

WB to provide \$770 mn loan for three AP projects

Hyderabad: The World Bank will provide a loan of \$770 million (Rs 3,720 crore) to Andhra Pradesh for road development, rural water supply and sanitation and municipal development.

The agreements for the World Bank assistance to three projects were signed here on Friday in the presence of the Chief Minister, Mr K. Rosaiah, and the World Bank country director, Mr Roberto N. Zaghera.

The World Bank will provide \$320 million (Rs 1,568 crore) for Andhra Pradesh State Road Sector project to provide better quality, capacity and safe roads in a sustainable manner.

The total cost of the project is Rs.3,165 crore. The state government will bear the remaining cost.

The World Bank has also come forward to extend an assistance of \$300 million (Rs 1,432 crore) for Andhra Pradesh Municipal Development Project to help improve urban services in the state.

The share of the state government is Rs 92 crore while urban local bodies of the state will provide Rs 146 crore.

The third project which the World Bank is funding is Andhra Pradesh Rural Water Supply and Sanitation. It will provide \$150 million (Rs 720 crore) for this project, the total cost of which is Rs 864 crore.

The share of the state government will be Rs 123 crore while the community contribution will be Rs 21 crore.

Mr Rosaiah said all the three projects would be completed in five years. "The projects will be complete in a time-bound manner so that people benefit from the infrastructure created and the services which will flow from these infrastructure facilities," he said.

Mr Rosaiah said the Andhra Pradesh Municipal Development Project will address high priority infrastructure requirements of various towns and municipalities in a comprehensive manner.

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