

OCTOBER 2015

91626

INDIA

Country Snapshot

The World Bank Group



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COUNTRY SNAPSHOT

India's progress in economic and human development is one of the most significant global achievements of recent times. Between 2005 and 2010, India's share of global gross domestic product (GDP) increased from 1.8 to 2.7 percent. Since 2005, 138 million people were lifted out of poverty; 85 million alone in 2010-12. India is home to globally recognized companies in pharmaceuticals, steel, and space technologies, and the country is a leader in the use of information technologies for e-government and public service delivery. In line with these transformations, India is now among the

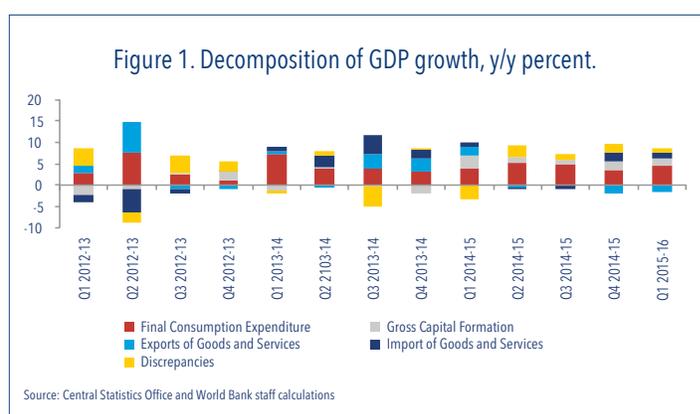
top 10 percentile of fast growing nations and has become a prominent global voice. Progress on human development has been remarkable: life expectancy more than doubled from 31 years in 1947 to 65 years in 2012, and adult literacy more than quadrupled from 18 percent in 1951 to 74 percent in 2011. While India has made significant progress in reducing absolute poverty, it is still home to 270 million poor people. Significant development challenges remain. Helping India address these challenges is central to the World Bank Group's goal of reducing poverty and boosting shared prosperity.

ECONOMIC OVERVIEW

INDIA	
	2014
Population, million	1,295.3
GDP, current US\$ billion	2,066.9
GDP per capita, current US\$	1,596

Source: WDI

Lifted by the prospects of faster implementation of reforms and a favorable terms-of-trade shock, the Indian economy has remained on a path of modest acceleration – as reflected in improvements in investments and industrial output. However, the delay in implementing key reforms on the domestic front, a weak trade performance and the recent slowdown in rural wage growth pose risks to growth.



Recent Developments

Economic growth has been robust. Growth in real gross domestic product (market prices) increased from 5.1 percent in 2012/13 to 7.3 percent in 2014/15 before moderating slightly to 7.0 percent in the first quarter of 2015/16. While the momentum was initially supported by private consumption (average growth of 6 percent during 2012/13-2014/15), it has more recently benefited from a pick-up in investments (4.6 percent in 2014/15 and 4.9 percent in Q1 2015/16 vs. an average of 1.3 percent in the preceding two years). Non-farm activities continue to be the major drivers of growth. While trade and transport services still make the largest contribution to growth, manufacturing, construction and real-estate services have gained prominence and their combined contribution to growth increased to nearly 55 percent in 2014/15 from 45 percent in the previous two years.

Inflationary pressures subsided during 2014/15 with retail inflation down to 5.9 percent from an average of 10.1 percent in the preceding two years. Food inflation declined (6.5 percent during 2014/15 from an average of 11.8 percent in 2012/2014), and upward revisions in minimum support prices have steadily declined as crop prices increased by an average of 17 percent during 2012/13 and by average of 2 percent in 2014/15.

Most recently, inflation has been stable at 4.5 percent for the first five months of 2015/16.

Outlook

Economic activity is expected to accelerate gradually, on the back of improved industrial activity, a continued revival of the investment cycle and resilient consumption. India is expected to weather global volatility in 2015/16, with real GDP growth projected to increase to 7.5 percent despite a weak export recovery. Public investments are expected to accelerate, in line with the government's stated focus on enhancing infrastructure investments, and start crowding in private investments. With the expected upward momentum in investment, the overall growth momentum can gradually reach 7.9 percent in 2017/18. Private consumption may also receive a fillip from the imminent civil service pay revisions and is expected to grow by 8.0 percent by 2017/18. On the production front, the acceleration would be supported by construction activity at first, with manufacturing gradually picking up pace.

Inflationary pressures are likely to continue easing in the near term on account of lower global commodity prices and improved production capacity, which will prevent overheating in the medium term. The central bank's new inflation targeting stance is likely to further boost credibility of medium-term inflation of ~5 percent.

Challenges

The growth outlook is subject to substantive downside risks. The most immediate is related to corporate and financial sector balance sheets, and in the longer-term the implementation of the government's reform program – e.g. GST, land acquisition, and improvements in the business climate – some of which has been delayed. Unblocking the pipeline of infrastructure projects, ensuring sustainable means of financing and unlocking private investment are necessary to realize the meaningful and sustainable increase in investments embodied in the baseline scenario. On the external front, major risks stem from weak growth of India's key sources of trade, investment and remittance flows; increased volatility in financial flows; and higher global food prices due the severe El Nino expected this year.

Development outcomes are increasingly tied to states' priorities and capacities. Following the recommendation of the 14th finance commission, state governments have been awarded greater fiscal resources and spending autonomy. While the increased devolution of unconditional resources is a positive development, efficient utilization of these resources may vary across states. A simultaneous scaling down of centrally sponsored social sector schemes presents risks for development outcomes, unless compensated for by the states.

TABLE 1

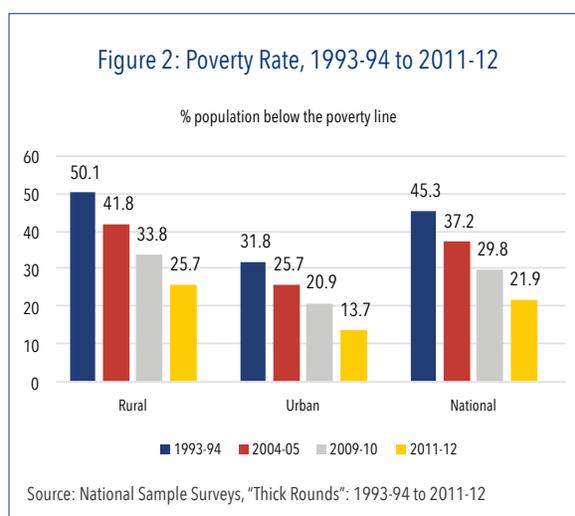
	2012	2013	2014	2015 f	2016 f	2017 f
Real GDP growth, at constant market prices	5.1	6.9	7.3	7.5	7.8	7.9
Private Consumption	5.5	6.2	6.3	7.0	8.0	8.0
Government Consumption	1.7	8.2	6.6	6.5	6.3	6.2
Gross Fixed Capital Investment	-0.3	3.0	4.6	7.9	9.1	9.5
Exports, Goods and Services	6.7	7.3	-0.8	3.0	5.5	6.6
Imports, Goods and Services	6.0	-8.4	-2.1	3.0	6.5	8.8
Real GDP growth, at constant factor prices	4.9	6.6	7.5	7.6	7.8	7.9
Agriculture	1.7	3.8	1.1	2.0	2.8	2.8
Industry	2.3	4.4	5.6	5.8	6.0	6.3
Services	8.0	9.1	10.9	10.4	10.3	10.3
Current Account Balance (% of GDP)	-4.8	-1.7	-1.3	-1.4	-1.7	-2.0
Fiscal Balance (% of GDP)	-7.6	-7.3	-7.0	-6.4	-6.1	-5.7

Sources: World Bank, Macroeconomics and Fiscal Management Global Practice; Notes: f = forecast.

RECENT SECTOR DEVELOPMENTS

Trends in poverty and shared prosperity

India has made remarkable progress in reducing extreme poverty in the past decade. The poverty rate declined from 45.3 percent in 1994 to 21.9 percent in 2012 (Figure 2). The pace of progress has picked up. Since 2005, 138 million people were lifted out of poverty, of which 85 million people moved above the official poverty line between 2010 and 2012.¹ India has outstripped the first Millennium Development Goal (MDG) of halving the proportion of people whose income is less than \$1.25 a day.² Consumption growth of the bottom 40 percent of the population has risen, but lags behind growth of average consumption.



Gains have been widespread, but low-income states are falling further behind. Although poverty has declined everywhere, it is increasingly concentrated in the poorer states—also the most

1 Estimates are based on the national (official) poverty lines. The sharp decline in poverty between 2009-10 and 2011-12 reflects, at least in part, the fact that 2009-10 was afflicted with severe drought. At the \$1.25 poverty line, the scale of progress is equally staggering: between 2004-05 and 2011-12, nearly 180 million people moved out of poverty.

2 India's poverty rate at the PPP \$1.25/ day poverty line has fallen from 49.4 percent (1993-94) to 23.6 percent (2011-12).

TABLE 2: POVERTY RATES IN LOW-INCOME STATES

	Share of Population	Share of Poor	Poverty rate
Bihar	8.6	13.3	33.7
Chhattisgarh	2.1	3.9	39.9
Jharkhand	2.7	4.6	37.0
Madhya Pradesh	6.0	8.7	31.7
Odisha	3.5	5.1	32.6
Rajasthan	5.7	3.8	14.7
Uttar Pradesh	16.5	22.2	29.4
Total for LIS	45.1	61.5	29.8

populous—which have lagged in both growth and responsiveness of poverty to growth. The low-income states (LIS), as a group, have a poverty rate that is twice that of other states, and are home to a disproportionate share (61.5 percent) of India's poor people. (Table 2)

Poverty rates among Scheduled Tribes remain high. Welfare indicators for Scheduled Tribes and Scheduled Castes are improving, but Scheduled Tribes in 2012 still experienced levels of poverty (43 percent) seen in the general population 20 years earlier in 1994 (45.5 percent).³

Despite large gains on the poverty front, India continues to lag behind world—and in some instances regional—averages on human development outcomes. India ranks 135 out of 187 on the United Nations' 2013 Human Development Index (HDI). India's child malnutrition rates are the highest in South Asia; 38.7 percent of children five and under are malnourished. Over one-fourth (650 million) of people globally who lack access to sanitation live in India. India accounts for 59 percent of the 1.1 billion people globally who practice open defecation.⁴ With the exception of Afghanistan, India has the second lowest

3 World Bank staff estimates based on the official poverty lines and National Sample Survey consumption expenditure data.

4 WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation Data Update with estimates for 2014.

life expectancy at birth (66.2 years) in South Asia.⁵ India still accounts for one-third (nearly 300 million people) of the globe's illiterate people.

Development Progress, Challenges and WBG Contributions

Despite significant development progress and poverty reduction, India's development agenda remains a complex work in progress. As detailed in the government's 12th Five-Year Plan, the challenges are many, cutting across all sectors, all 35 union states and territories, across rural and urban areas, and impacting the lives of its 1.2 billion people. Regional disparities persist, with the seven poorest states accounting for 61.5 percent of India's 270 million poor people.

The World Bank Group (WBG) partnership with India is strong and enduring, spanning nearly six decades. Since its first International Bank for Reconstruction and Development (IBRD) loan to Indian Railways in 1949, the WBG's financing, analytical work and advisory services have contributed to the country's development. WBG-supported activities, for example, have had a considerable impact on universalizing primary education, empowering rural communities through a series of rural livelihoods projects, revolutionizing agriculture through support of the Green—and more recently White (milk)—Revolutions, and improving health outcomes by helping to combat polio, tuberculosis, and HIV/AIDS.

The WBG Country Partnership Strategy (FY2013-2017) (CPS) presents a program of support that aims to help India reduce poverty and boost shared prosperity. The CPS presents two long-term scenarios—a vision for India in 2030—that indicate what could be accomplished with continued strong focus on economic development and inclusive growth. For example, the number of global poor could decrease by 191 million. To help realize this vision in the medium term, WBG support to India focuses on three engagement areas— integration, urban-rural transformation, and inclusion—with sustainability, governance, and gender cutting across the entire program. Two major strategic shifts were envi-

sioned: more pronounced engagement in India's low-income and special category states,⁶ and a focus on urbanization.

The Country Partnership Strategy

The CPS program is being implemented as planned.⁷ Engagement in India's low-income and special category states has increased significantly, accounting for nearly 19 percent of total IBRD/International Development Association (IDA) commitments (amounting to \$4.6 billion) in the current portfolio against the 30 percent CPS target by 2017. More than half of total IDA financing in FY2013-2015 supported projects in these states as well as 21 percent of the International Finance Corporation's (IFC) total investment financing in India. Analytical work has contributed to a better understanding of India's ongoing rural-urban transformation, creating a solid knowledge base for expanded operational engagement, especially in the urban sector. Progress towards achieving CPS-level results is strong, with many targets already surpassed midway through CPS implementation. Demand for development policy advice, financing and knowledge has increased significantly.

A significantly scaled-up program is being delivered in the context of a strengthened partnership between the Government of India and the World Bank Group. The May 2014 national elections brought to power the National Democratic Alliance (NDA), led by Prime Minister Narendra Modi. In its first year, the new government announced an ambitious reform agenda, and launched an array of new high-impact initiatives. Spearheaded by Prime Minister Modi and WBG President Jim Kim, the Bank Group agreed to scale up support in six priority areas of engagement consistent with the CPS. Cutting-edge global knowledge, and financ-

6 Low-income states include: Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. Special Category States (although the designation has been recently abolished, it is retained in the PLR as it was used in the CPS) include the Northeast and Himalayan States. IFC excludes Himachal Pradesh, Uttarakhand, and West Bengal. (At the start of the CPS, West Bengal was also a focus state for IFC, but dropped subsequently).

7 See India Performance and Learning Review of the Country Partnership Strategy for India for the Period FY2013-FY2017, September 24, 2015.

5 World Development Indicators, 2013.

ing is being mobilized from across the “One World Bank Group” to help: rejuvenate the Ganga; develop smart cities and improve urban service delivery; improve rural sanitation and end open defecation; provide 24/7 electricity, including an ambi-

tious push on solar energy; and provide youth with training and skills development. The Bank Group will also scale up engagement in two additional areas to help modernize India’s massive railway system and improve India’s business climate (Box 1).

Box 1: WBG’s Priority Areas of Engagement

In 2014, Prime Minister Modi requested WBG’s support on a series of high-impact initiatives of the Government of India:

Power for All: 24/7 electricity for all by 2019.

Swachh Bharat: 100 percent rural sanitation and open-defecation free India by October 2, 2019.

Skilling India: By 2020, 500 million youth equipped with skills to ensure India’s global competitiveness and inclusive growth.

Ganga Rejuvenation: A clean and healthy Ganga, whose basin has a population of about 450 million people.

Smart Cities: 100 smart cities that use information technology to solve urban issues by 2024.

AMRUT: Comprehensive provisioning of municipal services in 500+ cities.

Business Climate: “Doing Business” ranking of 50 or above.

Railways: Expand capacity, modernize infrastructure, and promote self-sustainable financing by 2020.

A robust analytical program has helped validate—and recalibrate—the strategy to better align it with the World Bank Group’s twin goals. This mid-term progress report was always intended to be a learning opportunity, mainly to assess how a large and complex country program can operationalize the twin goals. It was acknowledged that the preliminary analytical work underpinning the three engagement areas and two strategic shifts had to be deepened further. A better understanding by the Bank of trends in poverty and inclusion, and drivers of poverty reduction has helped strengthen the “line of sight” between program objectives, higher order country outcomes, and the twin goals. Already completed and/or well-advanced analytical work across eight multi-sectoral development issues (Box 2) as well as learnings from across the three CPS engagement areas have confirmed the broad orientation of the strategy, and provided rationale for recalibration and increased focus in a few areas.

Box 2: Eight Clusters: A Multi-Sectoral Approach to Knowledge Work

1. Poverty and Shared Prosperity aims to better understand the multiple dimensions of poverty and shared prosperity in India, and identify ways the Bank Group can support the Government of India to meet its goal of inclusive growth.

2. Water consolidates and sharpens the Bank Group’s engagement in water in India to promote water security, to show the necessary trade-offs with respect to the use of a finite resource that is over allocated, and to show the links between water and the economy.

3. Urban is designed to provide a platform to address challenges and opportunities posed by India’s spatial transformation and the CPS’ strategic shift toward urbanization.

4. Service Delivery seeks to assist in improving the access, quality, and accountability of core government services with an emphasis on LIS.

5. Human Development Outcomes community of practice undertakes strategic analytic and advisory activities to help identify, assess and improve the determinants of key human development outcomes in India.

6. Public-Private Partnership (PPP) supports Government of India PPP programs to increase access to basic services, achieve incremental efficiencies in service delivery, and improve governance in target sectors.

7. Social Inclusion and Gender helps to establish links between social inclusion, gender, Scheduled Tribes, and the twin goals through analytical work, piloting and learning, and direct operational support.

8. Economic Integration explores opportunities to maximize the economic potential of ongoing and planned infrastructure investments along India’s Eastern Corridor by focusing on diagnostics and interventions that could better connect producers to markets, strengthen competitiveness, and support integration domestically, regionally and globally.

Integration

Enhanced efforts to increase India's market integration can significantly boost the country's economic growth. Better integration—connecting India's diverse regions and sectors—will result in a more balanced growth among Indian states, helping low-income states converge more quickly with their faster-growing neighbors.

The challenges in the “integration” area of engagement, and the WBG's program to help the Government of India address them, include:

Addressing India's massive transport infrastructure gap. Although India's transport network is one of the most extensive in the world, accessibility and connectivity are limited. Only 20 percent of the national highway network (which carries 40 percent of traffic) is four-lane, and one-quarter of the rural population lacks access to an all-weather road. The entire railway system is grappling with issues of financial sustainability. There is a renewed



The long-term partnership between the WBG and POWERGRID has not only contributed to the improvement in technical standards and implementation of state-of-the-art technology, but also supports POWERGRID in its institutional strengthening through safeguards and fiduciary dialogue, enabling it to become a globally recognized transmission utility.

interest to develop inland waterways to promote efficient and environmentally friendly intermodal transport.

Key WBG support in the transport sector will focus on the reform and development of railways, highways and rural roads, intermodal transport inland waterways, and on improving road safety. WBG projects will aim to improve transport connectivity by upgrading and maintaining 7,000 kilometers (km) of state highways and significantly increasing rail transport capacity on the Eastern Freight Corridor.

Further strengthening India's energy sector to improve availability and reliability of power for economic development. Over the past decade, India has nearly doubled its installed generation capacity, becoming a global leader in renewable energy, and also improved its transmission network, developed electricity exchanges, and enacted major energy-related legislation. Despite these achievements, an estimated 300 million people and 40 percent of rural households do not have access to electricity, while those who are connected to the grid must cope with an unreliable supply. Problems include: energy demand that far outstrips supply; below market pricing of electricity; constraints on the coal and gas supply that force generation stations to operate below capacity; and high rates of loss in distribution. At the state level, the power sector faces especially acute financial difficulties; accumulated losses in the state distribution sector amount to 1.5 percent of India's GDP. Since Prime Minister Modi's pronouncement that everyone in India will have 24/7 electricity by 2022, tackling these challenges, while exploring alternative sources of energy, has become a development priority for the government.

Key WBG support will focus on the “Power for All” initiative, which will be central to the Bank Group's energy program. India aims to provide 24/7 electricity to the whole country, a major challenge when some 300 million Indians have no power at all. This will entail significantly increasing renewable energy sources such as solar, wind, and biomass. In solar alone, the government is working towards a five-fold increase in energy generation, from 20 gigawatts (GW) to 100 GW, and adding 50 GW of wind capacity by 2022. Bank Group support will help improve rural and urban power supply,

help restructure the worst performing state utilities, strengthen the national transmission corridor, and increase renewable sources of energy. Large lending operations in Andhra Pradesh and Rajasthan are under preparation, as are three new IBRD solar projects. IFC has been supporting medium- and small-scale project developers in the solar photovoltaic (PV) and wind businesses, domestic equipment suppliers to the renewable energy industry, and experienced foreign partners seeking to bring their renewable energy expertise to India.



30 million poor households from 90,000 villages organized into 1.2 million self-help groups.

Improving a healthy investment climate—with an eye to increasing private investment—is a priority of the government. In the aftermath of the global financial crisis, India's gross domestic savings rate declined significantly to 32 percent of GDP, constraining much-needed investment to address the infrastructure gap, alleviate capacity constraints, and raise potential output. The reduced availability of domestic financing sources, combined with the need to maintain high investment rates, highlights the importance of a healthy investment climate that creates opportunities for domestic and foreign investors. Policies that distort key markets are detrimental to India's investment climate.⁸

Key WBG contributions will include a focus on reforms that will improve the business climate by reducing the regulatory burden on businesses and increasing transparency across the firm's life cycle—entry operations and exit. Bank and IFC engagement on the Ease of Doing Business focuses on the Doing Business reform memo and supporting its implementation and focusing on range of business regulations issues. A major technical assistance (TA) effort is ongoing to support India's goal of dramatically improving its Doing Business rankings. Work is also ongoing to develop and implement state-level ranking of the business climate, aimed at promoting "competitive federalism" and in turn improving the investment climate across In-

dia. The other area of focus is on competitiveness. The *Manufacturing Plan Implementation TA and the Uttar Pradesh Growth and Inclusion Report*, has formed the basis of policy dialogue with authorities in Bihar, Tamil Nadu, Maharashtra, and Uttar Pradesh on competitiveness and private-sector development strategies. Future work in this area will broaden the dialogue to other states and is expected to deepen state-level engagement on private-sector competitiveness to support Government of India efforts on the "Make in India" campaign.

Job are key to achieving the twin goals of poverty reduction and shared prosperity. Over the last two decades, eight million people annually entered the labor force in India. Job creation, which has remained relatively flat over a long period, will continue to be a tremendous development challenge as India grapples with how best to provide opportunities to its burgeoning young workforce. At present, only 16 percent of the workforce derives its income from regular wage employment, and more than half are engaged in agriculture. India has the third lowest—and decreasing—female labor force participation rate in the South Asia region; only 27 percent of women ages 15 and older are working.

Key WBG contributions will include scaling up its activities in support of the government's launch of the "Skilling India" initiative. Ensuring that India's young people have the skills needed to take full advantage of employment opportunities, as they arise, is essential for India's development—its global competitiveness and long-term economic

⁸ International Labor Organization, modelled estimate for 2013.

prospects, and, more importantly, for poverty reduction and upward mobility. Ongoing Bank projects are yielding good results, but given the scale of the challenge and the ambitions of the new government, there is scope for deeper and more intense engagement. Support includes ongoing rural livelihoods, vocational training, technical education projects, as well as the increased engagement in tertiary education. Projects under preparation—including the Skills Employability Enhancement Project—aim to introduce reforms to provide sustainable expansion of the training system utilizing performance-based financing and significant involvement of private sector, as both a provider of relevant technical skills and as an employer. These projects are informed by the findings from the multi-state assessment of government-sponsored skills-training programs. Future analytical work on skills will increasingly seek to incorporate a more holistic understanding of what is meant by “skills”—looking at both life and technical skills throughout the whole life cycle of a worker, from birth to formal education and beyond, identifying productivity challenges faced at each stage. The starting point is nutrition both for the mother and child.

India and its neighbors have not fully realized their potential for growth through further regional and global integration. Although some progress has been made, South Asia remains one of the least integrated regions in the world with regard to policy, trade, and infrastructure. This lack of integration directly affects India’s economic development and hampers management of shared natural resources, such as cross-boundary river basins. It aggravates the isolation of the underdeveloped northeastern states from trade and transit routes and limits access to necessary energy resources, such as oil and power. The government’s regional integration goal is focused on seizing opportunities for increased trade and investment in South Asia, but also in emerging East Asian economies.

The WBG will promote regional integration, especially in: (i) the integrated management of natural resources and regional public goods; (ii) the pooling of power resources; (iii) trade and transport regional facilitation; and (iv) business dialogue. A new Nepal-India Power Transmission and Trade Project will finance construction of a cross-border transmission line to increase the trade of electric-

ity (up to 150 MW) between the two neighboring countries. Analytical work will continue to underpin dialogue on critical regional issues. On the Buddhist Circuit Program, IFC is working closely with the Ministry of Tourism and the governments of Uttar Pradesh and Bihar to develop an integrated Buddhist tourism trail across two states in India and Nepal. Building on recent momentum for improved regional integration, more attention will be paid to regional connectivity, especially as it relates to transport, trade logistics, and trade in electricity. Support on improving India’s investment climate will also increase.

Rural-Urban Transformation

India is undergoing a massive rural-urban transformation—one of the largest of the 21st century. For the first time since independence, India has seen a greater absolute growth in urban population. The number of towns increased from about 5,000 in 2001 to 8,000 in 2011, and some 53 cities now have a population exceeding one million. Today, 31.1 percent of the population lives in cities, and the share is expected to rise to 50 percent in the next 20 years. Accelerating urbanization is central to India’s growth, development, and poverty reduction, but it cannot be done without an equally pronounced focus on rural development in a sustainable manner. Rural areas are often poorly connected to cities, resulting in weak value chains for agricultural products and slow rates of off-farm job creation.

Accommodating the needs of an additional 10 million urban dwellers each year will be a strategic policy issue for many years to come. Providing them with adequate services such as water, sewerage, drainage and transportation, and creating opportunities for further economic development will be a challenge. The needs are particularly dire in India’s growing slums. Investments—both public and private—have not kept up with demand. Weak urban planning, ineffective regulations governing land management and use, and distorted land markets hinder the development of vibrant, livable cities. Urban governance is a major issue across all states and cities, and urban service delivery institutions have limited autonomy, accountability, and incentives or client orientation.

Key WBG support on urban development will fo-

cus on government efforts at the national, state, and city levels to help improve the management and livability of medium-sized cities across India. Support will be in three broad areas: institutional capacity strengthening of urban government, urban transport, and water and sanitation. To improve the service delivery, a series of state-level urban and municipal development lending operations will help at least 220 cities develop and implement new and/or updated urban management systems and the Karnataka Municipal Reform Project will help another 230 cities across the state implement a new e-governance and/or Geographical Information Systems (GIS) mapping system.

Analytical and advisory work on urban-related issues is expected to figure prominently in the program, and will underpin future lending operations. A recently completed study on the social dimension of urbanization is meant to contribute to policy dialogue on the role social protection systems and safety nets can play in a country with a growing urban poor population.

Faster economic growth has accelerated degradation of the environment and depletion of scarce natural resources that are essential for sustaining growth and eliminating poverty. India's long-term growth is predicated on its ability to address environmental problems such as soil erosion, water and air pollution, growing water scarcity, and the declining quality of forests. In Northern India, the aquifers are receding by an alarming four centimeters annually. The challenge is further exacerbated by environmental stresses resulting from urbanization processes that are often chaotic, and from private-sector development. The cost of environmental degradation in India was estimated in 2009 to be 6.6 percent of GDP.⁹

Key Bank contributions will be in environmental protection and biodiversity conservation. Work will focus on developing effective systems and institutions to enable more efficient environmental management and reduction of resource degradation,



Agriculture yields increased by 35-50 percent in areas supported by Bank projects in watershed management, while IFC's advisory support to DCM Shriram Consolidated Limited, an Indian sugar company, led to substantial productivity gains for sugarcane farmers. The IFC program is now being replicated with six sugarcane companies involving 200,000 farmers.

including: (i) coastal management; (ii) industrial pollution management; and (iii) natural resources (particularly water), ecosystems and biodiversity. Efforts will intensify to integrate sustainability considerations and lower carbon approaches in project design across sectors, but especially in infrastructure. On coastal management, the Bank will support the simultaneous economic development of India's extensive coastline and preservation of its fragile ecosystems with pilots in Gujarat, Odisha, and West Bengal. The coastal disaster risk reduction project in Puducherry and Tamil Nadu also pilots improvements to marine fisheries, particularly in inshore coastal areas. On pollution management, the Bank's ongoing Ganga Basin Project will help build the National Ganga River Basin Authority's capacity to pilot wastewater collection and treatment, and adopt river conservation measures. By 2017, this should prevent at least 270 million liters per day of untreated wastewater from entering India's iconic river. The Capacity Building for Industrial Pollution project is helping deploy technologies and management practices for cleaning up toxic legacy sites.

Stepped-up efforts to develop agriculture are slowly yielding results, but these are still below government targets. Since 2004/05, agriculture shows a marked and widespread return to annual growth of 3.5 percent, although still below the 4 percent target for the last two five-year plans. Stressed natural resources, poor rural infrastructure, inadequate technology, limited access to

⁹ World Bank estimates, 2009.

credit, underdeveloped extension and marketing services, and insufficient agricultural planning at the local level contribute to the lackluster performance. Ongoing global food security concerns, pronounced food-price volatility, and concerns about climate change all highlight the urgency of boosting India's agriculture productivity. Agriculture remains the main source of livelihoods for half the population.

Key WBG contributions will focus on innovative approaches and systems strengthening. Support to the National Integrated Watershed Management Program in eight states will contribute to overall productivity gains in a country where 65 percent of agriculture is rain-fed. State irrigation projects will also aim to improve productivity by promoting water-use efficiency, strengthening water-related institutions, and building capacity for the management of irrigation systems and decentralized management of irrigation tanks. By 2017, cereal yields in targeted states are expected to increase by close to 20 percent for paddy, wheat, and sugar as a result of WBG interventions and state-level agricultural competitiveness projects. These will help translate increased demand for agricultural products into higher incomes for farmers.

Access to adequate water and sanitation is critical to improving the quality of life and economic potential of all Indians—in rural and urban settings alike. Although the government at the national and state level spends \$4 billion annually on improving access to rural water supply and sanitation, only one-third of rural households have access to piped water and sanitation.¹⁰ The already stressed water supply and sanitation delivery system will have to be revamped to respond to the urbanization challenge—an additional 250 million people will migrate to cities in the next 20 years. Although more than 70 percent of the urban population has access to tap water and more than 80 percent to basic sanitation, piped water is only available for a few hours per day and raw sewage often overflows into open drains. The economic impact of inadequate sanitation in India is estimated at \$54 billion or 6.4 percent of GDP in 2006. Most of that cost is attributed to premature mortality and health-related costs.

10 Indian National Census, 2011.

Key WBG contributions, spanning two decades and three generations of Rural Water Supply and Sanitation (RWSS) projects, focus on strengthening governance and institutional arrangements for water supply and sanitation services; piloting service delivery models that are efficient, accountable, and customer-oriented; and improving the financial sustainability of providers. Going forward, engagement in rural areas will include the Maharashtra RWSS Project using the new performance for results instrument, and a multistate RWSS project focused on low-income states. A successful 24/7 water supply pilot will be scaled up in three cities in Karnataka. IFC will help address efficiency and conservation issues in municipal, agricultural, and industrial water. For example, a new program will focus on water-use efficiency in major water-intensive commodities, and will also help private-sector partners adopt water-efficient technologies. IFC's Advisory Services are helping India and more broadly South Asia to become a global leader in water sustainability in private-sector operations. WBG interventions are expected to result in an additional 34 million people gaining access to improved water sources and an additional 12 million to improved sanitation.

Inclusion

Inclusive growth is a key priority for the government's 12th Plan. Inclusion is about ensuring that everyone benefits from faster economic growth, regardless of social grouping, age, gender, or place of residence. This will require significant improvements in the social sectors of education and health (notably progress toward universal health coverage), better access to safe water and electrical power, and creating meaningful employment and livelihoods opportunities. Economic integration and rural-urban transformation can benefit a large share of India's population, but only if there is a stronger focus on human development and on policies that help make growth inclusive. For example, a growth strategy that focuses on labor-intensive sectors, rather than on skill- and capital-intensive ones, and on the development of small and medium-size enterprises, will help create productive employment opportunities for India's poor people and make growth more inclusive.

Although India's health indicators have continued to improve, progress has not matched

the country's economic growth over the past decade. Maternal and child mortality rates—despite increasing rates of decline—remain on par with those in much poorer countries. India faces an unfinished agenda of tackling childhood and infectious diseases and malnutrition, as well as an emerging and rising burden of non-communicable and chronic diseases. (India and China vie for the largest number of diabetics in the world.). Progress on tackling communicable diseases such as AIDS, tuberculosis, and polio has been significant, but continued attention is needed to secure the gains. Poor people are highly vulnerable to health shocks with medical expenses contributing to household poverty and compromising efforts to improve health outcomes.

Despite the central government's increased focus on and financial commitment to health issues, a major challenge is to implement the funding effectively. Although public financing for health is expected to double under the 12th Plan, increased public funding is not enough; it must be accompanied by improved effectiveness of spending at all levels, greater access to quality health care, and more effective delivery of health services. The many systemic constraints include weak accountability arrangements and incentives for performance, weak quality assurance, a largely unregulated private health-care sector, limited mechanisms for financial protection, and weak information and surveillance systems, combined with inadequate use of evidence-based planning, programming, and management. Out-of-pocket health expenses are high (on average accounting for 70 percent of total health spending) and affect poor households disproportionately.

The WBG will contribute to improvements in the health sector (public and private) with interventions, mostly at the state level, focusing on strengthening institutions and accountability, developing local systems and capacities, and addressing government and market failures. Financing, advisory services, and capacity-building initiatives will almost double the number of poor and vulnerable households covered under the government-sponsored health insurance schemes, and IFC's investment will allow close to 10 million patients to have access to private health facilities. A joint World Bank-IFC initiative will focus on improving poor people's access to quality health care and re-



Bank support to Sarva Shiksha Abhiyan, the national Education for All program, helped increase enrollment of girls in public elementary schools.

duce out-of-pocket expenditures in two low-income states.

Improving the nutritional status of India's children is particularly important. Child malnutrition remains high, and widespread. India accounts for 40 percent (217 million) of the world's malnourished children. Despite India's impressive economic growth in the past decade, malnutrition has declined very little. Stunting rates in India are two to seven times higher than those in other BRIC emerging-economy countries. While nutrition has recently received increased attention with the restructuring of the Integrated Child Development Services (ICDS) scheme, there remain very significant programmatic, institutional, technical, implementation, and capacity constraints.

The Bank's financial, analytical, and technical support at both the national and state levels will focus on strengthening the nutrition policy framework as well as systems and capacities to improve nutrition. Interventions in this area will be mostly through the newly restructured ICDS and increasingly through multi-sectoral actions, using government and Bank operations as platforms. The Bank-supported National Rural Livelihoods, for example, aims to contribute to efforts to combat high malnutrition by setting up a network of nutrition centers that cater to pregnant women and children up to five years of age.

India's efforts to improve access, equity and quality of education at the primary, secondary and tertiary levels remain a work in progress. Now that access to primary education has been largely universalized, the challenge ahead is to im-



In 2013, IFC received the Skoch Financial Inclusion Award for its innovative advocacy work to promote responsible finance, risk management, and consumer protection principles in India. Since FY2008, IFC investments and advisory services to India's micro, and small- and medium-sized enterprises have helped over 48 million people gain access to financial services.

prove quality, learning outcomes, retention, and access to education by underprivileged children, often in very remote areas. As the success of elementary education has resulted in demand for education beyond elementary level, there is increasing focus on improving access to secondary education. Of those children who finish primary education, 83 percent transition to the next level. Enrollment rates for grades 9–12 are just 40 percent, and of those enrolled, approximately 15 percent drop out and one-third fail their examinations. While inequities are declining in terms of access and participation at all levels of education for all socio-economic and ethnic groups, manifold inequities persist in the type of education facilities and exposure to and availability of modern education techniques. Girls make up 45.6 percent of secondary students.

WBG's focus will be on improving secondary and tertiary education with greater emphasis on educational quality. The implementation of the Bank-supported Rashtriya Madhyamik Shiksha Abhiyan will contribute to the universalization of secondary education. It is expected that secondary enrollment will increase from 28 million in 2012 to 40 million by 2017. Greater attention will be paid to teacher training, performance, and accountability—key determinants of quality. Interventions will also help improve labor market entry for young adults.

