

**Record of discussion held with Commercial/Business/Non-Profit Organizations and Professionals on “Smart City Scheme” on 22<sup>nd</sup> September, 2014 in Conference Hall (Room No -123), Nirman Bhavan.**

- The meeting was chaired by Shri Shankar Agarwal, Secretary Urban Development. At the outset Secretary welcomed all the participants and described in brief the purpose of the meeting.
- Secretary briefed the meeting with the intention of the Government of India to create 100 Smart cities, where there will be importance on sustainable economic activities and employment opportunities as well, so that India's GDP can grow 10% & more. He mentioned that it is intended that the cities should be prepared like European Cities and the residents of those cities should get all the basic facilities like 24x7 water supply & energy, efficient urban mobility, good governance, ICT, safety etc. It is about ease of business and about people to live in happiness. The missing pieces in all these are, not taking the advantages of Private sectors. Although experience in past PPP Project in India is not encouraging, we need to discuss all these issues today so that for finalizing the guidelines for Smart City Programme, it will be an immense help to all stakeholders.
- He said that PPP is not a water tight contract. In the weak areas, we need to take steps for development of the model. Hence suggestions from all the participants and sectors are invited. We, government authority and Private sectors are on the same page. Government Body is not at upper hand in any circumstances and will not be a dictator in any case. Private sectors will be the Partner in the form of Investors, developers, designers, service providers, Academia and Consulting firms etc. States and ULBs need to get on board.
- Joint Secretary Shri C.K .Khaitan continued the discussion elaborating further the purpose of the meeting. He said that Urban Development is a State subject. He mentioned the house that, all of your global and national experience will help us in developing Smart City Programme. We must learn and consider different things for developing smart city. He put, before the house, four questions for answer as below:
  - A) What kind of PPP Projects can be taken up at the present government administrative structure?
  - B) What kind of Policy intervention can be taken up?
  - C) Issues of Integration & coordination of technology.
  - D) What are the expectations of the companies?

Narrating all the above, JS (UT) wanted inputs from all the Participants of the meeting.

- The representative of Centre for sustainable development from Karnataka Shri A. Ravindra suggested about the quality of services to be provided, ease of business, green field, contributions of different sectors, financing issues, capacity building at different levels.
- Responding to him, JS (UT) explained that Smart City Scheme is primarily a Brownfield Scheme. It will be a centrally sponsored scheme and the amount will be finalized after discussion with the Ministry of Finance. There will be consideration for all types of vehicles. Capacity building of the ULBs in regards to the Smart Cities was emphasized.
- Representative of Sankhya Technologies Shri Gopi suggested that Smart Cities are futuristic project. There is need to formulate national standards. He talked about synthetic IOT technologies and Professional Tax can be one of the sources of Revenue. He said that there is great potential for Professional Tax by taxing the Professionals. He also suggested about designated R&D funding. Clusters for electronic manufacturing were also emphasized.
- The Representative of Panasonic India Shri Aseem Goyal suggested that consolidation from learnings of different projects should be done by the Ministry and inputs from this may be taken up while framing the new guidelines. Challenges for brownfield are also to be taken into consideration. Interaction with local bodies is also an issue.
- JS (UT) commented that, it is difficult for the states to decide on technology to be used. Obviously the standard guidelines for technology and procurement procedure will be finalized by the ministry but also indicated that certain norms only will be given from the Ministry. It cannot be proprietary in nature and every state to have liberty to decide on technology as per guidelines. He mentioned that the technology needs to be interoperable. He suggested that the point can be addressed to the PMU, whereas experts placed from different thematic area will address the issues.
- The representative of INTEL Shri Valsa Wilhams narrated about the standards of Framework and Reporting Replication.
- The representative of Tech Mahindra Shri Vivek Agarwal said that there should be global involvement for the Smart City Programme and there should be point to point solution on each issue. Interaction with Local bodies is highly essential.
- The representatives from 3M India Limited Shri Ved Dimri wanted to know:
  - a) What would be the role of PPP/Developers?
  - b) What is the expectation from Government?
  - c) Types of PPP Models like (BOO, BOT, BOM)?
  - d) About overall services management level.

e) Custom Concessions.

He also suggested that there should be reduced risk of Investment and there should be flexibility in PPP Models. Return on Investment (RoI) should be finalized and citizen participation should be must.

