



Technical Assistance Report

Project Number: 48230-001
Capacity Development Technical Assistance (CDTA)
December 2014

India: Supporting Public–Private Partnerships for Infrastructure Development

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 15 October 2014)

Currency unit	–	Indian rupee/s (Re/Rs)
Re1.00	=	\$0.0163
\$1.00	=	Rs61.4250

ABBREVIATIONS

ADB	–	Asian Development Bank
DEA	–	Department of Economic Affairs
IIPDF	–	India Infrastructure Project Development Fund
MIS	–	management information system
MOU	–	memorandum of understanding
PPP	–	public–private partnership
PPPAC	–	Public–Private Partnership Appraisal Committee
TA	–	technical assistance
VGf	–	viability gap funding

NOTE

In this report, "\$" refers to US dollars.

Vice-President	W. Zhang, Operations 1
Director General	H. Kim, South Asia Department (SARD)
Country Director	M. T. Kho, India Resident Mission (INRM), SARD
Team leaders	S. Singh, Senior Project Officer (Finance), INRM, SARD P. Spantigati, Principal Financial Sector Specialist, INRM, SARD

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 48230-001	
Project Name	Supporting Public–Private Partnerships for Infrastructure Development	Department /Division	SARD/INRM
Country Borrower	India Not Applicable	Executing Agency	Department of Economic Affairs
2. Sector		ADB Financing (\$ million)	
✓ Water and other urban infrastructure and services	Urban policy, institutional and capacity development		0.15
	Urban sanitation		0.05
	Urban sewerage		0.05
	Urban solid waste management		0.10
	Urban water supply		0.15
Education	Education sector development		0.15
Energy	Energy sector development and institutional reform		0.15
	Renewable energy generation - biomass and waste		0.10
Health	Health system development		0.15
Transport	Multimodal logistics		0.05
	Transport policies and institutional development		0.15
	Urban public transport		0.15
	Water transport (non-urban)		0.10
Total			1.50
3. Strategic Agenda		Climate Change Information	
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	Climate Change impact on the Project	Low
4. Drivers of Change		Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development	No gender elements (NGE)	✓
Private sector development (PSD)	Conducive policy and institutional environment		
5. Poverty Targeting		Location Impact	
Project directly targets poverty	No	Rural Urban	Low High
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		1.50	
Sovereign Capacity development technical assistance: Technical Assistance Special Fund		1.50	
Cofinancing		0.00	
None		0.00	
Counterpart		0.40	
Government		0.40	
Total		1.90	
9. Effective Development Cooperation			
Use of country procurement systems			No
Use of country public financial management systems			No

I. INTRODUCTION

1. The Asian Development Bank (ADB) has been assisting the Government of India's public-private partnership (PPP) program to meet the country's large infrastructure needs. The government-ADB initiative has been an evolving and structured step-wise approach, supported through a series of technical assistance (TA) projects designed to mainstream PPPs in the country.¹ Following a joint review by the government and ADB of this first phase of ADB support to the government in November 2013, the government requested ADB for a new TA to further the PPP agenda.² Subsequently, ADB and the government held consultations to discuss the TA scope. The TA concept was approved by ADB on 7 October 2014.³ The government and ADB agreed on the TA impact, outcome, outputs, implementation arrangements, cost, financing arrangements, and terms of reference for consultants. The proposed TA is in line with (i) India's Twelfth Five Year Plan, 2012-2017;⁴ and (ii) ADB's country partnership strategy, 2013-2017, for India.⁵ The design and monitoring framework is in Appendix 1.

II. ISSUES

2. Accelerated development of quality infrastructure is necessary for removing key supply constraints on growth and promoting sustainable and inclusive growth. Accordingly, India's Twelfth Plan is continuing with the emphasis on infrastructure development and aims to increase investment in infrastructure from about 7.2% of gross domestic product achieved during the Eleventh Five Year Plan, 2007-2012, to 9.0% of gross domestic product by the end of the Twelfth Plan.⁶ As per government estimates, this would require an investment of about \$1 trillion during 2012-2017. With constraints on public financing of infrastructure due to the limits on fiscal space, the government's strategy for meeting investment requirements continues to be encouraging private sector participation, including through various forms of PPPs. During the Twelfth Plan, 48% of infrastructure financing needs are targeted to come from the private sector, compared with about 37% in the Eleventh Plan. The new central government, formed in May 2014, has reaffirmed the importance of PPPs for infrastructure.

