

**Title: Gujarat Sub-Projects Financial/Economic Analysis**

**Date:** 2010

**Client:** World Bank

**Country / Region:** India

CEPA is providing consultancy services on a World Bank assignment in Gujarat that includes:

- a financial analysis of the level of sustainable debt of the ten Urban Local Bodies (ULBs) involved in the Gujarat Infrastructure and Institutional Development project; and
- an ex-ante appraisal of the capital development infrastructure investment sub-projects of the ten ULBs.

CEPA is responsible for the completion of two distinct tasks:

- A debt sustainability analysis of the ULBs' municipal finances. The analysis will estimate the sustainable level of debt that for the ULBs based on their current and projected financial position and the debt burden implied by their investment plans under the Gujarat Infrastructure and Institutional Development project.
- Calculate the Economic Rate of Return of the sub-projects identified in the ULBs' investment plans. There are about 21 infrastructure sub-projects across the ten ULBs, spanning roads, water supply, sewerage and sanitation, slum improvement, storm water drainage, etc. This activity would assess the financial and economic costs and benefits of the sub-projects.

For both components of work, we would develop detailed scenario analyses. The outputs of the assignment are the relevant financial models/ spread-sheets and a report. The assignment also includes a field visit to Gujarat to interview stakeholders, collect relevant data, etc.

**Links:**

- World Bank