



India: National Highway Corridor (Sector) I Project (Supplementary Loan)

Project Name	National Highway Corridor (Sector) I Project (Supplementary Loan)				
Project Number	34420-023				
Country	India				
Project Status	Closed				
Project Type / Modality of Assistance	Loan				
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">Loan 2527-IND: National Highway Corridor (Sector) I Project (Supplementary Loan)</td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 100.00 million</td> </tr> </table>	Loan 2527-IND: National Highway Corridor (Sector) I Project (Supplementary Loan)		Ordinary capital resources	US\$ 100.00 million
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Ordinary capital resources	US\$ 100.00 million				
Strategic Agendas	Inclusive economic growth				
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development				
Sector / Subsector	Transport - Road transport (non-urban)				
Gender Equity and Mainstreaming	Some gender elements				
Description	<p>The original loan of \$400 million for the National Highway Corridor (Sector) I Project was approved by ADB in December 2003. The scope of the Project consists of: (i) Highway Investment Component : widening and upgrading of 595 km of national highway stretch along east west corridor from Chittorgarh -Orai, passing through Rajasthan, MP and UP; (ii) Private Sector Participation Component: widening and upgrading of 62 km national highway section from Orai-Bara through private sector participation (PSP); (iii) Road Safety Component; and (iv) HIV/AIDS and Human Trafficking Awareness Component.</p> <p>The Project experienced substantial cost overruns mainly due to underestimation of cost of noncore subprojects, price escalation of construction materials and the financing gap caused by the local currency appreciation.</p> <p>The supplementary loan of \$100 million was approved on 30 June 2009 to ensure completion of the Project by addressing: (i) constraints impeding the project implementation and undertaking remedial measures to resolve them; and (ii) the issue of cost overrun in civil works.</p>				
Project Rationale and Linkage to Country/Regional Strategy	ADB has pursued a programmatic approach to realize medium-to long-term goals to assist the Government in its efforts to upgrade the National Highway Development Program (NHDP) to rehabilitate three key arterial corridors. The Project is part of country strategy and program for India.				
Impact	Improved mobility of people and goods to contribute to the economic growth of the states connected by the Project corridor				

Project Outcome

Description of Outcome	Improved road transport services and safety along the project corridor
Progress Toward Outcome	The travel time and vehicle operating cost has reduced significantly on completed highway corridor. The full benefits of the project would be realized upon project completion.

Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. Stretches between Chittorgarh and Orai are widened into four-lane roads. 2. 10% of the project corridor is developed through a build operate-transfer concession. 3. A road safety zone concept is implemented. 4. Campaigns to help prevent the spread of HIV and increase awareness of the risk of trafficking in women and children are conducted.
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Status of Implementation Progress (Outputs, Activities, and Issues)	<p>(i) Highway Investment Component: Out of 12 contracts awarded for 4 laning of 595 km National Highway on the north-south corridor, 11 contracts have been completed and remaining 1 contracts in Uttar Pradesh is expected to be substantially completed by December 2011</p> <p>(ii) PSP component: Construction work on Bara-Orai section (62 km) (on BOT basis) commenced in October 2006. The physical progress of civil works as of February 2011 is 94%, and the completion is anticipated by December 2011.</p> <p>(iii) HIV/AIDS and anti-trafficking component: NHAI engaged NGOs to conduct HIV/AIDS and human trafficking awareness program. Also, civil works contracts incorporated a provision requiring contractors to carry out HIV/AIDS awareness and prevention programs for their workers. The NGOs and the contractors have conducted these activities.</p> <p>(iv) Road safety component: NHAI had identified the Jhansi-Orai section in Uttar Pradesh as a pilot section for the implementation of 'road safety zone' concept. The consultants for developing and designing the road safety component have been engaged in April 11.</p>
Geographical Location	Uttar Pradesh, Madhya Pradesh, Rajasthan

Safeguard Categories

Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The implementation of environmental management plans have been monitored by supervision consultants and NHAI has been submitting environmental monitoring reports.
Involuntary Resettlement	The resettlement activities have been undertaken in accordance with the resettlement plans and have nearly been completed.
Indigenous Peoples	

Stakeholder Communication, Participation, and Consultation

During Project Design	The stakeholders including local governments and communities have been consulted during design stage.
During Project Implementation	The stakeholders including local governments and communities have been consulted during implementation stage.

Business Opportunities

Consulting Services	Consultants for construction supervision and road safety zone implementation have been recruited in accordance with ADB's Guidelines on the Use of Consultants and other arrangements satisfactory to ADB.
Procurement	Procurement under the Project has been carried out in accordance with ADB's Guidelines for Procurement and the Government's tender procedures acceptable to ADB. 12 civil works contracts have been procured under international competitive bidding (ICB).

Responsible Staff

Responsible ADB Officer	Motwani, Anil
Responsible ADB Department	South Asia Department
Responsible ADB Division	India Resident Mission
Executing Agencies	<i>National Highways Authority of India Mr. J.K. Bansal Jhansi (Uttar Pradesh)</i>

Timetable

Concept Clearance	20 Feb 2009
Fact Finding	12 Feb 2009 to 26 Feb 2009
MRM	27 Mar 2009

Approval	30 Jun 2009
Last Review Mission	-
PDS Creation Date	03 Mar 2009
Last PDS Update	24 May 2011

Loan 2527-IND

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Jun 2009	04 Aug 2009	15 Sep 2009	31 Dec 2011	-	09 May 2012

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	338.80	Cumulative Contract Awards			
ADB	100.00	30 Jun 2009	100.00	0.00	100%
Counterpart	238.80	Cumulative Disbursements			
Cofinancing	0.00	30 Jun 2009	100.00	0.00	100%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	Satisfactory	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

Project Page	https://www.adb.org/projects/34420-023/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=34420-023
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