and approval prior to the approval of the tranche concerned. Revised resettlement plans based on detailed designs for all subprojects will also be provided for ADB approval prior to the award of related civil works contracts.
- (iv) Subprojects will be designed to have minimal impact on indigenous peoples. If an impact is anticipated, the relevant subproject will be carried out in accordance with the Indigenous Peoples Planning Framework (IPPF) and indigenous peoples plan agreed upon between the Government, the states and ADB; the relevant laws and regulations of the Government and the state; and ADB's *Safeguard Policy Statement*.

- (v) The design, construction, operation, and implementation of all subprojects will be carried out in accordance with the Environmental Assessment and Review Framework (EARF) and the relevant environmental impact assessment reports (e.g., Initial Environmental Examinations [IEEs] or Environmental Impact Assessments [EIAs]) agreed upon between the Government, the state and ADB; and must comply with the environmental laws and regulations of the Government and the states, and ADB's Safeguard Policy Statement. Any adverse environmental impacts arising from the construction, operation, and implementation of subprojects will be minimized by implementing the environmental mitigation and management measures and other recommendations specified in the relevant environmental assessment reports. Environmental requirements will be incorporated in the bidding documents and subsequent civil works contracts for the subprojects.
- (vi) ADB will be promptly notified of any proposal to amend, cancel, or repeal any of the provisions of the constitutional documents of any implementing agency and will give ADB an adequate opportunity to comment on such proposals before taking any action.
- (vii) The States shall ensure that civil works contracts under the projects follow all applicable labor laws of INDIA and the State and that these further include provisions to the effect that contractors; (i) carry out HIV/AIDS awareness programs for labor and disseminate information at worksites on risks of sexually transmitted diseases and HIV/AIDS as part of health and safety measures for those employed during construction; and (ii) follow and implement all statutory provisions on labor (including not employing or using children as labor, equal pay for equal work), health, safety, welfare, sanitation, and working conditions. Such contracts shall also include clauses for termination in case of any breach of the stated provisions by the contractors.
- (viii) All consents and approvals required for implementation of subprojects under the Investment Program will be obtained in accordance with applicable laws and regulations of the Government or the state, including, without limitation, any consents or approvals from the Archeological Survey of India (ASI) or its branches within the states where applicable, for works on or around archaeological or heritage sites; and any consents or approvals from any other agencies or third parties that have any claim or authority over the site of a subproject.
- (ix) Subprojects and business opportunities associated with the subprojects will be announced on the websites of relevant state agencies, together with pertinent information in relation to goods and services procured for subprojects.
- (x) The states shall ensure that adequate basic infrastructure and services such as electricity, water supply, sewage and solid waste management are provided and maintained by the relevant Urban Local Body ("ULB") or the agency concerned at each tourist destination for which investments will be financed under the MFF.
- (xi) Admission and user fees of tourist facilities rehabilitated or created under the Investment Program will be set at levels that are sufficient to make their operation financially sustainable. Where this is not feasible, the state concerned

shall ensure that adequate funds will be provided to meet any shortfall between the costs and revenues for the operation and maintenance of facilities rehabilitated or created under the Investment Program.

- (xii) Each State shall take appropriate measures including levy of user charges/taxes related policies and outsourcing and contracting models to ensure financial sustainability and accountability of the Investment Program as a whole.
- (xiii) Mobility plans shall be prepared by the State for major tourist destinations as required.
- (xiv) No later than 31 March 2012, each state shall: (a) have developed guidelines for effective and accurate data collection of tourism-related statistics relevant to monitor the performance indicators developed for the Investment Program; (b) have developed a set of benchmarks on the delivery of basic urban infrastructure and services, including benchmarks to be monitored by local communities, at a tourist destination or gateway for the development of tourism; and (c) ensure that each ULB where investments will be financed under the MFF will have commenced the collection of relevant data.
- (xv) Each state must develop a tourism policy to mainstream: (i) balanced distribution of economic opportunities across the state through community-based and eco tourism development with an introduction of relevant monitoring indicators; (ii) financial sustainability of tourism destinations and their heritage assets, and connectivity infrastructure; and (iii) policy and regulatory reforms to provide for adaptive reuse of publicly-owned heritage buildings so that additional means of cost recovery is established.

Appendix 2

No.5/4/2010-ADB.I

Government of India / Ministry of Finance

Department of Economic Affairs

Multilateral Institutions Division

Room No.268-A, North Block, New Delhi, the 24th August, 2010

To

Mr. Sultan Hafeez Rehman

Director General, South Asia Department

Asian Development Bank,

6 ADB Avenue,

Mandaluyong City, Metro Manila

Fax No. +632-636-2212

**Subject: Infrastructure Development Investment Program for Tourism -
Periodic Financing Request # 1 – for Himachal Pradesh and
Punjab.**

Sir,


Please refer to the Framework Financing Agreement for the Infrastructure Development Investment Program for Tourism dated 24th August, 2010 between Asian Development Bank (ADB) and INDIA. Expressions defined in the FFA shall have the same meaning herein.

Pursuant to the provisions of the FFA, INDIA (the Borrower) requests ADB to process this PFR for a tranche, in the form of a loan from its ordinary capital resources. The proposed financing amounts, terms, conditions, and financing plan are specified in Attachment hereto. The Attachment also contains descriptions of the components and subprojects for which financing is hereby requested.

INDIA hereby certifies that this PFR is in full compliance with the understanding set out in the FFA.

Yours sincerely,

By:



(ANURADHA THAKUR)

Director (ADB)

Department of Economic Affairs

Ministry of Finance, Government of India

(Authorized Representative)

APPENDIX

PERIODIC FINANCING REQUEST

- Project Description** The subprojects/components proposed for financing under the Periodic Financing Request (PFR) are:
- 1) Component 1: Urban Infrastructure and Service Improvement
 - 2) Component 2: Connectivity Improvement
 - 3) Component 3: Quality Enhancement of Natural and Cultural Attractions
 - 4) Component 4: Community-based Activities
 - 5) Component 5: Capacity Development, Community Participation and Project Management

Details are in Attachments 1 and 2 (Himachal Pradesh and Punjab, respectively).

The Design and Monitoring Framework for Loan 1 is in Attachment 7.

- Cost Estimates and Financing Plan** The total costs of the subprojects/components are estimated at \$62.0 million, inclusive of taxes, duties, and financing charges on the loan during construction. Detailed cost estimates and financing plans are in Attachments 3 and 4 (Himachal Pradesh and Punjab, respectively).

Cost Estimate and Financing Plan (\$ million)

	INDIA (Himachal Pradesh and Punjab)	ADB	Total
Base Cost			
Component 1	2.38	7.27	9.65
Component 2	0.63	2.05	2.68
Component 3	2.60	8.05	10.64
Component 4	0.66	1.99	2.64
Component 5	0.97	16.87	17.85
Contingencies	1.93	7.20	9.13
Financing charges	2.87	0.00	2.87
Tax and duties	6.58	0.00	6.58
Total	18.61	43.42	62.03

Due to rounding, figures may not add up.

- Loan Amount and Terms** A loan of \$43,423,000 from the ordinary capital resources of the Asian Development Bank (ADB) provided under ADB's London interbank offered rate (LIBOR)-based lending facility, with a 25 year term including a grace period of 5 years, an interest rate determined in accordance with ADB's LIBOR-based lending facility, and such other terms and conditions as agreed in the Framework Financing Agreement (FFA), and further supplemented under the Loan Agreement and Project Agreement.

