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Contents

JICA Extends Its Cooperation to Strengthen India-Japan Relationship

- Project Update
 - Signed 9 Loan Agreements with the Government of India to Strengthen India-Japan Relationship
- Project Update and Events/Workshops
 - Signed a Loan Agreement to Support Small and Medium-Sized Enterprises in India
 - Signed a Loan Agreement to improve housing loan access for low-income households in India
 - JICA Volunteers Deployed to Improve Rugby in India
- **Events/Workshops**
 - JICA Bolsters Mobility by Inaugurating Kolkata East West Metro Line 2
 - Organized International Workshop on "Impact of Crop Diversification on Farmer's Income and Food Security"
- 4 Events/Workshops
 - JICA Promotes Sustainable Forest Management by Enhancing Capacity of Forestry Sector Officials
 - Supporting Capacity Development for Railway Safety in India

Project Update

Signed 9 Loan Agreements with the Government of India to Strengthen India-Japan Relationship



Mr. Katsuo Matsumoto, Chief Representative, JICA India signed the ODA Loan Agreements in New Delhi

On March 27, 2020 JICA signed nine ODA (Official Development Assistance) loan agreements with the Government of India amounting to a total of 3, 74,440 million Japanese Yen (approximately Rs. 24,608 Crore). The signing ceremony took place in New Delhi.

Agreement Signing Date	Project Name	Amount (million Japanese Yen)	(Approximately INR Crore*)
March 27, 2020	Dedicated Freight Corridor (DFC) Project (Phase 1) (IV)	1,30,000	8,553
March 27, 2020	Project for Ecosystem Restoration in Gujarat	13,757	905
March 27, 2020	Madhya Pradesh Rural Water Supply Project	55,474	3,650
March 27, 2020	Project for Community- Based Forest Management and Livelihoods Improvement in Meghalaya	10,397	680
March 27, 2020	Mumbai Trans-Harbour Link Project (II)	66,909	4,400
March 27, 2020	Mumbai Metro Line 3 Project (III)	39,928	2,620
March 27, 2020	Ahmedabad Metro Project (II)	13,967	910
March 27, 2020	North East Road Network Connectivity Improvement Project (Phase 4)	14,926	980
March 27, 2020	Project for Pollution Abatement of Nag River in Nagpur	29,082	1,910

Note: The conversion rate is Rs. 1 = JPY 1.52.

Events/Workshops

Signed a Loan Agreement to Support Small and Medium-Sized Enterprises in India

On March 27, 2020, JICA signed a 10 billion yen loan agreement (approximately INR 690 crore) with Indian Non-Banking Financial Company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance) to help provide funds to micro-entrepreneurs and small and medium-sized enterprises (SMEs) through Private Sector Investment and Finance (PSIF). Mahindra Finance shall lend an equivalent amount in low-income and special category states. This loan will be provided through co-financing with the Sumitomo Mitsui Banking Corporation (SMBC) based on the Facility for Accelerating Financial Inclusion in Asia (announced March 27, 2020).

SMEs in India play a vital role in the country's economy. They make up 31 percent of the gross domestic product and 45 percent of exports, employing 124 million people (approximately 10 percent of the population). This loan from JICA will help Mahindra Finance expand its lending to SMEs in low-income and special category states. It will contribute not only to sustainable economic growth, but also to even regional disparity, thus meeting SDGs (Sustainable Development Goals) 8 and 9.

Signed a Loan Agreement to improve housing loan access for low-income households in India

On March 27, 2020, JICA signed a US\$75 million loan agreement (approximately INR 570 crore) with PNB Housing Finance Limited ("PNB Housing"), (an Indian Housing Finance Company registered with the National Housing Bank, promoted by Punjab National Bank, a Government of India owned entity) for the purpose of providing affordable housing to low income households in India. This loan will be provided through co-financing with the Citibank based on the Facility for Accelerating Financial Inclusion in Asia (announced March 27, 2020).

In India, housing shortages are a serious challenge. 275 million people (about 22% of the total population) are currently unable to acquire quality housing, and 90% of the housing shortages are for low-income households. India is faced with rapid urbanization: it is estimated that the urbanization rate will be about 40% by 2030. Hence, the improving access to housing for low to medium income households in urban areas is also important. In addition to that, under the current circumstance of lockdown, there is a concern that low income households will be negatively affected on its financial status.

This loan from JICA will further expand avenues for low-income housing loans in India through financing, thereby improving the lives of low-income households and promoting sustainable economic growth in the country.

JICA Volunteers Deployed to Improve Rugby in India



Mr. Katsuo Matsumoto, Chief Representative, JICA India, with the new 8 Rugby coaches

On February 17, 2020, JICA dispatched 8 more volunteers to India, as rugby coaches in Odisha to build capacities and improve sport competencies in the country. The Japan Overseas Cooperation Volunteers (JOCV) aim to promote international cooperation through the exchange of knowledge, by working as a bridge between India and Japan. With these new volunteers, the JICA Volunteers in India now count to the total of 28, in as many as 10 states which are Telangana, Karnataka, Tamil Nadu, Odisha, Himachal Pradesh, Gujarat, Delhi, West Bengal, Uttarakhand and Andhra Pradesh.

