

# Evaluating the Role of Public-Private Partnerships (PPP) in Sustainable Urban Infrastructure Development in India

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## ABSTRACT

India is experiencing fast urban growth, which creates major challenges for building infrastructure, maintaining environmental health, and ensuring fair urban development. Public-Private Partnerships (PPPs) have become important for funding and constructing city infrastructure projects.

This study assesses how effective PPPs are in supporting sustainable infrastructure in Indian cities by balancing environmental, economic, and social goals. It reviews major efforts like Smart Cities, metro systems, and water infrastructure to evaluate the successes and failures of PPPs.

The study also looks at policy guidelines, how different stakeholders interact, and architectural plans that can improve environmental results. Recommendations are included to strengthen management, design standards, and community involvement in future urban development projects that use PPPs.

## INTRODUCTION

India is quickly becoming more urbanized. This growth is driven by rural-urban migration, economic opportunities and expanding city boundaries. However, the development of infrastructure can't keep up with this fast growth. As a result, cities become crowded, housing is insufficient, and public services face high demand, and are facing big problems such as water shortages, air pollution, traffic jams. Traditional city planning methods are not enough anymore. The Smart Cities Mission and PMAY-U aim to address these challenges, but there is a huge gap in the funds needed to build these new facilities. Innovative financing, like Public-Private Partnerships (PPPs), is necessary to raise this money, and introduce smart solutions to ensure sustainable and strong urban development.

PPP as a developmental tool in India:

Public-Private Partnerships (PPPs) have become an important developmental tool in India to bridge the infrastructure divide. With private sector investment, technology, and management skills, PPPs enable efficient delivery of large public projects. They have spread to areas like transportation (roads and metros), urban development (smart cities and housing), and utilities (water and waste management). Aided by policy guidelines and government initiatives, PPPs have an important role to play in addressing India's increasing infrastructure needs, particularly in cities, while achieving better risk-sharing and value for money.

## METHODOLOGY

This research adopts a comparative case study approach, combining:

- Data Collection
- Benefits Identified
- Limitations and Challenges
- Case Studies
- Opportunities and Recommendations

The case studies were selected for their diversity in typology (transportation, water supply, smart city mission) and geographical context (Bhopal, Pune, Bhubaneswar, New Delhi, Hyderabad, Nagpur), providing a rich ground for examining regional adaptations within the same module framework.

## PPP IN THE INDIAN CONTEXT

In India, Public-Private Partnerships (PPPs) are long-term agreements between government bodies and private companies to develop infrastructure and public service. Private companies play a crucial role by taking on a lot of risk and handling many responsibilities.

### Scope in Indian Policy:

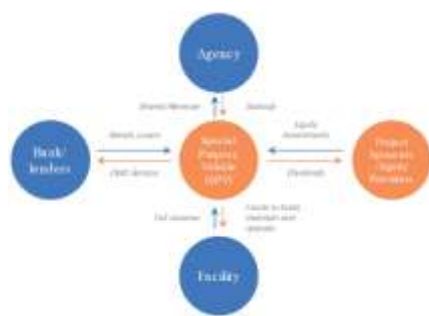


Figure 2: Model Concession Agreement

Model Concession Agreements (MCAs) are pre-defined contracts made by the Government of India for sectors such as roads, ports, and urban infrastructure. They outline the roles, responsibilities, risk-sharing, and performance standards between the public and private partners to remove confusion and ensure uniformity.

Viability Gap Funding (VGF) is a form of government financial assistance, to support projects that may not attract private investors. It usually finances a maximum of 20% of the cost of capital to fill the gap between the project cost and expected revenue.

Collectively, these measures seek to facilitate efficient, transparent, and structured PPP implementation in India.

### Key sectors using PPPs:

**Transport:** PPPs are very important in constructing and developing roads, highways, metro lines, airports, and seaports. The Delhi Metro and national highways under the BOT and HAM modes of financing are leading examples.

**Housing:** PPP helps create affordable housing in urban areas through programs as PMAY (Urban), where private companies work with government agencies to build and maintain housing complexes.

