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# **PPP Nodal Officers' Workshop**

**Presentation by  
(V Arora, IAS)  
(Special Secretary PPP)  
(PPP Cell, P& C Department)  
(Orissa)**

**November 26<sup>th</sup> -27<sup>th</sup> , 2008**

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# State Govt.'s PPP Policy/Legislation

## Salient Features, Experiences

- **State Legislation Regarding PPP**
  - PPP Cell formulated Orissa PPP Policy 2007, approved & promulgated through a Gazette Notification by Govt. of Orissa to facilitate Infrastructure Development in the State under PPP mode.
- **Other Policy Statements Concerning PPP**
  - To leverage State and Central Govt. funds to support Private investment and to create a conducive environment to utilize the efficiencies, innovativeness and flexibility of Private Sector to provide better infrastructure and service at an optimal cost.
  - Setting up of a transparent, consistent, efficient administrative mechanism to create a level playing field for all participants and protect interest of all stakeholders.

# State Govt.'s PPP Policy/Legislation

## Salient Features, Experiences

- To prepare a shelf of projects to be offered for PPP and take them forward with assistance of the owner departments through a transparent selection process.
- Putting in place an effective and efficient institutional mechanism for speedy clearance of the projects.
- Provide necessary risk sharing framework in the project structure so as to assign risks to the entity most suited to manage them.
- Facilitate capacity building & training of officials.
- Putting in place an appropriate and robust regulatory / grievance redressal mechanism.
- Creation of Orissa Infrastructure Development Fund (OIDF) to facilitate implementation of the objectives of the Policy and to provide the required viability gap funding where the essential projects are presently unviable in addition to the VGF assistance of GoI

# PPP Cell: Origins and Envisaged Role

## Challenges and Innovative steps

- **PPP Cell: Origins and Envisaged Role**

- The Orissa PPP Cell was conceptualized to set-up the PPP Organizational framework in the state alongwith drafting of the State PPP Policy and taking forward the PPP initiatives including the necessary Capacity building and departmental orientation.
- The PPP Cell was lodged in the Planning & Coordination Department and was headed by a Secretary level officer under the direct supervision of the Chief Secretary.
- The PPP Cell guided the PPP Initiatives of different departments including creation of a Shelf of Projects, coordinating with Gol as the State Nodal Agency, formulation of the State PPP Policy, and other related activities.
- The main role of the PPP Cell and its Technical Secretariat as envisaged in the State PPP Policy is
  - To act as the Secretariat for the ECI & HLCA.
  - To act as State Nodal Agency to interact with Planning Commission, Govt. of India and other funding agencies like World Bank for obtaining approval under VGF.

# PPP Cell: Origins and Envisaged Role

## Challenges and Innovative steps

- To identify, conceptualize, structure and create a shelf of project in consultation with the owner department and to get approval of such projects from ECI / HLCA.
- To assist different departments in preparing prefeasibility, feasibility reports, DPRs, concession agreements, bid documents, etc. and selection of developers.
- To adopt, adapt and develop model concession agreements for different sectors and to get the same approved from the ECI / HLCA.
- To assist different Departments / Agencies, including their SPVs for obtaining all State & Central Govt. clearances as may be required for a project.
- To assist various line departments in Project related legal matters
- To provide a research unit-cum-data bank by analyzing all National & International PPP initiatives, their structuring, experiences, strength & weaknesses.
- Sharing of these research data and domain knowledge with the PPP Cells of the line departments to help in identifying required infrastructure/services projects which could be leveraged through the PPP arrangement.

# PPP Cell: Origins and Envisaged Role

## Challenges and Innovative steps

- To help in capacity building of PPP Cells of line departments through training, exposure visits, conducting workshops etc.
- To enter into an arrangement with reputed consultants for project development work in different sectors.
- Assist the line departments in selection of consultants for structuring & project development activities under PPP mode.
- The ownership of the project and the responsibility of implementation would remain with the line departments. PPP Cell will only guide, advise and assist line departments to carry forward the PPP initiatives.

# PPP Cell: Origins and Envisaged Role

## Challenges and Innovative steps

### Coverage of Sectors

- Roads, bridges and bypass
- Ports and Harbors
- Airports, Airstrips and Heliports
- Inland container depots and logistics hubs
- Industrial Parks, Theme Parks like IT/BT Parks, Knowledge Parks, SEZs & Townships
- Water supply, treatment and distribution
- Power generation, transmission & distribution systems
- Solid waste management
- Sewerage & drainage
- Inland water transport
- Tourism and related infrastructure
- Healthcare facilities
- Education
- Trade fair, convention, exhibition, cultural centers
- Urban infrastructure including entertainment & recreational facilities
- Urban transportation systems
- Railway & Related Projects
- Agriculture Production and Marketing

# Existing Means of Support to PPP Cell

## Support Required

- State Government
  - State Govt. is providing budgetary support for the PPP Cell including manpower and office infrastructure. We are seeking officers on deputation / secondment from related departments and on contract to work with the external PPP Experts.
- Central Government / Other sources
  - Technical Assistance from ADB in the form of 1 PPP & 1 MIS Expert for 36 months
  - Technical Assistance from DFID through E&Y in the form of 2 experts (Transport & Finance)
- PDPP arrangement with IL&FS in place.  
Arrangement with SREI under process.

