

**പതിമൂന്നാം കേരള നിയമസഭ**  
**അഞ്ചാം സമ്മേളനം**

നക്ഷത്രചിഹ്നമിട്ട ചോദ്യം നമ്പർ :293

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പി.പി.പി.വ്യവസ്ഥയിൽ സംരംഭങ്ങൾ

**ചോദ്യം**

**ഉത്തരം**

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(ബഹു:പഞ്ചായത്തും സാമൂഹ്യക്ഷേമവും  
വകുപ്പുമന്ത്രി)

(എ) പബ്ലിക് പ്രൈവറ്റ് പാർട്ണർഷിപ്പ് വ്യവസ്ഥയിൽ സംരംഭങ്ങൾ തുടങ്ങുന്നതിന് തദ്ദേശസ്വയം ഭരണ സ്ഥാപനങ്ങൾക്ക് അനുമതി നൽകുവാൻ ഉദ്ദേശിക്കുന്നുണ്ടോ;

(എ) പി.പി.പി.വ്യവസ്ഥയിൽ സംരംഭങ്ങൾ തുടങ്ങുന്നതിനുള്ള നിർദ്ദേശങ്ങൾ ഇതിന്റെ നോഡൽ ഏജൻസിയായ ഐ.സി.ഐ.സി.ഐ/കിൻഫ്ര മുഖേനയും ബന്ധപ്പെട്ട തദ്ദേശസ്വയംഭരണ സ്ഥാപനം മുഖേനയും ലഭിക്കുന്ന മുറയ്ക്ക് ആവശ്യമായ പരിശോധനയ്ക്ക് ശേഷം പ്രസ്തുത പദ്ധതികൾക്ക് അംഗീകാരം നൽകിവരുന്നുണ്ട്. കൂടാതെ തൃശ്ശൂർ ജില്ലയിലെ തളിക്കുളം, മലപ്പുറം ജില്ലയിലെ തിരുരങ്ങാടി എന്നിവിടങ്ങളിൽ കേന്ദ്ര സർക്കാർ 35% വരെ ഗ്രാന്റ് നൽകുന്ന 'പുര' പദ്ധതി പൊതു-സ്വകാര്യ പങ്കാളിത്തത്തോടെ നടപ്പാക്കുന്നുണ്ട്.

(ബി) പ്ലാനിംഗ് ബോർഡ് ഇക്കാര്യത്തിൽ എന്തെങ്കിലും നിർദ്ദേശങ്ങൾ മുന്നോട്ടു വെച്ചിട്ടുണ്ടോ; വിശദമാക്കാമോ;

(ബി) പന്ത്രണ്ടാം പഞ്ചവത്സര പദ്ധതിയുടെ (2012-17) സമീപന രേഖയിൽ പബ്ലിക് പ്രൈവറ്റ് പാർട്ണർഷിപ്പ് വ്യവസ്ഥയിൽ പല സംരംഭങ്ങൾക്കും തുടക്കം കുറിക്കുന്നതിന് പ്രത്യേകിച്ച് ഖര മാലിന്യ നിർമ്മാർജ്ജനം പോലുള്ളവയ്ക്ക് തുടക്കം കുറിയ്ക്കുന്നതിനും അതുവഴി തദ്ദേശസ്വയംഭരണസ്ഥാപനങ്ങളുടെ അധികാര പരിധിയിലുള്ള മേഖലകളിൽ നിക്ഷേപം വർദ്ധിപ്പിക്കുന്നതിനും നിർദ്ദേശിക്കുന്നുണ്ട്.

(സി) ഏതെല്ലാം രംഗങ്ങളിൽ പി.പി.പി വ്യവസ്ഥയിൽ സംരംഭങ്ങൾ ആരംഭിക്കാനാണ് സർക്കാർ ഉദ്ദേശിക്കുന്നതെന്ന് വ്യക്തമാക്കാമോ;

