

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1187

ANSWERED ON:29.11.2006

NEW INFRASTRUCTURE POLICY

Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Singh Shri Kirti Vardhan

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government has any proposals to introduce New Infrastructure Policy as reported in the Hindi daily Navbharat Times dated October 08,2006;
- (b) if so, the details thereof and the reasons therefor;
- (c) the time by which it is likely to be introduced; and
- (d) the steps taken by the Government to fix norms for honest and fair contracts for different works under this Policy?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) to (d): Infrastructure is critical for improving the productivity and enhancing the competitiveness of the economy across all sectors. Infrastructure development requires huge resources. This would require a very significant scaling up of investment from the public as well as private sectors. While public investment in infrastructure would continue to increase, the role of public private participation (PPP) needs to expand significantly to address the existing deficit in infrastructure services

With a view to creating an enabling environment that would improve predictability, mitigate risks for PPPs, and reduce transaction costs and time, Government is creating appropriate institutional mechanisms and modernizing the policy and regulatory framework. Among other aspects, this includes standardizing and streamlining of documents, processes and procedures including the use of Model Concession Agreements.