

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3420
ANSWERED ON:01.08.2014
INFRASTRUCTURE PROJECTS IN ARUNACHAL PRADESH
Patil Shri Shivaji Adhalrao;Yeddyurappa Shri B. S.

Will the Minister of FINANCE be pleased to state:

- (a) Whether certain projects funded by external agencies like World Bank and the Asian Development Bank (ADB) had stopped funding to the infrastructure projects in Arunachal Pradesh during the recent time, if so, the details thereof and the reasons therefor;
- (b) The reaction of the Government thereon;
- (c) The number of projects likely to be affected thereby; and
- (d) The other steps taken by the government to mobilize funds for infrastructure development of Arunachal Pradesh?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN):

(a) & (b) Funding for none of the activities that were ongoing with ADB financing was stopped. However, during the deliberations on the Country Partnership Strategy (CPS) in 2009, difference arose on the reference to Arunachal Pradesh in the CPS. Government held the view that the territorial status of any part of the country was not open to discussion in forums such as ADB, and therefore, Government decided not to pursue projects in critical border areas with Multilateral Development Banks and took a view that the funding for such projects/areas could be done through our own resources.

(c) & (d) Development of infrastructure in the State of Arunachal Pradesh is a continuous process with the respective Ministries/Department, through mobilization of domestic financing for such projects.