



India: Nagaland Urban Infrastructure Development Project

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| Project Name | Nagaland Urban Infrastructure Development Project | | | | |
| Project Number | 54166-001 | | | | |
| Country / Economy | India | | | | |
| Project Status | Approved | | | | |
| Project Type / Modality of Assistance | Loan | | | | |
| Source of Funding / Amount | <table border="1"> <tr> <td>Loan 6045-IND: Nagaland Urban Infrastructure Development Project</td> <td></td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 2.00 million</td> </tr> </table> | Loan 6045-IND: Nagaland Urban Infrastructure Development Project | | Ordinary capital resources | US\$ 2.00 million |
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| Ordinary capital resources | US\$ 2.00 million | | | | |
| Strategic Agendas | Environmentally sustainable growth Inclusive economic growth | | | | |
| Drivers of Change | Governance and capacity development Knowledge solutions | | | | |
| Sector / Subsector | Health / Health system development Transport / Urban roads and traffic management Water and other urban infrastructure and services / Other urban services - Urban policy, institutional and capacity development - Urban sanitation - Urban water supply | | | | |
| Gender Equity and Mainstreaming | | | | | |
| Description | <p>The PRF will ensure high readiness of the ensuing project by delivering the following outputs, which will be achieved through mobilization of consulting services under the supervision of and coordination with the GON, Urban Development Department (UDD) and Directorate of Urban Development (DUD).</p> <p>Output 1: Sector strategy and investment plans prepared. Output 1 will be delivered through (i) supporting improved urban infrastructure plans by preparing and/or strengthening urban strategy, sector assessment, investment plans and action plans for integrated development of infrastructure in 12 DHTs; (ii) developing a prioritization matrix with multiple indicators to assess and prioritize the infrastructure components under urban sector; and (iii) phasing investments in prioritized urban areas for the ensuing subproject(s).</p> <p>Output 2: Feasibility study, detailed engineering designs, and due diligence of priority subprojects completed. Output 2 will be achieved by (i) undertaking necessary feasibility studies and detailed engineering design tasks for the preparation of detailed project reports; (ii) conducting due diligence to cover the technical, economic, financial, environmental and social safeguard, gender equality and social inclusiveness, impact of coronavirus disease (COVID-19), and climate change and disaster risk aspects of the priority subprojects; and (iii) undertaking project procurement risk/ capacity assessment and a strategic procurement planning study to identify contract packaging, contract modalities, procurement plans, contract management plans, and bid documents; and supporting the bidding process.</p> <p>Output 3: Institutional capacity strengthened. Output 3 will be delivered by (i) carrying out an institutional and organizational review to determine the project pre-implementation capacity building activities for the executing and implementing agencies of the ensuing project in areas such as safeguards, climate change (and its impacts on urban infrastructure), procurement, gender equality and social inclusion, stakeholder engagement, financial management, operation and management and sustainability, and contract management; (ii) establishing institutional mechanisms and processes for undertaking investment-ready infrastructure project; (iii) reviewing institutional and financial capacities for planning, implementation and operation and maintenance practices in both the state level institutions as well as at the ULB level; (iv) prepare strategy for institutional and financial strengthening, including augmenting own source revenue through tax and non-tax reforms at the ULB level, keeping in view the socio-political scenario in the state (short-term/ medium-term/ long-term); and (v) suggest governance performance requirements/ framework in terms of outlining requisite reform actions and the scope of the institutional strengthening component for the ensuing project to ensure the sustainability of assets.</p> | | | | |
| Project Rationale and Linkage to Country/Regional Strategy | <p>Nagaland is located in northeastern part of India and the majority of the people depend on agriculture for their livelihood. The Census of India, 2011 shows that out of the 76% of main workers, 60% are engaged in agrarian occupation, with just over 1% working in household industries. The primary sector is characterized with low productivity, and implies that the ability of this sector to absorb the educated unemployed is limited. The Nagaland Vision 2030 (prepared in 2015-2016) adopts the approach to focus on the comparative and competitive advantage of the state, where presently the agricultural sector is identified to have the main potential. Simultaneously, enabling environments have to be created so that industrialization and urbanization take place, fully utilizing state's rich natural resources for vibrant trade and commerce to emerge. These processes have to be accompanied by focused development, upgradation and maintenance of infrastructure to realize true economic potentials of Nagaland.</p> <p>Urban sector overview. The state has recorded a high decadal growth rate of 66.57% in urban population as compared to the national decadal growth rate of 31.80% (Census, 2011); with 28.86% of the state's population being urban, as compared to national average of 31.14% of degree of urbanisation. Presently, the urban population is spread across 39 urban local bodies (ULBs) including 12 district headquarter towns (DHTs). Moreover, the urbanisation pattern is somewhat skewed as the Dimapur and Kohima districts together have higher percentage (56%) of urban population compared to the state's average (29%). Most of the towns in Nagaland are in a stage of transition from rural to urban without possessing the requisite urban attributes.</p> <p>The towns and cities in Nagaland are confronted by significant long-term challenges such as the abnormal demographic change, climate change, lack of basic amenities including shortage of housing, and lack of economic activities such as industries. Further, most towns have development areas that are landslide-prone, and are reported to get severely affected by landslides during monsoon period including the major transport connecting routes. The water supply is grossly inadequate with average supply of 1 hour per day and none of the towns has sewerage or septage management systems except an ongoing project in Dimapur. Poor state of urban roads with absence of proper stormwater drainage (59.5% of the urban houses have access to drainage facility) also severely affects liveability in urban areas. There has been substantial deficit in urban services in the towns due to limited investments in urban infrastructure, and weak institutional capacity of the ULBs. Thus, there is a pressing need for investments to improve key infrastructure services in urban areas such as water supply, wastewater/ septage or fecal sludge management, stormwater drainage and landslip protection works, solid waste management, and urban roads/ footpaths/ footsteps, as a prerequisite for exploring the full potential for an enhanced economic growth in Nagaland.</p> | | | | |
| Impact | | | | | |

