India: Maharashtra Agribusiness Network Project

Project Name	Maharashtra Agribusiness Network Project
Project Number	53264-001
Country	India
Project Status	Proposed
Project Type / Modality of Assistance	Loan Technical Assistance
Source of Funding / Amount	Loan: Maharashtra Agribusiness Network Project
	Ordinary capital resources — US$ 100.00 million
	TA: Maharashtra Agribusiness Network Project
	Technical Assistance Special Fund — US$ 1.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural policy, institutional and capacity development - Agro-industry, marketing, and trade - Rural market infrastructure
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The project targets to support FPOs by improving a network of post-harvest marketing and value chains focusing on the horticulture crops identified in the pre-feasibility study. The project design reflects the lessons learned from the previous projects and comprises separate components for public sector infrastructure development and private sector investment support. ADB will add value through an integrated approach addressing capacity development, financial support, and infrastructure development.
Project Rationale and Linkage to Country/Regional Strategy	Maharashtra is the second largest state in India in terms of population and ranks third by geographical area. The state is also the leading contributor to the national gross domestic product accounting for 14.4% in FY2017/18 and demonstrated rapid economic growth averaging 10.0% per year between FY2013/14 and FY2018/19 driven by industrial and service sector outputs. However, the state is also ranked among the highest in the income and development inequality as economic development is concentrated around major cities and rural poverty is still prevailing. The average income per capita in the poorest district is merely 25.6% of Mumbai, the district with the highest income. The poverty rate is 24.2% and gets as high as 40% in poor districts, and 23 out of 36 districts have higher poverty rates than the national average of 18%. About 53% of the state's population depend on agriculture for their livelihood and subsistence. About 80% of the farmers are marginal farmers with small landholdings. Increasing the income of marginal farmers impacts significantly on poverty reduction of rural Maharashtra.
Impact	Achieve average agriculture sector growth rate of 5 per cent, promote agriculture produce export, and establish fair, competitive and accessible agriculture markets (Vision 2030)
Outcome	Maharashtra's horticultural production values and FPOs' profit increased
Outputs	Capacity enhanced for value chain integration of FPOs Financial support provided for FPOs and value chain operators to improve post-harvest practices Agriculture value chain improved and operational for the target horticulture crops
Geographical Location	Maharashtra

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

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	Procurement will be undertaken following the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended from time to time).

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Responsible ADB Officer	Masahiro Nishimura
Responsible ADB Department	South Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, SARD
Executing Agencies	Maharashtra Department of Cooperation, Marketing and Textile Mantralaya, Mumbai - 400 032, Maharashtra, India

Timetable	
Concept Clearance	04 Dec 2019
Fact Finding	22 Jun 2020 to 30 Jun 2020
MRM	08 Jul 2020
Approval	-
Last Review Mission	-
Last PDS Update	09 Dec 2019

Project Page	https://www.adb.org/projects/53264-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53264-001
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