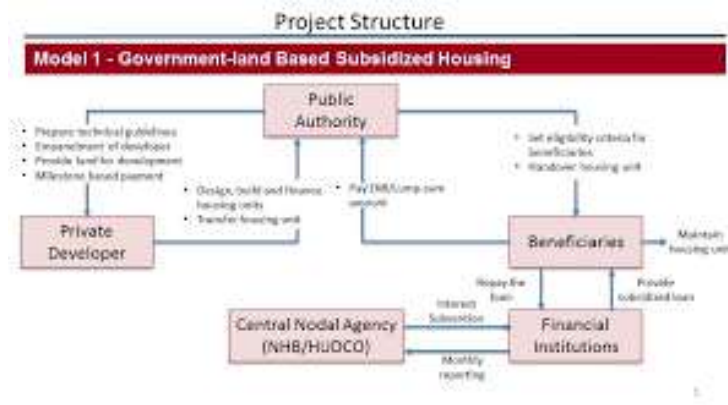


Figure 3: The roles and responsibilities of the various stakeholders in Model 1

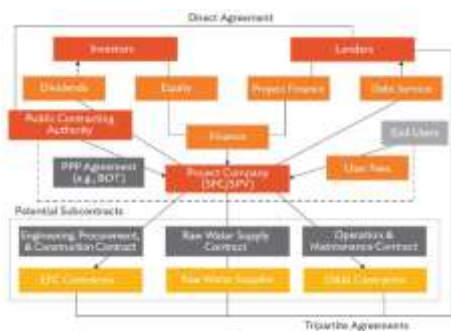


Figure 4: Typical PPP Project Structure

**Water Supply:** PPPs help in water treatment, distribution, and 24x7 supply services.

**Waste Management:** PPPs handle solid waste collection, segregation, processing, and disposal. Local bodies partner with private companies to develop effective waste management systems, in the case of cities such as Indore and Pune.

### Legal and institutional framework:

**NITI Aayog:** Serves as the policy think tank provides strategic advice on PPPs. Assists in the formulation of sector-specific policies, model concession agreements, and reform to enhance PPP implementation.

**Ministry of Housing and Urban Affairs (MoHUA):** Supports growth of PPPs in urban infrastructure areas like housing, water, sanitation, and smart cities. It gives policy support, finance, and technical assistance to states and urban local bodies.

**State PPP Cells:** In many states, PPP cell or unit is located in the planning or finance departments, the cells manage PPP projects at the state level, aid in structuring the project, and ensure compliance with policy and legal guidelines.

All these institutions add to the infrastructure of India's PPP ecosystem that ensures proper regulation, planning, and implementation of infrastructure projects.

## DEFINING SUSTAINABILITY IN URBAN INFRASTRUCTURE

### Environmental:

We need to start using renewable energy sources like solar panels, wind turbines, and hybrid systems in buildings and public transport. This will help reduce dependency on fossil fuels. Buildings should be designed to save energy, this involves using green building techniques, passive cooling methods, and LED lighting, which uses less electricity. Smart grids and decentralized energy systems are essential to lessen our reliance on fossil fuel energy sources.

Managing waste is important, this requires separating waste materials, recycling, and use waste to lessen the impact of waste on the environment. To improve air quality, the use of electric vehicles and CNG buses, and enforce stricter emission standards to reduce harmful pollutants. For cleaner water, we can set up treatment plants, practice rainwater harvesting, and reduce industrial waste going into water bodies.

Urban forestry is very important for making city environments better, which indicates planting more trees, developing more parks and vertical gardens. Protecting biodiversity is crucial, and can be done by protecting wetlands and setting up eco-sensitive zones to protect natural habitats. Rooftop gardens and permeable pavements can help reduce urban heat by allowing rainwater absorption and providing green areas, thus cooling city environments.

In rapidly growing urban areas like those in India, it's important to have sustainable urban infrastructure.

### Social:

Urban planning needs to make cities usable to everyone, including people with disabilities, older adults, and those with lower incomes. Homes must be affordable and neighborhoods should have housing options for people of all income levels, so communities aren't divided by wealth. City designs need to take everyone's needs in mind. Streets should be well-lit and safe. There should be plenty of public restrooms, and transportation must be convenient and secure for all.

When improving slum areas, the main goal is to make living conditions better without making people to leave their homes. Government must collaborate with private companies to create affordable housing that has necessary services like water and sanitation. Local communities should be involved in redevelopment decisions to ensure the changes are sustainable and meet the needs of residents.

