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GOVERNMENT OF ODISHA

FINANCE DEPARTMENT

RESOLUTION

The 31st August 2023

Odisha Public Private Partnership (PPP) Policy, 2023

1. Preamble

1. For economic development of the country, emphasis on its infrastructure upgradation and better service delivery is crucial. Investment in the infrastructure sector acts as a driver of growth and a significant part of this investment is envisaged to come from private sector under Public Private Partnership (PPP) mode. The PPP approach is best suited for the infrastructure sector as it supplements scarce public resources, creates a more competitive environment and helps to improve efficiencies and reduce costs. There is always a continuous endeavour on the part of the State Government for the development of quality economic and social infrastructure in the State with a focus to provide a better socio-economic life to the public and attract more private sector investment.
2. While recognising that harnessing private sector efficiencies is critical for development of quality economic and social infrastructure, the State Government has taken number of steps to provide an investor friendly environment by streamlining its decision-making process as well as its industries related policies. The State Government had formulated the Industrial Policy 2015 and Public Private Partnership (PPP) Policy 2007, which stressed on the role of private sector as a driving force of growth and development in the State.
3. To achieve this goal, the State Government has formulated this explicit and comprehensive Public Private Partnership Policy. The earlier policy (PPP Policy 2007) established an enabling policy framework for promotion of PPPs in the State which resulted in PPP gaining momentum and a few marquee projects being implemented in PPP. There have been significant changes in the PPP scenario in the country since with formulation and amendments of various Central

Government policies and guidelines. Public Private Partnership (PPP) Policy 2023 aims at reinforcing and further accelerating the growth of PPPs in the State and helping the State to adapt to changes in the PPP ecosystem.

4. The emphasis of the policy would be on acknowledging and appreciating the crucial part that Public-Private Partnerships (PPPs) play in advancing infrastructure development and asset maintenance. Infrastructure investments have a significant economic impact based on the policy climate in which they are produced. Since there is such a great need for infrastructure development, the State intends to take steps to make the most of the public sector resources through PPPs for the creation and operation of infrastructure in the State.

2. Policy Objectives

1. Leverage State and Central Government funds, support private investment and create a conducive environment to utilize the efficiencies, innovativeness and flexibility of the private sector to provide better infrastructure and services at an optimal cost putting emphasis on social infrastructure also.
2. Create robust institutional and governance frameworks within the State to attract private sector investments in infrastructure development and promote fairness, efficiency, and transparency in the procurement and post-award administration of PPP projects.
3. Set up a transparent, consistent, efficient administrative mechanism to create a level playing field for all participants and protect interest of all stakeholders.
4. Create an effective and efficient institutional mechanism for speedy clearance of the projects
5. Create mechanisms for providing real-time management and monitoring of PPP projects
6. Prepare a shelf of projects to be offered for PPP and take them forward with assistance of the Administrative Departments through a transparent selection process.
7. Provide necessary risk sharing framework in the project structure to assign risks to the entity most suited to manage them.
8. Ensure that the value-for-money principles are adopted with optimal risk allocation and that PPP projects are closely and constantly monitored throughout their life cycle.
9. Create a robust dispute redressal mechanism and renegotiation / regulatory framework for PPP projects.
10. Provide the required Viability Gap Funding (VGF) where the essential projects are commercially unviable.

3. Guiding Principles

The Odisha Public Private Partnership (PPP) Policy 2023 has been developed around the following guiding principles:

- a. Judicious allocation of resources;
- b. Optimal use of existing assets
- c. Fair contractual structures
- d. Transparency and accountability
- e. Equitable growth
- f. Payment for services
- g. Enabling institutional framework
- h. Sustainable Incentives and
- i. Capacity Building

4. **Defining Public Private Partnership (PPP)**

1. Public Private Partnership, referred to hereafter as PPP, is an emerging global concept for development and management of infrastructure especially meant for public use. PPPs have opened up an alternate route for private sector investment, while helping in utilising the managerial & technical competencies of the private sector, to achieve the goals of sustainable, inclusive economic growth and accelerated human development
2. PPP means a long term arrangement between a government / statutory / government owned entity on one side and a private sector entity on the other side, for the provision of public assets and/or public services, through investments being made and/or management being undertaken by the private sector entity, for a specified period of time, where allocation of risk between the private sector and the public entity is defined elaborately and a performance linked payments which conform (or are benchmarked) to specified and pre-determined performance standards, awarded to private partner by the public entity or its representative after measuring the services of private partner against performance standard.