Period of Loan Utilization	The Project is expected to be completed by 31 December 2016. No disbursements from the loan account will be requested or made later than 30 June 2017.
Advance Contracting	Advance contracting is requested for consulting services, and procurement of goods and civil works.
Retroactive Financing	Retroactive financing is requested for eligible expenditures incurred on advance contracting for consulting services, and procurement of goods and civil works up to 12 months before the signing date of the loan agreement and an aggregate amount not exceeding 20% of the loan amount under the proposed multitranches financing facility (MFF).
Implementation Arrangements	The Executing Agencies will be the Department of Tourism & Civil Aviation (DOT&CA), Government of Himachal Pradesh, and the Department of Tourism (DOT), Government of Punjab. The Implementing Agencies will be the Himachal Pradesh Tourism Development Board (HPTDB) and the Punjab Heritage and Tourism Promotion Board (PHTPB).
Procurement and Consulting Services	<p>Procurement of all the goods and services under the Project will be carried out in accordance with ADB's <i>Procurement Guidelines</i> (2010, as amended from time to time). All consultants under the Investment Program will be recruited in accordance with <i>Guidelines on the Use of Consultants by the ADB and its Borrowers</i> (2010, as amended from time to time).</p> <p>The Procurement Plans are attached as Attachments 5 and 6 (Himachal Pradesh and Punjab, respectively).</p> <p>There are seven major consulting services contract packages, one for project management for each state and five (three for Himachal Pradesh and two for Punjab) for design and supervision. The seven teams of consultants will be recruited using the quality- and cost-based select (QCBS) method. Terms of reference for the engagement of consultants under this loan are attached as Attachment 8.</p>
Disbursements	Disbursements will be in accordance with ADB's <i>Loan Disbursement Handbook</i> , 2007, as amended from time to time. The loan may have an imprest account. A second-generation imprest account (SGIA) may also be established for the loan if necessary/required, by each state with a commercial bank acceptable to ADB. The amount at any given time in the imprest account and the SGIA shall be equivalent to 6 months' estimated expenditures or 10% of the related loan amount whichever is lower. The imprest account and SGIAs will be established, managed, and liquidated in accordance with ADB's <i>Loan Disbursement Handbook</i> . Statement of Expenditures will be used to reimburse or liquidate any individual payment not exceeding \$100,000.

Confirmation of Continuing Validity of and Adherence to Provisions of FFA

INDIA confirms that the provisions of the FFA have been adhered to in the submission of this PFR.

Safeguards; Readiness of the Project for Implementation

Environmental Assessment, including subprojects selected under the first PFR, were prepared and reviewed by the ADB processing Mission for the MFF. Initial environmental examinations were prepared and endorsed by the Executing Agency. The Project does not involve requirement of resettlement plans.

The Request for Proposal including detailed terms of references (TORs), and the short list for the consultants were prepared by each state supported by implementation capacity development consultants. Offices for the Project Management Units (PMUs) have been established in Shimla for Himachal Pradesh and in Chandigarh for Punjab, respectively, and core staff appointed.

DETAILED PROJECT DESCRIPTION

1. As part of the Investment Program, the Project aims to complete subprojects under four or five different components of the Investment Program in the State of Himachal Pradesh (Part A).

A. Component 1: Urban Infrastructure and Service Improvement

3. The first subproject proposed under this PRF is to improve the infrastructure of Naina Devi temple complex, including the master planning. Two packages are carried out to improve the circular road and car parking to streamline the flow of visitors, mainly pilgrims. The second subproject comprises rest sheds, toilet facilities, parking, view points, and visitor information center at Chitpurni, a gate town on the route connecting to Punjab. Two packages are proposed to achieve the objective.

B. Component 2: Connectivity Improvement

4. No subproject is applied under this PFR.

C. Component 3: Quality Enhancement of Natural and Cultural Attractions

5. This component will support the conservation and development of three tourist destination sites. The first subproject is made to execute conservation and restoration of Masroor temples as well as the improvement of basic tourist facilities such as toilets and water facilities under two packages. The second is to enhance the attractiveness of Kangra, the main gate by air to the western pilgrimage, heritage and ecotourism circuit. A tourist information center, signages, and improvement of access and sanitation are to be developed under this PFR. The third is to restore the mall road in Shimla.

D. Component 4: Community-based Activities

6. Four subprojects are proposed under this PFR. Development of tourist facilities such as forest camping facilities, up-gradation of forest rest houses, toilet facilities, parking facilities, landscaping, jetty, signage and visitor centers, bird watching towers at the sites of Pong Dam, Ranser Island and Karu Island; development of forest camping facilities and up-gradation of forest rest houses at the sites of Dhameta and Nagrota Suriyan; related community based tourism activities in adjacent villages.

E. Component 5: Capacity Development, Community Participation and Project Management

7. This component will provide four major consulting services such as project management, and three for design and supervision. The team of consultants will support state-level project management units, which will be responsible for (i) project planning and budgeting; (ii) supervision and guidance for the project implementation units; (iii) reviewing subprojects to satisfy ADB's due diligence requirements and approving subproject proposals; (iv) bidding, evaluation and contract award; (v) managing and disbursing funds; (vi) reviewing compliance with loan covenants, contract specifications, work plans and quality control; and (vii) consolidating and submitting various reports such as progress, finance, accounting and audit, and (viii) preparation of master plans as required.

DETAILED PROJECT DESCRIPTION (PUNJAB)

1. As part of the Investment Program, the Project aims to complete subprojects under four or five different components of the Investment Program in the State of Punjab (Part B).

A. Component 1: Urban Infrastructure and Service Improvement

3. The first subproject proposed under this PRF is to improve the destination infrastructure in Amritsar, which includes parking improvement near Gobindgarh Fort as well as walled city circular road, and development of heritage trails around Amritsar walled city through four packages. Another subproject will make the conservation and adaptive reuse of Amritsar Heritage sites. One package will restore the Town Hall with visitor facilities, while revitalization and reuse of Rambagh palace will be carried out to convert the historic building to a museum under a different package.

B. Component 2: Connectivity Improvement

4. Improvement of last mile connectivity to the site of Amritsar and enhancement of pilgrim circuit site access are included under this PFR. Development of parking for 50 vehicles at the Memorial site in district Gurdaspur is a proposed subproject with improvement of riding quality and strengthening within the available right-of-way for a stretch of 5 km. In addition, signages, wayside and last mile access connectivity improvements will be carried out in pilgrim and heritage sites within Kapurthala and Sultanpur Lodhi as another subproject, to attract more tourists to the site.

C. Component 3: Quality Enhancement of Natural and Cultural Attractions

5. This component will support the conservation and development of the Gobindgarh Fort as a key cultural asset under this PFR. Five packages will be executed for the purpose, which includes: (i) conservation and structural stabilization of the fort walls, bastions and moat; (ii) adaptive re-use of historic buildings for interpretation and visitor facilities including museum, interpretative galleries, restaurant, parking, etc.; (iii) landscape development in the outer and inner zones of the fort complex including building of temporary structures in the landscape, street furniture and monument Lighting; (iv) *Son-et-Lumerie* show in the inner most zone; and (v) development of tourist accommodation in the form of Royal tents.

D. Component 4: Community-based Activities

6. This component will support the development of Keshopur wetland spread in area of 850 acres, as a major eco tourist spot by providing better infrastructure facilities. The physical work may include development of visitor centre including parking and toilet facilities, signages, development of embankment for storage of water, creating bird watching towers at specific point for bird viewing, development of office, guard quarter and check post for operation and security of the zone, plantation in 15 ha of the wetland area along with development of eco-camping facilities. It should be noted that proposed facilities will be maintained by the eco group formed by the local community under forest and district administration. The mobilization, skills development and capacity building for the communities of five participating villages has also been kept as a important component of this subproject.

E. Component 5: Capacity Development, Community Participation and Project Management

7. This component will provide three major consulting services such as project management, and two for design and supervision, and assist in capacity development. The team of consultants will support state-level project management unit, which will be responsible for (i) project planning and budgeting; (ii) supervision and guidance for the project implementation units; (iii) reviewing subprojects to satisfy ADB's due diligence requirements and approving subproject proposals; (iv) bidding, evaluation and contract award; (v) managing and disbursing funds; (vi) reviewing compliance with loan covenants, contract specifications, work plans and quality control; and (vii) consolidating and submitting various reports such as progress, finance, accounting and audit. The component will also include consulting services to assist in developing tourist information systems.

Table A3-1: Detailed Cost Estimates and Financing Plan for Project 1 in Himachal Pradesh
(\$ million)

Items ^a	Total	ADB Financing	Government Financing
A. Investment Cost			
1. Civil Work			
a. Urban infrastructure and service improvement	6.39	4.77	1.62
b. Connectivity improvement	0.00	0.00	0.00
c. Quality enhancement of natural and cultural attractions	5.48	4.10	1.39
d. Community-based activities	1.60	1.20	0.41
2. Survey, training and workshops	1.27	0.95	0.32
3. Consultants	5.18	5.18	0.00
4. Taxes and duties	3.07	0.00	3.07
Subtotal (A)	23.01	16.20	6.81
B. Recurrent Costs			
1. Incremental administration cost	3.07	3.07	0.00
2. Taxes and duties	0.42	0.00	0.42
Subtotal (B)	3.49	3.07	0.42
C. Contingencies^b			
1. Physical	2.02	1.51	0.51
2. Price	2.86	2.32	0.54
D. Financing Charges During Implementation^c	1.62	0.00	1.62
Grand Total	33.00	23.10	9.90
Percentage	100	70	30

ADB = Asian Development Bank.