# ORGANOGRAM OF PPP CELL (Proposed)

## Special Secretary PPP

P.S. to Spl. Secy.

### Technical Secretariat

### Administrative Support

Advisor PPP  
PPP Expert  
(Coord.)

Advisor MIS  
MIS Expert

Advisor Finance

Advisor  
Legal

Joint Secy. / Dy. Secy. /  
Planning Officers

Steno

MBA Project  
Preferably with  
Engineering  
Degree /  
Planning officers

MBA Project  
Preferably with  
Engineering Degree

MBA Finance /  
C.A.

Law Graduate  
with experience  
in Project  
Related Legal  
Matters

Section Officer

Dealing Assistant (2 Nos.)

Computer Programmer  
&  
DEO 2 Nos.

Technical Advisor (Engineering)  
Sr. Engineer with M. Tech Civil with  
Experience in Planning Execution of  
Road & Building Projects

Project Engineer with B. Tech Civil  
Experience in Urban Infrastructure  
Real Estate Planning & Water  
Supply and Sanitation

Project Engineer with B. Tech  
Civil Experience in  
Transportation Sector (Road,  
Rail, Port, Airport)

Project Engineer with B. Tech  
Elect. Experience in Power  
Sector Project Planning

Other subject matter  
experts including support  
staff required for the Cell

➤ **Activities like House Keeping, Support Staff, Security & Transport would be outsourced.**

# Project Pipeline of PPP Projects

Sector	Number of PPP Projects in various stages					Total	
	Identified	Detailed Project Report	RFP	Bidding	Construction/ Implementation	Nos.	App.Cost (Rs. Cr.)
Road	7	1			1	9	3136.6
Railways	2				1	3	1162.81
Ports		1		2	1	4	7601
Water supply	-	-	-	-	-	-	-
Urban Transport	23		4			27	150*
Air Port	1					1	90
Housing			1			1	493
Industry	3		3	2		8	2295.76
Science & Technology	1	1	1	3	1	6	93.32
Tourism			2			2	#
Urban				3	3	6	840.7
<b>Total</b>						68	15813.19

(\*For 4 projects under RFP stage only, #- more than 1000 crore)

# Details of Major PPP Transaction 1

- Name of the Project: Biotech Park
- Sponsoring Ministry/Dept: Science & Technology Dept. & IDCO
- Project Cost details
  - Rs 100 crores
  - Govt. support, if any – Incubator by Govt.
- Selection of private partner
  - Competitive Bidding
  - Highest, Technically Qualified Bidder
- Support provided by the PPP Cell
  - Project Appraisal
  - Putting up to ECI for approval
  - Follow up

# Details of Major PPP Transaction 2

- Name of the Project: Modern Bus Terminus (Badambadi, Cuttack)
- Sponsoring Ministry/Dept: Transport & Commerce & IDCO
- Project Cost details
  - Rs.50 crore
  - Land & legislation
- Selection of private partner
  - Competitive Bidding
  - Highest, Technically Qualified Bidder
- Support provided by the PPP Cell
  - Project Appraisal
  - Putting up to ECI for approval
  - Follow up

# Details of Major PPP Transaction 3

- Name of the Project:
- Sponsoring Ministry/Dept:
- Project Cost details
  - Land & legislation
- Selection of private partner
  - Competitive Bidding
  - Highest, Technically Qualified Bidder
- Support provided by the PPP Cell
  - Project Appraisal
  - Putting up to ECI for approval
  - Follow up

# Details of Major PPP Transaction 4

- Name of the Project:
- Sponsoring Ministry/Dept:
- Project Cost details
  - Rs. crore
  - Land & legislation
- Selection of private partner
  - Competitive Bidding
  - Highest, Technically Qualified Bidder
- Support provided by the PPP Cell
  - Project Appraisal
  - Putting up to ECI for approval
  - Follow up

# Details of Major PPP Transaction 5

- Name of the Project:
- Sponsoring Ministry/Dept:
- Project Cost details
  - Land & legislation
- Selection of private partner
  - Competitive Bidding
  - Highest, Technically Qualified Bidder
- Support provided by the PPP Cell
  - Project Appraisal
  - Putting up to ECI for approval
  - Follow up

# Sources & Uses of Funds for the Development of PPP Projects

- Sources
  - Budgetary Support from State Government
  - Orissa Infrastructure Development Fund (OIDF)
  - VGF assistance from Central Government
  - India Infrastructure Project Development Fund (IIPDF)
  - ASIDE Funds
  - PDPP Funds with consultants like IL&FS
  - Any other PDPP arrangement with UN / external / multilateral agencies through Gol.
  - Part of success fees.