5. **Essential Conditions for PPP**

- a. **Arrangement with Private Sector Entity:** The asset and/or service under the contractual arrangement will be provided by the private partner to the users. The arrangement enables the private sector to build a Public Asset and deliver the service and sets out the mechanism for sharing risks and rewards.
- b. **Provision of Public Assets or services for public benefits:** In PPPs, only those facilities/services are transferred to private partners which generally are hitherto provided by the Government as a sovereign function, to people. For better understanding:
 - i. "Public Services" are those services that the State is obligated to provide to its citizens or where the State has traditionally provided the services to its citizens.
 - ii. "Public Asset" is that use of which is inextricably linked to the delivery of a public service, or those assets utilize and integrate sovereign assets to deliver public services.

- c. **Investments being made by and/ or management is undertaken by the private partner:** Private partner may not necessarily be required to invest capital in Public Assets and/or Public Services under PPPs. An arrangement where only private sector efficiencies are being harnessed for better delivery of services without any investments by the private partner will also be classified as a PPP.
- d. **Time Period:** The arrangement will need to be for specified time period. There can be no PPP arrangements that go on for perpetuity. The arrangement between the parties expires at the end of such a specified time period, unless it is extended mutually as per predefined contractual conditions.
- e. **Risk Sharing:** For successful implementation, allocation of risks is the prime feature of any form of PPP. PPPs are frameworks where the risks are allocated to either the private partner or the public entity, whichever is best suited to manage and mitigate it. Every PPP arrangement will need to set out the allocation of risks between parties (the parties refer to public entity and the private partner that enter a PPP arrangement) for the specified time period.
- f. **Conformity to Performance standards:** A strong focus is on service delivery by the private partner and compliance with pre-determined as well as measurable standards that are specified by the public entity.

Only those arrangements between the public entities and private partners which satisfy all the above essential conditions are termed as PPP. While designing projects the respective administrative departments shall examine if the project fulfils all the above conditions to be considered as PPP projects.

6. **Applicability**

This policy shall apply to all infrastructure projects including social sectors, primary sector, service industries implemented through PPP in the sectors as may be notified by the State Government from time to time. This policy shall apply to all the State Government entities entrusted with sectors as defined herein.

The infrastructure sectors covered under this policy are as follows:

- i. Roads, Bridges, and Bypass;
- ii. Ports and Harbors;
- iii. Airports, Airstrips and Heliports;
- iv. Inland container depots and logistics hubs;
- v. Industrial parks, Theme Parks like Information Technology (IT)/ Biotechnology (BT) Parks, Knowledge Parks, Special Economic Zones and Townships;
- vi. Water supply, Treatment and Distribution;
- vii. Power Generation, Transmission and Distribution Systems including Renewable and non-conventional energy sources, Energy efficiency measures;
- viii. Solid Waste / Bio-Medical Waste/ Hazardous Waste (collection, transportation, treatment and disposal facilities);

- ix. Sewerage & Drainage;
- x. Inland waterways and related Transport;
- xi. Tourism and related infrastructure;
- xii. Township Development and Housing;
- xiii. Sports and Youth Services;
- xiv. Healthcare Facilities and Services;
- xv. Education and skill development;
- xvi. Trade fairs, conventions, exhibitions, cultural centers;
- xvii. Urban infrastructure including entertainment and recreational facilities
- xviii. Urban Transportation Systems / Improvement of Public Transport Facilities including the construction of state of art bus-stands, creation and maintenance of Infrastructure-Charging Stations for electric vehicles;
- xix. Railway & related projects;
- xx. Agriculture Production and Marketing, including the creation of modern storage capacity including cold chains and post- harvest storage;
- xxi. Irrigation (dams, channels, embankments etc.; and
- xxii. Any other sector / facility as may be included by the State Government, or approved by the ECI on a case-to-case basis

