

CHAPTER - 22

EXTERNALLY AIDED PROJECTS

22.1 Financial loan/grant is being provided to the State Government from various external funding agencies to finance various infrastructure and social sector projects for speedy development of the State.

22.2 The World Bank Group, Japan International Cooperation Agency (JICA), Asian Development Bank (ADB), International Fund for Agriculture Development (IFAD), Agency Francaise De-Development (AFD) etc. are some of the major external agencies that have been funding many projects of State under the various sectors viz. Irrigation, Health, Water Supply, Forestry, Urban Development, Social Welfare (programmes for Disadvantaged Groups) and Rural Development (Poverty Alleviation Programmes).

22.3 Drinking water, poverty alleviation, education, infrastructure, health and livelihood are the high priority sectors of the State Government. To improve the standards of living of the people of Rajasthan, external financial loan/grant plays an important role. This source of financing has mobilized huge additional resources for the State Plan. Here an added benefit is an opportunity to leverage on learning from similar projects undertaken elsewhere globally.

22.4 The Government of India is now releasing external financial loan/grant to the State on 'Back to Back' basis for the new EAPs sanctioned on or after April 01, 2005, as recommended by the Twelfth Finance Commission. The State Government is getting the same maturity, moratorium and amortization schedule as the Government of India gets from the external lenders.

Twelfth Five Year Plan (2012-2017)

22.5 The allocation for various Externally Aided Projects being implemented/to be implemented during the Twelfth Five Year Plan is ₹ 9880.33 crore. Against this an expenditure of ₹ 1359.91 crore has been incurred during the first two years of Twelfth Plan. During this period, 3 projects namely Rajasthan Agricultural Competitiveness Project (World Bank) costing ₹ 832.50 crore, Rajasthan Rural Water Supply & Fluorosis Mitigation Project-Nagaur (JICA) costing ₹ 2938.00 crore and Rajasthan Road Sector Modernization Project (World Bank) costing ₹ 1362 crore have been sanctioned. In addition to this, Phase-II of Re-organization Jodhpur Water Supply Project (AFD) costing ₹ 185.45 crore has also been sanctioned. During this period, two projects namely Rajasthan Public Finance Management and Procurement Capacity Building (IDF) and Rajasthan Water Sector Restructuring Project (World Bank) have been completed.

An overview of Externally Aided Projects:

22.6 9 externally aided projects costing ₹ 10555.77 crore are under implementation in the State. Financial overview of ongoing EAPs is given below:-

Financial Overview of Ongoing Externally Aided Projects

(₹ in crore)

S. No.	Name of Project/ Funding Agency/project period	Total Project Cost	Progressive Exp. Since Inception to March 2014
1.	Rajasthan Minor Irrigation Improvement Project (JICA) April 2005 to June 2015	612.29	368.84
2.	Rajasthan Urban Sector Development Investment Program (ADB) Feb., 08 to June 2015	1762.00	1081.93
3.	Mitigating Poverty in Western Rajasthan (IFAD) Dec., 2008 to Dec.,2016	291.00	* 230.08
4.	Rajasthan Rural Livelihood Project (WB) June 2011 to Oct. 2016	870.00	77.16
5.	Rajasthan Forestry & Biodiversity Project Phase-II (JICA) Oct. 2011 to March 2019	1152.53	167.86
6.	Re- Organization Jodhpur Water Supply Project (AFD) Feb. 2012 to Sept. 2017	735.45	145.63
7.	Rajasthan Agriculture Competitiveness Project (WB) July 2012 to April 2019	832.50	6.10
8.	Rajasthan Rural Water Supply Fluorosis Mitigation Project - Nagaur (JICA) Jan. 2013 to Mar. 2017	2938.00	27.50
9.	Rajasthan Road Sector Modernization Project (WB) March 2014 to Dec. 2018	1362.00	109.86
	Total	10555.77	2214.96

* Including all 5 component of the project.

22.7 Besides above, loan agreement of US \$176 Million was signed with ADB on 29.05.2014 for Jaipur Metro Rail Project Phase-I B. The loan will be effective after 90 days of loan signing date. Modified outlay of ₹ 162.00 crore has been kept for this project in the Annual Plan 2014-15.

