



## GOVERNMENT OF KERALA

### Abstract

Local Self Government Department – Partner Kerala Mission - Public Private Partnership Projects for Urban Local Governments - Constitution, Guidelines, Infrastructure, Man power, Funding and Governance - sanctioned orders issued.

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### LOCAL SELF GOVERNMENT (DC) DEPARTMENT

GO (Rt) No. 2540/2014/ LSGD

Dated, Thiruvananthapuram, 27.09.2014

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- Read:
- (1) GO (Rt) No. 2168/13/ LSGD Dated 24.08.2013
  - (2) GO (Rt) No. 222/14/ LSGD Dated 24.01.2014
  - (3) GO (Rt) 663/2014/LSGD Dated 5.3.2014
  - (4) GO (Rt) 1056 / 2014 / LSGD Dated 29.4.2014
  - (5) GO (Rt) 1237 /2014/LSGD Dated 21.5.2014
  - (6) Report dated 20.6.2014 of the Committee appointed as per GO dated, 21.5.2014

### ORDER

Government in its order read as first paper above have sanctioned the Local Government Investment Meet for attracting investment for the development of Infrastructure in Urban Local Governments /Development Authorities. The Investment Meet was held on 24<sup>th</sup> and 25<sup>th</sup> February 2014 at Kochi.

The Partner Kerala Meet held on 24<sup>th</sup> & 25<sup>th</sup> February 2014 made some recommendations to the Government of Kerala. In pursuance of the same Government have appointed a Committee vide Government order 5<sup>th</sup> paper above to submit a report on the follow up of the recommendations of the 'Partner Kerala Meet'.

The Committee submitted the report to Government on 20-6-2014. The proposals which have validated through the investment meet and studied by a committee comprising of officers and functionaries from different areas / stake holders have further examined and endorsed by the Member, State Planning Board.

Government have examined the recommendations of the report with the concurrence of the Finance Department and are pleased to issue orders on the following aspects :-

#### I. Partner Kerala Mission

The 'Partner Kerala Mission' (PKM) under Local Self Government (Urban) is constituted as nodal agency under Local Self Government (Urban) Department for time bound implementation of projects on Public Private Partnership mode.

#### II. Authorities of the Mission

The Partner Kerala Mission should have better management and leadership, especially it involves, Private capital, Public responsibilities, multi disciplinary issues and long term association of different stake holders. Hence it is decided to constitute an Executive Committee and General Council with the configuration as in Annexure I & II respectively.

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III. Scope of the Mission

All Urban Local Governments and Development Authorities are permitted to undertake Projects / Programmes under Public Private Partnership format

IV. Ownership of land

The Partner Kerala Mission and Local Governments should ensure that the ownership of the land will exclusively be rest with the Local Governments.

V. Utilization of land

The Partner Kerala Mission and Local Governments should make sure that the land is not used for the purpose, other than for which it is permitted.

VI. Guidelines

- i. Only self sustaining, revenue sharing Projects alone will be considered in the first stage
- ii. No Projects warrants annuity payments from the concessioning authority will be considered.
- iii. Only the Projects / Programmes approved by the Council of the Local Governments for the implementation through PPP format will be considered
- iv. Availability of free hold land which can be set apart for the Public Private Partnership Projects is a pre condition for the consideration of Projects under PPP format
- v. Each project should be approved by the Local Government Council and Partner Kerala Mission for implementation
- vi. All agreements should be in the name of concerned Local Governments only
- vii. An MoU should be signed between Partner Kerala Mission and Local Governments in each case before proceeding to the implementation
- viii. A Core committee in each Local Government with Mayor / Chairman, Deputy Mayor / Vice Chairman, Works Standing Committee Chairman, A member from opposition, Secretary and Engineer should be constituted
- ix. RFQ and RFP should be got approved by the Government. Variation if any from model RFQ/RFP requires to be cleared by Government.
- x. Selection of concessionaire should be on competitive bidding

VII. Swiss challenge method

Swiss challenge method should not be resorted unless otherwise cleared by Government

**VIII. Maximum Period of concession**

Maximum Period of concession to be limited to 25 (twenty five) years only

**IX. Government Guarantee**

No Government Guarantee will be extended to any Projects / Programmes under Public Private Partnership format

**X. Transaction Advisor**

M/s KITCO is appointed as the Transaction Advisor of the Partner Kerala Mission. The professional charges to them for each project will be decided case to case on merit.