7. **Monitoring, Duration and Review of the Policy**

1. **Monitoring and Evaluation of Policy:** A comprehensive action plan shall be prepared supported by Annual Action Plans detailing the strategies and implementation plans for the identified sectors of infrastructure.
2. **Duration of Policy:** This policy would come into force with effect from the date of notification by the State Government and would be effective till the notification of a new PPP Policy of Odisha.
3. **Review and Amendment of Policy**
 1. There would be a mid-term review of this Policy within three (3) to five (5) years based on critical assessment of feedback from stakeholders and changes in scope that are deemed necessary and desirable, would be incorporated at that stage.
 2. The State Government recognizes that expanding and institutionalizing the scope of PPP in provision of infrastructure may also necessitate appropriate changes in the existing legislative framework. Therefore, specific legislative constraints for PPPs would also be reviewed and addressed during the mid-term review.
 3. Directorate of PPP, in consultation with relevant administrative departments shall review the provisions of this policy from time to time and propose to amend or remove existing provisions and add new provisions in the policy as it may deem fit for the growth of PPP ecosystem.

8. Institutional Framework

A strong and well-defined institutional structure is the cornerstone for the development of sustainable PPP programmes. The institutional framework nurtures and encourages new models, also innovates and develops capacities for successfully discharging roles and responsibilities that PPPs would require.

The State Government, therefore, has constituted the requisite committees and empowered groups for enhancing the objectives of the Policy.

1. High Level Clearance Authority (HLCA)

- a. A High-Level Clearance Authority (HLCA) under the chairmanship of Honorable Chief Minister has been constituted for infrastructure projects to be implemented in PPP mode.
- b. All PPP Projects having an investment of minimum Rs. 500 Crore shall be approved by HLCA on the basis of recommendations of the Empowered Committee on Infrastructure (ECI).
- c. Secretary, Finance Department shall be the member-convener of HLCA.

2. Empowered Committee on Infrastructure (ECI)

- a. ECI has been constituted of a group of Secretaries under the Chairmanship of the Chief Secretary, Government of Odisha for facilitating infrastructure development in the State under PPP.
- b. ECI shall approve the PPP projects from Rs. 10 Crore up to Rs. 500 Crore and for proposals more than Rs. 500 Crore, the ECI will make its recommendations to HLCA, headed by the Hon'ble Chief Minister, for approval.
- c. ECI shall recommend formation of appropriate regulatory mechanism and robust grievance redressal mechanism as may be required.
- d. ECI shall consider, review, approve and authorize any post-bid changes to the project agreements as well as renegotiation of the signed project agreements.

3. Directorate of PPP

- a. The ECI shall be assisted by the Directorate of PPP, which has been constituted in the Finance Department for undertaking the functions specified under this policy and is under the direct supervision of the Secretary, Finance Department who also acts as Secretary, PPP.
- b. As per this PPP Policy, a mandate has been given to The Directorate of PPP for acting as the Nodal Agency for supporting, monitoring and quality control of PPP projects. Directorate of PPP shall act as a single point of contact for reviewing and monitoring of PPP projects undertaken by the administrative departments throughout the project life cycle and creating a conducive environment for capacity building. PPP Directorate at the State level shall be a single point of contact for processing all PPP proposals sent by the State Government for Central Government VGF funding.
- c. Directorate of PPP may establish a Project Management Unit (PMU) consisting of a team of professionals for assisting Directorate of PPP by

providing handholding support in carrying out the activities as mandated under this policy.

- d. The fund requirements for furthering the objectives of the Policy through the Directorate of PPP shall initially be met through budgetary support.
- e. For the following PPP projects, the respective departments shall seek approval from Directorate of PPP for planning, designing and implementing instead of ECI.
 - i. Projects with capital expenditure up to Rs. 10 Crore, provided that these projects do not require any assistance from the OI DF or from the State VGF.
 - ii. Any other project(s) that the ECI may explicitly exempt

1. Functions of the Directorate of PPP

The Functions of the Directorate of PPP would include:

