

PPP Report – Orissa

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Orissa PPP Policy

Orissa PPP Policy formulated by PPP Cell & promulgated through a Gazette Notification by Govt. of Orissa to facilitate Infrastructure Development in the State in PPP mode.

Objectives

- 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.
- 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.

Orissa PPP Policy - Objectives

- 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 Govt

Orissa PPP Enabling Environment

Present status

- Institutional arrangements, i.e. formation of Empowered Committee on Infrastructure (ECI) for projects up to Rs500 crores, High Level Clearance Authorities (HLCA) for projects above Rs500 crores, Orissa PPP Technical Society (OPPPTS), have been completed.
- Departmental PPP Nodal Officers appointed to coordinate with the State PPP Cell.
- Two interactive sessions per each department conducted to disseminate the PPP policy and concepts and also to monitor the status of PPP projects of respective departments.
- 1st interactive session with officials of 30 districts completed recently. Provisions of PPP Policy, concepts were discussed. Possibility of taking up projects in PPP mode was explored.

Orissa PPP Enabling Environment

- 1st interactive session with officials of Bhubaneswar Municipality Corporation has been recently concluded. Few projects have been identified for taking up in PPP mode.
- Six sessions of ECI have been held under the Chairmanship of the Chief Secretary and PPP projects of Works, Housing & Urban Development, Tourism, Industry and Science & Technology Departments were cleared.
- Permanent location for Orissa PPP Technical Society, (OPPPTS) to serve as technical secretariat for PPP Cell, has been established in the 8th floor of Orissa State Housing Board (OSHB) Complex.

Capacity Improvement

Five capacity improvement programmes conducted -

- Secretary level interactive session
- Departmental PPP Nodal Officers interactive sessions
- PPP Workshop in association with the Planning Commission, Govt. of India
- Departmental PPP Nodal Officers interactive session – 2nd phase
- District Level Officers interactive session.

Capacity Improvement

- Secretary level interactive session held under the Chairmanship of Additional Chief Secretary, Orissa in Nov - Dec 2007.

Objectives

- To appraise the role and functions of PPP Cell
 - Delineation of functions of PPP Cell and Departments in respect of PPP projects conceptualization, structuring and ownership
 - PPP Policy Implementation and Way forward
- Departmental PPP Nodal Officers interactive sessions – Feb 08

Capacity Improvement

- PPP Workshop held in association with the Planning Commission - 19th May 2008
- Departmental PPP Nodal Officers interactive session – 2nd phase – July & Aug 08

Objectives

- To review the status of PPP projects of each department.
- To bring to departments' notice the various PPP financing schemes of Govt. of India, such as the IIPDF & VGF schemes supporting project viability.
- To avail the services of Transaction Advisors empanelled by Govt. of India (DEA).
- To share PPP project-related documents with PPP Cell so that a data base can be build up at PPP cell which will be accessible to all departments over Local Area Network (LAN), Internet and also for linking with national database.

Capacity Improvement

- District Level Officers Two interactive session (30 districts) in months of Jan and Feb'2009
- The PPP concept and modalities, common to most PPP projects, were discussed. Viable projects were identified at district level. Projects identified for taking further are:
 - Hospitals at district levels
 - Public Schools
 - Mini Secretariat at District level
 - Whole Sale and retail Fish Market
 - Medical college
 - Engineering College
 - Driving Training School
 - Rural Multiplex at Gram Panchayat level
 - Mass Housing

Guidelines Development

Following institutional mechanisms put in place: -

- Formation of the Empowered Committee on Infrastructure (ECI) for clearing PPP projects costing up to Rs.500 crores
- Formation of the High Level Clearance Authority (HLCA) for clearing PPP projects costing above Rs. 500 crores
- Formation of the **Orissa PPP Technical Society (OPPPTS)** to serve as the Technical Secretariat for PPP Cell
- Facilitation of lease of Govt. land by private party and then sub-lease rights/ clause through a notification by Revenue and Disaster Management Department, Govt. of Orissa.
- Guidelines, promulgated/ published by Govt. of India, are frequently used as reference/ standard documents: - MCAs, using the empanelled Transaction Advisors, guidelines for availing financial support from IIPDF/ VGF schemes.