3. **Government of India-ADB public-private partnership initiative.** The government has been promoting PPPs as an effective modality for bringing in private sector investment as well as for efficiencies in assets creation and quality public services delivery. In a joint initiative with the government that began in 2006, ADB has been providing comprehensive and structured support to the government's efforts to mainstream PPPs through a series of eight TA projects totaling about \$17 million. The Department of Economic Affairs (DEA) PPP cell, Ministry of Finance, has been the key counterpart agency and executing agency for most of the

¹ ADB. 2006. *Technical Assistance to India for Mainstreaming Public-Private Partnerships at State Level*. Manila; ADB. 2007. *Technical Assistance to India for Mainstreaming Public-Private Partnerships at Central Line Ministries of the Government of India*. Manila; ADB. 2008. *Technical Assistance to India for Preparing Nonsovereign Urban Infrastructure Projects*. Manila; ADB. 2008. *Technical Assistance to India for Preparing the Public-Private Partnerships Pilot Projects Initiative (Mainstreaming Public-Private Partnerships)*. Manila; ADB. 2009. *Technical Assistance to India for Supporting an Initiative for Mainstreaming Public-Private Partnerships for Providing Urban Amenities in Rural Areas*. Manila; ADB. 2009. *Technical Assistance to India for Sustaining the Government of India-ADB Initiative for Mainstreaming Public-Private Partnerships*. Manila; ADB 2009. *Technical Assistance to India for Assisting in Framework Development for Mainstreaming Public-Private Partnerships*. Manila; and ADB. 2010. *Technical Assistance to India for Deepening Capacity Building for Mainstreaming Public-Private Partnerships*. Manila.

² The review was conducted at the PPP Nodal Officer's Review Meeting held in November 2013 in Bhubaneswar.

³ The TA first appeared in the business opportunities section of ADB's website on 7 October 2014.

⁴ Government of India, Planning Commission. 2013. *Twelfth Five Year Plan, 2012-2017*. New Delhi.

⁵ ADB. 2013. *Country Partnership Strategy: India, 2013-2017*. Manila.

⁶ Government of India, Planning Commission. 2008. *Eleventh Five Year Plan, 2007-2012*. New Delhi.

TA projects. The TA projects have provided support for (i) improving the PPP enabling environment through assistance with policies, processes, and entities; (ii) building the capacity of PPP cells in selected states and central line ministries; (iii) developing PPP pilot projects in challenging sectors; and (iv) developing the scheme and pilot projects for provision of urban amenities in rural areas.

4. **Key achievements.** The TA projects have contributed significantly to the government's initiative for mainstreaming PPPs. The projects have helped (i) draft key documents including, among others, PPP policy, PPP rules, "3P India" business plan (a proposed corporate entity for supporting PPPs), PPP manual, PPP compendium, and Greenbook for PPPs in the health sector; (ii) support PPP cells in 16 states and 7 central line ministries through training officials within sector departments at state governments and central line ministries, reviewing and structuring PPP projects, developing state-specific PPP enabling frameworks and knowledge products—such as the states' project development fund and viability gap funding (VGF) scheme based on the central-level frameworks, PPP policies, guidelines, toolkits, and case studies—and developing and maintaining PPP websites and databases; (iii) support the DEA PPP cell in its focal role for PPPs at the central level; and (iv) originate and structure about 25 pilot PPP projects for bidding in challenging sectors.

5. **Continuing challenges.** The TA projects have enhanced the acceptance of PPPs by creating awareness, building capacity, and strengthening the enabling environment including the policy and regulatory framework. The support has also been catalytic in building a pipeline of PPP projects across assisted states. However, notwithstanding the successes, experiences under the projects have shown the following main challenges which have served as the key lessons: (i) the varying level of PPP institutionalization in state governments, and the need for increased focus on creating a sustainable institutional setup within state governments to carry forward PPP activities; (ii) the issue of sustainability and mainstreaming the capacity of government officials mandated to promote PPPs; (iii) the inadequate shelf of bankable projects; (iv) the need for intensive and protracted follow-up to ensure assistance and structuring support eventually translate in actual projects; (v) the emerging regulatory and policy gaps; (vi) the complex management and administration of the support required by ADB, in particular to the many PPP cells through multiplicity of consultants; and (vii) the evolving PPP landscape across the country that requires flexibility in TA support to address requirements of public sector authorities, as projects are at various stages of PPP implementation and processing.

6. **Government of India's request.** The government has requested ADB for a new TA support, as outlined below, that builds on the experiences and lessons from the first phase of the government–ADB PPP initiative and helps address continuing and emerging challenges to ensure long-term impact.