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| Project Outcome | |
| Description of Outcome | |
| Progress Toward Outcome | |
| Implementation Progress | |
| Description of Project Outputs | |
| Status of Implementation Progress (Outputs, Activities, and Issues) | |
| Geographical Location | Nagaland |

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| Summary of Environmental and Social Aspects |
| Environmental Aspects |
| Involuntary Resettlement |
| Indigenous Peoples |
| Stakeholder Communication, Participation, and Consultation |
| During Project Design |
| During Project Implementation |

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| Business Opportunities | |
| Consulting Services | 27. A consulting firm and four (4) individual consultants will be recruited under the PRF. DUD is in the process of selecting the consulting firm for the PDMC following the ADB Procurement Regulations for Goods, Works and Consulting Services (2017, as amended from time to time) and its associated staff instructions. The PDMC consulting firm will be procured on quality- and cost-based selection method with quality-cost ratio of 90:10, to ensure high quality of technical outputs under PRF. |
| Procurement | The procurement risk is classified as category B as there is no pilot testing activity being financed under this PRF loan. However, as part of the procurement arrangement assessment exercise, the agency's preliminary procurement assessment was conducted in July 2021. Based on the assessment findings, it has been observed that the UDD was executing urban projects in Nagaland as a part of ADB-funded North Eastern Region Capital Cities Development Investment Program. Although DUD does not have any prior experience of working with ADB or any other multilateral development banks, DUD is carrying out procurement of consultants and other services for projects funded by state/ central government. DUD has established processes of procurement. DUD has already initiated the recruitment of consultants in accordance with ADB guidelines. Upon approval of advance contracting under the proposed PRF by ADB, the DUD is efficiently conducting recruitment of consulting firm following ADB's Procurement Policy, 2017 and Procurement Regulations, 2017 (as amended from time to time), which demonstrate adequate capacity of the implementing agency to recruit consulting services. The consultants recruited under PRF will further support the UDD and enhance their procurement capacity to meet ADB's procurement requirements. If required, ADB will consider providing training for procurement capacity building to DUD staff. |

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| Responsible ADB Officer | Srivastava, Ashok |
| Responsible ADB Department | South Asia Department |
| Responsible ADB Division | India Resident Mission |
| Executing Agencies | Urban Development Department, Govt of Nagaland Office of the Commissioner & Secretary, UDD, Secretariat Complex Kohima-797001, India |

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| Timetable | |
| Concept Clearance | - |
| Fact Finding | 17 Aug 2021 to 18 Aug 2021 |
| MRM | 10 Jan 2022 |
| Approval | 10 Mar 2022 |
| Last Review Mission | - |
| Last PDS Update | 10 Mar 2022 |

Loan 6045-IND

| Financing Plan | | Loan Utilization | | | |
|----------------|--------------------------------|----------------------------|------|--------|----------------|
| | Total (Amount in US\$ million) | Date | ADB | Others | Net Percentage |
| Project Cost | 2.50 | Cumulative Contract Awards | | | |
| ADB | 2.00 | - | 0.00 | 0.00 | % |
| Counterpart | 0.50 | Cumulative Disbursements | | | |
| Cofinancing | 0.00 | - | 0.00 | 0.00 | % |

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| Project Page | https://www.adb.org/projects/54166-001/main |
| Request for Information | http://www.adb.org/forms/request-information-form?subject=54166-001 |
| Date Generated | 11 March 2022 |

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