

EXTERNAL ASSISTANCE

This Annexure gives in brief, the nature and magnitude of assistance in the form of loans, grants and commodities received from friendly foreign countries and International Organisations. The estimates of receipts of external assistance and of repayments of principal and interest payments during the years 1997-98 and 1998-99 are summarised in the following table:—

(In crores of Rupees)

	B.E.1997-98	R.E.1997-98	B.E. 1998-99
A. Loans*	9899.35	8086.94	9994.09
B. Cash Grants	994.35	1057.99	955.00
C. Commodity Grant Assistance	105.77	111.76	98.92
(i) Food	...	...	...
(ii) Others	105.77	111.76	98.92
D. Total(A+B+C)	10999.47	9256.69	11048.01
E. Repayments:			
(i) Loans	7464.45	6885.50	7657.53
(ii) Trust Fund	...	...	...
(iii) Special Credit	...	...	...
F. Total	7464.45	6885.50	7657.53
G. External Assistance (Net of Repayments)	3535.02	2371.19	3390.48
H. Interest Payments			
(i) Loans	4746.10	4150.12	4191.87
(ii) Trust Fund Borrowings	...	...	...
(iii) Special Credit	...	...	...
I. Total	4746.10	4150.12	4191.87
J. External Assistance (Net of Repayments and Interest Payments)	-1211.08	-1778.93	-801.39
<i>* Includes receipts under Revolving Fund</i>	<i>53.50</i>	<i>198.19</i>	<i>283.08</i>

Two statements viz. Statement 1 showing the receipts and repayments of external loans and Statement 2 showing the grants and commodity assistance are appended to this Annexure.

A brief write-up on the assistance extended by different countries and organisations is given in the succeeding paragraphs.

I. AUSTRALIAN DEVELOPMENT ASSISTANCE TO INDIA

1. In October, 1990, two agreements on bilateral cooperation were signed with the Australian Government. These were: (i) Agreement on Development Cooperation, and (ii) MOU relating to the Small Activity Scheme. Australian aid to India is extended under the aegis of the above agreements.

2. Details of ODA expenditure (for previous years) and outlook (current Year) for India are as under:

(In A \$ million)

Year	Disbursement amount
1993-94	15.8
1994-95	20.4
1995-96	24.3
1996-97	21.7
1997-98	20.0 (expected)

The programme is designed to assist India to help meet our priority development needs while fostering mutually beneficial economic links in areas where Australia has specialist expertise and internationally competitive technology. The on-going development cooperation projects are as under:

1. Drivers Training Railways Project (A \$ 5.455 m)
2. Waste Management Project, Hyderabad (A \$ 6.752 m)

3. Smelter Complex Development (Plant A) (A \$ 3.70 m)
4. UNICEF Primary Education (A \$ 10.435 m)
5. Keshopur Sewage Treatment Plant (A \$ 0.887 m)
6. Mines Safety Training Programme (A \$ 2.60 m)
7. IATCB (A \$ 12.0 m).

Apart from the above, Goa also provides training in Australia under ASTAS Programme.

II. AUSTRIA

1. The Government of Austria have so far extended fifteen credit lines amounting to A.Sch. 1560.98 million for financing capital goods of Austrian origin. This also includes food aid amounting to A. Sch. 26 million given to India in December 1976. The credits extended are repayable in 20 years with a grace period of not more than 10 years.

2. An agreement for A.Sch. 120 million was signed in December 1991 of which a small balance of A.Sch. 7.84 million is left. The validity of the Agreement expired in December, 1996.

III. BELGIUM

1. Belgium has been extending financial assistance to India since 1962-63. The assistance was in the form of supplier's credit upto 1965-66. Since 1966-67, Govt. to Govt. credits in the form of project and non-project assistance for import of capital goods and commodities have also been made available. Since 1985, the Belgian assistance has been on mixed financing pattern.

2. The 20th State to State Credit agreement with the Belgian Govt. was signed on 30th March 93 for an amount of BFr 250 million. This is to be used for partial financing of import of capital and industrial goods and services from Belgium, to the extent of 42% of the import cost. The balance 58% is to be met through other sources including supplier's commercial credit provided by Belgium. The Belgian State to State Credit to India is interest-free and is repayable over 30 years including 10 years grace period.

