
India planning regulators for coal and infrastructure sectors

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The Hindu Business cited Mr Pranab Mukherjee finance minister of India as saying that the Government is considering setting up regulators for the coal and other infrastructure sectors.

He said that “Serious deliberations are underway for establishing a regulator for the coal sector and similar thought is now being given to other infrastructure sectors as well.”

Mr Mukherjee hinted at more such independent regulators in contrast to suggestions by industry body CII for a composite regulator for the entire infrastructure sector. The infrastructure sectors such as electricity, transport, roads, railways, ports and airports, telecommunications are natural monopolies and rules of perfect competition do not always apply.

He said that “In India, we have a commendable record of setting up of independent regulatory authorities for the infrastructure sectors.”

Along with CII, South Asia Forum of Infrastructure Regulation a network of infrastructure regulators took the initiative to share experiences for the design and structure of an appropriate regulatory architecture, which would promote investment in infrastructure in South Asia.

Though Mr Mukherjee supported separate regulators he agreed there was the need for a common vision at the regional level. He said that “Indeed, a coherent approach of infrastructure development in the South Asian region is an urgent necessity in the aftermath of the global financial crisis.”

(Sourced from Thehindubusinessline.com)

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