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GOVERNMENT OF INDIA

**INDIA AND WORLD BANK SIGN US\$ 216 MILLION AGREEMENT
FOR KERALA STATE TRANSPORT PROJECT**

New Delhi, Jyaistha 29, 1935
June 19, 2013

The Loan and Project Agreements for World Bank (IBRD) assistance of US\$ 216 million for Second Kerala State Transport Project were signed between Government of India/Government of Kerala and World Bank at New Delhi today.

The Loan Agreement was signed by Shri Nilaya Mitash (Joint Secretary, Department of Economic Affairs) on behalf of Government of India and Mr. Onno Ruhl, Country Director, World Bank (India) on behalf of the World Bank. The Project Agreement was signed by Shri T.O. Sooraj, Secretary, Public Works Department on behalf of the Government of Kerala.

The Objective of the project is to improve road conditions, traffic flow and road safety with a focus on vulnerable road users on selected roads in Kerala.

The project will have three components:

- 1. Road Network Upgrading and Safety Improvement:** This component will include upgrading 363 kms of strategically important State Highways to complete network connectivity in the state with the objective of reducing travel time between key socio-economic centers.
- 2. Road Safety Management:** This component will support the strengthening of the road safety management systems in Kerala with the objective of arresting the increase of crash fatalities in the state. This component will finance various initiatives building on the work already undertaken during the first project including a safe corridor demonstration project, implementation of a local level challenge fund, and advisory support for road safety activities.
- 3. Institutional Strengthening:** The objective of this component is to improve 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.

The projects will be implemented over a period of six years.
