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GOVERNMENT OF INDIA**

GOVERNMENT OF INDIA SIGNS AGREEMENTS WITH GERMANY WORTH EURO 625 MILLION FOR FINANCIAL COOPERATION TO SUPPORT “GREEN ENERGY CORRIDORS (GEC)” PROJECT UNDER INDO GERMAN BILATERAL DEVELOPMENT COOPERATION

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The Government of India signed Note of Exchange with Government of Germany for financial cooperation to support “Green Energy Corridors (GEC)” project under Indo German bilateral Development Cooperation here yesterday evening. GEC project in power sector aims to create transmission infrastructure in the renewable energy potential rich states and facilitate evacuation of renewable energy (RE) into the national grid. Government of Germany in the year 2012 had indicated its willingness to support the GEC project with funds amounting to Euro 1 billion over a period of five years under the ambit of Indo-German bilateral development cooperation.

Government of Germany has committed funds amounting to Euro 500 million for GEC project this year. In this regard, the Note of Exchange, signed by the German Ambassador, was presented to Mr Rajiv Mehrishi, Finance Secretary, Government of India by Mr Heiko Warnken, Head of Development Cooperation, Embassy of Germany to India here yesterday. With this, the total commitment from Government of Germany for GEC project stands at Euro 750 million. In year 2013, Government of Germany had committed Euro 250 million.

On the occasion, three separate loan agreements were also signed for GEC project amounting to Euro 625 million. Mr Rajesh Khullar, Joint Secretary, Department of Economic Affairs, signed loan agreements with German Government’s Development Bank KfW, for loan of Euro 76 million to the Government of Tamil Nadu and a loan of Euro 49 million to Government of Rajasthan for intra-state transmission schemes. Power Grid Corporation of India Limited signed loan agreement for Euro 500 million with KfW for inter-state transmission schemes.

During the ceremony, Agreements were also signed by the Department of Economic Affairs with KfW for a grant amount of Euro 2 million to provide technical assistance to “Himachal Pradesh Forest Ecosystems Climate Proofing project” and also for a grant amount of Euro 2 million for extending technical assistance for the ongoing “Tamil Nadu Urban Infrastructure Development Fund project”.

Germany and KfW are longstanding partners of India. Since the 1950s, sectors like Energy, Protection of the Environment and Natural Resources and Sustainable economic Development have received KfW support.