(സി) മാർക്കറ്റ് കോംപ്ലക്സ് വികസനം, ബസ്‌ടെർമിനൽ കോംപ്ലക്സ്, വാണിജ്യ/വ്യാപാര സമുച്ചയങ്ങൾ, ഏരിയ/കോംപോസൈറ്റ് വികസനം, റോഡുകളും പാലങ്ങളും, ഗ്രാമീണ റോഡുകളും പാലങ്ങളും, പാർക്കിംഗ് പ്ലാസകൾ, വിനോദ സഞ്ചാര കേന്ദ്രങ്ങൾ കടലോര വികസനം, മത്സ്യ-മാംസ- പച്ചക്കറി മാർക്കറ്റുകൾ, അമ്യൂസ്മെന്റ് പാർക്ക്, ഖരമാലിന്യ സംസ്കരണം, തെരുവ് വിളക്കുകൾ സ്ഥാപിക്കൽ എന്നീ മേഖലകളിലാണ് ഐ.സി.ഐ.സി.ഐ. കിൻഫ്ര മുഖാന്തിരം പി.പി.പി പദ്ധതികൾ നടപ്പാക്കാവുന്നത്. 'പുര' പദ്ധതി പ്രകാരം ജലവിതരണം, വില്ലേജ് റോഡുകൾ, ഉപരിതല ജല നിർഗ്ഗമന സംവിധാനം, ജല സ്രോതസ്സുകളുടെ നിലനിൽപ്പ് മെച്ചപ്പെടുത്തൽ, കഴിവ് പോഷിപ്പിക്കൽ, വില്ലേജ് തെരുവു സോളാർ വിളക്കുകൾ സ്ഥാപിക്കൽ, മാർക്കറ്റുകളുടെ അടിസ്ഥാന സൗകര്യങ്ങൾ ശക്തിപ്പെടുത്തൽ ഖര മാലിന്യം കൈകാര്യം ചെയ്യൽ, റൂറൽ ബി.പി.ഒ, തളിക്കുള്ളത് എല്ലാ അടിസ്ഥാന സൗകര്യങ്ങളോടുകൂടിയ ഗ്യാസ് ക്രിമറ്റോറിയം, എൽ.പി. സ്കൂളുകളിലെ അടിസ്ഥാന സൗകര്യങ്ങൾ ശക്തിപ്പെടുത്തൽ, മത്സ്യബന്ധന കേന്ദ്രം സ്ഥാപിക്കൽ, തിരുരങ്ങാടിയിൽ അടിയന്തിര സഹായ കേന്ദ്രം (ട്രോമകെയർ സെന്റർ), ബസ്‌ടെർമിനൽ, എന്നിവയാണ് നടപ്പിലാക്കാൻ ഉദ്ദേശിക്കുന്നത്.

(ഡി) ഇത് സംബന്ധിച്ച വ്യവസ്ഥകൾക്ക് അന്തിമരൂപം നൽകിയിട്ടുണ്ടോ; വിശദമാക്കാമോ;

(ഡി) തദ്ദേശസ്വയംഭരണ സ്ഥാപനങ്ങളിൽ പി.പി.പി പദ്ധതികൾ നടപ്പാക്കുന്നത് സംബന്ധിച്ച മാർഗ്ഗ നിർദ്ദേശം 13.10.04-ലെ സ.ഉ(എം.എസ്)നം.298/04/ തസ്വഭവ പ്രകാരം പുറപ്പെടുവിച്ചിട്ടുണ്ട്.

(ഇ) ഇത്തരം സംരംഭങ്ങൾക്ക് സർക്കാർ വക ഭൂമി നൽകാനുദ്ദേശമുണ്ടോയെന്നു വ്യക്തമാക്കാമോ?

(ഇ) ഐ.സി.ഐ.സി.ഐ. കിൻഫ്ര മുഖാന്തിരം നടപ്പാക്കുന്ന പദ്ധതികൾക്ക് തദ്ദേശസ്വയംഭരണ സ്ഥാപനങ്ങളുടെ ഭൂമി നൽകുന്നുണ്ട്. കരാറിൽ പറഞ്ഞിട്ടുള്ള കാലാവധിയ്ക്ക് ശേഷം ടി. ഭൂമിയും അതിൽ സ്വകാര്യ പങ്കാളിത്തത്തോടെ നിർമ്മിച്ചിട്ടുള്ള എല്ലാ കെട്ടിടങ്ങളും മറ്റെല്ലാ പ്രവർത്തനങ്ങളും ബന്ധപ്പെട്ട തദ്ദേശസ്വയം

ഭരണ സ്ഥാപനത്തിലേക്ക് കൈമാറ്റം ചെയ്യപ്പെടും എന്ന വ്യവസ്ഥയോടെയാണ് ഭൂമി നൽകുക. 'പുര' പദ്ധതി പ്രകാരം വിനോദ സഞ്ചാര വികസനം ഒഴികെയുള്ള പദ്ധതികൾക്ക് തദ്ദേശ സ്വയം ഭരണ സ്ഥാപനങ്ങളുടെ ഭൂമിയും വിനോദ സഞ്ചാര വികസനത്തിന് INKEL-ന്റെ ഭൂമിയുമാണ് നൽകാൻ ഉദ്ദേശിക്കുന്നത്. തിരുവനന്തപുരം മാലിന്യ നിർമ്മാജന പദ്ധതിയ്ക്ക് ട്രിഡയാണ് സ്ഥലം നൽകുന്നത്.

