



JICA's Support for development of CBIC region

21st August , 2015
@Shangri-La's Eros Hotel

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Outline of the Presentation

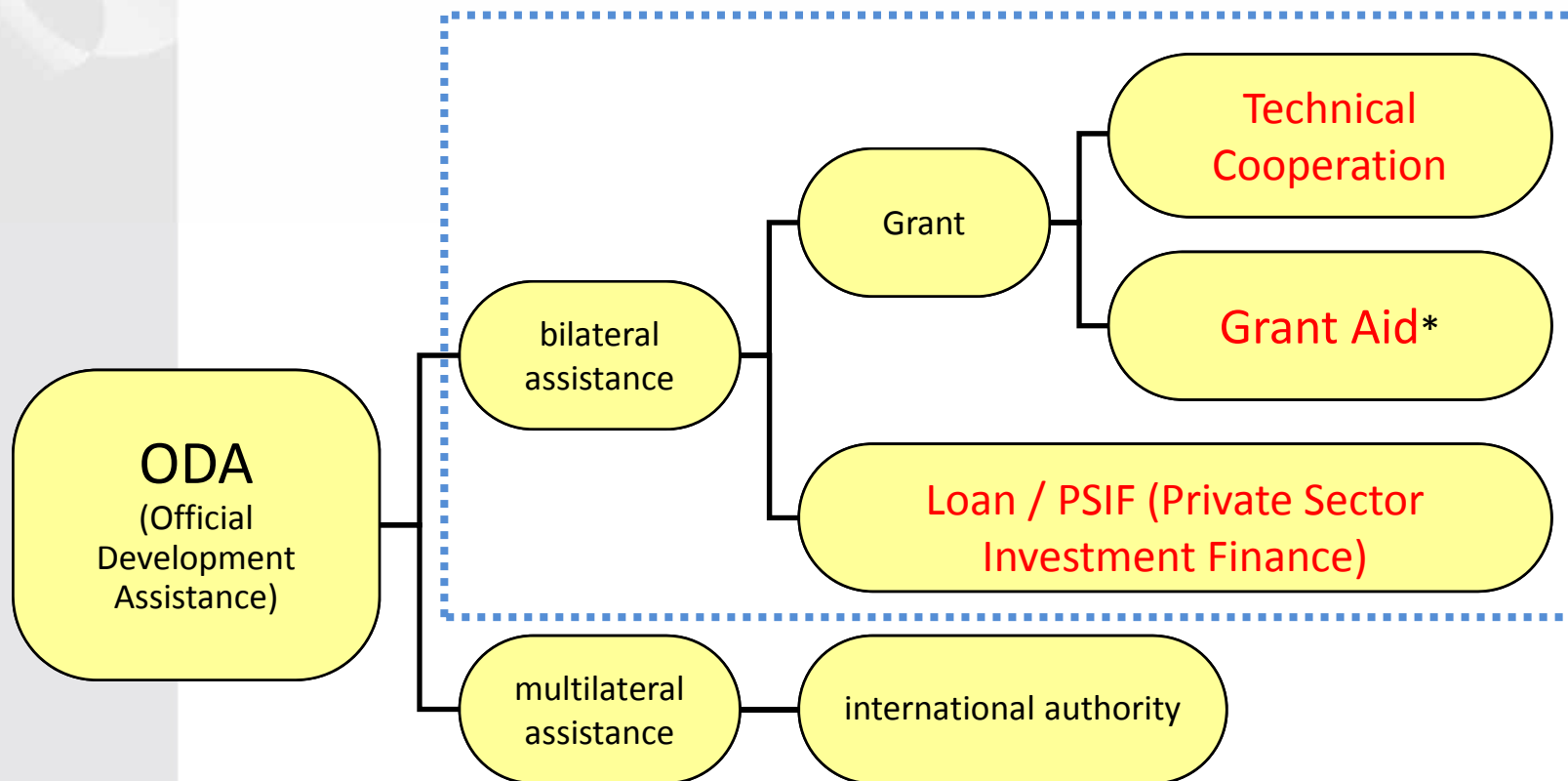
1. Overview of Japanese ODA to India
2. JICA's support in CBIC region

1. Overview of Japanese ODA to India

1-1 What is “JICA”?

- ✓ JICA is the world’s largest bilateral development agency
- ✓ India is the largest and the oldest partner for JICA

Japan’s Official Development Assistance (ODA)



* A part of grant aids are provided by Ministry of Foreign Affairs.

