

Proposed Project Summary for Public Disclosure

Project Name	Sustainable Low-carbon Rail Infrastructure Program
Country	The Republic of India
Sector	Transport
Concept Approval Date	16 February 2022
Total Project Cost	INR 188 billion (USD 25 billion equivalent)
Proposed Loan Amount	USD 300 million
Borrower	Indian Railway Finance Corporation Limited (IRFC)
Implementing Agency	Ministry of Railways, Government of India
Project Context	<p>Indian Railways, a government department under the administrative control of the Ministry of Railways, owns and operates the world's fourth largest railway system with over 68,000 route kilometers, carrying more than 8 billion passengers and transporting over 1.2 billion metric tonnes of freight per annum.</p> <p>In the endeavor towards a low carbon economy, India is focusing on low carbon transport infrastructure and public transport systems with singular emphasis on railway transportation. India's railway sector is less Green House Gas (GHG) intensive as compared to the rest of transport sector (road, inland waterways, and air transport); railway sector accounted for only 3% of the transport sector GHG emissions, while supplying 26% of traffic volumes.</p>
Project Objective	<p>Indian Railways has initiated coordinated steps to contribute towards India's GHG emission reduction commitment under the country's Nationally Determined Contributions. Some of these initiatives are: (a) to increase the modal share of railway transportation and reduce dependence on less efficient diesel operated road traffic, (b) reduce railway sector's carbon footprint through electrification of traction and acquiring assets to operate on the electrified network (i.e., electric locomotives and passenger coaches), and (c) to enhance the share of renewable energy in its energy mix. This Program supports Indian Railways through accelerated addition of passenger and freight transportation capacity that can operate on electrified routes.</p>
Project Description	<p>NDB will provide funds to IRFC for purchase of electric locomotives and passenger coaches to operate on Indian Railway's network. NDB's financing, together with other sources of funding available to the Ministry of Railways, will enable Indian Railways to incrementally operate around 900 electric locomotives and 4,000 passenger coaches each year, over the program period (FY 2022-2024).</p>