

PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA

**\$300M ADDITIONAL ADB FINANCING TO HELP UPGRADE 254 KM OF
STATE HIGHWAYS IN BIHAR**

New Delhi: Shravana 21, 1934
12th August, 2013

The Asian Development Bank (ADB) and Government of India today signed an agreement for \$ 300 million in additional loan to upgrade 254 kilometers of severely deteriorated highways in northern and southern Bihar.

The additional financing for the Bihar State Highways-II Project, which is already under implementation, will widen existing sections of four highways to two lanes, build and maintain bridges, and strengthen pavement. This should optimize access to the state highway network for beneficiaries living in remote villages.

The signatories to the loan were Mr. Nilaya Mitash, Joint Secretary (Multilateral Institutions), Department of Economic Affairs, Ministry of Finance, on behalf of the Government of India; and Mr. Narhari Rao, Deputy Country Director for India, on behalf of ADB. The project agreement was signed by Mr. Sunil Barthwal, Resident Commissioner, Government of Bihar and Mr. Ranjit Kumar Mishra, DGM (Tech) Bihar State Road Development Corporation Ltd.

“Better roads built under the project will help more people access social and health services as well as production centres and markets, and therefore will promote better life and inclusive growth for the people of Bihar,” said Mr. Mitash.

“This project will also use a \$1 million grant to prepare a 20-year road master plan for Bihar state,” said Mr. Rao. “This should help the national and state governments achieve their vision of improving the lives of its people by providing an efficient transport system.”

ADB has supported Bihar’s State Highway Development Program through assistance to Bihar State Highways Project-I (\$ 420 million, closed in July, 2012) followed by Project-II (\$ 300 million, signed in December, 2010). Together the projects are rehabilitating 1,209 km of state highways.

The project will also focus on improving the road design that will help address future flooding. To offset carbon emissions, the project will plant 10 trees for every individual tree cut for road widening. Solar panels will be used at construction sites to sequester carbon and reduce carbon emissions. Those living near the roads will also receive road safety training. Women will be actively involved.

The total cost of the project – due to be completed by October, 2017 – is \$ 375 million, with the Government of Bihar providing \$ 75 million.

TA 8170-IND: Road Master Plan for Bihar’s State Highway Development is associated to this project. The TA will support the state government’s sector development initiatives, especially for preparing of a 20-year strategic master plan for developing Bihar’s state highways, including long-term vision and goals, an action program, a financing plan, and a monitoring and evaluation system with performance indicators and targets. The TA is closing in December, 2014.