Developing an inclusive financial sector re-

mains a key development challenge in India. With economic slowdown, there is a greater risk that financial inclusion is de-prioritized—as it was in 2008-09. This poses risks for inclusive growth. Although reforms during the last two decades have improved financial access, more than 100 million households (60 percent of the population) still lack adequate access to financial services, especially in rural areas. Increasing household access to finance (especially for the very poor) is crucial for economic growth and poverty reduction. Similarly, access to finance for India's small and medium enterprises (SMEs)—which account for more than 40 percent of the country's exports and manufacturing output—is critical to provide the working and long-term capital to grow businesses and generate employment, and thus crucial to

absorb the millions transitioning out of agriculture. LIS have historically had lower levels of access to finance.

India's efforts to enhance access to deposit services have received a boost through the banking correspondent channel, which has helped create more than 100 million no-frills accounts.

However, finding a viable business volume that enables easy access for deposits and withdrawals is proving difficult, and transaction volumes remain extremely low. Although overall access to credit has increased, a lot remains to be done. For instance, more than half of India's farmers do not have access to formal credit. The situation is worse with respect to other financial services. Only 20 percent have access to crop insurance, and given the high dependence on weather, are exposed to the vagaries of nature. Efforts to scale-up new products to support firm financing, including for India's SME exporters, include export finance, receivable finance, and factoring products, and could help support a faster recovery from the current slowdown gripping the country.

The WBG has supported projects in agriculture finance and rural cooperatives, microfinance, livelihoods promotion, and SME financing with a financial inclusion component of more than \$2 billion. These projects have had positive impact and leveraged significant resources from project-supported

partners. The WBG program promotes integrated approaches to financial inclusion by facilitating access to credit and other financial services to farmers and households. Rural state and national livelihoods projects, sustainable and responsible microfinance, low-income housing finance, and agriculture insurance are central to the Bank's response in this area. The Bank will seek to leverage its resources and support new products (such as insurance) and use of new technology (such as unique identification-enabled financial service provision). Analytical work that builds on the Bank's substantive experience working on inclusion issues in India will help further understanding of key barriers to financial inclusion, particularly in LIS.

IFC's key objective is to improve the depth and quality of financial services, through: (i) financial product diversification; (ii) responsible finance (i.e. promoting financial awareness and literacy among clients and transparent reporting by financial institutions); and (iii) supporting delivery channels using information and communications technology (ITC) and agents. New approaches to delivery of financial services will be key in coming years to expand reach. IFC has already begun work in this regard with government-to-person payments, and will continue to work on innovation in payments systems, alternative delivery channels, remittances, and government payments. In addition, there is a strong focus on strengthening the financial infrastructure in the country to enable greater access to finance. This includes developing the collateral registry in India, expanding the use of more easily available asset types, and supporting the availability of better quality credit information on SMEs and low-income households to facilitate credit expansion to these segments. By 2017, it is expected that an additional one million households will have access to formal financial services as a result of WBG interventions, and an additional 20 million loans will be made to micro, small, and medium enterprises.

With more than 90 percent of India's labor force in the informal sector, social protection systems to help people, especially the very poor, absorb and manage economic risks and shocks are critical to India's development. Under the 12th Five-Year Plan, the government aims to overhaul the sector by introducing a direct cash transfer system—the Direct Benefits Transfer (DBT) initia-

tive—for major subsidies and welfare-related beneficiary payments. Launched at the beginning of 2013, DBT is expected to reduce India's welfare program expenditures, prevent leakages, and decrease corruption. (At 2 percent of GDP per year, welfare spending on large centrally sponsored schemes in India is very high compared to that of its East Asian neighbors, Indonesia and China.) DBT represents a fundamental shift in Indian welfare policy and is seen by some as a vehicle to lift millions of people out of poverty. To roll out the program successfully, the capacity of institutions at the state level must be strengthened. Social protection coverage expanded substantially with the recent passing of the National Food Security Act, making access to food a legal right. The act entitles two-thirds of the population to subsidized food grains.

Key Bank contributions will focus on enhancing social protection coverage, including for health and disability insurance, job transition insurance, and protection in old age. As many programs do not reach all of their intended beneficiaries, particularly in low-income states, the Bank will work with states to expand coverage. Increased use of ICTs in program delivery and management will form a cornerstone of this work together with capacity building and enhancement of human resources at local levels. Non-lending technical assistance supports the government's efforts to convert many in-kind subsidies and support programs to cash assistance through its new DBT initiative. IFC has launched initiatives to build capacity of financial institutions to offer long-term micro insurance and micro pension products to the low-income segment, and has begun work on creating a national service delivery architecture using technology to ensure sustainable access and scale up of these products.

India is very vulnerable to climate change because of high levels of poverty, high population density, heavy reliance on natural resources, and an environment already under stress. Under a moderate climate-change scenario (an increase in mean annual temperatures of 1.1 to 2.3 degrees Celsius), the risk of increased frequency and severity of natural hazards is likely to increase, and densely populated cities will be at extreme risk. Kolkata is among the six fastest-growing cities worldwide that are classified to be at extreme risk, whereas Mumbai, Delhi, and Chennai are among the 10 that are classified as high risk. Overall, India is

ranked the second most vulnerable country in the world.¹¹ Institutions and mechanisms for enhanced disaster risk management and climate resilience, especially in agriculture and water-intensive sectors, are either weak or nonexistent.

The Bank's key contributions will help build institutional capacity to prepare for and manage the impact of natural disasters, and help people protect themselves from natural disasters and recover from them quickly. The National Cyclone Risk Mitigation Project helps strengthen the capacity of state disaster-management agencies to mitigate the impact of and respond to cyclones in vulnerable coastal states. The second phase of the project will focus on the states of Gujarat, Kerala, Maharashtra, and West Bengal. Technical assistance helps build government capacity to conduct risk assessments for geophysical hazards and vulnerabilities, establish building and planning standards, and pilot innovative approaches to risk mitigation. To mitigate risks of and vulnerability to natural disasters, especially in coastal areas, the Bank focuses on access to emergency shelter and on evacuation and protection against windstorms, flooding, and storm surges in high-risk areas. By 2017, it is expected that 400 cyclone shelters will be completed in targeted coastal areas and at least three states will have installed an Early Warning Dissemination System, which in turn will help save lives and livelihoods. The Bank, together with the Asian Development Bank (ADB), is supporting emergency reconstruction and mitigation programs in the aftermath of floods in the state of Uttarakhand.

THE WORLD BANK GROUP PROGRAM IN INDIA

The overarching goals of the Country Partnership Strategy for India (FY2013-2017) (CPS) are accelerating poverty reduction and boosting shared prosperity. To make a meaningful contribution on both these fronts, especially in India's low-income states that together account for over 60 percent of India's 270 million poor people, the volume of financing support from the WBG should reach \$5 bil-

lion per year under the CPS. This includes financing from the IBRD, IDA and IFC. Guided by the Government of India's "Innovation Impulse with Investments" approach toward working with multilaterals, and to respond to India's many challenges, the strategy proposes deepening and strengthening WBG engagement in three broad areas: integration; rural-urban transformation; and inclusion. For an interactive view of the World Bank Group Strategy, please see the new web-based app OpenIndia.worldbankgroup.org

The CPS calls for a more pronounced engagement in India's low-income and special category states. The Bank will work with the government to rebalance the portfolio, so that 30 percent of all IBRD/IDA lending will be directed to 14 low-income and special-category states (SCS).¹² Combined, these states are home to over 60 percent of India's poor people, have gross state domestic products (GSDP) that lag far behind the all-India average, and struggle with low human-development indicators that are comparable to some of the poorest countries in the world. As of the end of August, 19 percent of commitments in the IBRD/IDA active portfolio was in these states, compared to only 12 percent at the beginning of the CPS period. IFC also focuses on the investments in LIS; as 21 percent of IFC's total investments in India in FY2013-2015 was in these states.

As of end of July 2015, the World Bank's active portfolio included 87 lending operations (\$24.7 billion in commitments, of which \$12.3 billion were IBRD and \$12.4 billion IDA). The pipeline for FY2016 includes 22 projects, totaling \$6 billion (of which \$3.2 billion was IBRD and \$2.8 billion IDA). Under the current CPS, the portfolio has been rebalanced toward more operations in India's 14 low-income and special category states. IBRD/IDA commitments increased from 11.9 percent in FY2013 to now 19 percent of the active portfolio. This rebalancing will be more pronounced in the remainder of the CPS period; over 75 percent of the pipeline

11 Maplecroft's Climate Change Risk Atlas, 2011. Available on www.maplecroft.com

12 Low-income and special category states include: Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttar Pradesh, and eight northeast states (Assam, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Sikkim, and Uttarakhand). IFC also includes West Bengal, but excludes Himachal Pradesh and Uttarakhand.

projects are in LIS and SCSs. The FY2015 disbursement ratio stands at 16.8 percent, a significant improvement over the 11.1 percent ratio in FY2013. Approximately 34 percent of projects (or 30 percent of commitments) are in problem status.

India is the largest country in IFC's investment portfolio with a total exposure of \$5.2 billion. As of June 30, 2015, IFC's committed portfolio contained 259 projects amounting to \$5.2 billion, including \$389 million syndications. Under the CPS, IFC commitments in climate change and LIS—two strategic priorities—have increased steadily; \$820 million was committed across 45 projects in support of climate change mitigation initiatives and \$1.1 billion has been facilitated in private investment in LIS. India is also IFC's largest Advisory Services client. As of the end of FY2015, IFC's advisory services portfolio consists of 60 active projects totaling \$72million.

The WBG's knowledge portfolio complements and underpins investment operations. The WBG knowledge agenda under the new CPS will: (i) focus on in-depth analytical work on a few key

cross-sectoral questions; (ii) inform design and implementation of future interventions by drawing on impact evaluations; (iii) respond quickly and flexibly with demand-driven technical assistance and just-in-time knowledge support to help reform and implementation; (iv) broker South-South and across-state knowledge exchanges; (v) develop flexible programmatic approaches to develop analytic and advisory activities; and (vi) scale up training capacity. Central to the knowledge program will be analytical products that aim to inform public debate around key reforms critical to India's continued high economic growth, poverty reduction and increased prosperity. To better exploit synergies across the whole program, more multi-sectoral analytical advisory activities are planned to address pressing development challenges including issues related to water, urban development, service delivery, human development determinants, and public-private partnerships (PPPs). (See Box 2 for a list of clusters.) Continued support to the Development Marketplace will help scale-up and replication of sustainable business models to deliver public services and livelihood opportunities to poor people in India's low-incomes states.

INDIA: ACCELERATING UNIVERSAL ACCESS TO EARLY AND EFFECTIVE TUBERCULOSIS CARE

KEY DATES:

Approved: April 8, 2014
 Effective: June 27, 2014
 Closing: March 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	100	6.8	84.67
Government of India	335		
Global Fund	97		
Total Project Cost	532		

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Tuberculosis (TB), long associated with poverty, crowding and poor living conditions, remains a significant source of suffering in India with an estimated 2.2 million new cases and 270,000 deaths annually. At the same time, multi-drug resistant TB (MDR-TB), which is difficult and expensive to diagnose and treat, is a threat with estimates as high as 64,000 new cases a year. The nation's Revised National TB Control Program has successfully ensured coverage of first-line TB services across the country and provides diagnosis and treatment to about 1.5 million TB patients annually. India's National Strategic Plan for TB Control seeks to further expand access to effective diagnosis and treatment, expand collaboration with the private sector, and scale up services for MDR-TB. This is the third World Bank operation to support India's TB program since 1998.

The project development objective is to support India's National Strategic Plan for Tuberculosis Control in expanding quality diagnosis and treatment services for TB sufferers.

Components include:

- New strategies to reach more tuberculosis patients with earlier and more effective care: Extending the TB program's reach to patients in the private sector while expanding urban services, improving access to diagnosis of drug-resistant TB and leveraging information technology while improving knowledge.
- Scale up and improve diagnosis and treatment of drug-resistant tuberculosis: Effectively treating drug-sensitive TB to prevent development of drug-resistant strains, and improving early diagnosis and appropriate treatment of MDR-TB patients to prevent further airborne transmission. Focus on expanding and improving public sector TB services increasingly integrated with the government primary health care system.

KEY EXPECTED RESULTS:

- Increase the number of people receiving TB treatment in accordance with the World Health Organization-recommended "Directly Observed Treatment Strategy" from the current 345,332 to a target of more than three million, including more than 1.1 million women and girls.
- Increase government notification of TB patients receiving care in the private sector, initial treatment of drug-resistant TB patients, and drug-sensitivity testing of TB suspects and patients.

IMPLEMENTING AGENCY:

Central TB Division, Ministry of Health and Family Welfare, Government of India

INDIA: ANDHRA PRADESH AND TELANGANA STATE COMMUNITY BASED TANKS MANAGEMENT PROJECT

KEY DATES:

Approved: April 19, 2007
Effective: July 27, 2007
Closing: July 31, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	87.0	71.7	15.3
IDA	87.0	65.5	16.0
Government of India	21.8		
Other – Communities	7.0		
Total Project Cost	202.8		

*US\$ millions; as of July 31, 2015; revised amount after partial cancellation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The project supports rehabilitation of selected minor irrigation tanks in the state of Andhra Pradesh. Tanks are small water reservoirs that store rainwater run-off, primarily from the monsoon. This water is subsequently used for irrigation and other agricultural activities. The state has a long tradition of tank irrigation with more than 70,000 tanks in the state. Over time, however, largely due to inadequate maintenance of tank systems, the area irrigated by tanks has declined. This project supports rehabilitation of tanks with the active participation of water user associations (WUA) from the local community. Similar projects have also been (and are being) supported in Karnataka, Tamil Nadu, and Odisha.

The project development objective is for selected tank-based producers to improve agricultural productivity and help water user associations to manage tank systems effectively. The project supports investments across four components:

- Institutional strengthening: Focuses on strengthening community-based institutions to enable them to assume greater responsibility for managing tank systems.
- Minor irrigation systems improvements: Supports rehabilitation of tank systems and also promotes more effective groundwater management in selected tanks.
- Agricultural livelihoods support services: Covers agriculture, horticulture and fisheries.

PROJECT MANAGEMENT

Activities financed under this project include: (i) rehabilitation of around 2,150 selected tank systems that together irrigate about 255,000 hectares of crop area; (ii) agricultural intensification and diversification through programs for developing agriculture, horticulture, and fisheries activities in the tank systems being rehabilitated; (iii) training and capacity building of about 2,150 WUAs to promote self-management in the tank systems being rehabilitated, and related training and capacity building for public institutions involved in supporting irrigated agriculture; and (iv) project implementation support, monitoring and evaluation, and project coordination by multi-disciplinary teams at appropriate levels.

KEY ACHIEVEMENTS:

Good progress has been made toward achieving the project development objective. Data reported from a sample of project tanks indicate that:

- Yields of main crops like paddy, maize, and groundnut have increased by 21 percent, 36 percent, and 51 percent, respectively.
- Cropping intensity has increased by 23 percent from baseline values.
- In tanks where fisheries interventions have been undertaken, fish productivity has increased nearly four times from baseline values.
- Institutional strengthening efforts have also led to improvement in WUA functioning as measured through a number of intermediate outcome indicators.
- 25,570 farmers trained on various on-farm technology transfer

IMPLEMENTING AGENCIES:

Irrigation and Command Area Development Department, Government of Andhra Pradesh.

INDIA: ANDHRA PRADESH AND TELANGANA MUNICIPAL DEVELOPMENT PROJECT

KEY DATES:

Approved: December 10, 2009

Effective: March 23, 2010

Closing: December 15, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	300.0	66.4	235.6
Government of Andhra Pradesh	50.0		
Total Project Cost	350.0		

*US\$ million, as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

In the 1980s the Bank funded projects with the Hyderabad Water Board. Andhra Pradesh is among the more urbanized states in India, with a total population of about 84 million, 34 percent of which lives in urban areas. The state has three cities with a population of over one million, including its capital, Hyderabad. Like many states across the country, Andhra Pradesh faces fundamental challenges in managing urbanization and providing for adequate services to a growing urban population: housing, water supply, sewerage, drainage, solid waste management, and transportation.

This project is the Bank's first recent re-engagement in the urban sector with the state of Andhra Pradesh. The project objective is to help improve urban services in the state, and build the capacity of Urban Local Bodies (ULBs) to sustain and expand urban services. Urban service improvements are chosen in a demand-driven manner and implemented by ULBs, subject to several access and performance criteria, and with necessary technical support. The project supports improvements in the financial, technical, and management capacities of all ULBs through technical assistance. The project will also support improvements in the state-level framework that defines ULBs' autonomy, accountability, and incentives for performance, as well as the government of Andhra Pradesh's capacity to monitor ULBs' performances and to provide policy and technical support for their development. The project components are:

- State-level policy and institutional development support: To improve the state's policy and institutional framework to support service delivery and capacity building by ULBs.
- Municipal capacity enhancement: To enhance the financial and technical capacity, and operating systems of ULBs.
- Urban infrastructure investment: To finance sustainable, high-priority investments identified by ULBs to improve urban services or operational efficiency.
- Project management technical assistance: To ensure the quality of subproject preparation, implementation, and monitoring.

KEY ACHIEVEMENTS:

- About \$340 million of urban sub-projects have been prepared and are being taken up for implementation across 10 participating ULBs.
- Over 2 million city residents in nine participating ULBs that currently receive one to three hours of water supply (not even daily, in many cases) are expected to benefit from improved levels of water supply.
- The National Institute of Urban Management (NIUM) has been set up as a legal entity and has commenced operations from a temporary campus under an acting director, while its final campus is about to commence construction.
- GIS mapping and municipal E-governance activities are commencing across about 120 ULBs.
- Training of urban sector staff has started, and over 2,000 staff has already received training against a project target of 500.

IMPLEMENTING AGENCY:

Municipal Administration and Urban Development Department, Government of Andhra Pradesh; Andhra Pradesh Urban Finance and Infrastructure Development Corporation (APUFIDC).

INDIA: ANDHRA PRADESH DISASTER RECOVERY PROJECT (APDRP)

KEY DATES:

Approved: June 17, 2015
 Effective: August 28, 2015
 Closing: September 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	250	0	250
Government of Andhra Pradesh			
Total Project Cost	250		

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

Andhra Pradesh is one of the most natural hazard prone states in India owing to its long coastline and geographical location. About 44 percent of the state is vulnerable to tropical storms and related hazards. In addition to cyclones and related hazards, monsoon depressions bring heavy to very heavy rains causing floods in the inland rivers between June and September. Coastal erosion is a critical problem and, out of the 974 km, about 440 km of coastline faces coastal erosion. Andhra Pradesh is also exposed to moderate earthquake risk.

On October 12, 2014, a very severe cyclonic storm "Hudhud" made landfall on the coast of Andhra Pradesh, near the city of Visakhapatnam. At the time of landfall, the estimated maximum sustained surface wind speed was about 180 kmph. Tide gauge at Visakhapatnam reported maximum storm surge of about 1.4 meters above the astronomical tide. Cyclone Hudhud and associated floods due to heavy rainfall caused major damage in districts of Srikakulam, Vizianagaram, Visakhapatnam, and East Godavari along the coast.

Following a request from the Government of India, World Bank conducted a rapid multi-sectoral assessment damages and needs and estimated the total damages caused by Cyclone Hudhud at about \$2.16 billion, of which the livelihoods sector was the most severely hit with recovery needs estimated to be around \$443 million, followed by housing sector (\$439 million) and the roads sector (\$375 million).

The APDRP takes into account the lessons learned from supporting post-cyclone restoration and attempts to improve the resilience of the state's infrastructure and its communities from impacts of future disasters.

The project includes the following components: (i) Resilient electrical network \$81 million; (ii) Restoration of connectivity and shelter infrastructure (\$71 million); (iii) Restoration and protection of beach front (\$44 million); (iv) Restoration of environmental services and facilities and livelihood support (\$13.3 million); (v) Capacity building and technical support for disaster risk management (\$23.7 million); (vi) Implementation Support (\$17 million); and (vii) Contingent Emergency Response.. The investments are expected to support the recovery, and improve the resilience of public services, environmental facilities and livelihoods, as well as enhance the capacity of the state entities to respond promptly and effectively to an eligible crisis or emergency.

KEY ACHIEVEMENTS:

- 300,000 people covered by underground electrical network.
- 1.75 million people to benefit from restored and improved roads and shelters.
- 1.73 million people to benefit from access to restored and improved beachfront.
- 1.73 million people to benefit from restored and improved environmental services/ facilities.
- Updated design guidelines for resilient buildings and public infrastructure.

IMPLEMENTING AGENCY:

Revenue (Disaster Management) Department, Government of Andhra Pradesh.

INDIA: ANDHRA PRADESH ROAD SECTOR PROJECT

KEY DATES:

Approved: October 15, 2009

Effective: March 23, 2010

Closing: May 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	264	137.1	126.9
Government of Andhra Pradesh	326		
Total Project Cost	590		

*US\$ millions; as of July 31, 2015; revised amount after partial cancellation

For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Andhra Pradesh is one of India's most progressive states. Its economic, social, health, and education indicators are better than the national average, and on par with its neighboring states of Karnataka, Kerala, and Tamil Nadu. Road transport accounts for more than 80 percent of the state's freight and passenger traffic. The government's Vision 2020 strategy recognizes that an efficient transport system is a necessary foundation for agricultural and industrial growth, and consequently for achieving its economic growth and poverty reduction goals. The capacity and quality of the state's core road network has improved considerably in recent years, and although maintenance spending has increased, it is still not adequate. In 2004-05, the government spent about Rs.3.7 billion on maintaining existing road assets, significantly short of the Finance Commission's standard of Rs.5.68 billion for road maintenance.

The project development objective is to provide better quality, capacity, and safe roads to users in a sustainable manner by enhancing the institutional capacity of the Andhra Pradesh government in the road sector. The project consists of four components:

- Road improvement includes two activities to upgrade and maintain the state's Core Road Network (CRN).
- PPP facilitation support will strengthen the capacity of the government of Andhra Pradesh to develop selected high-density traffic corridors under Public-Private Partnership arrangement, via toll revenues and viability gap support from the central and state governments.
- Institutional strengthening will provide technical assistance, training, and advisory services for: (1) operationalization of Andhra Pradesh Road Development Corporation (APRDC); and (ii) project implementation including asset management, the Governance and Accountability Action Plan (GAAP), and the Institutional Strengthening Action Plan (ISAP).
- Road safety will help the government of Andhra Pradesh develop safer road corridors by initiating measures to reduce road accidents. The Bank will help agencies undertake demonstration projects on selected core road network corridors; carry out an extended black-spot improvement program (geometric improvement of stretches with high incidence of accidents); and implement institutional and policy actions plans for improving the state's road safety responsibility framework and capacities.

KEY ACHIEVEMENTS:

Under the project, 429 km of roads will be upgraded and 6,241 km of roads will be maintained under long-term performance-based maintenance contracts. More specific expected results include:

- Share of the CRN in good condition increased from the baseline of 40 percent (2009) to 56 percent (2014) as a result of the use of long-term performance based contracts for maintenance. Some 6,151 km of CRN are already under long-term performance based maintenance contracts.
- Transactional advisors, GAAP/APRDC have examined the feasibility of eight roads, for development as PPP concessions. Two of these roads with a total length of 420 km and an estimated project cost of about \$450 million, have been awarded as PPP concessions in 2010 and are in advanced stage of construction.
- Full operationalization of the APRDC with adequate financial and human resources to manage the CRN.
- 150 km out of 429km upgraded and travel time has been reduced by more than 25 percent.
- Expected improvement in road safety in two model/demonstration corridors.

IMPLEMENTING AGENCY:

APRDC, Government of Andhra Pradesh.

INDIA: ANDHRA PRADESH RURAL INCLUSIVE GROWTH PROJECT

KEY DATES:

Approved: December 19, 2014

Effective: Not yet effective (expected by September 30, 2015)

Closing: June 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	75	0	75
Government of Andhra Pradesh	32		32
Total Project Cost	107	0	107

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

Andhra Pradesh is a middle-income state, and has experienced significant economic growth and poverty reduction in recent years. However, the prosperity is unevenly distributed: the poverty ratio among the Scheduled Tribes (STs), Schedules Castes (SCs), and Muslims is quite high when compared to the rest of the population. A more equitable distribution of the growth (or higher shared prosperity) is a key challenge going forward. There are two main aspects of this challenge. First, there is an income deficit since the small and marginal farmers, especially SC and ST households, have not adequately benefitted from the potential growth in the agriculture. This is primarily because they have not been able to take advantage of the potential benefits from the sub-sectors like horticulture, livestock, and fisheries. The other deficit is the human development deficit, as most health and nutrition indicators are worse for SCs and STs. The income deficit and the human development deficit needed to be addressed jointly to ensure shared prosperity and a greater pace of poverty reduction. Therefore, the project has been designed as a new generation multi-sectoral rural-inclusive growth project that will work concurrently on economic development, human development and social protection areas with a strong focus on information and communications technology (ICT). Given the multi-sectoral nature of the project within the Bank team, the project preparation involve collaboration between a number of global practices like Agriculture, Health & Nutrition, Social Protection, and Governance & ICT. The project is also a new generation livelihood project and lessons from the project will be taken to low-income states like Bihar, Odisha, Madhya Pradesh, and Rajasthan where rural livelihood projects are currently operational.

The project development objective is to enable selected poor households to enhance agricultural incomes and secure increased access to human development services and social entitlements. The project has five components:

- Value chain development: The objective of this component is to increase the income of small and marginal farmers through productivity enhancement and improved market access. This component will also invigorate local markets by connecting rural producers and enterprises with the rural consumers.
- Human development: The focus here is to enable the community to hold the service providers accountable for service delivery in the human development (HD) sector, as well as to improve HD service delivery by strengthening the existing public systems to deliver quality services. The interventions will target health, nutrition, sanitation, and education.
- Access to social protection services and entitlements: This component aims to improve the coverage and service delivery of social protection entitlements to the poorest households.
- Mission support, ICT and partnerships: ICT use especially open data systems and data analytics will be critical for the project. This component will support the missions recently launched by the government to ensure real-time analytics, open data systems and feedback-based policy development at the state level. It will also create an enabling ecosystem for innovation and transformation in delivering high quality last-mile services planned under the other components.
- Project implementation support: The objective of this component is to strengthen the project implementation by establishing monitoring, evaluation and learning (MEL) systems, financial management systems, procurement management, governance and accountability systems, and knowledge management and communication.

KEY ACHIEVEMENTS:

- Enhanced incomes for 250,000 producers in selected project mandals.
- Improved human development outcomes for 250,000 poor households through the adoption of appropriate health, nutrition, and sanitation behaviors.
- Enhanced access to social protection and entitlement programs for 500,000 poor households through systems that deliver improved information, enrollment, and payments.

The beneficiaries under the project would constitute more than 50 percent of the small and marginal farmers and the SC/STs living in the target 150 mandals.

IMPLEMENTING AGENCIES:

Society for Elimination of Rural Poverty, Department of Rural Development, and Government of Andhra Pradesh.

INDIA: ANDHRA PRADESH WATER SECTOR IMPROVEMENT PROJECT

KEY DATES:

Approved: June 30, 2010
Effective: September 10, 2010
Closing: July 28, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	450.6	156.63	31.32
Government of Andhra Pradesh	529		
Other	9		
Total Project Cost	988.6		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The water sector in Andhra Pradesh faces a number of critical challenges, including: competition among different water-using sub-sectors; poor irrigation and water management practices and instruments; low use of modern technologies; low technical and managerial capacity in water-sector institutions; lack of coordinated integrated water resources management (IWRM); and a need to improve the knowledge base, management practices, operation and management of the existing irrigation and water infrastructure. The Andhra Pradesh Water Sector Improvement Project addresses these challenges. Under the project, the Government of Andhra Pradesh has chosen the multipurpose Nagarjuna Sagar Scheme to modernize and introduce modern water management practices and instruments. The scheme provides water to irrigate about 1 million-hectare area as well as for other uses, and represents a variety of management challenges in the irrigation/water sector.

The project development objectives are to: (i) improve irrigation service delivery on a sustainable basis to increase the productivity of irrigated agriculture in the Nagarjuna Sagar Scheme; and (ii) strengthen the state's institutional capacity for multi-sectoral planning, development, and management of its water resources. The project has four components:

- Improving irrigation service delivery in Nagarjuna Sagar Scheme: Supports five sub-components in the Nagarjuna Sagar Scheme, which has a command area of about 0.9 million hectare. These are: (i) participatory rehabilitation and modernization of irrigation system; (ii) dam safety works; (iii) fostering and capacity building of water user organizations; (iv) improved water management practices; and (v) social and environmental management plan.
- Irrigated agriculture intensification and diversification: Supports the following six sub-components in the Nagarjuna Sagar Scheme: (i) field crops; (ii) horticulture crops; (iii) livestock production; (iv) fish production; (v) adaptive research; and (vi) market-led extension.
- Water sector institutional restructuring and capacity building: Supports: (i) establishing, operationalizing, and fostering the Andhra Pradesh Water Resources Regulatory Commission; (ii) restructuring and capacity building of the Irrigation and Command Area Development Department; (iii) strengthening and capacity building of the Water and Land Management Training And Research Institute; (iv) creating an integrated computerized information system; (v) launching a user-centered aquifer level ground water management pilot; and (vi) conjunctive use of surface and ground water pilots in Nagarjuna Sagar Scheme.
- Project Management: Supports activities under three sub-components: (i) project preparation and management; (ii) project monitoring and evaluation; and (iii) information, education, and communication program.

EXPECTED RESULTS:

In its third year of implementation, the project is yielding good results. There is an increase in the availability of irrigated water due to improvement in conveyance efficiency.

- Water use efficiency increased from 132.5 hectares (ha)/million cubic meters (mcm) (baseline value) to 156.4 ha/mcm.
- Paddy yields increased from 2.49 tons/ha to 3.47 tons/ha, maize from 2.37 tons/ha to 4.43 tons/ha, and chilies from 2.89 tons/ha to 3.75 tons/ha.
- The diversification of crops has also been observed; 2.2 percent of cropped area diversified from traditional paddy to the higher value crops of maize, cotton, chilies, vegetables, and fodder.

IMPLEMENTING AGENCY:

Irrigation and Command Area Development Department, Government of Andhra Pradesh.

INDIA: ANDHRA PRADESH RURAL WATER SUPPLY AND SANITATION PROJECT

KEY DATES:

Approved: September 22, 2009

Effective: March 23, 2010

Closing: November 30, 2014

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	125.0	55.0	70.0
Government of Andhra Pradesh	28.6		
Total Project Cost	153.6		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The Government of Andhra Pradesh created a Rural Water Supply and Sanitation Department (RWSSD) in 2007 to focus and expand RWSS coverage across the state. At project start, about 46 percent of the rural habitations in Andhra Pradesh (rural population 55 million) were fully covered, with access to 40 litres per capita per day of water, and about 54 percent of rural households had individual toilets. The state is keen to gradually decentralize service delivery, while building the capacity of the local governments, or Panchayat Raj Institutions (PRIs). The project was designed to: (i) assist the state in building capacity to pursue its goal of increasing decentralized service delivery systems in the water and sanitation sectors; and (ii) scale up a demand-responsive approach with policy principles consistent with national policies. The project builds on the accumulated experience and lessons learned from Bank projects in India and across the world.

The project supports RWSS programs in six districts of Andhra Pradesh, and helps them adopt a common RWSS program and policies. The project, through improvements in RWSS service delivery and sustainability of assets, will contribute to achieving goal seven of the MDGs on sustainable access to safe drinking water and basic sanitation.

The project objective is to assist the state government to improve rural water supply and sanitation services through progressive decentralization, community participation, and enhanced accountability. The project components are:

- Capacity and sector development: Supports building institutional capacity for implementing, managing, and sustaining project activities, along with sector-development studies to inform policy decisions.
- Infrastructure development: Supports improvements in water supply and sanitation services in the project habitations through new infrastructure or rehabilitating and augmenting existing schemes, integrated with source-strengthening measures and sanitation programs. The project aims to cover 2,600 habitations across 6 districts.
- Project implementation support: Supports setting up a project support unit for implementing the project, including establishing the monitoring and evaluation (M&E) and sector information systems.

KEY RESULTS ACHIEVED:

- 1.26 million people are benefiting from access to improved water service.
- 4,200 toilets were built in project habitations, benefitting about 21,000 people..

IMPLEMENTING AGENCY:

RWSSD, Government of Andhra Pradesh.

KEY PARTNERS:

State Water and Sanitation Mission, Zilla Parishads at the district level, Gram Panchayats at the village level.

INDIA: ASSAM STATE ROADS PROJECT

KEY DATES:

Approved: March 13, 2012
Effective: January 25, 2013
Closing: March 31, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	320	39.06	280.94
Government of Assam	80		
Total Project Cost	400		
Trust Fund	1.75		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Assam is one of the lower income states of India, and the gateway to the landlocked northeast region of the country. Its road network therefore has significant strategic importance for the economic integration of the lagging northeast with the rest of the country. About 60 percent Assam's 38,000-km state road network, managed by its Public Works Roads Department (PWRD), is in poor condition due to years of low investment and lack of maintenance. Overall weak sector management has further aggravated the impact of sector underfunding. The PWRD needs substantial enhancements and revisions in its traditional way of doing business to improve its relatively low performance and institutional effectiveness. The Assam State Roads Project will carry forward and build on many sector reforms already introduced in the PWRD since 2000 through Bank-funded Rural Development Projects.

The project's development objective is to enhance the road connectivity of Assam by assisting the PWRD in improving and effectively managing its road network. The project has three components:

- Road improvement: Improves 500 km of priority sections of the secondary roads to enhance state connectivity and facilitate regional integration. This includes a demonstration of new technologies to promote cost-effective, climate-resilient, and environmentally friendly road construction, including innovative bridges.
- Road-sector modernization and performance enhancement: Supports the implementation of a Road Sector Modernization Plan covering: (i) modernization of policies, engineering practices, and business procedures; (ii) asset management and maintenance; (iii) institutional and human resource development including development of local construction industry; and (iv) streamlining, standardizing, and computerizing PWRD key business processes.
- Road safety management: Supports building the road safety management capacity of related agencies through the development and implementation of a multi-sector road safety strategy.

The project seeks to complement traditional road investments with technical assistance and knowledge to improve overall road sector management in Assam. This will help transform the PWRD into a modern road agency that adopts good practices in sector policies, strategic planning, and project and asset management. Bank support will leverage more than 10 ongoing road development programs; by addressing key sector issues such as maintenance, it will increase the impact of investments made under other road programs.

EXPECTED RESULTS:

The project will help the Government of Assam bring better roads to 4.5 million rural people, mostly marginal and small farmers. It will also bring direct local employment for about 20 million "person days." Key expected results include:

- An improved maintenance system and an additional \$50 million for road maintenance through the Road Maintenance Fund. Annual maintenance contracts are under implementation in five districts and are being scaled up to 17 districts out of 22.
- Expected savings of about \$100 million per annum on fuel for the state, and avoidance of a potential loss of about \$500 million annually in road asset value through effective asset management.
- Helping the PWRD computerize business processes—a web-based e-portal is to be launched from May 2014. The state government has set-up Assam Road Research and Training Institute to implement a comprehensive professional development strategy aiming at providing two weeks of professional training to each staff per year. PWRD is developing innovative bridge designs to save both costs and construction time for construction of about 3,000 bridges.
- An increase in the percentage of secondary road network in good and fair condition from 25 percent in 2012 to 40 percent in 2018.
- A 20 percent reduction in travel time on the project corridors.
- An increase in the safety rating of the project corridors from 10 percent in 2012 to 40 percent in 2018.
- Improved asset management will be introduced in 50 percent of districts.

IMPLEMENTING AGENCY:

Public Works Roads Department (PWRD, Government of Assam).

INDIA: BIHAR PANCHAYAT STRENGTHENING PROJECT

KEY DATES:

Approved: August 27, 2012
 Effective: August 21, 2013
 Closing: December 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	84	0.44	78.48
Government of Bihar	36		
Total Project Cost	120		
Other			

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Bihar is one of the poorest states in India. Per capita income is about one-third of the national average. Of its 103 million population, 90 percent live in rural areas. Agriculture and allied activities employ 80 percent of Bihar's labor force but contribute only about 20 percent to the state GDP. Its human development indicators are among the lowest in India.

The project seeks to strengthen Bihar's Panchayati Raj institutions as units of self-governance capable of planning and implementing development schemes, promoting community life, and generating employment opportunities. The project supports the Government of Bihar's plans for strengthening the institutional framework for the functioning of Gram Panchayats, or village councils, and bringing about visible changes in village sanitation, quality of drinking water, nutritional status of children, and generating employment opportunities through better management of natural resources.