3. The total Belgian assistance extended to the Govt. of India upto 31st March 97 is NIL.

IV. CANADA

The Canadian assistance is extended entirely in the form of grant since 1st April, 1986. The assistance is provided by Canada through its agency, namely, Canadian International Development Agency (CIDA). The on-going CIDA assisted Bilateral Project are indicated below:—

1. India-Canada Agricultural Extension Project.
2. KSEB Power Sector Improvement.
3. Oil Seeds Project Phase-II.
4. Rajasthan Agricultural Drainage Research Project .
5. India-Canada Environment Facility Project.
6. India-Canada Cooperation Office.
7. India-Canada Institutional Cooperation Project.
8. Tree Growers Cooperative Project.
9. CII-Environmental Management Project
10. Capacity Development of Revenue Administration Project.
11. Energy infrastructure Services Project.
12. Facilitation of Private Sector Development Project.

V.DENMARK

1. India has been receiving Danish aid since 1963. Upto 31.3.97, a total of Dkr 5613.62 million has been committed by Denmark which includes loans and grants. Additionally, during 97-98 (upto Dec.) Govt. of Denmark has committed to provide DKr 158.12 million grant through new agreements that have been signed in the field of health, non-conventional energy sources and agriculture sector.

2. Danish aid is mainly in the form of grant available for tied imports related to specific projects and also for local cost projects. The projects are basically for poverty alleviation in the State of Orissa, Madhya Pradesh, Karnataka, and Tamilnadu. Technical assistance is also made available in the form of grants. Besides, a grant assisted Private Sector Development Programme (PSD) is also under operation to support longterm collaborations between Danish and Indian business enterprises. There is also a mixed credit line for IREDA's project.

3. Total disbursement (including Financial & Technical Assistance) for the year 1997 upto December has been Dkr 81 million (Source: Royal Danish Embassy). During the current year (April-Dec.97) GOI has utilised Dkr 25.5 million of Danish grant through its budget (IAG not included) while during 1996-97 an amount of Dkr 36.9 million was received through the GOI budget from DANIDA.

VI. FEDERAL REPUBLIC OF GERMANY

Germany is India's second largest bilateral donor. For the year 1997-98, the German Government has committed an amount of DM 862.5 million as bilateral assistance as under:

(i) Financial Assitance		
(a) Fresh Commitment for 96-97	DM	290 million
(b) Reprogrammed Funds	DM	69.8 million
(c) Commercial Credit under Second Window	DM	450 million
(ii) Technical Assitance (As Grant)	DM	52.7 million
		DM 862.5 million

Out of the amounts under (a) above, DM 100 million will be used as Grant and the remaining amount as Soft Loan.

2. The actual aid disbursed during 1997-98 till January 1998 is DM 177.8 million (excluding TC) and this amount also includes DM 88.8 million which has been disbursed directly to the implementing agencies by Kfw i.e. outside Government of India budget.

3. Following project agreements have been signed so far with the German Government during the current financial year:

(i) Residential Schools, Rajasthan	DM 18 million	5.6.97
(ii) Pulse Polio Immunisation	DM 50 million	5.6.97
(iii) Watershed Development-II	DM 25 million	20.6.97
(iv) Railway Signalling	DM 185 million	1.8.97
(v) HUDCO-VI	DM 50 million	31.10.97
(vi) NABARD-VII	DM 35 million	5.2.98
		DM 363 million

VII. FRANCE

1. Government of France started extending economic assistance to India in 1968 and total French assistance from April 1968 to January 96 amounted to FF 14951 million. French assistance in the form of mixed credits have been utilised for various sectors like Power, Coal, Railways, Petroleum & Natural Gas and Mining, Agriculture, Water supply etc.

2. French assistance is tied to projects and to imports of French goods and services. Grant assistance has been restricted to a few value technical cooperation projects. French assistance is mainly in the form of mixed credit with soft treasury loan and export credit at OECD consensus rates of interest. The mix varies from year to year depending on the interest rate and the level of concessionality.

3. The Protocol for 1997-98 is for an amount of FF 125 million against 1997 IDF commitment of FF 250 million.

4. The Indo-French Protocol 1997 was signed on the 25th January, 1998 for an amount of FF 125 million for projects in the sectors of Mines, Health, Infrastructure, Agriculture etc. Fifty percent (50%) of the assistance is being extended out of the Treasury Loan at an interest rate of 0.47% to be repaid in 30 years which includes a grace period of 10 years. The balance amount is being extended by the French Credit Insurance Company (COFACE) on commercial terms to be repaid within 10 years. The interest rate for the normal Treasury loan has been lowered from 1.09% (Protocol 1996) to 0.47%.

