

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO.418
TO BE ANSWERED ON 03.02.2021

LINE OF CREDIT

418. SHRI KRUPAL BALAJI TUMANE:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the Government of India gives Line of Credit to (LOC) various countries and if so, the countries to which LOC is likely to be committed from 2022 to 2024 debate;
- (b) whether the Government of India has given LOC to Government of Democratic Republic of Congo in 2011 for construction of Grand Katende Hydro Electric debate Power Project;
- (c) if so, the details thereof including the status of the project and the date of completion of the project;
- (d) whether the project is delayed and the Ministry has fixed responsibility and if so, the action taken in this regard; and
- (e) if not, the action being contemplated to be taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
[SHRI V. MURALEEDHARAN]

(a) Yes. Extension of GoI Lines of Credit (LOCs) on concessional terms is an important component of India's diplomatic strategy and has been very useful in generating goodwill and building long term partnerships. The scheme also attempts to promote India's strategic political and economic interests abroad by positioning it as an emerging economic power, investor country and partner for developing countries. The LOC scheme is also expected to boost Indian export of goods and services to hitherto untapped markets and successfully showcase India's expertise in project planning, design and implementation in diverse areas of socio-economic development such as power, transport connectivity, agriculture and irrigation, manufacturing industries etc. Final decision to offer a LOC is taken through the Inter-Ministerial Standing Committee process approved by the Cabinet. LOCs are demand driven and are based on the national priorities of the borrowing countries.

(b) Yes.

(c) The Grand Katende Hydro Electric Power Project (4 X 16 MW) of the Government of Democratic Republic of Congo is situated in the Kasai Province of Democratic Republic of Congo (DRC). This project is being funded through Government of India's LOCs of US\$ 168 million and US\$ 82 million. The Government of DRC has awarded the contract to Indian

companies for execution of the project. Work of Grand Katende Hydro Electric Power Project is on hold after the termination of contract by Government of DRC in September 2016. Government of India is in consultation with Government of DRC to restart the project.

(d) & (e) Yes. The project is delayed as the work of Grand Katende Hydro Electric Power Project is on hold after the termination of contract by Government of DRC in September 2016 . Government of India is in consultation with Government of DRC to restart the project.
