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%.