Everyone deserves clean water, proper sanitation, and reliable electricity. Hospitals and schools should be located within walking distance for people living in cities, thus public transportation should be well-organized and simple to use, especially for those who are usually underserved, to move around easily.

### Economic:

Encourage jobs in areas like construction, green technology, and city infrastructure preservation, help small businesses that supply local materials and services to lift the local economy. Launch public works programs, similar to MGNREGA, to increase employment in labor-intensive city projects.

Selecting materials that are strong and simple to maintain, saving overall money over time. Embody smart systems using IoT and AI to manage resources more effectively. Design flexible buildings and infrastructure to help future growth and change in urban areas.

Introduce user fees for services like tolls and metro fares to maintain stable revenue sources. Invest in eco-friendly development projects by using green bonds and climate finance. Employ cross-subsidization, charging higher fees for premium services, using that revenue to ensure access to essential services for lower-income residents.

For India, building city infrastructure that is economically sustainable means finding a balance between keeping costs low, using resources efficiently, and supporting growth that benefits everyone. This ensures projects are not only financially stable but also help improve the lives of everyone.

## BENEFITS OF PPP IN INDIA



Figure 1: The Importance of PPPs for India's Development

Public-Private Partnerships (PPPs) in India offer several key benefits. They strengthen infrastructure development by creating and maintaining important infrastructure projects, like roads, transportation networks, and hospitals. With expertise and given resources, PPPs complete projects faster and more effectively. They also promote sustainability by incorporating eco-friendly designs and long-term maintenance. By using innovative financing methods and sharing risks, PPPs may reduce costs and improve project quality. Additionally, they create jobs and promote economic growth by attracting investors. PPPs have increased accessibility of basic services such as healthcare, education and sanitation. Successful examples like the Delhi Metro and Mumbai-Pune Expressway demonstrate their potential to transform urban infrastructure.

## LIMITATIONS AND CHALLENGES

### Limitations of Relative PPP



Figure 5: Limitations of Relative PPP



Figure 6: Potential Challenges in Implementing Transactional PPP

Many PPP projects encounter financing problems and complex risk-sharing, which often deter private investors, due to low private sector interest and poor project survival. Clearance and land acquisition delays, bureaucratic hurdles, and political interference frequently slow down project performance. Some government departments and local bodies lack technical and administrative skills to design and execute PPP's suitably. Weak contract imposition and revisiting risks create uncertainty, while inadequate public consultation fuels opposition. Tariff-setting conflicts (e.g., water/transport projects) and infeasible revenue models threaten sustainability. Poor allotment of risks between public and private partners, can lead



to disputes or project failure. The hybrid metro model's struggles (e.g., Gurugram Rapid Metro's bankruptcy) highlight execution gaps. Limited expertise in municipal bodies further hampers project success. Dealing with these difficulties is important in enhancing PPPs as well as fixing sustainable infrastructure growth in India.

## CASE STUDIES

- **Smart Cities Mission:**

### Bhopal



Figure 7: Bhopal Smart City Development Corporation Limited

The Smart Cities Mission in Bhopal shows how private companies and the government can work together to improve cities. This method, focuses on making city areas more sustainable, by using private investment and expertise from private companies, projects like Smart Road redevelopment have improved infrastructure, added smart technology, and provided better services for people, while reducing costs. The PPP approach has led to efficient work, introduced new ideas, and ensured long-term maintenance over time. Making Bhopal a key example of how government and private companies can team up to make Indian cities smarter.

Bhopal's experience with PPP highlights how partnering with private companies can effectively enhance the city's infrastructure in a sustainable way, improving the quality of life for all its residents.

### Pune



Figure 8: Pune Smart City Development Corporation Limited

In Pune, the Smart Cities Mission used Public-Private Partnership (PPP) for area-based development. This approach transformed key areas into smart and sustainable urban spaces. Projects like the Riverfront Development along the Mula-Mutha river and reforms in smart infrastructure were carried out using PPP, combining government surveillance with the private sector's speed and innovative ideas. It allowed projects to be completed on time, lowered public costs, and improved the delivery of services. As a result, living conditions improved and the local economy grew.

