Early Warning System

ADB-48434-003

Visakhapatnam-Chennai Industrial Corridor Development Program - Project 1

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Quick Facts

Countries	India
Specific Location	Andhra Pradesh, Tamil Nadu
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	A
Voting Date	2016-09-26
Borrower	Government of India
Sectors	Energy, Industry and Trade, Infrastructure, Transport, Water and Sanitation
Investment Type(s)	Advisory Services, Grant, Loan
Investment Amount (USD)	$ 250.00 million
Loan Amount (USD)	$ 245.00 million
Grant Amount (USD)	$ 5.00 million
Project Cost (USD)	$ 720.00 million

Project Description

According to ADB project page, The Visakhapatnam-Chennai Industrial Corridor Development Program (VCICDP) will complement the ongoing efforts of the Government of Andhra Pradesh (GoAP) to enhance industrial growth and create high quality jobs. The VCICDP comprises a multi-tranche financing facility (MFF), a grant, and a policy-based loan (PBL). The MFF and the grant will support priority infrastructure investments in the Visakhapatnam- Chennai Industrial Corridor (VCIC), and the PBL will support policy reforms and institutional development in the state.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

To lay the foundation for a long-term investment program, ADB supported the preparation of a conceptual development plan and a regional perspective plan for the VCIC, which included an infrastructure strategy to drive economic growth and the identification of nodes for industrial development, high-potential industrial sectors, and a set of priority projects. The conceptual development plan indicated that the VCIC, with its long coastline and strategically located ports, provides multiple international gateways to connect India with vibrant global production networks. The regional perspective plan identified the VCIC's high potential for generating additional employment and industrial output, which can be achieved from 2015 to 2045. ADB is continuing its support to the GoAP with strategic planning for a long-term, phased investment plan, among others, through master planning of the four identified industrial nodes. The VCICDP will build on the existing concentration of industries and increase the density and flow of economic activities along the VCIC in a business-induced scenario against a business-as-usual scenario. The VCICDP is in line with ADB's country partnership strategy for India.

IMPACT

Contribution of the manufacturing sector to the gross domestic product, trade, and employment of GoAP increased

PROJECT STATUS

Project development mechanism with time-bound action plan is ongoing. Skill enhancement programs are being conducted. Capacity development programs, including training on gender and monitoring of gender-disaggregated data are being conducted .Investor promotion plan is being developed.75 km of water pipelines constructed in industrial clusters.65.8 Km of storm water drains constructed in Naidupeta cluster. Three substation works completed and commissioned at Naidupeta Industrial Area.31 km of internal roads improved, with gender-responsive design features constructed in Naidupeta industrial cluster.5,194 meters installed in Greater Visakhapatnam Municipal Corporation. 1 MLD common effluent treatment plant constructed and commissioned in Naidupeta industrial cluster. Road widening with gender-responsive design features works are under progress.120 km overhead stringing and 12 km underground cable installed in industrial clusters.171 km of new drinking water pipelines laid in Visakhapatnam. Bulk water supply works are in progress.

Investment Description

- Asian Development Bank (ADB)

Grant 0495-IND: Visakhapatnam-Chennai Industrial Corridor Development Program - Project 1
Urban Climate Change Resilience Trust Fund under the Urban Financing Partnership Facility US$ 5.00 million

Loan 3430-IND: Visakhapatnam-Chennai Industrial Corridor Development Program - Project 1
Ordinary capital resources US$ 245.00 million

Contact Information

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

CONTACTS

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Bank Documents

- Grant Agreement (Externally Financed) for Grant 0495-IND: Visakhapatnam-Chennai Industrial Corridor [Original Source]
- Loan Agreement (Ordinary Operations) for Loan 3424-IND: Visakhapatnam-Chennai Industrial Corridor De [Original Source]
- Loan Agreement (Ordinary Operations) for Loan 3430-IND: Visakhapatnam-Chennai Industrial Corridor De [Original Source]
- Program Agreement for Loan 3424-IND: Visakhapatnam-Chennai Industrial Corridor Development Program [Original Source]
- Project Agreement for Loan 3430 and Grant 0495-IND: Visakhapatnam-Chennai Industrial Corridor Develo [Original Source]
- Project Disclosure PDF
- Visakhapatnam-Chennai Industrial Corridor Development Program: Report and Recommendation of the Pres [Original Source]

Other Related Projects

- ADB-48434-002 Visakhapatnam-Chennai Industrial Corridor Development Program
- ADB-48434-004 Visakhapatnam-Chennai Industrial Corridor Development Program (Tranche 2)