5. As regards disbursement during 1997-98 (till 31st January, 1998) an amount of FF 309.447 (Rs.189.88 crore) have been utilised.

VIII. HUNGARY

Government of Hungary had offered an assistance in the form of credit of US Dollar 200 million to the Government of India on 7-7-1989. The credit carried an interest rate of 4.5% p.a. The credit lapsed unutilised on 31st December, 1994. At present, there is no bilateral development cooperation programme with Hungary.

IX. ITALY

1. Italian assistance is available for specific projects and is generally tied to the financing of Italian goods and services. Under the 1991-93 Protocol, the Italian commitment was for Lira 60 billion in grants and Lira 180 billion in soft loans. The soft loan carried interest at 1.5% per annum repayable over 20 years including a grace period of 10 years. In the years from 1992 to 1995, approximately Lira 42 billion in soft loan and Lira 26 billion in grants have been actually disbursed.

2. Under the general Technical Cooperation Agreement concluded in 1981, Italy had also agreed to provide technical assistance grants on tied basis.

3. During the Indo-Italian cooperation meeting of June 1996, the Italian side committed soft loan upto an overall amount of Lira 100 billion out of which Lira 50 billion would be devoted towards establishing an open credit line with NSIC for financing supplies of capital goods and related technical assistance for the development of the Indian small and medium enterprises. The remaining amount can be used for financing projects in the priority sectors of (a) Water Treatment, (b) Environmental Protection and Infrastructure with positive Environmental Impact and (c) Medium Enterprises Development. The soft loan will be highly concessional (80% grant element).

X. JAPAN

1. Japan is India's largest bilateral aid donor. The committed loan amount under OECF loan package 1997-98 for the projects listed below is Yen 132.725 million.

Project Name	Yen Million (Maximum Amount)
1. Simhadri and Vizag Transmission System Project	10.629
2. Srisaillam Left Bank Power Station Project (III)	14.499
3. Dhauliganga Hydroelectric Power Plant Construction Project (II)	16.316
4. Bakreswar Thermal Power Station Project (II)	34.151
5. Tuticorin Port Dredging Project	7.003
6. Punjab Afforestation Project	6.193
7. Madhya Pradesh Sericulture Project	2.212
8. Manipur Sericulture Project	3.962
9. Rengali Irrigation Project	7.760
10. The Small Scale Industries Development Program VI	30.000

2. Japan also gives grant aid of about 3-4 billion on an annual basis. The details of the ongoing grant aided projects are as under:

Name of the Projects		Amount	Date of closing
1.	Construction of Nizamuddin Bridge		
	Phase II Term I	2778.000	31.3.98
	Term II		
	Term III		
2.	Increasing Food Production (KR II)	500.000	31.3.98
3.	Eradication of Poliomyetitis	768.000	31.3.98
4.	Tamil Nadu Science & Technology Centre for establishment of Planetorium in Trichy	50.000	31.3.98
5.	Debt Relief	251.071	31.3.98
6.	Construction of Dredger for Fishing Ports	1248.000	18.12.98
7.	Kalawati Saran Children Hospital New Delhi-Phase-II	494.000	18.12.98
8.	Institute of Child health & Hospital for Children	667.000	31.3.98

XI. KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT

1. The Kuwait Fund for Arab Economic Development has been extending economic assistance to India since 1976. So far the Fund has extended eight credits for an aggregate value of KD 92.300 million for the following projects:

(KD million)

(a)	Kalinadi Hydro-Electric project Stage-I	15.000
(b)	Kopili Hydro-Electric project	9.400
(c)	Anpara Thermal Power Project Stage-I	16.000
(d)	Anpara Thermal Power Project (Coal Transportation) Stage-II	9.000
(e)	Thal Fertilizer Project	14.300
(f)	South Bassein Project	14.600
(g)	Kalinadi Hydro Electric Project Stage-II	7.000
(h)	Kerala Fisheries Development Project for Prawn Culture	7.000
Total		92.300

2. So far credits at (a), (c), (d) and (e) have been fully utilised and that for Kopili Hydro Electric Project has been drawn down to the extent of KD 8.938 million and for South Bassein Project to the extent of KD 11.615 million and the loan accounts closed.