*Lydia M*

സെക്ഷൻ ഓഫീസർ

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**GOVERNMENT OF KERALA**

**Abstract**

Local self Government Department - Private Sector Participation in the Implementation of Projects by Local Self Government Institutions/Local Authorities - Guidelines-Issued.

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**LOCAL SELF GOVERNMENT (N) DEPARTMENT**

G.O.(MS) No. 298/2004/LSGD

Dated, Thiruvananthapuram 13.10.2004

Read:- 1. GO(Rt) No. 292/03/LSG, Dated 23/01/2003

2. Minutes of the meeting of the High Level Committee held on 10/08/2004

**ORDER**

In the Government order dated 23/01/2003, a high level committee was constituted by Government to act as single window for clearing projects of the bodies with private sector participation using models like DOT, BOOT, BOLT etc. which requires Government level clearance. The high level committee in their meeting held on 10/08/2004 has discussed and finalized guidelines for the development of various projects undertaken by the local self Government institutions/local authorities.

The guidelines approved are annexed. The Local Self Government Institutions/Local Authorities will follow the guidelines for developing projects before utilizing Government funds for development of projects.

By Order of the Governor

**P.KAMALKUTTY**  
Secretary to Government

*True Copy*  
*Lothad Meel*  
*Section Officer*

## **Guidelines for the Development of Projects through Private Sector, Participation in Local Self Government Institutions**

### **1.0 Introduction**

Local self government institutions/local authorities in the State are venturing in to project development activities and programs for which they have either limited resources and or no expertise. It is important that they should acquire knowledge and experience in implementing the activities and programs, related to project development. Government feels that Local Self Government Institutions (LSGIs), Local Authorities (LAs) could be encouraged to explore various avenues for implementing the projects looking beyond Government funds. Therefore Local Self Government Institutions/Local Authorities could look into the possibilities utilizing capital, experience, expertise and efficiency of the private investor and also utilize their resources for the effective implementation of the programs/schemes/projects to the extent possible. The different modes of Private Sector Participation (PSP) for development of the projects are BOT, BOST, BOOT, BOO, BLT etc.

Few of projects/schemes that LSGIs/LAs can undertake through private sector participation are as follows:

- (1) Market complex development
- (2) Bus terminal complex
- (3) Commercial / shopping complex
- (4) Area / composite development
- (5) Roads and bridges
- (6) Village link roads and bridges
- (7) Parking plazas
- (8) Development of tourist centres
- (9) Beach development
- (10) Meat, fish and vegetable markets
- (11) Amusement park
- (12) Solid waste management

1.1 As Local Self Government Institutions/Local Authorities do not have the required competency to carry out project development through PSP (as project preparatory and feasibility assessment in a specialised subject), the services of project development agency with experience in carrying out projects through PSP with necessary technical, financial and legal competence should be utilized.

1.2 The Government of Kerala is engaging ICICI-Kinfra Limited (I-Kin) as the official project development agency of Local Self Government Institutions for development of projects through private sector participation route. ICICI Kinfra Limited, is a joint venture company (JV) formed by Government of Kerala with ICICI, incorporated in 1996, vide GO (MS) No 31/96/ID dated 7/2/1996. Government of Kerala formed I-Kin to accelerate the development of infrastructure in the State through private sector participation and private capital in the JV (I-Kin).

Government has put its share capital through KINFRA (Kerala Industrial Infrastructure Development Corporation) (refer GO Number MS. No. 31/96/ID dated 7/2/1996). The need of a detailed feasibility study leading to preparation of bankable bidding document and Concession Agreement is essential to make the project development process transparent and effective. Hence the role of a project development agency like ICICI-Kinfra limited can be sought by LSGI's/ local authorities. Therefore the following guidelines are issued in this regard.