- a. To assist the administrative departments and agencies to identify, prioritize, conceptualize and create a shelf of projects and recommend approval of such projects for PPP from time to time to ECI;
- b. To act as a bridge between ECI and the administrative departments and agencies as well as the private investors for the entire project life cycle;
- c. To assist in developing asset monetization guidelines for the State;
- d. To assist administrative departments in getting ECI approval from concept stage to completion;
- e. To develop model Request for Proposal (RFP)/Request for Qualification (RFQ), Concession Agreements for various sectors;
- f. To provide necessary guidance to administrative departments in PPP project development including assistance in selecting Transaction Advisor;
- g. To interact with the Central Government and its entities, and other multilateral and bilateral funding agencies like World Bank for obtaining approval under VGF and any other fund created for such purpose;
- h. To act as the nodal agency for capacity building for PPP in the State. Further it shall conduct/recommend exposure visits and training programs on PPP;
- i. To recommend appropriate regulatory mechanism / robust grievance redressal mechanism as per requirement of the project;
- j. To Monitor implementation status of PPP projects and guide administrative departments in case any challenges faced;
- k. To provide necessary advice/guidance to administrative department regarding various financial assistance schemes;
- l. To review/draft/suggest any updating in PPP policy as and when required;
- m. To manage the "Odisha Infrastructure Development Fund (OIDF)" and to recommend projects along with amount required from the fund;

- n. To recommend requirements from ODF for development of projects, viability gap funding and for any other requirement for furthering the objectives of this Policy;
- o. To develop internal evaluation guidelines in consultation with the respective departments/agencies to evaluate and assess the projects whether the projects are to be funded by the State Government through multilateral/bilateral funding and/or implemented with Private Sector participation; and
- p. Any other responsibility as assigned by the State Government regarding PPP projects.

4. Nodal persons in Administrative Departments

Every administrative department shall designate a nodal person to coordinate with the Directorate of PPP for taking forward the PPP initiatives.

5. District PPP Committee

- a. A District PPP committee shall be established at the district level and will be headed by the District Collector to coordinate and facilitate the implementation of infrastructure projects on PPP route.
- b. The district PPP committee shall have representation from key administrative agencies at the district level and prominent Industry Associations. The order regarding composition as well as roles and responsibilities will be issued separately. District Collector shall nominate a person for coordination with Directorate of PPP and administrative department(s) for the facilitation.

6. Focus on Mining affected areas

The existing funding avenues and institutional structures such as District Mineral Foundation (DMF) and Odisha Mineral Bearing Areas Development Corporation (OMBADC) will be leveraged for improving infrastructure in the mining affected areas subject to the interventions being aligned with the objectives of the said funds and institutions.

9. THE PPP PROCESS

1. Project Identification/Conceptualization

- 1. The option of implementing the project through PPPs shall be explored for all prospective investments in infrastructure to the extent possible.
- 2. The State Government shall encourage all administrative departments to apply the principle and methodology of value for money assessment while formulating the projects.
- 3. The core principles of value for money evaluations are to assure the best risk allocation, optimum resource utilisation, and creating a better value to public at large for the output service.

These requirements will vary according to the sector and project.

4. The State Government encourages development of projects based on social needs. However, all social sector projects may not offer adequate financial incentives for private sector partner. In such cases, the State Government shall offer compensation mechanisms like provision of VGF or annuity payments. Depending on viability of individual projects, the State Government may also implement such projects upfront and eventually transfer operation and management services to a private sector partner.
5. Administrative departments shall identify infrastructure projects to be developed under PPP mode and be placed before ECI for in-principle approval.
6. Directorate of PPP shall assist the administrative departments to prepare a shelf of PPP projects based on department's priority, demand and supply gaps, interlinkages and any other relevant parameters.
7. Concept Note or Concept Proposal for the identified projects shall be prepared by the respective administrative departments. The Concept Proposal should establish the need for the project, available land details, specifications of the proposed project, broad level project cost estimation and possible revenue streams.
8. The Concept Proposal shall be sent to the Directorate of PPP for review and inputs and thereafter the administrative department may proceed with appointing Transaction Advisor for the preparatory activities including preparation of project feasibility report, bid documents etc.
9. In case of PPP projects where the administrative department desires to avail the fee for the transaction advisers and other consultants from OI DF, the administrative department shall place such proposal before ECI for In-principle approval. In all other cases, the departments may proceed with the design of the PPP projects in consultation with Directorate of PPP, however, without any preliminary approval from the ECI.
10. The Directorate of PPP may periodically communicate with administrative departments to determine the most effective strategy for identifying, prioritizing and preparing concept proposal(s) of infrastructure projects to be developed on PPP mode.

2. Preparation of Feasibility Report

1. For preparation of Feasibility Report, Project Report, Bid Documents etc. administrative department may appoint a Transaction Advisor (TA).