Pune's success shows how PPP can lead the way in smart urban development across India, ensuring that projects can expand and remain sustainable in the long term.

### Bhubaneswar

Bhubaneswar worked with both the government and private companies to improve city areas through the Smart Cities Mission. Focusing on making urban areas better and more modern. Key projects include upgrading the Bhubaneswar Town Centre District and improving smart infrastructure. These projects focused on enhancing public spaces, enhancing transportation, and increasing digital connectivity. By partnering with private companies, Bhubaneswar secured effective funding, introduced new, ideas, and made sure projects were completed on time, which reduced financial pressure on the city. This approach highlights how such partnerships can support development that is sustainable and focused on people's needs, making Bhubaneswar a top smart city in India.

- **Metro Rail Projects:**

#### New Delhi Metro PPP



Figure 9: New Delhi Railway Station Photo copyright Arup

The Delhi Metro is a shining example of effective city train systems in India. It was built on time and continues to have a lasting positive impact. The metro system expanded in stages using the latest engineering methods, energy-saving systems, and smooth connections to other transport modes. It was developed with strong management by DMRC and international partnerships, serving as a model for other metro projects in the country.

The Delhi Metro helped reduce traffic jams, lowered pollution levels, and supported new city development focused around public transport.

It also introduced new ways to make money, such as real estate projects. The success of the Delhi Metro highlights how careful planning, smart use of technology, and rigorous execution can change urban transport while balancing economic and environmental concerns.

Success factors of PPP in Delhi Metro included strong government oversight and clear risk-sharing were essential. The Delhi Metro PPP shows how involving the private sector can improve urban transit systems, despite early challenges.

#### Hyderabad Metro PPP



Figure 10: Hyderabad Metro rail undergoing a trial run (PTI)

The Hyderabad Metro is a notable project that makes travel easier. This metro system features modern design and is made to lessen traffic issues. It includes raised tracks, modern stations, and good connectivity to other transport types, which simplifies travel across busy city areas. The project countered difficulties, especially when obtaining land and managing finances. This gradual approach showed how adaptable planning and private-sector involvement can lead to methodical progress.

An important aspect of the Hyderabad Metro is its focus on environmental sustainability. It operates using energy-efficient methods and uses solar power, which helps reduce emissions from vehicles. In addition to transportation, the metro encourages development around its tracks, promoting the growth of new shops and homes near stations. This process, known as transit-oriented development (TOD), has led to commercial expansion in these areas. The metro's success shows that, through government and private sector partnerships, cities in India can achieve eco-friendly and well-organized growth.

The Hyderabad Metro showcases the potential of large-scale public-private projects, despite challenges in sustaining financial stability.

- **Affordable Housing under PMAY-U:**

The Pradhan Mantri Awas Yojana-Urban (PMAY-U) used PPP to build affordable homes faster for people with low incomes. This plan was successful because projects were completed quickly and financing methods like CLSS subsidies were used, and homes were constructed with advanced technologies like prefabricated structures. Cities like Chennai and Indore showed that PPPs could provide inexpensive, expandable housing with basic services included.

Yet, there were challenges. People faced delays in acquiring land, developers were not interested in high-cost areas, and small cities had little private investment due to financial issues. Despite these hurdles, the PPP aspect of PMAY-U proved that working together can help solve the urban housing shortage. The use of Public-Private Partnerships has been effective in delivering around 25% of the housing targets set by the program. However, for this to happen more widely, better policies and ways to share risks are necessary.

### **Urban Water Supply & Sanitation:**

Nagpur 24X7 water supply



Figure 11: Nagpur Municipal Corporation's 24x7 water supply project

It was implemented through a PPP model with Orange City Water (OCW), transforming urban water management by improving efficiency, accountability, and infrastructure reliability. The project reduced non-revenue water (NRW), extended piped water access to underserved areas, and ensured equitable distribution through metered connections.

However, challenges like tariff affordability for low-income households and delays in sewage network expansion raised concerns about inclusivity. Despite this, the PPP model showed that private sector

participation, coupled with strong regulatory oversight, can enhance sustainability in urban water systems, balancing operational efficiency with long-term resource management.



Nagpur's experience shows that technical efficiency in water supply is possible, but achieving financial and social sustainability needs more careful planning and design.