## **2.0 Project Development : Guidelines**

### **2.1.0 Project Conceptualisation : (Steps)**

- 2.1.1 The Local Self Government Institutions/local authorities may identify or take the assistance of ICICI Kinfra Limited (herein and after referred as PDA), to list out all possible projects which are essential for the development.
- 2.1.2 Prioritise these listed projects considering the immediate requirement of the Local Self Government Institutions/local authorities and also based on land availability.
- 2.1.3 Resolution made from the Local Self Government Institutions/local authorities to engage the project development agency as stated in 2.1.1 to select the appropriate project from the prioritized list and also to study the viability of the project to develop it through private sector participation.
- 2.1.4 Initial site visits to be made by the Project Development Agency to make an initial assessment and site visit for the project development with Local Self Government institutions/local authorities. The PDA also would formulate the Terms of Reference (TOR) for the project development with PSP, and discuss the methodology and modality of the development with the LSGIs/LAs.
- 2.1.5 Submission of Concept report/Note on the preliminary Viability Assessment by the Project Development Agency with a project development proposal along with the TOR and its deliverables including the fee structure. This concept note for the project development by the PDA will be made without charging any fees to LSGIs/LAs.
- 2.1.6 Finalization of scope of work, TOR and fees mentioned in the report/proposal by LSGIs/LAs.
- 2.1.7 Council approval of the proposal submitted by the PDA for the project development by LSGIs/LAs.
- 2.1.8 The Local Self Government Institutions/local authorities to issue work order in line with 2.1.7 for the project development to the project developing agency.
- 2.1.9 The work order issued by LSGIs/LAs to the PDA would act as a firm order for executing the project development activities as per the TOR.

Broad out line of the scope of the assignment undertaken by the project development agency :

The scope of the development may be in three stages in a phased manner

Phase - 1: Viability assessment

Phase - 2: Project structuring and BOT documentation

Phase - 3: Bidding and bid process management

### **3.0. Phase - 1 : Viability Assessment**

The scope of the Project Development Agency in conducting preliminary viability assessment is as follows:

- 3.1 Demand Assessment : In demand assessment the Project Development Agency will assess the current demand for the project and the future demand projection of the project. With the existing and future demand details the need for the project will be established and the facilities to be provided in the project will also be identified.
- 3.2 Technical Viability Assessment : Technical viability assessment will give layout plan of the project, detailed designs of the type of facilities that can be provided in the project and also the estimated cost involved in the implementation of the project.
- 3.3 Financial Viability Assessment : This study will identify the different revenue streams by considering the facilities to be provided in the project. Possible revenue add-ons will also be identified at this stage of the study. Returns from the project and the ability of the project to service the debt component will also be assessed in financial viability assessment.
- 3.4 Commercial Viability Assessment : Funding option study, identification of risks involved in the project, mode of private sector participation etc., of the project will be studied through the commercial viability assessment.
- 3.5 The Project Development Agency on submission of the above phase-1 report (Viability Report) containing the above details to the Council, the Council/Local Self Government Institutions/local authorities, based on the recommendations suggested by the Project Development Agency can categorise the projects into the following:-

- (a) Commercially viable (stand-alone) projects, which could be taken up with private funds.
- (b) Projects, which need government support in the form of subsidies/equity participation etc.
- (c) Other projects should be taken up with public funds based on priority of public funds.

Only project falling in the category (a) alone will be taken up through the BOT scheme. Projects falling under category (b)&(c) would be referred to the BOT cell for taking up with the government.

- 3.6 The project Development Agency may assist the Local Self Government Institutions to select the best possible scenario of mode of development (as detailed in the general information on different modes available under PSP annexed with this guideline.)
- 3.7 After selecting the best suitable mode, the Local Self Government Institutions/local authorities with the Council's approval may advise the Project Development Agency to proceed to the second stage/phase.

#### **4.0. Phase - 2 : Project Structuring :**

- 4.1 The mode of private sector participation along with other terms and conditions may be discussed in the Council and decision to be taken on the viable and effective mode of development (BOT, BOST, BOO, BOOT, BOLT .....etc).
- 4.2 After the approval of the project structure/ mode of private sector participation for developing the project by the Council, the project development agency would prepare the draft bid document and concession agreement required for bidding. Draft bid document and concession agreement would be prepared by protecting the interests of the Local Self Government Institutions/local authorities, government and also by considering the needs of the private investor, to attract private capital and lender comfort.
- 4.3 The Local Self Government Institutions/local authorities should approve the draft bid document and the concession agreement before floating the advertisements for bidding.

