National Infrastructure Pipeline

Part of: GS-III- Economy-Infrastructure (PT-MAINS-PERSONALITY TEST)

Recently, the task force headed by Atanu Chakraborty (economic affairs secretary) on National Infrastructure Pipeline (NIP) submitted its final report to the Finance Minister.

Imp Points

- **Revised Investment Need:** The taskforce has forecast an investment need of 111 lakh crore over the next five years (2020-2025) to build infrastructure projects and drive economic growth.
  - The final report has revised up NIP from earlier Rs 100 lakh crore in light of additional data provided by central ministries/state governments since the release of summary NIP report.
- **Bulk Share:** Energy, roads, railways and urban projects are estimated to account for the bulk of projects (around 70%).
- **Measures Suggested:**
  - Aggressive push towards asset sales
  - Monetisation of infrastructure assets
  - Setting up of development finance institutions
  - Strengthening the municipal bond market
- **Streamlining Process:** The task force has also recommended to set up of three committees:
  - **Timely Execution:** Panel to monitor NIP progress and eliminate delays.
  - **Follow Up:** Steering committee in each infrastructure ministry for following up implementation
  - **Raising Financial Resources:** Committee in the Department of Economic Affairs for raising financial resources for the NIP

About

- The task force was set up after the Prime Minister, in his Independence Day speech of 2019, promised to roll out an infrastructure push worth 100 trillion over five years to make India a $5 trillion economy.
- The summary report for, National Infrastructure Pipeline (NIP), 2020-25 was released by the finance minister on 31 December, 2019.
- Out of the total expected capital expenditure of Rs 111 lakh crore
  - Projects worth Rs 44 lakh crore (40% of NIP) are under implementation.
  - Projects worth Rs 33 lakh crore (30% of NIP) are at conceptual stage.
  - Projects worth Rs 22 lakh crore (20% of NIP) are under development.

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- NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive.
- NIP includes economic and social infrastructure projects.
- It also includes both greenfield and brownfield projects.
- It will help in stepping-up annual infrastructure investment to achieve the Gross Domestic Product (GDP) of $5 trillion by 2024-25.
The Centre and states are expected to have almost equal share in implementing NIP, while the private sector contribution is expected to be around 21%.