3. Out of the eight loans mentioned above, credits at (a) to (f) carry interest at the rate of 3.5% and a service charge of 0.5% per annum. The credits at (g) and (h) carry interest at the rate of 4.5% and a service charge of 0.5% per annum. The first five loans are repayable in 25 years including an initial grace period of 5 years. The loan for South Bassein Project is repayable over a period of 20 years including 4 years grace period. The credits at (g) and (h) are for 20 years including 5 years grace period.

XII. NETHERLANDS

1. The Netherlands has been extending economic assistance to India since 1962-63 in the form of general purpose credits, debt relief assistance, supplier's credits (Financial Export Credits) and grants. The grants consist of financial assistance grant are mainly for local cost expenditure and technical assistance.

2. The major sectors in which the Netherlands assistance is received are Environment, Drinking water supply, Irrigation and Water Transport.

3. The Netherlands Govt. provides assistance under an annual cash ceiling. Upto 1991, this commitment amounted to Dfl 200 mln, which was divided into loans and grants on roughly 50:50 basis. The loans were repayable in 30 years with 8 years grace period and carried an interest rate of 2.5% per annum. From 1992 onwards, the assistance is completely in the form of grants and balance against earlier loan commitments will be disbursed out of grant funds.

4. The disbursement during 1996-97 was Dfl 49.77 mln. including a macro economic support of about Dfl 32.654 mln. This macro economic support was used for cash reimbursements against part of repayments of principal and interest amounts made by Govt. of India in 1996-97, against earlier loan obligations.

5. During 1997-98 (April-January) the disbursement has been Dfl 50.62 million including ORET Gujarat Health Care Project of Dfl 14.935 million.

6. The Netherlands Govt. also provided ORET grants to Govt. of India to subsidize costs of import of selected capital goods from the Netherlands upto 40% of the total cost. There is a similar scheme called MILIEV which can be used while importing items that have a positive contribution to protection of environment.

XIII. NORWAY

1. Norwegian assistance to India commenced in 1952 and the first project to be taken up was the Integrated Development of Fisheries (Kerala). Since 1972, Norway has been extending a grant under their country programme. The assistance increased from NOK 35 million in 1972 to NOK 175 million in 1986. The amount pledged at the IDF in 1995 was NOK 45 million. After 1995 Norway would not pledge any specific amount under the country programme at the IDF. However, India will have access to regional and global funds on a case to case basis.

2. Earlier approximately 40 to 50% of the aid was available for local cost financing in the social sector. The balance was meant for technical and commodity assistance from Norway. After 1992, there was a shift from social sectors to sectors which promote institutional and industrial cooperation. Thus the percentage of assistance routed through the budget decreased substantially. The areas of cooperation agreed upon during the annual consultation and the productive sector. We have recently been informed that henceforth the focus of Norwegian assistance will be on primary education, child labour and environment.

3. The total assistance committed by the Norwegian Government since 1972 is NOK 1366.84 million upto 1996. The total amount disbursed was NOK 77.167 million upto 1997.

XIV. OPEC FUND FOR INTERNATIONAL DEVELOPMENT

1. The OPEC Fund for International Development was established by OPEC member countries with the object of reinforcing financial co-operation between OPEC member countries and other developing countries by providing financial support to the developing countries in their economic and social developmental efforts.

2. The Fund has so far extended Fourteen loans for a total sum of US \$ 218.800 million. While the first loan was for balance of payments support the subsequent thirteen loans are for various developmental projects.

3. The remaining thirteen loans are for the following projects:

(US \$ in millions)

(1) Bombay High Off-Shore Development Project	14.000
(2) Korba Thermal Power Project	20.000
(3) Ramagundam Thermal Power Project Stage-II	20.000
(4) Second Bombay High Off Shore Project	30.000
(5) Second Ramagundam Thermal Power Project	30.000
(6) Railway Modernisation Project	22.500
(7) Fertilizer (Rehabilitation Projects)	7.000
(8) Line of Credit to NABARD	8.000
(9) Rewa Hospital Project M.P.	10.000
(10) Basti District Hospital Project	6.500
(11) Raichur District Hospital Project	9.000
(12) Kerala Rainfed Farming Dev. Project	10.000
(13) Shimla Sewerage Project	10.000
Total	197.000

4. Credits at Sl. Nos. (1) to (5) carry no interest but only a service charge of 0.75 per cent per annum & are repayable over a period of 20 years including an initial grace period of 5 years. The credits at (6) for the Railway Modernisation Project, is repayable in 14 years including a grace period of 4 years with interest rate of 3% and service charge of 1%. The credits at Sl. No. (7) to (10) are for 17 years including a grace period of 5 years with interest at the rate of 2% and service charge at 1% per annum. The credits at Sl. No. 11 & 12 are for 17 years including a grace period of 5 years with interest at the rate of 2.25% and service charge of 1%. The Credit at Sl.No.13 is for 17 years including a grace period of 5 years with interest at the rate of 2% per annum with an annual service charge of 1% on amounts withdrawn and outstanding.

