

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The power sector has traditionally received a major portion of India's external assistance from the Asian Development Bank (ADB), Canadian International Development Agency (CIDA), Department for International Development of the United Kingdom (DFID), Japan International Cooperation Agency (JICA), KfW, United States Agency for International Development (USAID), Agence Française de Développement, and the World Bank.

2. The World Bank has been focusing on infrastructure (roads, transport, power, water supply and sanitation, irrigation, urban development, and human development (education, health, social protection, and rural livelihoods). Since 2008, it has scaled up its annual lending to about \$4 billion. The focus of JICA's operations has been on developing power and transport infrastructure, rural development, and improving the environment and public health systems in urban areas. DFID's focus areas include supporting an enabling environment for growth and supporting effective provision of services to the poor. Germany's assistance to India has focused on infrastructure and the social sectors. USAID has focused its program on health care, environmental protection, and demand-side management of energy. The European Union provides assistance for rural development, as well as primary education and health. Table 1 lists interventions in the Assam energy sector.

Major Interventions by Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
ADB	Assam Power Sector Development Program	2003–2009	150.00
ADB	Assam Power Sector Development Program	2003–2009	100.00
Japan Special Fund through ADB	Assam Power Sector Development Project, Power Sector Reforms	2002–2003	0.80
ADB	Building the Capacity of Assam Electricity Regulatory Commission, Power Sector Reforms	2003	0.50
United Kingdom through ADB	Reorganization of Assam State Electricity Board	2003–2004	1.00
ADB	Assam Power Sector Enhancement Investment Program, Transmission and Distribution	2009 ongoing	200.00
United Kingdom through ADB	Policy and Legal Support for Power Sector Reforms (Assam)	2003–2005	0.10
United Kingdom through ADB	Institutional Development for Rural Electrification (Assam)	2003–2004	0.40
United Kingdom through ADB	Updating Load Forecast and Power System Master Plan for Assam	2012 ongoing	0.40
ADB	Assam Power Sector Investment Program, Support for retrofitting thermal plants, hydropower development, distribution efficiency, repair & maintenance capacity development	2014–2023	300.00
DFID through ADB	Preparing the Second Assam Power Sector Investment Program	2013–ongoing	0.75
World Bank	Under preparation	TBD	TBD

ADB = Asian Development Bank, DFID = Department for International Development of the United Kingdom, TBD = to be determined.

Source: Asian Development Bank.

B. Institutional Arrangements and Processes for Development Coordination

3. Development coordination is evident in the partnership formed by ADB and DFID in several of technical assistance projects listed in the table. At the central level, the Coordination and Decision Support System of the Department of Economic Affairs, of the Ministry of Finance, undertakes the coordination and allocation of foreign assistance among different states. At the state level, the Project Management Unit, Department of Power and Department of Finance, Government of Assam coordinates development activities of the partners. In the power sector, ADB project processing and administering staff regularly meet with partners involved in power sector development to enhance synergy and avoid duplication.

C. Achievements and Issues

4. No major issues or difficulties have been encountered in aid coordination in Assam in the past as most development partners channeled their funds through ADB. The World Bank has shown interest in investing in the power sector in Assam, although the type and size of interventions are not clear yet. The World Bank's entry in the sector may create the need for additional efforts for aid coordination, particularly for implementation.

D. Summary and Recommendations

5. ADB will continue to assist Assam, as the leading development partner, to contribute to economic and social development of Assam. Development partner coordination to support effective use of resources and achieve development effectiveness in Assam is becoming important. National government coordination of resource allocation and state coordination of implementation are equally important for achieving results. To support the effective use of resources and achieve development effectiveness in Assam, ADB will continue to coordinate with development partners on supporting power sector development.