

The Government of India and Asian Development Bank (ADB) sign \$250 Million Loan to Improve Rural Connectivity in 5 States under PMGSY

The Asian Development Bank (ADB) and the Government of India signed a \$250 million loan to finance the construction of 6,254 kilometres all-weather rural roads in the States of Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal under the Prime Minister's Rural Roads Program (PMGSY).

The First Tranche Loan is part of the \$500 million Second Rural Connectivity Investment Program for India approved by the ADB Board in December 2017. The program is aimed at improving rural connectivity, facilitating safer and more efficient access to livelihood and socio-economic opportunities for rural communities through improvements to about 12,000 kilometres rural roads across these 5 States.

This investment program will support the Government's drive for innovative approaches to reduce costs, conserve non-renewable natural resources, and promote the use of waste materials in rural road construction. The road maintenance will be ensured through the provision of a 5-year post-construction maintenance in each civil works contract.

The investment program builds on the \$800 million ADB-financed first Rural Connectivity Investment Program in 2012 that added about 9,000 kilometres of all-weather rural roads in the same States.

Due to of increased rainfall and storm surges in the project States, the road designs will take into account these climate risks with measures such as greater elevation of road embankments, slope protection, and better drainage in flood-prone areas. Women were extensively consulted during the project design and will gain some key benefits, including improved access to healthcare, livelihoods, and schooling.

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Warm regards,

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