**XI. Funding**

- i. The current year state budget provision of Rs. 30 lakh available for the PPP cell under the Directorate of Urban Affairs should be transfer credited to the Partner Kerala Mission
- ii. The Kerala Sustainable Urban Development Project will transfer credit an amount of Rs. 30 crore earmarked for the preparation of DPR, to the Partner Kerala Mission
- iii. The expenditure in each case should be treated as a loan to the concerned Local Government, on a proportionate basis and realize the same as repayment from Local Governments after the concession agreement is signed and in suitable instalments
- iv. Partner Kerala Mission is authorized to open an account in the District Treasury, Thiruvananthapuram and another account in any one of the Nationalized Banks in Thiruvananthapuram

**XII. Infrastructure**

- i. Sanction is also accorded for Rs. 60 lakh as suggested in the report for arranging Infrastructure for Partner Kerala Mission.
- ii. It is also sanctioned the purchase of an Innova car as suggested in the report for the use of the Partner Kerala Mission

**XIII. Capacity Building**

Sanction is also accorded to arrange capacity building programmes with IDFC Foundation / appropriate agencies and with the association of KILA.

**XIV. Man Power**

The following posts are created in the Partner Kerala Mission

- i. Chief Executive Officer
- ii. Director, Alternate Thinking
- iii. Assistant General Manager, Wealth Formation
- iv. Manager, Participation

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**XV. Method of Appointment**

The post of Chief Executive Officer will be filled up on additional charge.

The post of Director, Alternate thinking will also be filled up on additional charge.

The post of Assistant General Manager will be filled up on deputation

The Manager, Participation will be an MBA degree holder and to be appointed from open market on contract basis.

**XVI. Nodal Agency**

Government hereby ordered to repeal the existing provisions if any, fixing consultancy agencies / Developers for the PPP Projects for Urban Local Governments / Development Authorities already issued. Hereafter the Partner Kerala Mission will be the authorized Nodal agency for PPP projects / programmes for Urban Local Governments / Development Authorities in the state.

**XVII. Office**

Partner Kerala Mission is authorized to set up an office befitting to the need and profile of the functioning of the organization.

By order of the Governor

**JAMES VARGHESE**

**Principal Secretary to Government**

To

The Principal Accountant General (Audit), (A&E)/ (LBA&A) Kerala, Thiruvananthapuram

The Director, Local Fund Audit Department, Thiruvananthapuram

The Commissioner, Rural Development Department, Thiruvananthapuram

The Director, Panchayats, Thiruvananthapuram

The Director, Urban Affairs Department, Thiruvananthapuram

The Executive Director, Suchitwa Mission

The Director for Treasuries, Thiruvananthapuram

✓ The Executive Director, Information Kerala Mission, Thiruvananthapuram

The Director, Kerala Institute of Local Administration, Thrissur

Finance Department (Vide UO file No.65508/Dev3/14/Fin)

The Secretary, General Administration (SC) Department (Vide item No. 5782)

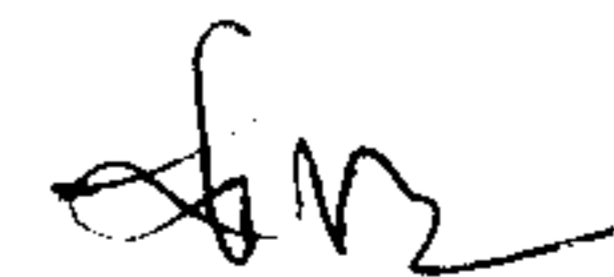
The Director, Information and Public Relations Department, Thiruvananthapuram.

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Stock File/ Office Copy.

Copy to:- PS to Chief Minister  
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PA to Principal Secretary, LSGD.  
PA to Secretary, LSGD  
PA to Secretary (UA), LSGD

Forwarded/By Order



Section Officer

**Annex I - Executive Committee of the Partner Kerala Mission**

1	Hon'ble Minister, Urban Affairs	Chairman
2	Principal Secretary to Govt, LSGD	Vice Chairman
3	Member, State Planning Board	Member
4	Secretary to Govt, Finance Department	Member
5	Secretary to Govt, LSGD (Urban)	Member
6	Director, Urban Affairs Department	Member
7	Investor Representative	Member
8	PPP Expert	Member
9	Chief Engineer, LSGD	Member
10	Chief Executive officer, PKM	Member

**Annex II - Governing Body of the Partner Kerala Mission**

1	Hon'ble Chief Minister	Chairman
2	Hon'ble Minister, Urban Affairs	Vice Chairman
3	Principal Secretary to Govt, LSGD	Member
4	Member, State Planning Board	Member
5	Secretary to Govt, Finance Department	Member
6	Secretary to Govt, Law Department	Member
7	Secretary to Govt, LSGD Urban Affairs	Member
8	Director, Urban Affairs Department	Member
9	One Mayor	Member
10	One Deputy Mayor	Member
11	One Works Standing Committee Chairperson	Member
12	One Secretary from Municipal Corporation	Member
13	One Chairperson of Municipality	Member
14	One Deputy Chairperson of Municipality	Member
15	One Works Standing Committee Chairperson from Municipality	Member
16	One Secretary from Municipality	Member
17	Chief Engineer, LSGD	Member
18	Managing Director, Clean Kerala Company	Member
19	Investor Representative	Member
20	Representative of the SLBC	Member
21	Public	Member
22	PPP Expert	Member
23	Chief Executive officer	Member