



Mainstreaming Disaster Resilience into Infrastructure Projects

Insights from India's National Infrastructure Pipeline

Finance for Resilient Infrastructure Programme (FRIP)

Background

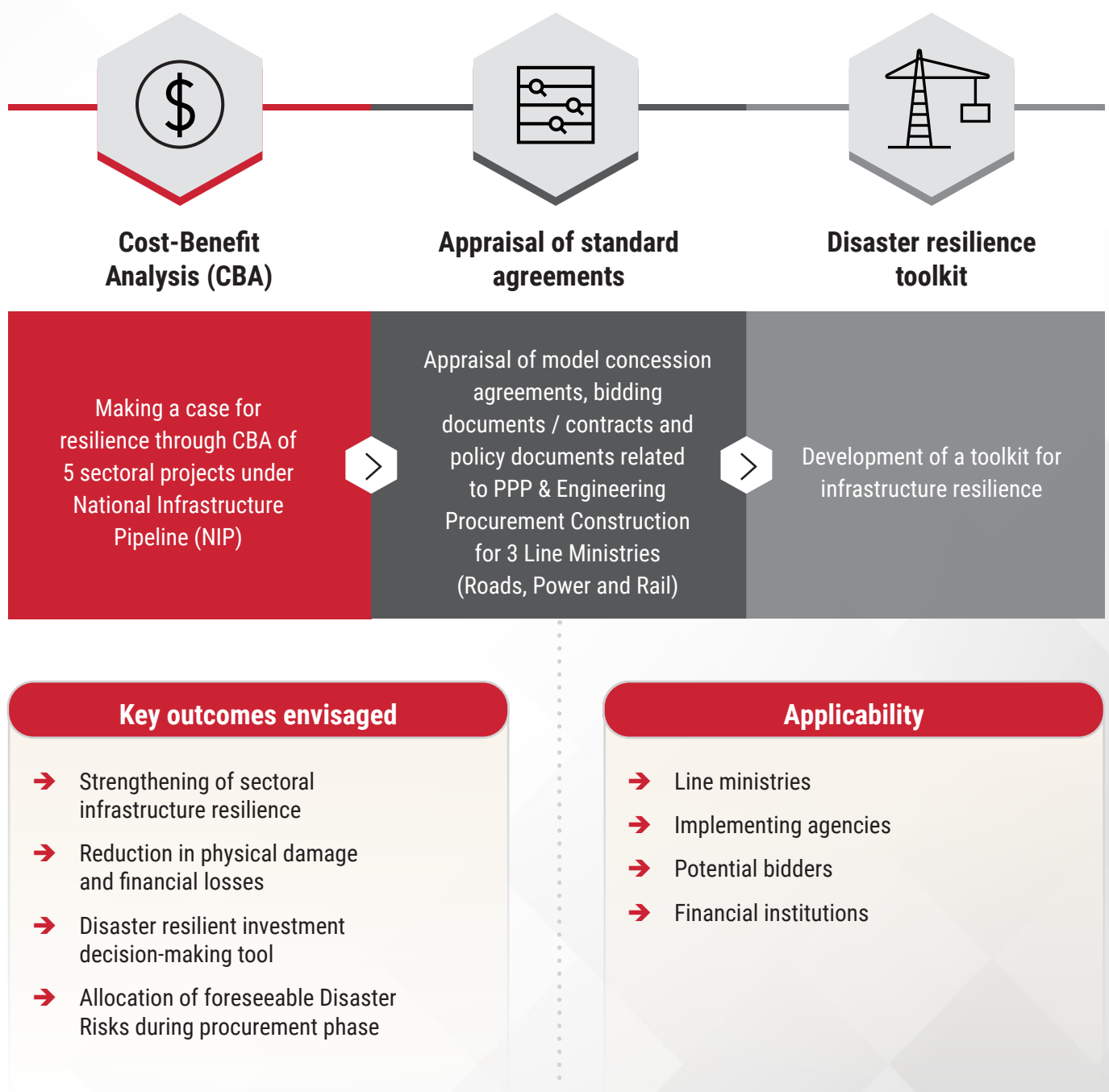
The world is facing more frequent and extreme weather events and natural hazards.

