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Indian Cities to Generate 70% of Jobs by 2030, But Face \$5 Billion Annual Losses from Flooding: World Bank

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Indian cities are projected to create nearly 70% of the nation's employment by 2030, according to a new report from the World Bank. However, this urban job boom comes with a significant warning: without major infrastructure upgrades, cities could face annual economic losses of up to \$5 billion due to flooding.

The report, titled “*Towards Resilient and Prosperous Cities in India*,” highlights the dual challenge India faces, harnessing the economic potential of rapid urbanization while addressing the escalating risks from climate change. Urban flooding already costs India about \$4 billion annually, with losses expected to rise sharply by the end of this decade if no action is taken.

With India’s urban population expected to nearly double from 480 million in 2020 to 951 million by 2050, the World Bank estimates the country will need \$2.4 trillion in infrastructure investment by mid-century. In higher urbanization scenarios, this could rise to \$13.4 trillion by 2070.

“Urban areas are the engines of economic growth, but they must also be prepared to withstand climate impacts,” the report stated. It emphasizes the need for stronger fiscal autonomy at the city level, improved coordination between national and state governments, and a significant scale-up in private investment for infrastructure.

Currently, Indian cities contribute to around two-thirds of the country’s GDP but receive limited budgetary powers. Public-private partnerships and greater financial independence are key to building resilience in sectors such as water supply, waste management, sanitation, and green construction.

The World Bank also flagged a critical need to streamline governance and expand climate finance to avoid setbacks to urban development. The report warns that without structural changes, the country’s job-creating urban centers could be vulnerable to rising climate threats, particularly floods, and heatwaves.