

# World Bank to boost private job creation in India with \$8-10 bn annual lending for 5 yrs

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The World Bank Group (WBG) on Friday announced a new Country Partnership Framework (CPF) with India to help accelerate the country's next phase of growth, with a focus on private sector-led job creation and annual financing of \$8-10 billion over the next five years (FY26-FY31).

This follows an earlier CPF implemented between FY18 and FY25, under which the World Bank committed annual lending of \$6-7 billion.

With around 12 million young people entering India's labour market each year, unlocking private investment in job-rich sectors is a central priority for the country's next phase of growth, the World Bank said in a statement.

"Leveraging public funds with private capital, creating more jobs across rural and urban India, and enriching projects with the Bank Group's global knowledge will be key to achieving sustainable impact at both speed and scale," Finance Minister Nirmala Sitharaman was quoted to have said in the statement.

Investing in physical and human infrastructure, creating a business-



**Union Minister of Finance Nirmala Sitharaman with a World Bank team led by President Ajay Banga in New Delhi on Friday**

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friendly environment, and deploying risk-management tools to crowd in private investment form the three pillars of the World Bank's global jobs strategy.

"This approach focuses on five sectors that generate locally relevant jobs at scale: infrastructure and energy, agri-business, health care, tourism and

value-added manufacturing," the statement said.

According to a separate World Bank note on the new CPF, the Indian government has asked the Bank to anchor the framework by leveraging public funding with private capital and by enriching project financing with

global knowledge.

The partnership aims to boost private-sector hiring by upgrading skills, reducing barriers for small businesses, and expanding employment opportunities for youth and women. It will focus on diversifying employment beyond agriculture in rural areas, investing in urban infrastructure and human capital, and strengthening energy security.

"Our strategic partnership aims to help India grow even faster on its path toward Viksit Bharat by 2047. Creating more jobs is at the core of our work. This partnership brings together financing, reforms, and private sector investment to turn growth into opportunity for millions of Indians," World Bank Group President Ajay Banga said in a statement.

The initiative will also support ongoing projects in India, including the Pradhan Mantri Skilling and Employability Transformation through Upgraded (PM-SETU) scheme.

Under this programme, the World Bank will extend an \$830 million loan to work with the private sector to upgrade industrial training institutes (ITIs) and help more than one million young people, particularly women, acquire job-ready skills.