^a In mid-2010 prices.^b Physical contingencies computed at 10% for civil works; and 5% for field research and development, training, surveys, and studies. Price contingencies computed at 0.0-1.5% on foreign exchange costs and 4.0-5.0% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.^c Includes interest and commitment charges. Interest during construction for ADB loan(s) has been computed at the 5-year forward London interbank offered rate plus a spread of 30 basis points. Commitment charges for an ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Source: Asian Development Bank estimates.

Table A4-1: Detailed Cost Estimates and Financing Plan for Project 1 in Punjab
(\$ million)

Items ^a	Total	ADB Financing	Government Financing
E. Investment Cost			
5. Civil Work			
a. Urban infrastructure and service improvement	3.28	2.50	0.78
b. Connectivity improvement	2.68	2.05	0.63
c. Quality enhancement of natural and cultural attractions	5.14	3.94	1.20
d. Community-based activities	1.04	0.79	0.25
6. Survey, training and workshops	2.76	2.10	0.66
7. Consultants	3.18	3.18	0.00
8. Taxes and duties	2.50	0.00	2.50
Subtotal (A)	20.58	14.56	6.02
F. Recurrent Costs			
3. Incremental administration cost	2.39	2.39	0.00
4. Taxes and duties	0.51	0.00	0.51
Subtotal (B)	2.90	2.39	0.51
G. Contingencies^b			
3. Physical	1.21	0.86	0.35
4. Price	2.95	2.51	0.44
H. Financing Charges During Implementation^c	1.36	0.00	1.36
Grand Total	29.00	20.32	8.68
Percentage	100	70	30

ADB = Asian Development Bank.

^a In mid-2010 prices.

^b Physical contingencies computed at 10% for civil works; and 5% for field research and development, training, surveys, and studies. Price contingencies computed at 0.0-1.5% on foreign exchange costs and 4.0-5.0% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

^d Includes interest and commitment charges. Interest during construction for ADB loan(s) has been computed at the 5-year forward London interbank offered rate plus a spread of 30 basis points. Commitment charges for an ADB loan are 0.15% per year to be charged on the undisbursed loan amount.

Source: Asian Development Bank estimates.

PROCUREMENT PLAN

Table A5-1: Project Information

Project Information	
Country	India
Name of Borrower	India
Project Name	Project 1 under the Infrastructure Development Investment Program for Tourism
Loan or TA Reference	TBD
Date of Effectiveness	TBD
Amount (\$)	\$43.42 million
Of which Committed, (\$)	—
Executing Agencies	1. Department of Tourism & Civil Aviation, Government of Himachal Pradesh 2. Department of Tourism, Government of Punjab
Approval Date of Original Procurement Plan	24 August 2010
Approval of most recent Procurement Plan	—
Publication for Local Advertisements	—
Period Covered by this Plan	2010–2016

MFF = multitranchise financing facility, TA = technical assistance, TBD = to be determined.

Source: Asian Development Bank.

Table A5-2: Procurement Thresholds, Goods and Related Services, and Supply and Installation of Works

Procurement Method	Threshold
International Competitive Bidding Works	\$ 10,000,000 and above
International Competitive Bidding Goods	\$ 1,000,000 and above
National Competitive Bidding Works	Below \$ 10,000,000
National Competitive Bidding Goods	Below \$ 1,000,000
Limited International Bidding	Below \$ 1,000,000
Shopping	Below \$ 100,000

Source: Asian Development Bank.

Table A5-3: Indicative Contract Packages in Himachal Pradesh (updated in March 2010)

No	Contract Description	Method	Advertisement	Contract Value (\$ million)	Prior Review	Comments
1	Circular Road 1km long at Naina Devi	NCB	Sep-10	0.24	Required	To be financed by tranche 1
2	Car Parking at Naina Devi	NCB	Oct-10	0.45	Required	To be financed by tranche 1
3	Integrated parking, interpretation centre and tourist amenities complex at Chitpurni	NCB	Oct-10	4.82	Required	To be financed by tranche 1
4	Rest sheds, toilet facilities and view points along path from TRC to Temple at Chitpurni	NCB	Oct-10	0.88	Required	To be financed by tranche 1
5	Information centre at Pong dam	NCB	Nov-10	0.25	Required	To be financed by tranche 1
6	Parking, and toilet facilities at Pong dam	NCB	Nov-10	0.15	Required	To be financed by tranche 1
7	Camping facilities, with provisions for 10 tents, including toilets etc. at Pong dam	SHP	Nov-10	0.04	Required	To be financed by tranche 1
8	Jetty development at Pong dam	SHP	Nov-10	0.02	Required	To be financed by tranche 1
9	Landscaping and signages at Pong dam	SHP	Nov-10	0.03	Required	To be financed by tranche 1
10	Redevelopment of Forest rest house- Ranser island	SHP	Nov-10	0.06	Required	To be financed by tranche 1
11	Jetty development, Ranser and Karu island	SHP	Nov-10	0.04	Required	To be financed by tranche 1

No	Contract Description	Method	Advertisement	Contract Value (\$ million)	Prior Review	Comments
12	Treks around the Ranser and Karu island - 4km	NCB	Nov-10	0.18	Required	To be financed by tranche 1
13	Landscaping, planting along the peripheral trail and directional signages at Ranser island and Karu island	SHP	Nov-10	0.04	Required	To be financed by tranche 1
14	Watch towers, for bird watching, in Karu island	SHP	Nov-10	0.02	Required	To be financed by tranche 1
15	Forest rest houses and camping sites at Dhameta and Nagrota Suriyan	NCB	Nov-10	0.20	Required	To be financed by tranche 1
16	Community based tourism activities in villages, including skill development, training, etc.	NCB	Nov-10	0.59	Required	To be financed by tranche 1
17	Conservation and restoration of masroor temples, in line with the Management Plan	NCB	Nov-10	0.44	Required	To be financed by tranche 1
18	Parking and information centre at Masroor Temple	NCB	Oct-10	0.25	Required	To be financed by tranche 1
19	Parking for 100 vehicles at Brajeshwari temple Kangra	NCB	Oct-10	1.02	Required	To be financed by tranche 1
20	Shimla Mall road restoration project and rehabilitation of town hall	NCB	Sep-10	3.78	Required	To be financed by tranche 1
	Total			13.50		

BTP = biodata technical proposal, NCB = national competitive bidding, SHP = shopping

Source: Asian Development Bank estimates.

PROCUREMENT PLAN

Table A6-1: Project Information

Project Information	
Country	India
Name of Borrower	India
Project Name	Project 1 under the Infrastructure Development Investment Program for Tourism
Loan or TA Reference	TBD
Date of Effectiveness	TBD
Amount (\$)	\$43.42 million
Of which Committed, (\$)	—
Executing Agencies	1. Department of Tourism & Civil Aviation, Government of Himachal Pradesh 2. Department of Tourism, Government of Punjab
Approval Date of Original Procurement Plan	24 August 2010
Approval of most recent Procurement Plan	—
Publication for Local Advertisements	—
Period Covered by this Plan	2010–2016

MFF = multitranchise financing facility, TA = technical assistance, TBD = to be determined.

Source: Asian Development Bank.

Table A6-2: Procurement Thresholds, Goods and Related Services, and Supply and Installation of Works

Procurement Method	Threshold
International Competitive Bidding Works	\$ 10,000,000 and above
International Competitive Bidding Goods	\$ 1,000,000 and above
National Competitive Bidding Works	Below \$ 10,000,000
National Competitive Bidding Goods	Below \$ 1,000,000
Limited International Bidding	Below \$ 1,000,000
Shopping	Below \$ 100,000

Source: Asian Development Bank.