The project's development objective is to "support Bihar's capacity to promote and strengthen inclusive, responsive, and accountable Gram Panchayats in selected districts across the state." The project has five components:

- Construction of Panchayat Sarkar Bhawans (local self-government offices).
- Capacity building for Panchayati Raj institutions.
- Strengthening the state government's capacity to manage a gradual decentralization and empowerment process.
- Panchayat performance grant.
- Project management and coordination.

KEY EXPECTED RESULTS:

- Increased number of elected representatives trained to perform their mandated role effectively.
- More villagers from socially disadvantaged groups (Scheduled Castes, Scheduled Tribes, and women) attending and participating actively in regular Gram Sabha meetings in project districts.
- Increased number of Gram Panchayat Standing Committees that meet regularly to discharge their statutory functions and those focusing on planning and budgeting of various programs.
- Increased percentage of Gram Panchayat project beneficiaries from socially disadvantaged groups (Scheduled Castes, Scheduled Tribes, and women).
- Increased number of Gram Panchayats submitting an annual financial statement within four months from the end of fiscal year for external audit.
- Increased percentage of people from all social groups who perceive that the Gram Panchayat is increasingly "inclusive, responsive, and accountable" in helping to address their individual and community issues.

IMPLEMENTING AGENCY:

Bihar Gram Swaraj Yojana Society, Government of Bihar.

INDIA: BIHAR RURAL LIVELIHOODS PROJECT

KEY DATES:

Approved: June 14, 2007; May 31, 2012 (Additional Financing) Effective: October 1, 2007; September 5, 2012 (AF) Closing: October 31, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	163	119.82	37.62
Government of Bihar	53		
Total Project Cost	216		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

In Bihar, India's second poorest state, per capita income was just a quarter of the national average. Almost 90 percent of the population lives in rural areas with limited opportunities for self-employment, and little access to basic services. Although agriculture was the mainstay of the economy and employed over 80 percent of the population, the vast majority of farmers survived at or near subsistence levels. Without an adequate banking network, most poor people had to borrow from extortionist moneylenders, or from relatives and friends to meet family expenses, often pawning tiny plots of land to repay old debts. Growing landlessness and the lack of livelihood opportunities led to large out-migration from the state. Earlier efforts by the Bihar government to promote the social and economic mobilization of the poor had been thwarted by entrenched caste identities and the absence of sensitive support and facilitation. The additional financing supports the geographical expansion of the project to cover all the state's blocks in the existing six districts of the project and support consolidating and scaling up pilot activities undertaken in the parent project. It will also scale up activities to promote greater social accountability and increase the impact of last-mile service delivery approaches using the institutional platform of community-based organizations already formed. The project's development objective is to enhance social and economic empowerment of the rural poor in Bihar. It has four components:

- Community institution development: Builds/strengthens primary and federated social and economic community institutions.
- Community Investment Fund: Involves transferring financial and technical resources to the community-based organizations on a demand-driven basis as a catalyst to improve livelihoods.
- Technical Assistance Fund: Improves quantity and quality of service provision by public, cooperative, community, and private service providers. The fund will also be used to improve the supply of key support services for the community organizations and federations in the areas of institution building, finance, and livelihoods enhancement.
- Project management: Facilitates overall co-ordination, implementation, financial management, and monitoring and learning of the project at state and district levels.

KEY EXPECTED AND ACHIEVED RESULTS:

- Mobilized 1.13 million poor women into 93,000 self-help groups (SHGs) and 5,700 village organizations. SHGs have saved over \$9.5 million, and made \$13.9 million in loans to each other, to help create credit histories with commercial banks, and the project has facilitated SHGs' access to \$56 million in bank credit.
- The Bihar Innovation Forum II identified 67 social enterprises (out of 500 applicants) across eight sub-sectors (agriculture, livestock, financial services, rural energy, health services, ICT based solutions, skills & non-farm and entitlements) and 16 grassroots innovators (out of 1,700 applicants) for possible partnerships with the project.
- 300,000 farmers have accessed agriculture productivity enhancement interventions, nearly 16,000 households have increased their price realization through the project's dairy intervention, and 15,700 youth have been linked to formal sector jobs.
- 102 village organizations are managing a public distribution system (PDS) intervention to ensure access to food entitlements.
- More than 30,000 households have accessed entitlements, such as pensions, health insurance and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA—a national work guarantee scheme).
- An independent impact evaluation based on a survey of 4,000 households shows that the project has increased the savings, reduced high cost indebtedness, and led to increased food security, and increased women's empowerment.
- An additional 1 million households will be mobilized into 100,000 SHGs. These households are expected to access nearly \$60 million from the Community Investment Fund (CIF), and \$60 million from commercial banks. It is expected that at least 50 percent of SHG members who receive CIF funds will increase their incomes by at least 30 percent from the baseline.
- Mobilized 700 producer organizations accounting for 35,000 households across agriculture, dairy and poultry sectors; backyard poultry intervention scaled up already from 5,000 to 30,000 households.

IMPLEMENTING AGENCY:

Bihar Rural Livelihood Promotion Society, Government of Bihar.

KEY DEVELOPMENT PARTNERS:

Action for Social Advancement and Professional Assistance for Development Action (PRADAN), which support pilots and help scale up agriculture sector interventions; private and social enterprises, such as State Bank of India and Punjab National Bank, which provide credit linkages for poor households; agriculture processors (e.g. SHAKTI SUDHA Pvt. Ltd., EDA Rural Systems, Asian Heritage Foundation), which enable access to markets; and government departments, such as the Agriculture Department, which helps scale up the system of crop intensification, the Food and Civil Supplies Department, which enables access to food entitlements, the Social Welfare Department for access to pensions, and the Labor Department for access to health insurance.

INDIA: BIHAR INTEGRATED SOCIAL PROTECTION STRENGTHENING (BISPS) PROJECT

KEY DATES:

Approved: December 30, 2013

Effective: August 7, 2014

Closing: March 31, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA Credit	84.0	0.2	76.74
Government of India	36.0		
Total Project Cost	120.0		

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Bihar is India's third largest state with a population of 103 million people, of which approximately 54 million live below the poverty line. While significant resources are provided for social protection programs, the programs fall short of their poverty reduction potential. Program coverage is low and insufficient to address deprivation and poverty in Bihar due to large human resource and technical capacity gaps. Delivery mechanisms for awareness generation, enrollment, beneficiary management and benefit payments are inefficient, and certain groups (i.e., older people, widows, and people with disabilities) are underserved as social care service provision is practically absent. Existing monitoring and evaluation systems do not provide adequate support for planning and decision making and there is poor accountability in service delivery.

The project development objective is to strengthen institutional capacity of the Department of Social Welfare and the Rural Development Department to deliver social protection programs and services and expand outreach of social care services for poor and vulnerable households, people with disabilities, the elderly, and widows. The project has two components:

- Strengthening social protection systems and capacity: Setting up core systems and building capacity of the Bihar Rural Development Society (BRDS) and the State Society for Ultra-Poor and Social Welfare (SSUPSW), which are the program implementation arms of the Rural Development Department and the Department of Social Welfare, respectively, to deliver key social-protection programs.
- Strengthening outreach and social protection service delivery: Financing construction, equipment, and staff for 101 social care service centers across all sub-divisions of the state to provide high-quality care, support, and rehabilitation services for older people, widows and the disabled. The component also supports pilots to improve outreach through mobile therapy services and tests models of community-based rehabilitation as well as innovative proposals to further improve social services.

KEY ACHIEVEMENTS:

- Twenty percent increase in Mahatma Gandhi National Rural Employment Guarantee Scheme and Indira Awaas Yojana coverage, a 50 percent increase in coverage of social care services, as measured by number of program beneficiaries, and a 25 percent increase in share of vulnerable groups in total beneficiaries of social protection programs and services.
- Twenty five percent increase in resources available for social protection programs, as measured by the percent of funds drawn from central resource.
- Forty percent improvement in quality and satisfaction with social protection service delivery, as measured by the percent of eligible population aware and percent of beneficiaries reporting satisfaction with services

IMPLEMENTING AGENCY:

SSUPSW under the Department of Social Welfare and BRDS under the Department of Rural Development, Government of Bihar

INDIA: BIODIVERSITY CONSERVATION AND RURAL LIVELIHOODS IMPROVEMENT PROJECT

KEY DATES:

Approved: May 17, 2011
 Effective: July 13, 2011
 Closing: March 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	15.36	2.02	11.75
Government of India & beneficiary	7.52		
Global Environment Facility (GEF) Grant	8.14	1.28	6.86
Total Project Cost	31.02		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The project supports India's Ministry of Environment and Forests (MoEF) in piloting new conservation models that look beyond protected areas, and recognize the need for innovative solutions to biodiversity loss through improved coordination, capacity building, awareness generation, reskilling, and convergence of actions. Given the pace of land use changes and growing population pressure on protected areas, there is a real danger that the loss of biodiversity and ecosystem services could reach a tipping point, at which there will be a failure to supply key inputs for sustaining economic growth. Coupled with this is the fact that over 100 million people are directly dependent on biodiversity resources for subsistence.

The project development objective is to develop and promote new models of conservation at the landscape scale through enhanced capacity and institution-building for mainstreaming biodiversity conservation outcomes. The project has four components:

- Demonstration of landscape conservation approaches in two pilot sites: Investments in planning, coordination, and convergence through innovative microplans at the village level and landscape mapping; includes limited investments in improving habitat quality.
- Strengthening knowledge management and national capacity for landscape conservation: Development of a curriculum for a national-level landscape management course—strengthening three field learning centers for translating best practices in conservation management into training modules, and carrying out national-level training sessions.
- Scaling up and replicating successful models of conservation in additional landscape sites: Two new sites will be added this year to further scale up the landscape approach model.
- National coordination for landscape conservation: Supports a project management unit at the MoEF for coordinating among all six implementing agencies.

KEY EXPECTED AND ACHIEVED RESULTS:

The project's development outcomes will be measured by the following performance indicators:

- The successful adoption of the landscape approach in two sites.
- Development and adoption of an Institutional and Methodological Framework for Landscape Conservation Approach.
- Improved management of at least 600,000 hectares of protected areas within landscapes.

The project is expected to lead to an increased natural resource base, reduced dependence on protected areas, and improvement in community livelihoods through the sustainable use of biodiversity resources, as well as converging with other programs. It will support the preparation and implementation of village microplans and track benefits accrued to beneficiaries, including women.

IMPLEMENTING AGENCY:

Ministry of Environment and Forests, State Forest Departments of Gujarat and Uttarakhand, Protected Area Management of Periyar Tiger Reserve, Gir National Park and Kalakad Mundanthurai Tiger Reserve and Wildlife Institute of India.

INDIA: BIHAR KOSI FLOOD RECOVERY PROJECT

KEY DATES:

Approved: September, 9, 2010
 Effective: March, 08, 2011
 Restructured: June 28, 2013
 Closing: June 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	169.94	70.52	99.06
Government of Bihar	36.00		
Total Project Cost	205.84		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

On August 18, 2008, the Kosi River burst through its eastern embankment 11 km upstream of the Kosi Barrage in Nepal, 8 km north of the Indian border. This created major flooding in Nepal and in the Indian state of Bihar, with about 3.3 million people affected in Bihar alone. The Kosi floods were subsequently declared a national calamity by the Government of India.

The project development objective of Bihar Kosi Flood Recovery Project is to support flood recovery and risk reduction efforts in the affected regions through: (i) reconstruction of damaged houses and road infrastructure; (ii) strengthening the flood management capacity in the Kosi Basin; (iii) enhancing the livelihood opportunities of the affected people; and (iv) improving the emergency response capacity for future disasters. The project comprises five components:

- Owner-driven housing reconstruction
- Reconstruction of roads and bridges
- Strengthening flood management capacity
- Livelihood support and enhancement
- Contingency fund
- Project management and implementation support

KEY EXPECTED AND ACHIEVED RESULTS:

- Of the proposed 100,000 houses to be reconstructed, the beneficiary list for 65,000 has been finalized and the process of allocating funds to beneficiaries has been initiated. Currently, over 52,000 beneficiaries have been given their first instalment of housing assistance, and over 16,800 homes have been completed.
- All 70 bridges and 37 roads are awarded and construction begun. Twenty six bridges and two road works are complete.
- The project has helped substantially mobilize community institutions and their capitalization. It has enabled community institutions to leverage considerable credit from commercial banks.

KEY DEVELOPMENT PARTNERS:

The Government of Bihar set up the Bihar Aapada Punarwas Evam Purarnirman Society for implementing the project. Other state agencies, such as Rural Works, Road Construction, and Water Resources departments, are also involved.

INDIA: CAPACITY BUILDING FOR URBAN DEVELOPMENT PROJECT

KEY DATES:

Approved: June 17, 2011
 Effective: January 27, 2012
 Closing: June 30, 2013

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	45	3.46	35.17
Total Project Cost	45		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India is undergoing a massive rural-urban transformation. The share of the Indian population living in urban areas is expected to increase from one-third to half the population in the next 20 years. Already, the number of towns in India has jumped from about 5,000 in 2001 to 8,000 in 2011. In addition to this spatial transformation, India is undergoing an institutional transformation with local governments playing a greater role in service delivery and urban management. Although the process of decentralization was initiated two decades ago with the 73rd and 74th constitutional amendments, the transfer of resources and responsibilities to the local governments is still a work in progress.

The launch of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in December 2005 by the Government of India signaled the increased importance of the urban sector in the political agenda. The total budgeted amount was Rs. 50,000 Cr. (more than \$11 billion in 2005) for the 2005-2012 period to finance city-level investments in infrastructure and housing. There is consensus that lack of capacity at the local level is a major constraint affecting not only the day-to-day management of urban areas but also the ability of cities to absorb technical and financial assistance from the central and state governments.

The project development objective is to assist the Ministry of Urban Development (MoUD) and the Ministry of Housing and Urban Poverty Alleviation (MoHUPA) in improving the systems and skills of select ULBs with respect to urban management and urban poverty reduction, as well as to support the two ministries' implementation of various urban policy and institutional reforms. The project has three components:

- Capacity building for strengthened urban management: This component is implemented by the MoUD, and supports technical assistance to ULBs to improve systems for: (i) financial management; (ii) urban planning; (iii) service delivery; and (iv) governance. ULBs select the desired package of assistance based on an assessment of needs which is undertaken with support from the project management unit. This demand-driven menu approach is in response to the variable capacity building needs faced by ULBs. The component also supports strengthening the MoUD's capacity for policy analysis and monitoring and evaluation.
- Capacity building for effective urban poverty alleviation and monitoring: This component is implemented by the MoHUPA and supports activities including: (i) administering and operating a challenge fund for urban poverty alleviation; (ii) creating a network of practitioners from among the ULBs participating in the challenge fund to promote information sharing and capacity building in urban poverty alleviation; and (iii) strengthening of selected sector institutions' capacity and strengthening of the MoHUPA's capacity for policy analysis and monitoring and evaluation.
- Implementation Support: This component supports a national project management unit for providing overall technical and managerial assistance to the MoUD and MoHUPA during implementation.

KEY EXPECTED RESULTS:

Twenty participating ULBs will have implemented at least two urban management reforms in the areas covered under the technical assistance:

- Financial management.
- Urban planning
- Service delivery
- Governance

IMPLEMENTING AGENCY:

MoUD, MOHUPA.

INDIA: CAPACITY BUILDING PROJECT FOR INDUSTRIAL POLLUTION MANAGEMENT

KEY DATES:

Approved: June 3, 2010
 Effective: October 13, 2010
 Closing: September 15, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	25.21	0.063	25.15
IDA	28.97	8.9	18
Government of India	11.24		
Total Project Cost	65.42		

*US\$ millions; as of July 31, 2015; total amount revised after cancellation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India generates 4.4 million tons of hazardous waste per year, with a large percentage of it illegally dumped outside industrial estates, on abandoned public lands, and within privately owned lands. Despite amendment of national legislation, compliance is low and the data is deficient on illegal dumps and hazardous-waste generation and characterization. Demand for land due to rapidly increasing urbanization is resulting in use and redevelopment of former industrial land or dump sites, which are at the margins of fast expanding cities. Since most of these "brownfield lands" are potentially contaminated with industrial waste, resulting in chemical pollution of soil, surface, and ground water, such contaminated waste sites have the potential to pose significant health risk to communities and exposed individuals, especially poor and marginalized communities located on the fringes of urban areas. India needed the support to develop the tools and methodologies for human health risk assessments and the capacity to evaluate the technical, economic, legal, social, and environmental feasibility of remediation of contaminated sites.

The project development objective is to: (i) build tangible human and technical capacity in selected state agencies for undertaking environmentally sound remediation of polluted sites; (ii) support the development of a policy, institutional, and methodological framework for the establishment of a National Program for Rehabilitation of Polluted Sites (NPRPS). The project is targeting sites in Andhra Pradesh and West Bengal. Project components cover:

- Strengthening of environmental institutions: Building capacity for addressing pollution remediation.
- Investments in priority remediation and environmental improvements: Rehabilitation of orphan hazardous waste sites and municipal dumpsites. Four pilot projects (two each in Andhra Pradesh and West Bengal) will demonstrate sound remediation technologies for Orphan Hazardous Waste and Municipal Solid Waste Disposal sites.
- Project management.

KEY EXPECTED AND ACHIEVED RESULTS:

- Develop NPRRS using risks assessment methodology for prioritizing polluted sites, supported by public consultations. The three baseline studies to develop NPRPS (inventory, methodology and policy for remediation) are in the advanced stages and are expected to be completed by the end of 2013.
- Develop guidelines and standards for remediation to be adopted by participating states and the Ministry of Environment.
- Establish Environmental Compliance Assistance Center (ECAC) to promote measures for voluntary industrial compliance business plans for setting up the ECACs, procurement in the two states, and capacity-building activities are in the final stages of completion.

Pilots for remediation using area based approach are ready for implementation, including pollution profiling and mapping, indicators, detailed engineering plan, monitoring, and after-care program. Project implementing agencies have hired international consultants to develop detailed remedial plans for the four pilot sites and the plans for three sites have already been completed.

IMPLEMENTING AGENCY:

Ministry of Environment and Forests and the State Pollution Control Boards, Department of Environment of the Government of West Bengal and the Government of Andhra Pradesh

INDIA: COAL FIRED GENERATION REHABILITATION PROJECT

KEY DATES:

Approved: June 18, 2009
 Effective: March 19, 2010
 Closing: November 29, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	136.16	78.68	80.32
MSPGCL/WBPDCL	78.0	65.5	12.5
Global Environment Facility (GEF)	45.4	15.35	30.9
Total Project Cost	259.56		

*US\$ millions; as of July 31, 2015; revised amount after partial cancellation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India's current installed power generation capacity stands at more than 223 GW. Fifty-eight percent (130 GW) is coal fired, and contributes to about 83 percent of the total actual generation. In the 12th Five-Year Plan of the Government of India, over 80 percent of the generation addition is planned to come under coal-based power plants. According to the Planning Commission's Integrated Energy Policy, coal will remain India's primary energy source, accounting for nearly 42 percent of total energy consumption and 65 percent of electricity generation in the next 25 years. Many coal-fired power plants, however, do not operate efficiently, and India's renovation and modernization investments have not kept pace with targets; plants that account for almost 27 GW of capacity urgently need to be renovated and modernized. Focusing on existing plants rather than building new ones is a good opportunity to add low-cost power to India's starving grid, while improving operational efficiencies relatively quickly. The approach also means dealing with fewer challenges such as availability of land, existence of transmission lines, and availability of fuel and water linkages.

The Bank-supported Coal Fired Generation Rehabilitation Project is helping the Government of India design and implement an appropriately sequenced program to scale up the Energy-Efficient Renovation and Modernization (EE R&M) of its old, inefficient, and polluting coal-fired power generation capacity. This would help put the sector on a lower carbon path than continuing to operate these plants at their present efficiency levels, while also bridging the power demand-supply gap. Recognizing the large carbon emission reduction potential of this project, the Global Environment Facility (GEF) has provided a \$45.4 million grant.

The project's development objective is to improve energy efficiency of selected coal-fired power generation units through renovation and modernization and improved operations and maintenance. The project's two components focus on:

- Energy efficiency renovation and modernization pilots to renovate and modernize 640 MW of old coal-fired power generation capacity to demonstrate energy-efficient rehabilitation approaches.
- Technical assistance to support the implementation of pilots, develop a pipeline of pilot interventions, address barriers to energy efficient renovation and modernization projects, and strengthen institutional capacities of implementing agencies.

KEY EXPECTED RESULTS:

While this pilot project is targeting 640 MW for EE R&M, its success could result in the Government of India and various states rehabilitating capacity of identified similar plants. The project is expected to have an impact on:

- Barrier reduction strategy for wider replication of rehabilitation projects: This attempts to address barriers to rehabilitation in the selected pilot states through studies backed with international experiences, policy/regulatory dialogue, and strengthening of institutional capacity. In addition, the project has also helped mobilize qualified contractors to bid on India's EE R&M opportunities and will demonstrate effective R&M approaches which can be replicated across the country (and possibly elsewhere) once completed successfully.
- Quick and low-cost option for augmentation of power supply: Given the significant gap between demand and supply of power in India, these pilots will demonstrate whether and how the rehabilitation of old coal-fired power plants can augment availability of power on competitive terms.
- Strengthening institutional capacity of utilities: The engagement with selected state utilities is helping them build institutional capacity, especially in the areas of design and execution of R&M projects, and efficient operation and management (O&M) of plants.
- Improving environmental performance of the plants: In addition to reducing carbon emissions from power plants, the project would support improving the overall environmental performance of these plants, including particulates emission, water treatment, ash disposal, and overall safeguards practices and policies in the plant - areas that sometimes do not attract adequate the attention of the utility.

IMPLEMENTING AGENCY:

State generation utilities.

INDIA: DAM REHABILITATION AND IMPROVEMENT PROJECT

KEY DATES:

Approved: June 29, 2010
 Effective: April 18, 2012
 Closing: June 30, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	139.65	9.35	130.30
IDA	139.65	.44	139.21
Central and State Governments	87.5		
Total Project Cost	366.8		

*As of July 31, 2015; revised total after partial cancellation. For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India has over 5,000 large dams that are essential for water storage to cater to India's increasingly competitive use of scarce water resources. There is limited scope for building new dams, however, since all easy dam sites are already in use, acquiring land is difficult, and construction costs are very high. Many existing dams are under distress, and the Dam Rehabilitation and Improvement Project (DRIP) is designed to implement innovative solutions to again allow for the optimal use of the existing 223 dams covered by the project.

The project's development objective is to improve the safety and operational performance of selected existing dams in the states of Kerala, Madhya Pradesh, Orissa, and Tamil Nadu. The project has two major components:

- Rehabilitation and improvement of dams and associated appurtenances: Comprehensive rehabilitation and improvement of 223 dam and appurtenant structures in the project states. In addition, hydrological assessments, preparation of asset management plans and emergency preparedness plans, development of emergency warning systems, public awareness campaigns, and floodplain mapping will be carried out.
- Dam safety institutional strengthening: To support and strengthen the Dam Safety Organization (DSO) at the national level in the Central Water Commission and DSOs and Water Resources Departments in each of the four participating states, as well as the State Electricity Boards in Kerala and Tamil Nadu. DSOs will become effective organizations that can take the lead in overseeing that dams remain safe from a structural and operational point of view. Dam managers will be assisted with the development of appropriate skills and modern tools to adequately operate and maintain dams.

KEY EXPECTED RESULTS:

The main results expected at the end of the project include:

- 223 project dams with the ability to safely deal with recurrent floods, and with acceptable stability and seepage; 223 fully operational dams, with reduced risk of failure.
- 150 project dams with need-based operation and maintenance (O&M) plans implemented, and with at least 80 percent of the required annual budget for O&M allocated.
- 60 dams where emergency response plans have been prepared and disseminated to the population.

IMPLEMENTING AGENCY:

Central Water Commission, Water Resources Departments of Kerala, Madhya Pradesh, Orissa, and Tamil Nadu, and State Electricity Boards of Kerala and Tamil Nadu.

INDIA: EASTERN DEDICATED FREIGHT CORRIDOR I (EDFC 1)

KEY DATES:

Approved: May 31, 2011
 Effective: December 30, 2011
 Closing: June 30, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	975	113	865
Government of India	483.44		
Total Project Cost	1,458.44		

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Indian Railways (IR) operates a national rail network of about 64,600 route-kilometers. In 2011-12, it carried 8.2 billion passengers and 969 million tonnes of freight. Despite strong growth in its freight business, IR has been losing market share to road haulage, due partly to insufficient physical capacity and poor service quality exacerbated by the need to fit freight train movements into a busy passenger service schedule. Without additional rail network capacity, much of the traffic for which rail should have competitive advantage would be forced to use road haulage or be suppressed, in both cases at a cost to the economy and in the former case at an environmental cost as well. Over the last decade, IR has successfully adopted many management measures to squeeze more capacity from its existing assets; average trainload, equipment utilization, and railway labor productivity have all been greatly improved. Physical capacity on key corridors is now the most pressing constraint.

The Dedicated Freight Corridor (DFC) project is a strategic response to network constraints on critical freight routes in India that form a quadrilateral, connecting Delhi, Mumbai, Chennai, and Kolkata. The rail network between these cities accounts for just 16 percent of IR's route network by length, but carries more than 60 percent of its freight traffic. With India's freight traffic projected to grow at more than 7 percent annually, the DFC program will add dedicated freight-only lines, mostly parallel to the existing routes, built at higher loading standards to permit the operation of larger and heavier axle-load trains. This will not only double the overall rail capacity in the corridors, but also significantly reduce train operating costs per unit of freight. The current DFC program includes the Western Corridor (Delhi-Mumbai) and the Eastern Corridor (Ludhiana-Delhi-Kolkata). The Ministry of Railways (MoR) is the designated responsible ministry and the shareholder of the Dedicated Freight Corridor Corporation of India Limited (DFCCIL).

The World Bank is supporting implementation of a substantial portion of the Eastern DFC under a three phased Adaptable Program Loan (APL). The APL-I is for a 343-km section from Khurja to Kanpur, entirely in the state of Uttar Pradesh. APL-II, currently under preparation, will cover about 390 km from Kanpur to Mughal Sarai, again entirely in Uttar Pradesh. The development objectives of the APL-I are to: (i) provide additional rail transport capacity, improved service quality, and higher freight throughput on the 343-km Khurja to Kanpur section of the Eastern rail corridor; and (ii) develop the institutional capacity of DFCCIL to build and operate the DFC network. The APL Phase 1 project consists of two components:

- Design, construction, and commissioning of the Khurja-Kanpur section: Supports the construction of 343 km of double track electrified railway capable of freight train operation with 25-ton axle loads at 100 km/hour.
- Institutional development: Supports (i) institutional strengthening of DFCCIL; and (ii) heavy-haul freight systems development.

KEY EXPECTED RESULTS:

- Additional freight train paths on the DFC will increase by 100 pairs per day.
- Average speed of freight trains on the DFC will increase from a baseline of 25 km/hour in 2011 to 60 km/hour by the end of the project.
- Rail transport capacity on the DFC will increase from 18 to 29.5 Net Tonne Kilometer (NTKM) bn ton-km.
- DFCCIL institutional capacity will increase with the addition of 9,800 staff, of which 1,210 will be from the officer cadre.

IMPLEMENTING AGENCY:

Dedicated Freight Corridor Corporation of India, Ltd.

INDIA: EASTERN DEDICATED FREIGHT CORRIDOR II (EDFC 2)

KEY DATES:

Approved: April 22, 2014
 Effective: January 16, 2015
 Closing: December 31, 2019

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	1,100	32	1068
Government of India	550		
Total Project Cost	1,650		

*US\$ millions as of July 31, 2015;

For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The Eastern Corridor is 1,839 km and extends from Ludhiana in Punjab to Kolkata in West Bengal. World Bank support for the Eastern Dedicated Freight Corridor (EDFC) was conceived as a series of projects in which the three sections (total length 1,133 km) would be delivered sequentially, but with considerable overlap in their construction schedules. The first loan (as first phase of an Adaptable Program Loan called EDFC 1) was approved by the Board in May 2011 and is now under implementation. This project, EDFC 2, supports the Government of India's effort to construct 393 km of the EDFC from Kanpur to Mughal Sarai in Uttar Pradesh. The project includes the most heavily congested sections of the corridor, and connects ports and mining areas in the East to consumption centers in the Northwest of the country. It is a top development priority of the government, as rail traffic levels in the main transport corridors are already at or exceed their nominal capacity.

The project's development objectives are to: (i) provide additional rail transport capacity, improved service quality and higher freight throughout on the 393-km Kanpur-Mughal Sarai section of the Eastern Dedicated Freight Corridor; and (ii) develop institutional capacity of the DFCCIL to build, maintain, and operate the entire rail freight network. It has two components:

- Design, construction and commissioning of the Kanpur-Mughal Sarai section of the EDFC consisting of 393 km of double-track electrified railway designed for freight-only train operations with 25-ton axle-loads (upgradable to 32.5 ton axle loads) at 100 km/hour.
- Continue providing institutional support to assist DFCCIL to develop its capability to best utilize heavy-haul freight rail systems.

KEY EXPECTED RESULTS:

Progress toward the achievement of the project's development objective will be measured by three indicators:

- Number of additional train paths produced on the EDFC.
- Volume of freight carried.
- Improved institutional capacity of DFCCIL.

IMPLEMENTING AGENCY:

Dedicated Freight Corridor Corporation of India, Ltd.

INDIA: EASTERN DEDICATED FREIGHT CORRIDOR 3 (EDFC 3) PROJECT

KEY DATES:

Approved: June 30, 2015
 Effective: NA
 Closing: December 31, 2019

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
	650	0	650
Government of India	457	-	-
Total Project Cost	1107	0	650

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Background and Objectives: The Eastern Corridor is 1,839 km and extends from Ludhiana in Punjab to Kolkata in West Bengal. World Bank support for the EDFC was conceived as a series of projects in which the three sections (total length 1,193 km) would be delivered sequentially, but with considerable overlap in their construction schedules. The first loan (as first phase of an Adaptable Program Loan called EDFC 1) was approved by the Board in May 2011 and is now under implementation. EDFC2 was approved by the Board on April 22, 2014, and is also under implementation. This project, EDFC 3, supports the Government of India's effort to construct 401 km of the EDFC from Ludhiana - Khurja in Uttar Pradesh and Punjab.

The EDFC projects includes the most heavily congested sections of the corridor, and connects ports and mining areas in the East to consumption centers in the Northwest of the country. It is a top development priority of the government, as rail traffic levels in the main transport corridors are already at or exceed their nominal capacity.

The project's development objectives are to: (i) provide additional rail transport capacity, improved service quality and higher freight throughput on the 401 km Ludhiana-Khurja section of the EDFC; and (ii) develop the institutional capacity of DFCCIL to build, maintain and manage the DFC infrastructure network. It has two components:

- Design, construction and commissioning of the Ludhiana-Khurja section of the Eastern DFC, consisting of 401 km of single-track electrified railway with 1500-meter crossing loops at approximate 10-km intervals, designed for freight- only train operations with 25-ton axle-load (upgradable to 32.5 ton axle loads) at maximum speed of 100 km/hour. The DFC lines are being built to carry bulk freight trains of 6,000 or 12,000 gross tons.
- Continuing development of DFCCIL's/IR's institutional capacity to build, maintain, and manage DFC lines, including both technical assistance and ancillary works and equipment focusing on supporting three priority areas: operational management, commercial management (including private participation), and environmental management.
 - a) Operational: Design of system to optimize interfaces at the interchange of trains between IR and EDFC lines at connection points, including train holding yard requirements.
 - b) Commercial: A freight logistics centers market-testing program to promote private investment in freight logistics centers/terminals (along either or both of Eastern and Western Corridors, plus development of a contractual model and seed capital for implementation of a pilot project.
 - c) Environmental: Design and implementation of pilot project to attain energy savings in IR train operations through a driver advisory system with potential for scaling up across DFC with associated reduction in GHG emissions.

KEY EXPECTED RESULTS:

Progress toward the achievement of the project's development objective will be measured by four indicators:

- Number of additional train paths produced on the EDFC.
- Volume of freight carried.
- Speed of freight trains.
- DFCCIL Memorandum of Understanding rating (with MoR)

IMPLEMENTING AGENCY:

Dedicated Freight Corridor Corporation of India, Ltd.

INDIA: FIFTH POWER SYSTEM DEVELOPMENT PROJECT

KEY DATES:

Approved: September 22, 2009

Effective: January 8, 2010

Closing: May 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	1,000.0	677.61	322.39
POWERGRID	562.0	-	-
Total Project Cost	1,562.0	-	-

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Recurrent and severe electricity shortages (peak power deficit of 9.0 percent and energy deficit of 8.7 percent in 2013) have imposed high costs on the Indian economy. In addition, the poor technical and commercial performance of most of the state electricity providers has led to a loss of \$20 billion during 2011-12, according to the India Power Sector Review Study (2013). This bleak scenario is compounded by the fact that more than 350 million people in India today still lack access to electricity, impeding their ability to fully benefit from a growing economy. Furthermore, India's power sector also relies heavily on fossil fuels (primarily coal), and the country is currently the world's fourth largest greenhouse gas (GHG) emitter. To address these issues, the Government of India plans to: (i) expand generation by using renewable energy sources whenever feasible and strengthen the central transmission network to facilitate energy exchange across regions; (ii) improve energy efficiency and performance of institutions in the power sector; and (iii) expand access for rural and peri-urban populations.

The Fifth Power System Project builds on a successful partnership with Power Grid Corporation of India Limited (POWERGRID), the national electricity transmission company that is vital to the development of India's power sector. Not only has the WBG financed POWERGRID's investment programs (through four direct loans), but it has also supported its ongoing efforts to achieve world class operations and management, and to leverage private participation (including with IFC financing of the Bhutan-India Tala transmission system). WBG's support to this project came in the wake of the 2008 global financial crisis, when both international and domestic credit markets became severely constrained. In India, the cost of debt for domestic investors increased by at least 20 to 30 percent, and the availability of both debt and risk capital for infrastructure projects decreased. Additional financing to POWERGRID was also part of broader efforts to scale-up IBRD financing in response to the financial crisis.

The project's development objective is to strengthen India's electricity transmission system in the Western, Northern, and Southern regions to increase reliable power exchange between regions and states. Investments under the project will help improve POWERGRID's service delivery by facilitating more economic use of generation resources; providing greater grid stability; and facilitating development of a power trading regime within the country and with India's neighbors. The government is also encouraging private financing in the sector. To this end, the WBG has been working with POWERGRID to explore options for leveraging finance from international markets, with the deployment of IFC-syndicated loan instruments (transaction completed in June 2012), and the possible use of an IBRD Partial Credit Guarantee whereby POWERGRID will access the international loan markets for the first time and on its own credit.

KEY ACHIEVED AND EXPECTED RESULTS:

- Annual inter-regional power exchange is up to 78,384 mega units (MU), surpassing original and recently original (58,000 MU) and recently revised (68,000 MU) Targets.
- Transmission capacity of the Central Transmission Utility of India has exceeded 106,000-circuit km, outperforming original end-of-project targets.
- Transformation capacity increased significantly from a baseline of 75,000 megavolt amperes (MVA) to more than 205,000 MVA, outperforming end-of-project targets.
- Inter-regional electric power transfer capacity increased from less than 21 to 31 gigawatts since 2008-09, and since January 1, 2014, the entire transmission system has been operating as one of the largest synchronous grids in the world.

KEY PARTNERS:

POWERGRID.

INDIA: FINANCING PUBLIC PRIVATE PARTNERSHIPS IN INFRASTRUCTURE THROUGH SUPPORTING THE INDIA INFRASTRUCTURE FINANCE COMPANY (IIFCL) PROJECT

KEY DATES:

Approved: September 22, 2009 and December 12, 2013 (restructured)

Effective: November 5, 2009

Closing: September 30, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	195	195	0
Total Project Cost	195	195	0

*US\$ millions; as of July 31, 2015; total amount revised after partial cancellation; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

India has large infrastructure financing needs: the Government of India's estimate for the 12th Five Year Plan (2012-2017) alone is \$1 trillion, half of which is expected to be raised from private sources. The project's objective is to strengthen IIFCL's capacity for infrastructure public-private partnership financing through piloting new instruments and implementation approaches to increase the availability of long-term financing for infrastructure PPP projects in India. The coverage of the project is intended to be national.