# Sources & Uses of Funds for the Development of PPP Projects

- Project identification, conceptualization, structuring and related studies.
- Consultancy for Project Development and Transaction Advisory Services
- Viability Gap
- Capacity Building of State PPP Cell and PPP Cells in line departments including exposure visits.
- Administrative and operational (fixed and recurring) expenditure.
- Expenses related to the initial setting up and operationalization of the PPP Cell and the Technical Secretariat.
- Any other expenditure for taking forward the PPP Initiatives.

# Major Opportunities

- Emergence of Orissa as a favourite investment destination. Investments worth around Rs.4 lac Cr. in the pipeline in fields like mining, metallurgy, power, ports, roads, railways, IT, tourism, healthcare, urban infrastructure, SEZs, etc.
- Consequent spurt in demand for High Quality Infrastructure & Services.
- Keenness shown by private sector for investment.
- Putting in place of a PPP Policy facilitating private sector participation through enhanced comfort level for all stake holders.
- Better RoI expected from infrastructure projects

# Major Challenges

- Providing encroachment free land for the projects.
- Providing support for removal of utilities and stopping of future encroachments.
- Providing adequate legislative & administrative support
- Suitably structuring the concession agreements to insulate against future political / administrative changes keeping in view the long concession periods.
- Setting up of robust dispute redressal mechanism.
- Protecting rights of all Stake holders including exempt categories of users.
- Availability of equity and long term debt.
- Availability of trained / skilled man-power to conceptualize, structure and implement PPP Projects.
- Large scale capacity building and training of personnel to conceptualize structure and implement infrastructure and service projects in the PPP mode.
- Continued Government and Concessionaire's interest in the projects keeping in view their long gestation and concession periods.

# Areas in which PPP Cell needs support

## (Type and Quantum)

- Training
  - Capacity Building, Skill Upgradation including exposure visits, interactions, attending workshops, seminars, conferences.
- Others
  - Setting up of a data bank and linking it to the National data bank for sharing PPP related information and experience.
  - Project Development grant
  - One time grant for setting up and operationalization of the PPP Cell, its data bank and MIS network

# Thank You

## **Contact Us**

Tele: 0674 – 2396946

Fax: 0674 – 2396573

Email: [secyppp@gmail.com](mailto:secyppp@gmail.com)

Website: [ppporissa.gov.in](http://ppporissa.gov.in)

# Review of PPP Projects to Date

<b>Sector</b>	<b>Project Name</b>	<b>Status</b>	<b>PPP modality</b>
Industry	Biotech Park	M/s Bharat Biotech International is the selected bidder. Agreement is to be signed.	DBOT
Roads	Capital Region Ring Road	ECI cleared proposal for appointing Consultant to prepare DPR.	BOOT
Roads	Bhubaneswar Paradeep Road	ECI cleared the project for feasibility study- with revised concept,	BOT

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Urban	Integrated Commercial cum Residential complex - Gajapati Plaza	Govt. approval accorded to BDA to execute the project (through M/s Forum Projects Pvt. Ltd. Kolkata) in PPP mode. Agreement is to be signed.	DBOOT
Industry	Setting up of ITIs/ ITCs	ECI approved for detailed study to explore the feasibility of setting up at Block level.	BOO
Tourism	Shamuka Project - 4 hotels, Master Developer	11 firms shortlisted after RFQ (4-hotels). ECI cleared issue of RFP for the two projects. For Master developer RFQ & RFP to be issued concurrently	DBFOOT
Housing	Integrated Residential Township in Suango & Ranasinghapur, Bhubaneswar	ECI cleared issue of RFP. Pre-bid conference held on 1 <sup>st</sup> Nov 08. Queries being answered.	DBT

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Road	4-Laning of Sambalpur-Rourkela Road	Executive summary has been submitted, social cost 267 Cr. VGF requirement projected. Draft Final Report submitted by consultant.	BOT
Road	Joda -Bamebari Road	Executive summary has been submitted, VGF is not required. Draft Final Report submitted by consultant.	BOT
Roads	Koirā – Tensa – lahunipara Road	Executive summary has been submitted, VGF is not required. Draft Final Report submitted by consultant.	BOT
Urban	Housing-cum-Commercial Complex, Patrapada & Ranasinghpur	600 Crs. M/s Vipul Ltd selected being the highest bidder. Lease-cum-development agreement to be signed.	DBOOT