### **Challenges in PPP Implementation in India**

#### **Regulatory Delays**

Many projects slow down because they require a lot of approvals from various authorities. This includes environmental approvals and permissions from city bodies, which take time.

Often, the rules about Public-Private Partnerships (PPPs) change. This makes investors uncertain and hesitant to invest their money in projects.

When there are disagreements, the process to solve them can take a long time. For example, resolving disputes over the Delhi Metro Airport Line took more than 8 years.

#### **Land Acquisition Issues**

Projects can face big delays due to protests by farmers and legal cases in courts. A good example is the Mumbai Coastal Road, which faced many protests and court cases.

Sometimes, the prices that state authorities offer for land are not accepted by landowners. They feel the compensation is not enough, which causes hold-ups.

In some places, the paperwork and documentation for land are not well-organized. This makes it difficult to hand over land quickly, as seen with the Hyderabad Metro project.

#### **Financial Viability**

The income from user fees, like tolls on roads or water charges, often isn't enough to cover the overall costs involved in maintaining the projects.

Many banks are not willing to provide loans or invest in PPPs because they see them as risky ventures. This has led to stoppages in projects, such as certain highway projects.

#### **Capacity Gaps**

Often, city authorities lack the necessary skills and expertise to properly design and manage contracts for PPP projects. This can result in poor management and inefficiencies.

Companies sometimes fail to assess and understand the risks involved accurately. This can lead to major problems, such as the collapse of the Nagpur water PPP project.

#### **Risk-sharing imbalance**

Companies risk financial loss if fewer people use their services than anticipated. A good example is the Hyderabad Metro, which didn't get as many riders as expected, leading to losses.

When prices for things like tolls or water bills are set too high without being realistic, it can lead to financial strain on the companies operating these services.

Often, government approvals take longer than planned, causing projects to go over budget. Private companies are left to handle these extra costs.

When the government changes rules or taxes after a project has already started, like renegotiating highway tolls, it creates uncertainty and can make investors lose confidence.

The COVID-19 pandemic highlighted that many contracts do not clearly address procedures for unexpected events, leaving companies unprepared.

If a project is ended early, private companies often face large financial penalties. Meanwhile, the government can exit these contracts with few or no consequences.

Low Financial Viability Sectors such as affordable housing, water supply, and rural infrastructure face high costs and low revenues. They typically offer less than 5-8% in returns on investment, which is not very attractive to investors. These projects also have long breakeven periods. For example, sewage treatment plants can take more than 15 years before they start making any profit.

**Risk-Reward Mismatch** There is demand risk in these sectors because it's challenging to predict how many people will use these services. For instance, rural highways often see lower toll collections than expected, which affects revenue. Additionally, these projects often rely on government subsidies, but private companies are cautious because the payments from the government can be delayed. This is seen in programs like PMAY-U. Market Barriers Projects face land and regulatory hurdles. These delays can significantly increase costs, making investors hesitant to get involved.

There is also a lack of credit because banks are wary of lending money to public-private partnerships (PPPs) that have low profit margins. This situation makes it difficult for these projects to secure necessary funding.

#### Weak Design Standards

Many projects focus on saving money in the short term by using cheaper materials and construction practices. This can lead to poor quality work, such as highways filled with potholes shortly after being built. Designs are often copied from other places without considering the specific needs and conditions of the local area. For example, metro stations might not be built to handle heavy rains, resulting in frequent flooding.

#### Sustainability Gaps

Some projects advertise themselves as "eco-friendly" without having proper certifications to back up these claims. This is common in buildings in smart cities that say they are green but lack the necessary certifications. To save money upfront, projects might ignore important factors like energy and water efficiency. For instance, hospitals not built to LEED standards may initially save money but can incur higher costs in the long run.

#### Monitoring Failures

Private companies often neglect essential maintenance to cut costs and increase profits. This can lead to issues like leaking water pipes in places like Nagpur, where maintenance is not done regularly. Contracts seldom include strict rules or

penalties to ensure that companies maintain high quality and sustainability standards throughout the duration of the project.

