

SHRI PRAFUL PATEL: Sir, I would like to inform you that the second phase of the Jaipur terminal will definitely be taken up, and, I expect that the work on that will commence in the year 2010 itself. So, that would be definitely a matter of satisfaction for the people of Jaipur and the requirements of the State. And, as far as the runway is concerned, I do not think that there is no limitation. It is the runway which can accommodate virtually all major aircraft which are already in operation.

SHRI KUMAR DEEPAK DAS: Thank you, Mr. Chairman, Sir.

MR. CHAIRMAN: Please speak on this question only.

SHRI KUMAR DEEPAK DAS: Sir, with regard to the international airports, in various States, I have seen that...

MR. CHAIRMAN: We are talking about this question.

SHRI KUMAR DEEPAK DAS: Yes, Sir, I am coming come to that. What happens is that the standard for maintaining the international airports is not up to the mark. Sir, no foreign journey is possible from various international airports like LGNB airport in the State of Assam. That is the problem. Why are the Indian Airlines or other airlines not operating from that international airport? What is the reaction of the hon. Minister on this matter?

SHRI PRAFUL PATEL: Sir, I will get it examined.

DR. T. SUBBARAMI REDDY: Sir, with your permission, I would like to know this from the hon. Minister. On the same day the Jaipur International Airport started functioning, the hon. Minister assured us when he visited Visakhapatnam that he would introduce international flights from there. Singapore and Malaysia are close to Visakhapatnam.

MR. CHAIRMAN: The question is about Jaipur.

DR. T. SUBBARAMI REDDY: Sir, Jaipur is also close to Visakhapatnam. ...*(Interruptions)*... I want to know when he will introduce these flights. ...*(Interruptions)*... He will speak, Sir.

SHRI PRAFUL PATEL: Sir, let him invite me for dinner which he is famous for and then I will talk to him.

PPP projects at major ports

*266. SHRI N.K. SINGH: Will the Minister of SHIPPING be pleased to state:

(a) whether to prevent monopoly of a single player in the Public Private Partnership (PPP) projects at major ports, Government has revised guidelines capping the number of projects a player can undertake in a port;

(b) if so, the details of the new guidelines drafted and issued for implementation;

(c) whether the views of the stakeholders have been sought; and

(d) if so, the details thereof and to what extent the monopoly of some players at ports would be removed?

THE MINISTER OF SHIPPING (SHRI G.K. VASAN): (a) to (d) The matter is under consideration of the Government.

SHRI N.K. SINGH: Sir, my first supplementary to the hon. Minister is this. Considering all available reports that the Public-Private Partnership experiment in the port sector witnesses the worst features of the private sector – high monopoly, delay in projects, and rent seeking in terms of constraining quality of turnaround shipping – and since the answer that the hon. Minister has given merely says that 'it is under consideration,' would he like to share with this House the salient features of the proposed guideline which ensures that the Public-Private Partnership results in garnering of capital, technology and improved productivity, which is what this experiment is meant for?

SHRI G.K. VASAN: Sir, through you, I would like to tell the hon. Member, who has posed a very important question on the PPP sector, that the PPP initiative in the port sector, I would say, started around 15 years back. At that point in time, there were a few private parties, and all the parties were encouraged in the port sector. Now after 15 years, the trend has been very good in the country, and there is a lot of change in the scenario. At present, there are several private parties, which are competing for the PPP. The Ministry had to take a decision to ensure that there is transparency and fair play in the port sector. Therefore, the Government has decided to formulate a policy on this.

On the specific question of the hon. Member regarding the current policy and safeguards which the Government is taking, I would like to tell the hon. Member that the Ministry issued some guidelines *vide* letter dated 26th September 2007 for preventing private sector monopoly in port sector with the approval of the then hon. Minister for Shipping, Road Transport and Highways. In that particular letter, it was clearly given that the successful bidder of the previous container terminal on BOT basis and/or their subsidiaries/allied organizations should be excluded from bidding for 330-metre extension project. This would mean that for the next BOT container terminal in JN port, in future, the successful bidder of 330-metre extension project would be excluded and so on. It was further directed from the Ministry that the above convention shall be followed in all ports in its true spirit with a view to avoid monopoly and to promote competition till such time a formal policy is finalised.