Japan International Cooperation Agency

1-2 India is JICA's Largest Partner in the World

Loan

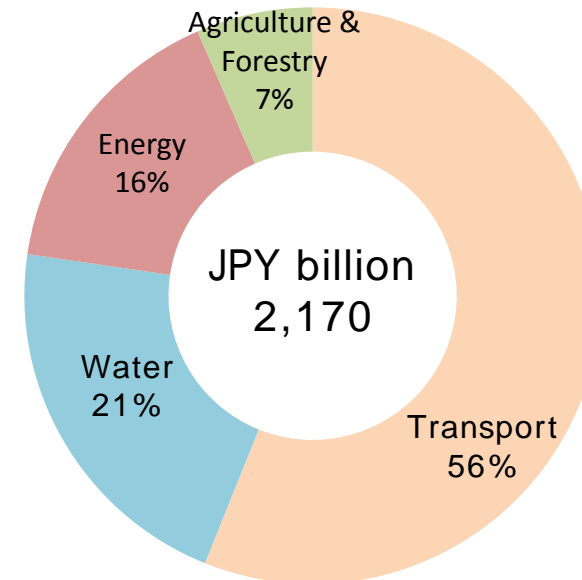
Operational Results in FY2013/14:

Commitment: 311.5 billion JPY
(equivalent to Rs. 16,000 crore)
Disbursement: 145.4 billion JPY
(equivalent to Rs. 7,500 crore)

Total Commitment:

4,164 billion JPY
(equivalent to Rs. 2.2 trillion)

Major Sector (FY2003/04-2013/14)



Grant Aid

One on-going project
in health sector in
Chennai

Technical Cooperation

· Results in FY 2013/14
3.5 billion JPY (Rs 200 Crore)

Over 200 Japanese experts to India
Over 650 government officials in Japan

Citizen Partnership / Public-Private Partnership

- Japanese Volunteers
- Japanese NGO activities
- Partnerships with Private-Sector Activities

1-3 CBIC states are JICA's largest partner states in India

Major Projects in South India

Visakhapatnam Port Expansion Project

Andhra Pradesh and Telangana Rural High Voltage Distribution System Project

Andhra Pradesh and Telangana Irrigation and Livelihood Improvement Project

Hussain Sagar Lake and Catchment Area Improvement Project

Bangalore Metro Rail Project

Karnataka Sustainable Forest Management and Biodiversity Project

Bangalore Water Supply and Sewerage Project

Master Plan Study on Introduction of Intelligent Transport System(ITS) in Bengaluru and Mysore

Support to Indian Institute of Technology Hyderabad

Hyderabad Outer Ring Road Project (with intelligent transport system to Hyderabad)

Transmission System Modernization and Strengthening Project in Hyderabad Metropolitan Area