## OPPORTUNITIES AND RECOMMENDATIONS

- Strengthening governance and transparency in project execution

### Key Opportunities

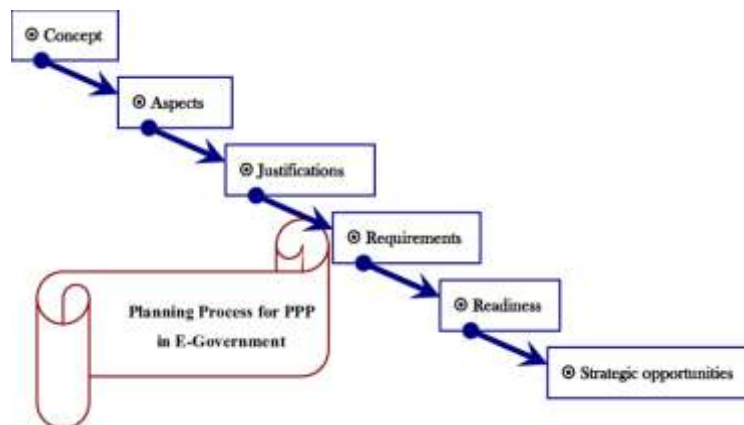


Figure 12: The six dimensions of planning process for PPP in e-government

### Digital Governance Tools

**e-Acquisition Platforms:** Ensure bidding is open and fair by using online platforms like the Central Public Procurement Portal (CPPMS). This makes the process clear and accessible. **Blockchain for Contracts:** Implement blockchain technology to maintain secure and untouchable records of contract approvals and payments. This has been piloted in the Mumbai Coastal Road Public-Private Partnership (PPP) project and shows promise for broader use.

### Independent Regulators

**PPP Arbitration Council:** Establish a council designed for swift resolution of disputes in PPP projects. This would function similarly to the Building and Construction Authority (BCA) in Singapore, which has seen success with this model. **Social Audits:** Actively include citizen groups in the monitoring of projects. For instance, Bengaluru's Janaagraha plays an important role in overseeing metro projects, ensuring transparency and accountability.

### Standardized Frameworks

**National PPP Policy:** Develop unified guidelines applicable to all states, as outlined by NITI Aayog, to provide a consistent approach to PPP initiatives nationwide. **ESG Clauses:** Enforce requirements for sustainability reporting that align with the Securities and Exchange Board of India's (SEBI) Business Responsibility and Sustainability Reporting (BRSR) standards. This encourages environmentally and socially responsible development.

## Recommendations

**Real-Time Dashboards:** Implement public dashboards that provide up-to-date information on project progress and finances. Tools like the PM Gati Shakti Portal set a good example by allowing the public to stay informed and engaged.

**Whistleblower Protections:** Strengthen protections for those who report corruption. This encourages more people to speak out against wrongdoing without fearing retaliation, leading to cleaner and more honest governance.

**Capacity Building:** Focus on training local government staff in the specifics of managing Public-Private Partnership (PPP) contracts. The Ministry of Housing and Urban Affairs' AMRUT 2.0 initiative is already working in this area, building important capacities in municipal teams.

- Enhancing architectural and environmental standards in PPP contracts

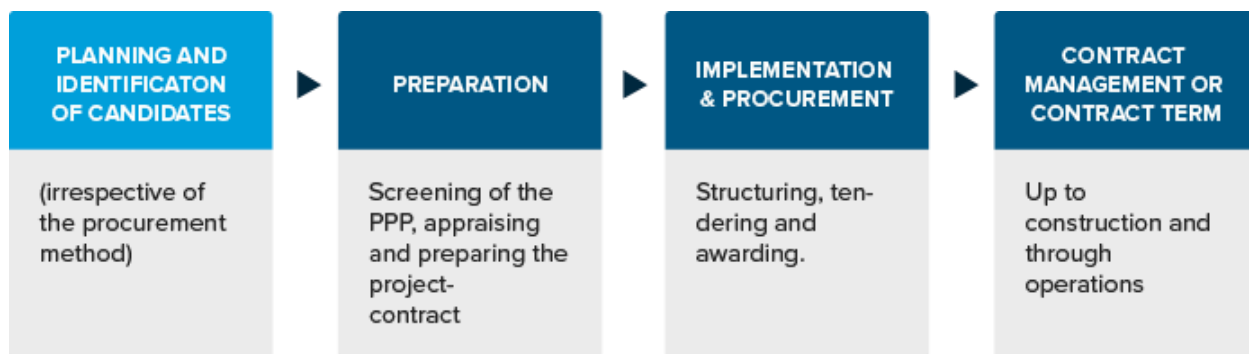


Figure 13: General or Main Stages in the PPP Process

## Key Opportunities

### Emphasize Green Building Codes

Make it a rule to include certifications such as IGBC, LEED, or GRIHA in all construction contracts. An example is the energy-efficient stations of Kochi Metro. Provide incentives for building designs that aim to use no more energy than they generate, using solar panels and natural cooling methods like passive cooling.

