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World Bank nod for \$405-m eco-friendly urban projects

Funding for developing urban infrastructure, transport systems.

Our Bureau

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The World Bank has approved two projects worth \$405 million designed to promote environment-friendly modes of urban transport and to improve management and its delivery in Andhra Pradesh.

Of the two projects, the Bank Executive Directors have sanctioned \$300 million for Andhra Pradesh Municipal Development Project (APMDP). This seeks to support high priority urban infrastructure to be implemented through urban local bodies.

The Country Director for India at World Bank, Mr Roberto Zagha, in a statement, said India's own transport policy puts forward a vision for urban transport that focuses on people, not vehicles, and emphasises liveability and facilitates urban growth.

The main objective of the Sustainable Urban Transport Project (SUTP) of \$105 million is to support the achievements of that vision by helping create a successful project that can help spur a shift toward sustainable urban transport policies and programmes at the State and local level. The SUTP project has \$20.5-million grant from the Global Environment Facility (GEF).

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The \$300-million loan for the APMDP will finance high priority urban infrastructure projects. The main goal of this project is to help strengthen the capacity of local self government institutions to enable them to sustain and expand urban services, Mr Zagha said.

According to the World Bank, the project will also support improvements in the State level framework that defines ULBs autonomy, accountability and incentives for performance as well as State Government's ability to monitor them and provide technical support.

The loan from the International Bank for Reconstruction and Development (IBRD) for the SUTP has a 30-year maturity period including a five-year grace time. The loan for APMDP has a 28.5 year maturity including 6.5 years of grace period.