Chennai Metro Project

Tamil Nadu Transmission System Improvement Project

Tamil Nadu Afforestation Project

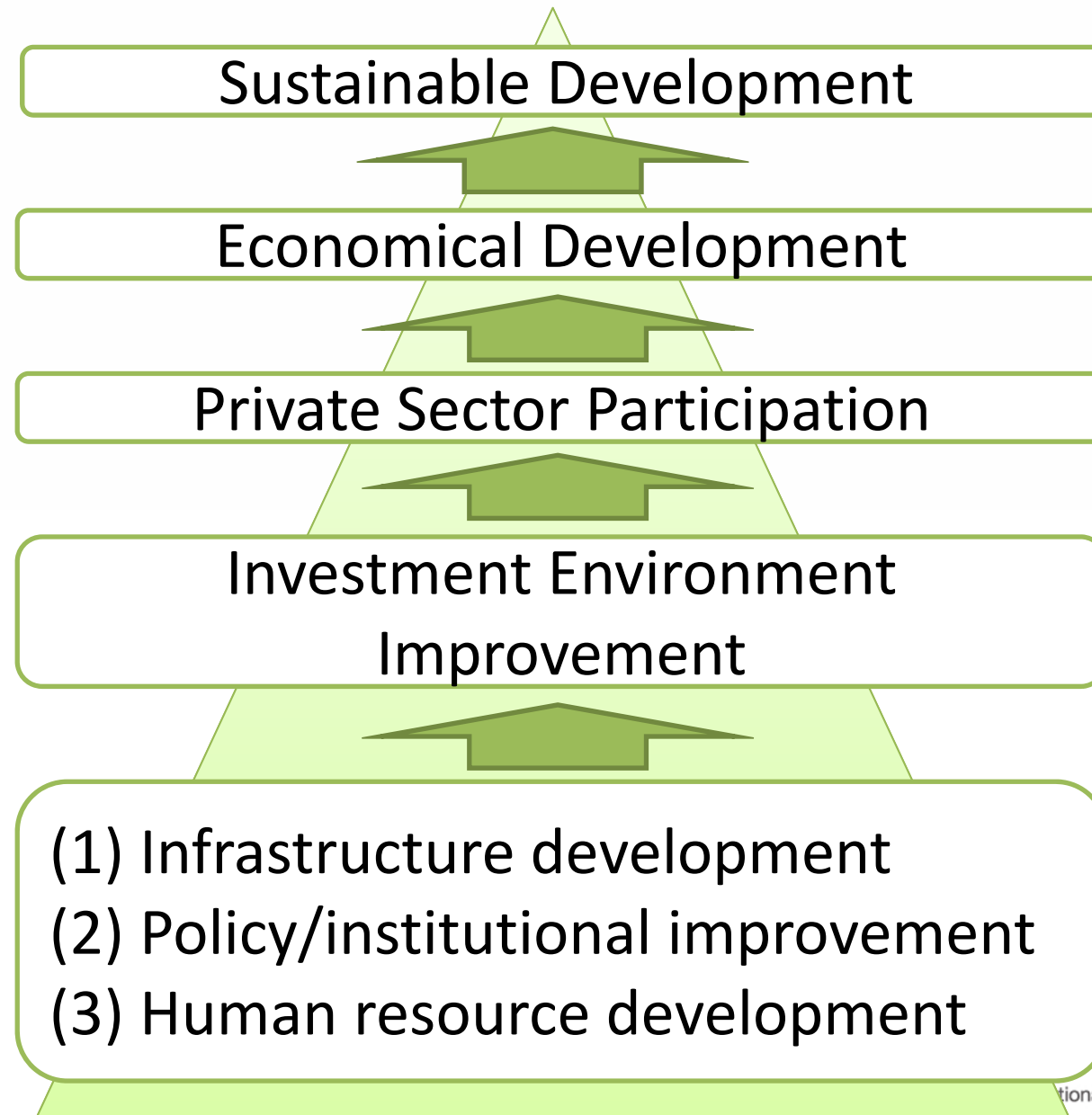
Tamil Nadu Investment Promotion Program (TNIPP)

Accumulated Loan Amount (as of Sep. 2014)

	Amount (billion JPY)	Rank
Andhra Pradesh (including Telangana)	4,283	1
Tamil Nadu	3,378	2
Karnataka	2,467	5

2. JICA's support in CBIC region

2-1 Towards sustainable development



2-2 JICA's basic policy

JICA's support is always in line with central / state governments initiative.

- Alignment of policy
("Make in India", "Skill India", state industrial promotion policies and etc)
- Quick launch of industrial node projects

→ Periodical joint monitoring on JICA's CBIC master plan (*)
among GoI, GoJ and JICA for realizing important
development projects

(*)Final report of CBIC master plan will be uploaded to JICA's web site shortly.
(<http://libopac.jica.go.jp/top/index.do?method=open>)

JICA enhances investment environment improvement in CBIC area
to accelerate private sector participation for sustainable
development.

→ JICA appreciates voice from private sector

2-3 JICA's investment promotion support towards sustainable development

- (1) Infrastructure development
- (2) Policy / institutional improvement
- (3) Human resource development

2-3 (1) Infrastructure Development

- ODA Loan for mega-infrastructure projects, such as trunk road, port, power station, water treatment plant
- Support for industrial node development (Krishnapatnam (AP), Ponneri (TN), Tumakuru (K))
- Small scale infrastructure projects through the Investment Promotion Program Loan
- Financial support for PPP/private infrastructure development projects (in case **Japanese private investor** is involved)
- Technical/financial support for more efficient infrastructure operation, such as improvement of port operation and introduction of ITS

2-3 (2) Policy / institutional improvement

- Suggestion & support for regulatory / institutional improvement based on opinions from private sectors on the ground
- Promoting FDI to CBIC states through dispatching JICA experts to nodal agency in central government / each state
- Collaboration with relevant authorities such as DIPP, CII, ASSOCHAM, FICCI, EoJ, JETRO, JCCIs

2-3 (3) Human Resource Development

- Support to improve the curriculum and training facilities in vocational training institutes
- Support to foster visionary leaders which meet managerial needs from Indian manufacturing industry and social needs in Indian society