XV. SAUDI FUND FOR DEVELOPMENT

1. Saudi Fund for Development, an autonomous legal entity, was set up with the object of providing loans for developmental projects in developing countries; and has so far extended four credits for a total value of S.Riyals 769.200 million for the following projects:

(S.R. in million)

(a) Srisailam Nagarjunasagar Power Project.	353.000
(b) Koraput-Rayagada Railway Project.	103.200
(c) Ramagundam Thermal Power Project.	172.000
(d) Jawaharlal Nehru Port Trust Project.	141.000
Total	769.200

2. While the first and fourth loan carry an interest rate of 4 per cent per annum, the second and third loan carry 3 per cent per annum. All these loans are repayable over a period of 20 years including an initial grace period of 5 years.

XVI SWEDISH ASSISTANCE

1. **Background**—India has been a recipient of Swedish Assistance since 1964. The Swedish Government extends assistance through SIDA (Swedish International Development Agency). The total assistance committed upto December, 1996 was SEK 5748.7 million. Since the Swedish financial year has been changed to January-December, from the year 1997, the Swedish financial year 1995-96 was extended by six months upto December 1996 with an additional allocation of SEK 150 million

2. **Flow of Swedish Assistance**—50 per cent of the assistance was earlier routed through UNICEF. SIDA has indicated that in future they would prefer to route the assistance directly through the budget since SIDA's involvement in these programmes is much more.

3. The Indo-Swedish Development Assistance Programme 1997-99—During the Annual Negotiations held in November 1996, an agreement was concluded between the two governments under which SEK 900 million has been made available for disbursements during the period 1997-99. Thus SEK 300 million will be made available annually during the Swedish financial year (i.e. from January to December). The priority areas are poverty alleviation including primary education and health, environment and energy efficiency.

XVII. SWITZERLAND

1. The Government of Switzerland has been providing assistance to India since 1964. Currently, Swiss aid is available both for capital goods imports and for local costs/technical assistance. The former is being funded through a mixed financing line and the latter through grants which are channelised through the Swiss Agency for Development Cooperation (SDC).

2. The line of mixed financing, the agreement for which was signed on 24.06.1991 has a Swiss Government contribution of 40% grants and 60% export credit given by a consortium of Swiss banks and provides 100% coverage of the contract value. It is valid upto June 1998.

3. During the current year (till Dec., 1997), local cost agreements totalling Rs.6.00 crores have been signed for (a) SERI-2000 and (b) Animal Husbandry Development Phase II- Orissa.

XVIII. UNITED KINGDOM

India is the largest recipient of British development assistance. The bilateral assistance from 1975 onwards comes fully in the form of Grants. The aid agency of the U.K. is Department for International Development which is a part of the Foreign & Commonwealth Office (FCO) and is headed by a Minister for Overseas Development.

The aid from U.K. flows to mutually agreed projects in various sectors viz. Education. Slum Improvement, Health and Family Welfare, Coal, Energy Efficiency (Power) and Forestry. The assistance comes in the following forms:—

(a) **Tied Grant Assistance:**— for goods and services of British origin for specific projects,

(b) **Local Costs Grant:**— which are given at present mainly for poverty alleviation and environment improvement programmes.

(c) **Technical Assistance Grant:**— through which project related and general consultancies, training and imports are financed.

(d) **Assistance under Aid and Trade Provision (AIP) Scheme:**— which helps British companies to win contracts in developing countries and

(e) **Commonwealth Development Cooperation (CDC):**— separately invests in India.

The bilateral development cooperation with UK is based on genuinely liberal principles guiding ODA assistance which has as its major objective-alleviation of poverty. U.K. is our largest grant donor and an increasing part of this aid goes for local cost expenditure in social sector projects.