Table A6-3: Indicative Contract Packages in Punjab (updated in March 2010)

No	Contract Description	Method	Advertisement	Contract Value (\$ million)	Prior Review	Comments
1	Conservation and structural stabilization of the Govindgarh fort walls, bastions	NCB	Oct-10	0.20	Required	To be financed by tranche 1
2	Adaptive reuse of historic buildings for interpretation and visitor facilities including museum, interpretative galleries, restaurant, parking etc. at Govindgarh fort	NCB	Nov-10	0.98	Required	To be financed by tranche 1
3	Landscape development in the outer and inner zones of the fort complex including building of temporary structures in the landscape, street furniture and monument lighting at Govindgarh fort	NCB	Oct-10	0.87	Required	To be financed by tranche 1
4	Son-e-Lumerie show in the inner most zone at Govindgarh fort	NCB	Nov-10	0.22	Required	To be financed by tranche 1
5	Development of the tourist accommodation (royal tents), signages, landscaping at Govindgarh fort	NCB	Nov-10	0.24	Required	To be financed by tranche 1
6	Surface parking near Gobindgarh Fort	NCB	Oct-10	0.13	Required	To be financed by tranche 1
7	Provision of multi-dispersed car	NCB	Oct-10	1.00	Required	To be financed

No	Contract Description	Method	Advertisement	Contract Value (\$ million)	Prior Review	Comments
	parking areas around walled city circular road and tourist destinations in Amritsar					by tranche 1
8	Construction of new building for Municipal Corporation of Amritsar for shifting them out of the heritage Town Hall property (part finance).	NCB	Oct-10	0.59	Required	To be financed by tranche 1
9	Development of heritage trails around Amritsar walled city	NCB	Nov-10	0.15	Required	To be financed by tranche 1
10	Restoration of Town Hall for development of city Museum with visitor facilities and internal services in Amritsar	NCB	Nov-10	0.71	Required	To be financed by tranche 1
11	Revitalization and reuse of Rambagh palace as a museum in Amritsar	NCB	Oct-10	0.69	Required	To be financed by tranche 1
12	Improvement of last mile (5km) connectivity to the site and car parking at Chota Ghalughara in Gurdaspur District	NCB	Sep-10	1.10	Required	To be financed by tranche 1
13	Pilgrim Circuit Trail sites in Sultanpur Lodhi in Kapurthala District	NCB	Nov-10	1.58	Required	To be financed by tranche 1
14	Development of community based Eco tourism facilities at Keshopur wetland	NCB	Nov-10	1.04	Required	To be financed by tranche 1
	Total			9.5		

NCB = national competitive bidding

Source: Asian Development Bank estimates.

DESIGN AND MONITORING FRAMEWORK – FOR LOAN 1

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Enhanced contribution of the tourism sector to sustainable and inclusive economic growth	By MFF completion: <ul style="list-style-type: none"> 50% increase in local employment created by tourism at each participating state (at least 30%: women) 30% increase in aggregate contribution of tourism to GDP of each participating state 	<ul style="list-style-type: none"> State tourism statistics State economic and employment statistics 	Assumption <ul style="list-style-type: none"> Participating states are committed to sustainable tourism development. Risk <ul style="list-style-type: none"> Adverse economic conditions
Outcome Increased volume of domestic and international tourists to destinations within each participating state	By MFF completion: <ul style="list-style-type: none"> 40% increase in total domestic tourism in four participating states 40% increase in total international tourists in four participating states 30% increase in average length of stay of tourists in four participating states 	<ul style="list-style-type: none"> State tourism reports and statistics Program performance monitoring reports Independent social and market surveys Project completion reports 	Assumption <ul style="list-style-type: none"> Participating states are committed to playing the role of facilitator and regulator of commercial tourism development, including discrete public-private partnership and community participation schemes.
Outputs 1. Enhanced quality of natural and cultural attractions	By the end of Loan 1: <ul style="list-style-type: none"> Himachal Pradesh. Improved quality of attractions in about three tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites Punjab. Improved quality of attractions in about three tourist clusters inclusive of management plan-based investments in improvements of natural and cultural heritage sites Throughout MFF implementation: <ul style="list-style-type: none"> Gender-sensitive community needs incorporated in all management plan-based investments for natural and cultural heritage sites 	<ul style="list-style-type: none"> Project quarterly progress reports ADB review mission aide-mémoires Independent social and market surveys Project completion reports 	Assumptions <ul style="list-style-type: none"> Capacity built for sustainable protection and management of natural and cultural heritage sites Improved coordination with line departments and Archaeological Survey of India on design, management and implementation issues. Communities engaged in heritage site management and tourism activities Management plans prepared and implemented Risks <ul style="list-style-type: none"> Project implementation capacity of executing agencies and implementing agencies Delays by line agencies and/or Archaeological Survey of India
2. Greater participation by local communities in tourism-related economic activities	By the end of Loan 1: <ul style="list-style-type: none"> Administrative framework in place to foster community-based tourism products including bed and breakfasts and home stay arrangements, and traditional culture and crafts Community-based societies established and functional in the management of natural and cultural heritage sites (target: 30% women) Around 125 individuals spread over 	<ul style="list-style-type: none"> Quarterly progress reports, ADB review mission aide-mémoires Independent social and market surveys Project completion reports 	Assumption <ul style="list-style-type: none"> Participating states committed to playing the role of facilitator of community-based tourism promotion activities Risk <ul style="list-style-type: none"> Project implementation capacity of executing

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks
	6 communities trained on heritage management and tourism-related skills (target 30% women)		agencies and implementing agencies
3. Improved basic urban infrastructure and services at tourist destinations and attractions	By the end of Loan 1: <ul style="list-style-type: none"> Himachal Pradesh. Improved basic tourist facilities in about three tourist clusters including basic services, information signage, information centers and waste management arrangements Punjab. Improved basic tourist facilities in about three tourist clusters including basic services, information signage, information centers and waste management arrangements 	<ul style="list-style-type: none"> Project quarterly progress reports ADB review mission aide-mémoires Independent social and market surveys Project completion reports 	<p>Assumptions</p> <ul style="list-style-type: none"> Timely and effective implementation of project. Line agencies respond to the site level requirements including timely delivery of off-site arrangements. <p>Risk</p> <ul style="list-style-type: none"> Project implementation capacity of executing agencies and implementing agencies
4. Improved connectivity	By the end of Loan 1: <ul style="list-style-type: none"> Himachal Pradesh. Improved access to tourist attractions by way of 5 km of last-mile connectivity improvement and improved signage Punjab. Improved access to tourist attractions by way of around 5 km of connectivity improvement inclusive of roadside infrastructure and improved signage 	<ul style="list-style-type: none"> Project quarterly progress reports ADB review mission aide-mémoires Independent social and market surveys Project completion reports 	<p>Assumption</p> <ul style="list-style-type: none"> Timely and effective implementation of connectivity components and institutional capacities built for sustainable operation and management of airports and roads <p>Risk</p> <p>Project implementation capacity of executing agencies and implementing agencies</p>
	Throughout MFF implementation (outputs 3 and 4): <ul style="list-style-type: none"> Women's participation in consultative processes for selection of subprojects sites encouraged (target: 30% women), women's equal access to employment and training opportunities on core labor standards (including equal wages for work of equal value) promoted (target: 30% women) Information, education and communication, and awareness campaigns carried out to mitigate health, social and gender-related risks associated with infrastructure development 	<ul style="list-style-type: none"> Project quarterly progress reports ADB review mission aide-mémoires Project completion reports 	
5. Strengthened capacity of concerned sector agencies and local communities for planning, development, management and marketing of tourist destinations and attractions	By the end of Loan 1: <p>Capacity development</p> <ul style="list-style-type: none"> Training programs on environment, culture and tourism developed and implemented 250 staff of state tourism offices and related organizations (tour operators and guides) trained in environment, culture, tourism planning, coordination, monitoring and marketing (target 30% women) Adequate community-level tourism development units set up and made functional by the State PIUs (target: 30% women); and At least one public-private partnership transactions per participating state supported Establishing tourist information systems and/or centers 	<ul style="list-style-type: none"> Project quarterly progress reports ADB review mission aide-mémoires Independent social and market surveys Project completion reports Master plans Management plans 	<p>Assumptions</p> <ul style="list-style-type: none"> Sector agencies committed to capacity development and take necessary actions for institutional and financial improvements Sector agencies make staff available for training Sector agencies committed to community participation Community awareness and mobilization programs are effective to engage local people Communities are willing to engage in heritage