KEY ACHIEVEMENTS:

Project progress had been very slow. Consequently the project was restructured in December 2013 to appropriately size the project allocation, allow for innovative financial products that build IIFCL's financial capacity and use new implementation approaches that rely more substantively on IIFCL's operational capacity, which has evolved substantively over the last few years. Disbursement so far is \$65 million, out of an allocation of \$195 million for one power transmission project and one solar power project. Other roads and port terminal projects are in the pipeline. The capacity-building component of the project has made better progress and additional resources have been allocated recently to support implementation of the restructured project and scale up capacity building efforts. Recent achievement include:

- Cumulative amount of take-out financing provided by IIFCL is currently at \$1.2 billion against a \$1.7 billion target.
- Number of eligible infrastructure projects that receive Bank financing support through IIFCL increased from baseline of 1 to 7 by end June 2014.
- Percent of loans disbursed through IIFCL to selected infrastructure sub-projects increased from a baseline of 2 percent in March 2013 to 33 percent in June 2014.

IMPLEMENTING AGENCY:

(IIFCL)

KEY DEVELOPMENT PARTNERS:

United Kingdom's Department for International Development (DFID) funding part of capacity building component. ADB and KfW, the German government-owned development bank. Both ADB and KfW have parallel lines of credit to IIFCL.

INDIA: FINANCING ENERGY EFFICIENCY AT MICRO, SMALL AND MEDIUM ENTERPRISES PROJECT

KEY DATES:

Approved: May 27, 2010
 Effective: September 29, 2010
 Closing: December 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
Global Environment Facility (GEF) Grant	10.79	5.20	6.1-
Private Sector Financing	46.00	8.50	(market driven)
Total Project Cost	56.79		

*US\$ million; as of July 31, 2014; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The Indian Micro, Small, and Medium Enterprises (MSME) sector is facing high and rising energy costs, unlike other sectors of the economy such as agriculture that benefit from subsidized energy prices. Many Indian MSMEs are energy-intensive, employing inefficient and outmoded technologies. Investments in cost-effective energy-efficiency measures would improve their productivity and bottom-line profits. The barriers to adopting energy efficiency measures typically include access to finance, a gap in understanding between energy auditors and energy-efficiency practitioners and local banks, higher transaction costs for preparing energy-efficiency proposals, and imperfect information. MSMEs are also generally unfamiliar with the performance of readily available efficient equipment. The project development objective is to increase demand for energy efficiency investments in target MSME clusters, and to build their capacity to access commercial finance. The project has four components, focusing on five MSME industrial clusters:

- Increasing awareness of energy efficiency through outreach efforts, and dissemination of information about successful projects. Increase capacity of energy auditors, financial intermediaries, vendors, and MSMEs.
- Preparation and implementation of 500 energy-efficiency proposals through technical assistance for preparing Investment Grade Detailed Project Reports. That involves detailed energy audits and preparing financing plans, facilitating loans from banks and financial intermediaries, and providing implementation support.
- Broad programmatic knowledge management for monitoring and evaluation, collection of best practice examples, dissemination, and policy development functions, with the goal of ensuring effective implementation and replication of energy efficiency improvement efforts at MSMEs.
- Implementation support for the two project management units.

KEY EXPECTED AND ACHIEVED RESULTS:

- 4.8 million lifetime emission reductions by project end from five project clusters and 26 clusters managed by the Bureau of Energy Efficiency (BEE).
- Emission reductions are about 0.6 million from five clusters and about 2.5 million from 26 clusters (as of March 2014).
- 300 Investment Grade Energy-Efficiency Proposals completed out of a target of 500. Of these, implementation of EE measures are completed by 42 units and implementation is ongoing in 158 units. Implementation will start shortly in the rest of 100 MSME units.
- \$10 million worth of energy-efficiency investments already achieved with steady progress toward the \$46 million end of project target. EE investments completed in 62 units and 166 are ongoing.
- 500 energy auditors have already been trained, fully achieving the target.
- 2,450 entrepreneurs (including 100 banks and financial intermediaries and 500 MSME units) benefited from outreach activities, surpassing the end-project target of 1,300.

IMPLEMENTING AGENCY:

Bureau of Energy Efficiency (BEE), Ministry of Power; and Small Industries Development Bank of India (SIDBI).

INDIA: GUJARAT STATE HIGHWAYS PROJECT II

KEY DATES:

Approved: December 13, 2013

Effective: March 19, 2014

Closing: January 31, 2019

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	175	24.8	150.2
Government of Gujarat	111		
Private sector	37		
Total Project Cost	323		

*US\$ million; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Gujarat has one of the most extensive and traffic-intensive road networks in the country. The state's has about 145,000 km of roads, including 3,170 km of national highways, 18,450 km of state highways, and 20,560 km of major district roads. The Roads and Buildings Department (R&BD) has the primary responsibility for managing about 80,000 km of primary road network and 30,000 km of non-plan roads, with higher-level strategic guidance/oversight from the Gujarat Infrastructure Development Board. Despite rapid expansion in the network capacity and quality, owing mainly to the government's sustained emphasis on road development, the road sector faces a new set of challenges to keep up with rapidly increasing demand, improve connectivity to the relatively underdeveloped eastern tribal region of the state, and associated financing and safety considerations.

The main goal of the Gujarat State Highways Project II (GSHP II) is to extend Bank assistance to address these challenges. Because this is a follow-up project in an advanced state, it will place relatively less emphasis on financing civil works—reflected in smaller loan-size with a higher ratio of counterpart and private funding—and increase focus on finance-plus aspects. For example: (i) new contracting approach to improve investment and operational efficiency by transferring design risks to the contractors, and clubbing maintenance responsibilities for a longer period; (ii) pilot transactions to leverage innovative private sector investment (modified annuity); and (iii) various steps to increase the sector's institutional and financial capacity to improve road service and safety in an environmentally sustainable and cost-effective manner.

The project development objective is to improve capacity and enhance the quality and safety of road services for the users of the Core Road Network (CRN) of state highways in Gujarat, through institutional strengthening and efficient contracting and financing strategies. The project is structured around three components:

- Highway improvement includes upgrading about 350 km and rehabilitating 275 km of state highways through a mix of nine performance-based maintenance contracts, one PPP annuity-based Design, Building, Finance, Operate, Maintain and Transfer (DBFOMT) contract and one output and performance-based road contract (OPRC).
- Sector policy and institutional development seeks to deepen the GSHP I efforts towards improving R&BD's operational capacity, and also augment the state's capacity in two more critical areas: policy and planning; and knowledge-building.
- Road safety management strengthens the road safety management system and improves capacity to undertake multi-sectoral road safety interventions in the state through a safe corridor demonstration project on two high-volume, high-safety risk corridors, enhancing asset management with safety attributes, and strengthening the Gujarat Road Safety Management System.

KEY ACHIEVEMENTS:

The project would directly improve the condition, capacity and safety of about 625 km of the 6,444-km core state road network. It is expected that this will directly benefit about 38 million local businesses and inhabitants served by the project roads, as well as road users, of whom about half are women. The improved roads will have significantly better capacity and roughness. Travel time should fall by about 30 percent, while the average volume/capacity ratio, a key measure of highway congestion, should decline significantly. The emphasis on road safety ought to help reduce fatalities by 20 percent on the safe demonstration corridor.

IMPLEMENTING AGENCY:

R&BD, Government of Gujarat.

INDIA: HARYANA POWER SYSTEM IMPROVEMENT PROJECT

KEY DATES:

Approved: August 4, 2009
 Effective: October 15, 2009
 Closing: November 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	330.00	201.89	128.11
Government of Haryana	80.00		
Total Project Cost	410.00		

*US\$ millions; as July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The major remaining obstacles to making India's power sector responsive to the demands of consumers and a modernizing economy are at the state level, predominantly in electricity distribution and transmission. By using investment lending to alleviate the infrastructure deficit in a rapidly growing state that also has pockets of poverty, the World Bank is drawing on global experience in institutional reform to support electricity improvements in the north Indian state of Haryana.

The project development objective is to improve the availability, efficiency, and accountability of electricity supply in the state of Haryana by strengthening the transmission and distribution systems. The project supports HVPN, a transmission company, and DHBVN, a distribution company. It has three components:

- Transmission system strengthening involves priority investments in sub-stations together with transmission lines for system augmentation.
- Urban distribution system strengthening focuses on improving operational efficiency and enhanced customer service.
- Technical assistance and capacity building of transmission and distribution companies.

KEY ACHIEVEMENTS:

- The transmission company's (HVPN) transformation capacity has increased from baseline 9,700 MVA to about 18,580 MVA, beyond the project end target of 16,000 MVA.
- Under the project, the corporate governance and financial accountability (CGFA) action plan is modeled on best practice in financial management for public-sector undertakings in India. The CGFA covers accounting, auditing, internal control, budgeting, and reporting, and is currently under implementation in both companies.
- Building overall capacity of the Government of Haryana to develop and implement its institutional-building agenda—one that focuses on internal transformation through process improvements, use of technology, and organizational change—is the most critical part of this project. The implementation strategy aims to increase accountability at all levels of government, and increase efficiency and performance through the formulation of key performance Indicators and a new performance management system.
- More than 60 percent of the distribution company's (DHBVN) revenue comes from 3.75 percent (90,623) of consumers who have loads of more than 10 kilowatts (kW). The project provides automated meter readings to 87,000 of these consumers. Automatic meter readings will ensure better revenue and helps detect tampering and theft.
- Consultancy support to the Haryana Electricity Regulatory Commission (HERC) has helped mainstream safeguard policies and introduced the use of third-party quality assurance consultants, resulting in improved flow of information on good practices in project management, as well as supporting accountability and transparency in transactions.

IMPLEMENTING AGENCY:

Regulatory Commission, government of Haryana, and state utilities.

INDIA: HIMACHAL PRADESH MID-HIMALAYAN WATERSHED DEVELOPMENT PROJECT

KEY DATES:

Approved: December 13, 2005
 Effective: February 24, 2006; September 12, 2012 (AF)
 Closing: March 31, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA (Original Credit and AF)	97.0	78.08	20.16
Government of India	16.2		
Other(local communities)	8.1		
Total Project Cost	126.3		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Himachal Pradesh is a mountain state in northern India and a rich repository of biodiversity, forming the catchment for several major northern Indian rivers. Despite the growing importance of tourism and hydropower, the economy of Himachal Pradesh remains largely agrarian, based on rain-fed crops, horticulture, and livestock. Nine out of 10 households are rural, and most of these live in small settlements, typically located in remote valleys and heavily dependent on forests and community lands for their daily requirements of fuel wood, fodder, and food. Constraints to rural development include rugged topography and poor access to social and economic services, small and fragmented landholdings, fragile soils, and excessive human and livestock population pressure in a highly fragile mountain eco-system. To meet the challenges of poverty reduction and sustainable natural resource management, an integrated approach to watershed development is needed to ensure that land and water resources are sustainably managed and the livelihoods of rural inhabitants enhanced.

The World Bank has had a long history with watershed development in the state and the current project aims to scale up the successes of earlier interventions by entrusting a large share of project implementation responsibilities to local governments i.e., Gram Panchayats (GPs). This will help mainstream policies that promote cost-sharing, participation, and effective local governance into state-wide watershed development efforts. The primary objective of the proposed project is to reverse the process of degradation of the natural resource base, and improve the productive potential of natural resources and incomes of the rural households in the project areas. The secondary objective is to support policy and institutional development to harmonize watershed development projects and policies across the State, in accordance with best practices. There are three project components:

- Institutional strengthening: Building capacity of communities and local governments to effectively manage watershed development in a participatory, transparent, and demand-driven manner.
- Watershed development and management: Financing of soil and water conservation, non-arable land treatments, crop and livestock production, and rural infrastructure.
- Enhancing mountain livelihoods: Promotion of value added in agriculture and income-generating activities, particularly for tribal and vulnerable groups.

KEY RESULTS ACHIEVED:

- The project has contributed to reverse the process of natural resource degradation by creating an estimated 537,000 cubic meters of water storage. Various water harvesting structures have been developed, including 6,150 water harvesting tanks, 1,500 ponds/tanks, 335 lift/gravity irrigation schemes and 240 km of irrigation channels. The benefits from these structures have reached almost 45,000 families.
- The project has also brought about 7,500 hectares of rain-fed land under irrigation.
- By 2009, there was a reported increase in yields of rice paddy (236 percent), corn (163 percent), and wheat (90 percent), which surpassed the end-of-project target of 50 percent. The increase in milk yield was 11 percent. Some 10,000 farmers benefited from cultivating and marketing high-value crops, such as vegetables and spices, instead of traditional crops.
- Production and use of vermi-compost (28,000 metric tons annually) enabled organic vegetable cultivation.
- The project also formed 1,500 farmers into milk federations and established linkages with milk-chilling plants.
- Some 12,000 hectares have been forested, with the overall survival rate of these plantations assessed at 73 percent.

IMPLEMENTING AGENCY:

Integrated Watershed Development Project, Solan

INDIA: HIMACHAL PRADESH STATE ROADS PROJECT

KEY DATES:

Approved: June 5, 2007
Effective: October 5, 2007
Closing: June 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	281.7	190.04	90.66
Government of India	118.93		
Total Project Cost	400.63		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Himachal Pradesh is a relatively small state in India both in terms of area and population. The development strategy of the Government of Himachal Pradesh aims to progressively raise the standard of living, correct the fiscal imbalance, and stimulate growth. An efficient transport system is necessary to allow for the state's planned growth. With hardly any rail, no waterways and only three small domestic airports, the state relies almost exclusively on its road network for transport. The total road network in the state is about 28,000 km, comprising 2,000 km of national highway border roads financed by the Government of India, 2,160 km of state highways, 2,240 km of major district roads, with the balance being rural roads. But the quality and extent of this road network is inadequate to meet the social and economic needs of the state: only half of all roads are surfaced, 90 percent of the highway network is single lane, and fewer than half of all villages are deemed connected. The road sector suffers from low levels of investment. Funding for maintenance has historically been a problem.

The project development objective is to reduce transport costs and improve traffic flows on priority segments of the Core Road Network of Himachal Pradesh for the road users in the state. It has two components:

- Core network improvement: Upgrading of roads in the core road network, including widening of formation, realignment, new structures, and pavement strengthening of about 450 km of roads.
- Core network maintenance and management: Activities include: (i) periodic maintenance and minor rehabilitation of about 2,000 km of the Core Road Network, in accordance with the agreed environmental measures set forth in the Component 2 environmental management plan; (ii) piloting performance-based maintenance contracts; (iii) accident black-spot improvements; (iv) pre-investment studies for road network improvement and maintenance; and (v) capacity enhancement in road maintenance, financing, and management.

KEY RESULTS ACHIEVED:

- The percentage of the core network of roads in poor condition decreased from the baseline of 40 percent in 2007 to 33 percent as of end June 2014, with an end project target of less than 10 percent.
- At the end June 2014, the average traffic speed has increased by a more than 25 percent on 307 km of already upgraded roads sections.
- The fatal accident rate on the core network reduced from two deaths involved in traffic accidents per 1,000 vehicles in 2007 to 0.24 per 1,000 vehicles by end June 2014.
- Level of road user satisfaction on the core network more than doubled (from 1.5 in 2007 to 3.57 in 2014), surpassing the end of project target of 3.0 (Note: using a 1-5 index).

IMPLEMENTING AGENCY:

Himachal Pradesh Road and Other Infrastructure Development Corporation.

INDIA: INTEGRATED COASTAL ZONE MANAGEMENT PROJECT

KEY DATES:

Approved: June 5, 2007
Effective: October 5, 2007
Closing: June 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	221.97	83.86	128.50
Government of India (and States)	63.74		
Total Project Cost	285.71		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India has 63 million people living in low-elevation coastal areas, endowed with significant ecological and economic resources. These coastal areas are unable to ensure balanced development due to the increasing threat of hazards on economic and livelihood security; fragmented and weak institutional frameworks; and lack of appropriate knowledge-based decision-making. As a result, coastal and marine resources are depleted and degraded. Unless these resources are conserved as part of overall economic development plans, there will be further impacts on the livelihood, health, and well-being of the coastal population. In 2006, the Government of India adopted the Integrated Coastal Zone Management (ICZM) approach (a shift from a purely regulatory to a management approach) that would, with people's participation, promote livelihood security of the coastal communities, protect the ecosystems, and promote sustainable development. In 2007, the government of India requested the Bank's financing to create the initial institutional and knowledge bases to support its long-term reform agenda, and to pilot activities that would inform larger future projects and programs. The Integrated Coastal Zone Management Project is the largest ever Bank financing in coastal zone projects, and one of the largest ever for knowledge outputs.

The project development objective is to assist the government in building national capacity to implement a comprehensive coastal management approach, and to pilot the ICZM approach in the states of Gujarat, Orissa, and West Bengal. Project components cover:

- National ICZM capacity building aims to establish and support an appropriate national institutional structure for guiding and coordinating coastal zone management. It includes: (i) hazard line and coastal sediment cell mapping; (ii) mapping and management of ecologically sensitive areas; (iii) establishing a new national institute for sustainable coastal zone management; and (iv) national-level capacity building.
- Development and implementation of ICZM in the states of Gujarat, Orissa and West Bengal aims to develop and empower state-level authorities to adopt appropriate ICZM approaches consistent with national strategies. It includes: (i) preparation and adoption of ICZM plans; (ii) institutional strengthening of state-level coastal zone authorities; (iii) pilot investments consistent with local ICZM priorities around three themes of coastal resource conservation/protection; pollution management; and community livelihood enhancement, adapting to threats from sea-level rise.

KEY EXPECTED AND ACHIEVED RESULTS:

By project end, it is expected that India will have established an appropriate national institutional structure for guiding and coordinating implementation of the ICZM approach. It is expected that the various knowledge products produced under this project (i.e. 10 "Knowledge Benchmarks" as well as the 8 pilot ICZM activities) will provide useful lessons and guidance for the development of the overall structure as well as future ICZM interventions.

The project's intermediate outcomes include:

- 9,000 ha mangrove planted with community involvement.
- 78,000 km² of aerial photography completed.
- Several village-level micro projects completed, in particular in sanitation, solar power, power connection, and livelihood improvement.
- First successful "technology-agnostic" bid for sewage treatment plant in India with 15 years design-build-operate contract.
- Large real-time lake water monitoring system installed in Odisha.
- Over 100,000 turtles protected, more than 10,000 hatched and released into the sea.
- First regional coastal process study in South Asia - detailed marine bathymetry completed (Odisha).
- 40,000 new non-culturable microbes discovered and meta-gene mapping complete (West Bengal).
- About 35,000 people (6,500 households in 20 of the fishing villages in Odisha) are now free of debt and have almost all risen above the subsistence level of net income. (Target - 250,000 people to be free of poverty and debt by 2016).

KEY PARTNERS:

Ministry of Environment and Forests, Society for Integrated Coastal Management, National Centre for Sustainable Coastal Management, Survey of India, Government of Gujarat, Government of Odisha, Government of West Bengal.

INDIA: ICDS SYSTEM STRENGTHENING AND NUTRITION IMPROVEMENT PROJECT (ISSNIP)

KEY DATES:

Approved: September 6, 2012 Effective: November 26, 2012 Closing: December 30, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	94	6.7	87.4
Government of India	39		
Total Project Cost	133		

*US\$ millions; as of September 9, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India has one of the highest malnutrition rates in the world. One-third of India's children are born with low birth weight; 43 percent of those under 5 are underweight; 48 percent are stunted; 20 percent wasted; 70 percent anemic; and 57 percent vitamin A deficient. Undernourished children: have higher rates of mortality; lower cognitive and school performance; are more likely to drop out of school; and are less productive later in life, with an estimated 10 percent potential reduction in individual lifetime earnings and a 2-3 percent loss in GDP. Much of undernourishment occurs during pregnancy and in the first two years of life, when, without appropriate interventions, the damage to brain development, future economic productivity, and consequently human development, is largely irreversible. The Government of India's flagship program, the Integrated Child Development Scheme (ICDS), is designed to facilitate the holistic development of children by providing supplementary nutrition, and health and child care services to pregnant and lactating women and children less than 6 years of age. As implemented, however, it does not preferentially target children under 2 and pregnant-nursing mothers, and has not focused enough on effective nutrition interventions such as promoting appropriate feeding and caring practices. That has limited its impact on malnutrition. The Government of India restructured the ICDS in 2012 to strengthen its focus on 0-3 year olds and on behavior change for nutrition, and designed a multi-sectoral program in high-burden districts to address the multi-causal nature of malnutrition. The World Bank-supported ISSNIP, was designed to help the government build the necessary capacity and systems to implement this reformed approach, as well as test innovations and pilots to improve implementation.

The project was unable to demonstrate implementation progress, and in September 2015 was restructured to narrow the project scope to a few, evidence-based, interventions that aim to achieve behavior change for improved nutrition amongst women and young children. The overarching goal of the project is to strengthen the demand and supply side systems and interventions to improve behaviors for infant and young child feeding and caring amongst pregnant and lactating women. The development objective is to support the Government of India and participating states to: (i) strengthen the ICDS policy framework, systems, and capacities, and facilitate community engagement, to ensure greater focus on children under 3; and (ii) strengthen convergent actions for improved nutrition outcomes. The project has four components:

- ICDS institutional and systems strengthening to develop and implement an ICT-enabled real time monitoring and service improvement system and capacity building of ICDS program staff and anganwadi workers.
- Community mobilization and behavior change communication to promote and strengthen processes for community engagement and action, empowerment of beneficiaries, and increased social accountability of the ICDS program through outreach interventions to priority households and community-based counselling and public education events.
- Convergent nutrition action to provide support at the central and state levels to develop and implement pilots and innovations to improve nutrition outcomes.
- Project management, monitoring, and evaluation. Strengthening the capacity of the directorates of ICDS to comply with their project management and implementation responsibilities

A challenge fund was established to incentivize project states for faster pace of achievement of results, and a programmatic multi-donor trust fund was set up to provide technical assistance.

KEY RESULTS ACHIEVED AND EXPECTED:

- Increase in the number of pregnant/lactating women, adolescent girls and/or children under age 5 reached by basic nutrition services.
- Increase the number of children under 24 months benefiting from improved infant and young child feeding practices.
- 60 percent of targeted anganwadi centers reporting key nutrition and service delivery indicators using ICT systems every month for last three months.
- 80 percent of project districts having implemented the "incremental capacity building" system.
- Six project states having developed "convergent nutrition action plans" in at least one district.

IMPLEMENTING AGENCY:

Ministry of Women and Child Development; Departments of Women and Child Development of the State Governments of Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.

KEY DEVELOPMENT PARTNERS:

Bill and Melinda Gates Foundation; Tata Trusts; Child Investment Fund Foundation; Department of International Development, United Kingdom; and United Nations Children's Fund

INDIA: JHELUM AND TAWI FLOOD RECOVERY PROJECT

KEY DATES:

Approved: June 2, 2015

Effective:

Closing: June 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	250	0	250
Total Project Cost	250		

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

The region owing to its geographical and geo-climatic setting is a multi-hazard prone area that has experienced natural disasters like earthquakes, floods, landslides, avalanches, high-velocity winds, and snowstorms. Most parts of the valley fall in Seismic Zone V. The rest of the state falls in the Seismic Zone IV. Floods and flash floods are also frequent. Floods generally occur in the summer when heavy rains are followed by snowmelt. Flooding of the river Jhelum is the main cause of floods in the region.

In September 2014, the northern region of India experienced torrential monsoon rains, causing major flooding and landslides. The continuous spell of rains from September 2-6, 2014, caused Jhelum and Chenab Rivers as well as many other streams/tributaries to flow above the danger mark. The Jhelum River also breached its banks, flooding many low-lying areas in Anantnag, Srinagar and adjoining districts. Due to the rivers overflowing, nearly 20 districts were impacted.

Following a request from the Government of India, a mission of the World Bank conducted a rapid multi-sectoral assessment report of the damages and needs. The Rapid Damage and Needs Assessment estimates the total damage and loss caused by floods at about INR211,975 million (equivalent \$3.55 billion); housing, livelihoods, and roads and bridges combined to account for more than 70 percent of the damages in terms of value. Public-service infrastructure and the equipment of hospitals and education centers were also severely damaged.

The primary focus of the project is to restore critical infrastructure using international best practice on resilient infrastructure. Given the region's vulnerability to both floods and earthquakes, the infrastructure will be designed with upgraded resilient features, and will include contingency planning for future disaster events. The project has seven components:

- reconstruction and strengthening of critical infrastructure;
- reconstruction of roads and bridges;
- restoration of urban flood management infrastructure
- restoration and strengthening of livelihoods

strengthening disaster risk management capacity (\$25 million); (vi) contingent emergency response; and (vii) implementation support. The investments are expected to support the recovery and increase disaster resilience in project areas, and increase the capacity of the project implementing entity to respond promptly and effectively to an eligible crisis or emergency.

KEY EXPECTED RESULTS:

- 1 million people served by restored and improved public buildings including hospitals and education buildings.
- 1.5 million people with access to restored and improved roads and bridges.
- 750,000 people benefiting from improved flood management.
- 40,000 people who received support to restoration of livelihoods.
- Updated seismic code guidelines for urban infrastructure with inputs from the urban vulnerability assessment and design standards study.

IMPLEMENTING AGENCY:

Relief & Rehabilitation Department, State Government

INDIA: KARNATAKA HEALTH SYSTEM DEVELOPMENT AND REFORM PROJECT

KEY DATES:

Approved: August 22, 2006, August 27, 2012 (AF)
 Effective: January 11, 2007, January 22, 2013 (AF)
 Closing: March 31, 2012, March 31, 2016 (AF)

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	211.83	171.42	42.80
Government of Karnataka	99.65		
Total Project Cost	311.48		

*US\$ millions; as of July 31, 2015, includes Original Credit and Additional Financing (AF)
 For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Karnataka, a state in the south of India, has a population of 61 million with higher per capita income and better health indicators than all-India averages, although there are significant socio-economic disparities within the state. As government health spending has substantially increased in recent years, basic investments and operations of health services have largely been assured from domestic funds. Nevertheless, system-level challenges persist, the quality and responsiveness of health services continue to require improvement, significant gaps remain in access to services, and the state is confronting new health challenges, notably the growing burden of non-communicable diseases (NCD). In this context, the Karnataka Health System Development and Reform Project has focused on supporting policy change, institutional development, new strategies and innovations, and filling gaps.

The project development objective is to improve health service delivery, public-private collaboration, and financing, particularly for underserved and vulnerable groups in Karnataka. The project has three components:

- Strengthening existing government health programs: Supports policy change, institutional capacity development at the state and district levels, and health service quality improvement.
- Innovations in service delivery and health financing: Supports investments in health service delivery capacity (i.e. round-the-clock health centers to improve maternal care); service-delivery contracts with non-governmental organizations (NGOs); environmental health and regulation; a pilot for the prevention and control of non-communicable disease; and a pilot road safety program (coordinated with an IDA-financed transport project). This component also supports institutional development of a government health insurance scheme financing hospital services for the poor.
- Project management and monitoring and evaluation: Supports overall project oversight and implementation.

KEY RESULTS ACHIEVED AND EXPECTED:

- An assessment of organizational development needs has been done and training implemented, district health administration and planning has been strengthened, management and clinical guidelines have been developed, procurement reform has been implemented, and monitoring and evaluation have been strengthened. Over 26,000 health personnel received training, surpassing the end-project target.
- The project has financed construction and renovation of 329 health facilities, 13 drug warehouses, and 27 training centers, while 111 mobile health clinics and 19 citizens' help desks in hospitals are run by contracted NGOs. The institutional capacity of the government health insurance scheme has been strengthened. A needs assessment and technical design for the planned NCD and road safety activities have commenced.
- The proportion of births delivered in a health facility has risen from 65 percent in 2005-06 to 86 percent in 2009 (with an end-project target of 90 percent)
- Number of claims paid by the health insurance pilot program benefiting poor households exceeds 32,000 (compared to the end-project target of 45,000).
- 47.33 percent of government Primary Health Centers now provide round-the-clock services, compared to a base line of zero in 2005 and an end-project target of 47 percent

IMPLEMENTING AGENCY:

Department of Health and Family Welfare, Government of Karnataka.

KEY DEVELOPMENT PARTNERS:

Local institutions such as the Institute of Public Health and the Indian Institute of Technology-Bangalore.

INDIA: KARNATAKA STATE HIGHWAY IMPROVEMENT PROJECT II

KEY DATES:

Approved: March 24, 2011
 Effective: July 19, 2011
 Closing: December 31, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	350	81.91	268.91
Government of Karnataka	155		
Private Sector Developer	500		
Total Project Cost	1005		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Karnataka, located in the southwest of India, is the eighth largest state in the country, with a population of about 61 million. With 34 percent of the people living in urban centers, Karnataka is the fifth most urbanized state in India. Although considered to be a middle-income state and growing at or above the all-India economic rate of growth, Karnataka has wide regional development disparities, posing risks for sustaining high growth and making it more inclusive. Improving infrastructure, including road transport, is a key component of the Government of Karnataka's development strategy to sustain growth and bridge regional disparities. Within the state's relatively extensive road network of 208,262 km, the Department of Public Works, Ports, and Inland Water Transport is responsible for managing 22,078 km of state highways and 50,037 km of major district roads. The department faces two notable challenges: a significant paucity of resources for improving the quality and standards of transport infrastructure, and worsening road safety (in 2009, the state accounted for 10 percent of road accidents and 7 percent of road fatalities in all of India). The Bank-supported Karnataka State Highway Improvement Project aims to support the government of Karnataka in two areas of highway development: (i) achieving more diversified sector financing, building upon India's experience in extensive use of public-private partnerships (PPPs) for the development of national highways; and (ii) improving road safety design, management, and enforcement to reduce road fatalities and major injuries.

The project development objective is to accelerate the development of the Core Road Network by leveraging public-sector outlays with private-sector financing and improving the institutional effectiveness of the road-sector agencies to deliver effective and safe roads to users. The project has four components:

- Road improvement works support capital improvement and maintenance works of core road network through a combination of traditional contracts and PPP concessions.
- Highway financing modernization assists the Karnataka Road Development Corporation Limited in implementing the concept of co-financing with private financial institutions through technical assistance and pilot transactions.
- Road safety improvement helps the Government of Karnataka respond to the growing road safety problems in the state with comprehensive strategic and institutional measures, consistent with the main thrusts of the 2007 Sundar Committee report and the findings of the road safety management capacity review.
- Road-sector policy and institutional development support implementation of a new medium-term Institutional Development and Strengthening Action Plan for 2010-2016.

EXPECTED RESULTS:

- The Government of Karnataka is expected to generate at least \$500 million in new private-sector capital for Core Road Network improvement and management by 2016; as of June 2014, \$144 million has been generated.
- 160 km of a planned 269 km has been upgraded and widened (June 2014).
- Share of Core Road Network in good condition increases from 50 to 65 percent by 2016; currently 57 percent of the CRN is in good condition.
- Vehicle operating costs are targeted to decrease by 15 percent, and travel time cost on project corridors is targeted to decrease by 25 percent by 2016.
- Road accident-related fatalities on safe corridor pilots should decrease by 30 percent by 2016.

IMPLEMENTING AGENCY:

Department of Public Work, Ports, and Inland Waterways, Government of Karnataka, in partnership with the Karnataka Road Development Corporation Limited.

INDIA: KARNATAKA WATERSHED DEVELOPMENT 2

KEY DATES:

Approved: September 6, 2012

Effective: April 23, 2013

Closing: December 31, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	60.0	2.79	52.95
Government of India	25.7		
Total Project Cost	85.7		

*US\$ millions; as of July 31, 2015. For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Approximately 60 percent of India's population depends on rain-fed agriculture for their primary livelihood. Thirteen states, including Karnataka, account for about 75 percent of the total rain-fed area in India, and have low agricultural productivity and are susceptible to drought, deepening environmental stress, and degradation. The Government of India is helping states address these issues through the National Integrated Watershed Management Program (IWMP) supplemented by the National Rural Employment Guarantee Scheme (NREGS). Yet IWMP, which finances soil and water conservation activities in arid, rain-fed areas, has not achieved desired results. The Karnataka Watershed Development Project-II (KWDP-II) is a new approach for watershed management in India. The design builds on the earlier Bank-supported Karnataka Watershed Development Project-I (KWDP-I), which is seen as one of the World Bank's most successful watershed projects, winning five prestigious national and three major international awards. KWDP-I generated a substantial number of positive lessons and best practices around integrated watershed management, agricultural intensification, rural livelihoods, monitoring and evaluation, and building resilience to climate change. The Bank is providing mainly technical support to help the IWMP achieve better results and improve convergence with NREGS.

The project development objective is to demonstrate more effective watershed management through greater integration of programs related to rain-fed agriculture, innovative and science-based approaches, and strengthened institutions and capacities.

- Improved program integration in rain-fed areas will demonstrate the successful integration of programs in watershed development, using a science-based approach in project areas.
- Research, development and innovation will establish a coordinated research approach to provide practical knowledge and tools to support integrated watershed management.
- Institutional strengthening will strengthen the institutions and human resources of key stakeholders to improve effective delivery of services for integrated watershed management.
- Strengthening horticulture in rain-fed areas will strengthen the knowledge base regarding horticulture potential in rain-fed areas, and demonstrate and build the capacity of institutions and communities to improve production and value addition of horticulture in project areas.
- Project management and coordination will ensure effective and efficient project management.

KEY EXPECTED RESULTS:

Under the project, new science-based approaches and tools will be adopted into wider IWMP watershed operations, such as improved hydrological inputs as part of landscape scale watershed assessments, and decision-support models used for site selection. Up to 70 percent of micro-watersheds will have improved convergence and integration with other programs such as NREGS. Agricultural and horticultural productivity in IWMP project areas for selected crops is expected to increase. As per the project's results framework, progress on a range of indicators will be available in year three of project implementation.

IMPLEMENTING AGENCY:

Karnataka Watershed Development Department and the Department of Horticulture, in partnership with the National Bureau of Soil Survey and Land-Use Planning, Karnataka State Remote Sensing Application Center, Indian Institute of Science, Karnataka University of Agricultural Science, and Karnataka University of Horticultural Science.

INDIA: KERALA LOCAL GOVERNMENT AND SERVICE DELIVERY PROJECT

KEY DATES:

Approved: March 29, 2011
Effective: September 2011
Closing: December 31, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	200	125.64	64.45
Government of Kerala	60		
Total Project Cost	260		

*US\$ millions; as of July 31, 2014 For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Kerala is considered a front runner in India's decentralization reforms. Local governments in Kerala are in a unique situation—taking on more devolved responsibilities and with a greater degree of local autonomy. Kerala is undertaking a second generation of decentralization reforms, which focus, in a practical and incremental manner, on expanding local expenditure autonomy, strengthening local government institutional capacity, and enhancing the state government's ability to manage and oversee the intergovernmental fiscal system. The Kerala Local Government and Service Delivery Project contributes to the Government of Kerala's second generation decentralization reforms through support to enhance governance and improve service delivery. At the national level, the project supports the overall process of decentralization as mandated under the 73rd and 74th Constitutional Amendments of the Government of India. The project development objective is to enhance and strengthen the institutional capacity of the local government system in Kerala to deliver services and undertake basic administrative and governance functions more effectively and sustainably. The project supports 978 Gram Panchayats (GPs) and 60 municipalities across the state. The project has four components:

- Performance grants: Provides GPs and municipalities with additional discretionary funds, based on a formula, to expand local investment in the creation, maintenance, and operation of capital assets, as an incentive for strengthening institutional capacity.
- Capacity building: Provides inputs to strengthen and supplement the existing systems and human resources of GPs and municipalities, to enhance their institutional performance.
- Performance monitoring: Supports strengthening the system of performance monitoring GPs and municipalities across the state.
- Support the project management unit: within the Local Self Government (LSG) Department in overall coordination, implementation, and monitoring and evaluation of the project.

