Early Warning System

ADB-55154-002

Support for Strengthening Multimodal and Integrated Logistics Ecosystem

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Quick Facts

Countries	India
Specific Location	Nation-wide, Delhi
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	U
Voting Date	2021-11-10
Sectors	Industry and Trade, Infrastructure, Law and Government, Transport
Investment Type(s)	Advisory Services
Investment Amount (USD)	$ 1.00 million

Project Description

According to ADB documents, The Strengthening Multimodal and Integrated Logistics Ecosystem (SMILE) program is a programmatic policy-based loan (PBL) to support the government undertake wide-ranging reforms in the logistics sector in India. The program aims to strengthen the institutional and policy framework for inter-ministerial coordination and planning for incentivizing private sector participation in multimodal logistics projects, improve efficiencies in external trade logistics, and encourage the use of smart and automated systems for improved service delivery. The government has requested a regular loan of $500 million from ADB's ordinary capital resources to help finance the program. The proposed programmatic PBL modality with two subprograms of $250 million each, in FY2022 and FY2024, respectively, supported by the attached transaction TA, is appropriate because the (i) program will support crucial structural reforms to strengthen institutions, coordination, and processes; (ii) structural reforms need proper sequencing to ensure sustainability; and (iii) government has shown strong commitment to reforms.

This lending proposal was not included in ADB. 2020. Country Operations Business Plan: India, 2021 2023. Manila. The government requested ADB's financial assistance in a letter of 12 March 2021 as an addition to the plan. The South Asia Department confirmed that such financial assistance can be accommodated in the 2021 resource envelope.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

The proposed transaction TA is being processed at the request of the Government of India to meet key capacity building needs, strengthen sector institutions, and conduct studies to further deepen reforms and develop policy framework. The TA will support the implementing agencies in achieving the policy actions under subprogram 2 of the ensuing SMILE program. The TA will thus provide capacity building support to foster coordination among the different tiers of government and among the various institutions. The TA will also extend support to diagnose emerging challenges in the sector and identify policy initiatives. The TA activities will build on and/or carryforward activities commenced under earlier initiatives and replicate some successful interventions particularly in logistic planning and technology use for improving efficiency.

CONSULTING SERVICES

ADB will engage the consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.

PROCUREMENT

Procurement, advance contracting, and retroactive financing are not expected.

Investment Description

- Asian Development Bank (ADB)

Contact Information

Responsible ADB Officer	Karan, Navendu
Responsible ADB Department	South Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, SARD
Executing Agencies	Ministry of Commerce and Industry Udyog Bhawan, New Delhi 110011, India

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

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.

Bank Documents

- Project Disclosure PDF [Original Source]
- Support for Strengthening Multimodal and Integrated Logistics Ecosystem: Technical Assistance Report [Original Source]

Other Related Projects

- ADB-55154-001 Strengthening Multimodal and Integrated Logistics Ecosystem Program (Subprogram 1)
- ADB-55154-003 Strengthening Multimodal and Integrated Logistics Ecosystem Program (Subprogram 2)