Pipeline Development

The processes for PPP projects pipeline - established by PPP Cell in consultation with the line departments: -

- Departments to prepare a PPP Plan as a Plan outside Plan wherein the projects and sectors it envisages would be amenable to PPP structuring and the amount of additional private sector resources it would try to attract.
- To set up a departmental PPP Cell with a Nodal Officer to monitor the PPP projects including co-ordination with State PPP Cell.
- To identify, conceptualize probable PPP projects and prepare a preliminary report/ concept note wherein the need for the project, the benefits of doing under PPP mode, the responsibilities of the State and the concessionaires, outlines of the project and its structure, its main features, value for money test etc may be indicated. This would be done by the department along with the State PPP Cell.
- All projects should normally be tested for PPP amenability.

Pipeline Development

- The shelf of probable PPP projects is to be placed before the ECI through State PPP Cell for prioritization and taking further.
- After in-principle approval of ECI/ HLCA, Departments would prepare an Initial Screening Report (ISR) of projects either in-house or through suitably hired consultants.
- After ascertaining project feasibility through ISR, the same shall again be put up to ECI/ HLCA through State PPP Cell for approval and for further modalities (DPR, other structuring details, concessions required, details of land requirement of VGF, types of State support, value for money analysis, proper risk allocation etc).
- Proposal for VGF, if any, is to be processed through State PPP Cell, at all stages.
- Departments to prepare bid documents and also adoption & modification of MCA.

Pipeline Development

- The bid, concession documents & the outcome of bid process are to be approved from ECI/ HLCA before award of the project to the Developer.
- Appropriate structure to manage, run and supervise the project both in its construction and Operation & Maintenance stage.
- PPP Cell recently had discussions with officials of District Headquarters, Urban Local Bodies, etc for probable PPP projects.

Formal communication with these entities commenced. Processes for conceptualizing/ initiating/ taking further their projects would be promulgated after collecting, collating and compiling their feedback/ responses.

- The PPP processes, initiated and compiled by the PPP Cell, have been dovetailed into (i) the Orissa State Annual Plan 2008 – 09 Document (ii) Orissa Eleventh Five Year Plan 2007 – 12 Document.

Management Information System

Long term

- A comprehensive plan for creating, maintaining, and updating a PPP database has been submitted to the Government.
- It includes detailed approach and procedures for setting up the Data Centre, the database build-up and its on-line access by line departments.
- Necessary hardware, software, networking, web-hosting requirements have been worked out.
- The plan has been approved in-principle. Necessary budgetary provision has been made by the Govt. towards procurement of hardware, software, networking, web-hosting and installation of the Data Centre.
- The Data Centre would function from the premise of the Orissa PPP Technical Society

Management Information System

Short term

Following interim arrangements made within the present PPP Cell office: -

- Collection and collation of data from line departments on their PPP projects through official correspondence, inter-departmental meetings, informal discussions etc.
- Digitization of collected information through scanning and their conversion to database formats
- Directory-wise storage of information in order of departments and/ or sector/ sub-sector basis
- Updation of the database through manual and semi-automated processes
- Specific applications derived out of the database are: - Rendering returns on Orissa PPP project status and other details to Govt. of India (Planning Commission, Finance Commission, Ministry of Finance/ DEA etc)
- Preparation of PPP-related reports for State Annual & Five-year Plan Documents

Management Information System

Orissa PPP Website

- The Orissa PPP website, www.orissappp.gov.in launched in Feb 2008. The website is hosted from the web server of National Informatics Centre (NIC), being the nodal authority for IT services to Central and State Govt. offices.
- The website is intended to provide comprehensive information on PPP activities of the state. Some important features of the website are:
 - Important policy and implementation issues
 - Sectors having probable & potential PPP projects
 - Information on important events/ activities
 - Links to important PPP portals

Management Information System

- The interim database, created/ updated and maintained in the present PPP Cell office, needs to be migrated to the central database (to be operated from PPP Data Centre).
- DEA has launched a website on PPP projects, i.e. www.pppindiadatabase.com
- The structure and content of the state database is planned to be synchronized with the national database.

Project List

Biotech Park, Andharua, Bhubaneswar – BOOT, estimated Project cost (Cr) - 93.32. The signing of the contract has to be done.

Shamuka 4 hotels Project - (4/5 Star Hotels), Puri - DBFOOT
The RFP was issued to the short listed bidders. No bids received. Revised RFP under preparation

Shamuka Master Developer, Puri - DBFOOT
RFP to be issued to the short listed bidders.