22.8 Presently 4 Externally Aided Projects are in pipeline and are under consideration at various stages. Out of these 4 projects, one project namely Rajasthan Renewable Energy Transmission Investment Program was negotiated with ADB in the month of August, 2013. Details of remaining 3 projects are as follows:

S.No.	Name of the Project	Funding Agency
1.	Chambal – Bhilwara Drinking Water Supply Project	World Bank
2.	Rajasthan Urban Infrastructure Development Project Phase-III	ADB
3.	Power Evacuation Scheme for new wind and solar projects in Banswara, Pratapgarh and Barmer districts.	KFW Germany

22.9 Project-wise implementation progress of the various ongoing Externally Aided Projects is summarized as under:-

Rajasthan Minor Irrigation Improvement Project- JICA

22.10 The JICA assisted Rajasthan Minor Irrigation Improvement Project become effective from April, 2005 and was scheduled to be completed in March, 2013 which has now been extended by JICA up to June, 2015.

22.11 The project aims at:

1. Increasing the agriculture productivity by rehabilitating existing minor irrigation facilities
2. Improving water management and agriculture practices, thereby enhancing agriculture income and alleviating poverty.
3. Induction of Public Participation Approach under the project area. This will be achieved with formation of Water Users Associations (WUAs) of beneficiary farmers for operation and maintenance of created infrastructure in the project area.

22.12 The coverage area of the project includes construction of new minor irrigation schemes/ renovation/rehabilitation etc., technical and institutional supports related to ground water and agriculture extension activities and consulting services for monitoring and evaluation of the project programmes.

22.13 As per the provision of project report, 393 sub-projects have been selected finally under this project after 1st and 2nd screening. It was targeted to benefit 153957 ha CCA under this project. Out of 393 sub-project, civil works and capacity building programs are being executed in 353 sub-projects and only capacity building programs was organized in 40 sub-projects. Since inception of the project an expenditure of ₹ 368.84 crore has been incurred till March, 2014.

22.14 Modified outlay of ₹ 102.28 crore has been kept in the Annual Plan 2014-15.

Rajasthan Urban Sector Development Investment Program (RUSDIP)

22.15 This is an ADB assisted project under Multi-tranche Financing Facility (MFF). The funding pattern for this project is 70:30 to be funded by ADB and State Government respectively. Original cost of this project was ₹ 1560.00 crore (US\$390M). Now expected cost of the project would be ₹ 1762.00 crore in rupee term due to \$ appreciation in which ₹ 1318.00 crore is expected from ADB. Project period is 7 years starting from 2007-08 to 2015-16.

22.16 Total 15 towns have been covered under the project. These towns are; Alwar, Baran-Chhabra, Barmer, Bharatpur, Bundi, Chittorgarh, Churu, Dholpur, Jaisalmer, Jhalawar-Jhalrapatan, Karauli, Nagaur, Rajsamand, Sawai-Madhupur and Sikar.

22.17 The investment programme will improve the urban environment and to promote on-going reforms for sustainable, efficient and responsive urban services delivery in selected and identified Urban Local Bodies (ULBs) of the State with economic growth and tourism potential.

22.18 The loan for Tranche-I amounting to US\$ 60 Million was made effective from 28th February, 2008 and loan for Tranche -II of US\$ 150 Million was effective from 20th April, 2009. Similarly loan agreement of US\$ 63 Million has been effective from June, 2011 for Tranche-III. Since inception to till March, 2014 an expenditure of ₹ 1081.93 crore has been incurred.

22.19 Modified outlay of ₹ 465.00 crore has been kept in the Annual Plan 2014-15.

Mitigating Poverty in Western Rajasthan - IFAD

22.20 The objective of this project is to mitigate poverty of the target group households through improved livelihoods, strengthened capacity, sustainable enterprises and natural resources management and increased access to physical and financial markets.

22.21 The activities of the project includes the strengthening of grass root level institutions through mobilization and capacity building and community infrastructure development, livelihood support components such as income generation through marketing & employment creation, development of financial services and project management components.

22.22 The coverage area of this project is 6 blocks of 6 western districts namely Bap (Jodhpur), Sankada (Jaisalmer), Bayatu (Barmer), Bali (Pali), Abu road (Sirohi), and Sanchor(Jalore).

22.23 The total original cost of this project is ₹ 415 crore. Initially, the project period was of six years starting from December, 2008 to December, 2014 which has now been extended by IFAD up to December, 2016. The revised cost of this project is ₹ 291.00 crore. The funding of this project would be made by IFAD (₹ 124 crore including ₹ 2.40 crore as Grant), Sir Ratan Tata Trust (₹ 13 crore as Grant), bank credit (₹ 56.00 crore), State share (₹ 87.50 crore) and beneficiaries contribution (₹ 10.50 crore). Since inception of the project, an expenditure of ₹ 230.08 crore (including all above component) has been incurred till March, 2014.