KEY ACHIEVED AND EXPECTED RESULTS:

- 99 percent of 1,038 LSGs qualified for performance grants based on fulfilling the two minimum mandatory conditions: clean external audits and passing the annual budget.
- 77 percent of LSGs have qualified for enhanced performance grants for boosting service delivery. Through the project, the state government has completed the first annual performance evaluation process of LSGs, demonstrating a strong commitment to improving systems and processes of local public administration.
- Support to Information Kerala Mission to roll out various e-governance systems in all LSGs enabled enhanced service delivery, transparency, and accountability. LSGs have migrated from maintenance of manual bookkeeping and accounting to computerized double entry accounting, as well as online planning and budgeting systems.
- Sub-projects include e-governance enhancements (e.g. enabling citizens to get birth, death, and marriage certificates on time), connective infrastructure (e.g. roads), social services (e.g. education, health and anganwadi centers), income generation (street lights, bus stands, bus parks, markets), water supply and sanitation, solid and liquid waste management, energy projects, and LSGs' front office modernization and computerization.
- 21 million people (77.6 percent female) have benefited from the project, against an end-of-project target of 29.5 million.
- Provided training to LSGs' elected representatives and functionaries, and contributed to modernization of the state government's focal institutes for local government capacity building, namely Kerala Institute of Local Administration and the State Institute for Rural Development.
- Greater awareness and adherence to fiduciary and social safeguard policies.

IMPLEMENTING AGENCY:

Local Self Government Department, Government of Kerala

INDIA: KERALA STATE TRANSPORT PROJECT II

KEY DATES:

Approved: JMay 14, 2013
 Effective: Not yet effective
 Closing: April 30, 2019

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	216	24.07	191.93
IDA	229		
Government of Pakistan	445		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Kerala has the highest human development outcomes in India, with 99 percent literacy, the highest life expectancy, and the lowest rates of infant mortality. Despite India's recent economic slowdown as a result of the global downturn, Kerala's economy preformed much better than expected (gross state domestic product (GSDP) \$59.4 billion: FY2011-2012). Nonetheless, Kerala has not been spared from the global slowdown; low capital investment in economic infrastructure has been an unfortunate consequence of fiscal constraints and high revenue expenditures. Kerala's draft Road Development Policy estimates that improving existing roads to match the economic aspirations of the state will require an annual investment of \$885 million over the next 10 years.

The main goal of the Kerala State Transport Project II (KSTP II), which follows the first KSTP that ended in 2010, is to support the state in upgrading the most critical and strategically important state highways and building sustainable institutions. On a pilot basis, a Public-Private Partnership (PPP) between the State's Public Works Department and a private concessionaire—one of the first of its kind in India—will be established to deliver a specific road section. The Bank's technical assistance is aimed at helping the state attract much needed private-sector investment and innovation to the road sector. The project also seeks to support efforts by the government to reverse the trend in road accidents and deaths. While the number of road crashes in Kerala declined by 17 percent between 2005 and 2011, the number of traffic fatalities has increased by 27 percent during the same period, from 3,200 to 4,100. The project will pilot the concept of road safety demonstration corridors and increase local participation through a "road safety challenge fund".

The project's development objective is to improve conditions, traffic flow, and road safety, with a focus on vulnerable road users, on selected roads in Kerala. The Project has three components:

- Road network upgrading and safety improvement includes upgrading (widening to full two-lane standard) 363 km of strategically important state highways to complete network connectivity in the state.
- Road safety management supports the strengthening of the road safety management systems in Kerala with the objective of arresting the increase of crash fatalities in the state, with a particular focus on vulnerable road users (pedestrians, cyclists, and motorcyclists).
- Institutional strengthening improves the sustainability of Kerala's state road network with respect to its functional adequacy, financial viability, and capacity of key state road sector institutions to deliver road infrastructure and services that are responsive to road user needs.

KEY ACHIEVEMENTS:

The project will enhance connectivity between key socio-economic centers and reduce travel times between the main engines of economic activity in the state. Improved roads under the project will impact the lives of countless people. It is expected that the project will reach 13.4 million direct beneficiaries, more than half of whom are women. Travel time on the improved roads should decrease by 20 percent. Approximately 350 km of improved roads will have significantly improved capacity and smoothness. The road safety emphasis of the projects should help reduce the number of fatalities by 20 percent on the safe road demonstration corridors.

IMPLEMENTING AGENCY:

Public Works Department, Government of Kerala.

INDIA: LOW-INCOME HOUSING FINANCE PROJECT

KEY DATES:

Approved: May 14, 2013
 Effective: November 20, 2013
 Closing: December 31, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	100	10.55	81.53
Total Project Cost	100		

*US\$ millions; as of July 31, 2015. For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Housing shortages in India, with a growing urban population, are the result of complex supply and demand factors. Inappropriate land-use policies and building norms artificially restrict the supply of housing. There is a lack of land serviced by utilities with appropriate zoning and formal property rights. Demand is constrained by lack of formal housing finance, especially for lower-income households (incomes below Rs 16,666 per month). More than 90 percent of the housing shortage is faced by these lower-income households, which have traditionally not been a commercial target for mainstream financial institutions. Only 31 percent of these households with housing loans obtained their mortgages from the two cheapest sources of credit (banks and government programs). Microfinance, if available, is restricted to small loan sizes with high interest rates. Lower-income households face high borrowing costs due to, among other things, the informality of their income (no documentation of income) and the informality of their dwelling (no clear title to the property that can be mortgaged).

The main objective of the Low-Income Housing Finance Project for India is to provide access to sustainable housing finance for low-income households to purchase, build, or upgrade their dwellings. The project aims to address market failures by giving the necessary capacity building and implementation support and incentives to the National Housing Bank (NHB)—the apex level financial institution for housing finance in India—intermediary institutions, and primary lending institutions to expand lending to lower-income groups. The project also provides finance for NHB to refinance low-income housing loans made by primary lenders.

KEY ACHIEVEMENTS:

- Increase in the number of primary lenders active in the low-income segments.
- Increase in the volume of lending to lower-income borrowers.
- Increase in the number of borrowers in these segments.

Financing under the project aims to create incentives for lenders to focus on lower-income households. The project also aims to deliver on its stated objective of reaching a higher proportion of lower-income households while maintaining portfolio quality standards. The project expects to: develop prudent lending standards to serve the more vulnerable, lower-income households; expand the coverage of credit bureaus to include informal-income borrowers; develop consumer information and disclosure norms for the project's target groups; enhance the appraisal capacity of the lenders; and pilot new policies and products to overcome the challenges of dwelling informality.

IMPLEMENTING AGENCY:

National Housing Bank (NHB).

DEVELOPMENT PARTNERS:

KfW, the German government-owned development bank, and the United Kingdom's Department for International Development (DFID).

INDIA: MADHYA PRADESH HIGHER EDUCATION QUALITY IMPROVEMENT PROJECT

KEY DATES:

Approved: June 30, 2015

Effective:

Closing: August 31, 2021

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	300	0	300
Government of	130	0	130
Total Project Cost	430		

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

Madhya Pradesh (MP), with a GSDP per capita of \$898 (2012), is a low-income state, with a population of 73 million. Nearly 10 percent of all HE students in India are enrolled in university/colleges in MP. These 1.6 million students attend 36 universities and 1,316 colleges in the state. In 2012-13, the gross enrollment ratio in HE in the state was 19.5 percent, which was close to the national average of 21.1 percent. However, there is substantial inequity in access and participation in Higher Education institutions between genders, rural and urban areas, and across social groups, in particular for Scheduled Caste and Scheduled Tribe youth. There are also major concerns of quality, relevance, accountability, and governance of the HE system in the state. Universities and colleges have limited autonomy in academic, financial, and administrative matters. There is shortage of human and financial resources; these constraints are further exacerbated by inefficient and ineffective systems and practices.

The Madhya Pradesh Higher Education Quality Improvement Project (MPHEQIP) supports the implementation of the Government of Madhya Pradesh's vision for the higher education sector as articulated in its Vision 2018 Document and the State Higher Education Plan 2014, which focuses on: (i) excellence and employability of higher education graduates through better quality of education services offered, improved teaching-learning resources, and research; (ii) expanding equity and access; and (iii) strengthened sector and institutional governance and financing, and management.

The development objective of MPHEQIP is to improve student outcomes especially of disadvantaged groups in selected higher education institutions (HEIs) and to increase the effectiveness of the higher education system in Madhya Pradesh.

MPHEQIP will use an investment project financing lending instrument utilizing a results based financing modality.

KEY ACHIEVEMENTS:

- Number of project beneficiaries in all institutions of Higher Education.
- On time graduation rates of undergraduate students (disaggregated by relevant socio-economic categories) at supported institutions.
- Government HEIs accredited by the National Assessment and Accreditation Council.
- Government HEIs publishing an annual report in prescribed format.
- Supported HEIs satisfaction scores of beneficiaries: percentage at least satisfied (disaggregated by relevant categories).

It is expected that approximately 3.6 million students, 10,800 academic staff, and 1,400 administrators and officers in nearly 200 government colleges and university departments and key state entities will benefit directly from project interventions. Indirect beneficiaries will include employers (both within and outside the state) who will have a more skilled HE graduates' pool to choose from, households that can expect higher income streams in the future due to the earnings of more productive graduates, and investors who can benefit from the greater presence of higher quality human capital and research output in the state.

IMPLEMENTING AGENCY:

The Project Directorate (PD), which serves as the executive arm of the MP State Higher Education Council. The PD is headed by the Commissioner of Higher Education.

INDIA: MAHARASHTRA AGRICULTURAL COMPETITIVENESS PROJECT

KEY DATES:

Approved: September 28, 2010

Effective: December 20, 2010

Closing: December 31, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	100	40.75	54.60
Government of Maharashtra	11		
Other (Beneficiaries)	42		
Total Project Cost	153		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Farmers in the state of Maharashtra have severely limited choices in accessing markets. They continue to rely on regulated wholesale markets—known as mandi, or Agriculture Produce Marketing Committee (APMC) markets—which are mandatory for the wholesale trading of many agricultural products. The relatively small number of licensed traders and commission agents in these markets has not only limited farmers' choices, but also resulted in strong political economy interests to preserve this system, and under-investment in physical infrastructure. The challenge for Maharashtra is to create an environment that enables the farming community to acquire the technical capacity necessary to access market opportunities that result in higher returns and better farm incomes. The Government of Maharashtra's long-term development plan for improving agriculture productivity and competitiveness includes working through the Bank-supported Maharashtra Agricultural Competitiveness Project (MACP) to implement a three-pronged approach that: (i) promotes the development of alternative marketing options; (ii) supports the top tier of regulated wholesale markets in the state to reform, invest, and provide better services; and (iii) gradually undertakes regulatory reforms. Regulatory change, investments in physical infrastructure, strengthened capacity, and improved governance, as well as the participation of all stakeholders (farmers, traders, commission agents, processors, and consumers) is expected to improve competitiveness. Over time, the rest of the agriculture marketing system in Maharashtra is expected to become more efficient.

The development objective of the MACP is to increase the productivity, profitability, and market access of the farming community in Maharashtra. Project activities are grouped into three components:

- Intensification and diversification of market-led production: Supports agriculture technology transfer, facilitates networking among farmers and agribusinesses on emerging marketing opportunities, provides market intelligence using information and communications technology-based applications and other means, and strengthens livestock support services in the state.
- Improving farmer access to markets: Promotes alternative market opportunities by establishing farmer groups and a warehouse receipts system, upgrading local rural markets, piloting e-trading platforms, and modernizing existing wholesale markets and livestock yards.
- Project management, learning, and adjusting: Undertakes project coordination and management, and monitoring and evaluation.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

Progress under agriculture marketing reforms—such as allowing the establishment of private agriculture wholesale markets, contract farming, direct purchase from producers by agribusinesses, and removal of minimum distance criteria—are leading to the emergence of alternative market arrangements outside the regulated markets.

- Steady increase in the emergence of the alternative marketing arrangement outside the traditional marketing system. Alternative markets turnover (for FY 2012-2013) accounts for 8 percent of the state's recorded turnover.
- Model by-laws and uniform accounting standards rolled out across the state; innovative e-trading pilots to improve the transparency of business processes underway.
- 3,300 commodity groups mobilized; project collaborating with large number of private sector input suppliers and output buyers.
- Agribusiness Promotion Facility (ABPF) set up under the project has been rolled out in Phase 1 district. Through a structured approach and working with close to 28 financial institutions, ABPF facilitates access of entrepreneurs to commercial loans and grants, under various government of India and government of Maharashtra schemes. ABPF has mobilized Rs 81.50 million of agribusiness investments in the state.
- Warehouse receipts development: With a focused extension and tie-up with commercial banks, there has seen a steady increase in farmers opting for scientific storage and accessing working capital finance from commercial banks.

IMPLEMENTING AGENCY:

Government of Maharashtra and Maharashtra State Agriculture Marketing Board.

INDIA: MAHARASHTRA RURAL SUPPLY AND SANITATION PROGRAM

KEY DATES:

Approved: March 12, 2014
 Effective: June 2, 2014
 Closing: March 31, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	165	0	165
Government of Maharashtra	1,275		
Total Project Cost	1,440		

*US\$ millions; as of July 31, 2015. For more detailed information, see the [latest implementation supervision report](#).

BACKGROUND AND OBJECTIVES:

India has been one of the fastest growing economies in the last decade, but its economy now shows signs of slowing down. Between 2004 and 2011, a period that includes the global financial crisis, India's growth averaged 8.3 percent per year. Expanding social programs lowered the poverty rate by 1.5 percentage points per year during 2004-09, double the rate of the preceding decade. India's growth rate, however, slipped to a decade low of 5 percent in 2012-13 due to a combination of domestic and external factors, including high inflation, high fiscal deficit and weak external demand for the country's exports. This slowdown carries high social costs for millions of Indians, and threatens the gains made in poverty reduction over the past decade. Under its current 10-year RWSS program, the Government of Maharashtra seeks to significantly expand the frontiers in the sector with a focus on increasing house connection coverage, ensuring continuous water supply with adequate pressure and minimum quality standards, and ensuring that 100 percent of the rural population has access to safe water and basic sanitation. However, delivering this vision requires building capacities of institutions through appropriate implementation and management models. Maharashtra is also a rapidly urbanizing state with many large villages (each with a population of more than 10,000 people) and a growing number of peri-urban areas that are demanding higher levels of service. Finally, the state also faces challenges in addressing the needs of water-stressed and water-quality-affected areas, managing drinking water quality, and ensuring drinking water security in the face of increasing droughts and climate change impacts on rainfall patterns and the yield of existing sources.

The program development objective is to improve the performance of Maharashtra's sector institutions in planning, implementation and monitoring of its Rural Water Supply and Sanitation program and to improve access to quality and sustainable services in peri-urban villages, and in water-stressed and water-quality-affected areas.

The Bank supports a portion of the broader Government of Maharashtra program over a six-year period (2014-20), focusing on two primary set of activities which address the underlying challenges of the sector in Maharashtra: (i) institutional capacity building for planning, implementation, and monitoring of the RWSS sector across Maharashtra; and (ii) in select districts, implementation of: (a) water supply and sillage management service improvement in peri-urban villages; and (b) water supply.

EXPECTED RESULTS:

This program for results operation is in the early stages of implementation. By the 2020 closing date, the following results are expected to be achieved:

- Strengthened sector planning and monitoring.
- Improved capacity for program implementation.
- Improved access to quality and sustainable water and sanitation services in peri-urban villages.
- Improved access to safe drinking water in water-stressed and water-quality-affected areas.

IMPLEMENTING AGENCY:

Maharashtra Water Supply and Sanitation Department, Government of Maharashtra

INDIA: MIZORAM ROADS II REGIONAL CONNECTIVITY PROJECT

KEY DATES:

Approved: June 12, 2014
 Effective: October 10, 2014
 Closing: October 31, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	107	4.35	92.41
Government of Mizoram	0	0	0
Total Project Cost	107	0	

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

KEY ACHIEVEMENTS:

The high cost of limited regional integration and trade in the northeastern part of South Asia is clearly illustrated by the case of Mizoram state in India. Despite its potentially advantageous geographic location between Myanmar and Bangladesh, Mizoram in India's Northeastern region is one of the poorest in the country, ranking 26th out of 28 states in terms of per capita income. Mizoram's lagging economic development is in large part due to its landlocked location, poor infrastructure and limited linkages with the markets and ports of neighboring countries including Bangladesh, Nepal, Bhutan, China, and Myanmar.

Mizoram's road network is poor in quality and under-developed, and has among the lowest density in all of India. Key issues and challenges in the road sector include: inadequate sector funding, inadequate maintenance, weak planning for investments, not the most up-to-date road engineering practices and business procedures, limited capacity of road agency staff, low capacity of the local construction industry, and poor road safety management.

The development objective for Mizoram Roads II Regional Connectivity Project is to increase transport connectivity along regional trade corridors in Mizoram. With road transport being the only mode of transport within the state, improvements to the network should enhance the environment for development and growth by reducing freight and passenger transport costs while providing quicker and safer access to all parts of the state and to neighboring states and countries. The project has two components:

- Improvement of priority cross-border roads and trade-related infrastructure: Widening and strengthening 91 km of road and preparation studies for approximately 330 km of road, along with construction or improvement of trade-related infrastructure along project roads.
- Road sector modernization and performance enhancement through institutional strengthening: Supports gradual transformation of the Public Works Department into a modern road agency through implementation of a Road Sector Modernization Plan that will carry forward and deepen various institutional development initiatives introduced under the first Mizoram State Roads Project.

KEY EXPECTED RESULTS:

- 40 percent increase in traffic along project corridors.
- 30 percent reduction in travel time on project corridors.

Road sections under this project include: (i) a 22-km section of Lunglei – Tlabung – Kawrpuihuah Road on the border with Bangladesh; (ii) the 27.5-km Champhai-Zokhawthar Road on the border with Myanmar; and (iii) the 41.7-km Chhumkhum-Chawngte North-South alignment connecting to the border roads with Bangladesh to the west and Myanmar to the south.

IMPLEMENTING AGENCY:

Public Works Department of Mizoram

INDIA: MSME GROWTH INNOVATION AND INCLUSIVE FINANCE PROJECT

KEY DATES:

Approved: February 24, 2015
 Effective: June 26, 2015
 Closing: March 31, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	500	101.25	398.75
SIDBI	50		
Total Project Cost	550		

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

In India, MSMEs account for more than 80 percent of total industrial enterprises, produce over 8,000 value-added products, and employ an estimated 60 million people. MSMEs contribute around 45 percent to manufacturing output and about 40 percent to exports, both directly and indirectly. In addition, over 50 percent of MSMEs are rural enterprises and widely distributed across low-income states, making them an important sector for promoting economic growth and poverty reduction. With eight million people entering the labor force every year, MSMEs have the potential to be an important source of wage employment and entrepreneurship in India, foster innovations as well as be the cradle for the government's "Make in India" vision formulated recently. For these ideas to take shape, addressing the key constraints that inhibit MSMEs from accessing finance is of utmost importance.

However, lack of adequate finance is one of the biggest challenges facing the MSME sector. Financial institutions have limited their exposure to the sector due to a higher risk perception, information asymmetry, high transaction costs and the lack of collateral. The MSME census of 2006-07 estimated that about 87 percent of MSMEs did not have any access to finance and were self-financed. Credit towards micro and small enterprises represents only around 13-15 percent of formal financial institutions portfolio.

This project will work with the government in developing innovative products that address the current constraints of MSMEs, respond to the changing needs of the Indian economy and also catalyze private-sector financing. The project will support MSMEs through direct financing by the Small Industries Development Bank of India (SIDBI), an apex financial institution for promotion, financing and development of MSMEs in India, as also through participating financial institutions across three components. These include support to startup debt financing and risk capital as well as support to service and manufacturing sector financing models.

The project first component will support SIDBI in developing, innovating, and scaling up its startup debt-financing program. It will also support entry of potential participating financing institutions in the development of this missing financial market. The second component supports service-sector firms' financing. This sector continues to face challenges in accessing formal finance due to lack of physical assets to provide as collateral, despite the fact that the structure of the Indian economy is markedly shifting towards services (65 percent of Indian GDP). The third component supports manufacturing MSMEs through innovative financial products including loan extension services and cluster financing—including women-led clusters. Particular focus will be to expand manufacturing activity in financially underserved areas, including low-income states especially through refinancing.

EXPECTED RESULTS:

- Outstanding MSME loan portfolios in risk capital financing including startups, and in the manufacturing and service sectors.
- Outstanding MSME loan portfolio in the service sector
- Turnover of startups supported through the project
- Total number of MSMEs beneficiaries under the credit line
- Innovation and development of new financing products (including new approaches to startup loans, franchising finance).
- Greater number of entrants as participating financing institutions under the credit line.
- Loan extension services and energy efficiency audits to facilitate adoption of environmentally sound production.
- Improved internal processing time, efficiency and strengthen credit appraisal methods for loans along these segments within SIDBI.
- Improved collaboration for information sharing with external partners.
- Increase in the number of women-owned/managed MSME beneficiaries under the credit line.
- Increase in the number of MSMEs in low-income states benefitting from the line of credit

IMPLEMENTING AGENCY:

Small Industries Development Bank of India.

INDIA: MUMBAI URBAN TRANSPORT PROJECT- 2A

KEY DATES:

Approved: June 29, 2010
 Effective: October 8, 2010
 Closing: December 31, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	344	138.25	205.75
Government of India	540.5		
Total Project Cost	925.5		

*US\$ millions; as of July 31, 2015; revised total amount after partial cancellation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Like other fast-growing urban centers in India, the Mumbai region faces enormous challenges, including an acute inadequacy of transport infrastructure. The suburban rail system is the lifeline of Mumbai, carrying about 7.4 million passengers daily and 2.7 billion annually. In the early 2000s, the Bank supported the Government of Maharashtra and Indian Railways' efforts to ease transport constraints in the megalopolis through the first Mumbai Urban Transport Project (MUTP). TransforM, a comprehensive transport study for the Mumbai region, carried out under the MUTP, recommended further investment in the suburban rail system as a priority, in recognition of suburban rail's dominant role in the region's transport network. MUTP-2A is the follow-up investment in the rail sector, aimed at helping the government respond to continued growing demand for suburban rail transport in the Mumbai metropolitan area.

The project development objective is to improve the passenger-carrying capacity, passenger-comfort level, operational efficiency, and the institutional capacity of entities involved in the suburban rail system of Mumbai metropolitan area. The project has four components:

- EMU rolling stock fleet increase: 864 additional EMU (electric multiple unit) cars will be procured, increasing the fleet to 3,124.
- Conversion of power supply from direct current to alternating current: Includes improvements to signals and telecommunications in three sections of the Mumbai railway network.
- EMU maintenance facilities and stabling lines: New stabling lines will be built to accommodate the fleet increase.
- Capacity strengthening and technical assistance: Strategic and tactical studies will be carried out, as well as capacity building and training.

The over-stretched Mumbai suburban rail system also suffers from a poor safety record. A demonstration component has been added by restructuring the project to address safety-related issues and increase safety awareness.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The project will increase the number of train services in peak hour (presently varying from 14.4 to 17 trains per hour) to 18 trains per hour on all lines.
- Trains currently comprise nine or 12 cars each, and these will be converted to 12 cars each, resulting in increased carrying capacity.
- Improved system efficiency will result in reduced journey time, varying from about 2.5 percent to 8 percent on different lines.
- The new trains being procured are more energy efficient, with a regenerative braking system, resulting in reduction of energy consumption by about 30 percent from conventional trains.
- Technical assistance studies under the project are helping the implementing agency to build capacity and plan a more efficient suburban rail system.

IMPLEMENTING AGENCY:

Mumbai Railway Vikas Corporation Limited, a jointly owned company of the Ministry of Railways and Government of Maharashtra.

KEY DEVELOPMENT PARTNERS:

Ministry of Railways, Government of Maharashtra, various agencies of Ministry of Railways, Mumbai Metropolitan Region Development Authority.

INDIA: NATIONAL AIDS CONTROL SUPPORT PROJECT

KEY DATES:

Approved: May 1, 2013
 Effective: July 22, 2013
 Closing: December 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	255	39.59	196.08
Government of India	255		
Total Project Cost	510		

*US\$ millions; as of July 31, 2015. For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India launched the first National AIDS Control Program (NACP I) in 1992, focusing on blood safety, prevention among high-risk groups, raising awareness among the general population, and improving surveillance. In the second phase (NACP II, 1999-2006), India continued to expand the program at the state level, with greater emphasis on targeted interventions and involving NGOs. In the third phase (NACP III, 2007-2012), India has scaled up targeted HIV prevention interventions for most at risk population groups and further expanded the surveillance system. The World Bank supported all three phases of the NACP.

The goals of the fourth phase of the NACP are to accelerate reversal of the HIV epidemic and integrate responses. The National AIDS Control Support Project will support the fourth phase of NACP (2012-2017), with a focus on HIV prevention and targeted interventions. The project will contribute to three components of the NACP IV: (i) prevention; (ii) behavior change; and (iii) institutional strengthening. Two other components of NACP IV—provision of care, treatment and support to people living with HIV and AIDS; and strategic information systems, including disease surveillance—will be supported by the national budget, with technical and financial support from other donors.

The project development objective is to increase safe behavior among high-risk groups in order to contribute to the national goal of reversing the HIV epidemic by 2017. The project has three components:

- Scaling up targeted prevention interventions will support scaling up targeted interventions, with the aim of reaching hard-to-reach population groups that do not yet access and use the prevention services of the program, and saturating coverage of such population groups. This component will also support the state training resource center in capacity building for preventive interventions at the state level, and will focus on the bridge population, i.e. migrants and truckers.
- Behavior change communications will include: (i) communication programs and campaigns for risk reduction and safe behavior, advocacy, social mobilization, and behavior change communication (BCC) to integrate people living with HIV and AIDS, and hard-to-reach groups, into society, and encourage changes in social attitudes to reduce the stigma and discrimination that they face, particularly at health facilities; as well as increase demand for and effective use of testing and counseling services; (ii) financing a research and evaluation agency to assess the cost-effectiveness and program impact of BCC activities; and (iii) establishing and evaluating a helpline at the national and state level to further increase access to information and services.
- Institutional strengthening will: support innovations to enhance performance management, including fiduciary management; strengthen procurement and supply chain management; strengthen technical support units over a three-to-four year period to ensure quality of targeted interventions; support the services of an agent to procure opioid substitution therapy; disseminate best practices; and finance the necessary audits.

KEY RESULTS EXPECTED:

The project aims to achieve the following key results:

- Increase safe behavior among high-risk groups. Indicated by 85 percent of female sex workers and 65 percent of men having sex with men reporting using a condom.
- Maintain/increase access to targeted interventions to prevent HIV among populations at highest risk. Indicated by targeted interventions reaching 90 percent of female sex workers and 80 percent of high-risk men having sex with men in 2017.
- Scale up prevention interventions for bridge population groups. Indicated by 90 percent of planned prevention interventions for migrants and truckers implemented by 2017.
- Strengthen the institutional capacity and program management of the national program. Indicated by 90 percent of states submitting completed audit reports to the Department of AIDS Control within agreed time limits, and 80 percent of NGOs contracted as per the States AIDS Control societies, by 2017.
- Increase demand for HIV services through behavior change communications. Indicated by 80 percent of high-burden districts implementing BCC strategy and plan, with focus on demand generation and stigma reduction, by 2017.

IMPLEMENTING AGENCY:

Department of AIDS Control, Ministry of Health and Family Welfare, government of India.

KEY DEVELOPMENT PARTNERS:

United Nations AIDS, United Nations Development Program, Bill and Melinda Gates Foundation.

INDIA: NATIONAL CYCLONE RISK MITIGATION PROJECT (APL I)

KEY DATES:

Approved: June 22, 2010; April 8, 2014 (AF)

Effective: March 30, 2011

Closing: October 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA Original & AF)	359	110.92	234.38
Governments of Odisha and Andhra Pradesh	65		
Total Project Cost	424		

*US\$ millions; as of July 31, 2015; total Credit amount reflects; Additional Financing of \$104 million and a \$15 million partial cancellation of original credit; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India is highly vulnerable to natural hazards, particularly cyclones, floods, earthquakes, and landslides. Approximately 5,700 km of the total 7,500 km of coastline is exposed to severe cyclones, and an estimated 40 percent of India's 1.2 billion people live within 100 km of the coast. Between 1980 and 2000, on average 370 million people were exposed to cyclones. Up to half of all tropical cyclones affecting South Asia hit the Indian coastline, which is particularly susceptible to storm surges due to a shallow coastal shelf and particular tidal characteristics. The economic impact is also considerable; studies indicate natural disaster losses of as much as 2 percent of India's GDP and as much as 12 percent of federal government revenues. Low-lying terrain, high population density, and limited community awareness make the population in India's coastal states and union territories extremely vulnerable. As climate change and weather variability become more pronounced, hazard events are likely to increase. The National Cyclone Risk Mitigation Project supports the Government of India in its efforts to mitigate cyclone-related risk and integrate disaster mitigation into the long-term national development process.

The development objectives of the project are to reduce vulnerability of coastal communities living in the vulnerable coastal states and Union Territories of India to cyclone and other hydro-meteorological hazards. The project is the first phase of a proposed three-phased adaptable program loan. The first phase of the project covers the states of Odisha and Andhra Pradesh. The project has four components:

- Early warning system and capacity building for coastal communities aims to reduce the vulnerability of coastal communities by addressing the existing gaps in disseminating warnings to communities, and in piloting and using new technology.
- Cyclone risk mitigation infrastructure aims to improve access to emergency shelters, evacuation, and protection against cyclones and other hydro-meteorological hazards such as wind storms, flooding, and storm surge in high risk areas.
- Technical assistance for national and state level capacity building and knowledge creation aims to help understand risk and vulnerabilities better, and prepare key institutions to address them effectively, across India. Activities include studies, assessments, training and capacity building activities related to risk and damage assessments, development of training modules and action plans and implementing them through identified partner agencies.
- Project management and implementation support provides support for project management by financing incremental operating costs for the project management unit and implementation units, nodal units in line departments and the National Institute of Disaster Management (NIDM), office equipment, training and exposure visits, and consulting services for specialist activities.

KEY RESULTS ACHIEVE AND EXPECTED:

- About 84 cyclone shelters, 550 evacuation roads, and 11 bridges have been completed. By 2015, 297 shelters, 1,050 km of roads, and 160 km of embankment strengthening work will have been completed.
- 45 percent of the coastal population now have access to cyclone shelters, up from 30 percent at the start of the project and against a 60 percent end-of-project target.

KEY DEVELOPMENT PARTNERS:

The Bank team is working closely with the Ministry of Home Affairs, National Disaster Management Authority (NDMA), NIDM, Odisha State Disaster Management Authority (OSDMA), and the Department of Revenue and Disaster Management in Andhra Pradesh.

INDIA: NATIONAL CYCLONE RISK MITIGATION PROJECT II

KEY DATES:

May 28, 2015
 Effective: not yet effective
 Closing: March 15, 2021

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	308.4	0	308.4
Government of			
Total Project Cost	387.0		

*US\$ millions; as of August 31, 2015

BACKGROUND AND OBJECTIVES:

About 5,700 kilometers of the India's coastline is exposed to severe cyclones and approximately 40 percent of total population lives within 100 km of the coastline. It is estimated that on an average, annually, 370 million people are exposed to cyclones in India. As climate change and variability become more pronounced, hazard events are set to grow.

The National Cyclone Risk Mitigation Project (NCRMP) aims at assisting the Government of India and the target coastal states to increase their resilience to cyclones, storm surge, and floods in coastal areas, and to increase their capacity for disaster risk mitigation at the national level. The project is part of a series of disaster risk mitigation initiatives—including NCRMP I and Additional Financing, Tamil Nadu and Puducherry Coastal Disaster Risk Reduction Project, and the Odisha Disaster Reconstruction Project—that will provide support in reducing coastal vulnerability for India's entire mainland coast.

NCRMP is the first Bank-funded project in India exclusively focusing on ex-ante disaster risk mitigation. It is being implemented by the NDMA with support from the Ministry of Home Affairs, Government of India, focusing on cyclone prone coastal states and union territories. The project is structured in phases, based on the risk levels of the states and their implementation readiness.

Phase I, under implementation since 2010, includes the states of Odisha and Andhra Pradesh. The project amount is \$455 million (\$359 million IDA credit and \$96 million counterpart funds).

Phase II includes the states of Goa, Gujarat, Karnataka, Kerala, Maharashtra, and West Bengal. The project has four principal components: (i) early warning dissemination systems (EWDS); (ii) cyclone risk mitigation infrastructure; (iii) technical assistance for multi-hazard risk management; and (iv) project management and implementation support. The third component will be implemented by NDMA with support from the states while the first two components will be implemented by the six participating states. The investments are expected to reduce the vulnerability to cyclone and other hydro-meteorological hazards of coastal communities in the project states, and increase the capacity of the state entities to effectively plan for and respond to disasters.

KEY EXPECTED RESULTS:

- 75 percent of the targeted coastal population covered by the EWDS.
- 500,000 vulnerable people with access to cyclone shelters.
- 1,600 sq. km of coastal land protected by embankment rehabilitation.
- 250 km of coastal electrical cabling moved underground.
- Vulnerability assessment results presented to officials of NDMA and MHA for investment planning.

IMPACT AGENCY:

NDMA.

INDIA: NATIONAL DAIRY SUPPORT PROJECT

KEY DATES:

Approved: March 15, 2012
 Effective: June 12, 2012
 Closing: December 31, 2017

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	254.47	41.54	177.76
Government of India	39.1		
Other (Communities)	62.8		
Total Project Cost	356.37		

*US\$ millions; as of July 31, 2015; total Credit after partial cancellation of \$97 million cancelled as of Feb 26, 2014 due to exchange rate fluctuation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Milk is the single largest agricultural commodity in the country in terms of value of output. Almost half of rural households depend on dairy for their livelihood. About 80 percent of farmers are small and marginal, typically owning one to three milk-producing animals. But average milk yield is low compared to international standards, and the growth rate of domestic milk production has slowed in recent years while domestic demand continues to grow as incomes increase and food preferences shift. The gap between supply and demand has translated into higher milk prices, which is of concern in a country with a large vegetarian population for whom milk and milk products are an important part of food and nutritional security.

This project supports the National Dairy Plan (NDP) prepared by India's National Dairy Development Board. The NDP is a multi-state initiative to improve milk animal productivity, strengthen and expand infrastructure for milk procurement at the village level, and enhance milk processing capacity and marketing over a 15-year horizon. With this project, the Bank is re-engaging in dairy development at the national level in India by supporting the first phase of the NDP through investments designed to enhance animal productivity and improve farmer access to organized milk marketing channels. Improving productivity in the Indian dairy sector can potentially contribute to improved food security and stability of national—and global—milk prices, as well as to improved incomes of millions of smallholder milk producers.

The project development objective is to increase the productivity of milk-producing animals and improve market access of milk producers in project areas. The project finances three main components:

- Productivity enhancement aims to increase bovine productivity through support for improved animal breeding and nutrition services.
- Milk collection and bulking aims to increase market access of milk producers by investing in village-level milk collection and bulking facilities.
- Project management and learning supports management, coordination, monitoring, learning, and evaluation efforts related to the project.

KEY EXPECTED RESULTS:

- Milk production per animal reached 5.13 liters/day, equal to a 2 percent increase relative to the baseline (target is 10 percent).
- No increase relative to the baseline of the proportion of "in-milk" female animals to adult female animals (63 percent).
- Share of milk sold to the organized milk-processing sector is expected to remain at 65 percent through the lifetime of the project as some of the increased production will go household consumption.
- The project targets: production of 2,500 genetically improved bulls; production of an additional 55 million doses of high quality semen; coverage of 2.7 million animals under a ration-balancing program; and organization of an additional 1.2 million dairy farmers into milk producer organizations.

IMPLEMENTING AGENCY:

BAFL, National Dairy Development Board.

KEY DEVELOPMENT PARTNERS:

Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India.

