



# **PPP Nodal Officers' Workshop**

**Presentation by**

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# Structure of Presentation

1. PPP Policies / Legal Framework
2. PPP Cell: Origins and Envisaged Role
3. Existing Means of Support to PPP Cell
4. Organizational Structure

# PPP Policies / Legal Framework

- **Draft PPP Policy is under consideration**
- **Rajasthan Social Sector Viability Gap Funding Scheme is also under consideration**
  - **Expansion of social sector facilities**
  - **Funding of operation & management of existing government facilities**

## **Other Sectoral Policies:**

- **Roads**
  - **First State to formulate a policy for BOT projects in 1994**
  - **Rajasthan Road Development Act, 2002 enacted and Rules framed**
    - **To encourage PSP in construction of financially-viable bridges bypasses, Rail Over-Bridges (ROBs) and tunnels, etc.**
- **Water**
  - **Draft State Water Policy ready**
    - **Facilitating Private initiative in development, operation and management of water projects**

# Policies...

- **Power**
  - **Policy for Promotion of Private Sector Investment for setting up Power Generation Projects, 2005**
- **Non-Conventional Energy**
  - **To promote generation of electricity from non-conventional sources**
- **Art & Culture**
  - **Adopt-a Monument Scheme**
    - **With a view to restoring and maintaining monuments for heritage conservation by any person for a period of 10-30 years.**
- **Health**
  - **Policy to promote private investment in Health Care Facility, 2006**
    - **To supplement State Government efforts in the fields of secondary and tertiary health care and diagnostic services.**

# Policies...

## ■ Tourism

- **Hotel Policy 2006**
  - **Creation of adequate and suitable infrastructure with private sector participation**

## ■ Industrial

- **Investment Policy, 2003**
  - **The principal objective of the Policy is to make Rajasthan the most preferred State for investment in the identified sectors**

## ■ SEZ Policy (10.9.2003)

- **To develop specially delineated economic zones conforming to the guidelines of the GoI to provide enabling infrastructure and a hassle free environment to promote exports from the State.**

# PPP Cell: Origins and Envisaged Role

- **Statutory Basis for the formation of PPP Cell**
  - Administrative order
  - Rules of Business is also being amended.
- **Mandate of the PPP Cell**
  - Coordinate with Gol on all issues related to private investment in the infrastructure sector, including PPP.
  - Formulate State 'Plan outside of Plan' for PPP projects that would harness private investment for public infrastructure and be additionality to public plan spending.
  - Formulate policies and schemes to encourage PPP projects in the State.
  - Identify, in consultation with line departments, projects that can be developed as PPP projects.
  - Appraise PPP projects (especially with a view to attracting Viability Gap Funding from Gol) developed by line departments, with special concern for risk allocation and risk mitigation for the Government, identification of contingent liabilities etc.



# PPP Cell: Role...

- **Examine requests from line departments for mid-term corrections in project management, including force majeure clauses.**
  - **Monitoring and reviewing progress of PPP projects.**
  - **Appraise, and when necessary assist in, development of legal documents such as Concession Agreements etc.**
  - **PPP data management and integration with national data warehouse.**
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- **Coverage of Sectors**
    - **Tourism**
    - **Urban Infrastructure**
    - **Roads**
    - **Power**
    - **Water Supply**
    - **Urban Transportation**
    - **Industrial Infrastructure**
    - **Health**
    - **Education etc.**

# Existing Means of Support to PPP Cell

## ■ State Government:

### ■ In cash

- A Rajasthan Project Development Fund (PDF) has been set up for meeting the costs and expenses relating to conducting feasibility studies for project development work for identified projects.
- A corpus of Rs.4.50 crores was created with the contribution from Government of Rajasthan (Rs. 4 crores) and Rs. 25 lakhs each by HDFC and IL&FS.
- Money is drawn from the RPDF only for the projects approved by ECID which is the nodal body headed by Chief Secretary for conceptualizing and approving projects and has jurisdiction over projects developed under the PPP format.
- The fund is recouped by the sale proceeds from the successful bidder on bidding out of the project.

# Support to PPP Cell..

## ■ In Kind

- Posted two Officers with supporting staff.
- In-housed in Yojana Bhawan adjacent to Govt. Secretariat.

## ■ Central Government

- In Cash: In principle approved 7 road projects under Viability Gap Funding Scheme of Gol.
- In Kind : Two Experts, one for PPP and another for MIS have been appointed under ADB TA Project.

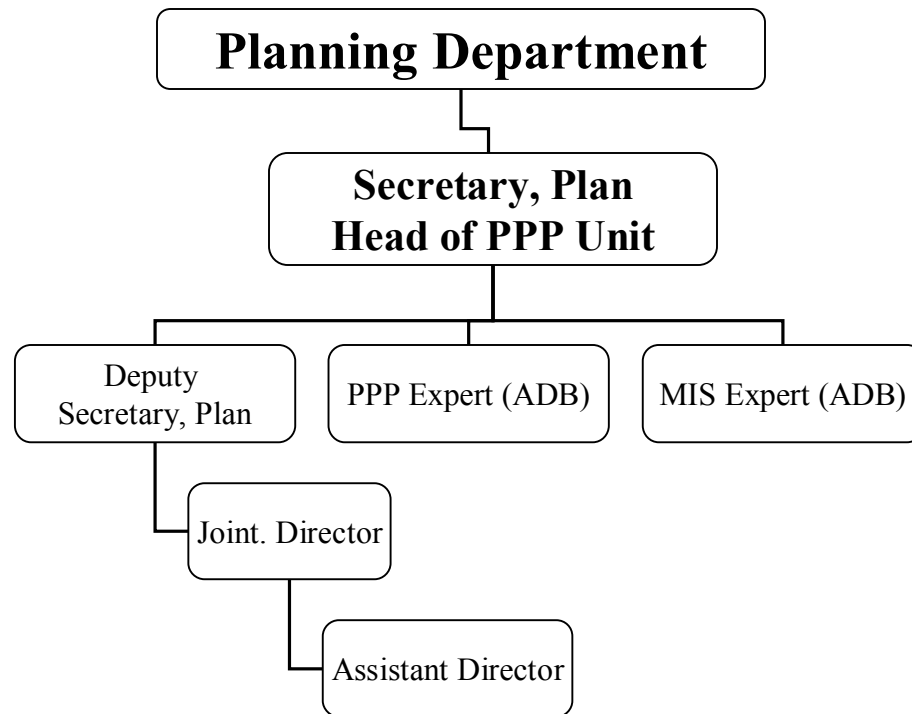
## ■ Other Sources / tie-ups

- Set up a dedicated project development company PDCOR Ltd. in association with IL&FS (with 50:50 equity)
  - Chief Secretary is Chairman of the Board
  - To develop infrastructure projects on commercial format
  - Rajasthan Project Development Fund is managed by PDCOR.

# Support to PPP Cell..

- **Set up a joint venture company Road Infrastructure Development Company of Rajasthan Ltd. (RIDCOR) in association with IL&FS (with 50:50 equity) for implementing Rajasthan Mega Highways Project**
  - **Project consists of improvement and maintenance of 1053 km of road at an investment of Rs. 1500 crores.**
  - **The work is underway. It is proposed to complete this project by May, 2008.**
  - **465 kms of road of Rs. 525 crores have been completed so far.**

# Organizational Structure





**Thank You**