



# Review of TA – Mainstreaming of PPPs at the State Level

**STATE: TAMIL NADU**

March 23 , 2009

**PPP Cell**

**Finance Department,**

**Government of Tamil Nadu**

# PPP Policy

- **State PPP Policy yet to be drafted**

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- **TN Government during 1998 introduced “Tamilnadu Transparency in Tender Act 1998”.**
- **It has also made relevant rules under this Act , namely Tamilnadu Transparency in Tender Rules 2000.**
- **This Act & Rules elaborately discusses the procedures to be followed in the procurement of goods & services, construction etc. in the State Government Departments, State PSUS and Other Autonomous Bodies.**
- **Thrust given to Public Private Partnerships in various Government Policy Documents by the Govt. of Tamilnadu.**
- **As PPP has been identified as a modality for development in these Policy Documents. As such, GoTN does not feel the need for an independent policy for PPP in the state.**
  
- **The documents featuring PPP as an action point are:**
  1. **The New Industrial Policy 2007**
  2. **Housing Policy**
  3. **IT Dept. G.O.MS.No.18 dtd. 11/6/2007**
  4. **Health and FW Dept. G.O. (Ms.) No. 33 Dated: 31.1.2008, Facilitating Public Private Partnership in the improvements and upkeep of health facilities in the State**
  5. **Highways Department (Roads, Bridges, Minor Ports and Shipping) Policy Note 2008-2009**
  6. **Municipal Admn. & Water Supply Dept.-Policy note On Administration of ULBs– 2008-2009**
  7. **Tourism and Culture Dept.- Policy Note 2008-2009**
  8. **Agriculture Department Policy Note 2005-2006**

# Capacity Improvement

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Capacity Building initiatives in the state are:

- A training program for Senior IAS officers was organised on December 22nd 2008 - 21 Senior Civil Servants Participated and expressed their interest in taking up project in the their department. A shelf of 15 projects were identified.
- Capacity building program for senior officers of various departments viz. Slum Clearance Board, Chennai Metropolitan Development Authority, Food and Civil Supplies, Public Works Department, Finance , King Institute of Preventive Medicine were undertaken.
- PPP Cell has received requests for training programs from various departments.
- Cell is in discussion with Anna Institute of Management to reserve time slots in the 2009 calendar of events to provide training on PPP for Senior policy makers and officers of GoTN.

# Guidelines Development

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- Model RFQ and RFP developed for GoTN .
- Vetted the RFQ/RFP of 5 projects which is currently under bidding in TN

# Pipeline Development

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- Personal interaction by the Cell with Head of Departments by confidence building, sharing of case studies, extending guideline, sharing the current opportunities and options extended by Government of India, ADB and other fund agencies on similar projects and hand holding measures.
- Currently the Cell is interacting with the following departments (No. of proposals under consideration)
  1. Chennai Metropolitan Development Authority (MMRDA) (4)
  2. State Express Transport Corporation (TN SETC) (1)
  3. Slum Clearance Board (TN SCB) (1)
  4. Agriculture Marketing Board (TN AMB) (4)
  5. Health Department (2)
  6. A shelf of 11 Projects identified - Discussions with departments is on.

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## **MANAGEMENT SYSTEMS**

MIS database created ( in MS ACCESS and MS Excel).

The Cell has established linkages with various department and Government circulars have been issued to ensure regular flow of data.

Personal interaction and capacity building exercise would help the data flow from the Departments.

## **Project Lists**

[Database of Projects \(Click this link to open the file\)](#)

## **Case Studies**

Intend to do on SWM(solid waste management) on Chennai Corporation.

## **Key RFP / RFQ Features (qualification criteria /bid variables etc)**

- The cell has undertaken vetting of 5 RFQ/RFP which is currently under bidding with GoTN .

## **Time table for Entire Process**

A broad guideline of 8 months to 1 Year is indicated for the Departments from the project conceptualisation stage to bidding stage.

- i Project preparation (4 Months)
- ii Procurement of private operator ( 8<sup>th</sup> Month)
- iii Approvals to the construction (12<sup>th</sup> Month)
- iv Handing over of the land (12<sup>th</sup> Month)

## **Other information**

Prepared training materials presentations/handouts, completed case studies etc, which are given as a part of capacity building Content for web hosting developed pending approval by GoTN.

