

EXECUTIVE SUMMARY

1. **Background.** The Infrastructure Development Investment Program for Tourism Financing Facility (the Facility) will develop and improve basic urban infrastructure and services in the four participating states of Himachal Pradesh, Punjab, Uttarakhand and Tamil Nadu to support the tourism sector as a key driver for economic growth. It will focus on: (i) strengthening connectivity to and among key tourist destinations; (ii) improving basic urban infrastructure and services, such as water supply, road and public transport, solid waste management and environmental improvement, at existing and emerging tourist destinations to ensure urban amenities and safety for the visitors, and protect nature and culture-based attractions. Physical infrastructure investments will be accompanied by: (iii) capacity building programs for concerned sector agencies and local communities for better management of the tourist destinations and for more active participation in the tourism-related economic activities, respectively.
2. Mandi town subproject Package No. HPTDB/15/1 is one of the subprojects proposed under the program. Mandi district (earlier known as Mandavya Nagar) is one of the central districts of Himachal Pradesh state in northern India. The town has mythological and historical significance and boasts of unique temple architecture as a town owing to its establishment in early 1500s. It is referred to as 'ChhotiKashi' or 'Varanasi of the Hills' as there are many ancient temples in the city and on the banks of river Beas. The Beas flows through the town and hills, which makes this town more scenic.
3. **Executing and implementing agencies.** The executing agency is the Dept. of Tourism and Civil Aviation, HP. Project Management Unit (PMU) is set up at Shimla to coordinate the overall execution. Project Management Consultant (PMC) at Shimla provides assistance to PMU in execution. The implementing agency is Project Implementation Unit (PIU), to be supported by Design Supervision Consultant (DSC). The asset owner is the District Municipal Administration.
4. **Categorization.** Mandi town subproject Package HPTDB/15/1 is classified as Environmental Category B as per the SPS as no significant impacts are envisioned. Accordingly this Initial Environmental Examination (IEE) has been prepared and assesses the environmental impacts and provides mitigation and monitoring measures to ensure no significant impacts as a result of the subproject.
5. **Subproject Scope.** The major scope of this subproject as per Summary Concept Report (SCR). 5 - Package No. HPTDB/15/1 are: (i) conservation proposals for prominent heritage structures including rehabilitation/adaptive reuse proposals, where required; (ii) creation of heritage walks; and (iii) upgrading historic urban precincts and major access roads to the historic core by providing public facilities.
6. **Description of the Environment.** Subproject components are located in Mandi town area or in its immediate surroundings which were converted into agricultural and urban use for many years ago and there is no natural habitat left at these sites. The subproject components will be located in government-owned sites, public road rights-of-way (ROW) and community managed forest that are not declared as protected areas. There are no protected areas, wetlands, mangroves, or estuaries in or near the subproject locations.
7. **Environmental Management.** An environmental management plan (EMP) is included as part of this IEE, which includes (i) mitigation measures for environmental impacts during implementation; (ii) an environmental monitoring program, and the responsible entities for

mitigating, monitoring, and reporting; (iii) public consultation and information disclosure; and (iv) a grievance redress mechanism. A number of impacts and their significance have already been reduced by amending the designs. The EMP will be included in civil work bidding and contract documents.

8. Locations and siting of the proposed infrastructures were considered to further reduce impacts. The concepts considered in design of the subproject are (i) design, material and scale will be compatible to the local architectural, physical, cultural and landscaping elements; (ii) preference will be given to the use of local material and labour as best as possible; (iii) for conservation, local construction material available in the nearby region as best as possible suiting to those in existence; (iv) all painting (interior and exterior) will be with environment-friendly low volatile organic compounds paints; (v) for retaining wall repair works, random rubble masonry will be used, with locally available stone to be laid in cement mortar by local skilled labour; (vi) earth backfill, if any will be done from the site excavated material; and (vii) ensuring all planning and design interventions and decisions are made in consultation with local communities and reflecting inputs from public consultation and disclosure for site selection.

9. During the construction phase, impacts mainly arise from the need to dispose of moderate quantities of waste soil; and from the disturbance of residents, businesses, and traffic. These are common impacts of construction in urban areas, and there are well developed methods for their mitigation. Measures such as conducting work in lean season and minimizing inconvenience by best construction methods will be employed. In the operational phase, all facilities and infrastructure will operate with routine maintenance, which should not affect the environment. Facilities will need to be repaired from time to time, but environmental impacts will be much less than those of the construction period as the work will be infrequent, affecting small areas only.

10. Mitigation measures have been developed to reduce all negative impacts to acceptable levels. Mitigation will be assured by a program of environmental monitoring to be conducted during construction. The environmental monitoring program will ensure that all measures are implemented, and will determine whether the environment is protected as intended. It will include observations on- and off-site, document checks, and interviews with workers and beneficiaries. Any requirements for corrective action will be reported to the ADB.

11. The stakeholders were involved in developing the IEE through discussions on-site and public consultation, after which views expressed were incorporated into the IEE and in the planning and development of the subproject. The IEE will be made available at public locations in the town and will be disclosed to a wider audience via the ADB and Himachal Pradesh Department of Tourism websites. The consultation process will be continued and expanded during project implementation to ensure that stakeholders are fully engaged in the project and have the opportunity to participate in its development and implementation.

12. The citizens of Mandi town area will be the major beneficiaries of the project. The most noticeable net environmental benefits to the population of the town will be positive and large as the proposed subproject will improve access to reliable and adequate tourism facilities.

13. **Consultation, Disclosure and Grievance Redress.** Public consultations were done in the preparation of the project and IEE. On-going consultations will occur throughout the project implementation period. A grievance redress mechanism is described within the IEE to ensure any public grievances are addressed quickly.

14. **Monitoring and Reporting.**The PMU, PIU, PMC and DSC will be responsible for environmental monitoring. The PIU with support from the DSC will submit monthly, quarterly and semi-annual monitoring reports to the PMU. The PMU will consolidate the semi-annual reports in assistance of PMC and will send it to ADB. ADB will post the environmental monitoring reports on its website.

15. **Conclusions and Recommendations.**The proposed subproject is unlikely to cause significant adverse impacts. The potential impacts that are associated with design, construction and operation can be mitigated to standard levels without difficulty through proper engineering design and the incorporation or application of recommended mitigation measures and procedures. Based on the findings of the IEE, there are no significant impacts and the classification of the subproject as Category “B” is confirmed. No further special study or detailed environmental impact assessment (EIA) needs to be undertaken to comply with ADB SPS, 2009 or Government of India EIA Notification, 2006.