INDIA: NATIONAL GANGA RIVER BASIN PROJECT

KEY DATES:

Approved: May 31, 2011
 Effective: August 18, 2011
 Closing: December 31, 2019

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	801	2	799
IDA	199*	62.85	136.15
Borrower/Recipient	556		
Total Project Cost	1,156		

*US\$ millions; As of July 31, 2015. For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The Ganga River, despite being highly revered and the primary water resource for the heartland of India, is seriously polluted and under extreme environmental stress. The river suffers from high levels of organic and bacterial pollution, resulting in a wide range of negative impacts, including on human health, agriculture, urban services, and the environment. The pollution in the Ganga is primarily a result of inadequate infrastructure, the weak capacity of local water and wastewater utilities in the basin, and the poor state of environmental monitoring and regulation. In 2009, the Government of India developed a new vision for clean-up and conservation of the Ganga, leading to the establishment of the National Ganga River Basin Authority (NGRBA) with the mandate to develop and implement a multi-sector program. The World Bank's National Ganga River Basin Project provides upstream support to the NGRBA for institutional development, program design, and early investments. This is a flagship project of the World Bank and the Government of India, and has high priority in India due to the scale of the challenge, and the religious, historical, and cultural importance of the Ganga River in India.

The project development objectives are to support the NGRBA in: (i) building the capacity of its nascent operational-level institutions so they can manage the long-term Ganga clean-up and conservation program; and (ii) implementing a diverse set of demonstrative investments for reducing point-source pollution loads in a sustainable manner at priority locations on the Ganga. Project components cover:

- Institutional development: Including operationalization of the new NGRBA, communications campaigns for river cleaning, and technical assistance for city service providers and environmental regulators.
- Infrastructure investments in four sectors: Wastewater collection and treatment; industrial pollution control; solid waste management; and riverfront development, with investments to be selected according to a framework approach.

The project supports activities in the center and in the five states through which the mainstream of the river runs: Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, and West Bengal. Three of these are low-income and one is special category. The project is currently being restructured.

KEY EXPECTED RESULTS:

Progress towards achieving the project's development objective is measured by three outcome indicators:

- Average rating of NGRBA-related institutions.
- Volume of untreated wastewater prevented from entering the Ganga due to project interventions.
- Improvements in river water quality at targeted locations with significant investments.

A clean river would mean the conservation of a cultural icon in India and abroad and the economic lifeline of hundreds of millions of people, and a huge savings in health costs by reducing the burden of disease associated with inadequate sanitation.

IMPLEMENTING AGENCY:

At the center: the National Mission for Clean Ganga (NMCG) in the Ministry of Environment and Forests, and the Central Pollution Control Board. In the states: new State Program Management Groups (SPMGs) in Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, and West Bengal. Below the SPMGs are multiple-executing agencies, mostly large parastatals such as the Uttar Pradesh Jal Nigam in Uttar Pradesh, and the Bihar Urban Infrastructure Development Corporation in Bihar.

KEY DEVELOPMENT PARTNERS:

AusAID, DFID and Norway have supported the project through trust funds. AusAID has supported an important industrial pollution control project in Kanpur and plans to support a proposed study tour to Australia.

INDIA: NATIONAL HIGHWAY AUTHORITY OF INDIA TECHNICAL ASSISTANCE PROJECT

KEY DATES:

Approved: November 30, 2010

Effective: March 21, 2011

Closing: July 31, 2016

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	45	4.61	40.39
Government of India	10		
Total Project Cost	55		

*US\$ millions, as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The total road network in India is about 3.3 million km, of which about 2 percent are national highways and expressways carrying about 40 percent of total road traffic. Recognizing that the poor condition of national highways could impede high economic growth, in 2000 the Government of India launched the National Highway Development Project (NHDP), the largest highway project ever undertaken in the country. The responsibility for implementation was entrusted to the National Highways Authority of India (NHAI). The prime objective of the NHDP was to undertake widening of strategic national highways corridors. Prior to implementation of NHDP, the road sector faced persistent underfunding and grappled with poor institutional capacity to manage its network and programs. The existing network was neglected and the sector experienced a trend of "build-neglect-re-build". With the launch of NHDP, the road sector could attract considerable private financing in addition to public funding through levying additional taxes on fuel. However, in recent times there have been difficulties in attracting private financing and new areas of concerns have emerged: weaknesses in project preparation; delays in land acquisition; large variations during construction; ineffective contract administration resulting in high numbers of contractual disputes; human resource constraints; and lack of safety awareness. The government is keen to address these challenges by improving NHAI's program management and operational efficiency.

The project development objective is to assist NHAI in adopting appropriate practices to enhance its program management and operational efficiency. The project focuses on institutional strengthening and capacity building of NHAI through technical assistance in project preparation and management, research, training and capacity building, asset management and resource planning, PPPs, socioeconomic and environment impact evaluation, safety, HIV/AIDS prevention, and governance by adopting appropriate approaches and practices

KEY ACHIEVED AND EXPECTED RESULTS:

- Implementation of enterprise resource planning to computerize NHAI portfolio.
- Strengthening design review process.
- System of third party quality audit established in NHAI.
- Implementation of asset management system.
- Corporate governance assessment of NHAI.
- NHAI is in the process of engaging a road safety advisor.
- Establishment of a performance monitoring system at NHAI for its developers, contractors, and consultants

IMPLEMENTING AGENCY:

National Highways Authority of India.

INDIA: NATIONAL HIGHWAYS INTERCONNECTIVITY IMPROVEMENT PROJECT

KEY DATES:

Approved: October 29, 2013
 Effective: August 5, 2014
 Closing: June 30, 2019

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	500	22.34	477.66
Government of India	646.05		
Total Project Cost	1146.05		

*US\$ millions, as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The Government of India is keen to sustain its achievements in economic growth, which has been at 8 percent per annum in recent years. Improving the level and quality of infrastructure services will be critical for this goal. National highways (82,755 km) account for only 1.9 percent of the total road length in the country, but carry over 40 percent of the total road traffic. While the government invested significantly in the core national highways under the NHDP, the remaining 43 percent of the national highway network have not received adequate funding until recently. Considerable stretches of the non-NHDP network require strengthening and upgrading, and suffer from major connectivity gaps. In recent years, there has been an increasing recognition of the importance of the non-NHDP network. It holds the key to ease poverty and share prosperity, and for achieving the government's objective of equitable and inclusive growth, as it often serves as the primary or sole link with remote, economically lagging, or otherwise challenged regions. The government has identified a portion of non-NHDP roads for priority development through external financing and budgetary allocations.

The project development objective is to improve national highway network connectivity to less-developed areas and low-income states, and enhance the institutional capacity of the Ministry of Road Transport and Highways (MoRTH) to better manage the highway network. The project consists of three components:

- Road improvement and maintenance component will upgrade and maintain national highways in three low-income states (Bihar, Orissa and Rajasthan) and less-developed regions in two middle-income states (Karnataka and West Bengal).
- Institutional development component will enhance the institutional capacity of MoRTH to better manage its highway network through supporting specific interventions in the areas of: process improvements; network monitoring and management; financing; governance and accountability; and training.
- Road safety component will aim to improve road safety by: updating Indian standards and regulations related to road safety; improving road accident data collection and analysis at the central level and in project states; strengthening road safety capacity at the central level; and promoting social marketing and awareness campaigns along project roads.

KEY EXPECTED RESULTS:

Under the project, about 1,120 km of existing single/intermediate lane roads will be upgraded to two-lane standard, and maintained for five years after construction. More specific expected results include:

- Increase in the length of non-NHDP national highways in good and fair condition from 65 percent to 68.25 percent.
- On project roads, percent reduction in average travel time and average vehicle operating cost; no increase in fatalities in road crashes.
- Improved accident data management system and asset management system developed and implemented in at least three states.

IMPLEMENTING AGENCY:

MoRTH, Government of India.

INDIA: NATIONAL RURAL LIVELIHOODS PROJECT

KEY DATES:

Approved: July 5, 2011
 Effective: July 18, 2011
 Restructured: May 24, 2013
 Closing: December 31, 2017

IFC FINANCING:

IDA	549.70	177.90	298.51
Government of India	150		
Total Project Cost	699.70		

*US\$ millions, as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Despite high GDP growth rate over the past decade, over 250 million rural people in India (45 million households) remain locked in poverty, living on less than \$1 per day. One of the key challenges facing India today is how to successfully translate high economic growth into inclusive growth that leads to significant and accelerated rural poverty reduction. Rural livelihoods programs are designed to help tackle this immense development challenge.

The Bank's engagement on rural livelihood programs dates back to a series of projects in the states of Andhra Pradesh, Madhya Pradesh, and Rajasthan started in 2000. Since then, the Bank has invested more than a \$1 billion in 11 livelihood projects at the state level. Thirty million rural poor have been mobilized to form their own institutions, enabling them to access livelihood opportunities and build social, financial, and economic capital. The rural poor have been empowered socially and economically, enabling them to build linkages with state and market institutions. They have higher savings, more access to credit, livelihoods and public services, and households and communities benefit from increased public and private investment. The most vulnerable groups (women, Scheduled Castes, and Scheduled Tribes) have been socially empowered, enabling them to build social and financial capital and increase access to growth opportunities. One of the main lessons learned from this decade-long engagement is that significant investment in building the institutional platforms of rural poor households is a critical foundation for sustainable poverty reduction. The National Rural Livelihoods Project supports the Government of India's efforts to scale up these state-level interventions to the national level through support to the National Rural Livelihood Mission (NRLM)–Aajeevika. Bank financing supports the program in 13 high poverty (also mostly low-income) states.

The project's development objective is to establish efficient and effective institutional platforms for the rural poor that enable them to increase household income through sustainable livelihood enhancements and improved access to financial and selected public services. Project components cover:

- Institutional and human capacity development: Aims to transform the role of the Ministry of Rural Development into that of providing high-quality technical assistance in the field of rural livelihoods promotion.
- State livelihood support: Aims to support state governments in establishing necessary institutional structures and mechanisms to implement NRLM activities from the state- to the block-level, including support to forming institutions for the rural poor.
- Innovation and partnership support: Aims to create an institutional mechanism to identify, nurture, and support innovative ideas from across the country to address the livelihood needs of the rural poor.
- Project implementation support: Aims to strengthen the national mission management unit for effective project management at the national level to develop key systems and processes to coordinate and manage the project and the NRLM

KEY EXPECTED RESULTS:

- All 13 participating states have set up the institutional architecture of the state missions.
- The program is intensively working with nearly 1.9 million households and 166,000 Self Help Groups (SHGs). These SHGs have saved \$19 million so far and nearly \$88 million worth of credit has been leveraged cumulatively from the commercial banks.
- It is expected that about 6 million identified rural poor households will be mobilized into community institutions, \$100 million in cumulative savings would be made by rural poor households through thrift, \$500 million in bank credit would be leveraged by rural poor households from the formal financial sector, one million rural poor households would have improved farm productivity, livestock productivity, and market access, and 500,000 new jobs would be created for the poor.

KEY DEVELOPMENT PARTNERS:

The project recognizes partnerships as key implementation arrangements and encourages the states to directly access technical and knowledge support from reputed resource organizations, especially in the following areas:

- Partnerships with home-grown models like International Fund for Agriculture Development/DFID/East Asia and Pacific, sharing the same ethos. Some of the ready candidates include MAVIM, OTELP, JTELP, WDC, and NGOs with track records.
- Knowledge partners for programmatic verticals like BIRD (Financial Services), PRADAN (Agriculture and Ecological Services), BAIF (Livestock), Landesa (Land Access), and FAO (Agriculture and Livestock).

INDIA: NEERANCHAL NATIONAL WATERSHED PROJECT

KEY DATES:

Approved: July 17, 2014
 Effective: expected October 2014
 Closing: June 20, 2020

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	178.5	0	178.5
Government of India	178.5		
Total Project Cost	357.0		

*US\$ millions as of August 31, 2014; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The project would enhance the impacts of the Government of India's Integrated Watershed Management Program (IWMP) operations in targeted watersheds, chiefly through intensive technical assistance. Support would: (i) introduce landscape-level assessment and planning as a window for better program convergence; (ii) strengthen participatory, evidence-based micro-watershed planning; (iii) improve program monitoring and evaluation; (iv) expand knowledge sharing and transfer of new science-based innovations into watershed management; (v) support a stronger focus on improving agricultural productivity and market linkages; (vi) strengthen watershed institutions at the national, state, and community level; and (vii) improve program equity and sustainability. The project would cover 400 sub-watersheds and two million hectares across the eight states, and reach approximately 482,000 farmer households and 2 million people.

The development objective is to support IWMP through technical assistance to improve incremental conservation outcomes and agricultural yields for communities in selected sites, and adoption of more effective processes and technologies. Its four components are:

- Central institutional and capacity building: Strengthens institutions and human resources of key national stakeholders, particularly the Department of Land Resources, for more effective planning, implementation, monitoring and evaluation, and reporting of watershed management programs.
- National innovation support: Supports the application of innovative, science-based knowledge, tools and approaches to underpin improvements to IWMP around watershed planning and implementation, agricultural intensification, climate change, rural livelihoods and hydrology, based on identified needs of the states, communities, and farmers.
- IWMP implementation support in participating states: Provides intensive, science-based technical assistance to improve IWMP operational effectiveness, convergence/integration with other government programs, and measurable impacts on the ground in selected sites in participating states.
- Project management and coordination: Finances management and implementation costs, including specialized incremental staff costs (both full and part-time), incremental operating costs for travel (per World Bank norms), meetings, financial management, internal/external audit and procurement, equipment, and project management consultancies

KEY EXPECTED RESULTS:

- Conservation outcomes in selected micro-watersheds as measured by 50 percent reduction in soil loss over baseline of 3.3 tons/ha/year and incremental changes in overall watershed biomass to Normalized Difference Vegetation Index value of 1.01.
- Average 25 percent gain in incremental productivity of arable lands across five crop types.
- Three new approaches integrated into national watershed guidelines.
- An estimated 2.4 million direct project beneficiaries, of which 30 percent are women.

IMPLEMENTING AGENCY:

Department of Land Resources, Ministry of Rural Development.

INDIA: NORTH EAST RURAL LIVELIHOODS PROJECT

KEY DATES:

Approved: December 20, 2011

Effective: March 12, 2012

Closing: March 31, 2017

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	130	5.91	107.37
Government of India	14		
Total Project Cost	144		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

More than 44 million people live in the North East region of India, 85 percent of whom live in rural areas, and 35 percent of whom are below the poverty line. Despite its rich natural resources and relatively good human development indicators, the region lags behind the rest of India in economic growth. The development challenge in the North East is compounded by geo-political isolation, protracted insurgency in some areas, and recurring natural disasters. Agriculture remains the backbone of the economy, contributing close to 30 percent of regional GDP and providing employment to over 75 percent of the people. The traditional jhum (shifting) cultivation—the predominant agriculture production method in the region—is no longer economically and environmentally viable due to increasing population pressure and shorter fallow periods, which have led to reduced soil fertility and lower productivity. Despite the relatively high literacy rate, the region also suffers from an alarmingly high youth unemployment rate of 14 percent, mainly as a result of high drop-out rates and a lack of skills.

Since 2000, the World Bank in India has supported empowerment and livelihood enhancement through seven state level projects, which have mobilized over 30 million rural poor to enable them to access livelihood opportunities and build social, financial, and economic capital. The programs have resulted in increased savings, improved access to credit, livelihoods, and public services, and have contributed to the social empowerment of the excluded castes and indigenous people. Experience from these projects, and from IFAD-financed projects in three north east states (Assam, Meghalaya, and Manipur), identified the need for: (i) effective skill development for youth; (ii) linking community-based organizations with wider markets; (iii) improving communities' access to credit and other financial services by forming sustainable institutions for the poor; and iv) convergence with other government programs. The North East Rural Livelihoods Project aims to empower the rural poor and improve their livelihoods in the states of Mizoram, Nagaland, Sikkim, and Tripura.

The development objective is to improve rural livelihoods, especially for women, unemployed youths, and the most disadvantaged, in the participating north eastern states. The project has four components:

- Social empowerment: Empowers the rural communities and creates sustainable institutions so they manage common activities around microfinance, livelihoods, and natural resource management.
- Economic Empowerment: Develops the capacity of rural communities to plan and manage funds for economic initiatives.
- Partnership Development: Works with various service providers, resource institutions, and public- and private-sector organizations to bring finance, technology, and marketing support so that the community groups are able to improve their livelihoods.
- Project Management: Facilitates implementation, coordination, learning, and quality enhancement.

KEY EXPECTED AND ACHIEVED RESULTS:

By project end, it is expected that:

- 60 percent of female SHG members will increase their incomes by 30 percent.
- 30 percent of project-benefited unemployed youths will be employed; 1,750 youth already trained under the program and 65 placed in jobs.
- 50 percent of the most disadvantaged households will achieve a minimum of 30 percent improvement in livelihood indices.
- 70 percent of the SHGs formed and supported by the project are institutionally sustainable.
- As of June 2014, 20,000 people, more than half of them females and predominantly from vulnerable and marginalized segment of society benefited directly from the project.

IMPLEMENTING AGENCY:

North East Livelihood Promotion Society, which was set up by the Ministry of Development of North East Region, Government of India.

KEY DEVELOPMENT PARTNERS:

North Eastern Region Community Resource Management Project (NERCOMP) financed by IFAD; North East Council, Ministry of Development of North East Region, Government of India.

INDIA: ODISHA DISASTER RECOVERY PROJECT

KEY DATES:

Approved: February 20, 2014
 Effective: August 27, 2014
 Closing: March 31, 2019

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	153	28.05	110.23
Government of Uttarakhand	65.6		
Total Project Cost	218.6		

*US\$ millions equivalent; as of July 31, 2015; For additional information, see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

On October 12, 2013, Cyclone Phailin hit a densely populated area of the state of Odisha, with 4.5 million people in the path of wind gusts up to 220 kilometers per hour. It was the strongest cyclone to hit the Indian coast in 14 years: a category 4 storm similar to the Super Cyclone 05B of 1999 that hit Odisha and killed more than 10,000 people, destroyed 275,000 homes and left 1.67 million homeless. Due to a highly successful and unprecedented government response, only about 60 people died in Cyclone Phailin, but the impact on coastal residents was extreme, particularly in the districts of Ganjam (where the cyclone made landfall), Puri, and Khordha. Damage was estimated at about \$1.45 billion, including some \$480 million in needed housing reconstruction.

This project is part of a broader package to support the Government of Odisha's reconstruction and recovery efforts and to strengthen their capacity to manage future events.

Its development objective is to restore and improve housing and public services in targeted communities of Odisha, and increase the government's capacity to respond promptly and effectively to future emergencies. The project has five components:

- Resilient housing reconstruction and community infrastructure: Focuses on the immediate reconstruction of damaged housing, restoration of public buildings and public service networks using resilient construction standards, and development of village development plans.
- Urban infrastructure in Berhampur: Focuses on Berhampur, the largest city in Ganjam district, to improve public services while at the same time reducing their vulnerability. It includes the upgrading of affected slums and technical assistance for the Berhampur Municipal Corporation to improve resilience of public services and urban planning.
- Capacity building in disaster risk management: Strengthens the state's capacity in risk mitigation, preparedness, and disaster response.
- Implementation: Supports the incremental operating costs of the project, including training, exposure visits, and knowledge exchange programs for the Odisha State Disaster Management Agency (OSDMA) and Berhampur.
- Contingency emergency response: Can be triggered, at the request of the government, following an adverse natural event that causes a major natural disaster to re-allocate project funds to support response and reconstruction.

KEY RESULTS EXPECTED:

- 30,000 affected households with resilient housing reconstructed, 200 village development plans completed, and improved living conditions for 25,000 vulnerable people in Berhampur.
- By the end of the project, the Berhampur Municipal Corporation will have master plans for drainage and sewerage, and the OSDMA will have an established Emergency Operations Center with trained staff and systems in place to plan for and respond to disasters.

IMPLEMENTING AGENCY AND KEY DEVELOPMENT PARTNERS:

Ministry of Home Affairs, National Disaster Management Authority, National Institute of Disaster Management, the Berhampur Municipal Corporation, OSDMA, ADB.

INDIA: ORISSA COMMUNITY TANKS MANAGEMENT PROJECT

KEY DATES:

Approved: September 30, 2007

Effective: March 17, 2009

Closing: June 30, 2016

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	56	13.69	42.31
IDA	56	24.39	31.61
Government of India	7.9		
Water User Associations	3		
Total cost	122.90		

*US\$ millions; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

The project combines rehabilitating community water tanks with strengthening water user associations (WUAs) and agricultural development in a single package to maximize the economic returns from scarce water resources. In addition to developing tested practices and processes that can be used to support development of tank-based livelihoods, the project will establish a nucleus of "good practice" water users associations that could then be used as learning and training centers at other tanks. The project provides integrated support to tank-based livelihoods and advances the concept of participatory water management. All successful practices developed and tested by the project will be embedded in the government's own work at other tanks.

The development objective is to help tank-based producers to improve agricultural productivity, and help water user associations to manage tank systems effectively. The project covers 324 community tanks with a total command area of about 60,000 hectares, and expects to benefit over 150,000 farmers. Activities at each tank include the establishment and support to water users associations, rehabilitation and modernization of tanks and respective irrigation systems, and general support to agriculture development. The project's three components are:

- Institutional strengthening: Enables community-based institutions—water users associations, fishing cooperative societies, farmer interest groups—to assume greater responsibility for tank system management and improving tank-based agricultural livelihoods.
- Tanks systems and irrigation improvements: Improves the physical and operational performance of tank systems, ensures safe operation of tank structures, and enhances reliability of irrigation water supply by rehabilitating and modernizing tank systems that cover areas ranging from 40 to 2,000 hectares.
- Agricultural livelihoods support services: Complements irrigation system rehabilitation works with the objective of enhancing the productivity of irrigated lands and increasing water use efficiency and/or cropping intensity.

KEY ACHIEVED RESULTS:

Rehabilitation of about 61 tanks (18 percent) has been completed. Works on remaining tanks are under implementation. The main expected results at project completion are an increase in area irrigated, improved water availability for poor tail-end farmers, and an increase in value of output per unit of water. The district cluster teams have organized awareness campaigns, completed training modules and identified and trained 471 community resource persons. The training approach has been innovative, with the master trainers carrying out practical, hands-on training for each executive committee in their villages. An agricultural water management unit has been established and a detailed study carried out to understand how water is currently managed by WUAs. The project is supporting improved marketing initiatives, and has supported a banana and papaya value chain on 50 acres out of 300 acres owned, planted, and monitored exclusively by women groups. Similarly, an onion value chain is being implemented in 1,500 acres across two districts through small and marginal farmers. On the livestock front, about 439 women have been trained as poultry vaccinators and work for the concerned line department for vaccination and de-worming. The project has also shown encouraging progress in conducting demonstrations in improved fish production practices.

IMPLEMENTING AGENCY:

Orissa Community Tank Development and Management Society, Department of Water Resources, Government of Orissa.

INDIA: ORISSA STATE ROADS

KEY DATES:

Approved: September 30, 2008

Effective: April 15, 2009

Closing: June 30, 2016

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	163	64.72	98.28
Government of India	69		
Total Project Cost	265		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Orissa's 239,000-km road network is second only to Uttar Pradesh in terms of length. However, in terms of quality, Orissa's road network ranks among the lowest—only 22 percent is paved, significantly below India's average of 58 percent. The rationale for Bank support in Orissa's road sector is a logical extension of the Bank's earlier engagement in the state under the Orissa Socioeconomic Development Program (OSED), as well as the Bank's continued support to modernize India's road sector. The reforms implemented under the OSED have created substantial fiscal space for the state to undertake productive investments in social and infrastructure sectors. However, despite the improved fiscal space, Orissa has not been able to meet its own targets for increasing capital investment to 3 percent (currently hovering around 2 percent) of GSDP. The project aims to assist Orissa in meeting the capital investment goals in a sector that is crucial for the state's overall economic growth and poverty reduction objectives. In addition, the project would support the state government in implementing institutional and governance reforms in the road sector, thus enhancing the efficacy of public-sector expenditure.

The project development objective is to remove transport bottlenecks in targeted transport corridors for greater investment and economic and social development activities in the state of Orissa. The project was restructured to rationalize the project scope due to delayed implementation—about 150 km roads were dropped from the scope and \$54 million was cancelled from the original loan size of \$250 million.

The project has two components:

- Road corridor improvement: Supports the widening, strengthening, and selective realignment of 310 km of existing roads to double-lane standards.
- Sector policy and institutional development, and implementation support: Assists the Government of Orissa in modernizing the Orissa Works Department (OWD) organization and capacity, improving the policy, institutional, and legal framework of the state road sector, and implementing and monitoring the project.

KEY EXPECTED RESULTS:

By project completion, businesses and households in project areas will enjoy a significant reduction in generalized transport cost, and the OWD will improve its capacity and efficiency to provide sustainable road infrastructure service to users. The outcome will be monitored by the following indicators:

- Vehicle operating costs in project corridors to reduce.
- Vehicle speed in project corridors to increase.

Favorable survey response by businesses and road users indicating that conditions of the transport corridors improved.

IMPLEMENTING AGENCY:

OWD, Government of Orissa.

INDIA: PMGSY RURAL ROADS PROJECT

KEY DATES:

Approved: December 20, 2010

Effective: February 18, 2011

Closing: November 30, 2015

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	500.00	390.11	109.89
IDA (4849-IN)	620.60	607.49	13.11
IDA (4848-IN)	279.40		
Total Project Cost	1400		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Established in 2000, the Pradhan Mantri Gram Sadak Yojana (PMGSY)—also known as the Prime Minister’s Rural Roads Program—addresses poor rural connectivity. The program originally sought to provide all-season road access for every community with a population greater than 1,000 by 2003, and all villages with populations greater than 500 by the end of the Tenth Five-Year Plan in 2007. The time frame for the program has now been extended, and the length of the new and improved rural road network increased to 274,000 km. As a result, 70,500 habitations are now connected. The program’s implementation capacity has been enhanced significantly, with over 50,000 km of road being completed annually, compared to just 15,500 km at the beginning of the program. Despite these dramatic improvements in rural connectivity over the last decade, 25 percent of India’s villages still lack access to all-season roads. The Bank’s \$1.54 billion PMGSY Rural Roads Project covers a mixture of low-income states (Jharkhand, Rajasthan, Bihar and Uttar Pradesh), small special category upland states (Himachal Pradesh, Meghalaya, and Uttarakhand), and the middle-income state of Punjab.

The project development objective is to support strengthening the systems and processes of the national PMGSY rural roads program to expand and maintain all-season rural access roads, resulting in enhanced road connectivity to economic opportunities and social services for beneficiary communities in the participating states. The project is structured around two components:

- PMGSY program financing contributes finances to cover civil works expenditures in the seven participating states associated with providing new all-season access to unconnected habitations, and upgrading important link routes in rural areas. The project will strengthen implementation efficiency and the sustainability of program roads through improved maintenance.
- Institutional strengthening supports technical assistance to strengthen the capacity of relevant agencies to implement the program, including support for further enhancements to the On-line Management, Monitoring, and Accounting System to produce customized performance reporting at the national, state, and district levels. The reports will incorporate improved safeguards monitoring information and vulnerability-disaggregated data (including by gender), as well as data derived from third-party monitoring.

KEY EXPECTED RESULTS:

- The share of rural population with access to all-season roads in participating states is expected to increase from 67 percent in 2011 to 72 percent by 2015.
- The condition of PMGSY roads will improve. Road condition is measured through a Pavement Condition Index (PCI), which is a five-point scale where a number of two or lower is considered a satisfactory condition. Currently, 12 to 80 percent of the road networks in the participating states, where there is information, have PCI levels less than two. The project target is to have accurate condition data for all project states, and an average of 55 percent of the road network with a PCI of less than two.

IMPLEMENTING AGENCY:

Ministry of Rural Development, Government of India, and National Rural Roads Development Agency.

INDIA: PUNJAB RURAL WATER AND SANITATION SECTOR IMPROVEMENT PROJECT

KEY DATES:

Approved: March 24, 2015

Effective: June 19, 2015

Closing: March 31, 2021

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	248	16	232
Government of Punjab/India	106	1.47	104.53
Total Project Cost	354	17.47	236.53

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

The Punjab state had implemented an IDA-assisted Rural Water project (P090592; \$154 million) during 2007-14 that demonstrated good service levels through community management while achieving close to 100 percent coverage of water supply. However, the state faces challenges of poor access—less than 30 percent households have water connections and 600,000 households do not have access to sanitation facilities. This is mainly impacting women and children and marginalized communities. The state government intends to scale up and consolidate the gains of the first project by adopting a demand responsive and decentralized service delivery approach to progressively raise the water and sanitation service standards and coverage, and also reform the service delivery institutions.

This IBRD-financed Rural Water Sector Improvement Project includes:

- Augmentation and operational improvement of existing water supply schemes to deliver better service levels through community management (970 villages; \$77 million).
- Sewerage schemes (315 villages; \$90 million).
- Individual household water connections (650,000; \$18 million)
- Addressing water quality issues such as contamination with heavy metals (271 villages; \$59 million)
- Making the state Open Defecation Free (ODF) though supporting beneficiaries to build individual household toilets (620,000) complimented with behavior change activities (\$60 million).
- Reforming the sector institution for improved service delivery and project management (\$49 million),

The development objective of the project is to “improve water and sanitation service levels, reduce open defecation, and strengthen service delivery arrangements in targeted villages in Punjab”.

KEY EXPECTED RESULTS:

- Villages with higher service levels managed by the Gram Panchayat Water Sanitation Committees.
- Village committees that are managing operations and maintenance of water supply schemes through full cost recovery.
- Villages declared ODF.
- Villages receiving improved quality of water.
- New piped household water connections that are resulting from the project intervention.
- Piped water connections that are benefited from rehabilitation works undertaken by the project.
- Improved latrines constructed under the project.

IMPLEMENTING AGENCY:

Department of Water Supply and Sanitation of the Government of Punjab.

INDIA: PUNJAB STATE ROAD SECTOR PROJECT

KEY DATES:

Approved: December 5, 2006

Effective: April 2, 2007

Closing: June 5, 2017

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	250	179.87	70.13
Government of India	150		
Total Project Cost	400		

*US\$ million; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Punjab, located in the northwest, is one of India's most prosperous states. The agricultural revolution in the 1960s and 1970s and resulting high economic growth substantially improved Punjab's poverty and social indicators. Punjab is rural and landlocked. Two-thirds of its 25 million people live in villages, and agriculture, directly or indirectly, accounts for 40 percent of the economy, substantially above the Indian average of 24 percent. Better roads, lower transport costs, and higher transport service standards have been identified in the government of Punjab's 10th Five-Year Plan as core elements of an enabling investment climate and a prerequisite for economic diversification and accelerated economic growth. While maintenance funding for national highways by the Government of India and for village roads through crop tax is sufficient, funding for the state highways has been grossly inadequate. (Until recently, funding for maintenance for Plans Roads was only 25 percent of that required). While funding for maintenance appears assured in the short term, the consequences from the previous inadequate maintenance funding and lack of capacity expansion can be only partially remediated. The Bank is supporting the road sector in Punjab because of the need to address the increasingly serious capacity constraints and to assist the Government of Punjab in strengthening its road maintenance management of the state highways.

The project development objective is to improve operating conditions of state roads for road users, in a sustainable way, thus helping to provide the business enabling environment necessary to support Punjab's economic development strategy. The project has two components:

- Road upgrading, rehabilitation, and maintenance: Finances civil works along plan roads comprising upgrading, rehabilitation, and maintenance of about 1,000 km of roads; technical assistance; land acquisition; and the required pre-construction activities.
- Institutional strengthening: Funds measures for sector modernization and for improving sector efficiency, as well as for road safety and HIV/AIDS.

KEY EXPECTED RESULTS:

- 30 percent increase in the average speed of the network.
- 20 percent reduction in vehicle operating costs.
- Improved road safety resulting in fewer fatal accidents.

IMPLEMENTING AGENCY:

Punjab Roads and Bridges Development Board.

INDIA: RAJASTHAN AGRICULTURAL COMPETITIVENESS PROJECT

KEY DATES:

Approved: March 27, 2012

Effective: July 2, 2012

Closing: April 30, 2019

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	109.00	1.11	98.38
Government of Rajasthan	48.40		
Other (beneficiaries)	9.10		
Total Project Cost	166.50		

*US\$ million; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The desert state of Rajasthan faces acute water quantity and quality issues. Covering 10 percent of India's land area and accounting for 5 percent of the population, Rajasthan has less than 2 percent of the country's water resources. Erratic rainfall and recurring droughts have exacerbated the situation. A large part of the state relies on groundwater for agriculture, and for industrial and domestic consumption, which has negative impacts on the quality and quantity of groundwater. Sustainable and efficient use of the state's scarce water resources is a major challenge. Given the size of the agriculture sector and its water footprint, improved water and agriculture productivity coupled with market linkages are key elements for sustainable and inclusive growth. While there are many challenges to making the semi-arid desert bloom, there are also significant opportunities: (i) a promising potential for diversification into higher-value, less water-consuming horticulture, floriculture, spice and medicinal plant production; (ii) scope for livestock development focusing on improved breeding, animal health, nutrition, and access to markets; (iii) availability of a range of tested on-farm water management technologies and agronomic practices; (iv) a policy framework that is increasingly conducive to private sector-led, sustainable agriculture, including recently revised state policies on agriculture, livestock, and agribusiness development, as well as water resources management; and (v) the possibility of scaling up experience in PPPs in agriculture.

The development objective of the project is to establish the feasibility of sustainably increasing agricultural productivity and farmer incomes through a distinct agricultural development approach that integrates agriculture water management and agricultural technology, farmer organizations, and market innovations in selected locations across the 10 agro-ecological zones of Rajasthan. The project has four components:

- Climate resilient agriculture: Supports climate-resilient approaches for sustainable use of the natural resource base, through agricultural and livestock production systems aiming to increase long-term productivity and farm incomes in an environment marked by increased climate and rainfall variability. Activities include: (i) harvest, capture, collection, delivery, and distribution of water for agriculture and livestock purposes in surface water-irrigated canal command areas, groundwater sources, and rain-fed areas; (ii) on-farm water use efficiency; (iii) soil moisture and fertility improvements; (iv) sustainable intensification and diversification of farm production; and (v) integrated crop and livestock farming systems.
- Markets and value chains: Will enable farmers to engage in profitable and sustainable market-oriented production, and promote partnerships and market linkages with other value chain participants and agribusinesses.
- Farmer's organizations and capacity building: Supports: (i) establishment of farmer groups and organizations; (ii) capacity building for participatory planning and plan implementation of collective actions; and (iii) strengthening institutions and human resources associated with the project implementation.
- Monitoring and evaluation, and learning: Aims to implement robust monitoring and evaluation systems, which will support potentially scaling up successful approaches across the state. Work will also focus on strengthening synergies, and convergence with ongoing schemes of the government of Rajasthan and the Government of India.

KEY EXPECTED RESULTS:

The project is in its first year of implementation, so progress on achieving results is not yet discernible. By the end of the project in 2019, however, it is expected that:

- Water used in agriculture will be reduced by 15 percent (from 3,000 cum to 2,550 cum per gross irrigated area).
- Water use efficiency will increase by 65 percent over the baseline.

IMPLEMENTING AGENCY:

The Rajasthan Agricultural Competitiveness Project Management and Implementation Society, Government of Rajasthan.

INDIA: RAJASTHAN AGRICULTURAL COMPETITIVENESS PROJECT

KEY DATES:

Approved: October 29, 2013, 2013
 Effective: Expected on April 2, 2014
 Closing: December 31, 2018

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	160	73.81	76.44
Government of India	67	0.00	67
Total Project Cost	227.00		

*In US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Rajasthan is one of India's largest states, accounting for 10 percent of its total area and 5 percent of the population. The state has good potential for growth in agriculture and agro-based industries, mining and minerals processing, tourism, handicrafts, and cottage industries. But this potential is not being realized due to inadequate road infrastructure and market linkages. Rajasthan has a road network of 193,017 km. This includes 7,260 km of national highways (NH), 10,953 km of state highways (SH), 9,900 km of major district roads (MDR), 25,033 km of other district roads (ODR) and 139,871 km of village/rural roads. Due to years of under-investment and inadequate maintenance, many of the SHs and MDRs are in poor condition in terms of riding quality, geometry, pavement strength, drainage, and safety standards, and are disjointed due to missing links and dilapidated bridges. Only about 11 percent of SHs and MDRs are double lane. The road safety situation in Rajasthan is serious and deteriorating. The Severity Index of Rajasthan roads is about 40 compared to a national average of 29 and it ranked fifth in the total number of fatalities in 2011, contributing 6.5 percent of all fatalities in India. The PMGSY rural roads project, established in 2000, provided all weather road connectivity to about 81 percent of eligible habitations of above 500 people, and to habitations of 250 people or more in desert and tribal areas of the state. About 7,357 habitations not meeting the PMGSY criteria are yet to be connected under the Rajasthan Road Sector Modernization Project.

