



# India: Himachal Pradesh Subtropical Horticulture, Irrigation and Value Addition

Project Name	Himachal Pradesh Subtropical Horticulture, Irrigation and Value Addition	
Project Number	53189-002	
Country	India	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Himachal Pradesh Subtropical Horticulture, Irrigation and Value Addition	
	Ordinary capital resources	US\$ 100.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development	
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural policy, institutional and capacity development	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	<p>Himachal Pradesh is a small state with more than 50% of its areas in mountains and less than 10% in cultivation. The state's economic growth in the 1990s was driven by agriculture and its allied activities, but has gradually shifted to the industrial/manufacturing and services sectors. Still, Himachal Pradesh is the only state in India where 90% of the state's population live in rural areas and nearly 62% of the state population relies on agriculture and its allied sectors for employment.</p> <p>Despite the importance of agriculture in the livelihood of large rural population, there is a distinct agricultural development gap between the northern (or temperate horticulture areas) and southern (or subtropical horticulture areas) parts of Himachal Pradesh. Subtropical horticulture farmers earn only \$116 per month while temperate horticulture farmers earn about \$1,550 per month. Temperate horticulture in northern Himachal Pradesh has been dominated by the production of apple, which is the most important fruit crop for the state accounting for 79% of the state's fruit production in 2017 -2018. The state recognizes the need to diversity horticulture production. This is because apple production fluctuates due to weather and changing markets, and the potential to reduce income disparity between the northern and southern parts of Himachal Pradesh, benefiting from accessing off-season markets of other fruits and vegetables in the subtropical area. The State Government of Himachal Pradesh requested the Asian Development Bank (ADB) to support development of horticulture in subtropical areas of the state, and reduce income gap between farmers in subtropical and temperate horticulture regions.</p>	
Project Rationale and Linkage to Country/Regional Strategy	The project aims to increase income of at least 25,000 farm households in seven districts of Bilaspur, Hamipur, Kangra, Mandi, Solan, Sirmour and Una in subtropical areas of Himachal Pradesh. At least 20% of the project's beneficiaries will be poor households. The project will expand irrigation to farmers, increase subtropical horticulture production and its climate resilience, and assure profitability of subtropical horticulture production through value chain development of targeted commodities.	
Impact	Rural household income increased (Strategies for Doubling Farmers' Income in Himachal Pradesh) Climate resilience strengthened (Himachal Pradesh SDG Goals 1,2, 8, 13 and 15)	
Outcome	Income and climate resilience of targeted households in subtropical areas of Himachal Pradesh improved	
Outputs	Irrigated area expanded and sustainably operated. Climate resilient subtropical horticultural production increased. Market access for subtropical horticulture farmers developed	
Geographical Location	Bilaspur, Hamirpur, Kangra, Mandi, Sirmaur, Solan, Una	
<b>Safeguard Categories</b>		
Environment		B
Involuntary Resettlement		B
Indigenous Peoples		B
<b>Summary of Environmental and Social Aspects</b>		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
Stakeholder Communication, Participation, and Consultation		
During Project Design		
During Project Implementation		

Business Opportunities	
Consulting Services	Consulting Services Recruitment of team and individual consultants will be conducted by the EA/IA using ADB's Procurement Regulations (2017). Advance procurement action will be done through the Project Readines Financing loan, which will also prepared the bidding documents for the ensuing loan.
Procurement	Procurement of goods and works will be conducted by the EA/IA using ADB's Procurement Regulations (2017) and standard bidding documents e-GP system with the required ADB organization application installed will be used. Advance procurement action will be done through the Project Readiness Financing loan, which will also prepared the bidding documents for the ensuing loan.

Responsible ADB Officer	Kim, Sunae
Responsible ADB Department	South Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, SARD
Executing Agencies	Department of Horticulture, Government of Andhra Pradesh O/o. Commissioner of Horticulture, TTPC Building, 1st Floor, Old Market Yard, Chuttugunta ( Beside Mini Rythu Bazar), A.P., Guntur. Department of Horticulture, Government of Himachal Pradesh O/O Joint Director of Horticulture, Directorate of Horticulture, HP, "Naubahar", Shimla 171 002

Timetable	
Concept Clearance	22 Jun 2020
Fact Finding	04 Apr 2022 to 11 Apr 2022
MRM	30 Jun 2022
Approval	-
Last Review Mission	-
Last PDS Update	23 Jun 2020

Project Page	<a href="https://www.adb.org/projects/53189-002/main">https://www.adb.org/projects/53189-002/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=53189-002">http://www.adb.org/forms/request-information-form?subject=53189-002</a>
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