### Develop Climate-Resilient Infrastructure

Ensure buildings and infrastructures are designed to handle floods using elevated designs and heat-resistant materials, as seen in Chennai Metro. Manage water efficiently by adopting Sponge City principles, which include rainwater harvesting and installing permeable pavements that let water soak through.

### Encourage Localized Design Innovation

Integrate traditional architecture with new technology, engaging local artisans in projects. Ahmedabad's Bus Rapid Transit System (BRTS) successfully incorporated this approach. Redevelopment should prioritize preserving historic sites, similar to projects in Delhi's Shahjahanabad which focus on maintaining heritage during modernization.

## Practical Recommendations

**Focus on Sustainability in Bidding:\*\*** Evaluate project bids based on their sustainable design features and not merely the cost. This approach has been implemented in Hyderabad Metro's green station projects. **Implement Life-Cycle Costing in Contracts:\*\*** Mandate maintenance plans that cover up to 30 years for all contracts to ensure long-term sustainability and cost savings.

**Require Third-Party Audits for Verification:\*\*** Employ third-party audits for the independent verification of any green claims made, using standards such as CII's GreenPro certification to ensure authenticity.

- Role of urban local bodies (ULBs) and community participation



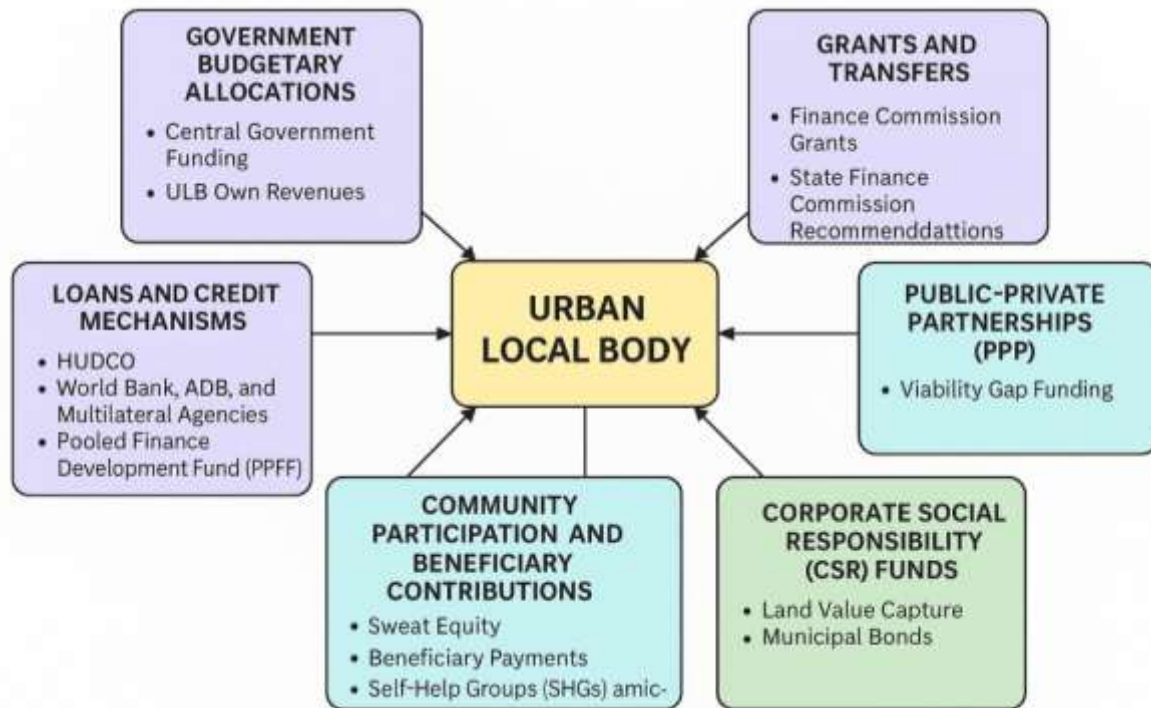


Figure 14: Sources and Mechanisms of Funding for Implementing Schemes at the Urban Local Body Level SLU Improvements in India

