UK India Infrastructure Financing Bridge (UKIIFB)

Prelims: *Current events of national and international importance*

Why in News?

Recently, UK India Infrastructure Financing Bridge (UKIIFB) released its Year 1 UKIIFB Report.

UKIIFB

- **Collaboration between – *NITI Aayog*** and the ***City of London Corporation***.
- **Launched** – On September 12, 2023, during the 12th economic dialogue, as part of the UK-India partnership to accelerate sustainable infrastructure development.
- **Objectives** – The initiative aims to enhance collaboration and focuses on unlocking infrastructure investment.
    - *leveraging the City of London's expertise in major project structuring.*
    - It seeks *to secure long-term investments in critical infrastructure sectors across India*.
- **Key Achievements of Year 1 Report**
- Development of a Project Assessment Framework clarifying investor priorities in highways and rapid transit sectors.
- Advancement of sustainability and resilience through the integration of climate adaptation and ESG frameworks in project designs.
- Enhancement of transparency and risk mitigation strategies to reduce investment uncertainties.
- Improved revenue protection and streamlined repatriation mechanisms to safeguard investor returns.
- Creation of cohesive project pipelines and fostering long-term relationships with UK infrastructure sponsors.
- Adoption of digital infrastructure to enhance governance and monitoring, boosting investor confidence.
- **Highlighted** – The importance of creating an investor-centric pipeline Market-tested through the new Project Assessment Framework.
- **Unlocking international capital** – Through developing standardised, globally benchmarked project preparation processes.
- **Recommendations –** To broaden India's Detailed Project Report (DPR) to include full-lifecycle risk analysis, resilience, and value-for-money considerations,
    - Piloting stronger risk-sharing and revenue protection frameworks,
    - Enhancement of digital monitoring and transparency across the infrastructure ecosystem.

- **Future focus** – It will *expand sectoral coverage to include green hydrogen and offshore wind projects*.
- Deepening engagement with investors and technical partners for India's infrastructure transformation.
- **Significance** – The UKIIFB initiative supports transformative efforts by encouraging the flow of "patient capital" crucial for large-scale projects.

> ***Patient capital*** *is long-term investment in ventures like businesses or real estate that require an extended period to mature and generate profits, often forgoing quick returns.*

Reference

PIB| UKIIFB Year 1 Report