- (i) **Six regional hubs.** PPP experts in six regional hubs housed in PPP cells of selected states and/or central line ministries will provide focused support to selected states and central line ministries with emphasis on delivery of projects. The locations of the regional hubs will be decided by TA inception. DEA and selected states and central line ministries will sign a memorandum of understanding (MOU) for prototype PPP cell support under the TA that includes, among others, deliverables under the support to be provided. Under the TA, based on experiences with the initial prototype PPP cell model, recommendations for improvements to the MOU for future prototype PPP cell will be developed. The PPP experts, one in each of the six regional hubs, will help implement institutional structures and mechanisms for a prototype PPP cell,

strengthen the enabling environment for PPPs, and develop and deliver PPP projects.

- (ii) **Risk Appraisal Unit and Policy and Project Unit at the Department of Economic Affairs.** At the central level, the TA will support the DEA PPP cell to continue its crucial role of structuring and appraising new PPP projects under its Risk Appraisal Unit and of supporting a PPP-enabling environment through activities under its Policy and Project Unit. The TA will assist the Risk Appraisal Unit in appraisals and risk evaluation of PPP projects for approvals by the government's Public–Private Partnership Appraisal Committee, possible support under VGF, and possible structuring support under the India Infrastructure Project Development Fund. The TA will assist the Policy and Project Unit by advising on policy matters and developing frameworks for emerging challenging areas, such as framework for risk valuation and contingent liability planning, and foreign direct investment in infrastructure. The TA will also support the Policy and Project Unit's project management functions. Five experts will support the Risk Appraisal Unit, and four experts with varied expertise will support the Policy and Project Unit.
- (iii) **3P Transition Cell at the Department of Economic Affairs.** In its budget for 2014–2015 budget, the government announced establishing 3P India with a corpus of about \$83 million to provide institutional support for mainstreaming PPPs. 3P India's functions will include (i) providing support to project authorities in identifying projects, creating PPP pilot structures, and developing a pipeline of bankable PPP projects with support for oversight and scrutiny of projects' bankability; (ii) giving inputs to the government on policy; (iii) providing support for advocacy and capacity building; (iv) assisting government entities to prepare guidance material on PPPs; (v) advising project sponsors in project reviews before bid processes; (vi) assisting to market PPP projects; (vii) and assisting with project implementation and contract management. The TA will help DEA's 3P Transition Cell transition activities to 3P India, which will be a sustainable model for providing long-term support for PPPs. Three of the experts supporting the Risk Appraisal Unit and one expert supporting the Policy and Project Unit will assist the 3P Transition Cell.

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

7. The TA has been designed to address the government's request taking into account the continuing and emerging challenges and the lessons learnt. The impact will be increased availability of infrastructure through PPPs. The outcome will be improved public sector capacity to develop and implement infrastructure PPP projects.

B. Methodology and Key Activities

8. The TA will achieve the outcome by supporting the following four outputs:
- (i) **Transition to 3P India supported.** The DEA PPP cell envisages that 3P India, announced in the government budget for 2014–2015 for mainstreaming PPPs, will be set up in about 1 year. The TA will deliver the plan for support to the government for transitioning to 3P India comprising developing guidelines and/or manuals wherever required, assessing staffing needs, developing a recruitment plan, and providing capacity building support to government officials.

- (ii) **Prototype public–private partnership cells developed.** DEA will develop, finalize, and sign an MOU for prototype PPP cells at the states and/or central line ministries, with at least four states and/or central line ministries out of six envisaged regional hubs by June 2015, and will sign an MOU for additional supported prototype PPP cells by March 2016, assuming the TA letter is signed by January 2015. The TA will support at least six states and/or central line ministries. The MOUs will first be signed with the states and/or central line ministries that will serve as regional hubs for other states and/or central line ministries. The TA will assist in developing prototype PPP cells that would support PPP project development and provide a replicable model for institutionalizing PPP activities in state governments and central line ministries. The TA will help prototype PPP cells strengthen institutional structures and mechanisms and build a PPP enabling environment—including processes, policies, project development funds, and capacities—in the respective state or central line ministry, depending on the needs of the state or central line ministry, which would support development of bankable projects. Further, with a focus on project delivery, the TA will help develop project concepts, structure projects, and support the bid process, as required, so that projects are processed or ready for structuring and project development support (depending on the development stage of the PPP framework and processes at the state or central line ministry at TA commencement). Recommendations for improvements to MOU for prototype PPP cells—based on experiences with the prototype PPP cells and including elements to strengthen monitoring of deliverables—will be finalized, and required elements for a prototype PPP cell delineated, by TA closing.
- (iii) **Appraisals and risk evaluation of public–private partnership projects facilitated.** The TA will support the Risk Appraisal Unit to expeditiously carry out the analytical and appraisal work of PPP projects within the government’s prescribed timelines for approvals by the government under Public–Private Partnership Appraisal Committee, VGF, and the India Infrastructure Project Development Fund, which will lead to a faster creation of a project pipeline for bidding out or structuring.
- (iv) **Public–private partnership enabling frameworks and tools developed.** Based on the emerging challenges and requirements, the TA will develop at least two key policy and/or analytical works at the central level, as found relevant by DEA. These could be, for instance, a framework for risk evaluation and contingent liability planning, toolkit for foreign director investment in PPPs, or needs assessment and implementation plan for sustainable operationalization of a PPP management information system at the central and state level. Additionally, the TA will develop a PPP capacity-building needs assessment for government functionaries, particularly at the state and local level, with action plan for further development of PPPs; and a PPP framework and/or toolkit for assisted states, where required, with recommendations for enhancing the PPP agenda based on a review of the existing state institutional and regulatory PPP framework.

