

Sub:-Adoption of Public-Private-Partnership (PPP) model in project Development in the State of Assam and use of the Project Development Fund (PDF) for undertaking project development activities.

Ref: NO.PDP/115/2002/pt.III Dtd. 11/3/2008.

Sir/Madam,

In reference to the subject above, I would like to draw your attention to our earlier presentation in the Conference Hall of the Chief Secretary's office on 14th March, 2008, with respect to project development initiatives on PPP mode in Assam.

The PPP Cell under the Planning & Development Department, Government of Assam has been active in undertaking project development and two experts from Asian Development Bank, namely, Mr. Mukul Chandra Gogoi, PPP Expert and Mr. Mohan Joshi, MIS Expert have been stationed at Guwahati to assist the State Government to identify and develop projects on PPP basis.

In order to streamline the project development process, the following activities will have to be undertaken by the individual departments/agencies on an urgent basis, so that the State can take advantage of the various project finance/VGF/Subsidy schemes initiated by the Central Government in the PPP sphere. These activities are:

- Appointment of Nodal Officer in each department/agency for seeking assistance from PPP Cell in identifying PPP projects and undertaking project development through direct interaction with the PPP Cell.
- Creation of a shelf of projects by each department/agency to be taken up for development.
- Decide on the fund requirement from the Project Development Fund (PDF) under the PPP Cell for undertaking the project development activities.

It is important to note here that a list of Transaction Advisors short listed by the Department of Economic Affairs, Ministry of Finance has already been

circulated by the undersigned to undertake transaction advisory works (if required) for attracting private investment on PPP basis. The DEA has also kindly acceded to the request by some of the States to add to the list the Special Purpose Vehicles (SPVs) created within the States. However, the selection of such SPVs for undertaking the transaction advisory works will not be automatic despite being Joint Venture partner of the State Government agencies and will have to complete (Financial Bidding) with the other transaction advisors in acquiring any assignment in the State. On the other hand, if the department/agency intends to undertake the bid process management/transaction advisory works on its own, the PPP Cell will assist the department/agency for undertaking the same.

In view of the urgency of the matter, I would like to request the individual department/agency to appoint the nodal officer as soon as possible and accordingly prepare the shelf of projects, so that State can forge ahead with the project development activities.


(A.K. Sachan)

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