The Coalition for Disaster Resilient Infrastructure's GIRI model estimates the average annual loss (AAL) in India for infrastructure assets, including buildings, which stands at US\$ 31.59 billion for the existing climate scenario.

CDRI, in partnership with the Government of India's Department of Economic Affairs (DEA), Ministry of Finance, and other Line Ministries, is supporting projects within India's National Infrastructure Pipeline to incorporate disaster and climate resilience considerations.

Objective

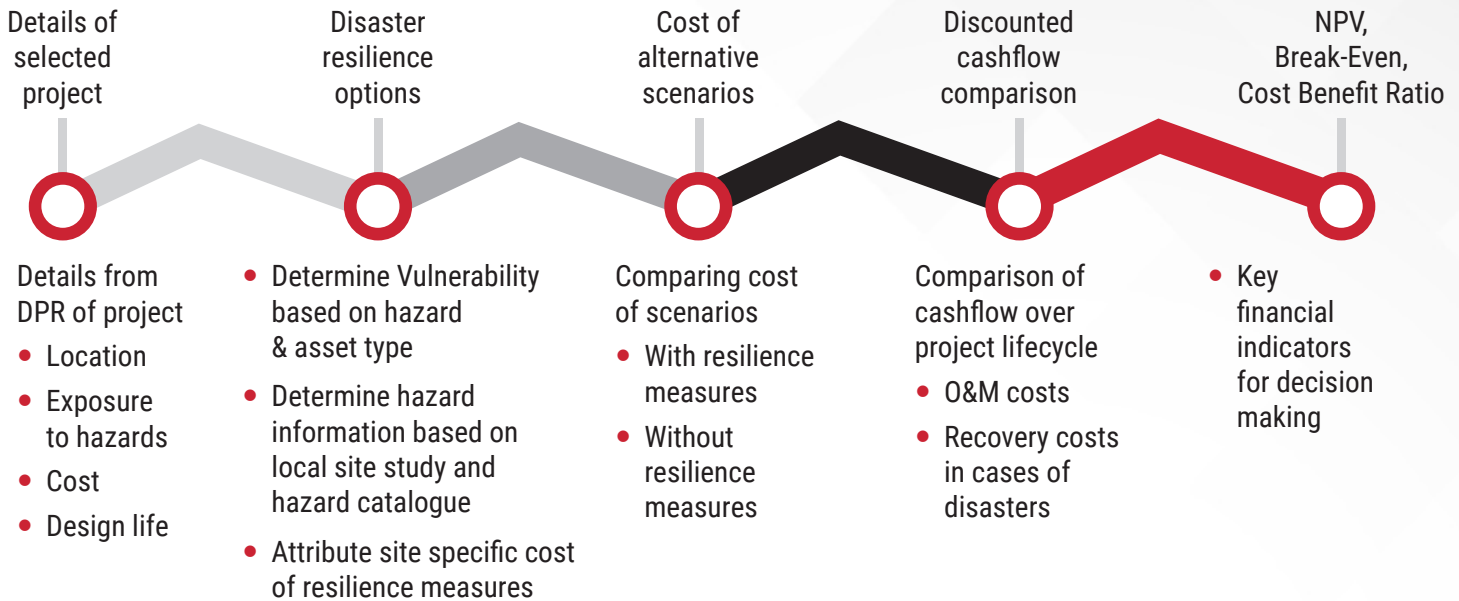
Mainstreaming disaster resilience in infrastructure projects in India