- JS (UT) expected specific feedback from the participants on some of the aspects like:
  - What is the size of RoI envisaged from Investment?
  - What are the types of terms and conditions for RoI?
  - Procurement related feedback for State Government?

JS (UT) also suggested that base should be the economic vibrancy of the city. Mechanism to get the KPI (Key Performance Indicator) also needs to be developed.

- Representative of SAP, Shri Subrat Das narrated about ambit of Municipal Administration, focus on automation, different outcome of smart city and different consumption model available.
- Representative of Microsoft Shri Srinivash Garimela, stated that Inter dependency on different department is an issue. He stressed upon SLNA formation, data standard and lot of mess up in the formation stage of Smart City Guidelines.
- After a while, Secretary (UD) told that there is a need of formation of State Level Committee and also accepted the suggestion for formation of a City Level Committee with Collector or Development Commissioner (DC) as Chairman. Secretary also insisted that list of empanelled vendors and wherever possible, price will be finalized at centre. Secretary also said that Present Procurement system is time consuming and asked the house how does the government proposes to initiate the PPP. There will be collegiate system at ULB & State Level. In the Proposed system monopolistic situation will not arise. On a question on ICT, Secretary categorically clarified that, "we have different categories of ICT based on the category of City. Suggestion for Creation of Open Forum and PMU at City level was well taken by the Secretary.
- Secretary (UD) further clarified that Government is in decisive mode and in the search of developing Smart cities. Co-operation of the Private Sectors and Investment is highly required. JnNURM was Project Driven. The entire City has a Strong PMU. The new guidelines should have citizen specific vision. Three major aspect should be taken care of in the new guidelines i.e., GIS Mapping, ICT Mapping and Master Plan.
- Regional Training Agencies will be engaged and they will basically impart training on PPP, Financing, Tools, Urban Planning, and Urban Infrastructure &

Environment Sustainability. There will be refresher training type or courses. CDP has to be vetted by an agency for environmental sustainability which is to be a credible organization. On the Subject of Citizen Participation, Secretary asserted that being a democratic country, citizen partnership is a must.

- The representative of FICCI, Shri Abhishek Mehra suggested that PPP Projects should be completed without delay and for that clearance for any sector projects should not be delayed at any circumstances. Mechanism for clearances of projects be clearly made out and preferably should be single point. Secretary answered the question by saying that Ministry of Environment is now very much proactive and clearing projects will not be a problem. Land is a big problem & land pooling will be the only way to solve it. For example decentralized water supply & decentralized Sewage Treatment Plants (STPs) and thereby reducing the land requirements for infrastructure.
- The Representative of Oracle, Shri Vivek suggested that success of PPP project depends upon development of a vibrant Revenue Model/Policy otherwise no PPP project will be success. Secretary answered that the Policy can be developed city specific and suggested that Private sector representatives to prepare four or five models categorically for capital cost and O&M Cost separately and get back to us. The support to PPP projects will be in form of viability Gap Funding (VGF) only.
- The Representative from REPL Shri P.N.Mishra narrated about the issues generally faced in the areas like Land, Planning and creation of different opportunities and suggested that instead of 5 million population 2.5 million should be taken as criteria for Smart City. Master Plan preparation for a city and its implementation is such a typical issue for implementation. . He also stated that land pooling will not work in city likes Bombay & Delhi but may work out in smaller cities. Secretary responded that smart city criteria's are indicative only. Secretary also suggested that Master Plan should be prepared separately for existing towns and New towns. People must operate from Centre of Excellence and we must amend the present guidelines suitably. Integration of Infrastructure should be guided by Central Policy like increase Population Density and provision of best land use. Present type of Development is pushing people to peripheral areas of city but people should be able to live in central city areas. SPV must be created. He gave examples of Connaught place and New Delhi Railway Station and pointed out that C. P. is the most costly place in the World and instead of horizontal development we must now go for vertical infrastructure development so that we can accommodate more people and offices in less space. For this to happen increase FAR, Heights for the vertical development.
- The representative of GIZ suggested that guidelines should support enabling conditions for sustainability of Smart cities. Therefore guidelines should identify

pre-requisites for funding such as focus on basic services, preparation of strong sector plans including CSP which should be the overall strategy in order to produce good DPRs which are based on holistic city wide planning. Municipal Solid Waste Management should be based on MSWM Plans as per the revised MSW Manual of MoUD. By-laws for user charges and proper septage management concepts should be pre-requisites for receiving funding under the program. Indicators for step-wise implementation of basic services like MSW will help in implementation on the ground. The indicators should encourage incremental implementation. Clearance of land issue as well as political and environmental clearance should be obtained prior to start of any projects to prevent failures.

