

## France, Germany to fund India's urban infra mission

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[Shashank Mattoo](#) , [Rituraj Baruah](#)

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Amrut mission plans to provide universal coverage of sewerage and septage management systems in 500 cities.

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New Delhi: France's development agency AFD and Germany's KfW Bank are in talks with India to provide €100 million loan to fund the country's urban infrastructure plan, AMRUT mission, according to persons aware of the matter.

Negotiations on the loan are set for early 2024 with the signing expected in February. This follows the countries' recent collaboration on the City Investments to Innovate, Integrate and Sustain or CITIIS 2.0 program, a four-year initiative focused on urban renewal and sustainable waste management, to which they contributed €100 million each.

The Union Cabinet, which approved the plan in May 2023, had said: "The program envisages to support competitively selected projects promoting circular economy with focus on integrated waste management at the city level, climate-oriented reform actions at the State level, and institutional strengthening and knowledge dissemination at the National level."

Both France and Germany have funded urban transformation projects in India before. France's AFD was part of the CITIIS 1.0 program, which began in 2018. It has also provided technical expertise to the government's Smart Cities Mission in Nagpur, Pondicherry and Chandigarh. It has also financed metro projects in Bengaluru, Pune, Surat, Nagpur and Kochi.

Germany's KfW bank, which provides official development finance, has also invested in metro projects in India. It has provided funds for the expansion of the suburban rail system in Bengaluru. **Mint had earlier reported** that KfW plans to finance India's PM E-Bus Sewa scheme, which aims to introduce 10,000 electric buses in nearly 170 Indian cities. The scheme is expected to cost Rs. 57,613 crore with ₹20,000 crore being provided by the government.

"Under this scheme, city bus operations with 10,000 e-buses on Public Private Partnership (PPP) model will be done. This scheme will support bus operations for 10 years." union minister Anurag Thakur had said in August 2023.

Queries mailed to AFD, KfW Bank and the Ministry of Housing and Urban Affairs were unanswered till the time of publishing this story.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 was launched in October 2021 for five years -- FY22 to FY26 -- to provide universal coverage of sewerage and septage management systems in 500 cities.

By the end of FY23, the housing and urban affairs ministry had approved State Water Action Plans (SWAP) for 6,527 projects costing ₹1.29 trillion. Detailed project reports have been approved by states and union territories for 2,058 plans worth ₹36,481.47 crore.

Data from the Department for Promotion of Industry and Internal Trade (DPIIT) showed that currently there are investment opportunities worth \$7.5 billion under the infrastructure mission.