



# Mainstreaming PPPs at the State Level

## Review & Plans

June 05, 2008

**Planning Department,  
Government of Rajasthan**



# Administrative/Policy Framework

- **Board of Infrastructure Development and Investment (BIDI), an empowered committee with CM as Chairperson, has been constituted to accord approvals, including concessions to major projects.**
- **State Road Policy, 1994 - one of the earliest in the country to facilitate PPP projects.**
- **Rajasthan Road Development Act, 2002.**
- **State Road Development Fund Act, 2004.**
- **Project Development Company (PDCOR), a JV of IL&FS and GoR, has been set-up to develop infrastructure projects on commercial format (1997).**
- **Empowered Committee on Infrastructure Development (ECID) under the chairmanship of the Chief Secretary functions as an approving committee for PPP projects.**
- **ECID is empowered to approve Project Development efforts, bid documents, award of projects to selected developer, expenditure on PPP projects, concession agreements, viability gap funding, special grants/concessions, etc.**
- **Social Sector Viability Gap Funding Scheme formulated.**
- **PPP Cell established. Secretary Planning is the Nodal Officer.**



# Focus Areas

Sectors for PPP initiative are:

## *Being pursued*

- Roads
- Water Supply
- School Education
- Financial Inclusion/Women Empowerment

## *Proposed*

- Bus Terminal
- Municipal Solid Waste (Management & Power Plant)
- Heritage Properties
- Industrial Areas
- Logistics Parks



# About PPP Cell



PPP Nodal Officer

Yaduvendra Mathur

Secretary, Planning Department

Joining Date : April 20, 2008

PPP Expert

Rajan Kapoor

B.E., M.B.A.

Joining Date : September 10, 2007

Reporting to the State PPP Nodal Officer

MIS Expert

Anil Kumar Singh

M.Com., M.C.A., M.B.A.

Joining Date : September 03, 2007

Reporting to the State PPP Nodal Officer

Other Officers

Subhash Gupta, Joint Director

Kuldeep Bhatnagar, Assistant Director



# Review of Some PPP Projects Firmed-up

<b>Project (s)</b>	<b>Cost (INR Million)</b>	<b>PPP Modality</b>	<b>Status</b>
Jal Mahal Tourism Infrastructure	2000	BOOT	In-implementation
Road Projects (30 nos.)	3900	BOT	Completed
Road Projects (3 nos.)	730	BOT	Under construction
Road Projects (5 nos.)	15000	BOT	In- implementation (Through a JV – RIDCOR)
MSW (Fuel Pellets)	150	BOT	Implemented
Lignite-based Power Plant (8x125MW = 1000 MW)	48000	BOOM	In- implementation Financial Closure.



# PPP Projects on Anvil

<b>Project(s)</b>	<b>Cost (INR Million)</b>	<b>PPP Modality</b>	<b>Status</b>
Water Supply (3/4 nos.)	10000	BOT/ Annuity	Identified. Approved for being undertaken. Draft Bid Document and Agreement under consideration.
Bhamashah Financial Empowerment Scheme (Financial Inclusion)	2000	BOT	Bidding process complete. Lol issued. Agreement to be signed.
Senior Secondary Schools (165 schools proposed; five in each district)	4950	BOT/ BOO	Concept note under consideration with the State Finance Department. Eol and Agreement under preparation.
Road Projects (4 nos.)	4300	BOT	Two projects entailing VGF. Feasibility Report expected by July 2008.
Water Desalination	3000	DBOOT	Bidding process complete. Lol issued. Agreement to be signed.



## Status of implementation of MoU with DEA [1/2]

PPP Cell	The State of Rajasthan has set up a PPP Cell in the Planning Department, and Secretary, Plan has been designated as the PPP Nodal Officer
<p>During 2007-08 - bid out at least 3 projects with a total cost of Rs. 750 crores or more in at least 2 sectors.</p> <p>During 2008-09 - bid out at least 5 projects with a total cost of Rs. 1,250 crores or more in at least 3 sectors.</p>	Experts under the TA Mission were provided in September 2007. Projects worth Rs. 500 Crores have been bid out (Water Desalination and Bhamashah). Projects worth more than Rs. 1500 Crores are in pipeline.
The State Government would establish a single window with a fully empowered approval framework for providing all State level approvals, including for the financing of PPP projects.	Established – ECID

## Status of implementation of MoU with DEA [2/2]

<p>To prepare a "Plan of PPP Projects" in conjunction with its annual plan.</p>	<p>Proposed. State Annual Plan includes a chapter on PPP which comprise envisaged PPP Projects.</p>
<p>The State Government to provide counterpart staff support, office space, furniture, logistical, and all administrative support necessary to implement the TA Project in the State.</p>	<p>Office space arranged. Others being arranged.</p>



# Tasks of PPP Expert

- Formulation of Water Supply Projects on Performance Based Deferred Payment Structure (Annuity) – Concept Note.
- Outlining contours of the Concession Agreement for annuity-based water supply projects.
- Formulation of PPP modality for setting-up of new senior secondary schools and also the draft concession agreement.
- Preparation of RFP Document for Bhamashah Financial Empowerment Scheme (Financial Inclusion/Women Empowerment). Bid evaluation and other related assignments.
- Drafting of the PPP Policy.
- Steering already initiated projects for smooth implementation.
- Capacity building for PPP projects in concerned departments.
- Concept notes on projects of proposed sectors for PPP initiative – Bus Terminals, Logistics Parks, Industrial Parks, Heritage Properties, etc.



# Tasks Performed by MIS Expert



- Website Development and Maintenance
- Compilation of reference documents related with
  - Best Practices & Guidelines
  - PPP Policies & Infrastructure Acts
  - PPP Manual
  - Model Concession Agreements
- Preliminary Study Report on Computerisation of PPP Cell
- Development of Database Design Document.
- Development of Information System – Under Development  
(The Information System is expected to be implemented during 2008-09)



## Challenges & Main Issues

- Lack of commercially viable infrastructure projects.
- Genesis being unwillingness/inertia to charge commercially viable/ competitively discovered price from the users.
- Sector-specific regulatory frameworks.
- Traditional contracting is still a preferred route offering working “comfort zone”.
- Model Concession Agreements; Access to legal advisors.
- Election year.





**Thank You**