2-4 JICA's support in CBIC area

Short term (2013-2016)

Medium term (2017-2023)

Long term (2024-2033)

Financial
Support

Bengaluru Metro

Chennai Metro

TN transmission
project

Bengaluru
distribution project

Bengaluru water
supply & sewerage

TNIPP

Investment
Promotion
Program loan to
3 states

TA for Chennai Port
operation
improvement

Bengaluru ITS master plan study and implementation

TA for skill development

Other technical support (i.e. Expert for implementation of CBIC)

Bengaluru Peripheral Ring Road

Chennai Peripheral Road

USC thermal power plant in AP

Water supply & sewerage in Nellore

Bengaluru water supply &
sewerage (New Phase)

Chennai Desalination Plant

AP irrigation (New Phase)

Financial support for other prioritized project

CBIC: Implementation of Node
development

CBIC: Invest climate improvement of existing
industrial area

Technical
Support

CBIC: Regional Perspective Plan

On-going project/program

Candidate project/program

Thank you

Appendix: On-going / Candidate projects in CBIC area

A1. Bengaluru Peripheral Ring Road Project *[Loan/New]*

- ◆ Project Description :
 - The proposed Peripheral Ring Road is approx. 65.5 km, including connection with the existing south half peripheral ring road (NICE Road).
 - Intelligent Transport System (ITS) such as Traffic Control Center, Area Traffic Signal Control and etc.) for mitigation of traffic jam.
 - Bengaluru Development Authority prepared Detailed Project Report (DPR).
- ◆ Total Project Cost : Rs. 9,600 Crore
- ◆ Schedule :
 - Candidate for FY2015 ODA Loan Project.
 - Construction will be started in FY2018.
 - Construction will be completed in FY2021.



A2. Chennai Peripheral Ring Road Project *[Loan/New]*

◆ Project Description :

- Construction of a peripheral ring road (approx. 130 km) surrounding Chennai metropolitan area with installation of Intelligent Transport System (ITS) to mitigate traffic jam.
- Highways and Minor Ports Department, Government of Tamil Nadu, is preparing DPR.

◆ Total Project Cost :

Rs. 10,800 Crore (provisional)

◆ Schedule :

Candidate for FY2016 ODA Loan Project.



A3. Chennai Desalination Plant Project *[Loan/New]*

◆ Project Description :

Construction of a sea water desalination plant (400 MLD, the largest capacity in India) and main transmission pipeline (60 km).

◆ Necessity :

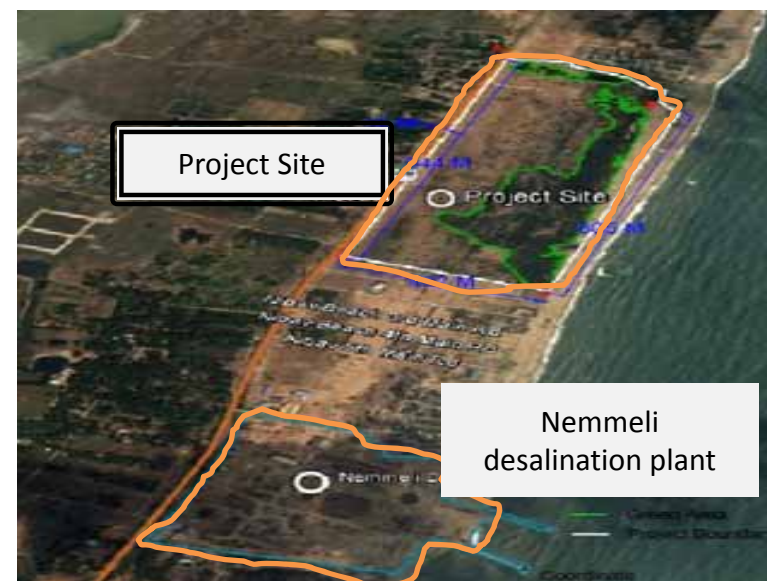
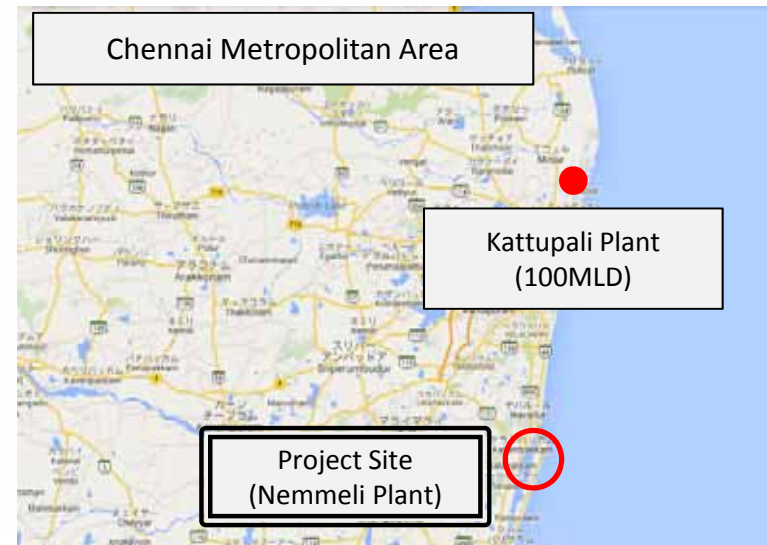
In 2014, 1,500 MLD of treated water demanded, while only 625 MLD supplied. Due to scarcity of surface water resource, the state government plans to construct a new desalination plant.