Design Summary	Performance Targets and Indicators with Baselines ^a	Data Sources and Reporting Mechanisms	Assumptions and Risks						
	<p>Planning</p> <ul style="list-style-type: none">• SLBs defined for ULBs/RLBs/associated project entities, and data collection and monitoring carried out• Organizational and financial management measures for state tourism organizations and associated project entities, including planning, protecting, and managing nature and culture-based tourist attractions• Sustainable funding ensured to meet required O&M expenditure of assets created by ULBs/RLBs• For ULBs/RLBs, evaluation undertaken, and steps taken to ensure adequacy of budgetary provision for meeting O&M expenditure including introduction of appropriate taxes or admission/user charges <p>Fostering Community Participation</p> <ul style="list-style-type: none">• Gender-sensitive value chain analyses undertaken to establish stronger links between tourism and local economies• Schemes for tourism-based, gender-responsive livelihood generation involving social mobilization and micro finance services designed and implemented• Tourism-related skills development activities in heritage management and hospitality-related skills implemented in the communities• Partnerships between communities, private sector and public sector established for enhanced tourist destination management and viable community tourism product development <p>Marketing and Promotion</p> <ul style="list-style-type: none">• Promotional materials on proposed tourist destinations/attractions developed and disseminated• Independent arrangements for marketing and promotion program in place• Linkages established with market for community-based products		management and tourism						
<p>Activities with Milestones</p> <ol style="list-style-type: none">1. Project management units and project implementation units for Loan 1 established by September 20102. Loan-funded consultants for Loan 1 appointed by June 20113. Start of community awareness program by January 20114. Cultural heritage site management plans under Loan 1 initiated by January 2011 and completed by November 2011.5. Detailed designs and estimates prepared for subprojects under Loan 1 by April 20116. Contract awarded and construction commenced for subprojects under Loan 1 by August 20117. Construction completed by June 2020			<p>Inputs</p> <table><tr><td>ADB</td><td>\$43.42M</td></tr><tr><td>Participating States</td><td>\$18.61M</td></tr><tr><td>Grand Total</td><td>\$62.03M</td></tr></table>	ADB	\$43.42M	Participating States	\$18.61M	Grand Total	\$62.03M
ADB	\$43.42M								
Participating States	\$18.61M								
Grand Total	\$62.03M								

ADB = Asian Development Bank, O&M = operation and maintenance, MFF = multitranché financing facility, PIU = project implementation unit, RLB = rural local body, SLB = service level benchmark, ULB = urban local body.

^a The actual targets of some of the indicators will be set after the baseline survey has been completed as there is currently no information on these indicators.

INDICATIVE OUTLINE TERMS OF REFERENCE FOR CONSULTING SERVICES

A. PROJECT MANAGEMENT CONSULTANT

1. Project Manager (National)

1. **Education and Experience.** Masters in Civil Engineering/Architecture with around 20 years experience in design, management and supervision of improvements to natural/historical sites/monuments/projects and a good understanding of conservation and community based themes. Demonstrated leadership qualities. Terms of reference (TOR) are as follows:

- (i) Overall Management of the Project- manage all tasks required under the contract and ensure delivery of outputs in a timely and satisfactory manner in accordance with the overall project implementation schedule;
- (ii) Coordinate and assist the Project Management Unit (PMU) and PIU in their functions and responsibilities design and implementation;
- (iii) Assist PMU in coordinating with agencies such as UNESCO, urban Art Commission, other agencies and other stakeholders and prepare proposals for the review of the committee for sensitive sites;
- (iv) In consultation with the Project Director, PMU, assist with the establishment of annual project work plans, job descriptions, staffing schedules and budgets, and prepare a detailed implementation schedule covering all stages of implementation process for each component from field survey and investigations to the acceptance of finished works;
- (v) Set up procedures and systems for overall project management and monitoring project implementation;
- (vi) Develop procedures and as necessary prepare guidelines for procurement including pre-qualification of contractors, evaluation of bids, awards of contracts etc., and assist PMU in undertaking bidding procedures including prequalification of the contractors, bidding, bid evaluation and preparation of bid evaluation reports and awards of contracts for procurement of equipment, materials and civil works for all contract packages;
- (vii) Provide solutions to the PMU on key technical issues;
- (viii) Oversee the design of the master plan and management plan for sites, ensure conformity to the subproject selection criteria, and carry out appraisal of the subprojects;
- (ix) Review preliminary design of the feasibility study including all sites, soil and other investigations and reconfirm all project components and contract packages, and specify surveys and investigations as necessary for detailed design;
- (x) Contribute to design of all civil and structural design of the facilities and review detailed designs and associated bidding documents for all subproject components suitable for various procurement methods (ICB, IS or LCB) as specified in ADB's Guidelines for Procurement;
- (xi) Assist PMU with overall management and supervision of construction works including the resolution of contractual issues and preparation of as-built drawings;
- (xii) Review project implementation progress from the perspective of overall project management and detailed annual work plans, and recommend remedial measures as appropriate;
- (xiii) Review implementation of loan covenants in collaboration with PMU and recommend remedial measures as appropriate; and

- (xiv) Support the PMU in monitoring of sub projects, compliance with regard to assurances, progress on the agreements relating to management reforms and maintenance of PPMS database;

2. Civil Engineer (National)

2. **Education and Experience.** Bachelors in Civil Engineering with around 15 years experience in design of civil structures including infrastructure services such as water supply, sanitation and solid waste management. Experience in design and management of historical/ archaeological sites would be an advantage. The engineer should be conversant with International codes and best practices in design and management of historical sites.

3. **Structures and facilities.**¹ With overall guidance from the project manager and inputs from eco tourism and other specialists, will be responsible for review and management of all activities such as review of designs including structural elements, estimates procurement, bid documents of all civil and infrastructural facilities as part of the four project sites. The consultant shall:

- (i) Prepare TOR's and coordinate all surveys and investigations required for the design of improvements;
- (ii) Support the team on aspects relating to sourcing of construction material and related tests;
- (iii) Assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component; and
- (iv) Assist PMU with overall management of works and in the resolution of contractual issues and preparation of as-built drawings for the roads component.

3. Forest Conservation Specialist and Ecotourism Planner (International)

4. **Education and Experience.** Masters in Environmental Planning / Eco Tourism/ Ecology with around 20 of experience in design of eco tourism products primarily related to treks, trail development and associated products. TOR is as follows;

- (i) Prepare TOR's for surveys and alignment fixation for the proposed trekking trails and camp site locations;
- (ii) Define trekking arrangements including definition of camping arrangements and design inputs to the civil engineer;
- (iii) Based on consultations with Stakeholders (Forest, Rural development and Tourism), draft State-specific policy and guidelines on sustainable tourism and set the legal basis for community-based tourism (including eco and home stays) in terms of partnership setups;
- (iv) Contribute to the guidelines on sustainable tourism and set the legal basis for community-based tourism in terms of partnership set-ups (to be lead by the Institutional Development Specialist and Community Specialists);
- (v) Contribute to the environmental safeguards in design of development control for the management plans;
- (vi) Define components/ elements that can be defined (incusing management contracts) and delivered in a commercial format;
- (vii) Devise a strategy and guideline for private sector involvement in tourism or related on-site services; and

¹ Facilities include localized water, sanitation and waste management arrangements and on site parking and activities such as information centre etc.

- (viii) Contribute to the project outcome monitoring indicators in consultation with PPM specialist.

4. Cultural Heritage Conservation Specialist (International)

5. Education and Experience. Degree in Architecture and formal training in conservation/ with at least 20 years experience in a senior management position at a major archaeological or monumental site(s) subject to intensive visitor pressure, preferably at the international level in South or Southeast Asia. Demonstrated ability to analyze site management problems; develop indicators; devise solutions, and design conservation and heritage components and supervise its construction. TOR is as follows:

- (i) In consultation with the PM review the design as suggested by the Master Plans and Management Plans and its fit within the overall site;
- (ii) Lead design of TOR for surveys and investigations required for the protection / conservation of the monuments;
- (iii) Assess and, when necessary, mitigate the impact of the subproject's physical and nonphysical interventions on the affected monuments and their surrounding buffer zones;
- (iv) Based on approval of the best option for improvements and in discussion with the experts and engineers, coordinate design consultants work and in implementation of the proposed activities in all the sites;
- (v) Coordinate designs for all elements (including working drawings);
- (vi) Oversee the implementation of all conservation work, restoration, removal, addition, rearrangement and other interventions/alterations to the physical structure and layout of the proposed monuments/ structures and other sites of heritage significance, with particular attention to preserving the authenticity and integrity of the physical heritage;
- (vii) Provide input into the design of environmental and visitor infrastructure and services to ensure that their design and construction is in conformity with the authenticity and integrity of the sites;
- (viii) Review estimates in consultation with the engineers, (ii) associated bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component and (iii) assist PMU with overall management of construction works and in the resolution of contractual issues and preparation of as-built drawings for the trails and associated facilities;
- (ix) Assist institutional development specialist in developing measures for sustainable management of heritage sites and properties;
- (x) In close collaboration with the Site Management Expert and the Safeguards Specialists, devise protocols and systems for on-site monitoring and predictive modeling and reporting of the impact of tourism on the state of conservation of the four sites, their buffer zones; the surrounding environment and the affected human communities; and
- (xi) Draft an operations manual for the implementation of the afore-mentioned protocols and systems and conduct workshop to training site managers in the application of the manual.