C. Cost and Financing

9. The TA is estimated to cost \$1.9 million, of which \$1.5 million will be financed on a grant basis by ADB’s Technical Assistance Special Fund (TASF-other sources). The government will provide counterpart support in the form of counterpart staff, office accommodation, and logistical

and administrative support, and other in-kind contributions. The cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

10. DEA will be the executing agency and will oversee TA implementation. ADB will be responsible for the overall TA management, working closely with the DEA PPP cell.

11. The TA will require a total of 244 person-months of national consulting services, of which 180 person-months will be through a firm with about 10 experts (all continuous) and 64 person-months will be through five individual experts (three continuous and two intermittent). ADB will recruit the consulting firm using quality- and cost-based selection (quality–cost ratio of 90:10) on the basis of bio-data technical proposal. The 90:10 ratio is proposed taking into account that PPP expertise is still relatively scarce and specific technical skills, experience, and knowledge are required for effective TA implementation. The consulting firm experts will include (i) one PPP expert and project coordinator (team leader) at the Policy and Project Unit; (ii) six PPP experts, one at each of the six regional hubs; (iii) two appraisal and risk evaluation specialists at the Risk Appraisal Unit; and (iv) one management information system expert at the Policy and Project Unit. The three individual consultants on a continuous basis will be appraisal and risk evaluation specialists at the Risk Appraisal Unit. The two individual consultants on an intermittent basis will be one legal expert and one policy expert supporting the Policy and Project Unit. The outline terms of reference for consultants are in Appendix 3. Consultants will be recruited in line with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The TA proceeds will be disbursed in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time).

12. The government and the participating state governments and central line ministries will provide the office space, furniture, and logistical and administrative support necessary for project implementation. The TA will be implemented over 30 months, with expected commencement in January 2015 and completion in June 2017. Consultants engaged under the TA will carry out monitoring and evaluation under the supervision of the DEA PPP cell and ADB. The team leader of the consulting firm will prepare a framework for monitoring the PPP experts supporting the prototype PPP cells, taking into account the MOU and TA deliverables, and will monitor and provide regular feedback and reports on the PPP cell experts' activities and outputs. The team leader, based on inputs from various experts under the TA and a survey of key sponsoring authorities, will also provide consolidated inputs for evaluating the outcome. In addition, based on inputs from all consultants, the team leader will submit quarterly TA progress reports to the DEA PPP cell and ADB. Workshops may be conducted, as required, to disseminate TA outputs, such as knowledge products, and findings and recommendations on elements of prototype PPP cells. Knowledge products may also be disseminated electronically on the websites of DEA, participating state governments, and central line ministries.

IV. THE PRESIDENT'S DECISION

13. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,500,000 on a grant basis to the Government of India for Supporting Public–Private Partnerships for Infrastructure Development, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Increased availability of infrastructure through PPPs	By 2020, private investment accounts for 48% of total infrastructure investment (baseline: private sector investment at 37% of total infrastructure investment in the Eleventh Five-Year Plan, 2007–2012)	Government infrastructure reports, annual economic survey of India Reserve Bank of India banking survey, and annual reports	Assumption Improved enabling environment and delivery mechanisms for infrastructure investment, including private sector investment
Outcome Improved public sector capacity to develop and implement infrastructure PPP projects	By 2017, “3P India” (a proposed institution for supporting PPPs) fully operational in supporting mainstreaming of PPPs By 2017, at least one bankable pipeline PPP project from each of the assisted prototype PPP cells proposed or prepared By 2017, at least 70% of surveyed sponsoring authorities indicate expedited creation of pipeline for bidding out or structuring projects (feedback from sponsoring authorities)	For all indicators: Reports of the Government of India and state governments Project management information system data Data from DEA and prototype PPP cells at state and line ministries, including ADB consultant reports Data for prototype PPP cells and survey of sponsoring authorities by recruited consultants	Assumptions Sustained government support towards 3P India initiative and timely actions taken; continued commitment from participating state governments and central line ministries Sustained fiscal resources for grant support for project development and viability gap funding Risks Unfavorable macroeconomic conditions adversely affecting initiating of projects Reduced public and private sector interest in PPP projects due to factors such as slow economic growth and implementation issues with ongoing PPP projects
Outputs 1. Transition to 3P India supported 2. Prototype PPP cells developed	By 2017, plan for support to 3P India delivered By 2017, at least four projects successfully processed by the assisted PPP cells	For all indicators: Data from DEA and prototype PPP cells at state and line ministries, including	Assumption By June 2015, MOU between DEA and selected states and/or central line ministries for prototype PPP cells