The eight new JOCVs are sent through the university partnership program between JICA Kansai Center and Doshisha University. The program aims at the promotion of rugby as well as the sound development of youth through rugby in India. Simultaneously, the program is expected to foster the international perspectives among the Doshsiha students and people to people exchange between the students of two nations. Until 2024, Doshisha University will send their students to India as rugby coaches once a year for 1 month

Speaking on the occasion, Mr. Katsuo Matsumoto, Chief Representative, JICA India said, "We understand the importance of deploying JOCVs in India and aim to enhance development of the country through this initiative. The JOCV program promotes mutual development and international

Events/Workshops

goodwill by strengthening ties between the two nations. We believe this cooperation with the Indian Rugby Football Union, will act as a stepping stone to accelerate growth of sports in India. Besides rugby, JOCVs are catalyzing development in India by facilitating income generation activities for farmers, enhancing swimming skills for students and building Japanese language proficiency so that both countries could work together closely. Our goal is to contribute as much knowledge as we can to India, in each and every sphere of growth and development, thereby leveraging cross-country ties through mutual learning."

JICA Bolsters Mobility by Inaugurating Kolkata East West Metro Line 2

On February 13, 2020, JICA inaugurated the Kolkata East West Metro Line 2, for which system and rolling stocks have been funded by JICA. It is a 5.7 km stretch connecting Sector V with Salt Lake Stadium. This new train will have six coaches and would run at a maximum speed of 80 km/hr, double the speed limit of 40 km/hr of the existing North-South Metro.

Speaking on the occasion, Mr. Katsuo Matsumoto, Chief Representative, JICA India said, "We recognize the need for a well-developed transport infrastructure and are pleased to finance metro system in Kolkata. The metro is well planned as a part of the integrated urban transportation of the city and the alignment covering the core districts of economic and cultural activities as well as interconnected with other transportation mode JICA's cooperation will lead to the modal shift from road traffic to public transport system and will eventually lead to balanced regional development and improvement of environmental conditions."



1The dignitaries flagging off the stretch of Line 2 of the Kolkata Metro

Organized International Workshop on "Impact of Crop Diversification on Farmer's Income and Food Security"



Mr. Katsuo Matsumoto addressing the audience at the workshop

February 10-12, 2020, the International Workshop on "Impact of crop diversification on farmer's income and food security", held in Dharamshala, Himachal Pradesh (HP) was organized by the JICA-supported HP Crop Diversification Promotion Project and Ministry of Agriculture and Farmer's Welfare, Agriculture Department of HP in close coordination with JICA.

The objective of the workshop was to deliberate on the innovations in the agricultural sector and share learnings/experiences from similar JICA projects. The theme of the workshop focused on impact of crop diversification on farmer's income andassess the level of food security, assess the impact of climate change on agriculture and so on. 120 participants representing from 10 states and overseas countries attended the workshop which included the policy makers, technocrats and the executing agencies of the projects funded by JICA in India and South Asian Region.

Speaking on the occasion, Mr. Katsuo Matsumoto, Chief Representative, JICA India said, "The JICA ODA loan project is being implemented in 210 sub projects consisting of lift irrigation scheme, flow irrigation scheme spread across five districts viz Hamirpur, Kangra, Mandi in Himachal Pradesh for promoting sustainable crop diversification, development and rehabilitation of minor irrigation facilities benefitting 14,356 farm household and creating 370 self-help groups. The Project is ensuring large number of direct and indirect rural employment opportunities. We understand the need to introduce technological solutions in the sector, given that India's farm yield is 30-50% lower than that of developed nations. We aim to improve farming techniques, thereby facilitating higher incomes for farmers and farm dependent communities."

Events/Workshops

JICA Promotes Sustainable Forest Management by Enhancing Capacity of Forestry Sector Officials

From January 20 to 28, 2020, JICA invited 15 senior officials from the Ministry of Environment, Forest and Climate Change (MoEFCC) and State Forest Departments who have been involved in JICA-assisted forestry projects to visit Japan for training. This is the second batch of a three-year country focused training program on Sustainable Forest Management and Integrated watershed management that targets mid-senior level officials in MoEFCC and state forest departments.

Mr. Vineet Sarin, Chief Development Specialist, who led the group said, "The delegation had detailed interactions regarding forestry projects in India and learnt best practices in forestry from Japan. The program also helped in forming mutual understanding of challenges and opportunities in forestry sector both in Japan and India. During the program, officials from India developed immediate action plans to adopt and adapt in their respective projects. The program helped in customizing solutions to deal with challenges faced by project leaders and facilitators. In the long-run, the project leaders can implement these solutions and benefit from these learnings."

Supporting Capacity Development for Railway Safety in India



The Indian and Japanese side during the discussion at the JCC Meeting

On January 15, 2020, JICA and Ministry of Railways (MOR), Government of India (GOI) held the 3rd Joint Coordination Committee (JCC) meeting for Technical Cooperation (TC) project of Capacity Development on Railway Safety to discuss the achievements so far and entail future activities. The said TC project commenced in December 2018, being jointly implemented by Indian and Japanese side, is expected to result in enhancement the capacities of the Indian Railways (IR), Dedicated Freight Corridor Corporation of India Limited (DFCCIL) and Commission of Railway Safety (CRS) with regard to safety in railways network. The Indian railway network is one of the largest in the world, therefore maintenance of the safer and reliable operations is of utmost priority.

Speaking on the occasion, Mr. Katsuo Matsumoto, Chief Representative, JICA India Office said, "JICA expert team and Indian officials had detailed intensive discussions during the training programs conducted in Japan last year. During these training programs, Indian officials came forward in preparation of the safety Action Plans to improve quality of maintenance work in respective fields. It is hoped that these training program in Japan would contribute to bring the safe environment in India and future action plans would be functionally implemented to promote safe operations and appropriate maintenance in Indian Railway."

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