# Review of PPP Projects to Date

<b>Sector</b>	<b>Project Name</b>	<b>Status</b>	<b>PPP modality</b>
Commerce & Transport	Development of Modern Bus Terminals	RFP issued for 4 places - Sambalpur, Dhenkanal, Angul & Cuttack. Pre-bid conference was held on ? Queries being answered.	DBO?
Industry	International Convention Centre	RFP issued. Pre-bid queries answered. Bidders requested for extension.	DBOOT
Industry	IT & Corporate Tower CSPur, Bhubaneswar	Est. Cost Rs.140Cr. RFP document, Project structuring and Implementation framework finalized, Land to be transferred to IDCO.	DBOOT

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Road	Palaspanga-Bamebari Road	Being implemented through (KIDCO) at 68 Cr. 4 K.M. road completed	BOO
Port	Dhamara Port	Est.cost-Rs.2469Cr. Concession Agreement with International Seaports Ltd. On 02.04.98. Financial closure achieved. Construction has commenced.	BOOST
Port	Gopalpur Port	Est. cost - Rs. 1700 Cr. Concession Agreement signed between GoO and Gopalpur Ports Ltd (Consortium of M/s. Orissa Stevadors Ltd., Sara International Ltd. and Noble Group.) Work is in progress. Commenced handling of Cargo.	BOOST

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Industry	Info Park, Bhubaneswar	500 Crs, Project awarded to M/s DLF Limited	BOO
Industry	SEZ-IT/ITES/ BPO, Mancheswar Industrial Estate, Bhubaneswar	Est. cost – Rs.352.03Cr. Process for SEZ notification to be initiated after transfer of land	BOO
Industry	IT&Commerci al Complex, Rourkela	Est.Cost – Rs. 76.06 Crore. Project awarded to Forum Mart after transparent bidding.	DBOO

# Review of PPP Projects to Date

<b>Sector</b>	<b>Project Name</b>	<b>Status</b>	<b>PPP modality</b>
Industry	IT&Commercial Complex – Berhampur	4 Firms short-listed. RFP to be issued after land related issues are sorted out.	BOO
Urban	Sahidnagar Enclave, Bhubaneswar	Residential component of the Project completed. Commercial part in progress.	DBT
Urban	Commercial Shopping Complex, Unit-IV, Bhubaneswar	The project construction has just started	DBOO

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Urban	A.C. Market Complex – Unit-IV, Bhubaneswar	Est. Cost Rs. 20.3 Cr. Work commenced. Joint Venture Project between BMC and M/s. Keshari Estates Private Ltd. The share of BMC is 35% and JVP is 65% of built up area.	DBOT
Railway	Haridaspur Paradip Rail link	Est. cost – Rs.594.34Cr. Project undertaken jointly with Rail Vikas Nigam Ltd., and user Industries. SPV Formed.	DBO
Urban	Integrated Commercial Complex at Bhubaneswar	Area: 10.74 Acres. UNITECH Ltd. selected as the developer after transparent bidding. 10.8 lakh Sft. Commercial space to be created. Est. Cost Rs500Cr.	BOO

# Review of PPP Projects to Date

Sector	Project Name	Status	PPP modality
Port	Kirtania Port, Subarnarekha Mouth	MoU signed on 11 <sup>th</sup> Jan 2008 with Creative Port Development Chennai to develop as an all weather Port.	BOOST
Industry	Knowledge Park, IT, SEZ & ITES (Infocity-2) at Gaudakasipur, Bhubaneswar	Est. cost – Rs.35.67Cr. 10 Firms submitted EOIs. Process for SEZ notification and next stage of bidding process to be initiated after transfer of land.	BOO
Industry	Multi-product SEZ, Paradeep (Marshagahi Tahasil of Kendrapara)	Est. cost - 712Cr. In principle approval for SEZ obtained. Land under acquisition.	BOO

# Review of PPP Projects to Date

<b>Sector</b>	<b>Project Name</b>	<b>Status</b>	<b>PPP modality</b>
Road	Shaukati-Dubuna Road	112 Crs. Feasibility study in progress	BOO
Road	Tensa-Barsuan-Lahunipada Road	35 Crs. Feasibility study in progress	BOO
Road	Chorada-Duburi Road	95 Crs. Feasibility study in progress	BOO

# Review of PPP Projects to Date

<b>Sector</b>	<b>Project Name</b>	<b>Status</b>	<b>PPP modality</b>
Rail	Angul-Duburi Sukinda Rail Link	417.47 Crs. Formation of SPV in progress	BOO
Rail	Gunpur- Theruvalli Rail Link	151 Crs. Formation of SPV in progress	BOO
Air Port	Jharsuguda Project	90 Crs. Feasibility study undertaken	BOO
Port	Jatadhar Muhan Port	1432 Crs. In principle approval accorded for establishing a captive minor port by M/s POSCO	BOOST