



India: South Asia Subregional Economic Cooperation Road Connectivity Investment Program - Tranche 1

Project Name	South Asia Subregional Economic Cooperation Road Connectivity Investment Program - Tranche 1
Project Number	47341-002
Country	India
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	<p>Loan 3118-IND: South Asia Subregional Economic Cooperation Road Connectivity Investment Program - Tranche 1</p> <p>Ordinary capital resources US\$ 300.00 million</p>
Strategic Agendas	Inclusive economic growth Regional integration
Drivers of Change	Private sector development
Sector / Subsector	Transport - Road transport (non-urban)
Gender Equity and Mainstreaming	Some gender elements
Description	ADB and the Government of India are working together to improve roads and increase trade along the North Bengal-Northeastern Region international trade corridor. The South Asian Subregional Economic Cooperation Road Connectivity Investment Program is building 2 national highways in West Bengal, as well as state roads in Manipur, extending to Myanmar. In total, the project is building about 500 kilometers of roads in the area to help resolve the constraint of _last-mile_ connections between the main in-country road network and neighboring countries. These roads leading to the border areas are enabling efficient and safe transport within India and in neighboring countries. The roads being improved provide key strategic links between South and Southeast Asia _ connecting Bangladesh, Bhutan, Myanmar, and Nepal. The improved roads are helping India and other South Asian countries link to Myanmar and other countries in Southeast Asia.
Project Rationale and Linkage to Country/Regional Strategy	Although South Asia is one of the fastest growing economic regions in the world, trade within the region still only makes up a small percentage of total trade. To promote intra-regional trade, road and border improvements are needed. The dominant mode of transport in the region, particularly between India and its neighbors, is by road. As cross-border restrictions are eased, reliance on road transport to ship goods is expected to increase. Trade from the region to Myanmar and Thailand via India is currently by sea, which is slow and expensive, especially for landlocked countries. One of the major constraints in the region is the lack of _last-mile_ roads that connect national road networks and neighboring countries. These are often left out of development plans. This is a problem in the North Bengal-Northeastern Region. Other factors that limit road use is geographic constraints, limited availability of land, traffic congestion, and security concerns.
Impact	Increased domestic and regional trade through NB-NER

Project Outcome

Description of Outcome	Improved road connectivity and efficiency of the NB-NER international trade corridor
Progress Toward Outcome	Project is under execution. Project outcomes are expected to be realized upon completion.
Implementation Progress	
Description of Project Outputs	Improved roads for regional connectivity Developed capacity and supported project improvement for MPWD

Status of Implementation Progress (Outputs, Activities, and Issues)	3 civil works contract have been awarded and are under execution. Consultancy contracts for implementation support and capacity development for Manipur PWD and MoRTH and construction supervision consultant for Manipur PWD has been mobilized along with Wildlife External Monitor.
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Geographical Location

