

O.I.H.

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
STARRED QUESTION NO. 120**

TO BE ANSWERED ON FEBRUARY 13, 2023

NEED FOR PRIVATE INVESTMENT IN URBAN INFRASTRUCTURE

NO. 120. SHRI KARTIKEYA SHARMA:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether private investment is required to develop the infrastructure of the cities;
- (b) if so, whether Government proposes any scheme for this purpose in near future;
- (c) if not, the public schemes proposed by Government to develop urban infrastructure;
- (d) whether Government is mulling over growing partnership in PPP mode for developing urban infrastructure; and
- (e) if so, the details thereof?

**ANSWER
THE MINISTER OF HOUSING AND URBAN AFFAIRS
(SHRI HARDEEP SINGH PURI)**

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT

STATEMENT AS REFERRED TO IN PART (A) TO (E) IN REPLY TO RAJYA SABHA STARRED QUESTION NO. 120 DUE FOR ANSWER ON FEBRUARY 13, 2023 REGARDING 'NEED FOR PRIVATE INVESTMENT IN URBAN INFRASTRUCTURE'.

(a) to (e) Urban infrastructure development is a State subject. Ministry of Housing and Urban Affairs (MOHUA) facilitates and supports States / Union Territories in this agenda through its flagship Missions / Schemes viz. Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0, Smart Cities Mission (SCM), Swachh Bharat Mission-Urban (SBM-U) 2.0, Pradhan Mantri Awas Yojana – Urban (PMAY-U) and Urban Transport projects. Urban infrastructure is financed through budgetary support and other public and private sources of finance, including public private partnerships.

Public Private Partnerships as a means of financing urban infrastructure has been covered under all the Mission guidelines as indicated below:

- i. AMRUT 2.0 guidelines state that cities having population above 10 lakh are mandated to take up 10% of their projects in Public Private Participation (PPP) mode.
- ii. Smart Cities Mission promotes PPP projects to be undertaken in the 100 Smart cities. If the Government of India funds and the matching contribution by the States/Urban Local Bodies meet only a part of the project cost, balance funds are expected to be mobilized from other sources including PPPs.
- iii. Swachh Bharat Mission – Urban 2.0, encourages exploring the option of Public Private Partnership (PPP) mode for development of urban infrastructure, to be decided by the concerned State Govt. or Urban Local Body.
- iv. Pradhan Mantri Awas Yojana – Urban (PMAY-U) 'Housing for All' Mission encourages private investment for construction of houses in Affordable housing in partnership (AHP) and In-situ slum development verticals. Affordable Rental Housing Complexes (ARHCs) was launched as a sub-scheme under PMAY-U on 31/07/2020 to utilize the vacant Government funded houses constructed under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and incentivizing Public/Private Entities to leverage investment for creating affordable rental housing stock, if they have available vacant land.
- v. Metro Rail Policy 2017 encourages Public Private Partnership for implementation of the metro rail projects to leverage both public and private resources, expertise and entrepreneurship. As per the policy, the state government desirous of availing central financial assistance for upcoming metro rail projects, should mandatorily explore the possibility of having a Public Private Partnership arrangement in some form for implementation, operation and maintenance, fare collection or any other unbundled activities of the proposed metro rail project, to the extent feasible.
