



India: Promoting Public-Private Partnership in Madhya Pradesh Road Sector Project

Project Name	Promoting Public-Private Partnership in Madhya Pradesh Road Sector Project	
Project Number	51375-001	
Country	India	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Madhya Pradesh Road Sector Development Project	
	Ordinary capital resources	US\$ 490.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Private sector development	
Sector / Subsector	Transport - Road transport (non-urban)	
Gender Equity and Mainstreaming	Some gender elements	
Description	The proposed project is designed to improve transport connectivity in Madhya Pradesh by rehabilitating and upgrading about 2,200 kilometers of state highways and major district roads. It will involve upgrading newly declared state highways to two-lane width, and single-lane major district roads to intermediate lanes. The project will be implemented under the hybrid annuity model (HAM), which is a form of public-private partnership.	
Project Rationale and Linkage to Country/Regional Strategy	<p>Madhya Pradesh is a very large and populous state with a high poverty incidence and in need of substantial investments to meet developmental needs. The vision of its government is to develop the state's road network to enhance connectivity across the state, including the remotest rural regions. State highways and major district roads form a key link between rural roads and national highways. Developing the road network by increasing their capacity and making them all-weather roads will improve road conditions and road safety and will foster inclusiveness by enabling larger segments of the state's population to have better access to markets and basic services. Further, the state government has been improving the state road network through a combination of budgetary support, ADB assistance, and PPPs. As PPP participation through BOT declines, the state government is turning to HAM to maintain private sector participation.</p> <p>The project is consistent with the strategic pillar set out in the country partnership strategy for India, 2018- 2022 in providing inclusive access to infrastructure networks and services. The project's contract model is also in line with the government's plan to revitalize PPPs by strengthening PPP institutions and promoting improved contractual modalities. Further, the use of HAM in this project is an innovative form of PPP modality which is consistent with the government's Three-Year Action Agenda 2017 -2018 to 2019- 2020 to increase investment in the transport sector by mobilizing private investment.</p>	
Impact	Mobility and accessibility in India improved	
Outcome	Road transport efficiency and safety within Madhya Pradesh improved	
Outputs	State highways upgraded to two-lane and all-weather roads Single-lane major district roads upgraded to intermediate-lane and all-weather roads Road maintenance capacity and asset management improved	
Geographical Location	Madhya Pradesh	
Safeguard Categories		
Environment		B
Involuntary Resettlement		A
Indigenous Peoples		B

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services	The executing agency for the project will be the Government of Madhya Pradesh acting through Madhya Pradesh Public Works Department. The implementing agency will be Madhya Pradesh Road Development Corporation Ltd (MPRDC). MPRDC will engage independent engineer consultants for the works contracts.
Procurement	For procurement of goods, works and consulting services, ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, amended from time to time) shall apply.

Responsible ADB Officer Yeo, Kai Wei

Responsible ADB Department South Asia Department

Responsible ADB Division Transport and Communications Division, SARD

Executing Agencies
*Government of Madhya Pradesh
Madhya Pradesh Road Devt Corporation
16-A, Arera Hills
Bhopal - 462 011, India
Madhya Pradesh Road Development Corporation Ltd.
45-A Arera Hills, Bhopal, 462011 Madhya Pradesh, India*

Timetable

Concept Clearance	01 Oct 2018
Fact Finding	14 Jan 2019 to 18 Jan 2019
MRM	18 Feb 2019
Approval	-
Last Review Mission	-
Last PDS Update	01 Oct 2018

Project Page <https://www.adb.org/projects/51375-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=51375-001>

Date Generated 09 November 2018

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