

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. India's major development partners in the transport sector are the Asian Development Bank (ADB), Japan International Cooperation Agency (JICA), and the World Bank. India's Twelfth Five Year Plan, 2012–2017 continues the emphasis on the importance of transport infrastructure investment as key to promoting regionally balanced and inclusive growth.<sup>1</sup> In line with this, JICA and the World Bank have supported development of the transport network.

2. ADB involvement in India's road subsector began in the late 1980s, initially focusing on national highways. Following the launch of the Prime Minister's Rural Road Development Program in 2000, ADB-funded projects have diversified into state and rural roads, and railways. The World Bank's extensive involvement in the road subsector began in the 1960s, and has recently focused on large-scale projects, including a dedicated freight corridor and national highway development. JICA has focused on urban transport and logistic infrastructure to improve inter-megacity connectivity, including the Delhi–Mumbai corridor development. A list of projects approved by development partners since 2000 is in the table. The Asian Infrastructure Investment Bank and New Development Bank are also funding projects in India, including in the roads sector.

#### Major Development Partners

Development Partner	Project Name	Duration	Amount (million)
ADB	West Bengal Corridor Development Project	2001–2011	\$79
	East–West Corridor Project	2002–2009	\$320
	Madhya Pradesh State Roads Sector Development Program	2002–2008	\$180
	National Highways Sector I Project	2003–2011	\$400
	Chhattisgarh State Road Development Project	2003–2011	\$180
	National Highway Sector II Project	2004–2011	\$400
	MFF, Rural Roads Sector II Investment Program	2005–2014	\$750
	MFF, Uttarakhand State Road Investment Program	2006–2017	\$550
	Madhya Pradesh State Roads Sector Project II	2007–2010	\$321
	Bihar State Highways Project	2008–2013	\$421
	National Highway Corridor (Sector) I Project	2009–2012	\$100
	Jharkhand State Roads Project	2009–2014	\$200
	Bihar State Highways II Project	2010–2015	\$301
	Karnataka State Highway Improvement Project	2010–2015	\$317
	Madhya Pradesh State Roads Project III	2011–2014	\$301
	MFF, North Eastern State Roads Investment Program	2011–2016	\$200
	Bihar State Highways II Project, Additional Financing	2012–2018	\$301
	Chhattisgarh State Road Sector Project	2013–2017	\$301
	SASEC Road Connectivity Investment Program	2014–2017	\$500
	Madhya Pradesh District Connectivity Sector Project	2014–2019	\$350
Second Jharkhand State Road Project	2015–2019	\$200	
Uttar Pradesh Major District Roads Improvement Project	2016–2021	\$300	
Bihar New Ganga Bridge Project	2016–2021	\$500	

<sup>1</sup> Planning Commission, Government of India, 2013. *Twelfth Five Year Plan (2012-2017)*. New Delhi.

Development Partner	Project Name	Duration	Amount (million)
	Madhya Pradesh District Roads II Sector Project	2016-2021	\$350
	Rajasthan State Highway Investment Program	2017-2022	\$500
AIIB	Gujarat Rural Roads (MMGSY) Project	2017-2019	\$329
JICA	Hyderabad Outer Ring Road Project, Phase 1	2007-2013	¥41,853
	Hyderabad Outer Ring Road Project, Phase 2	2008-2013	¥42,027
	Bihar National Highway Improvement Project	2013-2017	¥22,903
	Bihar National Highway Improvement Project, Phase 2	2014-2022	¥21,426
	Mumbai Trans-Harbor Link Project	2017-2023	¥144,795
	Northeastern Road Network Connectivity Improvement Project	2017-2022	¥67,170
NDB	Madhya Pradesh, Upgrading Major District Roads	2016-2021	\$350
World Bank	Third National Highways Project	2000-2007	\$516
	Gujarat State Highway Project	2000-2007	\$381
	Karnataka State Highways Improvement Project	2001-2007	\$361
	Grand Trunk Road Improvement Project	2001-2008	\$589
	Kerala State Transport Project	2002-2010	\$255
	Mizoram State Roads Project	2002-2010	\$60
	Uttar Pradesh State Roads Project	2002-2010	\$488
	Tamil Nadu Road Sector Project	2003-2012	\$348
	Country Wide Rural Roads Project	2004-2012	\$399
	Lucknow-Muzaffarpur National Highway Project	2004-2012	\$620
	Punjab State Road Sector Project	2006-2017	\$250
	Himachal Pradesh State Roads Project	2007-2016	\$220
	Orissa State Roads Project	2008-2016	\$250
	Andhra Pradesh Road Sector Project	2009-2015	\$320
	NHAI Technical Assistance Project	2010-2016	\$45
	PMGSY Rural Roads Project	2010-2015	\$1,500
	Second Karnataka State Highway Improvement	2011-2016	\$350
	Assam State Roads Project	2012-2018	\$320
	Rajasthan Road Sector Modernization Project	2013-2018	\$160
	Second Kerala State Transport Project	2013-2019	\$216
National Highways Interconnectivity Improvement Project	2013-2019	\$500	
	Second Gujarat State Highway Project	2013-2019	\$175
	Mizoram State Roads II – Regional Transport Connectivity Project	2014-2020	\$107
	Second Tamil Nadu Road Sector Project	2015-2021	\$300