During 1997-98 Grant agreement worth pds 66.905 mln were signed covering Education, Poverty Alleviation, Urban Improvement & Health sectors. The major projects which were signed are:—

- | | |
|---|--------------|
| 1) West Bengal District Primary Education Project | pds 37.710 m |
| 2) Karnataka Watershed Development Project | pds 4.488 m |

- | | |
|---|---------------------|
| 3) Cochin Urban Poverty Reduction Project | pds 11.469 m |
| 4) Orissa Health & Family Welfare Project Phase-III | pds 1.748 m |
| 5) Cuttack Urban Services Improvement Project | pds 11.490 m |
| | pds 66.905 m |

During the IDF meeting DFIO have committed to disburse pds 95 mln for the year 1997-98.

XIX. UNITED STATES OF AMERICA

1. The United States of America have been extending economic assistance to India since 1951. The assistance extended by the United States of America upto the end of 1997 amounted to \$ 7076 million (net of cancellation). This is made of:—

(In Million \$.)

Dollar Loans	4013
Dollar Grants	1789
Rupee Loans	502
PL480 Grants	772
Total	7076

The total assistance referred to above includes USAID's development assistance of US \$ 30.70 million authorised for US fiscal year 1997 which ended on 30th September, 1997 and covers the following 13(thirteen) Amendatory agreements, namely:

Sl. No.	Project	Grant Amount (US \$ million)	Date of Amendatory Agreement
1.	FIRE	6.32	2.5.97
2.	APAC	0.70	14.5.97
3.	CTD	0.47	14.5.97
4.	PACT	1.40	14.5.97
5.	QCHT	0.70	14.5.97
6.	TASP	1.70	14.5.97
7.	TEST	3.60	10.6.97
8.	ACE	1.50	22.5.97
9.	EMCAT	4.00	16.6.97
10.	TEST	0.35	14.8.97
11.	IFPS	4.80	8.8.97
12.	EMCAT	0.36	10.9.97
13.	PACT	5.40	8.8.97

Under PL 480 Title II programme, commodity grant assistance of US \$ 59.18 million (including ocean freight) has been received during US FY 1997 (Oct 96 - Sept. 97).

XX INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)

1. IBRD loans, though non-concessional, are available at relatively more favourable terms than commercial sources. The repayment period is at present 20 years, inclusive of a 5 year grace period. The interest rate is variable and revised semi annually in accordance with the Bank 's own cost of borrowing funds. The current rate of interest is around 6.54%. The commitment charge on undisbursed balance is at present 0.75%. A rebate of 0.5% is however, permitted for timely repayment of World Banks loans.

2. The total value of assistance extended by way of loans upto 31.12.1997 for which agreements were signed is around US\$ 21.227 billion. The commitments were against projects in various sectors like Irrigation, Power, Oil and Gas, Railways, Urban Development, Water supply, Transport, Fertilizer, Industry,

3. During the year 1997-98 (upto 31st December, 1997) agreements providing loans to the following new projects with a loan of value US \$ 626.50 million have been signed.

Name of the Project	Amount of Assistance (US \$ million)	Date of Agreement
AP III Irrigation Project (Ln.4166-IN)/Credit 2952-IN)	175.00	30.06.1997
APHM (Cr. No.2950-IN) State's Road Infrastructure	50.00	03.06.1997
Dev. Tech. Assistance Project	51.50	15.01.1997
Andhra Pradesh State Highway Project	350.00	30.07.1997
Total	626.50	

XXI. INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)

1. The International Development Association was established in 1960, as an affiliate of the World Bank to make concessional long term loans.

2. IDA assistance to India began in June 1961 and has been an important component of the external assistance programme. For the period ending 31st December 1997, IDA have extended credits to the Government of India for a total value of around US \$ 23.858 billion. The major sectors for which assistance is provided are:- Irrigation and Command Area Development, Agriculture, Transport, Fertilizers, Railways, Telecommunication, Population, Health and Nutrition, Urban Development, Water Supply and poverty elimination projects.

3. During the year 1997-98 (upto 31.12.97) IDA have extended credits amounting to US \$ 958.23 million for the following projects/programmes:

Name of the Project	Amount of Assistance (US \$ million)	Date of Agreement
T.B. Control	142.40	14.03.1997
Reproductive & Child Health Service	248.23	30.07.1997
Malaria Control	164.80	30.07.1997
AP III Irrigation Project (Ln. 4166-IN)/Credit 2952-IN)	150.00	30.06.1997
APHM (Cr. No. 2950-IN)	100.00	03.06.1997
RWDEP	50.00	23.09.1997
Environment Management Capacity Building Capacity Building Technical Assistance Project (Cr. No. 2930-IN)	50.00	14.03.1997
U.P. Forestry Project (Cr. No.3018-IN)	52.80	30.12.1997
Total	958.23	

XXII. ASIAN DEVELOPMENT BANK (ADB)

1. The Asian Development Bank (ADB) is a major regional institution and India needs to play a leading role in it. To this end, India's subscription to the ADB's capital stock is the fourth largest of all member countries after Japan, USA and the People's Republic of China.

