

Headline: India seeks S'pore funds to speed up roadbuilding programme

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WITH a strong emphasis on infrastructure building in its Budget, India is looking to bring about a 10-fold increase in its roadbuilding programme and is looking for funding support from Singapore. This was stated yesterday by Kamal Nath, Indian Minister for Road Transport and Highways, who is on a visit here to meet industry players.

Singapore was Mr Nath's first foreign stop to drum up funding support for his ambitious roadbuilding plan, which envisages building 7,000km of new roads each year, or 20km a day. Mr Nath noted that India at the moment is constructing a little more than 2km of roads per day. "Taking this up to 20km a day would require a quantum jump in funding."

According to his estimates, the National Highway Development Programme (NHDP) would require a total investment of US\$70 billion up to 2012 in the roads sector alone.

"The role of the private sector is bound to increase and we are expecting 60 per cent of this amount, around US\$40 billion, to come from the private sector and the rest from government funding," Mr Nath said.

He added that out of this US\$40 billion, one-fourth or US\$10 billion has been earmarked for foreign investors.

In his interactions with financial institutions, including many Singaporean ones like DBS Bank, Mr Nath noted that over the past 10 years India has fine-tuned its rules and regulations to make them more rational and easy to follow.

Giving some statistics, he said India's road network, at 3.4 million km was the second largest in the world and carries 65 per cent of the internal freight traffic and 85 per cent of passenger traffic.

However, out of that total, only 70,000 km, or 2 per cent, is national highways and this section carries 40 per cent of the traffic. India's roadbuilding programme is concentrating on increasing the length of its national highways, among other aims.

Yesterday's conference on enhancing international cooperation in the road sector was organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) in association with the Singapore Business Federation.