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>3. Appraisals and risk evaluation of PPP projects facilitated</p> <p>4. PPP enabling frameworks and tools developed</p>	<p>By 2017, at least four projects from the assisted PPP cells, in addition to ones processed, ready for structuring and project development support</p> <p>By 2017, all PPP projects' analytical and appraisal work completed within the government's prescribed timelines</p> <p>By 2017, at least two relevant key PPP policy and/or analytical works developed</p> <p>By 2017, a PPP capacity-building needs assessment for government functionaries, particularly at the state and local level, with action plan prepared</p> <p>By 2017, one PPP framework or toolkit developed for the assisted states, where required, with recommendations for enhancing PPP agenda based on the review of existing state institutional and regulatory PPP framework</p>	<p>ADB consultant reports</p> <p>Data from project-sponsoring government entities</p>	<p>developed, finalized, and signed with at least four states and/or central line ministries, and by March 2016, MOU for additional prototype PPP cells signed, assuming TA letter is signed by January 2015</p>
<p>Activities with Milestones</p> <p>1. Transition to 3P India supported</p> <p>1.1 Identify detailed and sequenced steps for transitioning to 3P India by TA inception (by March 2015)</p> <p>1.2 Complete activities in the plan for support comprising developing guidelines and/or manuals wherever required, assessing staffing needs, developing recruitment plan, and providing capacity building support to government officials (by March 2017)</p> <p>2. Prototype PPP cells developed</p> <p>2.1 Assess and summarize level of institutionalization and PPP enabling framework of prototype PPP cell, within 1 month of signing MOU (July 2015–April 2016)</p> <p>2.2 Identify gaps and prepare a strategy for PPP institutionalization and strengthening the PPP enabling environment within 2 months of signing MOU (August 2015–May 2016)</p> <p>2.3 Assist in implementing the identified strategy (between September 2015 and June 2017)</p> <p>2.4 Finalize recommendations for improvements to MOU for prototype PPP cells</p>			<p>Inputs</p> <p>ADB: Technical Assistance Special Fund (TASF-other sources) \$1,500,000</p> <p>Note: The government will provide counterpart support in the form of counterpart staff, office accommodation, and logistical and administrative support, and other in-kind contributions.</p>

Activities with Milestones	Inputs
<p>(including elements to strengthen monitoring of deliverables) and delineate the key elements of prototype PPP cell (by June 2017)</p> <p>2.5 Provide support for developing project concepts, structuring projects, and for the bid process, as required, so that projects are successfully processed or ready for structuring and project development support (by June 2017)</p> <p>3. Appraisals and risk evaluation of PPP projects facilitated</p> <p>3.1 Carry out analytical and appraisal work for evaluation of PPP projects for approvals by the government under Public–Private Partnership Appraisal Committee, viability gap funding, and India Infrastructure Project Development Fund within the government’s prescribed timelines (April 2015–December 2016)</p> <p>4. PPP enabling frameworks and tools developed</p> <p>4.1 DEA and ADB identify at least two key policy and/or analytical works, such as (i) framework for risk valuation and contingent liability planning, (ii) toolkit for foreign direct investment in PPPs, and (iii) needs assessment and implementation plan for sustainable operationalization of a PPP management information system at central and state levels (by June 2015)</p> <p>4.2 Identify states that require a framework or toolkit for enhancing the PPP agenda and identify the framework or toolkit (by September 2015)</p> <p>4.3 Prepare first draft reports of all documents to be developed under the TA (by May 2016)</p> <p>4.4 Carry out consultations with stakeholders, as required (by August 2016)</p> <p>4.5 Submit final reports (by November 2016)</p> <p>4.6 Disseminate final reports, as required (by March 2017)</p>	

ADB = Asian Development Bank, DEA = Department of Economic Affairs, MOU = memorandum of understanding, PPP = public–private partnership, TA = technical assistance.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. National consultants	1,396.43
b. Local travel	31.77
2. Workshops, trainings, and conferences	9.00
3. Contingencies	62.80
Total	1,500.00

Note: The technical assistance (TA) is estimated to cost \$1.9 million, of which contributions from the Asian Development Bank (ADB) are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office accommodation, and logistical and administrative support, and other in-kind contributions. The value of government contributions is estimated to account for 21% of the total TA cost.