6. Master and Management Plan tasks:

- (i) Define and agree with the PMU the terms of reference for the Master Plan and Management Plan for the sites;

- (ii) Define the management plan and measures to ensure implementation. As final output: present the revised Master and management Plan in full publishable format, together with the necessary maps; technical annexes; and time-bound action plans for the implementation of the Master Plan.

5. Institutional Development Specialist (National)

7. **Education and Experience.** Degree in Management, Planning, public administration or another relevant field and around 15 years or more experience in fields related to public or public/private property management, both within the country and in the region. Direct experience in managing heritage/historic properties would be highly desirable, as would experience in managing tourist destinations, pilgrimage sites or other types of properties/sites which experience visitor pressure. In addition to experience in public property management, the Site Management Expert should have previous experience in building institutional capacity at the local community level, and a demonstrated ability to innovate bespoke institutional structures.

8. Capacity Building

- (i) Undertake institutional analysis and surveys of EA's and overall framework;
- (ii) Assess the current institutional, organizational, and staffing issues hindering the smooth performance of DoT in detail and overall framework in general;
- (iii) Develop institutional, organizational, and operational systems and work procedures and human resource development plan for enhanced cultural heritage site planning, protection, and management including proposed units that need to be established;
- (iv) Assist the financial management specialist in developing revenue enhancement measures and other innovative approaches for sustainable O&M of the sites including creation of dedicated sources of funds for sustainable management of cultural heritage sites where feasible through ring fencing of incomes from the sites;
- (v) Develop time framed action plans and assist their implementation; identify the training needs of the staff and various incentive measures to enhance staff performance. Design and conduct training in site planning, preservation, and operation and maintenance of the sites, and management of culture-based tourism. Training will include structured learning events such as short term courses, structured workshops/seminars. Training should also be provided to the tourism agencies in increasing their awareness of the heritage protection and management and the linkage between sustainable heritage protection and tourism growth; and
- (vi) Contribute to the project outcome monitoring indicators in consultation with PPM specialist and supervision consultants on management aspects.

9. Innovative Site Management Modalities

- (i) Assess the management needs natural/ heritage sites and perform a "man-power" audit of these sites, projecting this for the expected increase in visitors as a result of the project;
- (ii) Collate from the international experience, structural models for contractual management of (some aspects of) natural/ archaeological sites of national heritage importance;
- (iii) Study the existing systems of contractual management of heritage properties;

- (iv) On approval of options:
 - (a) Develop a schedule for the phased implementation of the agreed options for contracting (aspect of) management responsibilities;.
 - (b) Structure TOR's and invite agencies for PPP transaction advisory;
 - (c) Devise a training programme for the presumptive contractees;
 - (d) Draft a site management manual to guide contracted operations; and.
 - (e) Develop a system of management accountability, linked to site monitoring, to ensure the management of sites is responsive to the Government's mandate to protect public assets.

10. In all of the above task, effort should be made to entrust contracted tasks to local communities (or members thereof) located near the affected monuments.

6. Community Development Specialist (National)

11. **Education and Experience.** Masters in Social Sciences/ Management, around 15 years experience in community mobilization and community based heritage tourism product development focused on livelihood. Design of livelihood and community based tourism products and in community capacity building. TOR is as follows:

- (i) Prepare TOR's for value chain analysis and lead community mobilization activities and related product development actions;
- (ii) Lead workshops and community consultations ;
- (iii) Coordinate all activities of this component;
- (iv) Define sub projects elements and the cost; and
- (v) In consultation with the Institutional development specialist, define the market linkages and related transaction advisory requirements.

7. Procurement Specialist (National)

12. **Education and Experience.** Bachelors in Civil Engineering with at least 15 years of experience in procurement goods, works and services as part of donor aided projects, preferably ADB. Should be conversant with the current procurement procedures of ADB. The consultant shall:

- (i) In consultation with the Project Manager, and the Project Director, prepare the procurement plan for all goods works and services to be taken up during the project; and
- (ii) For specific activities under the project support the PMU in
 - (a) Finalizing of Bid Documents; and
 - (b) Support in preparation of Evaluation reports and related transactions.

8. Safeguards Specialist Social and Environment (National)

13. **Education and Experience.** Masters in Planning/ Environment/ Ecology with around 15 years experience in design and environment related safeguards for donor aided projects, preferably with ADB and in oversight of their implementation/ compliance. Should be conversant with relevant national and state Land and environmental laws, and ADB procedures. The consultant shall support and advise the PMU and the Consultants team in:

- (i) Best environmental practices for responding to environmental issues involved with implementation of the projects on a sustainable basis;

- (ii) Assistance and advice on institutional strengthening and capacity building at the PMU and PIU levels in regards to environmental practices;
- (iii) Ensure that baseline surveys, environmental monitoring plans and programs, initial environmental impact examinations (IEE) as may be required are carried out ;
- (iv) Preparation of ADB procedure compliant environmental safeguard actions including impact assessments if any during the design stage:
- (v) Management plan and mitigation measures;
- (vi) Oversight of implementation of environmental standards and safeguards as part of project implementation;
- (vii) Participate in preparation of Master Plan for additional sites and contribute to the environmental safeguards to the plan and sub components: and
- (viii) Preparation of performance monitoring reports.

14. **Social.** Support PMU and the design team in:

- (i) Coordinate base line requirements with the DSC team;
- (ii) Preparation and implementation of ADB compliant resettlement plans if any based on the approved framework;
- (iii) Oversee implementation of Resettlement Plans; and
- (iv) Preparation of performance monitoring reports.

9. Project Monitoring Specialist (National)

15. **Education and Experience.** Masters in Engineering/ Planning/ Social Science with around 15 years of experience in project performance monitoring, preferably projects supported by Donors.

16. **Terms of Reference.** In relation to the project outcomes and in discussion with the PM and the Team, design the project performance monitoring mechanisms for the project to include:

- (i) Definition of the Project Performance Monitoring System (PPMS), forms and monitoring schedule;
- (ii) The outputs and outcome monitoring requirements (based on discussions with all specialists); and
- (iii) Specify the requirements from the Environmental Engineer/Planner and Cultural Heritage Specialist (Supervision Consultants) specific requirements on outcome monitoring from culture based activities and eco tourism).

10. Financial Management Specialist (National)

17. **Education and Experience.** CA/ICWAI Masters in Financial Management with around 15 years experience in project accounting and financial management systems. Should have adequate experience in design, implementation and management of project accounting financial management aspects of donor driven projects. The consultant shall:

- (i) Prepare financial management and reporting systems of the project and oversee production of Financial Management reports for submission to the ADB by the PMU's;
- (ii) Develop revenue enhancement measures and other innovative approaches for sustainable O&M of the sites from a range of sources including introduction and

enhancement of entry fees, user charges for utilities, parking fees, concession fees for commercial facilities by private sector, and sale of interpretative materials to generate sufficient funds to meet gradually the operation and management cost of the cultural heritage sites;

- (iii) Assess the feasibility and devise a mechanism whereby the revenues generated from cultural heritage sites are used (ring fencing of incomes) for O&M of the sites and develop a rational policy to support sites with lower revenue realization, and support implementing revenue improvement action plans for the sites; and
- (iv) Review and contribute to the finalization of master plan (finance and management aspects) plans and in consultation with the community development specialist and institutional development specialist, support communities in transactions (Link to Micro Finance, NGO Support Community Mobilization etc)

11. Position: Marketing and Promotion (National)

18. Education and Experience. A degree in Tourism/ Communication/ Advertising/ Visual Arts with around 15 years experience in design and marketing of advertising and promotional content for all types of media including the internet, preferably on Tourism or development. Experience of work with a public agency would be important. The consultant shall:

- (i) Coordinate marketing and promotion component and specific actions required;
- (ii) Assist the project in defining the media content on sub project sites, proposed themes being developed as part of the sub projects and more importantly on the tangible and intangible cultural heritage and nature and community based activities;
- (iii) Selection of entities for preparation of media content and outputs;
- (iv) In consultation with the Procurement specialist procurement of services and goods relating to this activity;
- (v) Marketing plan for the heritage sites developed and
- (vi) Assist EA and IA in training Tourism.

