

# **Investing in Rural Roads as Part of Rural Development: Project-Level Observations**

Observations from the  
Bahawalpur Rural Development Project Completion Mission  
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# Project summary

Punjab Province, Pakistan

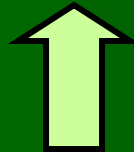
3 districts: Bahawalpur, Bahawalnagar,  
Rahim Yar Khan

\$64.8 million

1996-2008

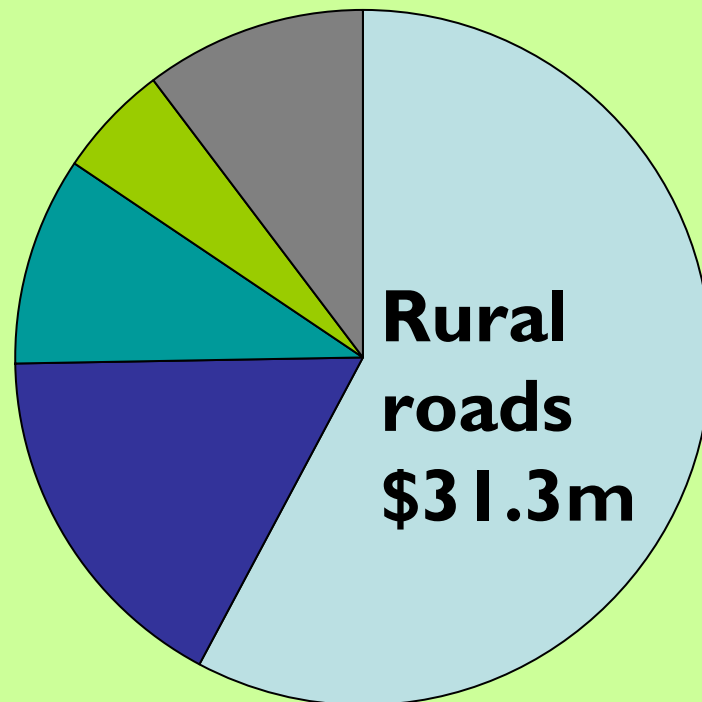
# Expectations

**Poverty reduction** in the Project area



Increase **rural incomes, employment and quality of life** through improvements in infrastructure services, agricultural productions and economic/market activities

# Five components



- Rural Roads
- Watercourses
- Small-scale Infrastructure
- Electrification
- Institutional Strengthening

# Rural roads

## Main road

widen one  
existing FMR

(60km)

## Link roads

90

(180km)

## Farm to market roads

10

(160km)

Selection criteria

# Selection

**EIRR**

**Remoteness**

**Poverty**

**Community**

**Environment**

but not...

Connectivity

Rural growth

Production

Land use

# Results

**Main road**

(60km)

**Link roads**

(268km)

**+ 98 km**

**Farm to  
market  
roads**

(246km)

**+ 86 km**

Impact? Sustainability?  
Target area? Target group?

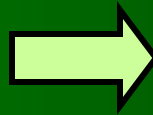
# Comparing **EIRR**

Source	EIRR(%)
Project appraisal	18.0
PMU completion report	23.4
ADB draft completion report	8.5

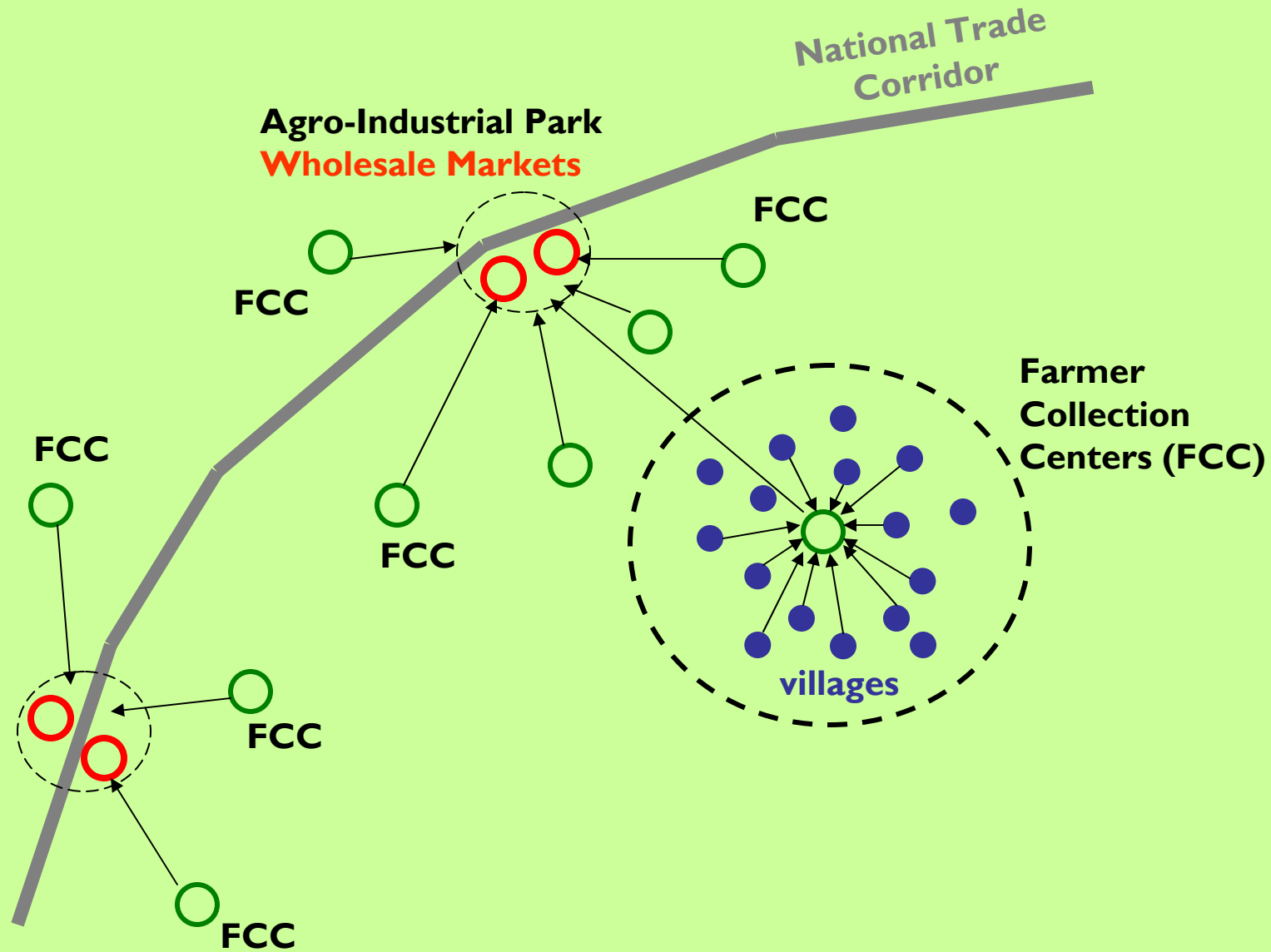


# Paradigm shift?

Traditional  
rural  
development  
approach



Rural  
economy  
approach  
?



# Questions, more questions...

Better **targeting**? Direct and indirect **channels** of effect? **Bundling** of investments? **Value chain** development? **Management** of rural road investments? **Demand driven** approach? **Community** participation?

Look at rural roads in the context of the  
**rural economy**

Think about the location of rural roads and other necessary  
complementary investments in terms of:

**increasing opportunities** for the  
rural economy and **choices** for poor rural  
communities