^a Financed by ADB's Technical Assistance Special Fund (TASF-other sources).

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Consulting Firm

1. The firm will be engaged on an output-based (lump-sum) contract, to reduce administrative burden and improve economy and efficiency and value for money.

1. Public–Private Partnership Expert and Project Coordinator (Team Leader) (national, 18 person-months)

2. The consulting firm will have a public–private partnership (PPP) expert and project coordinator (team leader) on a continuous basis for 18 months. The expert will be located at the Policy and Project Unit at the Department of Economic Affairs (DEA). The position will (i) provide support for PPP-related functions at DEA for project development and structuring, and for PPP projects' appraisal and risk evaluation for approvals by the Government of India's Public–Private Partnership Appraisal Committee (PPPAC), possible support under viability gap funding (VGF), and possible structuring under the India Infrastructure Project Development Fund (IIPDF); (ii) undertake project management functions and provide team leadership for the consulting firm experts under the technical assistance (TA); and (iii) provide support for transitioning to "3P India" (a proposed institution for supporting PPPs). Specific tasks include (i) assisting DEA in expeditiously carrying out the analytical and appraisal work for PPP projects' evaluation for approvals by PPPAC, VGF, and IIPDF; (ii) providing overall team leadership for supervision and coordination of consulting firm experts' TA activities and outputs, including jointly formulating individual work plans consistent with those of the TA and addressing the reporting requirements to the Asian Development Bank (ADB) and DEA; (iii) advising ADB and DEA on TA planning and implementation issues, and addressing the issues; (iv) implementing the TA in a timely and successful manner, including managing the overall quality of the deliverables and outputs; (v) managing inputs of other experts and, based on the inputs, finalizing (a) recommendations for improvements to memorandum of understanding (MOU) for prototype PPP cells with required elements of a prototype PPP cell delineated, (b) key PPP policy and/or analytical works as determined by DEA and ADB, (c) capacity-building needs assessment for government functionaries, particularly at the state and local level, with action plan for further development of PPPs, and (d) one PPP framework or toolkit for the assisted state prototype PPP cells, where required; (vi) preparing a framework for monitoring the PPP experts supporting the prototype PPP cells, taking into account the MOU and TA deliverables, and monitoring and providing regular feedback and reports on the PPP cell experts' activities and outputs; (vii) providing consolidated inputs for evaluating the outcome, based on inputs from various TA experts and a survey of sponsoring authorities; (viii) managing the TA resources in consultation with ADB, and developing and maintaining a budget by line items; (ix) coordinating with assisted prototype PPP cells at states and central line ministries, as required; (x) assisting DEA in managing project-related activities, including coordinating with sponsoring authorities; and (xi) providing support for transition to 3P India, including determining human resource requirements and staffing plan with budgeting, policies, and processes, and managing and coordinating recruitment. The expert shall have a deep understanding of PPPs, with 7 years or more of national and international experience developing and managing PPPs. The expert should also have familiarity with managing projects and teams.

2. Public–Private Partnership Experts (national, 108 person-months)

3. The consulting firm will have six PPP experts on a continuous basis for 18 months each, for a total of 108 person-months. Each expert will be located in one of the six regional hubs

housed in PPP cells of selected states or central line ministries. The position will provide comprehensive support to participating prototype PPP cells at states and central line ministries for strengthening institutional structures and mechanisms as well as the PPP enabling environment, including processes, policies, project development funds, and capacities, to support the development of bankable projects. Specific tasks include (i) assessing and summarizing the level of institutionalization and status of the PPP enabling environment; (ii) identifying gaps, developing a strategy for PPP institutionalization and strengthening the PPP enabling environment (including capacity building), and assisting to implement the strategy; (iii) providing support for existing projects, including structuring, financial modeling, preparation of transaction documents, and procurement processes; (iv) along with existing projects, providing assistance for project development activities, including structuring and financial modeling of project ideas to further develop them for adding to the pipeline of bankable projects; (v) developing one PPP framework or toolkit for each assisted state, where required, with recommendations for enhancing the PPP agenda based on a review of existing state institutional and regulatory PPP framework; (vi) providing inputs on recommendations for MOU improvements for prototype PPP cells (including elements to strengthen monitoring of deliverables), and assisting the team leader in finalizing the recommendations, with required elements of prototype PPP cell delineated; (vii) providing inputs, based on experiences with the PPP cells, on capacity-building needs assessment for government functionaries, particularly at the state and local level, for further development of PPPs, and assisting the team leader to finalize the assessment and an action plan; (viii) providing capacity building in basic project-structuring techniques; (ix) creating advanced training programs for government officials; (x) producing standard documents; (xi) advising the assisted PPP cell on impact of PPP regulations; (xii) supporting the PPP cell in developing and evaluating PPP guidelines; (xiii) providing inputs, as required, to the team leader for monitoring and evaluation of the prototype PPP cell; and (xiv) liaising with DEA on all PPP-related activities performed by the expert. The experts shall have 7 years or more of national and international experience developing and managing PPPs. The experts should, in particular, have excellent understanding of and expertise in (i) PPP methodology and framework; (ii) PPP formulation, appraisal, and approval procedures; (iii) tendering processes; (iv) legal and contractual arrangements and concession agreements; (v) infrastructure development financing; and (vi) various methods of structuring PPPs.