Hop-on-Hop-Off Tourist Bus, Bhubaneswar
ECI approved the preferred bidder on 27th Dec 08. It is operational.

Mahodadhinivas - Design, renovate, augment, finance, operate, maintain & transfer. The letter of intent has been issued & the agreement will be signed shortly.

Project List

OTDC Restaurant Project, Bhubaneswar, Cuttack, Rourkela, Konark, Nandankanan, Barkul, Sambalpur & other identified Panthanivas locations - to upgrade, develop, operate, maintain, share and transfer.
Bid conditions approved by ECI on 30th Sep 08. Invitation for bids published in newspapers on 08 Oct 08.

Orissa Tourism Portal- Operation, maintenance & marketing
Bid conditions approved by ECI on 30th Sep 08. Invitation for bids published in newspapers on 08 Oct 08

OTDC Spa Project- Bhubaneswar, Cuttack, Rourkela, Konark, Nandankanan, Barkul, Sambalpur and other identified Panthanivas locations, to upgrade, develop, operate, maintain, share and transfer.
ECI approved-in-principle the proposal on 27th Dec 08. The feasibility study has to be carried out.

Project List

OTDC Eco-Resort Project at Ramchandi - to upgrade, Operate, Maintain, Manage, Share and Transfer basis.

ECI approved the preferred bidder on 27th Dec 08. M/s Kamat Group of Hotels emerged as the preferred bidder. ECI approved the lease development agreement.

31 Tourism Property - all over Orissa - Lease, Develop, Upgrade

ECI approved-in-principle the proposal on 27th Dec 08. The feasibility study has to be carried out.

International Convention Centre, Bhubaneswar, BOOT, estimated project cost (cr) – 480. Letter of intent to be issued.

IT & Corporate Tower Bhubaneswar, BOOT, estimated project cost (cr) - 140
Draft RFP ready. Next stage of bidding to be taken up after land ownership issues are sorted out.

Project List

Info Park, Bhubaneswar, BOOT, estimated project cost (cr)- 500
Construction would start soon

SEZ-IT/ITES/BPO, Bhubaneswar,BOOT, estimated project cost (cr)- 352.03
Modalities for land transfer from IDCOL to IDCO are underway.

IT & Commercial Complex, Rourkela,BOOT,the estimated project cost (cr)-
76.06
Concession Agreement signed between GoO & M/s Forum Mart

Knowledge Park SEZ with Integrated Township (Info city-
2),Bhubaneswar,BOOT/JV, estimated project cost (cr)- 35.67
RFQ is being prepared.
The RFQ will be vetted and then issued. PPP cell is a member of the
Empowered Committee

Project List

IT & Commercial Complex, Berhampur, BOOT

The project will be taken up after change in land use.

Setting up of ITIs/ ITCs - all over Orissa (Districts not having ITIs), BOO

The project has been cleared by ECI. Feasibility study has to be carried out.

Multi-product SEZ, Paradeep, BOOT, the estimated project cost (cr)- 712

Land is being acquired.

Modern Bus Terminus - 4 places, Badambadi (Cuttack), Angul, Sambalpur, Dhenkanal - DBOT, the estimated project cost (cr) – 200 (approx)

No bid was received by the stipulated date. One Private sector has shown interest, after the date.

Matter yet to be finalised.

Project List

Haridaspur -Paradeep BG Rail Link, estimated project cost (cr)- 594.34. SPV formed between Rail Vikas Nigam & User Industries of the area.

Gunpur-Theruvalli Rail Link, BOT, estimated project cost (cr)- 151
Formation of SPV is in progress

Capital Region Ring Road (CRRR) - Khurda & Cuttack - BOOT, estimated Project cost(Cr) – 304. ECI Clearance given. DPR in progress.

Bhubaneswar-Paradeep Road - Khurda & Cuttack - BOOT, the estimated Project cost(Cr) – 562.
ECI Clearance given. DPR in progress.

Joda - Bamebari Road - BOT, the estimated project cost - 137.16

Draft preliminary report submitted by Transaction Advisor,
Will be placed before ECI, shortly.

Project List

4 -Laning of Sambalpur-Rourkela Road - BOT, the estimated project cost(cr) -1270.5

Submitted for approval of High Level Clearance Authority (HLCA)

Palaspanga-Bamebari Road - BOO, the estimated project cost(cr) – 68
SPV formed between local authorities & Industry.
Construction started. 4K.M. road completed.