4.4 The bid document would contain the selection criteria and the methodology of bid evaluation.

### 5.0. Phase - 3 : Bidding and Bid Process Management

- 5.1 Advertisements for bidding may be floated in the leading national or international dailies based on the scope and size of the project. The body of the advertisement should be prepared by the Project Development Agency and approved by the Local Self Government Institutions/local authorities.
- 5.2 The advertisement charges for bidding has to be borne by the Local Self-Government Institutions/local authorities. The Project Development Agency would advertise on behalf of the LSGIs/local authorities and amount to be reimbursed to the Project Development Agency by the LSGIs/local authorities.
- 5.3 Selection criteria of the bidders should be approved by the Local Self Government Institutions/local authorities and should reflect in the press release for inviting bidding.
- 5.3 (a) The bid documents prepared by the Project Development Agency and approved by the LSGIs/LAs can be sold at a price (Fixed by the LSGIs/LAs) by the project development authority to the qualified bidders as per the norms laid out in the advertisement.
- 5.4 A pre- bid meeting will be conducted by Local Self Government Institutions/local authorities along with the Project Development Agency at the premises of the LSGIs/LAs with qualified bidders. The queries raised by the bidders will be discussed and deliberated in detail by the Local Self Government Institutions/ local authorities in the presence of the project development agency.
- 5.5 Additions and deletions as recommended by the Project Development Agency covering the points agreed upon by the Local Self Governments/ Local authorities on the pre-bid meeting would be circulated to the bidders subsequently by the PDA under intimation to the LSGIs/LAs. The points approved by the Local Self Government Institutions in the pre bid meeting would also form a part of the bid document and concession agreement.
- 5.6 For bid evaluation, the bidder must satisfy the pre-qualification criteria (both the financial and technical expertise) of the bidder stipulated in the bid document.
- 5.7 Bids of those who qualify in the pre-qualification will alone be opened for technical evaluation.
- 5.8 Technical proposal made for the project will be evaluated by the Project Development Agency and it would ensure that the proposal meet with the parameters of the project and its Concession Agreement.
- 5.9 Bids of those who qualify the technical evaluation will alone be opened for commercial evaluation.
- 5.10 After the commercial evaluation and depending on the mode of development the competitive quote ( the successful bidder) would be intimated with a Letter of Acceptance by LSGIs/LAs
- 5.11 The local Self Government Institutions/ Local authorities should obtain BOT Cell's (Vide G.O. (Rt) No. 292/03/LSGD dated 23.01.2003) approval for the Final Bid document and Concession agreement at this stage, which would fall before signing the final bid document/Concession agreement/s by the successful bidder herein and there after would be referred as the *Project Executing Agency* for developing the project through private sector participation.



- 5.12 From the Project Executing Agency (Successful Bidder) a project development fees (Success Fee) as described in the bid document or as agreed upon in the pre-bid meeting would be collected, in Indian rupees in the form of a demand draft, on signing of the agreement in favour of the Local Self Government Institutions/LAs, Project Development Agency as described in 5.13.
- 5.13 The project development fees (Success Fee) would be collected from the successful bidder in two components payable to the respective agencies by way of Demand Drafts (DDs) in Indian rupees from a scheduled bank/reputed private bank. The first component would be in favour of the LSGIs/local authorities to the extent of project development expenses incurred by LSGI/local authorities and paid to the Project Development Agency for developing the project. The second component would be the balance of the project development expenses indicated in the bid document or agreed upon during the pre bid meeting, favoring the project development Agency. The Project Development expenses (success fee) would be collected by the LSGIs/local authorities/Project Development Agency from the Project Executing Agency (Successful Bidder) on signing of the agreement.
- 5.14 The above would ensure the project development expenses limiting the fees (paid in a phased manner to Project Development Agency) to be reimbursed to the Local Self Government Institution and hence no financial burden is incurred by the Local Self Government Institutions/Local authorities in the process of development of the project through PSP.

## **6.0. Project Monitoring :**

- 6.1 In order to ensure effective project execution, a project monitoring agency would be identified. This could be ideally the Project Development Agency itself as the indepth knowledge on the legal, technical and other allied expertise rests with the Project Development Agency. The cost for the same shall be borne by the successful bidder (Project Developer/Project Executing Agency). The fees for project monitoring shall be remitted in advance with the local body on a prorata basis by the Project Executing Agency.
- 6.2 Conditions precedent for the concession period (Construction period + Operation period would be monitored by this monitoring agency.)