◆ Project Site :

The new 400 MLD plant to be constructed in the vicinity of the existing Nemmeli Plant (100MLD).

◆ Schedule :

Candidate for FY2016 ODA Loan Project.



A4. Tamil Nadu Investment Promotion Program *[Loan/Ongoing]*

◆ Program Description :

- To further improve the investment climate through strengthening the policy framework and enhancing the quality of urban infrastructure mainly of roads, power, waterworks, sewerage, and other infrastructure facilities thereby attempting to increase foreign direct investments in the state.
- Government of Tamil Nadu and JICA monitor progress of action plans in the agreed policy matrix. Based on achievement, JICA disburses the loan amount by dividing into three tranches (corresponding to each fiscal year action plan).

◆ Loan Amount and Disbursement :

- JPY 13 billion
(7 billion for 1st tranche and 3 billion for 2nd & 3rd tranche)

◆ Program Duration :

- 3 years (FY2012/13 - 2014/15)

◆ Achievement :

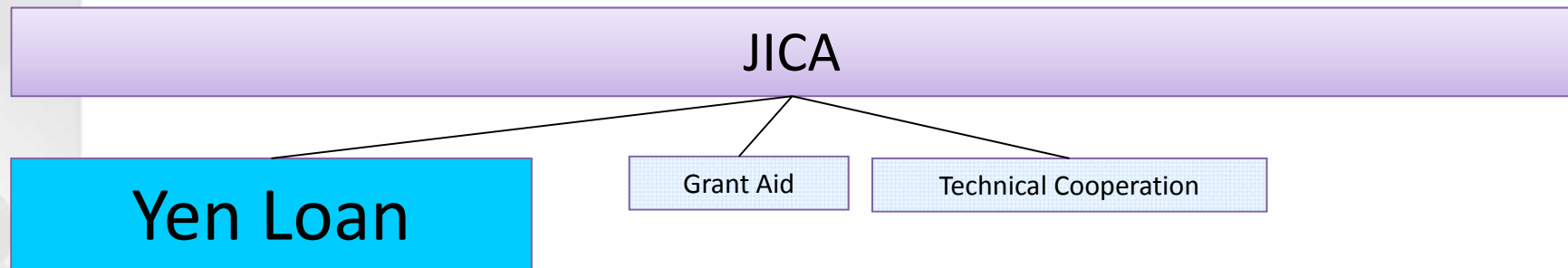
- A comprehensive action plan for ease of doing business has been elaborated.
- Global Investors Meet is to be held in September 2015.
- Development of industry related infrastructure (road, water supply, sub-station) has been accelerated.



110kV Substation at OneHub
Chennai Industrial Park



Access Road to Kamarajar Port
Japan International Cooperation Agency



Concept of Investment Promotion Program Loan

Policy Area	1st Fiscal Year	2nd Fiscal Year	3rd Fiscal Year
Policy A (Ex. Business procedure)	•Action A	•Action A'	•Action A''
Policy B (Ex. Human resource)	•Action B	•Action B'	•Action B''
Policy C (Ex. Small scale infrastructure)	•Action C	•Action C'	•Action C''



A5. Skill Development Expert (Under TNIPP)

◆ Project Description :

- 1) to contribute to accommodate urgent needs of skilled labour generation in manufacturing sector of Tamil Nadu by providing training programs
- 2) to cross the bridge between private companies with state authorities on skill development, so as to develop and implement demand-based training program