2. The process for engaging Transaction Advisor (TA) may be in line with the procedures enumerated in the State / Central procurement guidelines.
3. The concern department(s) in consultation with Directorate of PPP may use the services of suitably qualified consultant(s) with the requisite domain knowledge of Transaction services. It would however be ensured that the Transaction Advisor selected for the project would not be the consultant / facilitator to any of the prospective bidders to avoid conflict of interest.
4. The administrative department may use the applicable standard RFP and Model Agreements for procuring consultant / concessionaires conforming to this policy.
5. Feasibility Report shall encompass but not limited to the demand of the project, project cost estimation, project criteria and cost benefit analysis considering social and environmental factors.
6. The following factors, among others, typically determine projects attractiveness and commercial viability.
 - i. The magnitude of gap between demand and supply for the infrastructure.
 - ii. Focus on balanced development, especially about provision of basic Infrastructure.
 - iii. Development of physical/ inter-sectoral linkages where significant economic gains can be realized.
7. Feasibility Report shall have appropriate structuring arrangements with a focus on optimal use of resources and best allocation of risk.

3. PPP Structure

The State Government's endeavor would be to develop appropriate contractual frameworks that shall define equitable risk allocations between the contracting parties. Pragmatic approach shall be made for allocation of risks to the party best suited to bear the risks. The contractual structures to be adopted shall include the following

- i. **For Existing Assets:** The management of the whole or part of the assets shall be carried out by private partner through suitable structures such as Operations and Maintenance (O&M) contracts, Rehabilitate, Operate, Maintain and Transfer (ROMT) contracts, Rehabilitate, Operate and Transfer (ROT), Lease of assets etc.
- ii. **New Assets:** Depending on the nature of the project, the contractual structure or agreements shall be defined for new assets, including but not limited to:
 - a. Build-Lease-Transfer (BLT) or Build-Own-Lease-Transfer (BOLT).
 - b. Build-Operate-Transfer (BOT).

- c. Build, Own Operate, Share and Transfer (BOOST).
- d. Design-Build-Finance-Operate-Transfer (DBFOT).
- e. Build-Transfer-Operate (BTO).
- f. Build-Own-Operate-Transfer (BOOT) or Design-Build-Own-Operate-Transfer (DBOOT).
- g. Build-Own-Operate (BOO).
- h. Build-Operate-Share-Transfer (BOST).
- i. Hybrid Annuity Model (HAM).

4. User Charges

The “user-pays” principles are critical to the success of PPPs as it incentivises project proponents to become more efficient and makes users to economies their use of such services.

The State Government shall, wherever necessary to boost the commercial viability of projects and amenability of private sector participation, consider levy of user charges.

In sectors where policies or notifications are issued by the State Government for regulation of user fees, the PPP projects will be governed by such norms. In all other projects with User Fee mechanism, the following shall form the basis for designing user fees.

- a. Cost recovery and acceptable return on investment to private sector,
- b. Incentives for efficiency,
- c. Willingness to pay
- d. Uniformity among projects in the sector
- e. Fairness
- f. Comprehensibility.

User fee adjustment mechanisms shall be clearly defined upfront outlining the following:

- a. Frequency of adjustments
- b. User fee indexation
- c. Periodic adjustment, if any

5. Bidding Process & Selection of Developers

- a. All contracts would be awarded based on fully transparent and competitive process based on the Central and State Government procurement Acts / Guidelines.
- b. Depending on the size, complexity, and degree of the project, administrative department may decide single stage, or two stages procurement process as mentioned below.
 - i. Expression of Interest (EOI)

- ii. Request for Qualification (RFQ)
 - iii. Request for Proposal (RFP)
 - iv. Technical and financial evaluation
 - v. Signing of Agreement
- c. In case the competitive bidding process results in a Sole Bid, the administrative department shall decide on the matter only with the approval of ECI/HLCA, as the case may be.
 - d. In case the competitive bidding process does not generate sufficient response, then the respective administrative department shall with the approval of ECI, either modify the prequalification criteria and / or the risk sharing provisions and restart the bid process or may cancel the competitive bid process.