3. Appraisal and Risk Evaluation Specialists (national, 36 person-months)

4. The consulting firm will have two appraisal and risk evaluation specialists on a continuous basis for 18 months each, for a total of 36 person-months. The specialists will be located at DEA's Risk Appraisal Unit. The position will support the DEA in appraisal and risk evaluation of PPP projects for approvals by PPPAC, possible support under VGF, and possible structuring under IIPDF. Tasks include (i) assisting DEA in expeditiously carrying out the analytical and appraisal work for evaluation of PPP projects for approvals by PPPAC, VGF, and IIPDF; and (ii) drafting, in coordination with the policy expert, PPP policy and/or analytical works as determined by DEA and ADB. The expert should have 7 years or more of national and international professional experience in PPPs, with expertise covering areas such as PPP structuring, project finance, risk appraisal, and contingent liability budgeting. The expert should (i) understand PPP methodology and framework for resource generation; (ii) demonstrate expertise in the formulation, appraisal, and approval procedures for PPP projects; (iii) demonstrate expertise in the following, with respect to PPP projects: (a) complex project agreements, (b) tendering arrangements, (c) detailed legal and contractual agreements, (d) risk management and contingent liability issues, and (e) financial analysis of complex project proposals; (iv) demonstrate expertise in infrastructure development financing, particularly the ability to locate private capital for commercially viable infrastructure projects; (v) comprehend

relevant policy and regulatory frameworks to enable the delivery of efficient infrastructure services; and (vi) have experience working with policy makers at all levels of government, with particular reference to determining appropriate methods of structuring PPPs. Familiarity with public sector processes, as well as rules and regulations on government involvement in PPPs, is also relevant. An advanced academic background in economics, finance, business management, or similar areas is essential.

4. Management Information System Expert (national, 18 person-months)

5. The consulting firm will have a management information system (MIS) expert on a continuous basis for 18 months. The expert will be located at the Policy and Project Unit. The position will support the PPP mainstreaming initiative by creating a workable information system platform that integrates website, database, training (knowledge-sharing) functions, and information systems development to establish the best practices in the various PPP cells in the country. Specific tasks include (i) developing a methodology and format for collecting and tracking data and information on a project basis; (ii) developing and collating benchmarking standards, and helping apply them to particular PPP projects; (iii) analyzing data for decision support systems at DEA; (iv) assisting in conducting baseline surveys related to PPP projects to best capture relevant information; (v) developing and maintaining an information system that can be used to track project management; (vi) identifying and documenting best practices in India and elsewhere so they are accessible to other line departments; (vii) working with other vendors that DEA may engage to ensure that information on all PPP projects is available in a public access database, as part of a best practice website on PPPs in infrastructure; (viii) ensuring online data connectivity to databases in other entities, both at the center and across the states; and (ix) training staff members on use of the information system and on database searches to aid their work. The expert should have 10 years or more of professional experience in developing and managing MIS for organizations with complex mandates and national coverage or scope. The expert should also have an information systems management and information technology background, and experience in large and complex organizations and projects, preferably those involving PPPs. The expert should ideally be intimately familiar with PPP methodology, particularly as it applies to implementation of relevant projects. Other requirements include (i) demonstrated experience in database development, (ii) experience in the use of MIS as an input to a decision support system, and (iii) the ability to impart training. Familiarity with incorporating benchmarking information in monitoring protocols is an advantage, as is experience in using information systems in project management.