Now, Sir, when it comes to the question of PPP monopoly policy, which is going on, I would like to tell the House, because the hon. Member has specifically requested me, about one or two safeguards in the new policy which we are planning to do. One important aspect is that if there is only one private terminal operator in the port for a specific cargo, the operator will not be allowed to bid

for the next terminal/berth for the same cargo in the same port. Another safeguard, which we proposed, is that existing private operator of the port is allowed to bid for the project only if the operator does not have more than two BOT projects in the same type of cargo at the port or at any port within the radius of 100 km. I am sure, Sir, this will help in plugging the loopholes of the PPP monopoly.

SHRI N.K. SINGH: Sir, my second supplementary arises from the reply which the hon. Minister has given in such great detail. Considering that these are all salutary changes, would you like to give some assurance by when these guidelines are likely to be finalised and issued?

SHRI G.K. VASAN: Sir, through you, I would like to tell the hon. Member that there is a requirement to further fine-tune the same policy. Accordingly, draft monopoly policy was framed and put on the website. The Ministry of Shipping invited comments from the stakeholders also. A meeting of the stakeholders was held under the Chairmanship of the Secretary and suggestions were received from the stakeholders which are currently under examination in the Ministry. I would like to tell the hon. Member that the new monopoly policy of the Ministry of Shipping will achieve finality within a period of one month from today. Thereafter, it will be sent to the Ministry of Law for comments.

SHRI ARUN JAITLEY: Sir, unlike the monopoly in a manufacturing area where if there are ill-effects of monopoly, products can be imported from outside, a service sector monopoly is something which clearly has no options left as far as the economy is concerned. Is the Minister in this going to consider only over-presence of those parties on Indian ports, or, is he also factoring in the regional presence considering that shipping is an industry where ports in the region are also used for offloading from bigger vessels into smaller vessels and for sending it in India and the presence of some of the players in the region is also now becoming a bit too apparent?

SHRI G.K. VASAN: Sir, the Ministry is well aware of the important suggestions of the hon. Member. We are considering all the suggestions carefully, and we will come out with a fine policy which helps in Exim trade.

MS. MABEL REBELLO: Sir, if you prevent monopoly of the PPP project, then, some of the private operators who are very efficient will not be able to compete and get orders. Then, how will you deter inefficiency in the port sector?

SHRI G.K. VASAN: Sir, through you, I would like to tell the hon. Member that by implementing this policy, the intention of the Government is to increase the number of players in port sector rather than restrict their number with a view to enhance healthy competition in the ports. Sir, this policy will not jeopardise the efficiency and competency of the port operations. Rather, I would say, it would help in bringing a greater number of players in the field. ...*(Interruptions)*...

SHRI D. RAJA: Sir, I understand from the reply given by the Minister that the Government is considering an unrestrictive policy for undertaking development projects at our ports. I would like to know from the hon. Minister: What are the reasons or what is the rationale for formulating a policy with regard to the prevention of private monopoly in port sector and the scope of coverage of the policy to prevent private monopoly in port sector?

SHRI G.K. VASAN: Sir, when it comes to the question of coverage which the hon. Member has asked, I would like to tell that the policy will be applicable to upcoming PPP projects at major ports. This policy will not be applicable to non-major ports since they are under the administrative control of the State Governments. Once the policy is notified under Section 111 of the Major Port Trusts Act, 1963, it would be circulated to all the maritime States, and they would be free to adopt the policy based on the requirements of the ports in the States.

Training facility for PRI representatives

*267. SHRIMATI VIPLOVE THAKUR: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government has received any proposal from the State Government of Himachal Pradesh for setting up new institutions for training representatives of the Panchayati Raj Institutions (PRIs) in order to create awareness about the various schemes being implemented by Government;

(b) if so, the details thereof;

(c) whether Government has taken any decision thereon;

(d) if so, the details thereof; and

(e) if not, by when the proposal is likely to be cleared?

THE MINISTER OF PANCHAYATI RAJ (SHRI C. P. JOSHI): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir. The Government has received a proposal from the Government of Himachal Pradesh for setting up a new Panchayati Raj Training Institute at Mandi.

(c) to (e) The proposal is under consideration in the Ministry of Panchayati Raj.

श्रीमती विप्लव ठाकुर: सर, माननीय मंत्री जी ने कहा है कि हिमाचल प्रदेश सरकार की तरफ से मण्डी के लिए proposal आया है और वह consideration में है। मैं यह जानना चाहती हूँ कि उस पर ये कब तक फैसला लेंगे? मैं उनसे यह भी जानना चाहती हूँ कि Centre ने ऐसे training centres और कहाँ-कहाँ देने के लिए propose किये हैं या उनके पास कहाँ-कहाँ के लिए proposals आये हैं?