22.24 Under the project, presently 4757 SHGs have been formed out of which 1627 SHGs have been provided bank credit for different economic activities. 1929 youths were trained in various trades like Security guard, Stitching, Computer, Tally, Mason, Plumber, Hotel Management Trades and linked with self/wage employment. In addition to that 1290 individual and community based infrastructure works have also been completed.

22.25 Modified outlay of ₹ 39.26 crore has been kept in the Annual Plan 2014-15.

Rajasthan Rural Livelihood Project (RRLP) - World Bank

22.26 This project is funded by the World Bank. The project cost is ₹ 870 crore in which ₹ 769.90 crore is World Bank loan portion and ₹ 100.10 crore will be provided by the State Government as State Share. Project is effective from June, 2011 for a period of 6 years from 2011-12 to 2016-17.

22.27 RRLP will follow the strategy of building-up the capacities of targeted households complemented by financial & technical assistance for improving incomes, reducing costs, and reducing risks and vulnerability. This strategy will motivate and support the households in augmenting their livelihoods in sustainable manner.

22.28 The main objective of the project is to enhance the economic opportunities and empowerment of the rural poor with a focus of women and marginalized groups in the 18 targeted districts of the State. District Project Management Unit (DPMU) offices have been setup in all the 18 districts.

22.29 Since inception to till March, 2014, 6462 SHGs have been formed and 5680 existing SHGs co-opted. Bank accounts have been opened for 9001 SHGs and Tranche-I have been released to 5228 SHGs. An amount of ₹ 77.16 crore has also been incurred under the project.

22.30 Modified outlay of ₹ 125.00 crore has been kept in the Annual Plan 2014-15.

Rajasthan Forestry and Biodiversity Project Phase-II (RFBP-II) - JICA

22.31 This project is funded by the JICA. The project cost is ₹ 1152.53 crore in which ₹ 884.80 crore (76.77 per cent) is JICA loan and rest ₹ 267.73 crore (23.23 per cent) will be provided by the State Government as state share. Project is effective from October, 2011 for a period of 8 years from 2011-12 to 2018-19.

22.32 The main objective of the project is to enhance forest area and livelihood opportunities of the forest dependent people and to conserve biodiversity. Core activities being taken up under the project are afforestation, Biodiversity Conservation, Soil and Water Conservation and Livelihood and poverty alleviation through appropriate forestry practices. Project activities are executed through Village Forest Protection & Management Committees (VFPMCs), Eco-development Committees (EDCs) and Self Help Groups (SHGs).

22.33 The project activities are being implemented in 15 districts of the State namely Bikaner, Jaisalmer, Jodhpur, Pali, Sikar, Jhunjhunu, Nagaur, Churu, Sirohi, Barmer, Jalore, Bhilwara, Banswara, Dungarpur,

Jaipur and 7 notified Protected Areas namely Kumbhal Garh, Phulwari kinal, Jaisamand, Sitamata, Basi, Kailadevi and Rawali Tadgarh.

22.34 Under the project, an autonomous society Namely "Rajasthan Vaniki Evem Jaiv-vividhata Sanrakshan Society" has already been registered under the Rajasthan Society Registration Act, 1958.

22.35 In 8 years of the project period, plantation activities are proposed to be carried out in 83650 hectare area. Under the project, till March, 2014 advance action in 26981 hectare area and advance action cum planting in 11803 hectare area have been completed. Since inception to till March, 2014, an amount of ₹167.86 crores has been incurred under the project.

22.36 Modified outlay of ₹220.00 crore has been kept in the Annual Plan 2014-15.

Re- Organization Jodhpur Water Supply Project - AFD

22.37 This project is funded by the AFD. The project cost is ₹ 550.00 crore in which ₹ 440.00 crore is AFD loan portion and ₹ 110.00 crore will be provided by the State Government as State Share. Project is effective from February, 2012 and scheduled to be completed in September, 2016. In addition to that, Phase-II costing ₹ 185.45 crore has also been sanctioned by AFD which is scheduled to be completed in September, 2017.

22.38 The objective of the project is to ensure supply of clean and safe potable water at a reasonable pressure and with an adequate quantity to meet the daily demand of the Jodhpur city and sub-urban population for the future years.