Safeguard Categories

Environment	A
Involuntary Resettlement	A
Indigenous Peoples	A

Summary of Environmental and Social Aspects

Environmental Aspects	<p>Tranche 1 is categorized category A for environment since one of the subproject roads passes through a national park with critical habitat areas. A consolidated environmental impact assessment (EIA) for both Asian Highway 2 and Asian Highway 48 has been prepared. The draft EIA was disclosed on the ADB website on 9 August 2013. An environmental assessment and review framework (EARF) was prepared to guide compliance with environmental safeguard requirements in accordance with the provisions of the Ministry of Environment and Forests, the central government, and the Safeguard Policy Statement in the subsequent subprojects. Anticipated significant environmental impacts from the two subprojects entail disruption of wildlife migratory routes, disturbance to wildlife, and removal of a large number of trees. Mitigation and environmental enhancement measures, including modifications to the technical design of the road to address these impacts and ensure no net loss of biodiversity, have been included in the subproject designs. Other anticipated impacts entail typical road construction-related issues such as generation of dust, noise, exhaust, waste from construction and worker camps, water contamination, occupational health and safety, erosion, and siltation. Mitigation measures to address these have been included in the environmental management plan, which will be implemented by the contractor. Meaningful consultations have been held with affected persons and other key stakeholders, such as national park officials and the World Wildlife Fund, while preparing the EIA. Technical recommendations from park officials and the World Wildlife Fund have been incorporated in the EIA. Concerns of affected persons and relevant stakeholders will continue to be addressed during project implementation through the grievance redress mechanism proposed in the EIA.</p> <p>The environmental capacity of the executing and implementing agencies will need to be strengthened during project implementation. An authorized officer for environmental safeguards will be appointed at the executing agency level and an environmental focal person at the implementing agency and/or PIU level. The PIU will carry out internal monitoring of the implementation of environment safeguards while the ISC will perform external monitoring. For environment category A and B subprojects, another external monitoring agency will be engaged to conduct third-party monitoring. An initial coordination-cum-training workshop will be conducted by the implementing agency, with technical support from ADB. The ISC or ADB will conduct on-the-job training as necessary during project implementation.</p>
Involuntary Resettlement	<p>Tranche 1 is categorized A for involuntary resettlement, in accordance with ADB's Safeguard Policy Statement (2009). The investment program was developed to minimize the need for land acquisition and involuntary resettlement. Two combined resettlement and indigenous peoples plans have been prepared for Asian Highway 2 and Asian Highway 48. These were approved by ADB and disclosed on the ADB website. A total of 9.05 hectares of private land will need to be acquired at replacement cost. Some 4,132 households will be affected, occupying 3,578 structures. A total of 489 households will experience physical displacement, 1,944 households will experience economic displacement, and 354 households will experience both physical and economic displacement. The displaced households will be entitled to compensation for the loss of land and structures at replacement cost, shifting cost, and other income restoration assistance. Resettlement for the two roads is estimated to cost about \$12.5 million. The implementing agency and/or the PIU is experienced with the land acquisition process and implement the land acquisition. The PIU will be staffed with experienced social safeguard personnel, with a resettlement officer to oversee each affected district. An experienced NGO will be engaged by the PIU to implement the resettlement plan for each subproject. A resettlement framework was approved and disclosed on the ADB website for the investment program, under which a resettlement plan will be prepared by the relevant executing agency for each subsequent subproject, with resettlement impact, and submitted to ADB for approval.</p>
Indigenous Peoples	<p>Tranche 1 is categorized A for indigenous peoples. For West Bengal subprojects, 2 combined resettlement plans and indigenous people's plans have been prepared for AH-02 and AH-48. These subprojects are Categorized as C. For Manipur subproject, one Indigenous People's Plan (IPP) has been prepared for the Imphal-Tamenglong subproject and it is categorized as A. The IPP includes details regarding the assistance that will be provided to indigenous peoples in the project affected settlements. Capacity building initiatives such as entrepreneurship development training and other skills development will be provided. In addition, the Government will construct community infrastructures. The Government will implement the IPP with assistance from an experienced NGO. The day-to-day monitoring will be undertaken by the PIU with support from the consultant. An Independent Monitoring Panel that comprises of 3 expert monitors representing different disciplines will be engaged by ADB and they will monitor the implementation of the RPs and the IPP. Monitoring reports will be submitted to ADB for review and disclosure on a semi-annual basis.</p>

Stakeholder Communication, Participation, and Consultation

During Project Design	A sample of 20% of residents and other road users comprising 480 households from the immediate vicinity of AH-02 and AH-48 were surveyed; 33 focused group discussions and 38 key informant interviews were conducted with stakeholders. This was also done to increase awareness of the project, to find out needs and concerns, and to obtain suggestions for enhancing benefits and mitigating negative impacts.
During Project Implementation	The project became effective on 24 Jun 2015. ADB approved all the contract awards under the project, i.e. 3 civil works and 4 consulting services packages. The project closing date is on 30 June 2022.

Business Opportunities

Consulting Services	All consulting services will be undertaken in accordance with ADB's Guidelines on the Use of Consultants
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines

Responsible Staff

Responsible ADB Officer	Motwani, Anil
Responsible ADB Department	South Asia Department
Responsible ADB Division	India Resident Mission
Executing Agencies	<i>Ministry of Road Transport and Highways Transport Bhavan Room 509 Public Works Department State of Manipur KHEMBA@GMAIL.COM PWD Complex, Khuyathong, Imphal Manipur 795001</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	31 Jan 2014
Approval	01 Apr 2014
Last Review Mission	-
Last PDS Update	15 Mar 2017

Loan 3118-IND

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
01 Apr 2014	26 Mar 2015	24 Jun 2015	30 Jun 2022	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	424.80	Cumulative Contract Awards			
ADB	300.00	01 Apr 2014	305.89	0.00	102%
Counterpart	124.80	Cumulative Disbursements			
Cofinancing	0.00	01 Apr 2014	85.20	0.00	28%

Project Page	https://www.adb.org/projects/47341-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=47341-002
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