

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1964
ANSWERED ON:04.08.2000
WORLD BANK LOAN TO INFRASTRUCTURE PROJECTS
AVTAR SINGH BHADANA

Will the Minister of FINANCE be pleased to state:

- (a) whether the World Bank has resumed the financing of Indian infrastructure projects, particularly in Uttar Pradesh ;
- (b) if so, the details regarding the financial loan has been provided, alongwith fiscal reforms and power sector restructuring programmes which have been fixed in the `human needs` category ; and
- (c) the details of the terms and conditions in this regard have been reached relating to the loan in favour of Uttar Pradesh Government ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

a) & b): After May 1998, as a result of G-7 sanctions, the World Bank initially approved only those projects seen as supporting basic human needs. Four projects relating to Highways & Power, which were negotiated prior to May 1998, were not presented to the World Bank Board. One of these projects (IREDA -II) has since been approved in June 2000. The other three have not yet been approved. The AP Power Project was approved by the World Bank Board in February 1999. The following projects have been approved during the current year 2000-2001 upto June 2000:

No. Project Names	(Data provisional)	
	Figures in US \$ Mln.	
	IBRD	IDA
1 AP Dist. Poverty	111	
2 Immunization Strengthening Pro	142.6	
3 Rajasthan District Poverty	100	
4 TA for Economic Reform	45	
5 UP Fiscal Reforms	126.27	125
6 UP Health Development Project	110	
7 UP Power Sector Reform	150	
8 TA for Telecom Sector	62	
9 National Highway	516	
10 IREDA II	80	50
Total	934.27	683.6
	1617.87	

There is no formal definition of basic human needs, which is applied by the World Bank.

c) As per the normal terms and conditions applicable to loans of the World Bank, Government of India will be borrower and will on-lend to Government of Uttar Pradesh under standard additional central assistance terms.