GOVERNMENT OF ODISHA FOOD, SUPPLIES & CONSUMER WELFARE DEPARTMENT

No. 10332 1

Bhubaneswar dated the $\frac{7}{6}$.

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From

Ps.

Shri Ananta Charan Nayak, O.A.S. (SAG) Additional Secretary to Govt.

To

The Managing Director, OSCSC Ltd., Bhubaneswar

Sub:

Development of Warehousing and Storage Infrastructure through PPP.

Sir,

I am directed to say that the Commissioner-cum-Secretary, F.S. & C.W. Department met with the representatives of International Financial Corporation (IFC) on 06.06.2013. In the said meeting, it was tentatively agreed to sign the Financial Advisory Services Agreement (FASA) on 13.06.2013, IFC will support OSCSC Ltd. in preparing the RFP for PEG Scheme and the scheme with locations need to be finalised by 30th June 2013. The copy of the minutes of meeting on Development of Warehousing and Storage Infrastructure through PPP held on 29.05.2013 is enclosed herewith for reference.

You are therefore requested to look into the matter and take appropriate steps at your level.

Yours faithfully,

Additional Secretary to Govt.

Minutes of Meeting on Development of Warehousing & Storage Infrastructure through PPP held on 29th May 2013

The meeting was chaired by D.C.-cum-ACS. The list of officials present is annexed.

The need for creation of storage facilities for rice & paddy in view of increased production and public production was appreciated. The addition of storage and warehousing capacity is of utmost necessity in the State and can be upscaled with the participation of private sector partners, thereby requiring a specific schematic intervention.

International Finance Corporation (IFC) made a presentation on the key features of a proposed State-wide private entrepreneur rice storage scheme whereby private investors would construct, finance and operate warehouse facilities on a Public Private Partnership (PPP) mode. The infrastructure created can be utilised by the designated State Agency, i.e. Odisha State Civil Supplies Corporation (OSCSC) for its operations.

The following decisions were taken after due deliberations:

- (1) In view of IFG's global experience as well as in India where it is assisting FCI in implementing warehouses on a PPP mode across 42 locations with an aggregate capacity of 2 million tonnes, the support of IFC shall be taken for the proposed interventions in Odisha which are targeted at creating new storage space of 2 lakh tonnes in the initial phase.
- (2) The initiatives already taken by OSCSC in preparing a draft Odisha State Private Entrepreneur Guarantee Scheme 2013 were appreciated. The scope of work for IFC would include assisting State Government and OSCSC in finalising the said Scheme and in undertaking necessary technical studies. Subsequently, IFC shall support in preparation of the bidding documents, contractual agreements, etc and in the bid process management till selection of the private partners.
- (3) The State PPP Cell. P&C Department would sign the Financial Advisory Services Agreement (FASA) with IFC along with OSCSC as the collaborating partner. The fixed fee payable to IFC shall be borne from the Project Development Fund in P&C Department.
- (4) Due to the criticality of correctly identifying the locations for warehousing facilities and realistic demand assessment, it was decided that Managing Director, OSCSC shall be the Nodal Officer for the works envisaged and scoped in the FASA.
- (5) The need to expedite the infrastructure creation was highlighted. Accordingly, the formalization of the Scheme would have to be completed within two months from the date of signing FASA with the target of completing the bidding process by Nov Dec 2013.

The meeting ended with a vote of thanks to the Chair.

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