ADB = Asian Development Bank, AIIB = Asian Infrastructure Investment Bank, JICA = Japan International Cooperation Agency, MFF = multitranches financing facility, NDB = New Development Bank, NHAI = National Highways Authority of India, MMGSY = Mukhya Mantri Gram Sadak Yojana (Chief Minister's Rural Road Development Program), PMGSY = Pradhan Mantri Gram Sadak Yojana (Prime Minister's Rural Road Development Program), SASEC = South Asia Subregional Economic Cooperation.

Sources: Asian Development Bank, Asian Infrastructure Investment Bank, Japan International Cooperation Agency, New Development Bank, and the World Bank.

## **B. Institutional Arrangements and Processes for Development Coordination**

3. Within the overall development framework provided in the government's plans and key sector development initiatives such as the National Highway Development Program and the PMGSY for rural roads, ADB support has been developed in close collaboration with other development partners, particularly the World Bank and JICA. ADB coordination with the World Bank and JICA is maintained through regular staff meetings to explore development synergies. A collaboration mechanism has been institutionalized to facilitate the exchange of information between key sector coordinators at the country offices. Similar arrangements are being initiated with the Asian Infrastructure Investment Bank and New Development Bank.

## **C. Achievements and Issues**

4. ADB formed a close partnership with the Department for International Development of the United Kingdom (DFID) to provide technical assistance projects in areas that contribute to poverty reduction in India. However, based on an agreement with the Government of India, DFID will not approve new financial grant aid to India, and completed all commitments to ongoing projects by 2015.<sup>2</sup> DFID will focus on sharing skills and expertise in priority areas such as growth, trade and investment, skills, and health, or on making investments in private sector pro-poor projects.

5. An evaluation of the ADB assistance program in India for transport operations found that (i) ADB's strategic selection and priority areas of involvement in the sector were significant and appropriate to the country's needs; (ii) ADB assistance helped improve the quality and capability of road and railway infrastructure; and (iii) ADB added significant value in the areas of policy development; institutional strengthening; encouragement to private sector participation; and increasing compliance with and public awareness of social safeguards, road safety, and related issues.<sup>3</sup> Project designs are being simplified to focus on improving executing agency performance in core functions, and assistance is being provided during project preparation to address issues of safeguard compliance.

## **D. Summary and Recommendations**

6. Transport infrastructure investment is crucial to foster economic growth and inclusiveness by enabling larger populations to better access markets and basic services. Financial assistance to road development in Karnataka is critical to enhancing the state core network capacity and providing more efficient movement of people and goods. The Karnataka Public Works, Ports and Inland Water Department (KPWD) is the key roads agency of the state and is expected to play a core role in developing the state road network. The World Bank in parallel is processing a similar loan for state highway development. Further coordination and collaboration with other development partners will be pursued to achieve the goal effectively.

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<sup>2</sup> Government of United Kingdom. DFID India. *India is a Growing Global Power and a Key Partner for the UK*. <https://www.gov.uk/government/world/organisations/dfid-india>

<sup>3</sup> Asian Development Bank. 2016. *Country Assistance Program Evaluation India (2007–2015)*. Manila.