

Press Release

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Germany, India pledge funds for environmental urban infrastructure development

KfW and NCRPB sign loan agreement worth Rs 700 crore

To boost the environmental sustainability of fast-growing towns in India's National Capital Region, the German Government-owned development bank KfW signed a Loan Agreement worth EUR 100 million (approximately Rs 700 crore) and a Financing Agreement for project development and capacity building grant of EUR 1 million (approximately Rs 7 Crore) with the National Capital Region Planning Board (NCRPB) on Thursday, February 9.



The Agreement was signed in New Delhi by Ms. Naini Jayaseelan, Member Secretary, NCRPB and Mr. Uwe Ohls, Director General Europe and Asia of KfW, in the presence of Mr. Prabodh Saxena, Joint Secretary, Department of Economic Affairs of India's Ministry of Finance, Mr. Cord Meier-Klodt, acting Ambassador of the Federal Republic of Germany to India.

The reduced interest loan provided by KfW, on behalf of the German Government, will refinance sub-loans by NCRPB to urban infrastructure projects with positive environmental impacts in the urban areas of the National Capital Region of India. The objective of the loan is to contribute towards the improvement of the environment, the preservation of natural resources and the living conditions of the urban population of the NCR. The grant would provide project development and capacity building support to the NCRPB, the ULBs and other implementing agencies in the NCR in order to enable them to develop well-structured bankable projects and innovative solutions for delivery of urban services. The beneficiaries comprise the Urban Local Bodies of NCR and Counter Magnet Areas of NCRPB.

The NCR has been a major driver of the economic growth in India and a unique example of inter-state regional development planning. The sheer pace and scale of urbanization in one of India's fastest growing urban agglomerations, coupled with the resultant urban congestion, requires massive investments in municipal development in this region. The agreements signed today will support improvements in water supply, sewerage and sanitation, solid waste management, drainage and other environmentally friendly civic amenities in the urban and

From left to Right: Mr. Prabodh Saxena, Joint Secretary, Department of Economic Affairs of India's Ministry of Finance, Ms. Naini Jayaseelan, Member Secretary, NCRPB, Mr. Uwe Ohls, Director General Europe and Asia of KfW, Mr. Oskar von Maltzan, Director of KfW India office and Mr. Cord Meier-Klodt, acting Ambassador of Germany to India / © KfW

industrial areas of the NCR through increased availability of financing.

The ceremony took place under the fifteen-month collaborative celebration titled “Germany and India 2011-2012: Infinite Opportunities”. Moreover, this year the thematic focus on “Stadträume – CitySpaces” will broach the implications of rapid urbanisation and challenges posed by the fast changes in cities of both countries today.

Since the 1950s, more than EUR 9 billion have been sanctioned by KfW, mainly in the fields of Energy, Financial Sector Development, Health, and Protection of the Environment and Natural Resources. Urban infrastructure is one of the core sectors in KfW’s global portfolio. The main objective of the German Government is to work together with the Indian Government in facilitating inclusive growth, reducing poverty and meeting the Millennium Development Goals.