



India: Second Jharkhand State Road Project

Project Name	Second Jharkhand State Road Project
Project Number	49125-001
Country	India
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan 3276-IND: Second Jharkhand State Road Project Ordinary capital resources US\$ 200.00 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development
Sector / Subsector	Transport - Road transport (non-urban) - Transport policies and institutional development
Gender Equity and Mainstreaming	Some gender elements
Description	<p>The project will improve about 176 kilometers (km) of state roads in the state of Jharkhand. It will involve upgrading state roads to a two-lane standard. Five year performance-based maintenance will ensure sustainability. The project will also support increasing the institutional capacity of the State Highways Authority of Jharkhand (SHAJ) as an autonomous road development agency aiming to ensure long-term sustainable development and maintenance of the state road network in Jharkhand. SHAJ will become the nodal agency for promoting road safety in Jharkhand based on the road safety master plan to be developed under the project.</p>
Project Rationale and Linkage to Country/Regional Strategy	<p>Jharkhand was established on 15 November 2000 through bifurcation from Bihar state. It is surrounded by five states: Bihar in the north, West Bengal in the east, Odisha in the south, and Chhattisgarh and Uttar Pradesh in the west. It is known as a tribal and forest state. Jharkhand is endowed with about 40% of India's mineral resources and has the richest deposits of coal and iron ore in the country. Despite this, it is one of India's poorest states with about 37% of its 33 million population living below the state poverty line. The endowed natural resources have not efficiently contributed to the states development due to poor access to these areas and limited employment opportunities with the related industries.</p> <p>To improve mobility and achieve equitable development across the state, Jharkhand's Road Construction Department (RCD) has set targets to increase road density by constructing new state roads and improving conditions of the existing road network. An investment of about \$2.5 billion is planned to develop and improve about 6,000 km during 2012-2017, including the construction of 79 bypasses and bridges. Aside from the budget for the continuing scheme from the previous 5-year plan period, the government requires a budget of about \$1.6 billion to achieve the target. Appropriate road maintenance with adequate budget allocation is critical for a sustainable state road network. The state government has implemented five state road projects for a total of 185 km, all under a build-operate-transfer (annuity) scheme, which include 15 years of maintenance by the contractor. It envisages promoting performance-based maintenance contracts to ensure appropriate service for the road network. The maintenance budget allocation is prioritized under these schemes in accordance with the contractual requirements. Mainstreaming these schemes will ensure sustainability of the road network.</p> <p>Road safety is a concern. In 2012, Jharkhand had 2,119 road accidents/10,000 km, about 72% higher than the national average of 1,227. Annual fatality rates along roads in Jharkhand total 9/10,000 vehicles. While state and district road safety councils conduct road safety awareness campaigns annually in accordance with national government initiatives to promote road safety, no state initiatives address road safety, either for road engineering or road user awareness. Currently, road safety audits are not mandatory for road engineering in Jharkhand; a nodal agency should be designated to promote road safety.</p> <p>The project is consistent with the strategic objective set out in ADBs country partnership strategy, 2013-2017 for India on development of the state road network in lagging states; and the transport sector objective of increased, more efficient, and sustainable movement of people and goods. The project is included in ADBs country operations business plan, 2015-2017 for India.</p>

Impact	Mobility and accessibility improved (Twelfth Five Year Plan)
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Project Outcome

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

Implementation Progress

Description of Project Outputs	State roads reconstructed or rehabilitated Institutional capacity of SHAJ improved
Status of Implementation Progress (Outputs, Activities, and Issues)	(1) 4 civil works contracts are under execution. (2) Construction Supervision and Project Management Consultants are mobilized under the project.
Geographical Location	

Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The implementation of environmental management plans are being monitored by supervision consultants and SHAJ.
Involuntary Resettlement	The resettlement activities are being undertaken in accordance with the resettlement plans and are being monitored by supervision consultants and SHAJ.
Indigenous Peoples	SHAJ shall ensure compliance with ADB's Safeguard Policy Statement and government guidelines, regulations, and policies.

Stakeholder Communication, Participation, and Consultation

During Project Design	The stakeholders have been consulted during design stage.
During Project Implementation	Consultation as required, will be carried out during project implementation.

Business Opportunities

Consulting Services	Consulting services packages being/will be procured according to ADBs Guidelines on the Use of Consultants (March 2013, as amended from time to time).
Procurement	Civil work packages being/will be procured under International Competitive Bidding (ICB) procedure in accordance with ADBs Procurement Guidelines (April 2015, as amended from time to time).

Responsible Staff

Responsible ADB Officer	Jagir Kumar
Responsible ADB Department	South Asia Department
Responsible ADB Division	India Resident Mission
Executing Agencies	State Highways Authority of Jharkhand SHAJMEMADM@GMAIL.COM Deen Dayal Nagar, Booty Road, Ranchi-834 Ranchi-834008 India

Timetable

Concept Clearance	28 Nov 2014
Fact Finding	18 Feb 2015 to 27 Feb 2015
MRM	31 Mar 2015

Approval	09 Sep 2015
Last Review Mission	-
Last PDS Update	17 Mar 2017

Loan 3276-IND

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
09 Sep 2015	03 Jun 2016	30 Aug 2016	30 Jun 2020	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	306.25	Cumulative Contract Awards			
ADB	200.00	09 Sep 2015	114.70	0.00	57%
Counterpart	106.25	Cumulative Disbursements			
Cofinancing	0.00	09 Sep 2015	11.84	0.00	6%

Project Page	https://www.adb.org/projects/49125-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=49125-001
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