B. SUPERVISION

1. Civil Engineer Team Leader (National)

19. Education and Experience. Bachelors in Civil Engineering with around 15 years experience in design of civil structures including infrastructure services such as water supply, sanitation and solid waste management. Experience in design and management of historical/ archaeological sites would be an advantage. The engineer should be conversant with International codes and best practices in design and management of historical sites. TOR is as follows:

20. Structures and facilities.² With overall guidance from the project manager and inputs from cultural heritage, eco tourism and other specialists, will be responsible for layout, design including structural elements, working drawings, preparation of estimates and in consultation

² Facilities include localized water, sanitation and waste management arrangements and on site parking and activities such as information centre etc.

with the procurement, bid documents of all civil and infrastructural facilities as part of the four project sites. The consultant will prepare:

- (i) Plan for the site , activity scheduling;
- (ii) Designs for all elements (including working drawings);
- (iii) Estimates in consultation the conservation specialists and the archeologist ;
- (iv) Associated bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component;
- (v) Assist PMU with overall management of works and in the resolution of contractual issues and preparation of as-built drawings for the roads component; and
- (vi) Responsibilities will also include supervision as set out in part III of this TOR.

2. Position: Bridge and Highway Engineer (National)

21. **Education and Experience.** Masters in Civil/Transportation/ Highway Engineering with around 15 years experience in design and supervision of Highways/ urban road network. Should be conversant with the requisite national codes in design of highways and networks. TOR is as follows::

- (i) **Baseline studies.** Supervise surveys and investigations required for the project elements such as the roads and parking facilities.
- (ii) **Design- Roads and Bridges:**
 - (a) Alignment study:
 - Study the given alignment and recommend changes if any, if substantive benefits in terms of better geometrics, avoidance of steep curves, reduction in costs or distance or time if possible; and
 - Based on the above and the discussions with the PWD and PMU, prepare detailed strip plans showing all the features along the preferred alignment and have the same approved by competent authorities.
 - (b) Configuration of the project:
 - Assess the configuration in light of the findings with regard to alignment, traffic potential, etc and suggest changes that may be warranted in this configuration. However ensure no acquisition of land for the project; and
 - Provide for bridges, culverts, ROBs, medians, service roads, parking spaces, side drains, footpaths / pedestrian pathways, ducts for carrying the utilities, landscaped areas, etc. Also design proper junctions / intersections with due consideration to lighting and geometric design along the stretch wherever they are warranted. Overall the design should confirm to MORTH standards of the Government.
 - (c) Design of Street Furniture. Including but not limited to:
 - Foundation and other structural design for high mast light foundation, foundation design of bus shelters, structural design of bus shelter as per final design;
 - Structural design of any chambers, slabs etc., as may be required as per site conditions, including working drawings; and
 - Design and specifications of any foundations, structure, reinforcements, specifications, concrete grade etc., for final design

of street furniture such as benches, barriers, curbs, retaining walls, etc.

- (d) Design of Traffic Signs and Markings. Including but not limited to:
 - Structural design of sign board support, foundation, specifications, working drawings, etc., including that of gantry .sign boards, gantry/cantilever support of signal posts (as per final approved design); and
 - Design of traffic signs and marking as may be required for cost estimation and bid document.
- (e) Design-Parking: Including but not limited to:
 - Based on surveys and investigation and in coordination with the structural engineer design the proposed multi level parking arrangements, access, signage and basic services. The design should also incorporate architectural controls if any based on discussions with the conservation architect, primarily to fit within the overall architecture of the monastic zone and natural landscape.

(iii) Responsibilities will also include supervision as set out in part III of this TOR.

3. Position: Structural Engineer (National)

22. Education and Experience. Masters in Structural engineering with around 15 years experience and conversant with BIS codes and international best practices in design of civil structures.

23. With the overall guidance of the PM and in consultation with the conservation architect, civil engineer and the bridge and highway engineer, support design of all structural elements for all sub projects and components, the consultant shall:

- (i) Prepare designs for all elements (including working drawings);
- (ii) Estimates in consultation with the Tourism/ Culture/ Civil and Highway and Bridge engineer;
- (iii) Contribute to bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component; and
- (iv) Assist PMU with overall management and supervision of construction works and in the resolution of contractual issues and preparation of as-built drawings for the roads component;

4. Position: Forest Conservation Specialist & Eco Tourism Planner (National)

24. Education and Experience. Masters in Environmental Planning / Eco Tourism/ Ecology with around 15 years of experience in design of eco tourism products primarily related to treks, trail development and associated products. The consultant shall:

- (i) Coordinate surveys and alignment fixation for the proposed trekking trails and camp site locations;
- (ii) Define trekking arrangements including definition of camping arrangements and design inputs to the civil engineer;
- (iii) Based on consultations with Stakeholders (Forest, Rural development and Tourism), draft State-specific policy and guidelines on sustainable tourism and

- set the legal basis for community-based tourism (including eco and home stays) in terms of partnership setups;
- (iv) Contribute to the guidelines on sustainable tourism and set the legal basis for community-based tourism in terms of partnership set-ups (to be lead by the Institutional Development Specialist and Community Specialists);
- (v) Contribute to the environmental safeguards in design of development control for the management plans; and
- (vi) Contribute to the project outcome monitoring indicators in consultation with PPM specialist.

25. **Overall Tasks.** The consultant shall also be responsible for:

- (i) Designs for all elements (including working drawings);
- (ii) Estimates in consultation with the engineers and the conservation architect;
- (iii) Associated bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component; and
- (iv) Assist PMU with overall management and supervision of construction works and in the resolution of contractual issues and preparation of as-built drawings for the trails and associated facilities.
- (v) Responsibilities will also include supervision as set out in part III of this TOR

5. Position: Landscape Architect (National)

26. **Education and Experience.** Post graduate education (or equivalent research) in a field or discipline (e.g. botany). Demonstrated professional expertise as a landscape architect on projects dealing with (i) the restoration or recreation of historic gardens and environments; and (ii) use of indigenous species in landscaping. TOR is as follows:

- (i) Compile and study all available reports on the present and past landscape of the surrounding area, from local, national, and international libraries archives, in order to understand the extent of knowledge available on the subject and the specific content of that knowledge as it pertains to appropriate species and historic garden design;
- (ii) Compile and study all available reports of indigenous plants particularly plants of importance to the region in order to understand the extent of knowledge available on the subject;
- (iii) In close cooperation with the community and staff, design landscape changes and improvements as may be appropriate, bearing in mind that the historic authenticity of the landscape is the overriding factor, but keeping in mind other relevant factors such as conservation of the archaeology; provisions for landscape maintenance; and coherence with any master planning;
- (iv) Minimize the amount of landscape engineering and other major changes to the existing terrain that will be required;
- (v) Prepare a manual of practice to guide the execution of landscape works under the subprojects and as a reference for the on-going care and maintenance of the landscape and to guide any future interventions in the landscape that may be forthcoming; and
- (vi) Supervise the execution of the landscape work.

27. **Overall tasks.** The consultant shall coordinate and contribute to the:

- (i) Designs for all elements (including working drawings);

- (ii) Estimates in consultation with the engineers and the conservation architect;
- (iii) Associated bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component; and
- (iv) Assist PMU with overall management and supervision of construction works and in the resolution of contractual issues and preparation of as-built drawings for the trails and associated facilities.