22.39 Under the project, major works which are to be taken-up are replacement of pumping machinery of Phase-I of PS – 5 & 7 of Rajeev Gandhi Lift Canal (RGLC), Pipeline from RGLC to proposed Water Treatment Plant (WTP) at Surpura headworks, Construction of 90 mld WTP at Surpura headworks, Construction of Raw Water Reservoir in Surpura Dam, Construction of 60 mld WTP at Takhat Sagar and laying of main pipeline from it, rehabilitation and strengthening of existing distribution system, reduction in Non Revenue Water in 11 pilot sub zones, replacement of old and inefficient pumping machinery and replacement of old, frequently leaking and pollution prone distribution pipelines.

22.40 Raw water store reservoir capacity of 210 MCFT at Surpura Dam and development of water supply system for Surpura Zone works are under progress. Since inception to till March, 2014, an amount of ₹ 145.63 crores has been incurred under the project.

22.41 Modified outlay of ₹ 150.00 crore has been kept in the Annual Plan 2014-15.

Rajasthan Agricultural Competitiveness Project - World Bank

22.42 This project is funded by the World Bank. The project cost is ₹ 832.50 crore in which ₹ 545.00 crore is World Bank loan portion, ₹ 242.00 crore will be provided by the State Government as State Share and ₹ 45.50 crore beneficiaries' share. Project is effective from July, 2012 and is scheduled to be completed in April, 2019.

22.43 The project objective is to establish the feasibility of sustainably increasing agricultural productivity and farmer incomes through integrating agriculture water management and agricultural technology, farmer organizations and market innovations and to help farmers get more rupees per unit of water in compensation for farmers using less units of water.

22.44 The project execution involves fifteen (15) clusters spread over ten (10) agro-climatic-zones (ACZs) of the state covering more than 200000 ha area. The project will directly benefit nearly 155,000 farmers, predominantly small holders by sustainably increasing their income levels. Presently 12 clusters have been selected. Initially, activities like hiring of service provider for various clusters, hiring of manpower agency, capacity building of the staff through partner agencies etc. are being taken-up. Technical activities are being implemented in the Mokhampura cluster through DPMU. Since inception to till March, 2014, an amount of ₹ 6.10 crores has been incurred under the project.

22.45 Modified outlay of ₹ 40.00 crore has been kept in the Annual Plan 2014-15.

Rajasthan Rural Water Supply and Fluorosis Mitigation Project - Nagaur - JICA

22.46 This project is funded by the JICA. The project cost is ₹ 2938.00 crore in which ₹ 2212.00 crore is JICA loan portion, ₹ 387.00 crore will be provided by the State Government as State Share and ₹ 339.00 crore will be GoI share. Project is effective from January, 2013 and is scheduled to be completed by March, 2017.

22.47 The main objectives of the project are to creation of sustainable infrastructure for drinking water supply in project area, improvement in health and reduction in instance of water borne disease, improvement of quality of life and standard of living among the residents especially for women & underprivileged section of society and to make effective & efficient Fluorosis mitigation programme for conducting the survey for prevention and control of Fluorosis.

22.48 Under the project, 986 villages and 7 towns i.e. Ladnu, Parbatsar, Makrana, Didwana, Degana, Nawa and Kuchaman of the Nagaur District will get potable water from Indira Gandhi Canal.

22.49 The execution of the project has been divided in 10 packages. Pre-bids have been approved by the JICA for all packages. Work order for developing infrastructure of cluster distribution system of Ladnu (Package-8) and Kuchaman (Package-9) have been issued. Since inception to till March, 2014, an amount of ₹ 27.50 crores has been incurred under the project.

22.50 Modified outlay of ₹ 290.00 crore has been kept in the Annual Plan 2014-15.

Rajasthan Road Sector Modernization Project (RSSMP) - World Bank

22.51 This project is funded by the World Bank. The project cost is ₹ 1362.00 crore in which ₹ 960 crore is World Bank loan portion and ₹ 402.00 crore will be provided by the State Government as State Share. Financing and project agreements was done on January 2, 2014 and effective from March 10, 2014. However, under the project expenditure is being incurred under the State Plan as the World Bank has sanctioned retroactive financing in which expenditure incurred on or after 1.4.2013 and before the financing agreement will be reimbursed from the World Bank.

22.52 The project includes the following component:

- Construction of about 2500 kilometer rural roads through strengthening of existing MNREGA roads to provide road connectivity to 1056 villages having population 250 to 499.
- Pilot construction of 100-120 km stretch based on low cost technology
- Improved policy framework
- Modernization of engineering practices and business procedures
- Sustainable Asset Management
- Institutional and Human Resource Development
- Governance and Accountability Action Plan

22.53 Since inception to till March, 2014, an amount of ₹ 109.86 crore has been incurred under the project. Modified outlay of ₹ 650.00 crore has been kept in the Annual Plan 2014-15.