# Review of PPP Projects to Date



| Completed/On-going Projects |                 |                | Pipeline Projects                  |                 |                 |
|-----------------------------|-----------------|----------------|------------------------------------|-----------------|-----------------|
| Sector                      | No. of Projects | Cost in Rs.Cr. | Sector                             | No. of Projects | Cost in Rs.Cr.  |
| Roads                       |                 |                | Industrial Infrastructure          | 5               | 8135.00         |
| (a) Completed               | 3               | 190.00         | Urban and Municipal Infrastructure | 11              | 2305.00         |
| (b) On-going                | 1               | 205.00         | Transportation & Logistics         | 2               | 538.80          |
|                             | 4               | 395.00         | Agri-Infrastructure                | 2               | 200.00          |
| Urban Infrastructure        |                 |                | Health                             | 1               | 26.10           |
| (a) Completed               | 4               | 1109.00        | <b>Total</b>                       | <b>21</b>       | <b>11204.90</b> |
| (b) On-going                | 1               | 500.00         |                                    |                 |                 |
|                             | 5               | 1609.00        |                                    |                 |                 |
| <b>Total</b>                | <b>9</b>        | <b>2004.00</b> |                                    |                 |                 |

| Cost in Cr.  |                 |
|--------------|-----------------|
| Completed    | 1299.00         |
| On-going     | 705.00          |
| Pipeline     | 11204.90        |
| <b>TOTAL</b> | <b>13208.90</b> |



# Review of PPP Projects to Date

- Overall PPP Projects

- **Number Proposed and facilitated by PPP Cell : 9**

- Cold Storage Facilities – 5 , Terminal market -1, SIPCOT- TTRO Plant , Desalination Project -1 Health Care-2 (CDF, EMS),

- VGF Applicants: One

- Chennai Desalination Project sponsored by MAWS Dept. However this was not approved by GOI

# Review of PPP Projects to Date- Sector and Project type Overview



| Sector/Project type                | No.of Projects | MP SEZ   | IT SEZ   | Marine Discharge | ETP      | TTRO Plant | Housing  | Fishing Harbour | Roads    | Diano stic Faci | Cold Storage |
|------------------------------------|----------------|----------|----------|------------------|----------|------------|----------|-----------------|----------|-----------------|--------------|
| Industrial Infrastructure          | 5              | 3        | 2        |                  |          |            |          |                 |          |                 |              |
| Urban and Municipal Infrastructure | 11             |          |          | 1                | 2        | 1          | 7        |                 |          |                 |              |
| Transportation & Logistics         | 2              |          |          |                  |          |            |          | 1               | 1        |                 |              |
| Agri-Infrastructure                | 2              |          |          |                  |          |            |          |                 |          |                 | 2            |
| Health                             | 1              |          |          |                  |          |            |          |                 |          | 1               |              |
| <b>TOTAL</b>                       | <b>21</b>      | <b>3</b> | <b>2</b> | <b>1</b>         | <b>2</b> | <b>1</b>   | <b>7</b> | <b>1</b>        | <b>1</b> | <b>1</b>        | <b>2</b>     |

# Review of PPP Projects to Date – PPP Modality overview by Sector



| Sector/PPP Modality type           | No.of Projects | BOT | BOOT | DBOOT | BOO | JV |
|------------------------------------|----------------|-----|------|-------|-----|----|
| Industrial Infrastructure          | 5              |     | 2    |       | 1   | 2  |
| Urban and Municipal Infrastructure | 11             |     |      | 7     | 3   | 1  |
| Transportation & Logistics         | 2              | 1   | 1    |       |     |    |
| Agri-Infrastructure                | 2              |     | 2    |       |     |    |
| Health                             | 1              |     | 1    |       |     |    |
| Total                              | 21             | 1   | 6    | 7     | 4   | 3  |

# Review of PPP Projects to Date – Status of Projects



|   |                   |
|---|-------------------|
| <b>Implemented</b>  |                   |
| Completed- 7  | Rs.1299 Cr.       |
| <b>Financial Closure</b>  | --                |
| <b>Operations Commencement : 4 projects to be commenced shortly</b> |                   |
| <b>IT Corridor</b>  | Rs.205 Cr         |
| <b>Desalination 100 MLD-</b>  | Rs.500 Cr.        |
| <b>ETP for Leather Cluster at Ambur-</b>                            | Rs.85 Cr.         |
| <b>ETP for Dyeing Unit Cluster at Tiruppur-</b>                     | Rs.420 Cr         |
| <b>Total</b>  | <b>Rs.2509Cr.</b> |

