

**GOVERNMENT OF INDIA  
EXTERNAL AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:3609

ANSWERED ON:07.08.2002

WORLD BANK LOAN TO PAK

CHANDRA NATH SINGH;NARESH KUMAR PUGLIA;NEDURUMALLI JANARDHANA REDDY;RAMJILAL  
SUMAN;SADASHIVRAO DADOBA MANDLIK;SUSHIL KUMAR INDORA;T.M. SELVAGANAPATHI

**Will the Minister of EXTERNAL AFFAIRS be pleased to state:**

- (a) whether the World Bank has sanctioned a loan to the Pakistan Government to develop Pakistan occupied Kashmir which it has referred to as Azad Jammu and Kashmir as reported in the 'Economic Times' dated July 11, 2002;
- (b) if so, the facts of the matter reported therein;
- (c) whether the Government have taken up the matter with the World Bank; and
- (d) if so, the response of the World Bank thereto?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH)

(a) & (b) Recently, the World Bank Board of Directors approved a loan package to support Pakistan's reform programme. This included a loan of \$ 20 million for 'Community infrastructure and services project credit' in POK.

(c) At the time of the discussion at the World Bank Board in December 2001, on Pakistan's Interim Poverty Reduction Strategy, Government of India had raised objection over the use of the word 'Azad Jammu Kashmir' in the document. It was stated that the so called 'Azad Jammu Kashmir' refers to sovereign Indian territory under the illegal occupation of Pakistan. The Government does not recognise the existence of any such region by this name.

(d) On December 3, 2001, the World Bank management issued a disclaimer, wherein it was clarified that the World Bank doesn't intend to pass any judgement on the legal or other status of the territory to which the aid was granted.