

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:3950

ANSWERED ON:18.08.2010

PUBLIC PRIVATE PARTNERSHIP PROJECTS

Mahto Shri Baidyanath Prasad; Rama Devi Smt. ; Sharma Shri Jagdish

Will the Minister of PLANNING be pleased to state:

- (a) whether the Public Private Partnership Model has been assigned the responsibility for executing development projects in the country at present;
- (b) if so, the details of projects being executed in the country on the above model as on 30-06-2010;
- (c) whether the Government has made an assessment on the authenticity and efficiency of the system;
- (d) if so, the details thereof and the measures proposed to be taken to improve the partnership system in this regard;
- (e) whether audit of the expenditure incurred on these projects are mandatory by the Comptroller and Auditor General of India; and
- (f) if not, the reasons therefor and the system of audit being adopted in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI.V. NARAYANASAMY)

(a): The Eleventh Five Year Plan envisages an investment of Rs. 20.56 lakh crore in physical infrastructure. The Plan recognizes that this ambitious target cannot be met with public resources alone. The Eleventh Five Year Plan, therefore, projects that 30 per cent of the required investment will be made through private sector participation. This implies investment of about Rs. 6.19 lakh crore through private sector participation directly as well as various forms of Public Private Partnership (PPP) where desirable and feasible.

(b): As of 30-06-2010, the Public Private Partnership Appraisal Committee (PPPAC) had approved 198 projects involving an investment of Rs. 1.67 lakh crore and the Empowered Committee/Institution (EC/EI) had approved 63 projects involving a total capital investment of Rs. 0.41 lakh crore.

Thus, a total of 261 projects had been approved by PPPAC and EC/EI with a capital investment of Rs. 2.08 lakh crore.

(c) & (d): The Planning Commission has prepared Model Concession Agreements for several sectors. The Ministry of Finance has also issued Model Request for Qualification and Request for Proposal documents. These documents provide for award of projects on the basis of competitive bidding. The reliance of PPP initiatives on standard documents and processes facilitates award in a manner that is fair, transparent and competitive.

(e) & (f): Recognising the increasing role of PPP in development of the infrastructure sector, the Comptroller & Auditor General of India (C&AG) has brought out a comprehensive set of Public Auditing Guidelines of PPP in October 2009. The C&AG has been conducting audit of several PPP projects being undertaken by the Central and State/UT Governments.