Koira-Tensa- Lahunipara Road, Keonjhar, BOT, the estimated project cost(cr) - 392.2

Draft preliminary report submitted by transaction advisor. It will be processed for ECI approval.

Shaukati-Dubuna Road, Keonjhar, BOT

Feasibility study in progress

Project List

Tensa-Barsuan-Lahunipada Road, Sundergarh, BOT
Feasibility study in progress

Chorada-Duburi Road, Dhenkanal, BOT
Feasibility study in progress,

Integrated Commercial-cum-Residential Complex-Gajapati Plaza - DBOOT,
estimated Project cost(Cr) - 9.4

Letter of Intent issued and the contract is to be signed

Integrated Residential Township, Ranasinghpur, DBT, the estimated project cost(cr) - 493

RFP has been issued to the short listed bidders.

Housing-cum-Commercial Complex, Patrapada & Ranasinghpur, DBOOT,
estimated project cost(cr) – 600

Lease-cum-Development Agreement has to be signed

Project List

Market-cum-Residential Complex - Bhubaneswar, DBT
Commercial Component is in progress. Developer - M/s Bhawani
Constructions Pvt. Ltd. Gurgaon

Commercial Shopping Complex, Unit-IV- DBOO
Financial closure achieved. The commercial complex is in process.

A.C. Market Complex, Unit-IV, Bhubaneswar, DBOOT, the estimated project
cost (cr)- 20.3
JV between BMC and M/s Keshari Estate Private Ltd.

Integrated Commercial-cum-Residential Complex, Bhubaneswar, BO,
estimated project cost (cr)- 211. Work has to start.

Dhamara Port, Balasore, BOOST, estimated project cost(cr) – 2469 -
Concession Agreement signed between GoO & M/s International Sea-Ports
Ltd.

Project List

Gopalpur Port, BOOT, estimated project cost(cr) – 1700 - Concession Agreement Signed between GoO & Gopalpur Ports Ltd.

Kirtania Port (Subarnarekha Mouth), BOOST, estimated project cost (cr)- 2000 - Concession Agreement Signed between GoO & Creative Port Pvt.Ltd. on 11 Jan 2008.

Jatadhar Muhan Port, BOOST, estimated project cost (cr)- 1432
In principle approval accorded for establishing a captive minor port by M/s POSCO.

Jharsuguda Airport, Sambalpur, BOT, the estimated project cost (cr)- 90
Feasibility study undertaken.

Case Studies

Mass Housing

- PPP Cell Proposal to provide 1,00,000 quality houses at affordable cost – spread over major cities/ towns of Orissa
- Three broad categories – 500, 750 & 1000 sq. ft. area
- Land already identified by all Districts
- Preliminary financial estimates have been worked out
- Banks have shown interest to finance the scheme
- Moved for ECI clearance

Case Studies

Mini-Secretariat

- Proposal from PPP Cell to set up Mini-Secretariat/ District City Centres at the District Headquarters
- Project aimed at providing an integrated set up of all departments of a district so as to function from a unified complex
- A citizen service centre, information centre etc are to be part of the set up.
- Project expected to improve efficiency of District Administration and Citizen Services delivery significantly
- Land has been identified at district headquarters. Moved for clearance.

Case Studies

Slum Development Programme

- “Bhubaneswar Slum Profile” has been prepared.
- Comprehensive database on existing low income and under serviced settlements prepared ward-wise -containing exhaustive details of physical characteristics, population, amenities/ services, land ownership, dwelling unit quality, drinking water, sanitation, solid waste management, drainage etc.
- 58000 houses need to be built up.
- Area under encroachment is about 1800 acres.
- Area required for rehabilitation is about 800 acres.
- 90% slums – in situ rehab will be made

Other Initiatives

PPP projects, recently initiated by the State PPP Cell are: -

- Mass Housing Scheme
- CCTV Surveillance System for Bhubaneswar – Cuttack
- District level – Mini Secretariat
- Rural Multiplex
- Night Shelter
- Multiplex
- Commercial Floriculture
- Convention Centre
- Modern Wholesale Fish Market
- Public Schools & Hospitals in all Districts
- Bio-Medical Waste Management Services
- Medical College at two locations
- Diagnostic Centres
- Operation and Management of Motor Driving College, Chatia
- Central Placement Cell under Employment Mission
- Aqua-marine Park
- Amphi - theatre

Thank You