# Pipeline of PPP Projects

| Sector                         | Number (and value) of PPP Projects in various stages |                     |                    |                     |                             | Total     |   |
|--------------------------------|--|---------------------|--------------------|---------------------|-----------------------------|-----------|---|
|                                | Identified   | DPR                 | RFP                | Bidding             | Construction/Implementation | Nos.      | App.Cost (Rs. Cr.)                          |
| Road                           | 1<br>(450)   |                     |                    |                     |                             | 1         | 450   |
| Industrial Infrastructure(SEZ) | 3<br>(4400)  |                     |                    | 1<br>(1325)         | 1<br>(2410)                 | 5         | 8135  |
| Ports                          |  |                     |                    |                     | 1<br>(88.80)                | 1         | 88.80                                       |
| Water Supply                   |  | 1<br>(1000)         | 1<br>(100)         |                     | 2<br>(505)                  | 4         | 1605  |
| Agriculture                    |  |                     | 2<br>(200)         |                     |                             | 2         | 200   |
| Housing                        | 3<br>(700)   | 3                   | 1                  |                     |                             | 7         | 700*<br>Cost of 5 Projects under estimation |
| Health                         | 1<br>(26.10)   |                     |                    |                     |                             | 1         | 26.10                                       |
| <b>TOTAL</b>                   | <b>8<br/>(5576.10)</b>                               | <b>4<br/>(1000)</b> | <b>4<br/>(300)</b> | <b>1<br/>(1325)</b> | <b>4<br/>(3003.80)</b>      | <b>21</b> | <b>11204.90</b>                             |

# Details of PPP Transactions

| Project Name   | Sector                    | Estimated Cost in Rs.Cr | Status             |
|--|---------------------------|-------------------------|--------------------|
| 1.SEZ for IT-ITES at Taramani ( on lands behind TICEL Bio-park.)                                   | SEZ                       | 1325                    | Under construction |
| 2.Multi_product SEZ in Krishnagiri District  | SEZ                       | 2300                    | UNDER CONSTRUCTION |
| 3.Multi-product SEZ in Virudhunagar Dist.  | SEZ                       | 600                     | PIPELINE           |
| 4.Multi-product SEZ in Perambalur Dist.  | SEZ                       | 1500                    | PIPELINE           |
| 5.SEZ for It -ITES with Integrated International Convention centre at Taramani(                    | SEZ                       | 2410                    | Under construction |
|  | Sub-Total                 | <b>8135</b>             |                    |
| 6.Establishment of 120 MLD Tertiary Treated RO plant at Koyambedu                                  | SEWERAGE AND WATER SUPPLY | 100                     | PIPELINE           |
| 7.Bio conversion treatment facility for municipal solid waste by TNUIFSL                           | SEWERAGE AND WATER SUPPLY | 4                       | OPERATIONAL        |
| 8.Setting up of a 100 MLD Desalination Plant at Kattupalli Village in Minjur on Design, BOOT basis | SEWERAGE AND WATER SUPPLY | 500                     | UNDER CONSTRUCTION |
| 9.Sewerage treatment plant for underground drainage in Alandhur by TNUIFSL                         | SEWERAGE AND WATER SUPPLY | 6                       | OPERATIONAL        |
| 10.Tiruppr Water Supply and Sewerage Project   | SEWERAGE AND WATER SUPPLY | 1085                    | OPERATIONAL        |
|  | Sub-Total                 | <b>1695</b>             |                    |

