



India: Rajasthan Urban Livability Improvement Investment Program

Project Name
Rajasthan Urban Livability Improvement Investment Program
Project Number
59348-001
Country / Economy

- India
- Project Status
Proposed
- Project Type / Modality of Assistance
- Loan
- Source of Funding / Amount

Loan: Rajasthan Urban Livability Improvement Project	
Source	Amount
Ordinary capital resources	US\$ 400.00 million

Sustainable Development Goals

- SDG 3.9
- SDG 6.2
- SDG 11.1
- Sector / Subsector
- Water and other urban infrastructure and services / Urban policy, institutional and capacity development

Gender
Effective gender mainstreaming
Description

Rajasthan, India's largest state by area has a population of over 80 million in 2022. A quarter of this live in urban areas across 312 urban local bodies (ULBs). Urbanization is projected to increase from 24.9% in 2011 to 28.6% by 2036 (footnote 2), unplanned urban growth and multidimensional poverty (15.3% as compared to the nationally 15.0% in 20192021) are straining urban services and disproportionately affecting the urban poor. The state has witnessed sustained growth in tourism, industry, and services, which has driven the economy but also constraining the livability and competitiveness of its cities. Rajasthan's dispersed medium-sized towns, heritage and tourism centers, and industrial hubs face harsh climate conditions and rising service pressures. In 2024, over 230 million domestic, and 2 million international tourists visited Rajasthan adding to demand on already deficient urban services.

Lessons for the proposed investment program are to: (i) prepare long-term integrated city-level development plans; (ii) build the capacity of ULBs to focus on consumer-centric service improvement; (iii) ensure operational and financial sustainability of the assets through capable project management unit (PMU) and project implementation unit; (iv) advance detailed project report (DPR) preparation and smart packaging for readiness; (v) strengthen digital systems, the use of geographic information system, supervisory control and data acquisition (SCADA), and integrated digital service management systems (asset register, metering/billing analytics, NRW dashboard, and customer grievance platforms) for system monitoring and NRW management; (vi) enhancement of own-source revenues for financial sustainability; (vii) ensure payment security for publicprivate partnership (PPP) and hybrid annuity model (HAM) contracts; and (viii) adopt integrated planning that links anchor cities and satellite towns to manage sprawl and strengthen livability outcomes. A persistent constraint is the gap between capital investments and cost recovery and local institutional capacity for sustainable asset management.

Operationally, the program will (i) accelerate climate action through climate-resilient water supply, sanitation, and stormwater/flood management; (ii) enhance private sector participation through PPP and HAM contracting, performance-linked O&M, and utility reforms that will strengthen bankability and fiscal sustainability; (iii) advance digital transformation through geographic information system (GIS) Supervisory Control and Data Acquisition (SCADA), advanced metering infrastructure integration, e-procurement, and key performance indicator (KPI) dashboards for data-driven asset and contract management; (iv) develop strategic urban improvement plans for towns and cities and implement area-based interventions (mobility, public spaces, socio-economic infrastructure) to enhance livability and service levels; (v) computerized accounting, asset management and revenue realization systems to support improved

local resources mobilization; and (v) build resilience and empowerment by improving reliable basic services, embedding gender equality and social inclusion and grievance redress, and building institutional capacity for inclusive, sustainable urban governance. A climate and private-sector lens is applied across design, procurement, monitoring, and evaluation to maximize results aligned with sustainable development goals.

Project Rationale and Linkage to Country/Regional Strategy

The program is expected to align with ADB's Strategy 2030 operational priorities (OPs), particularly: OP4 (Making Cities More Livable) through integrated urban service delivery; OP3 (Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability) through climate-resilient water, sanitation, and drainage infrastructure; and OP6 (Strengthening Governance and Institutional Capacity) through reforms to enhance municipal governance and financial sustainability.

Impact

Transforming Rajasthan into a sustainably developed, economically prosperous, and socially empowered state aligned with national progress while ensuring inclusive growth, enhanced governance, and improved quality of life.

Outcome

Sustainable, climate-resilient, and inclusive urban services delivery improved in primary and satellite towns of Rajasthan

Outputs

Climate-resilient water supply expanded and NRW reduced.

Indicators

Wastewater collection, treatment, reuse, stormwater drainage and CETP infrastructure expanded

Urban mobility made safer and more inclusive

Livability, public spaces, and tourism and heritage assets improved.

Municipal governance, digital systems, and revenue mobilization strengthened.

Geographical Location

Poverty Reduction and Inclusion

Poverty Reduction and Inclusion Classification

Summary Poverty and Social Analysis

XX%

Environment and Social Requirements

Risk Classification

Substantial

Applicable Environment and Social Standards

- ESS1: Assessment and Management of Environmental and Social Risks and Impacts
- ESS2: Labor and Working Conditions
- ESS3: Resource Conservation and Pollution Prevention
- ESS4: Health, Safety, and Security
- ESS5: Land Acquisition and Land Use Restriction
- ESS6: Biodiversity and Sustainable Natural Resources Management
- ESS7: Indigenous Peoples
- ESS8: Cultural Heritage
- ESS9: Climate Change
- ESS10: Stakeholder Engagement and Information Disclosure

Summary of Environmental and Social Aspects

Project Participation and Engagement

During Project Design

During Project Implementation

Contact

Responsible ADB Officer
Kumar, Bhavesh
Responsible ADB Department
Sectors Department 2
Responsible ADB Division
Water and Urban Development Sector Office (SD2-WUD)

Timetable

Concept Clearance
30 Sep 2025
Fact Finding
22 Jun 2026 to 26 Jun 2026
MRM
-
Approval
-
Last Review Mission
-
Last PDS Update
22 Jul 2026

Funding

Project Page	https://www.adb.org/projects/59348-001/main
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