

Project Summary for Public Disclosure

Project Overview	
Project Name	Madhya Pradesh Bridges Project
Country	The Republic of India
Sector	Infrastructure - Transport
Approval Date (by the Board)	18 September 2018
Total Project Cost	USD 250 million
Loan Amount	USD 175 million
Borrower	The Republic of India
Implementation Agency	Madhya Pradesh Public Works Department

I. Introduction

India's strong growth story in the recent years resonates with its growth trajectory in the infrastructure sector, particularly in the road sector, as road is the dominate mode of transportation in India. Addressing gradually the road infrastructure deficiencies has been the national priority for India. For example, in India's second largest state by area, Madhya Pradesh, road infrastructure development has played an important role in the State's economic resurgence. Due to the geographical conditions of the State as a land locked state, road connectivity becomes vital for social and economic activities. Two New Development Bank (NDB) loans have been provided to finance the road sector in Madhya Pradesh State, and the State's bridges are an inseparable part of the road infrastructure to support the overall connectivity in the State. Without upgrading the large scale of bridges that are not properly functioning, the benefits of the roads projects would be compromised. In this context, the Madhya Pradesh Bridges Project is designed to improve the road infrastructure in Madhya Pradesh. The Project is in close alignment with the NDB's objective to promote infrastructure and sustainable development.

II. Project Description

The objective of the Project is to tackle the weak links of the road network, the bridges of Madhya Pradesh State, to realize the full benefits of upgrading the State Highways and Major Districts Roads, through constructing and upgrading about 350 bridges in

Madhya Pradesh. The length of the proposed bridges varies from 8 meters to 780 meters with different span arrangements across minor rivulets and major rivers. The Project will ultimately contribute to improving Madhya Pradesh State’s connectivity of the current rural interior.

The proposed NDB loan through the modality of Sovereign Multi-tranche Financing Facility will be used by the Government of India for on-lending to the State Government of Madhya Pradesh, to reconstruct selected bridges that are weak, narrow and accident-prone, with the majority built more than 40 years ago and past the design life.

III. Environmental and Social Aspects

The positive impacts of the Project include promoting inclusive development of the rural communities of the State of Madhya Pradesh and stimulating regional economic development through improved connectivity, enhanced accessibility and increased job opportunities, which will ultimately contribute to the well-being of the connected population. The full-functioning bridges after the completion of the Project will provide all weather connectivity, improved safety, and reduced travel time, which will lead to less travel time, reduced vehicles operating cost, and reduced emissions. Another nonnegligible important impact of the Project is to help realize the full benefits of those projects that focus on upgrading the Major District Roads in the State.

The Project has been classified as category B in accordance with NDB’s Environment and Social Framework (ESF), as its impacts are temporary and site specific and can be mitigated by adherence to established environmental and social practices and requirements of India’s country system. The Project involves resettlement and land acquisition. Resettlement Action Plan and Environmental Management Plan have been prepared to mitigate the negative impacts and generate minimal adverse impacts.

IV. Financials

The total cost of the Project is estimated to be USD 250 million. The NDB will finance USD 175 million through the modality of Sovereign Multi-tranche Financing Facility, of which the first tranche is USD 105 million. The NDB loan accounts for 70% of the total cost. The remaining balance will be financed by the Government of Madhya Pradesh.

Financier	Amount (\$ million)
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New Development Bank	175
Government of Madhya Pradesh	75

V. Implementation

The Project is estimated to be implemented over 6 years. Madhya Pradesh Public Works Department will be the Project Implementation Agency. Contractors for the Project will be selected through a competitive and transparent bidding process.