6. Approval of Developer

- a. The outcome of the bidding process along with required concessions to be granted for the project shall be placed before ECI or HLCA, as the case may be, for final approval.
- b. In cases where VGF assistance is sought from GoI or multilateral/bilateral entities, the receipt of final sanction of VGF assistance from GoI or the respective multilateral/bilateral entities shall also be placed before ECI or HLCA as the case may be, for approval.

7. Development through Special Purpose Vehicles (SPVs)

SPVs shall be formed as and when required for development and implementation of infrastructure projects in PPP mode and get various clearances and permissions in the SPVs to speed-up the project. If the State Government deems necessary, it may participate in the equity structure of any SPV without any participation in the operations of the SPVs which will be managed by competent professionals.

8. Unsolicited Proposals

Unsolicited proposals are not preferred by the State Government owing to inherent issues such as possibility of lack of transparency and lack of fair and equal treatment of potential bidders. In exceptional circumstances, variants of the approach could be considered subject to meeting the below criteria.

- i. In sectors not traditionally associated with PPP structures
- ii. Where procurement of proprietary technology is involved,
- iii. Projects which would not result in monopoly

Such proposals shall be considered with prior approval of the competent authority, ECI or HLCA as the case may be, provided the value for money analysis establishes such a decision. The detailed guidelines for modalities of treatment of unsolicited proposals would be issued separately.

9. **Transfer of Rights**

Where the project is transferred to the State Government or specific State Government agency according to the provisions of the concession agreement, all the rights of the developer in respect of the project shall stand transferred to the State Government or State Government agency, as the case may be.

10. **Incentives and Administrative Support**

The State Government shall formulate sector specific policies wherever required for providing sector specific regulation, institutional framework, safety and operational standards, mechanism for tariff setting, pricing mechanism, VGF and other incentives and arbitration. State Support would include:

1. **Legislative Support**

The State Government may provide necessary legislative support as and when required. The Directorate of PPP shall be the facilitating agency on case-to-case basis.

2. **Administrative Support**

The State Government shall offer necessary administrative support to all the infrastructure projects developed in the State which would include

- a. To facilitate obtaining State & Central Government clearances as may be required for the project.
- b. To facilitate all rehabilitation & resettlement activities in case so required as per existing Rehabilitation and Resettlement Policy of Government including shifting of utilities wherever required.
- c. To facilitate the process of availing benefits under various Central Government and State Government schemes (as may be applicable) to enhance the viability of projects under implementation.
- d. To facilitate the provision for the supply of power and water at projects sites.
- e. To facilitate acquiring of land necessary for the project.
- f. To take up capacity building activities for administrative departments and agencies at the State and district levels to formulate and implement infrastructure projects in PPP. The Directorate of PPP shall formulate the capacity building plan and support the administrative departments.

3. **Incentives and Concession**

1. **Viability Gap Funding (VGF)**

- a. Viability Gap Funding (VGF) available under different schemes of the Central Government, shall be leveraged to attain viability of PPP projects. The State Government will provide the remaining portion of Viability Gap as emerged from the open bid to help the emergent infrastructure projects attain viability and get implemented.

- b. The concerned administrative departments may approach the Directorate of PPP to obtain the VGF. Necessary provisions shall be made in the State budget for this purpose.
- c. The quantum of additional VGF to be provided by the State Government shall be determined for the project, after clearly and explicitly calculating all project costs (excluding cost of land and land related charges) and incentives/concessions, and provided that the quantum of total VGF does not exceed the limit prescribed by the Central Government for PPP projects.
- d. Directorate of PPP shall review the eligibility prior to placing the project before ECI or HLCA. In addition to the VGF in the form of capital grant, the State Government may also provide an Operational and Maintenance (O&M) grant for projects of social sectors subject to the maximum limit and guidelines prescribed by the Central Government in its VGF Policy from time to time.
- e. The State Government may also provide VGF from 'State Viability Gap Fund' for projects not being covered under Central Government VGF. The detailed guidelines regarding the eligibility criteria, selection methodology and disbursement procedure has issued separately.

2. Odisha Infrastructure Development Fund (OIDF)

The State Government has established a fund namely "Odisha Infrastructure Development Fund (OIDF)" for undertaking different technical studies and engaging transaction advisors for PPP projects. The ambit of OIDF will be further expanded and the fund will be utilized for the following.

