GOVERNMENT OF INDIA MINISTRY OF HOUSING & URBAN AFFAIRS LOK SABHA

UNSTARRED QUESTION NO. 318 TO BE ANSWERED ON FEBRUARY 5, 2019

SMART CITY MISSION

No. 318. SHRI ANANDRAO ADSUL:

SHRI DHARMENDRA YADAV:

DR. PRITAM GOPINATH MUNDE:

SHRI VINAYAK BHAURAO RAUT:

DR. SHRIKANT EKNATH SHINDE:

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

- (a) whether the duration of Smart City Mission is five years starting from 2015-16 and if so, the facts thereof;
- (b) whether it is a fact that 70 per cent of the identified projects under the Smart City Mission are still at the stage of preparation of Detailed Project Report and if so, the reasons for the delay;
- (c) the manner in which the Government would be able to complete its mission with this pace of progress;
- (d) whether the State Governments have failed to provide matching contribution for implementation of projects under Smart City Mission and if so, the reasons therefor;
- (e) whether the State Governments have requested the Union Government to increase the percentage of the central contribution for Smart City Mission;
- (f) if so, the reaction of the Union Government thereto; and
- (g) the steps taken by the Union Government to complete the Smart City Mission within the stipulated time?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HOUSING AND URBAN AFFAIRS (SHRI HARDEEP SINGH PURI)

(a): Yes, Madam. The Smart Cities Mission covers 100 cities and its duration is five years (2015-16 to 2019-20). The Mission may be

continued thereafter in the light of an evaluation to be done by the Ministry of Housing & Urban Affairs (MoHUA) and incorporating the learnings into the Mission.

- (b): No, madam. A total of 5,151 projects have been proposed by 100 Smart cities in their Smart City Proposals (SCPs) at an estimated cost of Rs. 2,05,018 crore. Tenders have already been issued for 2,748 projects worth around Rs. 1,04,964 crore. Of these, work orders have been issued for 2,032 projects worth Rs. 62,295 crore, which are under implementation or have been completed. There has been an increase of 327% in the projects grounded since December 2017.
- (c): The implementation of the Mission is being done by a city-level Special Purpose Vehicle (SPV), which is a limited company incorporated under the Companies' Act, 2013. After selection, it takes around 12-18 months for a city to incorporate SPV, appoint Project Management Consultant (PMC), hire necessary human resources, call tenders and award work. All 100 cities have formed Special Purpose Vehicles (SPVs), 99 cities have engaged Project Management Consultants (PMCs) and all 100 cities have constituted their City Level Advisory Forums (CLAFs).

The pace of implementation of projects has picked up significantly during the last one year. There has been a 309% increase in projects tendered, 327% increase in projects grounded and 489% increase in projects completed since December 2017.

The implementation plan is given by each Smart City in its Smart City Proposal (SCP). The timeline for completion of projects is given below:

- Round 1 cities- 2020-21
- Round 2 cities- 2021-22
- Round 3 cities- 2022-23
- Round 4 cities- 2022-23
- (d) to (f): The Central Government shall give financial support to the extent of Rs. 500 crore to each of the selected Smart cities over the Mission period and an equal amount, on a matching basis, is to be contributed by the State/Urban Local Body (ULB). Many State governments have provided matching share or are in the process of doing so. Requests for change in funding pattern between Central and State government from 50:50 to 90:10 have been received for

North-Eastern States (Arunachal Pradesh, Assam, Meghalaya and Nagaland) and Hilly States (Jammu & Kashmir, Himachal Pradesh and Uttarakhand).

Ministry has responded by informing that the Smart Cities Mission marks a paradigm shift in urban development and there is no sharing pattern in Smart Cities Mission as in other Government Missions/Programmes. The States and Urban Local Bodies (ULBs) have an equal (50:50) shareholding in the Special Purpose Vehicle (SPV). While the Central Government funds may be used by the ULB as its share in the equity of the SPV, the State Government has to contribute its share to the SPV's equity. The financial pattern of 90:10 seems applicable in those Schemes in which the cost of projects is quantified, while in the case of Smart Cities Mission, the financial support to be provided by the Government of India is not directly linked to the cost of any project.

(g): The Ministry is regularly interacting with the States/Smart cities through video conferences, review meetings, field visits, regional workshops etc. at various levels to assess the performance of the cities and to handhold them for improving the same. Besides the guidance of domain experts participating in the regional Workshops, cities also benefit from peer-to-peer learning during various interactions.

At the national level, the implementation of Smart Cities Mission is being monitored by an Apex Committee headed by Secretary, Ministry of Housing and Urban Affairs. At State level, State level High Powered Steering Committee (HPSC) chaired by the Chief Secretary has been established. A Smart City Advisory Forum at the city level comprising of District Collector, MP(s), MLA(s), Mayor, CEO of SPV, local youths, technical experts etc. has been constituted in each Smart City to advise and enable collaboration among various stakeholders as per Smart city guidelines. Besides, Ministry of Housing and Urban Affairs nominee Directors on the Boards of SPVs are also monitoring the progress in respective cities on a regular basis.
