



Confederation of Indian Industry
125 Years - Since 1895

AUSTRALIA ECONOMIC STRATEGY | INFRASTRUCTURE



Overview

- Infrastructure development, especially roads, railways and highways, is a significant catalyst to the economic growth and development of India
- India is expected to witness rapid growth in urbanization by 2030
- The Indian Government has undertaken several initiatives such as single window clearances, stricter timelines, higher threshold limit for project appraisals and liberalization of FDI norms to accelerate the development of infrastructure projects
- The Indian Government recently launched the 'Smart Cities Mission', 'Bharatmala Pariyojana' and 'Sagarmala' initiative to expand urban and rural connectivity across India
- However, India still requires an investment of USD 4.5 trillion till 2040 in this sector to continue its sustained economic development
- Australia has sound infrastructure facilities and technologically advanced cities, which can be attributed to substantial government investment in this sector
- The Australian Government has outlined an investment of AUD 100 billion (USD 73 billion) over a span of ten years to improve connectivity and support the country's population growth
- Australia's expertise in water governance, technology innovation, data analytics, green infrastructure and renewable energy can be leveraged by India in its initiative to develop smart cities
- Australia also has one of the world's largest superannuation funds. Given their ability to invest in long-term projects, Australia's super funds could also seek to explore investment opportunities in India's infrastructure projects.

By 2030 India is expected to witness rapid growth in urbanisation

AUD 100 billion investment has been outlined by Australian Government



Key Opportunities

- Collaborating with Australia on Infrastructure will greatly benefit India in its various nation building initiatives

The following opportunities have been identified in the Australia Economic Strategy Report:

- a. Encouraging investment by Australian investors/superfunds/banks in India's infrastructure projects
- b. Collaborating with Australian municipal bodies and urban planning agencies to support India's smart cities mission
- c. Encouraging investment by Indian companies in Australia's upcoming infrastructure projects