

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:844

ANSWERED ON:12.11.2010

WORLD BANK ASSISTANCE FOR DEVELOPMENT OF URBAN INFRASTRUCTURE

Chaudhary Shri Jayant

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Government has sought external assistance of US\$ 5.3 billion dollars from the World Bank for the development of urban infrastructure, urban water sanitation and urban transport;

(b) if so, the details thereof;

(c) whether these funds have been allocated;

(d) if so, the focused areas thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI SAUGATA ROY)

(a) to (e): Ministry of Urban Development had sought World Bank assistance of US \$ 5.3 billion for development of Urban Infrastructure, Urban Water and Sanitation and Urban Transport consistent with the principles of Jawaharlal Nehru National Urban Renewal Mission(JNNURM). The areas in which the assistance was sought inter-alia included the management and finance of municipal service delivery (water, sanitation, etc.), urban transport in mission cities, preservation of heritage assets from city wide perspective, local governance, credit enhancement for cities to access capital markets, capacity building etc. The Department of Economic Affairs (DEA) recommended the proposal to the World Bank for loan assistance of up to US \$ 1 billion to be delivered during Bank's financial year 2011.

A series of discussion on the proposal with the World Bank have been held and the emerging outline of the proposed World Bank assistance is not exactly as per the JNNURM Scheme and the Ministry has now proposed to Department of Economic Affairs that the World Bank assistance would not be in the shape of support to JNNURM but could be used for a stand-alone project for creation of water supply infrastructure in select cities.