

SMART CITY PROJECT TO BE DEVELOPED UNDER PPP MODEL: GOVERNMENT



NEW DELHI: Government today said its ambitious Smart City project will be developed with active private participation and some hilly regions will be part of the scheme.

"We are in the process of identifying cities to be part of the Smart City project and the process will be completed in a month," Urban Development Secretary Girish Shankar said here.

NDA government's first budget has announced a mega project of developing 100 smart cities with modern amenities over the years.

Banking on private investment, Shankar said the project will be executed in PPP model and the government will contribute as viable gap funding (VGF) for the project.

Asked how much will be the VGF, he said it is being worked out.

"There is a tremendous interest generated over the project and now every city wants to become part of the Smart city project," he said, adding, "while majority of existing cities will be developed as Smart City, some new cities will also be carved out of the hilly regions to be part of the project."

As per the plan, five to six places in hilly areas will be developed as Smart City.

"All our existing hill stations were developed by Britishers only and today these places like Mussorie is over crowded. So we are exploring of developing Smart City in these areas as Greenfield project while for the rest it will be Brownfield project," he said.

Greenfield projects are new factories, power plants or airports which are built from scratch while facilities which are modified or upgraded are called Brownfield projects.

Smart City entails facilities like continuous water supply, modern sewerage system, solid waste management and infrastructure development among other advanced facilities.

The total estimate of investment requirements for providing these services is estimated to be around Rs 7.5 lakh crore over 20 years which means it requires Rs 35,000 crore in a year.

Urban local bodies (ULB) are also being asked to introduce reforms to generate additional revenue to be part of the Smart City project.

ULBs have to improve its performances like putting public service online and credit ratings for issuing bonds, he said.