◆ Background :

- Though TNIPP monitoring and discussion, the government of Tamil Nadu expressed its vigorous strategy to expand skill development program, as a response to continuous request from industries and a solution against high unemployment rate.
- JICA is preparing Japanese expert team dispatch from September 2015, based on the result of JICA preliminary survey conducted in 2014

◆ Project Period :

September 2015 – October 2016 (14 months)

◆ Expert Field :

- 1) Training Management & Networking,
- 2) Welding, and
- 3) Machining

Collaboration with Japanese companies to be sought such as provision of facility and trainees



A6. The Project on Improvement of Chennai Port Operation (under TNIPP)

◆ Project Description :

Technical support to improve operation of Chennai Port and other associated port facilities for reduction of transit time and efficient cargo transaction. Project components are (1) improvement of port operation, (2) introduction of IT system, and (3) establishment of Port Plan.

◆ Background :

- Chennai port is one of the most important cargo gateway in CBIC region, and enhancement of its efficient operation is a key for promoting manufacturing in CBIC region.
- Foreign investors (incl. Japanese) request to improve of port operation such as reduction of lead time (e.g. 3 days within port out of total 4.5 days transportation period from cargo arrival to Bengaluru)

◆ Project Period :

July 2014 – June 2016 (24 months)

◆ Achievement :

Processing time at port gate is decreased by 50%.

Number of queuing trailers outside the port is decreased by 70%.



Queue of Waiting Trailers

Background

To increase foreign investments in line with “Make in India” policy, Investment environment should be improved in the following area:

- Lack of Land for Industrial Area
- Lack of infrastructure in Industrial Area (Road, Water, Electricity)
- Maintenance of Industrial area by investors
- Time spending the investment application procedure
- Lack of skilled labor

Program Outline

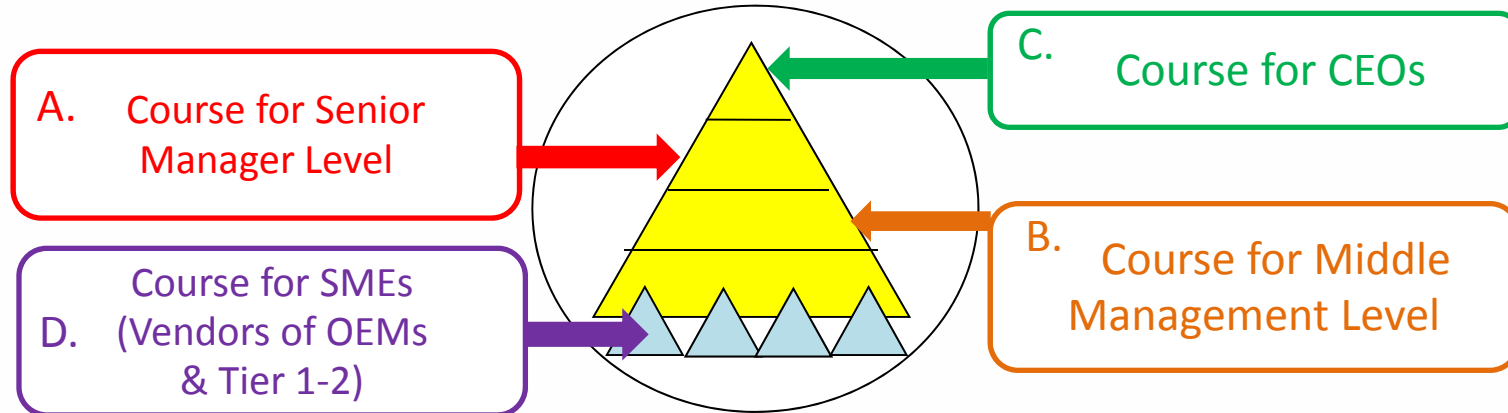
1. Promoting Small Scale Critical Infrastructure Project
(Access road, Electricity Substation, Water supply facilities, etc.)
2. Improving administrative procedures for setting up of business
3. Improving land acquisition procedures
4. Improving maintenance of industrial area
5. Setting up model industrial park with global standard
6. Developing human resource (skilled labor)

A8. Project on Champions for Societal Manufacturing (CSM)

[Technical cooperation/Ongoing]

◆ Project Duration : April 2013 – March 2016 (3 years)

1. National Integrated Human Resource Development Program in Manufacturing by Creating Visionary Leaders through four(4) courses



2. Implementation with collaboration of Government, Industry and Academia