| Details of PPP Transactions ...   |           | Estimatd Cost in Rs.Cr | Status             |
|---|-----------|------------------------|--------------------|
| Project Name  | Sector    |                        |                    |
| 11.Improvement of Maintenance of IT corridor in Chennai from Madhya Kailash to Siruseri on Old Mahabalipuram Road | ROADS     | 205                    | UNDER CONSTRUCTION |
| 12.Improvement and Maintenance of East Coast Road from Km. 22/300 to 135/500                                      | ROADS     | 60                     | OPERATIONAL        |
| 13.Construction of Outer Ring Road  | ROADS     | 450                    | PIPELINE           |
| 14.Construction of Coimbatore by-pass and Athupalam Bridge at Km. 161/2 of NH7                                    | ROADS     | 105                    | OPERATIONAL        |
|   | Sub-Total | <b>820</b>             |                    |
| 15.Construction of Quarters for staff and publcl at Foreshore estate  | HOUSING   | 700                    | PIPELINE           |
| 16.Development of 16.93 acres of land in Ambathur Phase I & II in Chennai   | HOUSING   | 0                      | PIPELINE           |
| 17.Construction of Residential Service Apt & Mall cum Multiplex in 3.73 acres at KK Nagar, Chennai                | HOUSING   | 0                      | PIPELINE           |
| 18.Construction of Commercial Complex in 1.7 Acres of land at Villivakkam Chennai                                 | HOUSING   | 0                      | PIPELINE           |
| 19.Development of 41.14 acres of land in Kizhumudalambedu in ,Gummidipoondi tq,Thiruvallur Dt.                    | HOUSING   | 0                      | PIPELINE           |
| 20.Development of 13.20 acres of land in Nerkundram in Chennai  | HOUSING   | 0                      | PIPELINE           |
| 21.Development of 17.14 acres of land in Shilinganallur Phase III in Chennai                                      | HOUSING   | 0                      | PIPELINE           |
|   | Sub-Total | <b>700</b>             |                    |
| 22. Comprehensive Diagnostic Facility at Cheenai and Tiruppur   | HEALTH    | 26.10                  | PIPELINE 15        |
|   | Sub-Total | <b>26.10</b>           |                    |

| <b>Details of PPP</b>   | <b>Transactions ....</b> | Estimate<br>Cost in<br>Rs.Cr | Status                |
|---|--------------------------|------------------------------|-----------------------|
| Project Name  | Sector                   |                              |                       |
| 23.Construction of Fishing Harbours at Muttom and Rajakkamangalamthurai in Kanyakumari District   | FISHING HARBOUR          | 88.80                        | PIPELINE              |
|   | Sub-Total                | <b>88.80</b>                 |                       |
| 24.Tiruppur Marine Discharge  | EFFLUENT TREATMENT       | 1000                         | PIPELINE              |
| 25.Effluent treatment plant for leather cluster at Ambur  | EFFLUENT TREATMENT       | 85                           | UNDER<br>CONSTRUCTION |
| 26.Effluent Treatment Plant for Dyeing unit Cluster at Tiruppur   | EFFLUENT TREATMENT       | 420                          | UNDER<br>CONSTRUCTION |
|   | Sub-Total                | <b>1505</b>                  |                       |
| 27.Construction of Terminal Complexes for storage of Agri Commodities at Chennai , madurai and Coimbatore   | AGRI COMMODITIES         | 200                          | PIPELINE              |
| 28.Establishment of Marketing complex with cold storage facilities in 5 places for 5 commodities ie Mango(krishnagiri), Onion(Pongalur), Tomoto(Hosur), Grapes(Odaipatti), Coconur(Pattukottai) | AGRI COMMODITIES         | <b>0</b>                     | PIPELINE              |
|   | Sub-Total                | <b>200</b>                   |                       |
| 29.Karur Toll Bridge by Tamil Nadu Urban Infrastructute Financial Services Ltd., ( TNUIFSL)   | BRIDGES                  | 14                           | OPERATIONAL           |
| 30.Construction of Additional two lane bridge and improvements to the existing bridge across river Korathalayar at KM.26/4 of NH5   | BRIDGES                  | 25                           | OPERATIONAL           |
|   | Sub-Total                | <b>39</b>                    |                       |
|   | Grand Total              | <b>13208.90</b>              |                       |



## Challenges and Main Issues to Date:

- Can 99 year lease be roped into PPP?



# Forward Programme for PPP

- Focus Areas – Urban Infrastructure, Roads, Transport, Water And Sanitation.
- Projects on Anvil –
- Cold Storage for Agri-products.
- Comprehensive Diagnostic facility .
- TTRO Plant.
- Housing Projects.
- Construction of Multi-storeyed Complexes at 3 MRTS Railway Stations( Perungudi, Velachery & Taramani).
- Development of Bus Terminal and Multistoreyed Complex at Trichy by SETC.



Thank You