2. Ever since its inception in 1966, India had voluntarily refrained from borrowing from the ADB. However, it was considered desirable to diversify the sources from which we receive concessional external assistance, and India started borrowing from ADB in 1986. The

total value of loans upto 31.12.1997 approved by ADB amounted to US \$ 7.007 Billion. The sectors for which loans have been extended by ADB are mainly Power, Petroleum, Ports, Railways, Roads, Telecommunications, Social (Urban Development). The loans approved for India during 1997-98 (upto 31.12.1997) were for the following projects :—

Housing Finance Project (NHB, HUDCO, HDFC)	US \$ 300.00 million
Mumbai-Chennai Port Project (Mumbi, Port & Chennai Port)	US \$ 113.00 million
LPG Pipeline Project (Gas Authority of India)	US \$ 150.00 million

XXIII. TRUST FUND

1. The Trust Fund, which is administered by the International Monetary Fund, Washington, had extended a loan in US Dollars equivalent to SDR 529.009 million (Rs.537.51 crore) in August 1980 to provide balance of payment assistance. The loan, repayable in ten semi-annual instalments beginning not later than the end of the first six months of the sixth year, has to be repaid in full at the end of the tenth year after the date of disbursement.

2. Interest on outstanding loan is paid semi-annually at the rate of one half of one per cent per annum on 30th June and 31st December each year.

XXIV. 1. EUROPEAN COMMUNITY (EC)

1. The EC has been extending economic assistance to India since 1976. The EC assistance to India is entirely in the form of grants and can be used to finance the rupee as well as foreign exchange cost of identified projects. In the area of Development Cooperation, the cumulative total of EC's financial and technical assistance since 1976 is around ECU 1.60 billion.

2. Presently, EC assistance is being provided to projects in the sectors of Watershed Management, Irrigation, Forestry and Education. Efforts are being made to obtain assistance in the areas like Health and Population Planning and Women's development, etc. The EC has also given assistance under EC food aid for Operation Flood III and other programmes. The food aid was provided in the form of butter oil and skimmed milk powder for Operation Flood III. There is an ongoing Education Sector Programme (District Primary Education Project) with a total contribution of ECU 150 mln.

3. The disbursement of EC assistance in respect of ongoing development cooperation was ECU 70.761 mln during 1996-97 and ECU 51.318 mln during April 97 to January 1998.

4. During 1996-97 a major sector programme on primary health worth ECU 200 Mln. has been signed by EC.

XXV. UNITED NATIONS FUND FOR POPULATION ACTIVITIES (UNFPA)

Commodity/cash grant assistance of the value of Rs.25.40 crore is expected to be received during the year 1997-98. Similar assistance to the tune of Rs.10.10 crore is also expected during the year 1998-99. The grant is intended to provide financial assistance to the Area Project in Bihar and Rajasthan on population and adult education studies, tree plantation & commodity assistance.

XXVI. UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Under this programme technical assistance is being received in the form of equipments, services of experts and training facilities for Indian personnel abroad.

During the year 1997-98 cash grant assistance to the extent of Rs.15.00 crore is expected to be received. Similar assistance of the value of Rs.10.00 crore is expected to be received during 1998-99. Commodity assistance to the extent of Rs.1.70 crore is expected to be received during 1997-98, while Rs.2.00 crore expected during 1998-99.

XXVII. UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND (UNICEF)

Cash grant assistance is received for training of I.C.D.S. functionaries, training of doctors and non-formal education for women and girls. The total quantum of cash assistance for these schemes and for assistance for ORI programme and universal immunisation programme during 1997-98 is expected to be around Rs.10.10 crore and Rs.11.00 crore during 1998-99.

Commodity assistance to the extent of Rs.73.00 crore was anticipated to be received during 1997-98 , while the same amount is expected during 1998-99.

XXVIII. WORLD HEALTH ORGANISATION (WHO)

Commodity assistance to the extent of Rs.20.00 crore is anticipated to be received during the year 1997-98. The same amount is expected during 1998-99 for the National Leprosy Control Programme and National Malaria Eradication Programme.

