

**GOVERNMENT OF INDIA  
EXTERNAL AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:1247

ANSWERED ON:21.03.2012

UK AID TO INDIA

Rao Shri Nama Nageswara

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

- (a) whether there is a wave of comments from the UK demanding an end to aid to India;
- (b) if so, the details thereof and the stand of India in this regard;
- (c) whether the Government has asked the UK Government to give prior intimation of any decision to cut the aid; and
- (d) if so, the details thereof and the reaction of UK Government thereto?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SMT. PRENEET KAUR)

(a) to (d) Some recent media reports in UK have questioned the appropriateness of UK Government continuing to provide development aid to India. India-UK development cooperation has focused on programmes in the social sectors, such as education, health, poverty alleviation etc. The bilateral programme has contributed also through capacity building, exchange of best practices, knowledge sharing and sharing of technology and technical expertise. However, in the wake of media reports in the middle of 2010 suggesting that the UK Government would reduce its aid to India, the Finance Minister, in reply to a supplementary of a Rajya Sabha Starred Question on 17.08.2010, had stated that the contribution of the external assistance to our total GDP is 0.4 per cent. He also, inter-alia, mentioned that India has conveyed to UK that before they decide to discontinue the aid, India should be kept informed so that India can voluntarily suggest to UK that the aid is not required. Following the meetings of Finance Minister and Mr. Andrew Mitchell, Secretary of State for International Development, UK in September 2010 and November 2010, the policy relating to future direction of India-UK development partnership from 2011-12 to 2014-15 was under discussion between the two countries. This has been finalized by the two sides in July 2011 after extensive consultations. As part of this policy, UK Government has committed to provide the development assistance to the extent of £1120 million (Rs.8,735 crores as per the current exchange rate of £1=Rs.78/-) from 2011-12 to 2014-15. The Finance Minister and Mr. Andrew Mitchell, Secretary of State for International Development of UK also had a discussion on February 09, 2012 on the present bilateral development partnership and both ministers expressed satisfaction with the progress of developmental cooperation activities which is mutually beneficial to the two countries.