## **7.0 Specific Guidelines:**

The following specific guidelines are also issued for the smooth and speedy implementation of projects undertaken as part of PSP by all the Local Self Government/local authorities institutions in the State.

- 7.1 The Government accord sanction to all Local Self Government Institutions/local authorities to pay the fees to the Project Development Agency from their own plan funds. The concerned Council should approve the proposal submitted by the PDA containing the TOR and the fees and also issue a work order. The work order need not have to be in the form of an agreement, as the PDA is a Joint Venture of the State Government.
- 7.2 The Local Self Government Institutions have to obtain the council's approval to engage the Project Development Agency for the development of the project.
- 7.3 Fee Structure for carrying out an assignment would be on a mutually agreed basis but not higher than:

(a) Fees upto and limited to Rs. 15 Lakhs

Sl.No.	Deliverables	%of total fees
1.	Mobilization Advance	15%
2.	Inception Report	15%
3.	Traffic Demand assessment report/Interim Report	15%
4.	Design and Drawings	20%
5.	Technical Report	15%
6.	Final Feasibility report	10%
7.	Bid Document and Concession Agreement	10%

- 7.3 (a) The levies and duties imposed by the Government from time to time would be in addition to the fees and should be paid to the Project Development Agency against each deliverable/s. By LSGIs/LAs.
- 7.4 If the fee for development of the project, quoted by the Project Development Agency, is higher than Rs. 15 lakhs the Local Self Government Institutions should get approval from the BOT Cell to initiate the studies and also to release the fees for the study.
- 7.5 Fees for the project development/assignment may be charged in phases along with the submission of deliverables as listed in 7.3. Fees against each deliverable should be cleared by the council on submission of the deliverable within a reasonable time frame (say 20 days) after approval by the deliverable submitted by the project development agency.
- 7.6 Council approval is required for all deliverables submitted by the Project Development Agency and the agency should make project clarifications if called for by LSGIs/LAS but within the framework of the TOR.
- 7.7 Sanction should be obtained by the concerned Local self government institutions/local authorities for the final Bid document and Concession Agreement of the project, which has to be signed by the successful bidder/investor. The same should be forwarded to the BOT Cell constituted by the Government. (G.O. Vide No: RT No: 292/03/LSGD Dated 23/01/2003), for obtaining necessary clearance to proceed with.

## ANNEXURE

### General Information on the different modes available under PSP :

Listed few of the advantages of out-sourcing Private Sector Participation (PSP) and BOT (Build Operate and Transfer)/BOOT (Build Own Operate Transfer) etc. are as under :

- Utilization of private funds and thereby ensuring budget savings
- Timely availability of funds and thereby faster completion of project
- Efficiency in execution
- Savings in cost
- Development of trade and commerce
- Ability of Local Self-Government Institutions to focus on other core areas
- Avoidance of problems of maintenance and administering personnel etc.
- Government revenue
- Opportunities for capital market development
- Potential to stimulate foreign direct investments
- Availability of innovative technology

The following Concession Agreement or arrangements with their variations and combinations may be arrived at by the LSGIs/Local Authorities for undertaking Infrastructure Projects. The arrangements enumerated hereinafter are indicative in nature and the LSGIs or the Local Authorities shall be entitled to evolve and arrive at such Concession Agreement or arrangement incorporating any of the arrangements enumerated hereinafter or any other arrangements as may be found necessary or expedient for any specific Project.