XXIX. UNITED NATION EDUCATION SCIENTIFIC CULTURAL ORGANISATION (UNESCO)

Cash assistance to the extent of Rs. 0.23 crore is expected to be received during 1997-98 and 0.21 crore is expected to be received during 1998-99.

Statement 1 External Loans

(In crores of Rupees)

Name of the Country/ Institutions	Receipts			Repayments		
	Budget Estimates 1997-98	Revised Estimates 1997-98	Budget Estimates 1998-99	Budget Estimates 1997-98	Revised Estimates 1997-98	Budget Estimates 1998-99
Multilateral						
I.B.R.D.	1889.77	2033.50	1527.29	3443.76	2827.47	3064.65
I.D.A.	3609.50	2866.50	4342.34	841.78	925.92	1102.60
I.F.A.D.	65.97	54.91	55.82	18.45	17.82	20.62
A.D.B.	1286.61	700.42	1000.85	258.24	304.27	338.54
E.E.C.(SAC)	...	...	...	1.74	1.44	1.59
O.P.E.C.	24.96	8.00	17.00	45.13	43.55	45.09
P.P.F. (WB)	19.61	10.00	10.00	...	...	...
Total (Multilateral)	6896.42	5673.33	6953.30	4609.10	4120.47	4573.09
Bilateral						
Abu Dhabi	...	...	...	...	...	...
Australia	1.79	1.79	...	2.25	2.25	2.49
Austria	...	...	...	11.79	10.71	9.69
Belgium	6.66	...	...	25.66	23.81	24.03
Canada	...	...	...	52.76	52.95	55.00
Czechoslovakia	...	...	...	4.28	4.28	4.28
Denmark	20.00	...	...	26.15	23.08	24.63
Germany	158.25	172.28	242.00	540.17	495.89	527.43
France	254.81	174.54	73.49	249.12	228.29	191.11
Italy	...	...	...	29.87	31.50	69.68
Japan	2534.79	2047.00	2703.30	824.98	790.15	885.24
Kuwait Fund	12.77	13.00	16.00	53.48	53.69	63.46
Netherlands	...	...	...	201.06	175.43	195.62
Saudi Fund	2.82	5.00	...	28.40	28.80	30.97
Sweden	...	...	...	19.70	20.86	156.89
Switzerland	11.04	...	6.00	29.10	26.71	26.60
Spain	...	...	...	...	...	15.95
U.K.	...	...	...	66.39	69.42	51.68
U.S.A.	...	...	...	474.82	507.30	534.60
Russian Federation	...	...	...	215.37	219.91	215.09
New Credits	...	...	...	...	...	...
Total (Bilateral)	3002.93	2413.61	3040.79	2855.35	2765.03	3084.44
Grand Total	9899.35	8086.94	9994.09	7464.45	6885.50	7657.53

Statement 2**Grants and Commodity Assistance from Friendly Foreign Countries and International Bodies.**

(YiU «= L"x In crores of Rupees)

Sl. No.	Name of the Country/ Institution	Budget Estimates 1997-98	Revised Estimates 1997-98	Budget Estimates 1998-99
Bilateral				
1.	Australia	...	...	...
2.	Canada	4.24	6.00	6.60
3.	Denmark	30.84	36.73	32.11
4.	France	10.39	3.00	3.46
5.	Germany	52.68	41.41	50.50
6.	Japan	105.85	202.40	100.00
7.	Netherlands	86.00	100.40	85.40
8.	Norway	9.78	29.90	12.60
9.	Sweden	68.67	59.39	45.62
10.	Switzerland	22.13	10.32	11.32
11.	U.K.	313.04	203.70	300.00
12.	U.S.A.	71.20	67.56	70.00
13.	New grants	...	...	...
14.	I.F.A.D.	...	1.00	...
15.	Netherlands Gr (WB)	...	3.00	...
16.	Swiss Gr (IDA)	...	20.00	10.00
17.	Japanese Grant (IDA & IBRD)	8.19	11.00	5.00
International bodies:				
18.	.D.F. Grant	2.16	4.00	...
19.	E.E.C.	167.36	224.51	195.00
20.	UNFPA	27.87	25.40	10.10
21.	UNDP	19.30	16.70	12.00
22.	UNICEF	80.35	83.10	84.00
23.	W.H.O.	20.00	20.00	20.00
24.	UNESCO	0.07	0.23	0.21
GRAND TOTAL		1100.12	1169.75	1053.92