GOVERNMENT OF INDIA FINANCE LOK SABHA

UNSTARRED QUESTION NO:2681 ANSWERED ON:16.03.2007 AID PACKAGE BY ADB Khaire Shri Chandrakant Bhaurao

Will the Minister of FINANCE be pleased to state:

- (a) whether the Asian Development Bank (ADB) has proposed to double its aid package to more than \$ 2.5 billion annually to the country within next three years and also to support Bharat Nirman and other infrastructure projects in various key sectors such as energy including power, rail freight corridor, roads and highways;
- (b) if so, the details thereof;
- (c) whether any agreements between ADB and the respective Ministries have been signed;
- (d) if so, the amount of aid to be provided by ADB for all these sectors, project-wise; and
- (e) the progress made so far in completing these projects?

Answer

MINISTER OF THE STATE FOR FINANCE (SHRI PAWAN KUMAR BANSAL)

- (a) & (b) Government of India and Asian Development Bank have tentatively finalized the ADB's Country Strategy Program for 2007-2009. The ADB will make efforts to increase its lending to India from US \$ 2.45 billion in 2007 to US \$ 2.65 billion in 2008 to US \$ 2.85 billion in 2009. The loans are in sectors identified by the Government of India to combat poverty through infrastructure- led growth. Nearly 77% of the three-year program focuses on core infrastructure projects including Transport (National Highways, State Roads, Rural Roads, Railways and Urban Transport); Urban (Water and Sanitation, City Development, Municipal Reform); and Energy (Power Sector Reforms, Transmission and Distribution, Hydropower). The Rural Roads component is a part of the Govt.'s Bharat Nirman.
- (c) & (d) No Sir. The finalization of ADB's annual loan portfolio is done each calendar year (2007, 2008 and 2009) in consultation with the line Ministries and State Governments.
- (e) Does not arise.