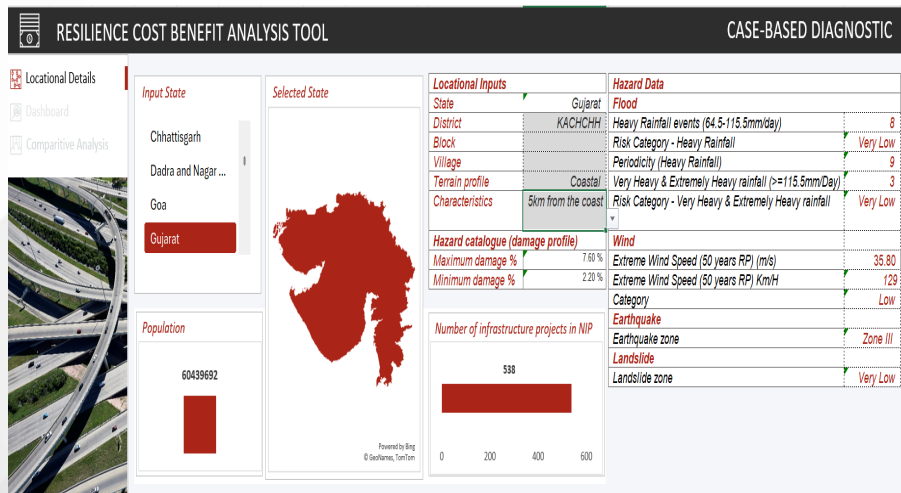
Resilience Cost-Benefit Analysis tool

Making a case for resilience at project scale through CBA tool

Method



Illustrative Dashboards



CBA tool – Dashboard

It showcases key financial indicators to determine the incorporation of resilience measures

- NPV of all future cashflows
- Absolute savings on recovery/reconstruction needs for incorporation of resilience measures
- Break-even point for additional investment
- Cost-benefit ratio

Incorporating resilience in policy and contractual considerations

Focus area



Appraisal of standard contractual documents for resilience gaps

- ➔ Model concession agreements
- ➔ Procurement guidelines
- ➔ Service agreements



Identify gaps and provide suggestions in indicative sections for

- ➔ Incorporating **risk-sharing in model agreements**
- ➔ Defining force majeure clauses for EPC and PPP modes of implementations

Standard documents to be studied



Road sector: Revised standard EPC agreement of national highways and centrally-sponsored road works proposed to be implemented on EPC mode



Railway sector: Standard EPC tender document for single stage two packet system



Power sector: Revised guidelines and standard bidding documents for procurement ISTS through TCB process

Preparing a disaster resilience toolkit to guide incorporation of resilience measures

| Disaster resilience toolkit | List of resilience measures | Guidance document for evaluation and project development | |
|-----------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Content | List of resilience measures to be included in SBD's/MCA's | Incorporating disaster risk considerations in project identification and appraisal | To guide preparation of project proposals that include disaster resilience goals |
| 1. Owner | Line ministries and DEA | Line ministries and DEA | DEA, line ministries and potential bidders |
| 2. User | Line ministries, DEA, implementing agencies and potential bidders | Line ministries | Potential bidders |
| 3. Applicability | Project and bid evaluation; project funding | Navigate the toolkit Locations in standard documents to incorporate resilience | Guidelines on preparing disaster resilience proposal |
| 4. Outcome | Disaster risk management; resilient projects | Disaster resilient standard agreements with defined responsibility sharing | <ul style="list-style-type: none"> Winning bids achieving resilience goals in infrastructure projects Increased eligibility for funding |

Content of the Toolkit

Part 1: List of resilience measures for bidding and contractual documents

Suggested modifications into standard documents with focus on clauses related to

- Maintenance
- Defect liability
- Force Majeure
- User Safety
- Insurance & more

Part 2: List of design options for asset resilience

Structural / Engineering design options for the three infrastructure sectors based on

- National &
- International best practices

Part 3: Project identification and appraisal guidance document for line ministries

1. Resilience check list for line ministries
2. Applicability
3. User manual for RCBA tool

Part 4: Project proposal preparation guidance document for potential bidders

1. Resilience check list for potential bidders
2. Applicability
3. User manual for RCBA tool

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