

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**INDIA AND ASIAN DEVELOPMENT BANK (ADB) SIGN AGREEMENT FOR US \$200
MILLION FOR UTTARAKHAND EMERGENCY ASSISTANCE PROJECT**

New Delhi, February 5, 2014

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The Government of India and Asian Development Bank (ADB) today signed an agreement for US \$ 200 million for Uttarakhand Emergency Assistance Project. The signatories to the loan agreement were Shri Nilaya Mitash, Joint Secretary (Multilateral Institutions), Department of Economic Affairs, Ministry of Finance, on behalf of the Government of India; and Ms. M. Teresa Kho, Country Director, INRM, on behalf of ADB. The project agreement on behalf of the State Government was signed by Shri Rakesh Sharma, Additional Chief Secretary (PWD), Government of Uttarakhand and Shri Bhaskaranand Joshi, Secretary, State Disaster Management Authority (SDMA).

Speaking on the occasion, Shri Mitash said that the project will assist the Government of Uttarakhand to meet reconstruction needs due to disaster in Uttarakhand in June, 2013. He said that this project will help State to rehabilitate/ construct the damaged roads, bridges, Urban Infrastructures and will also help by improving disaster Preparedness. It will help economic and social recovery in Uttarakhand in the aftermath of the June 2013 disaster, he added.

The Project's objective is to improve economic and social conditions in Uttarakhand after the 2013 disaster. The Project will (i) rehabilitate and/or reconstruct damaged sections of state highways and/or district roads for a total length of 1,800 kilometers (km) along with 16 damaged bridges, and will also rehabilitate sections of roads built in the past with ADB finance (total length 600 km); (ii) repair and upgrade water supply facilities in 8–10 towns, water treatment plants, 56-km water pipeline, and about 20 km of urban roads; (iii) rehabilitate and/or reconstruct tourism infrastructure in 5 districts, including 10 trekking routes, eco-trails, rest houses, and public amenities; and (iv) build about 50 helipads, heliports, or helidromes with associated amenities for emergency evacuation and relief operations. The project is expected to be completed by 30th September, 2016.

The loan of US \$200 million from ADB's ordinary capital resources makes up to 97.56% of the total project cost of US \$205 million, with the Central And State Government providing counterpart finance of US \$5 million. Uttarakhand being a Special Category State the loan assistance to the State will be on 90:10 basis (90% grant and 10% loan). The loan has a 25-year term, including a five-year grace period with an annual interest rate determined in accordance with ADB's LIBOR-based lending facility. A US\$2 million technical Assistance on grant basis from ADB will also help Uttarakhand in implementing the Project.