The project development objective is to improve rural connectivity, enhance road safety, and strengthen road sector management capacity of the state of Rajasthan. Its components are:

- Rural connectivity improvement: Supports construction of about 2,500 km rural roads to provide connectivity to about 1,300 revenue villages with population between 250 and 499 people in the areas of the state not covered by PMGSY, and introduces good practices of cost-effective low-volume technologies.
- Road sector modernization and performance enhancement: This component will support implementation of a Road Sector Modernization Plan in the areas of: (i) improved policy framework; (ii) modernization of engineering practices and business procedures; (iii) sustainable asset management; (iv) institutional and human resource development; (v) preparing a pipeline of feasible projects for implementation and; (vi) enhancing governance and accountability in the Public Works Department

KEY ACHIEVED AND EXPECTED RESULTS:

- An increased share of rural population with access to an all-season road.
- Increased percentage of Core Road Network in good/fair condition.
- A reduction in annual fatality count on model road safety corridors.

IMPLEMENTING AGENCY:

Rajasthan Public Works Department.

INDIA: RAJASTHAN RURAL LIVELIHOOD PROGRAM

KEY DATES:

Approved: January 11, 2011
 Effective: June 22, 2011
 Closing: October 31, 2016

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	122.84	28.09	86.30
Government of India	15.84		
Total Project Cost	136.33		

*US\$ millions; as of July 31, 2015; revised total amount after partial cancellation; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Rajasthan is India's largest state in terms of area, and is eighth out of 28 states in terms of both population and state GDP. More than three-quarters of the population live in rural areas. Despite a rapid decline in poverty, from 50 percent in 1970 to about 24 percent in 2005, more than two million people rank as absolute poor according to the 2002 census. The highest incidence of poverty and vulnerability occurs in southern and eastern Rajasthan, with human development indicators lowest in southern Rajasthan, where periodic drought cycles have led to significant seasonal out-migration. The Rajasthan Rural Livelihoods Project focuses on 17 districts in southern and eastern Rajasthan.

The project's development objective is to enhance economic opportunities and empowerment of the rural poor, with a focus on women and marginalized groups, in the 17 targeted districts. The project has five components:

- Institution building and social empowerment: Helps the poor mobilize themselves into SHGs and develop their capacity to initiate and expand sustainable livelihoods activities.
- Community investment support: Supports asset creation of SHGs and their federations; and identifies and supports innovative approaches to improve livelihoods of the rural poor.
- Skill development and employment promotion: Supports helping beneficiaries to connect to new employment opportunities by creating a structured mechanism for skill development and job creation.
- Climate change adaptation: Aims to develop drought adaptation mechanisms and institutional models at the district and local levels.
- Project implementation support: Facilitates various implementation, coordination, learning, and quality-enhancement efforts.

KEY ACHIEVED AND EXPECTED RESULTS:

- 400,000 poor rural households mobilized into 33,000 SHGs. As of January 2014, a total of 9,000 SHGs have been promoted; disbursements to these groups under the project have started and been made to 3,900 SHGs.
- Link 23,100 SHGs to banks to mobilize credit for poor households. 7,200 SHGs have been linked to banks.
- Enhanced resilience to climate change shocks for poor households by developing and implementing drought-adaptation mechanisms at the state, district, and local levels.
- Increase in income, savings, and diversification of income sources for 70 percent of targeted poor households.
- 17,000 youth receive skill development training and are placed in jobs.

IMPLEMENTING AGENCY:

Rajasthan Ajeevika Vikas Parishad (RAVP), an independent umbrella society established by the government of Rajasthan to implement various anti-poverty initiatives. The RAVP has a governing council chaired by the chief minister of Rajasthan that provides oversight and general policy and strategic direction. Day-to-day implementation is delegated to a State Project Management Unit, which, in turn, will work through District Project Management Units and Project Facilitation Teams at the district and local levels.

INDIA: RURAL WATER SUPPLY AND SANITATION PROJECT FOR LOW INCOME STATES

KEY DATES:

Approved: December 30, 2013

Effective: April 8, 2014

Closing: March 31, 2020

IFC FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	500	4.48	447.86
Government of India	500		
Total Project Cost	1000		

*US\$ millions; amounts based on exchange rate as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

India's Ministry of Drinking Water and Sanitation has prioritized four states (Assam, Bihar, Jharkhand and Uttar Pradesh) as a Phase I special focus program for rural water and sanitation in low-income states. The piped water and sanitation coverage in these four states is extremely low. Access to household piped water in Assam is 6.8 percent; Bihar 3.7 percent; Jharkhand 2.6 percent; and Uttar Pradesh 20.5 percent. Access to household toilets is just 18 percent in Bihar; 8 percent in Jharkhand; and 22 percent in Uttar Pradesh. Although Assam has higher coverage, with 60 percent of households having access to toilets, about half of these are insanitary.

The project development objective is to improve piped water supply and sanitation services for selected rural communities in the target states through decentralized delivery systems and to increase the capacity of the participating states to respond promptly and effectively to an eligible crisis or emergency. The project has four components:

- Capacity building and sector development will support the building of institutional capacity for implementing project activities, along with sector development studies to inform policy decisions.
- Infrastructure development will support investments for improving water supply and sanitation coverage, including construction of new infrastructure and rehabilitation and augmentation of existing schemes.
- Project management support includes project management support to the various entities at the national, state, district, and village levels for implementing the project.
- Contingency emergency response

The project will have "twinning" arrangements with successful on-going Bank supported projects in India, including a special focus on the following:

- Improving piped water and sanitation coverage in areas with extremely low coverage of tap water and sanitation facilities.
- Implementing decentralization program, including building capacity with the Panchayati Raj Institutions and rural communities.
- Implementing an array of management models for Single Village Schemes and Multi Village Schemes for efficient and accountable RWSS services.
- Implementing monitoring and evaluation systems, including independent reviews and beneficiary assessments.

KEY RESULTS ACHIEVED:

By the end of project implementation:

- 1.5 million new piped household water connections will be made.
- An increase in the number of people provided with access to "improved sanitation facilities" under the project—targeting rural areas, women, and those below the poverty line. (Some 3.9 million people, especially in rural areas, will have access to improved sanitation facilities.)
- 2.7 million people will be using improved latrines in the project areas.
- Operation and maintenance cost recovery across habitations in the project area will increase.

IMPLEMENTING AGENCY:

Government of India: Ministry of Drinking Water and Sanitation; Government of Assam: State Water and Sanitation Mission, Public Health & Engineering Department; Government of Bihar: State Water and Sanitation Mission, Public Health & Engineering Department; Government of Jharkhand, State Water and Sanitation Mission: Drinking Water & Sanitation Department; Government of Uttar Pradesh: State Water and Sanitation Mission: Department of Rural Development.

INDIA: SCALING UP SUSTAINABLE AND RESPONSIBLE MICROFINANCE PROJECT

KEY DATES:

Approved: June 1, 2010
 Effective: August 18, 2010
 Closing: September 30, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	100	100	0
IBRD	200	200	0
Borrower (Small Industries Development Bank of India)	30		
Total	330		

*US\$ millions; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Private-sector microfinance institutions (MFIs) have made a significant contribution to promoting financial inclusion, particularly credit. Despite being a tiny fraction of the banking system, they account for as much as 60 percent of small loan accounts in the entire banking system. The project was designed recognizing this contribution and the potential for further scale-up, but also recognizing that the unprecedented growth in the sector could affect the quality of credit discipline and market behavior on the part of some MFIs.

The objective of the project is to scale up access to sustainable microfinance services for the financially excluded, particularly in underserved areas of India, by introducing innovative financial products and fostering transparency and responsible finance. While national in coverage, the project focuses on financially underserved states. So far, several low-income states have been major recipients of project funding, though some funding has also gone to underserved households in southern states with better financial access.

KEY ACHIEVED AND EXPECTED RESULTS.

The project has made important contributions in promoting responsible microfinance in India, and over 12 million clients of project-funded MFIs have benefited from a greater focus on responsible lending. Substantive sector-wide improvements facilitated by the project include: better data transparency; stronger grievance-redressal systems; enhanced systems for client protection; establishment of a sector-wide code of conduct; and substantially improved use of credit market infrastructure. A recent achievement has been the launch of a web-based data platform that will provide quarterly operational data and annual financial data on MFIs. Further applications, such as "heat maps," which geo-map and highlight areas of risk, are proposed to be added to the platform.

Project funding has also helped scale up sustainable microfinance, directly funding 568,000 clients for micro-enterprise or consumption needs, through 12 MFIs, 11 of which are operationally self-sustainable. Around 80 percent of clients are in underserved states, including in low-income states such as Bihar and Orissa, West Bengal, Rajasthan, and the North Eastern states. Project resources have been leveraged—in 2013 alone, just in India's low-income states, funding was leveraged over 10 times by partner MFIs that lent over \$1.3 billion to microfinance clients in those states.

Progress on project outcome indicators and implementation continues to be satisfactory. Progress on indicators related to leveraging project funding by other resources, targeting project funding to underserved areas, sustainability of funded MFI operations, and data transparency has been impressive and exceeds the project targets.

IMPLEMENTING AGENCY:

SIDBI

INDIA: SECOND KERALA RURAL WATER SUPPLY AND SANITATION PROJECT (JALANIDHI II)

KEY DATES:

Approved: December 15, 2011

Effective: April 17, 2012

Closing: June 30, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	155.3	38.31	100.09
Government of Kerala	46.2		
Other	39.7		
Total Project Cost	241.2		

*US\$ millions, as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The government of Kerala has significantly improved rural water supply coverage, from 58.6 percent in 2003 to 67.7 percent by 2010. Kerala has also achieved impressive coverage of household sanitation: 95 percent of rural households have access to a toilet facility, and 87 percent of GPs have received the Government of India's "Clean Village Award" for 100 percent ODF status. Nevertheless, rural households disproportionately remain without adequate water supply, and the access gap between rural and urban areas needs to be bridged. The gap is particularly acute in remote villages and areas with low quantity and poor quality of water. Challenges include: increasing presence of fluoride, iron, and salinity; contamination of private drinking wells due to poor sanitation; emergence of water-stressed areas where demand outstrips local supply; increasing numbers of "slipped back" habitations; continued dependence of large number of households on private open wells that dry up in the summer; and low coverage of household connections from piped water systems.

The development objective of the Second Kerala Rural Water and Sanitation Project (also known as Jalanidhi II) is to increase the access of rural communities to improved and sustainable water supply and sanitation services in Kerala, using a decentralized, demand-responsive approach. The project has three components:

- Institution building: Supports the capacity building of sector institutions and support organizations, assists the Government of Kerala in implementing a statewide sector-development program, and supports project management costs.
- Technical assistance: Provides technical assistance to implementing agencies to ensure that infrastructure investments under the third component are properly implemented and resulting services efficiently provided.
- Infrastructure development: Finances implementation of investments for: (i) new and rehabilitated intra-GP rural water supply schemes; (ii) pilot rehabilitation and modernization of multi-GP water supply schemes and transfer of internal distribution to GPs; and (iii) sanitation schemes, mainly covering community-centric solid and liquid waste management and household sanitation solutions in difficult terrain.

KEY EXPECTED AND ACHIEVED RESULTS.

Water supply interventions under the project will benefit some 288,000 households, or 1.15 million people, and some 690,000 people will benefit from improved sanitation services. Even in early stages of implementation, the project has begun to yield promising results:

- As of September 2014, 210,000 direct project beneficiaries (of which 60 percent are women, 47 percent are below the poverty line, 9 percent are members of Scheduled Castes, and 5 percent are members of Scheduled Tribes.)
- 145 water supply schemes have been completed and commissioned, of which 23 are rehabilitated schemes and the rest are small water supply schemes. One large multi-GP scheme covering six GPs in the Mala constituency of the Trichur district is under rehabilitation. Additional large water supply schemes have been initiated by the Kerala Rural Water Supply and Sanitation Agency (KRWSA) and Kerala Water Authority (KWA).
- An estimated 49,679 households have been covered with clean water supply and sanitation through 22 Batch I GPs. Water supply and sanitation activities have been initiated in 65 Batch II GPs.
- As of May 2014, 192,300 additional people have access to improved sanitation facilities.
- Beneficiaries and GP contributions are \$3.5 million and \$4.1 million, respectively.
- Preparation of water security plans for Batch-I GPs has been completed.
- The Government of Kerala has approved a special project of \$2.1 million for implementing rain water harvesting in selected six GPs through KRWSA, demonstrating commitment toward sustaining the agency beyond the project.
- Some GPs are undertaking ground water recharge activities through convergence of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and project resources.
- Other sanitation interventions under implementation include: (i) application of new technologies for latrine solutions in water logged areas; (ii) construction of pay and use latrines in markets, bus stands, tourist spots, and for migrant populations; and (iii) interventions for safe disposal of solid and liquid waste at household and community level.

IMPLEMENTING AGENCY:

Water Resources Department, KRWSA, Government of Kerala

INDIA: SECONDARY EDUCATION PROGRAM

KEY DATES:

Approved: March 22, 2012
 Effective: November 7, 2012
 Closing: June 30, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	500	374.05	106.64
Government of India	12,306		
Other	90		
Total Project Cost	12,896	374.05	106.64

*US\$ millions, as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

The outstanding success of the Government of India's elementary education program, which increased enrollment rates to almost 100 percent, is putting pressure on secondary education (grades 9 and 10). Secondary education needs to expand rapidly in response, while at the same time improving the quality of education: two Indian states which participated in the OECD PISA assessment of 15-year-olds in mathematics, science, and reading, ranked at the very bottom of 70+ participating countries/regions. The Government of India asked the Bank to support expansion and quality improvement in secondary education through the Bank's flagship program, given our long history of support to elementary education. Since 2004, IDA has contributed close to \$1.85 billion to the program in two phases—SSA I-2004-2007 (\$500 million), and SSA II-2008-2012 (\$1.35 billion). The Secondary Education Program, like SSA, is also funded by DFID and the European Union (EU), though total Development Partner contributions are about 10 percent of costs over five years. However, the Bank's financial contribution enables it to support and influence the shape of the whole multi-billion dollar program.

The project development objective is to help India achieve increased and more equitable access to good quality secondary education through support of the Government's ongoing program for secondary education as delineated in the *Rashtriya Madhyamki Shiksha Abhiyan* (RMSA) Framework. The Framework is designed to expand access, enhance equity, and improve the quality of secondary education; and in particular, support new innovations and expansion of promising pilot programs. Quality improvement activities include teacher professional development, recruitment of additional teachers, and capacity building of local institutions to support change. Access will be expanded through new and upgraded schools, especially in underserved areas, outreach to communities, more relevant learning materials, and better teachers. Innovations will be supported through new activities of the RMSA program, with clear guidelines for application and appraisal of proposals.

KEY EXPECTED AND ACHIEVED RESULTS.

The RMSA program will contribute to the improvement of access, equity, and quality in secondary schools across India, preparing students for higher education and eventually the job market. More specifically, performance indicators are:

- Enrollment of students in Grades IX and X will rise from 28.3 to 38.4 million.
- Gender Parity Index in enrollment in schools covered by RMSA programs will increase from 0.94 to 0.97.
- Gross graduation rate will increase from 74 to 86 percent.

RMSA's Quality Improvement Policies modified using the analysis of the new National Assessment of Student Achievement in secondary education

IMPLEMENTING AGENCY:

Ministry of Human Resource Development, Department of School Education and Literacy. New Delhi. State Governments are responsible for implementation and contribute 25 percent of financing.

KEY DEVELOPMENT PARTNERS:

DFID (direct to program) and EU (through education sector budget support).

INDIA: SUSTAINABLE URBAN TRANSPORT PROJECT (SUTP) AND GEF- SUSTAINABLE URBAN TRANSPORT PROJECT

KEY DATES:

Approved: December 10, 2009
 Effective: May 3, 2010
 Closing: November 30, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	105.23	38	67.23
Global Environment Facility	20.33	8.39	11.94
Government of India	223.1		
Total Project Cost	328.66		

*US\$ millions, as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India's continuing urbanization and high economic growth over the last decade have led to an inevitable rise in ownership and use of motorized vehicles across the country's cities and towns. Two-wheeler (e.g. mopeds, motorcycles) and car ownership in cities has grown by double digits. This growing motorization, already well underway, may be exacerbated by the ongoing expansion of urban and industrialized areas as well as rising incomes. The result is additional stress on available—and often limited—transport infrastructure, and on the institutions in charge of road construction and maintenance, traffic management, road safety, and public transport services. As more and more cars and two-wheelers hit the streets, city centers become congested, road safety deteriorates, and the environment suffers as GHG emissions increase. While the urban transport sector accounts for less than 10 percent of India's total emissions, it is one of the fastest growing sectors in terms of fossil fuel consumption. Without timely interventions to develop and provide attractive alternatives to personal modes of transport, the situation is likely to worsen. With support from the GEF, the Bank, in partnership with United Nations Development Program (UNDP), has been supporting the Ministry of Urban Development since 2006 to develop and implement a Sustainable Urban Transport Program, which aims to strengthen national and local government capacity in urban transport planning and management in a more integrated and comprehensive manner. The project supports the implementation of the India National Urban Transport Policy.

The project development objective and global environment objective is to promote environmentally sustainable urban transport in India, and to improve the use of environment-friendly transport through demonstration projects in selected cities. The project has two components:

- Capacity development assistance for urban transport: Provides technical assistance to the Ministry of Urban Development to improve national, state and local capacity to implement the National Urban Transport Policy.
- City demonstration projects: Will catalyze high profile-high impact projects in five cities (Pimpri-Chinchwad in Maharashtra, Naya Raipur in Chhattisgarh, Indore in Madhya Pradesh, and Hubli-Dharwad and Mysore in Karnataka). These demonstration projects focus on: public transport, non-motorized transport, and a pilot Intelligent Transport System (ITS). City projects include:
 - Pimpri-Chinchwad: A Bus Rapid Transit System (BRTS) along two corridors.
 - Naya Raipur: BRTS Lite between Raipur and Naya Raipur and within Naya Raipur, and pedestrian and cycling infrastructure in the city.
 - Hubli-Dharwad: A BRTS corridor along with associated public transport infrastructure and passenger access improvements.
 - Mysore: ITS including Passenger Information System and Automatic Vehicle Location Systems for city bus service.
 - Indore: ITS for BRTS, including Automatic Fare Collection System and Traffic Signal Priority.

In 2013, the demonstration project in Pune was cancelled and the project in Hubli-Dharwad was formally inducted into SUTP.

KEY EXPECTED AND ACHIEVED RESULTS.

At project end, this transport project will create better urban transport project preparation and implementation capacities, and will catalyze many more sustainable public and non-motorized transport projects across the country. The implementation of the ITS project in Mysore, involving user-friendly Passenger Information Systems and an Automatic Vehicle Location System, has recently been completed. The Leaders in Urban Transport Planning training program for ensuring exposure of urban transport officials and decision makers to the complexities and multi-faceted nature of the issues, has been launched in partnership with MoUD and CEPT University in Ahmedabad. Two batches have undergone training at CEPT University, covering 64 officials from across the country, and another 60 officials have received training in Seoul and Singapore. The training has been well received and the target is to cover at least 200 officials around the country.

IMPLEMENTING AGENCY:

MoUD, Pimpri-Chinchwad Municipal Corporation, Naya Raipur Development Authority, Hubli-Dharwad BRTS Company Limited, Karnataka State Road Transport Corporation, Atal Indore City Transport Services Limited.

KEY DEVELOPMENT PARTNERS:

UNDP.

INDIA: TAMIL NADU AND PUDUCHERRY COASTAL DISASTER RISK REDUCTION PROJECT

KEY DATES:

Approved: June 20, 2013
Effective: January 29, 2014
Closing: July 28, 2018

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	236.0	82.71	142.23
Government of India	101.2		
Total Project Cost	337.2		

*US\$ millions, as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

In the aftermath of the Indian Ocean tsunami of December 26, 2004, the World Bank supported India's recovery efforts, with the India - Emergency Tsunami Reconstruction Project (ETRP) focused on the state of Tamil Nadu and the Union Territory of Puducherry. The objective of the ETRP was to revive livelihoods and promote recovery in tsunami-affected areas. ETRP was restructured in August 2009, with the addition of a new component: Vulnerability Reduction of Coastal Communities (VRCC). The VRCC extended the reconstruction program beyond those affected by the tsunami to the entire coast, targeting communities regularly exposed to cyclones, storm surges, and coastal flooding (and potential tsunamis), as well as addressing these communities' poor access to evacuation shelters and early warning systems. When the restructured ETRP closed on December 31, 2011, several works were complete, several ongoing, and some had yet to be taken up.

The Tamil Nadu and Puducherry Coastal Disaster Risk Reduction Project (CDRRP) focuses on new initiatives in risk reduction and mitigation, but also integrates the previous ETRP.

The CDRRP aims to increase the resilience of coastal communities in Tamil Nadu and Puducherry to a range of hydro-meteorological and geophysical hazards, along with improving the capacities of project implementation entities to respond promptly and effectively to an eligible crisis or emergency. The project has five components:

- Vulnerability reduction of coastal communities through infrastructure such as permanent houses, evacuation shelters and routes, and a resilient electrical network.
- Sustainable fisheries aims at upgrading infrastructure, sustainable co-management, and addressing safety at sea.
- Capacity building focused on disaster risk management of government institutions, civil society, the school education system, and coastal communities.
- Implementation support includes incremental operating costs for operating the project management unit and respective project implementation units in the line departments.
- Contingency emergency financing will be drawn by the Government of Tamil Nadu and/or Puducherry to cover emergency response and recovery costs.

KEY EXPECTED AND ACHIEVED RESULTS.

In Tamil Nadu:

- Resilient Housing—14,346 (99.9 percent) houses that were continuing from earlier ETRP Project are now complete.
- 19 Multi-Purpose Evacuation Shelters (MPES) and all the Emergency Evacuation Routes are complete.
- Modernization of fishing harbor: About 70 percent and 95 percent of the works have been completed in Nagapattinam and Pazhayar, respectively.
- Fish Landing Centers: About 95 percent of the works have been completed at both Nagore and Portonovo- Annankoil.
- Tamil Nadu has created the secretariat for the Disaster Management Authority as a society and recruitment of personnel is ongoing. It will be operational in about three months' time.
- In Puducherry:
 - Resilient Housing—1,448 houses were to be built under the ETRP project while 1,000 new reconstruction multi-resilient houses were added under this project CDRRP. Of the 1,448 multi-hazard resilient houses taken up in ETRP, over 800 are complete while the work on new 1,000 houses is yet to start.
 - Fisheries infrastructure: 16 works shelters and one fish market have been completed. Works at Puducherry harbor are ongoing.

KEY DEVELOPMENT PARTNERS:

The project supports the Government of Tamil Nadu and Government of Puducherry in implementing the project, and works with other state agencies such as the Revenue Administration Disaster Management and Mitigation Department, Fisheries Department, Environment and Forest Department, Public Works Department, and Rural Development Department.

INDIA: TAMIL NADU EMPOWERMENT AND POVERTY REDUCTION PROJECT

KEY DATES:

Approved: July 12, 2005; November 18, 2010 (AF)
 Effective: October 24, 2005 and February 22, 2011 (AF)
 Closing: September 29, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	274	224.24	42.57
Government of India/ Government of Tamil Nadu	64		
Other – Community	12		
Total Project Cost	350		

*US\$ millions, as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Tamil Nadu is India's 11th largest state by area and the seventh most populous state. It is also one of the most industrialized states and had the country's second largest economy in 2012. However, over 20 percent of the population continues to live in poverty, a situation which is particularly pronounced in rural areas with high inequality and a large disabled population. A large portion of the population depends on agriculture for their livelihoods, due to low skill levels and weak access to credit and markets with which to engage the growing non-farm sector.

The World Bank has financed empowerment and livelihood projects in India since 2000, mobilizing over 30 million rural poor to form their own institutions and enabling them to access livelihood opportunities and build social, financial, and economic capital. State level livelihood projects (in Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Rajasthan, Orissa, and Bihar) have achieved significant results in terms of increased savings, access to credit, livelihoods, and the convergence of public services at the household level. This experience is now being scaled up across the country through the National Rural Livelihood Program, as well as to four states in the North East under the Bank-supported North East Rural Livelihood Project.

The project development objective is to empower the poor and enhance their livelihoods through the development of community-level institutions; to enhance skills and capacities of the poor (especially women, youth, the differently abled, and the vulnerable); and to finance demand-driven investments related to livelihoods for the target poor. The project has three components:

- Village livelihoods program: Building institutional capacity, and funding productive livelihood-related investments at the village level.
- District and state support to village livelihoods program: Strengthening project teams at the state and district levels to extend support to the village level and support monitoring, evaluation, and learning.
- Project management: Includes staffing and human resource development.

KEY EXPECTED AND ACHIEVED RESULTS.

The original project covered 2,509 village panchayats and over 581,000 households in 16 districts of Tamil Nadu. The additional finance credit enables the project to expand to include another 1,665 village panchayats (388,000 households) spread across 10 new districts.

- More than 35,000 new SHGs have been formed by the project, with a particular focus on the poorest women and inclusion of youth, tribal populations, and the differently abled. The savings and internal lending of these SHGs have enabled members to enhance their livelihood activities and household incomes. By establishing Panchayat Level Federations, and clustering SHGs around economic activities, opportunities have been provided for improved access to services and markets. The total savings and credit available with SHGs is over \$370 million, of which about 25 percent is from SHG savings.
- Over 225,000 target youth have benefited from job-oriented skills training, with 82 percent now employed in corporate sectors including the construction industry, the service sector, telecommunications, and garment production.
- Over 199,000 differently abled and vulnerable people have received individual assistance through the village institutions.
- Impact evaluation surveys of the original project districts are showing that the project has been successful in reducing the high cost debt burden, moving livelihood activities towards more skilled employment, and in the empowerment of women.

IMPLEMENTING AGENCY:

Tamil Nadu Pudhu Vaazhvu Society established by the Rural Development and Panchayat Raj Department, Government of Tamil Nadu.

INDIA: TAMIL NADU ROAD SECTOR II

KEY DATES:

Approved: April 28, 2015
 Effective: July 10, 2015
 Closing: June 30, 2021

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	300	0.75	299.25
Government of Tamil Nadu			
Total Project Cost			

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

The Highways Department (HD) of Tamil Nadu is responsible for managing about 62,000 km of the state's road network, which comprises National Highways (4,974 km, 8 percent), State Highways (11,594 km, 18 percent), Major District Roads (11,289 km, 19 percent) and Other District Roads & Sugarcane Roads (34,160 km, 55 percent). Over the last decade, the Government of Tamil Nadu and its HD has accomplished the following notable achievements: (i) enhanced the capacity and quality of road network; (ii) increased the expenditure in the sector; (iii) enhanced allocations to maintenance of roads; and (iv) improved road safety performance through launching of a Road Safety Policy and Road Safety Fund, increasing the number of patrol vehicles and removal of about 300 black-spots, and implementing a Road Accident Database Management System (RADMS).

- The road sector in Tamil Nadu is still facing three notable challenges: inadequate and suboptimal investments, insufficient implementation capacity and poor road safety. Over the last decade, the state government made significant progress in addressing these challenges. These challenges, however, remain due to the rapid economic growth of the state and the consequent increase in the number of vehicles and the demand for road transport.
- Investments are lagging behind demand: During the last decade, while the length of the NH, SH and MDR in Tamil Nadu increased by about 50 percent, the number of registered vehicles in the state increased by 160 percent. According to the state's Vision 2023 document, the road sector investment requirements over the next 10 years are estimated at INR 900 billion (\$15 billion). As against these estimates, the annual capital expenditure for the entire sector currently stands at INR 24 billion (\$400 million).
- Sub-optimal expenditure patterns: In the recent years, a sizeable portion of the capex is being channeled towards the 'lower-traffic' rungs of the network. Such emphasis on capacity expansion of 'lower' rungs of the network contributed to improved road access but it also resulted in underinvestment in capacity expansion of the 'upper' rungs of the network with high-traffic. Also, most capital expenditures are small-size, traditional item-rate contracts. Using this highly fragmented approach leaves a negligible impact and involves tackling a needy corridor through small stretches over several years.
- Low implementation capacity: In recent years, the capacity of HD for managing upgradation activity has increased but only up to about 800 km/year whereas to be able to achieve the state's Vision 2023 of upgrading about 20,000 km of roads over the next 10 years, HD would need to more than double its implementation capacity.
- Road safety: Tamil Nadu currently ranks in the top five states in terms of road accidents, fatalities and injuries, accounting for about 13.8 percent of total accidents and 12 percent of people killed in road accidents in India. The state's capacity to respond to the road safety challenge requires substantial augmentation across and through more coordinated involvement of multiple stakeholder departments such as transport, police, highways, health and education, not only at the state level but also at lower operational levels such as districts and corridors.
- The project development objective is to increase road capacity, enhance quality of maintenance, improve safety and support institutional development of Tamil Nadu's Core Road Network.

KEY EXPECTED RESULTS:

The expected results are: (i) upgrading and maintenance of about 575 km of highways through EPC and PPP contracts and long-term performance-based maintenance of another 600 km of highways; (ii) reduced average travel time on project roads; (iii) reduced average vehicle operating cost on project roads; and (iv) no increase in number of annual fatalities from road accidents on project roads.

IMPLEMENTING AGENCY:

Highways Department of Government of Tamil Nadu.

INDIA: TAMIL NADU SUSTAINABLE URBAN DEVELOPMENT PROGRAM (TNSUDP)

KEY DATES:

Approved: March 31, 2015
 Effective: August 21, 2015
 Closing: March 31, 2022

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	400	1	399
Government of Tamil Nadu	200		
Total Project Cost	600		

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

How India manages urbanization will be central to its efforts in alleviating poverty and promoting shared prosperity, as India's rapid economic growth is accompanied by an unprecedented spatial transformation. Compared to other Indian states, Tamil Nadu is highly urbanized and has the second largest state economy in India. Though Tamil Nadu is a pioneer in many aspects of urban development, there remains a huge unfinished reform and investment agenda. The critical importance of urban development is clearly spelt out in the Government of Tamil Nadu's latest Twelfth Five-Year Plan and its Vision 2023 that sets out the vision for the sector as to "promote and facilitate the development of inclusive and sustainable cities". The Bank has had a long engagement with the state government in the urban sector, including through the Municipal Development Fund (MDF) type urban projects began with the setting up of the Tamil Nadu Urban Development Fund (TNUDF) in the late 1990s under TNUDF II, followed by the TNUDF III that closed in 2014. The current TNSUDP is consistent with the Bank Group's India Country Partnership Strategy (CPS) for FY 2013-2017, and contributes to the development goals set out under Engagement Area 2 of the CPS on "Spatial Transformation" by seeking to leverage the rural-urban transformation as an opportunity to reduce poverty and increase competitiveness and supporting India and the state of Tamil Nadu in achieving the following Engagement Area 2 outcomes: (i) strengthened institutional capacity of urban governments; (ii) improved urban services; and (iii) improved environmental protection.

The project development objective is to improve urban services in participating ULBs in a financially sustainable manner and to pilot improved urban management practices in selected cities. The project comprises three components:

- Results based grants for urban governance will provide results-based grants to selected eligible ULBs to implement new urban-management models that strengthen governance and financial sustainability.
- Investments in urban services will comprise three sub-components:
 - Urban investments will provide investment support to participating ULBs for improvements in a range of urban services, including water, sewerage, municipal solid waste, urban transportation, septage management, and storm water drainage, as well as support project management and supervision. These will be based on demand from ULBs in the state, with an emphasis on "sustainability" and improvement of the urban environment.
 - Credit enhancement will create a reserve fund to provide credit enhancement support for municipal bonds and other market-based loan instruments issued by ULBs, as well as the Water and Sanitation Pooled Fund (WSPF) of TNUDF. It will seek to further enhance Tamil Nadu's pioneering efforts in mobilizing resources for urban infrastructure from financial markets.
 - Project development and TNUDF technical assistance would provide technical assistance to: (i) ULBs to prepare and implement sub-projects, including environmental and social mitigation actions, and PPP arrangements; (ii) ULBs to implement credit enhancement measures; (iii) CoC, for urban flood risk mitigation; and (iv) TNUDF, for institutional development.
- Urban sector technical assistance is aimed at strengthening the state's capacity to carry out urban finance and municipal governance reforms in: (i) developing next generation municipal e-governance and GIS systems for ULBs; (ii) institutional development and capacity building, including training, sector studies, operations and maintenance, and strengthening public financial management at ULBs; and (iii) project management.

KEY EXPECTED RESULTS.

- At least 2 million people receive improved urban services as result of interventions under the project.
- Out of such beneficiaries of improved urban services, at least 40 percent are female.
- Additional financial resources mobilized by ULBs for urban infrastructure through non-budgetary sources to the extent of \$80 million equivalent.
- Aggregate increase in Own Source Revenues (OSR) of "Model Cities" under urban governance component of over \$12 million equivalent through implementation of OSR improvement plans.
- Two million urban residents of participating ULBs (at least 40 percent women) would benefit through improved urban services (water, waste-water, storm water drainage (and reduced flooding), city roads, etc).

IMPLEMENTING AGENCY:

TNUDF

INDIA: TECHNOLOGY CENTER SYSTEMS PROGRAM (TCSP)

KEY DATES:

Approved: April 25, 2014
 Signing and Effective: December 19, 2014
 Closing: June 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	200	1.19	198.81
Government of India	200	0	200
Total Project Cost	400	0	400

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

India is one of the world's largest and most dynamic emerging markets with vast economic potential. However, GDP growth decreased from 10.5 percent in 2010 to 5 percent in 2013 (year-to-end as of March 2013). Looking to reverse these recent trends, the objective of the 12th Five-Year Plan (FY2013–2017) is to return to GDP growth rates in excess of 8 percent. The manufacturing sector will have to play an important role in this endeavor as it has long been recognized as an essential driver of economic development for most developing countries (e.g. it has an important economic and employment multiplier effect). Recognizing this potential, the Government of India's National Manufacturing Policy set the objective of "enhancing the share of manufacturing in GDP from its current level of 15 to 25 percent within a decade and creating 100 million additional jobs."

This program's development objective is to enhance the productivity of micro, small and medium enterprises (MSMEs) by improving their access to technology and business advisory services, as well as skilled workers through systems of financially sustainable Technology Centers (TCs). The project is composed of three components:

- Technical assistance to the existing and new TCs with respect to their technological and business needs under the guidance of Industry Specific Joint Working Groups comprising main industry leaders and representatives.
- Investments to upgrade the 18 existing TCs (currently called Tool Rooms and Technology Development Centers) and develop 15 new TCs spanning 25 states, including at least eight in low-income states.
- Technical assistance to the MSME Ministry for project implementation support as well as monitoring and evaluation.

Under retroactive financing, the program management consultant has been procured and the first bidding packages prepared before project signing expected within weeks.

KEY EXPECTED RESULTS:

- Increase number of paid services rendered by TCs to enterprises including placement services from a baseline of 23,000 to an end target of 60,000.
- Increase number of long-term trainees employed in industry within six months of graduating from the TCs from 8,000 to 26,000 by 2020.
- Increase the TCs' net profit before depreciation (not including land) from \$3.5 million in 2012 to \$12 million by 2020

IMPLEMENTING AGENCY:

Office of the Development Commissioner, MSME Ministry, Government of India

INDIA: TELANGANA RURAL INCLUSIVE GROWTH PROJECT

KEY DATES:

Approved: December 19, 2014
 Effective: Expected by October 31, 2015
 Closing: June 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	75	0	75
Government of Telangana	32	0	32
Total Project Cost	107	0	107

*US\$ millions; as of August 2015

BACKGROUND AND OBJECTIVES:

Telangana is a middle-income state, and has experienced significant economic growth and poverty reduction in recent years. However, prosperity is unevenly distributed: the poverty ratio among the Scheduled Tribes, Scheduled Castes, and Muslims is quite high when compared to the rest of the population. There are two main aspects of this challenge. First, there is an income deficit since the small and marginal farmers, especially SC and ST households, have not adequately benefitted from the potential growth in the agriculture. This is primarily because they have not been able to take advantage of the potential benefits from the sub-sectors like horticulture, livestock and fisheries. The other deficit is the human development deficit, as most health and nutrition indicators are worse for SCs and STs. The income deficit and the human development deficit needed to be addressed jointly to ensure shared prosperity and a greater pace of poverty reduction. Therefore, the project has been designed as a new generation multi-sectoral, rural-inclusive growth project that will work concurrently work on economic development, human development, and social protection areas with a strong focus on ICT. Given the multi-sectoral nature of the project within the Bank team, the project preparation involved active collaboration between a number of global practices like Agriculture, Health & Nutrition, Social Protection, and Governance & ICT. The project is also a new generation livelihood project and lessons from the project will be taken to the low-incomes state of Bihar, Odisha, Madhya Pradesh and Rajasthan, where rural livelihood projects are currently operational.