B. Individual Consultants

1. Appraisal and Risk Evaluation Specialists (national, 54 person-months)

6. Three individual consultants will be recruited as appraisal and risk evaluation specialists on a continuous basis for 18 months each. The specialists will be located at the Risk Appraisal Unit and, in addition to providing support to the Risk Appraisal Unit, will also provide support to the 3P Transition Cell. With a shorter recruitment time frame for individual experts compared with a firm, these experts are expected to be fielded soon after TA commencement to provide support to the Risk Appraisal Unit, help with transition activities of 3P India, and assist with finalizing the needs and terms of reference of the firm. Tasks include (i) assisting DEA in expeditiously carrying out the analytical and appraisal work for evaluation of PPP projects for approvals by PPPAC, VGF, and IIPDF; (ii) assisting DEA in the selection of participating prototype PPP cells, including assessing the pipeline of credible project concepts; (iii) providing inputs and support, as required, for TA monitoring and evaluation activities; (iv) carrying out

activities that support the transition to 3P India as per the identified plan; and (v) assisting DEA in developing PPP policy-related work, and facilitating comments and feedback towards finalization of PPP policy and/or analytical works under the TA as well as submissions for approval. The expert should have 7 years or more of national and international professional experience in PPPs, with expertise covering areas such as PPP structuring, project finance, risk appraisal, and contingent liability budgeting. The expert should (i) understand PPP methodology and frameworks for resource generation; (ii) demonstrate expertise with the formulation, appraisal, and approval procedures for PPP projects; (iii) demonstrate expertise in the following, with respect to PPP projects: (a) complex project agreements, (b) tendering arrangements, (c) detailed legal and contractual agreements, (d) risk management and contingent liability issues, and (e) financial analysis of complex project proposals; (iv) demonstrate expertise in infrastructure development financing, particularly the ability to locate private capital for commercially viable infrastructure projects; (v) comprehend relevant policy and regulatory frameworks to enable efficient infrastructure services delivery; (vi) have experience working with policy makers at all levels of government, with particular reference to determining appropriate methods of structuring PPPs. Familiarity with public sector processes, as well as rules and regulations on government involvement in PPPs, is also relevant. An advanced academic background in economics, finance, business management, or similar areas is essential.

2. Legal Expert (national, 5 person-months)

7. One individual consultant will be recruited as a legal expert on an intermittent basis for 5 months. The expert will support the Policy and Project Unit and assist and advise DEA on legal matters related to PPP project development as well as policy-related work. The expert will also work with other experts at DEA and the participating prototype PPP cells and provide advice, inputs, and training, as required. Tasks include (i) assessing and providing training on legal (such as concession contracts) and institutional (such as developing special purpose vehicles) gaps in promoting recommended PPP structure to investors and potential lenders; (ii) working with PPP policy and regulatory consultants under other ADB TA projects, and providing training on recommended institutional measures to improve governance of the project entity after implementation; (iii) in consultation with other consultants, reviewing and providing legal advice and training on the desired equitable benefits to end users, with a sound project rationale; (iv) training government staff on developing all required due diligence documents for potential lenders; (v) providing project risk analysis with suitable mitigation strategies, and providing legal advice and training; (vi) providing feedback to consultants under other ADB TA projects, particularly for PPP policy and regulatory framework; and (vii) providing any other legal and project development support as deemed necessary by ADB and DEA. The expert will ideally have 10 years of expertise in both constitutional and national corporate law in India's infrastructure sector, as well as with infrastructure regulation and PPP provisions.

3. Policy Expert (national, 5 person-months)

8. One individual consultant will be recruited as a policy expert on an intermittent basis for 5 months. The expert will support the Policy and Project Unit and assist and advise DEA on PPP policy-related work. The expert will also work with other experts at DEA and the participating prototype PPP cells and provide advice and inputs as required. Tasks include providing in-depth inputs on the PPP policy and/or analytical works as determined by DEA and ADB and coordinating with other TA experts to draft and finalize TA documents. The expert shall have 15 years of national and international experience in infrastructure project development, of which 10 years should be in the PPP modality of implementing projects. Specific experience in PPP policy advisory is desired. The expert should (i) understand PPP

methodology and frameworks for resource generation; (ii) demonstrate familiarity with the formulation, appraisal, and approval procedures for PPP projects (including relevant concession agreements, due diligence processes, value-for-money audits, and public sector comparator); (iii) demonstrate familiarity with, in respect to PPP projects: (a) complex project agreements, (b) tendering arrangements, (c) detailed legal and contractual agreements, (d) risk management and contingent liability issues, and (e) financial analysis of complex project proposals; (iv) demonstrate expertise in infrastructure development financing, particularly the ability to locate private capital for commercially viable infrastructure projects; (v) comprehend relevant policy and regulatory frameworks to enable the delivery of efficient infrastructure services; and (vi) have experience working with policy makers at all levels of government, particularly for determining appropriate methods of structuring PPP. Familiarity with public sector processes, as well as rules and regulations on government involvement in PPPs, is also relevant. Deep familiarity with India's capital markets will be an advantage. An advanced academic background in economics, finance, business management, or similar areas is essential.