

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1322

ANSWERED ON:18.07.2014

PUBLIC PRIVATE PARTNERSHIP MODEL

Galla Shri Jayadev;Jadhav Shri Prataprao Ganpatrao;Khaire Shri Chandrakant Bhaurao

Will the Minister of PLANNING be pleased to state:

- (a) whether the Public Private Partnership (PPP) 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 date;
- (c) whether the Government has made an assessment on the authenticity and efficiency of the system;
- (d) if so, the details thereof and the corrective measures taken/proposed to be taken to improve the PPP Model in the country: and
- (e) whether Planning Commission has brought out any consultation paper on PPP Mode healthcare, if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) MINISTRY OF PLANNING, MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE FOR DEFENCE (RAO INDERJIT SINGH).

(a) The Twelfth Five Year Plan has recognised that adequate investment in the development of infrastructure is a prerequisite for higher growth. Accordingly, the Plan has projected an investment of Rs. 55,74,663 crore in infrastructure (defined to include electricity, renewable energy, roads & bridges, telecommunications, railways, irrigation including watershed, water supply & sanitation, ports including inland waterways, airports, oil & gas pipelines and storage) during the Plan period (2012-17). However, in view of scarcity of budgetary resources and lack of capacity within the government to implement such an ambitious programme, the strategy of the government relies significantly on promoting investment through a combination of public investment, private participation and various forms of public private partnership (PPP) in financially viable infrastructure projects.

(b) The status of PPP infrastructure projects in the country as on March 31, 2013 is shown below:

Sl. Ministry / Sector Completed Projects Projects Under Implementation
No.

No. of Projects Projects Cost No. of Projects Projects Cost
(Rs. crore) (Rs. crore)

Central Sector

1 National Highways	75	31,404	161	1,55,438
2 Major Ports	29	12,964	29	8,561
3 Railways	4	17,561	3	3,441
4 Airports	3	5,883	2	25,237
Total (Central Sector)	111	51,812	195	1,92,677

States Sector

1 Roads	166	22,445	187	65,038
2 Ports	28	33,162	18	28,411
3 Urban Infrastructure	179	7,568	144	47,496
4 Power	26	36,580	121	1,13,491
5 Railways	2	1,357		
6 Airports	1	141		
7 Other Sectors	183	9,861	126	20,371
Total (States/	582	1,09,615	599	2,76,305

UTs Sector)

Grand Total	693	1,61,427	794	4,68,982
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(c) & (d) The Government has not made an assessment on the authenticity and efficiency of the system. However the key benefits of PPP Model in infrastructure projects are as follows:

Encourage private investment in the infrastructure sector

Reducing public direct spending

Public budget could be used in other priority areas

Introduce innovation and increased efficiency from the private sector

Development of local capital market

Right sizing of public institutions

Better services to users and early delivery

(e) The Planning Commission is preparing a consultation paper on PPP in Healthcare.