



India: Connecting Economic Clusters for Inclusive Growth in Maharashtra

Project Name	Connecting Economic Clusters for Inclusive Growth in Maharashtra	
Project Number	52298-002	
Country / Economy	India	
Project Status	Approved	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 4242-IND: Connecting Economic Clusters for Inclusive Growth in Maharashtra	
	Ordinary capital resources	US\$ 350.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development	
Sector / Subsector	Transport / Road transport (non-urban)	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	The project will support the further development of the state's strategic core road network by (i) connecting underdeveloped rural communities, in particular women and other disadvantaged groups, with city centers and nearby industrial zones; (ii) providing direct and indirect opportunities to the primarily agrarian population, in particular woman and other disadvantaged groups, through improved access to markets, health and social services; (iii) improving road connectivity of border districts such as Nanded to neighboring states; (iv) improving industrial value chains for small scale industry by reducing transportation costs; and (v) improving disaster risk and climate change resilience in flood-prone areas.	
Project Rationale and Linkage to Country/Regional Strategy	The proposed project's design includes activities appropriate for sector-wide replication to encourage uptake beyond this project: (i) new and proven technologies in road safety as well as project and contract management, (ii) demonstration of effective road maintenance contract modalities involving the private sector, (iii) delivery of an integrated approach to poverty and gender dimensions, and (iv) sector guidelines in climate change adaptation and disaster risk reduction as well as GESI responsive state highway works programs for use statewide.	
Impact	Sustainable, balanced, all-inclusive growth achieved across Maharashtra Growth and industrialization promoted in the Vidarbha and Marathwada regions	
Project Outcome		
Description of Outcome	Transport efficiency, safety and access to markets and basic social services in Maharashtra improved and sustained	
Progress Toward Outcome		
Implementation Progress		
Description of Project Outputs	State highways and major district roads of the core road network upgraded and maintained New interstate roads connecting Nanded and Telangana developed and maintained Capacity for project monitoring, road safety and maintenance strengthened Gender equality and social inclusion promoted in highway works, schools, health and social services	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Maharashtra	
Safeguard Categories		
Environment	B	
Involuntary Resettlement	A	
Indigenous Peoples	C	
Summary of Environmental and Social Aspects		
Environmental Aspects	The project involves upgrading existing roads or providing new sections that will pass through modified habitat. None of the roads will pass through or near ecologically sensitive areas.	
Involuntary Resettlement	Feasibility studies indicate that (i) sections of the right-of-way of roads are encroached, typically where there are habitations; and (ii) two greenfield sections will involve acquisition of private land. The impacts will be confirmed and documented in section-wise resettlement plans.	
Indigenous Peoples	Preliminary screening identifies scheduled tribe communities in Nashik District. However, it does not appear that the communities fall within the meaning of indigenous peoples in Safeguard Policy Statement, nor (ii) that the project will directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples or affects the territories or natural or cultural resources that indigenous peoples own, use, occupy, or claim as an ancestral domain or asset.	
Stakeholder Communication, Participation, and Consultation		

During Project Design Poverty and social assessment will be conducted using focus group discussions, interviews, consultation meetings and surveys involving affected peoples, the poor, vulnerable and marginalized groups, community- based organizations (CBOs) and/or civil society organizations (CSOs).

During Project Implementation

Business Opportunities

Consulting Services The project will engage consulting firms to assist with authority engineer tasks for the works contracts. 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, as amended from time to time) shall apply.

Procurement Project procurement risk assessment and strategic procurement planning is at advanced stages of completion. Contracts under the project will be on engineering, procurement and construction mode, for which documents are under preparation. Advance contracting and retroactive financing are proposed to allow an earlier start of project implementation.

Responsible ADB Officer	Rowan Marcus, Kirsty
Responsible ADB Department	South Asia Department
Responsible ADB Division	Transport and Communications Division, SARD
Executing Agencies	Public Works Department of the Government of Maharashtra

Timetable

Concept Clearance	08 Dec 2021
Fact Finding	07 Mar 2022 to 24 Mar 2022
MRM	28 Jun 2022
Approval	03 Nov 2022
Last Review Mission	-
Last PDS Update	23 Sep 2022

Loan 4242-IND

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	505.00	Cumulative Contract Awards			
ADB	350.00	-	0.00	0.00	%
Counterpart	155.00	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Project Page	https://www.adb.org/projects/52298-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=52298-002
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