

**GOVERNMENT OF INDIA
HOUSING AND URBAN AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:663

ANSWERED ON:19.07.2017

Smart City Mission

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Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- a) the details of cities selected/ declared smart cities so far under Smart City Mission, phase, year and State-wise and the criteria followed for selection of cities;
- b) the details of proposals received so far from various States for selection/ declaration as smart cities under the Mission;
- c) the details of funds likely to be incurred and criteria for funding along with the manner in which funds are likely to be arranged and the details of proposals received for allocation of funds from various States so far, State-wise;
- d) the details of funds allocated, released and utilized and the projects completed and the present status of implementation of projects, project, city, State and year-wise; and
- e) whether the funds/ share of the State and Local Bodies are made available in time and if so, the details thereof and if not, the reasons therefor and the action taken/ being taken in this regard and the time period for completion of the Mission?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(RAO INDERJIT SINGH)

(a) & (b): The selection process of Smart Cities follows a challenge (competition) process consisting of two stages. Stage 1 is intra-state competition and is conducted by the State Governments on four broad criteria - (i) Existing Service levels, (ii) Institutional Systems/ Capacities, (iii) Self-Financing and (iv) Past track record and reforms. On the basis of these criteria, 98 potential Smart Cities were selected in August 2015 to participate in Stage 2. Further, on the basis of requests received from States, 12 new potential Smart Cities have also been included to participate in All India Competition (Stage 2) of the Smart City Challenge Process. The lists are enclosed at Annexure-I and II.

In Stage 2, each potential Smart City submitted its Smart City Proposal (SCP) which is evaluated by a panel of national and international experts on the basis of two broad criteria i.e. (i) City level, and (ii) Proposal level.

On the basis of the above stated challenge process, 90 cities (20 cities in Round 1 in January 2016, 13 cities in fast track round in May 2016, 27 cities in Round 2 in September 2016 and 30 cities in Round 3 in June 2017) have been selected for development as Smart Cities under the Mission. The lists of these cities are enclosed at Annexure- III, IV, V & VI.

(c) & (d): A total investment of Rs. 1,91,155 crore has been proposed by the 90 smart cities in their smart city proposals.

In terms of Smart Cities Mission Statement & Guidelines, the Central Government will provide financial support of Rs. 500 crore to each selected Smart City. Matching contribution will have to be provided by State Government. The balance funds as required by the city in terms of their Smart City Proposal are expected to be mobilized by the cities from States/ ULBs own resources from collection of user fees, beneficiary charges and impact fees, land monetization, debt, borrowings from financial institutions, including bilateral and multilateral institutions, both domestic and external sources, Private sector through PPPs, Convergence with other Missions, etc.

The Smart Cities Mission will be implemented by a Special Purpose Vehicle (SPV) to be set up at city level as a limited company under the Companies Act, 2013. The GoI grant will be released to States in instalments after incorporation by them.

Since the launch of the Mission (25.06.2015) and till date, total Rs. 9,718.20 crore has been released by Government of India to Cities under Smart Cities Mission. The city wise and year wise details are at Annexure-VII.

So far, 2,313 projects worth Rs. 96,336 crore are in various stages of implementation. 57 projects worth Rs. 941 crore have been reported as completed, Implementation has commenced for 116 projects worth Rs. 4,476 crore. Tendering has started for 182 projects with a cost of Rs. 9,769 crore, Detailed Project Reports (DPRs) have been completed for 439 projects worth Rs. 18,457 crore and DPRs are being prepared for 1,519 projects worth Rs. 62,693 crore.

(e): While releasing of Government of India (Gol) grant to State Governments, the States have been requested to transfer Gol grant along with the equal amount on matching basis contributed by the State/ULB to the account of concerned SPVs within 7 days of receipt. However, there are delays on the part of States while releasing of their Share to SPVs.

SPVs have been requested to register with Public Financial Management System (PFMS) for integration of their accounts for online monitoring of fund transfer from States to SPVs. Using the newly designed PFMS tool, this Ministry regularly monitors and pursues the release of State share to Smart Cities. Progress of Implementation is being reviewed regularly through Video Conference Review Meetings by Secretary (HUA) every month. Secretary (HUA) has also requested Chief Secretaries to release matching contribution to concerned SPVs.

In terms of Smart Cities Mission Statement & Guidelines, the duration of the Smart Cities Mission is five years i.e. from Financial Year 2015-16 to Financial Year 2019-20. The Mission may be continued thereafter in the light of an evaluation to be done by this Ministry and incorporating the learnings into the Mission.
