

5. EXTERNAL ASSISTANCE

This Annexure gives in brief the nature of External Assistance being received from Multilateral and Bilateral Sources. The estimates of receipts of external assistance and repayments of principal and payment of interest during the years 2020-2021 and 2021-2022 are summarized in the following table:-

	<i>(In ₹ crores)</i>			
	Actuals 2019-2020	B.E. 2020-2021	R.E. 2020-2021	B.E. 2021-2022
1. Loans	63180.29	57557.00	118813.00	86022.00
2. Less-External Loans for State Projects	-20607.07	-15547.35	-29056.77	-43581.77
3. Net External Loans (1-2)	42573.22	42009.65	89756.23	42440.23
4. Cash Grants	367.97	400.00	671.00	637.00
5. Commodity Grant Assistance	5.00	412.00	750.75	110.00
6. Total(3+4+5)	42946.19	42821.65	91177.98	43187.23
7. Repayment of loans	33890.91	37388.00	35234.00	40926.00
8. External Assistance (Net of Repayments) (6-7)	9055.28	5433.65	55943.98	2261.23
9. Interest Payment on loans	9419.69	10178.00	9241.00	10617.00
10. External Assistance (Net of Repayments & Interest Payments) (8-9)	-364.41	-4744.35	46702.98	-8355.77

A brief write-up on the Assistance being extended by different countries and organizations is given below:

(A) MULTILATERAL SOURCES

1. WORLD BANK GROUP

The World Bank is one of the UN's specialized agencies. India has been accessing funds from the World Bank mainly through IBRD and IDA for various development projects.

(a) INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)

India is receiving assistance from International Bank for Reconstruction and Development (IBRD) since 1949. IBRD loans though non-concessional are relatively on favorable terms compared to commercial sources. IBRD Sovereign loans are primarily utilized for infrastructure, poverty alleviation, rural development and human resource development projects. IBRD aims to reduce poverty by promoting sustainable development, through loans, guarantees and non-lending services.

Some of the major on-going projects with IBRD assistance are North Eastern Region Power System Improvement Project, Capacity Augmentation of the National Waterway-1 (Jal Marg Vikas) Project, Maharashtra Project on Climate Resilient Agriculture, Atal Bhujal Yojana (ABHY)- National Groundwater Management Improvement Project and Program Towards Elimination of Tuberculosis etc.

(b) INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)

IDA is the concessional arm of the World Bank and plays a key role in supporting the Bank's poverty reduction mission. Now, India is out of the ambit of concessional Loans. Majority of the Projects being executed in our country are in Social and Education sector. Some of the ongoing projects includes National Cyclone Risk Mitigation, Bihar Kosi Basin Development Project, Himachal Pradesh Horticulture Development Project, Bihar Transformative Development Project - JEEVIKA II and Bihar Rural Roads Project etc.

2. ASIAN DEVELOPMENT BANK (ADB)

ADB is a major regional financial institution established in 1966 and India is a founding member of ADB. India started borrowing from ADB in 1986, to broad base our resources.

ADB's operations covers power, transport urban sectors financial institution sustainable livelihoods, skill development, etc. Some of the major on-going projects funding by ADB on Government account are Visakhapatnam-Chennai Industrial Corridor Development Program, MP District Connectivity Sector Project, Rural Connectivity Investment Program Project-3, SASEC Road Connectivity Investment Programme. Karnataka State Highways Improvement III Project and Madhya Pradesh Irrigation Efficiency Improvement Project etc.

ADB also provides sovereign guaranteed loans mainly to Power Sector CPSUs and Financial Institutions.

3. EUROPEAN INVESTMENT BANK (EIB)

EIB was established in 1958 under the Treaty of Rome to provide financing for capital investment. Some of the major on-going projects with EIB assistance are Bengaluru Metro Rail Project - Line R6 - A, Pune Metro Rail Project and Bhopal Metro Rail Project A.

4. NEW DEVELOPMENT BANK (NDB)

NDB has been established by BRICS (Brazil, Russia, India, China & South Africa) countries in Shanghai, China. At present, ten Projects are ongoing with assistance provided by NDB. Some of the major on-going projects with NDB assistance are Rajasthan Water Sector Restructuring Project for the Desert Areas, Madhya Pradesh Major District Roads II Project and Mumbai Metro Rail Project etc.