The project development objective is to enable selected poor households to enhance agricultural incomes and secure increased access to human development services and social entitlements. The project has five components:

- Value chain development: The objective of this component is to increase the income of small and marginal farmers through productivity enhancement and improved market access. This component will also invigorate local markets by connecting rural producers and enterprises with the rural consumers.
- Human development: The focus here is to enable the community to hold the service providers accountable for service delivery in the HD sector, as well as to improve HD service delivery by strengthening the existing public systems to deliver quality services. The interventions will target health, nutrition, sanitation, and education.
- Digital local government: This component aims to improve the coverage and service delivery of social protection entitlements to the poorest households, complementing the state government's efforts to strengthen local government.
- ICT, TA and partnerships: ICT use especially open data systems and data analytics will be critical for the project. This component will create an enabling ecosystem for innovation and transformation in delivering high-quality, last-mile services planned under the other components. The project will make strategic investments in ICT especially open data systems and data analytics, provide technical assistance to line departments, and catalyze partnerships with public, private, and social enterprise sectors.
- Project implementation support: The objective of this component is to strengthen the project implementation by establishing MEL systems, financial management systems, procurement management, governance and accountability systems, and knowledge management and communication.

KEY RESULTS ACHIEVED:

The key expected results for the project are as follows:

- Enhanced incomes for 250,000 producers in selected project mandals.
- Improved human development outcomes for 250,000 poor households through the adoption of appropriate health, nutrition and sanitation behaviors.
- Enhanced access to social protection and entitlement programs for 500,000 poor households through systems that deliver improved information, enrollment and payments.

IMPLEMENTING AGENCY:

The project is being implemented by the Society for Elimination of Rural Poverty, Department of Rural Development, Government of Telangana.

INDIA: THIRD ELEMENTARY EDUCATION (SARVA SHIKSA ABHIYAN III)

KEY DATES:

Approved: May 16, 2014
 Effective: July 10, 2014
 Closing: September 30, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	1,006.20	374	6220
Government of India	28,833		
Total Project Cost	29,839.2	0	400

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Background and Objectives: Sarva Shiksha Abhiyan (SSA) is India's main program for universalizing elementary education. India's Right of Children to Free and Compulsory Education Act took effect in April 2010, making the provision of free and compulsory education of all children ages 6-14 a fundamental right. SSA has been designated as the implementation vehicle for the act. The main challenge now is to improve pupil attendance and retention, and to focus on learning outcomes, especially for the disadvantaged groups. To achieve this, special efforts are required to enhance social accountability, institutional reform, and governance for improved service delivery. So far, SSA has been successful in increasing access and quality.

The project supports the government's initiative to increase the focus on quality and strengthen monitoring and evaluation systems. It is expected to contribute directly toward enhancing opportunities for disadvantaged children, providing them access to good quality education as well as the tools to combat poverty.

The development objective is to improve education outcomes of elementary school children in India. The project focuses on three areas of engagement:

- Improving quality and enhancing learning outcomes: Provides special attention to quality improvement with inherent accountability measures to inform the SSA program in all its dimensions.
- Strengthening monitoring and evaluation for improved accountability: Supports a three-tier strategy for assessing learning outcomes for enhanced accountability.
- Enhancing access and retention for disadvantaged children: Makes special provisions to enroll marginalized children through special training centers to prepare them for grade and age appropriate education.

KEY EXPECTED RESULTS:

The project will directly benefit about 200 million children enrolled in elementary schools and 4.5 million teachers in the sector. Girls are expected to be about 48.4 percent of the beneficiaries. Achieving objectives will be measured by four indicators:

- Increased attendance rates.
- Improved retention rates.
- Improved transition rates from primary to upper primary.
- Learning levels adequately and regularly monitored.

IMPLEMENTING AGENCY:

Ministry of Human Resources and Development.

INDIA: THIRD ELEMENTARY EDUCATION (SARVA SHIKSA ABHIYAN III)

KEY DATES:

Approved: December 20, 2011

Effective: May 25, 2012

Closing: March 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	152	23.24	113.28
Government of India	17.03		
Total Project Cost	164.21		

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Uttar Pradesh is India's most populous state with an estimated population of nearly 200 million, or 17 percent of the population of India (Census 2011). Seventy-seven percent of the population lives in rural areas, and about 33 percent live below the poverty line. Uttar Pradesh has been ranked in the bottom third of Indian states on the Human Poverty Index since 1981, and the state lags behind all other states of the country on most human development indicators.

Uttar Pradesh will determine achievement of India's health goals and its health-related MDGs, given the size of the state population and the disproportionately higher mortality and morbidity rates. Public health spending has been steadily increasing in the state and is no longer the binding constraint. Despite increasing government, donor, and private investments in the health sector in Uttar Pradesh, the main challenges that are undermining the full impact of the inputs are centered on inadequate organizational performance. The Bank-financed project is expected to leverage its resources to support the Government of Uttar Pradesh to improve the efficiency of the health system and enhance the effectiveness of public investment in the health sector.

The development objective of the Uttar Pradesh Health Systems Strengthening Project is to improve the efficiency, quality, and accountability of health services delivery in the state by strengthening the state Health Department's management and systems capacity. The project's two components are:

- Strengthening the Department of Health's management and accountability systems: Supports: (i) strengthening strategic planning functions; (ii) improving use of data for program management; (iii) strengthening the use of financial information for improved decision making, and strengthening of procurement and supply chain management systems; and (iv) introducing and strengthening social accountability mechanisms and introducing provider incentives in the public sector, and evaluating their impact.
- Improving the Department of Health's capacity to perform its quality assurance role and more effectively engage the private sector: Supports: (i) strengthening the institutional capacity for service-quality improvement and regulatory capacity by establishing Quality Assurance, Environment Management, and PPP cells in the Directorate of Health; (ii) hospital accreditation under the National Accreditation Board of Hospitals; (iii) contracting with the private sector for delivery of diagnostic services and non-clinical support services; and (iv) strengthening human resources management and availability.

The project disburses a third of the credit against results met in pre-agreed indicators (disbursement linked indicators); it uses a technical assistance provider and works through the regular client systems, with necessary risk mitigation.

KEY EXPECTED RESULTS:

- Creation and staffing of key cells in the Health Directorate
- Supporting the government in its development of a draft health PPP policy, and on strengthening procurement and supply chain management.
- Development of drug stock indenting and supply chain management software for all districts, and training staff to use it.
- Identification of facilities for accreditation and a gap assessment for all hospitals underway.
- Development and piloting of a draft health report card.
- Development of draft bidding documents and contracts for housekeeping and diagnostics.

IMPLEMENTING AGENCY:

Department of Health and Family Welfare, Government of Uttar Pradesh.

KEY DEVELOPMENT PARTNERS:

Bill and Melinda Gates Foundation and UNICEF. Duke University (impact evaluation) and IFC (larger private sector engagement).

INDIA: UTTAR PRADESH WATER SECTOR RESTRUCTURING PROJECT 2

KEY DATES:

Approved: December 20, 2011

Effective: May 25, 2012

Closing: March 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	360	36.26	302.19
Government of India	155.0		
Total Project Cost	515.0		

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

With a population of approximately 200 million, Uttar Pradesh lags behind most Indian states across a number of human development indicators. Currently, over 50 million people live below the poverty line with a large majority living in rural areas. Agriculture accounts for about 30 percent of the state GDP and 60 percent of the total employment. Rural people are especially dependent on agriculture as a source of labor and livelihoods. The project aims to help build the institutional capacity of water-related institutions—institutions needed to increase agricultural productivity in this low-income state where agriculture will continue to play an important role in alleviating poverty. Under the Phase 1 operation, irrigation and drainage systems covering about 3 percent of the irrigated area (343,000 hectares) were rehabilitated and modernized in the pilot Jaunpur Branch basin using modern surveys and designs. More than 800 WUAs were established and strengthened following the passing of the seminal Uttar Pradesh Participatory Irrigation Management Act (2009). Other achievements include a state-level water resource agency and introduction of a management information system for the state Irrigation Department. Phase 2 will rehabilitate and modernize critical irrigation and drainage infrastructure in identified areas, consolidate and deepen various institutional reforms established under Phase 1, and refocus on water-saving agricultural activities through farmer water schools and joint activities between the Irrigation and Agriculture departments.

The Project development objective is to: (i) strengthen the institutional and policy framework for integrated water resources management for the entire state; and (ii) increase agricultural productivity and water productivity by supporting farmers in targeted irrigation areas. The project comprises five components:

- Strengthening of state-level water institutions and inter-sector coordination: This component aims to provide support to the institutions in the state responsible for overall integrated water resources management and implementation of the State Water Policy.
- Modernization and rehabilitation of irrigation and drainage systems: This component is the major infrastructure component and aims to improve the system performance of key canal systems in the state through modernization and rehabilitation.
- Consolidation and Enhancement of Irrigation Institutional Reforms: This component aims to enhance the efficiency of the Uttar Pradesh Irrigation Department and strengthen the participatory irrigation management approach (through WUAs).
- Enhancing agriculture productivity and on-farm water management: This component aims to improve the overall agriculture productivity and water-use efficiency at the field level.
- Feasibility studies and preparation activities for the next phase: This component is to prepare detailed surveys and designs for future phases.
- Project Coordination and Monitoring

KEY EXPECTED RESULTS:

The following results are expected to be achieved during the first year of project implementation:

- 50 percent completion of the Parallel Lower Ganga Canal and three reservoir systems in the Bundelkhand.
- 75 percent preparation of package A, B, and C survey, design, and bidding documents.
- State Water Agency major consultancy draft reports (including flood forecasting tools).
- At least one cycle of farmer water schools and associated agriculture investments.
- WUA elections held and completed for year-1 investment areas.
- Irrigation Department real-time monitoring systems installed in year one investment areas.
- Rehabilitation and modernization works have commenced in two major irrigation systems (on the Parallel Lower Ganga Canal and in Bundelkhand) and the survey and design consultancies for the remaining works packages have been mobilized and are starting the field surveys.

IMPLEMENTING ENTITY:

Irrigation Department, Agriculture Department, Groundwater Department.

INDIA: UTTAR PRADESH SODIC LANDS RECLAMATION PROJECT III

KEY DATES:

Approved: June 30, 2009
 Effective: September 18, 2009
 Closing: December 31, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	197.0	114.86	71.73
Government of Uttar Pradesh	49.2		
Beneficiaries	25.8		
Total Project Cost	272.0		

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Uttar Pradesh is the most populous state in India. It is also one of the poorest, with an annual per capita income of \$436 in 2011, compared to \$1,410 nationally; almost 40 percent of the population lives below the poverty line. Agriculture is a crucial sector for the state. Eighty percent of the population is rural and highly dependent on agricultural production for their livelihoods; agriculture employs about 66 percent of the labor force, primarily in rice and wheat cultivation. Yet the state's agriculture suffers from productivity gaps of more than 50 percent in key crops, such as rice and wheat.

The Bank-supported Uttar Pradesh Sodic Lands Reclamation Project-III builds on the lessons learned from two predecessor projects that reclaimed about 255,000 hectares of sodic lands from 1993 to 2007. The ongoing project aims to sustainably reclaim another 130,000 ha covering 25 districts of predominantly barren and low-productivity sodic lands. This would improve household food security through increased productivity and cropping intensity. By focusing on degraded lands cultivated by poor farmers, the project contributes to sustainable poverty alleviation. The Bank has been the Government of Uttar Pradesh's key partner in sodic land reclamation for the last 15 years and has helped develop and refine the intervention model, including institutional development at the state and user levels.

The project development objective is to increase agricultural productivity of degraded lands in selected areas of Uttar Pradesh by reversing water-induced land degradation, enhancing soil fertility, and improving the provision of agriculture support services. The project has five components:

- On-farm development and land treatment: Aims to sustainably reverse water-induced land degradation–salinization, sodification, and water-logging–through carefully sequenced technical interventions.
- Improvement of drainage systems: Aims to improve the drainage networks in the project area to remove/leach effluents, excess rain, and irrigation water from reclaimed and adjoining areas.
- Agriculture support services: Aims to increase agricultural productivity by introducing improved technology, better agronomic practices, and more effective provision of key support services.
- Institutional strengthening and capacity building for market access: Improves the profitability of farm production and enhances livelihoods of the poor by creating better input-output market linkages and more efficient and effective delivery of key support services, and strengthening community-level capacities and provision of some productive infrastructure.
- Project management: Aims to ensure smooth implementation of all project activities, monitoring of project implementation progress and outputs/outcomes, and learning from project experience.

KEY RESULTS ACHIEVED:

- Over 92,000 ha of sodic land have been reclaimed, against an end of project target of 130,000.
- Over 4,000 ha of ravine land have also been reclaimed, against a target of 5,000.
- The productivity of the reclaimed sodic lands has increased to nearly 6.5 tons per ha and the cropping intensity to 200 percent. A majority of these lands had been previously barren. On both these fronts (productivity and cropping intensity), the mid-term achievements have exceeded the targets.
- The annual crop income per household, at nearly \$700, has exceeded the end of project target.
- The project continues to have an inclusive, pro-poor character: 93 percent of beneficiaries are small and marginal farmers, and 80 percent of beneficiaries belong to backward castes, which constitute the most marginalized communities. The project has enabled nearly 40,000 landless and marginal farmers (37.5 percent of total beneficiaries) to obtain secure tenure and possession of land (some 17,000 ha). Of this, over 3,000 beneficiaries have been allotted new land.

IMPLEMENTING AGENCY:

Uttar Pradesh Bhumi Sudhar Nigam, Government of Uttar Pradesh.

KEY DEVELOPMENT PARTNERS:

Departments of Agriculture, Animal Husbandry, Irrigation; Panchayati Raj, government of Uttar Pradesh, and the Remote Sensing Application Centre, Lucknow.

INDIA: UTTARAKHAND DISASTER RECOVERY PROJECT

KEY DATES:

Approved: October 25, 2013
 Effective: February 7, 2014
 Closing: December 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	250	54.71	175.86
Government of Uttarakhand	0		
Total Project Cost	250		

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

In June 2013 the monsoon arrived almost two weeks earlier than expected in the state of Uttarakhand, located in northern Himalayan region of India. From June 15 to 17, 2013, an extreme amount of precipitation (124.5 – 244.4 mm) hit several parts of the higher reaches of the Himalayas. This unprecedented rainfall resulted in a sudden increase in water levels, giving rise to flash floods in the Mandakini, Alakananda, Bhagirathi and other river basins, while also causing extensive landslides at various locations. According to official sources, over 900,000 people have been affected by the event. This region is one of the most important pilgrimage circuits in India. Since the disaster coincided with the peak tourist and pilgrimage season, it significantly increased the number of casualties, missing, and affected population. More than 4,000 lives were lost, 4,200 villages were affected, about 3,320 houses and 995 public buildings were damaged, and close to 9,000km of roads were affected.

Uttarakhand is also in a zone highly prone to natural disasters. The entire state falls within Zone IV and V (V represents the highest level of seismicity) of the Earthquake Zoning Map of India. In the recent past, the state has witnessed two major earthquakes (Uttarkashi 1991 and Chamoli 1999). Every year, the state faces losses, particularly during the monsoon, due to rains, cloudbursts, landslides, floods, hailstorms, and waterlogging events. The Uttarakhand Disaster Recovery Project supports the Government of Uttarakhand for risk and vulnerability reduction, with assistance for reconstructing damaged infrastructure, restoring connectivity, and improving technical support for managing future disaster risks.

The development objective of the project is to restore housing, rural connectivity and build resilience of communities in Uttarakhand and increase the technical capacity of state entities to respond promptly and effectively to an eligible crisis or emergency. The project has the following components:

- Resilient infrastructure reconstruction focusing on the immediate reconstruction of damaged housing and restoration of public buildings essential for public services using resilient construction standards under an owner-driven reconstruction modality.
- Rural road connectivity focusing on restoring the connectivity, providing access to markets as well as health and education services, through the reconstruction of damaged roads and bridges with upgraded designs to withstand earthquake and flood forces as per the latest official design guidelines, including improved drainage and slope stabilization.
- Technical assistance and capacity building for disaster risk management to enhance the capabilities of government entities in risk mitigation and response, including: risk modeling and assessment; establishing a decision support system; strengthening early warning systems and response capacity; and to finance relevant studies to better understand and manage natural disaster risks.
- Financing disaster response expenses for eligible expenses already incurred during the post-disaster response period.
- Implementation support for the incremental operating costs of the project, including as well the creation of small, temporary field implementation offices, training, exposure visits, and knowledge exchange programs.
- Contingency emergency response, which can be triggered, at the request of the government, following an adverse natural event that causes a major natural disaster to re-allocate unallocated project funds to support response and reconstruction.

KEY EXPECTED RESULTS:

- 2,500 affected households with resilient housing, restoration of 20 public buildings, 3,600 km of roads, 140 bridge bridges, and 400 bridge roads.
- By the end of the project the Uttarakhand Disaster Management Authority will be informing disaster management preparedness and response measures in the state using a robust information system, based on updated disaster risk data.

KEY DEVELOPMENT PARTNERS:

The Bank team is working closely with the Ministry of Home Affairs, National Disaster Management Authority, National Institute of Disaster Management, and Uttarakhand State Disaster Management Authority.

INDIA: UTTARAKHAND RURAL WATER SUPPLY AND SANITATION

KEY DATES:

Approved: May 9, 2006
 Effective: October 11, 2006
 Closing: December 31, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	144	125.44	23.95
Additional Financing (IDA)	24		
Government of Uttarakhand and Government of India	104		
Total Project Cost	230		

*US\$ millions as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

In 2003, only 50 percent of habitations in the mountain state of Uttarakhand were categorized as “fully covered” with functioning water supply schemes, 38 percent as “partially covered,” and about 12 percent as “not covered.” Between 75 to 80 percent of the rural population did not have access to latrines. Villagers spent one to three hours a day collecting water for domestic use. The problem was aggravated by water-supply systems with outdated design and inadequate operations and maintenance. All too often, rural water supply and sanitation services did not adequately respond to the user communities’ needs, and structures were built at sites without consideration of community needs or preferences. This resulted in government-dominated and target-driven service that became unsustainable in many communities.

The project development objective is to improve the effectiveness of Rural Water Supply and Sanitation services through decentralization, increasing the role of Panchayati Raj Institutions and local communities in the state of Uttarakhand, and by restoring services of damaged schemes in disaster affected areas. The project supports a sector-wide approach and has three components:

- RWSS sector Development: Supports the state’s sector reform process by establishing and enhancing its institutional capacity to implement, manage, and sustain the medium term RWSS program, including sector planning, programming, and monitoring and evaluation (M&E). Key elements include transfer of RWSS service delivery from the state water agencies to Panchayati Raj Institutions, and transformation of the government’s role from service provider to facilitator.
- RWSS infrastructure investments: Aims to improve sustainable access to RWSS services by financing the infrastructure and software investments. All new water supply investments are made in an integrated manner, with catchment-area management, health, and hygiene awareness promotion, and incentives for construction of individual household latrines. The new investments include building or rehabilitating water supply and sanitation facilities, including water source-strengthening measures, which the communities plan, implement, and manage.
- RWSS program management support and M&E.
- RWSS Disaster Mitigation Activities.

KEY RESULTS ACHIEVED:

- The RWSS sector-wide approach with uniform policies and principles has been successfully implemented across all 13 districts in the state.
- The three implementing agencies have completed water supply works for Single Village Schemes and Multi Village Schemes in 7,208 habitations, against the overall target of 8,270 habitations.
- The project is expected to cover 8,490 habitations, exceeding the project target of 8,270 habitations.
- The project has already benefited 1.22 million people, against a target of 1.2 million.
- An additional 721,358 Individual Household Latrines have been constructed, and national-level Nirmal Gram Puruskar awards received by 525 GPs (accounting for 32 percent of the Project Gram Panchayats, against an overall project target of 30 percent).
- The Government of Uttarakhand has honored the project management unit with the Right to Information Award in October 2009 and October 2010 for its good governance and transparency practices.
- More than 3.8 million additional people have access to improved sanitation facilities and 6,670, already above the end-project target of 6,000, have access to piped household water connections that are benefiting from rehabilitation works undertaken by the project.

IMPLEMENTING AGENCIES:

Swajal Project Management Unit, Uttarakhand Jal Nigam, and Uttarakhand Jal Sansthan.

INDIA: VISHNUGAD PIPALKOTI HYDROELECTRIC POWER PROJECT

KEY DATES:

Approved: June 30, 2011
 Effective: November 7, 2011
 Closing: December 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	648.0	39.66	608.34
THDCIL	274.0	-	-
Total Project Cost	922.0	-	-

*US\$ millions as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#)

BACKGROUND AND OBJECTIVES:

Recurrent and severe electricity shortages (peak power deficit of 9 percent and energy deficit of 8.7 percent in 2013) have imposed high costs on the Indian economy. In addition, the poor technical and commercial performance of most of the state electricity providers has led to a loss of \$20 billion during 2011-12, according to the India Power Sector Review Study (2013). This bleak scenario is compounded by the fact that more than 350 million people in India today still lack access to electricity, impeding their ability to fully benefit from fast-growing economy. Furthermore, India's power sector also relies heavily on fossil fuels (primarily coal), and the country is currently the world's fourth largest GHG emitter. To address these issues, the Government of India plans to: (i) expand generation by using renewable energy sources whenever feasible and strengthen the central transmission network to facilitate energy exchange across regions; (ii) improve energy efficiency and performance of institutions in the power sector; and (iii) expand access for rural and peri-urban populations. The Vishnugad Pipalkoti Hydroelectric Power Project (VPHEP) is an important part of the World Bank's commitment to helping improve the performance and sustainability of the hydropower sector in India, which is critical to the greening of the power sector, and sustaining the country's economic growth. In line with the Ministry of Power's desire to develop public-sector hydro companies into top-performing public companies in the power sector, like POWERGRID and NTPC Limited, the Bank is supporting THDC India Limited (THDCIL) to strengthen its capacity and systems to become a leading hydropower company. The project, which supports activities on the Alaknanda River in Uttarakhand and the Rampur Hydroelectric Project on the Sutlej River in neighboring Himachal Pradesh, provides an opportunity to inform the hydro policy dialogue and practice in these two Himalayan states that are expected play a critical role in India's hydropower development in the future. Building on lessons learned in other countries, the project will help create effective project execution for cascaded hydropower systems and foster a coordinated approach to river basin planning and development. VPHEP will also help increase generating capacity to complement the government of India's efforts to improve the performance of the country's distribution and transmission networks.

The project development objective is to increase the supply of electricity to India's national grid through the addition of renewable, low-carbon energy, and to strengthen THDCIL's institutional capacity with respect to the preparation and implementation of economically, environmentally, and socially sustainable hydropower projects. It has two components:

- Construction of the 444 MW VPHEP in Chamoli District, Uttarakhand, India.
- Support to capacity building and institutional strengthening at THDC India Limited, the project developer.

KEY EXPECTED RESULTS:

- Addition of 444 MW of renewable energy (hydropower) generation capacity.
- The strengthening of the institutional capacity of THDCIL through the development and implementation of a capacity building and institutional strengthening plan.

IMPLEMENTING AGENCIES:

THDCIL.

INDIA: VOCATIONAL TRAINING IMPROVEMENT PROJECT

KEY DATES:

Approved: June 5, 2007
 Effective: December 17, 2007
 Closing: September 30, 2016

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	280	232.11	47.21
Government of India	79.0	-	-
Total Project Cost	359.0		

*US\$ million; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

India is a fast growing economy with a rising demand for skilled workers. A skilled workforce enhances the efficiency and flexibility of the labor market, reduces skills bottlenecks, and enhances mobility and productivity. One of the key suppliers of such workers is the vocational education and training (VET) system. A major component of the VET system is the Craftsmen Training Scheme (CTS), run under the auspices of the Ministry of Labor and Employment and the National Council for Vocational Training (NCVT) at the national level, and the state departments dealing with vocational training and the State Council for Vocational Training at the state level. However, graduates from the CTS system face low labor market outcomes; the 2006 Baseline Tracer Study conducted by the World Bank shows that less than 30 percent of graduates from industrial training institutes find employment upon graduation. The Indian government sought World Bank assistance to introduce key reforms at the system and institution levels.

The project development objective is to improve the employment outcomes of graduates from the vocational training system, by making the design and delivery of training more demand responsive. It has three components:

- Improving quality of vocational training focuses on: (i) improving quality and relevance of training provided in 400 eligible Industrial Training Institutes (ITIs) selected competitively from eligible states/union territories; (ii) upgrading training of ITI instructors; and (iii) providing incentive funds to states to reward good performance in project implementation.
- Promoting systemic reforms and innovations focuses on activities that enhance the overall reach and effectiveness of the vocational training system in the medium-term. Implementation of activities under this component is the responsibility of the Directorate General of Employment and Training, discharged in collaboration with states, industry associations, and private training providers, as necessary.
- Project management, monitoring and evaluation support is provided to: (i) establish project management and implementation structures at the national and state levels; (ii) make improvements in system management and implementation of reforms by training policy planners, managers, and administrators; (iii) carry out project monitoring and dissemination of information with the help of a computer-based management information system; and (iv) carry out project evaluation and policy and system research studies at the national and state levels.

KEY RESULTS ACHIEVED AND EXPECTED:

The project has performed well, surpassing many of its end-of-project targets. A new sector-focused multi-skilling, multi-entry and exit vocational training course called "Center of Excellence" was introduced in the CTS system. The Institution Management Committee (IMC), with significant private-sector representation, was set up at training institution level to bring strong private-sector participation in institutional management, and significant power and functions were devolved to the IMC. At the national and state levels, private-sector participation in decision-making bodies was introduced. A strong monitoring and evaluation culture was created by establishing a sector-wide and web-based management information system. Capacity was significantly strengthened for developing curricula, training trainers, and developing training and teaching aids. This had an impact on recruitment and professional development policies related to trainers.

- 78 percent** of the graduates from project ITIs already exit from the CTS system with a NCVT certificate, compared to the baseline of 61 percent and an end-of-project target of 73 percent.
- 60 percent of project ITI graduates find employment within one year of finishing training, compared to the baseline 32 percent and an end-of-project target of 50 percent. 38 percent of female graduates find employment within a year of finishing training compared to the baseline of 18.7 percent.
- Real monthly earnings of employed graduates from project ITI, measured one year after completing training, rose from a baseline of Rs2,421 to Rs3550# (as of October 2012).

**Data refer to the batch of trainees enrolled in 2010-11. These trainees would have taken their final institution-based examination in 2012. # Data from mid-term tracer study.

IMPLEMENTING AGENCIES:

National Project Implementation Unit, Ministry of Labor and Employment.

KEY DEVELOPMENT PARTNERS:

Directorate General of Employment and Training, Ministry of Labor and Employment.

INDIA: WEST BENGAL ACCELERATED DEVELOPMENT OF MINOR IRRIGATION PROJECT

KEY DATES:

Approved: October 4, 2011
 Effective: March 19, 2012
 Closing: December 31, 2017

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IBRD	125	1.2	123.78
IDA	125	21.32	103.68
Government of West Bengal	50		
Total Project Cost	300		

*US\$ million; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Water resources development is a priority for the Government of India, given the country's limited water resources. Development of irrigation infrastructure is necessary to reduce climatic risks, and irrigated agricultural development has always been central to the government's strategy for ensuring food security for all. The average agriculture productivity levels are still low in West Bengal, compared to those of advanced agricultural states in the country. There is large potential for enhancing agriculture productivity, provided that the timely supply of all inputs and adequate irrigation water can be assured. Despite having abundant surface and groundwater resources, 40 percent of the state's cultivated area is rain-fed, and the cropping intensity has stagnated at 180 percent over the last decade. The majority of the rain-fed area belongs to small and marginal farmers, and to help improve livelihoods, the state provides them with minor irrigation schemes for exploiting surface and ground water, including lift irrigation, deep and shallow tube wells, pump-dug wells, tanks, and small water harvesting structures. Once developed and implemented, these schemes are operated and maintained by the community. Unfortunately, performance of these minor irrigation schemes has been mixed, mainly due to the absence of any strong ownership among users. The Bank-supported West Bengal Accelerated Development of Minor Irrigation Project aims to contribute to improved reliability of water resources for irrigation and increased agricultural productivity by empowering communities. The total area to be developed under the project is 139,000 hectares, benefiting an estimated 166,000 farm families.

The project development objective is to enhance agricultural production of small and marginal farmers by developing minor irrigation schemes, strengthening community-based irrigation management, and supporting agricultural development, including provision of agricultural services, encouraging crop diversification and use of new technologies, and creating income-generating opportunities. The project's four components are:

- Strengthening community-based institutions by establishing water users' associations (WUA) and other farmers' organizations to assume responsibilities for management, operation, and maintenance of minor irrigation schemes and improved irrigated agricultural practices.
- Irrigation system development by supporting construction of 2,400 new minor surface water irrigation schemes and 2,260 new minor ground water irrigation schemes.
- Agriculture support services by providing agricultural support services in the project area to enhance productivity and diversification in agriculture.
- Project management support by strengthening the state's water resources department to ensure effective project management.

KEY EXPECTED RESULTS:

The project, in its third year of implementation, is in the process of providing irrigation schemes for around 12,000 ha and 29,000 beneficiaries. The project's main contribution will be in the area of modernized planning and monitoring, improved water resources development and management practices, and creation of sustainable institutions to efficiently operate and maintain irrigation structures. The project is expected to result in a more than 40 percent increase in yield of main agricultural crops (rice, oilseeds, and vegetables), 4,200 new operational WUAs with 25 percent female beneficiaries, and more than 60 percent of marginal and poor farmers strengthened to generate resources for management, operation, and maintenance of the schemes.

IMPLEMENTING AGENCIES:

Department of Water Resources Investigation and Development, Government of West Bengal.

INDIA: WEST BENGAL INSTITUTIONAL STRENGTHENING OF GRAM PANCHAYATS PROJECT

KEY DATES:

Approved: June 8, 2010
 Effective: September 3, 2010
 Closing: December 31, 2015

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA	200	198.7	0
Government of West Bengal	35	35.00	0
Total Project Cost	235		

*US\$ million; as of July 31, 2015; For more information see the [latest Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

West Bengal has a progressive record among Indian states in decentralization initiatives for local governance systems. The Panchayats and Rural Development Department (PRDD) of the government of West Bengal is committed to expanding and deepening this process by providing the Panchayati Raj Institutions (PRIs) with the resources, capacities, and incentives to improve service delivery and governance. The overall strategic vision of the project is to institute a discretionary block grant system which incentivizes local governance and service delivery performance throughout the state as an integral and ongoing element of the broader PRI fiscal framework in West Bengal.

The project development objective is to develop institutionally strengthened local government bodies at the village levels – Gram Panchayats (GP). The project features four main components:

- Support annual performance-based block grants to participating GPs for local public goods and services. In order to access the grant, GPs are required to meet a prescribed set of mandatory minimum conditions and pass an annual independent score-based performance assessment in key areas.
- Focus on capacity building for GPs by providing support to strengthen the institutional capacity of GPs to deliver basic services.
- Strengthen PRDD's oversight and systems for monitoring of PRIs through: (i) annual performance assessments and quality assurance audits; (ii) internal and external monitoring and reporting systems; (iii) evaluations and studies of the program; and (iv) external audit support.
- Support program management and project communications in overall project coordination, implementation, and citizen communication.

KEY EXPECTED RESULTS:

- 96 percent of the GPs have already established well-functioning planning and fiduciary systems, compared to target of 80 percent.
- In FY2014-2015, 960 of 1,000 GPs have qualified for the fourth round of the block grant. This is a 48 percent increase since the project started.
- At present, 98.6 percent of the project GPs have approved and disclosed their plans and budgets; 99 percent have "clean" external audits; 100 percent have up-to-date financial, planning, and accounting records maintained in the GP Management System; and around 97 percent could expend a minimum 60 percent of all untied grants received by the third quarter in a fiscal year.
- Own Source Revenue generation by project GPs has increased by 65 percent in FY2013-2014 over the base year of FY2010-2011.
- The annual performance assessment shows that districts with a large vulnerable group population are progressively ranking better.
- Close to 83 percent GPs have incorporated vulnerable group plans into the FY2013-2014 GP annual plan.
- All project GPs undertake gender-based reporting on schemes.
- All project GPs provide detailed implementation reports through web-based management information system.

IMPLEMENTING AGENCIES:

Panchayats and Rural Development Department, Government of West Bengal.

INDIA: UTTARAKHAND DECENTRALIZED WATERSHED DEVELOPMENT II PROJECT

KEY DATES:

Approved: March 31, 2014
 Effective: July 15, 2014
 Closing: September 30, 2020

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA Credit	121.2	3.04	106.97
Government of India	45.8		
Other(local communities)	3.0		
Total Project Cost	170.0		

*US\$ million; as of July 31, 2015; For more information see the latest [Implementation Status and Results Report](#).

BACKGROUND AND OBJECTIVES:

Improving water availability through watershed treatment is crucial to increase agriculture productivity and improve livelihoods in the rain-fed areas of Uttarakhand state. Of Uttarakhand's 8.5 million people, 37 percent live below the poverty line, compared to the national average of 30 percent. More than 90 percent of the state's 53,500 km² are hilly with rugged topography, and about 80 percent of the population living in the hills depends on agriculture. However, just under 10 percent of land in the valleys and surrounded by hills is cropped; of this, 81 percent is rain-fed. On average, the crop yields in the hills are 50 percent lower than those found in the plains, due mainly to limited availability of irrigation water, poor in-situ rainwater conservation, and loss of fertile topsoil. These are major constraints to enhancing rain-fed agronomic practices and increasing agricultural productivity.

The Gramya I project (2004-2012) supported the Government of Uttarakhand in improving agricultural productivity and rural livelihoods in the hill areas by enhancing natural resource management and strengthening the administrative capacity of the targeted Gram Panchayats (GPs), or village councils. Gramya I treated 234,000 ha in 76 microwatersheds and built the administrative capacity of 468 GPs, benefiting some 285,000 people. With strong community participation and adoption of improved water conservation techniques, the Gramya I intervention areas showed a 68 percent increase in water discharge rates.

The development objective of Gramya II is to increase the efficiency of natural resource use and productivity of rain-fed agriculture by participating communities in selected microwatersheds of Uttarakhand. The project is expected to benefit about 55,600 households and targets 509 GPs. Its four components are:

- Social mobilization and participatory watershed planning: Mobilize GPs to identify interventions to increase effective land use and water resource management and develop agriculture and income-generation activities.
- Watershed treatment and rain-fed area development: Finance GP-level watershed development plans, including check dams, water-harvesting structures, rehabilitated soil conservation structures, improved seeds and innovative agronomic technologies.
- Enhancing livelihood opportunities: Facilitate agribusiness development, entrepreneurial activities for vulnerable groups and strengthen the business planning and management capacity of farmer groups.
- Knowledge management and project coordination: Strengthen the institutional capacity and knowledge management.

KEY EXPECTED RESULTS:

- 25 percent increase in water discharge.
- 20 percent increase in biomass.
- 7,800 additional hectares in rain-fed areas under irrigation.
- 50 percent increase in productivity of selected irrigated crops.
- 20 percent increase in productivity of selected rain-fed crops.

IMPLEMENTING AGENCIES:

Watershed Management Directorate, Dehradun