6. Position: Cultural Heritage Conservation Specialist (National)

28. Education and Experience. Degree in Architecture and formal training in conservation, with at least 15 years experience in a senior management position at a major archaeological or monumental site(s) subject to intensive visitor pressure, preferably at the international level in South or Southeast Asia. Demonstrated ability to analyze site management problems; develop indicators; devise solutions, and design conservation and heritage components and supervise its construction. TOR is as follows:

- (i) In consultation with the PM review the design as suggested by the Master Plans and Management Plans and its fit within the overall site;
- (ii) Lead surveys and investigations required for the protection / conservation of the monuments;
- (iii) Assess and, when necessary, mitigate the impact of the subproject's physical and non-physical interventions on the affected monuments and their surrounding buffer zones;
- (iv) Based on approval of the best option for improvements and in discussion with the experts and engineers, complete design and implementation of the proposed activities in all the sites
- (v) Coordinate and contribute to the designs for all elements (including working drawings);
- (vi) Design and supervise the implementation of all conservation work, restoration, removal, addition, rearrangement and other interventions/alterations to the physical structure and layout of the proposed monuments/ structures and other sites of heritage significance, with particular attention to preserving the authenticity and integrity of the physical heritage;
- (vii) Provide input into the design of environmental and visitor infrastructure and services to ensure that their design and construction is in conformity with the authenticity and integrity of the sites;
- (viii) Estimates in consultation with the engineers, (a) associated bidding documents, assist PMU in bidding procedures including invitation of bids, bid evaluation, and awards of contract for the road component and (b) assist PMU with overall management and supervision of construction works and in the resolution of contractual issues and preparation of as-built drawings for the trails and associated facilities;
- (ix) Assist institutional development specialist in developing measures for sustainable management of heritage sites and properties;
- (x) In close collaboration with the Site Management Expert and the Safeguards Specialists, devise protocols and systems for on-site monitoring and predictive modeling and reporting of the impact of tourism on the state of conservation of the four sites, their buffer zones; the surrounding environment and the affected human communities; and

- (xi) Draft an operations manual for the implementation of the afore-mentioned protocols and systems and conduct workshop to training site managers in the application of the manual.

7. Cultural Heritage Management Expert

29. **Education and Experience.** Masters in Architecture/ Archaeology with at least 15 years experience and formal training in conservation architecture.

30. **Expertise.** Design and Conservation of the architecture, layout, and other physical features preferably of historical properties.

31. Terms of Reference:

- (i) In discussion with the Civil and Structural engineer, plan, design and define the implementation of the proposed facilities in cultural sites;
- (ii) Contribute to the development control regulations primarily in terms of architecture controls as part of the proposed plan for the to be notified including basic design manuals for specific type of uses including advertisement control and
- (iii) Develop institutional and financial measures for sustainable management of the other sites including adaptive reuse of the sites
- (iv) Responsibilities will includes supervision of works

8. Position: Institutional Development Specialist (National)

32. **Education and Experience.** Degree in Management, Planning, public administration or another relevant field and around 15 years or more experience in fields related to public or public/private property management, both within the country and in the region. Direct experience in managing heritage/historic properties would be highly desirable, as would experience in managing tourist destinations, pilgrimage sites or other types of properties/sites which experience visitor pressure. In addition to experience in public property management, the Site Management Expert should have previous experience in building institutional capacity at the local community level, and a demonstrated ability to innovate bespoke institutional structures.

33. Terms of Reference:

- (i) Assist the financial management specialist in developing revenue enhancement measures and other innovative approaches for sustainable O&M of the sites including creation of dedicated sources of funds for sustainable management of cultural heritage sites where feasible through ring fencing of incomes from the sites.
- (ii) Contribute to the project outcome monitoring indicators in consultation with PPM specialist and supervision consultants on management aspects;
- (iii) Site Management Modalities;
- (iv) Study the existing systems of contractual management of heritage properties; and
- (v) On approval of options,
 - (a) Develop a schedule for the phased implementation of the agreed options for contracting (aspect of) management responsibilities;
 - (b) Structure TOR's and invite agencies for PPP transaction advisory;

- (c) Devise a training programme for the presumptive contractees;
- (d) Draft a site management manual to guide contracted operations; and.
- (e) Develop a system of management accountability, linked to site monitoring, to ensure the management of sites is responsive to the Government's mandate to protect public assets.
- (f) In all of the above task, effort should be made to entrust contracted tasks to local communities (or members thereof) located near the affected monuments.
- (vi) Prepare sub project appraisal documents based on selection criteria

9. Position: Community Development Specialist (National)

34. **Education and Experience.** Masters in Social Sciences/ Management, around 15 years experience in community mobilization and community based heritage tourism product development focused on livelihood. Design of livelihood and community based tourism products and in community capacity building. TOR is as follows:

- (i) Lead value chain analysis and lead community mobilization activities;
- (ii) lead workshops and community consultations and
- (iii) coordinate all activities of this component.
- (iv) Supervise all activities under this component

10. Position: Procurement Specialist (National)

35. **Education and Experience.** Bachelors in Civil Engineering with at least 15 years of experience in procurement goods, works and services as part of donor aided projects, preferably ADB. Should be conversant with the current procurement procedures of ADB. TOR is as follows:

- (i) In consultation with the Project Manager, and the Project Director, prepare the procurement plan for all goods works and services to be taken up during the project; and
- (ii) For specific activities under the project support the PMU in
 - (a) Preparation of Bid Documents; and
 - (b) Support in preparation of Evaluation reports and related transactions.

11. Position: Safeguards Specialist Environment (National)

36. **Education and Experience.** Masters in Planning/ Environment/ Ecology with around 15 years experience in design and environment related safeguards for donor aided projects, preferably with ADB and in oversight of their implementation/ compliance. Should be conversant with relevant national and state environmental laws, and ADB procedures.

37. **Terms of Reference.** Support and advise the PMU and the Consultants team in

- (i) Carrying out baseline surveys, environmental monitoring plans and programs, initial environmental impact examinations (IEE) as may be required;
- (ii) Preparation of ADB procedure compliant environmental safeguard actions including impact assessments if any during the design stage,
- (iii) Management plan and mitigation measures;
- (iv) Oversight of implementation of environmental standards and safeguards as part of project implementation;

- (v) Participate in preparation of Master Plan for additional sites and contribute to the environmental safeguards to the plan and sub components: and
- (vi) Preparation of performance monitoring reports.

12. Position: Safeguards Specialist Social (National)

38. **Education and Experience.** Masters in Planning/Social Sciences with at least 15 years experience in design of resettlement plans and framework and experience in implementing resettlement plans as part of donor supported projects, preferably with the ADB. Should be conversant with laws relating to land acquisition, state procedures in implementation of resettlement packages and ADB procedures.

39. **Terms of Reference.** Support PMU and the design team in

- (i) Lead all baseline surveys required for preparation RP's
- (ii) preparation and implementation of ADB compliant resettlement plans if any based on the approved framework,
- (iii) oversee implementation of Resettlement Plans,
- (iv) lead community consultation during design phase of the preparation of the Master Plan for additional sites and
- (v) preparation of performance monitoring reports

13. Position: Field Engineers (National)

40. **Education and Experience.** Bachelors in Civil Engineering/ Architecture with around 5 years experience in design and estimation of civil and architectural projects.

41. **Terms of Reference.** Provide technical support to the specialists in managing surveys, design and estimation, and activities as assigned by the Project Manager PMC.

42. **Design Supervision Tasks.** During implementation, the supervision services broadly include as an "Engineer", supervision and management of civil works. Following are the broad works to be taken up:

- (i) Contract administration and management of the project;
- (ii) Interpretation of the technical specifications;
- (iii) Scrutinize the contractor's detailed work program;
- (iv) Scrutinize construction methods proposed by contractor including environmental, safety, personnel and public issues;
- (v) Quality assurance system including verification and source of material and certification;
- (vi) Monitor mobilization and progress of work;
- (vii) Measurement of quantities and certification;
- (viii) Prepare and certify at the end, 'as-built drawings;
- (ix) Carryout supervision of all the works including periodical inspection of contractor's machinery and equipments;
- (x) Inspect the works at appropriate intervals during defect liability period and certification issue;
- (xi) Prepare construction supervision manual;
- (xii) Prepare maintenance manual;
- (xiii) Monthly progress reports; and

- (xiv) Assist employer in computer aided monitoring of progress / implementation, project management and M.I.S. of project

43. **Reporting.** The consultants will produce and submit to the PMU the following reports:

- (i) Inception report in 20 copies one month after mobilization;
- (ii) Brief monthly progress reports describing works and services performed and issues encountered during the reporting month and scheduled activities in the following month to be submitted in 10 copies within a week of the last day of the reporting month, and quarterly progress reports and annual reports, describing in detail the implementation progress of all project components with issues highlighted to be submitted in 20 copies within two weeks of the end of the reporting period;
- (iii) Interim report at the end of the second year to provide a broad view of the physical and institutional progress achieved, and make recommendations to the Government and ADB on suitable modifications to successful implementation of the Project. The report will be submitted in 20 copies two weeks prior to the midterm review;
- (iv) Detailed design drawings, cost estimates and bidding documents in the numbers specified for all contract packages. In addition, survey plans, topographic maps, base maps and final as-built drawings will be submitted as necessary; and
- (v) Draft project completion report one month before the completion of the services and final Project completion report within one month of the completion of the services.