5. ASIA INFRASTRUCTURE INVESTMENT BANK (AIIB)

AIIB is multilateral bank extending loans primarily in energy, transportation and telecommunication, rural infrastructure and agriculture development. Important projects under execution with assistance of AIIB include Andhra Pradesh Rural Roads Project, Bengaluru Metro Rail Project - Line R6 and AP Urban Water Supply Septage Management Improvement etc.

6. INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)

IFAD was set up in 1977 as the 13th specialized agency of the United Nations since 1979, IFAD has assisted in 32 Government projects in the Agriculture, Rural Development, Tribal Development, Women's Empowerment, Natural Resources Management and Rural Finance Sector. Andhra Pradesh Drought Mitigation Project, Fostering Climate Resilient Upland Farming System in NE - Mizoram, Fostering Climate Resilient Upland Farming System in NE - Nagaland.

At present total 11 Projects assisted by IFAD are under implementation. Some of the major on-going projects are Integrated Livelihood Support Project and Jharkhand Tribal Improvement & Livelihood Project, etc.

7. GLOBAL FUND ORGANIZATION

The Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM) is an International Financing Organization that aims to attract and disburse additional resources to prevent and treat HIV and AIDS, Tuberculosis and Malaria. The organization began operations in January, 2002. GFATM assisted programmes in India are implemented by Ministry of Health and Family Welfare.

There are three on-going projects presently executing with the assistance of Global Fund. viz. Global Fund Assisted HIV Aid control Project Increasing Access and Promoting comprehensive Care, Support and Treatment, Intensified Malaria Control Project-3.

(B) BILATERAL SOURCES

1. JAPAN

Japan has been extending official development assistance (ODA) to India since 1958. Japanese ODA in the form of loans, Grant Aid and Technical Assistance to India is received through Japan International Cooperation Agency (JICA). Japan is the largest bilateral donor to India. JICA projects are spread across sectors like Transport, Power, Irrigation, environment & investment promotion.

Some of the major on-going projects through JICA assistance are Delhi Mass Rapid Transport System Project, Dedicated Freight Corridor project, Kolkata East-West Metro project, Chennai Metro Project, Bengaluru Water Supply & Sewerage project, Bengaluru Metro Rail project and Ahmedabad Metro project, Dedicated Freight Corridor Project (Phase I)(II), Yamuna Action Plan Project (III), Tamil Nadu Transmission System Improvement Project, Bihar National Highway Improvement Project and Bihar National Highway Improvement Project (Phase 2) etc.

2. GERMANY

The Federal Republic of Germany is providing financial and technical assistance to India since 1958. Financial Programmes assisted by Germany are implemented through KfW, the German Government's Development Bank and Technical Assistance Programmes are through GIZ. The present priority areas for bilateral Development Cooperation are: Energy, Environmental Policy, Protection and Sustainable use of Natural Resources, Sustainable Economic Development.

Some of the major on-going projects through KfW assistance are Chennai Water Production & Demand Management Projects, Shoohtong-Karcham Hydropower Project-HP and Green Energy Corridor Intra Transmission System in Himachal Pradesh and Andhra Pradesh. Environment Friendly Urban Development Programme in Ganga Basin , Madhya Pradesh Urban Sanitation and Environment Programme, Solar PV Power Plant Sakri (Shivajinagar) and Climate-friendly Modernisation of Bus Services in Major Cities of TN-IV etc.

3. RUSSIAN FEDERATION

Development Corporation between India and the Russian Federation (erstwhile USSR) started in the early sixties. Kudankulam Nuclear Power Project Units 1&2 have been built under an Inter-Governmental Agreement (IGA) signed in November 1988 and amended through a supplement in June 1998. Unit No. 3 & 4 are under construction.

A protocol No 2 to the Agreement dated December 5, 2008 was signed in July 2017 for construction of additional nuclear power plants (Units 5&6) at Kudankulam etc.

4. FRANCE

The Government of France has been extending development assistance to India since 1968. French development assistance is being provided through the French Agency for Development (AFD). The priority areas for AFD financing in India are energy efficiency renewal energy, urban infrastructure (public transport, water). Some of the major on-going projects through AFD assistance are Deothal Chanju and Chanju III Hydro Power Project HP and Bengaluru Metro Rail Project - II, Deothal Chanju and Chanju III Hydro Power Project HP, Kochi Metro, Smart City Projects and Pune Metro Rail Project etc.