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(ii) Export Credit	DM 182.00 million (Rs. 141.30 crores) Corresponding to matching portion of Government to Government soft loan for projectised imports by way of mixed financing in equal proportion.
(iii) Technical Assistance programme	DM 42.00 Million (Rs. 32.61 crores) 100% Grant
<p>(b) The agreement has been signed for an advance commitment of DM 74.5 million (Rs. 57.84 crores). For the balance amount, Agreement is likely to be signed shortly.</p> <p>(c) The loan amount would be utilised for</p>	
(d) (i) Soft Loan :	The terms are 0.75% rate of interest with 50 years repayment including grace of 10 years.
(ii) Export Credit :	It is provided on commercial terms and interest rate is subject to a ceiling of 10% with repayment period of about 10 years.
(iii) Technical Assistance Programme :	It is 100% Grant.

The assistance is made available to India after signing to the agreements.

#### Flow of Concessional Aid to Developing Countries

1616. SHRI S.B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether India and other developing countries have shown concern over the decline in concessional aid flows to the developing countries at the meeting of the World Bank and IMF in Washington on April 14 and 15, 1988;

(b) if so, the other points mentioned by India at the meeting; and

(c) to what extent the World Bank and IMF agreed to points raised by India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). At the Spring meetings of the World Bank and the IMF, India expressed concern over the trends in the flow of development assistance, and the adverse impact of these trends on the growth of developing countries. It was stressed that these disturbing trends need to

be reserved if the problem of poverty is to be tackled on any systematic and sustained basis, and indicated that there is need to consider innovative approaches, for financing projects which have a direct impact on poverty alleviation.

At the Development Committee, a joint Ministerial Committee of the World Bank and IMF, Ministers reiterated their commitment to support the low income countries in their development and adjustment efforts, and stressed the need for larger concessional flows. The Development Committee agreed to discuss, at the Annual IMF-World Bank meetings in September 1988, the adequacy of resource transfers to all developing countries and requested a report on this issue to facilitate their deliberations.

#### Cottage Insurance Scheme

1617. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have a plan to introduce cottage insurance scheme in the States;