- a. Taking up technical and financial pre-feasibility and feasibility studies, preparation of reports and bid documents and any other activities that need to be undertaken prior to offering proposed infrastructure projects for private sector participation including facilitation to select projects to avail viability gap funding and other such schemes from the Central Government.
- b. For capacity building and training.
- c. For any other purposes in pursuance of this act and building of infrastructure in the State.

The State Government shall make contribution to the fund through budgetary provisions and other sources from time to time depending on requirement. The guidelines regarding criteria for selection of projects and fund management aspects has issued separately.

3. Odisha Urban Infrastructure Development Fund (OUIDF):

- a. The State Government has set up a wholly owned trust named "Odisha Urban Infrastructure Development Fund (OUIDF)" which aims to promote environmentally sound, socially acceptable and economically viable urban infrastructure projects in the State of Odisha.
- b. Assistance from OUIDF may be available for promoting urban infrastructure projects for the following aspects.
 - i. Urban Loan Fund (ULF) - Concessional term loan assistance with a maximum repayment period up to 20 years

- ii. Viability Grant Support Fund (VGSF) - VGSF shall be provided as a viability grant for urban infrastructure projects.
- iii. Project Development Fund (PDF) - Project development assistance from out of the Project Development Fund (PDF) of OUIDF shall be utilized for all project development activities

4. Indian Infrastructure Project Development Fund (IIPDF)

The Scheme and Guidelines of India Infrastructure Project Development Fund (IIPDF) has been introduced by the Central Government, in order to provide financial assistance for quality project development activities for PPP projects which may be leveraged accordingly.

11. Monitoring & Review of Projects

1. A state level Performance Review Unit (PRU) setup under the Directorate of PPP shall periodically review PPP project monitoring reports submitted by different administrative departments. If any intervention is required, the Directorate of PPP will forward it to the ECI for the necessary action. The Directorate of PPP will be updated on the most recent developments by all administrative departments working on PPP projects.
2. Directorate of PPP will setup a suitably designed Information Management System (IMS) to seek information from various project implementation departments to compile the aforesaid quarterly reports.
3. The Departments/Agencies carrying out PPP projects shall designate an official as a Single Point of Contact (SPOC) for each project and the same should be communicated to PPP Directorate while placing the project for in-principle approval. The SPOC will update ECI/HLCA through PPP Directorate with periodic information regarding the progress of the project and any other information as and when sought for.

12. Climate Resilience and Sustainability

Climate change has a strong effect on the economic growth and well-being of the population. The State Government is committed to promote environmentally sensitive PPPs that consider the climate resilience. Sustainable value chain processes and activities in the PPP project cycle shall be encouraged. The State Government will imbibe a holistic PPP approach recognising the need to address the interlinked nature of the SDGs and their role through a full life cycle impact on climate resilience. Efforts shall be made to ensure that PPPs help mitigate and adapt to increasing climate change risks and environmental impacts in different infrastructure sectors.

While designing PPP facilities, the administrative departments shall ensure the following to the extent possible.

- a. Use of recycled and green building materials
- b. Use of low-carbon energy and renewable energy
- c. Digital innovation (e.g., adoption of IoT, smart meters etc.)

- d. Energy efficiency measures
- e. Early warning and rapid response mechanisms
- f. Climate resilience in output specifications
- g. Disaster mitigation plans
- h. Defining force majeure
- i. Any other climate resilience measures

13. **Protection of Stakeholder Rights**

The rights of the users, developers, the local community and lenders, together referred to as stakeholders shall be protected. The various mechanisms considered include:

- a. Adequate legislative and administrative support for successful and timely implementation and operation of the project while safeguarding the interest of local communities.
- b. Adequate legislative and administrative support for levy and collection of user charges.
- c. Adopting, adapting and developing Model Concession Agreements and incorporating in all projects documents the requisite clauses for protection of the rights of all stakeholders.
- d. Structuring of concession agreements incorporating service standards, revenue streams and levy of equitable user charges also providing for exempt category of users wherever applicable.
- e. Setting up of Independent Regulators, appellate forums and other robust dispute redressal mechanism, if required.

ORDER—Ordered that the Resolution be published in the extraordinary issue of the Odisha Gazette and copies of the Resolution be forwarded to all Departments / all Heads of Department.

By order of the Governor

VISHAL KUMAR DEV

Principal Secretary to Government