

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:6588
ANSWERED ON:16.05.2012
DROPPING OF ARUNACHAL PROJECT BY ADB
Viswanathan Shri P.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the Asian Development Bank's (ADB) Arunachal Project has been dropped due to Chinese objections;
- (b) if so, the details thereof;
- (c) whether the Union Government shall fund the project from its own resources;
- (d) if so, the details in this regard;
- (e) whether the Government has taken up this matter with the Board of Members of ADB; and
- (f) if so, the details thereof and the outcome thereto?

Answer

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

(a) to (f) In March 2009, China objected to the Asian Development Bank giving technical assistance funding for a Flood and River Erosion Management Project in Arunachal Pradesh under India's Country Partnership Strategy (CPS) 2009-12. India made it clear that the ADB is not authorized to evaluate any proposal on grounds other than economic grounds and that ADB is not a forum for a discussion of territorial issues. The India CPS 2009-12 was subsequently approved. There has been no change in policy regarding multilaterally funded projects in various sectors or states including Arunachal Pradesh. To clarify Government's position in this regard, on 6 March 2010, Ministry of Finance issued a Press Release stating that India has made no commitment to any one including to the World Bank that India would not pose projects pertaining to Arunachal Pradesh for funding from any Multilateral Development Bank.