

Brief in respect of CCI and CCEA meetings held on 23.05.2013

1. Security Clearance for PPP projects in major Ports

The Cabinet Committee on Investment (CCI), in its meeting held on 23.5.2013, noted that during the year 2012-13, 32 port projects were awarded resulting in capacity addition of 136.75 Metric Tonne Per Annum (MTPA) and involving an **investment of Rs 6765 crore**. Further, security inputs have been received by the Ministry of Shipping in respect of 10 port projects involving a **total investment of Rs 8511.85 crore**. A separate Security Clearance Cell has been created in the Ministry of Shipping to effectively follow up on security clearance proposals. A master list of all Indian and foreign companies, which normally bid in port projects, has been prepared. The list has been circulated to the Ministry of Home Affairs and other agencies for keeping their inputs ready for future references for security inputs. The Empowered Committee of Secretaries under the Chairmanship of Cabinet Secretary has been reviewing the status of security clearances regularly.

The Cabinet Committee on Investment directed that the prescribed timeline of 12 weeks for giving security inputs by the various security agencies to the Ministry of Shipping should be adhered to and once the security clearance is accorded, it should remain valid for three years, unless there is a change in the shareholding pattern.

2. Measures taken to fast-track implementation of National Highways Development Project (NHDP)

The Cabinet Committee on Investment, in its meeting held on 23.5.2013, also reviewed the progress made in resolution of bottlenecks in implementation of Highway project. It was noted that the following bottlenecks have been resolved:

- i. The grant of Environment Clearance has been delinked from the Forest Clearance for linear projects and hence the work in non-forest portion can be started without waiting for forest clearance for the portion falling in forest area.

- ii. The strengthening and widening of National Highways Infrastructure projects will be treated differently from the new projects and construction will be allowed in Non-Forest areas in widening projects as expenditure does not become infructuous in such projects.
- iii. Ceiling of 4000 km of four-laning in NHDP Phase IV has been enhanced to 8000 km, on Build Operate and Transfer (BOT) mode only, based on traffic justification as per India Road Congress (IRC) code and guidelines.
- iv. The power to determine the execution mode of the road projects, i.e. BOT(Toll) , BOT(Annuity) and the (Engineering EPC in respect of projects where the traffic is between 5,000 and 10,000 Passenger Car Units (PCU) has been delegated to the Ministry of Road Transport and Highways.
- v. 4000 km of road projects has been permitted to be taken up for upgradation on EPC basis.
- vi. In case of public Private Partnership (PPP) projects, the debts due to the lenders will be considered as “secure” loan.

Further, a high level committee under the chairmanship of Dr K Kasturirangan, Member, Planning Commission has been constituted for resolution of other unresolved bottlenecks.

The Cabinet Committee on Investment directed that action on unresolved issues be expedited.