- Ms Vibha Aggarwal from CA Technologies suggested that swan project can be a model to proceed for the project.
- Question was raised by the Secretary regarding the standard model for smart city safety/security based on ICT platform. Standard Reference Model be framed keeping in view of financial & technical strength of the ULBs. Further, Standard Reference Model for the Utility management may be worked out.
- Secretary expressed that, “Can we create a standard reference model for ensuring security for all (ICT) 100 cities?” Secretary took the view of the house saying that one firm should take the lead on this aspect. With the opinion of the House, it was decided that all should come and join hands under the aegis of NASSCOM and prepare a Reference Model on the technology architecture framework for Safe City, GIS and ICT for the Smart Cities initiative. Reference Framework in Water Supply, Sewerage, Mobility and Commercial Activity should also be worked out keeping financial & technological conditions. Secretary said that framework has to come from the Industry.
- Mr. Narender said Good Governance is for everybody i.e. for all stakeholders. Emphasized on automated collection of government revenues but also wanted to cut cycle for the enablers. ICT should be self-healing & job creation should be tracked and it is important that project affected persons be moved up the value chain for inclusive growth. It is important that consortium spirit to be fostered.
- The representative of CSR foundation Shri Deendayal Agarwal and ex-chief secretary of Karnataka suggested some reforms for building bye-laws and common plate- form at city level and ULB Level. They also suggested that Municipal Commissioners at ULB level, one supervising committee under the chairmanship of Collector or any other officer should be formed which should look after and review the pros and cons of the smart city developmental work. . Co-ordination within the ULBs is a problem. Secretary welcomed the suggestions and instructed JS (UT) to prepare guidelines in this regard and added that instead of District Collector, Divisional Commissioner may be the

reviewing officer and there should be periodical review (monthly or quarterly) for different aspects of the scheme at ULBs. There is need of reforms in Land, Building Regulations etc. Procedures are different in States. There is need of Stakeholders in Industry, Trade, Social Groups, Investors, Academia, etc. to come under Divisional Commissioners in States.

- Mr. Vatsal Dave the representative of Esri India commented that there should be technological visioning at central level. GIS is part of the Smart Cities. Secondly at City level, GIS technology is restricted to only for collection of Property taxes only and suggested for multipurpose use of GIS-Technology. A Technology Vision Document should be prepared and should cater to GIS Mapping, ICT mapping & Master planning. Secretary welcomed the points and said that we need to think more about this and broad guidelines to be prepared in this regard and milestones to be achieved in this regard. GIS Mapping should also be used for Optical Fiber Network. Secretary (UD) asked the house to identify a third party organization who can take the responsibility of preparing such a document considering best practices being followed in Smart Cities the world over. Finally all agreed that this responsibility too should be given to NASSCOM.
- The representative from India Smart Grid Forum Mrs. Reena Suri pointed out that there has to be a timeline for all the activities to be carried out and this should be categorically earmarked. Ministry of Power has framed Smart Grid Vision & Road map. A similar framework for all infrastructure domains (power, water distribution, sewage, transport and security) may be developed for integrated planning of smart cities. ISGF can assist MOUD for preparation of such a reference standard framework for smart cities.
- There was a point raised regarding the timeline for end to end ICT framework, Power Framework, eco system and also governance model.
- Secretary raised the issue that NIC & TCPO can come together for collaboration on the NUIS with regards to the Smart Cities. There is need to document best practices.
- Finally responsibility for Development of Reference Standard Framework for Safety in the City was assigned to NASSCOM, Secondly development of Reference Framework on Solid Waste Management- was assigned to MSN , Infrastructure and Financial consultants Ltd and
- And development of Model Concessional Agreement on Drinking Water, Sewerage, Urban Mobility, Power Supply and safety aspect – was assigned to India Smart Grid Forum.
- Development of reference standard framework for Power, Water Distribution, Sewerage, Urban Mobility, and safety aspect – was assigned to India Smart Grid Forum.

With the above, the meeting ended with thanks to the chair.