1. **Build-and-Transfer (BT)** - A contractual arrangement whereby the Developer undertakes the financing and construction of a given infrastructure or development facility and after its completion hands it over to the LSGIs or the Local Authorities. The LSGIs or the Local Authorities would reimburse the total project investment, on the basis of an agreed schedule. This arrangement may be employed in the construction of any infrastructure or development projects, including critical facilities, which for security or strategic reasons, must be operated directly by the LSGIs or the Local Authorities.
2. **Build-Lease-and Transfer (BLT)** - A contractual arrangement whereby a Developer undertakes to finance and construct Infrastructure Project and upon its completion hands it over to the concerned LSGIs or the Local Authorities concerned on a lease arrangement for a fixed period, after which ownership of the facility is automatically transferred to the LSGIs or the Local Authorities concerned.
3. **Build-Operate-and-Transfer (BOT)** - A contractual arrangement whereby the Developer undertakes the construction, including financing, of a given infrastructure facility, and the operation and maintenance thereof. The Developer operates the facility over a fixed term during which he is allowed to charge facility users appropriate tolls, fees, rentals and charges not exceeding those proposed in the bid or as negotiated and incorporated in the Contract to enable the recovery of investment in the Project. The Developer transfers the facility to LSGIs or the Local Authorities concerned at the end of the fixed term that shall be specified in the Concession Agreement. This shall include a supply-and-operate situation which is a Contractual arrangement whereby the supplier of equipment and machinery for a given infrastructure facility, if the interest of the LSGIs or the Local Authorities so requires, operates the facility providing in the process technology transfer and training to LSGIs or the Local Authority's nominated individuals.
4. **Build-Own-and-Operate (BOO)** - A contractual arrangement whereby a Developer is authorized to finance, construct, own, operate and maintain an infrastructure or development facility from which the Developer is allowed to recover his total investment by collecting user levies from facility users. Under this project, the Developer owns the assets of the facility and may choose to assign its operation and maintenance to a facility operator. The transfer of the facility to the LSGIs

or the Local Authorities is not envisaged in this structure; however, the LSGIs or the Local Authorities may terminate its obligations after specified time period.

5. **Build-Own-Operate-Transfer (BOOT)** - A contractual arrangement whereby a Developer is authorized to finance, construct, maintain and operate a Project and whereby such Project is to vest in the Developer for a specified period. During the operation period, the Developer will be permitted to charge user levies specified in the Concession Agreement, to recover the investment made in the project. The Developer is liable to transfer the project to the LSGIs or the Local Authorities after the expiry of the specified period of operation.
6. **Build-Transfer-and Operate (BTO)** - A contractual arrangement whereby the LSGIs or the Local Authorities contracts out an infrastructure facility to a Developer to construct the facility on a turn-key basis, assuming cost overruns, delays and specified performance risks. Once the facility is commissioned satisfactorily, the Developer is given the right to operate the facility and collect user levies under a Concession Agreement. The title of the facilities always vests with the Government, Government Agency or the Local Authority in this arrangement.
7. **Contract-Add-and-Operate (CAO)** - A Contractual arrangement whereby the Developer adds to an existing infrastructure facility which it rents from the LSGIs or the Local Authorities and operates the expanded project and collects user levies, to recover the investment over an agreed franchise period. There may or may not be a transfer arrangement with regard to the added facility provided by the Developer.
8. **Develop-Operate-and-Transfer (DOT)** - A contractual arrangement whereby the favorable conditions external to a new infrastructure Project which is to be built by a Developer are integrated into the BOT arrangement by giving that entity the right to develop adjoining property and thus, enjoy some of the benefits the investment creates such as higher property or rent values.
9. **Rehabilitate-Operate-and-Transfer (ROT)** - A contractual arrangement whereby an existing facility is handed over to the private sector to refurbish, operate (collect user levies in operation period to recover the Investment) and maintain for a franchise period, at the expiry of which the facility is turned over to the LSGIs or the Local Authorities. The term is also used to describe the purchase of an existing facility from abroad, importing, refurbishing, erecting and consuming it within the host country.
10. **Rehabilitate-Own-and-Operate (ROO)** - A contractual arrangement whereby an existing facility is handed over to the Operator to refurbish and operate with no time limitation imposed on ownership. As long as the operator is not in violation of its franchise, it can continue to operate the facility and collect user levies in perpetuity.
11. **Service Contract Agreement** - An agreement whereby a person undertakes to perform a service to the LSGIs or the Local Authorities or the specified Government agencies for as specified period. The LSGIs or the Local Authorities, as the case, may be, the specified Government agency, shall pay him an amount according to the agreed Schedule.
12. **Supply Operate and Transfer Agreement** - An agreement whereby a person supplies to the LSGIs or the Local Authorities or the specified Government agencies the equipment and machinery for a project and undertakes to operate the project for a period and consideration specified in the agreement. During the operation of the project, he shall undertake to train employees of the LSGIs or the Local Authorities or, as the case, may be, the specified Government agency to operate the project.
13. **Joint Venture Agreement** - An agreement whereby LSGIs or the Local authorities or the specified Government agency enters into an agreement with a developer to jointly finance, construct, operate and maintain a project for a period specified in the agreement after the expiry of which the project shall be transferred to the LSGIs/LAs or as the case may be, the specified Government agency.

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signed Mr.

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