## Key Opportunities

### Empowering ULBs

**Decentralized Decision-Making:** Urban Local Bodies (ULBs) should be at the forefront of planning Public-Private Partnership (PPP) projects. For example, Pune uses a participatory budget model where citizens have a say in how funds are allocated.

**Capacity Building:** It's critical to provide training for ULB staff in contract management. AMRUT 2.0 offers modules designed to help with this aspect of PPPs.

### Community-Centric PPPs

**Participatory Design:** Residents should be actively involved in planning projects that impact their communities. Bhubaneswar's slum redevelopment surveys are a good example of including community input in project design.

**Social Audits:** Citizen groups should monitor the quality of government and private initiatives. Bengaluru's Namma Metro collects feedback from the public to maintain high standards.

### Transparent Governance

**Public Dashboards:** Real-time updates on projects should be accessible to the public. Indore's Smart City portal provides a model of how to offer such transparency. **Grievance Redressal:** There need to be dedicated units within ULBs that handle complaints and issues related to PPP projects.

## Recommendations

**ULB-Led PPP Units:** Form specific teams to oversee projects, taking inspiration from Ahmedabad's PPP cell.

**Community Benefit Clauses:** Contracts should require local hiring and training initiatives to help the community, similar to the approach of the Chennai Metro, which creates job opportunities for the urban poor.

**Awareness Drives:** Public consultations and town halls should be organized before any bidding processes, as modeled by the Kochi Water Metro's engagement with the community.

## CONCLUSION

### Challenges

**Unequal Risk Distribution:** In many projects, private companies are taking on too much of the risk related to demand and revenue.

**Inadequate Design Standards:** There is a notable absence of clear rules for sustainability and quality control, leading to inconsistent project outcomes.

**Limited Private Investment:** There is not enough private sector involvement in sectors with lower financial returns, such as affordable housing and water supply projects.

**Governance Issues:** The process is often slowed by regulatory delays, disputes over land, and unclear methods of execution.

### Opportunities

**Sustainable and Resilient Infrastructure:** Projects that aim to reduce carbon emissions, like using solar power in Kochi Metro, are gaining traction.

**Advancements in Technology and Innovation:** The use of technologies like Artificial Intelligence and the Internet of Things can greatly increase efficiency—for example, the installation of smart water meters in Nagpur.

**Engaging Community Models:** Involving local governments and citizens leads to better project outcomes. An example of this is the participatory budgeting practice in Pune, where community members have a say in financial decisions.

### Suggestions

**Policy Improvements:** There is a need for PPP contracts that include clauses for Environmental, Social, and Governance (ESG) considerations, as well as detailed life-cycle cost analysis.

**Financial Incentives:** Encouraging sustainable projects through Viability Gap Funding, tax incentives, and a mixture of different financing methods.

Enhanced Management Practices: Promoting digital transparency, involving external audits, and boosting the capabilities of urban local authorities to improve project governance and execution.

- The evolving role of PPPs in shaping sustainable Indian cities

Public-private partnerships (PPPs) used to focus mostly on roads and metro systems. Now, they are also involved in creating smart utilities, affordable homes, and green infrastructure. Example: The Kochi Water Metro goes beyond just transport. It integrates renewable energy and improves the waterfront areas.

Designs that withstand climate issues, like metros that are protected from floods and cities designed to absorb water, are now standard. The idea of turning waste into energy is also gaining ground. Example: Indore's PPP-driven waste management succeeds in separating 90% of waste and cuts down on landfill use.

PPPs using advanced technology like AI and IoT enhance efficiencies in systems such as Nagpur's smart water grids. Urban Local Bodies leading partnerships, such as Pune's slum redevelopment, aim to support inclusive growth for everyone.

Establishing a national PPP framework with strict environmental, social, and governance (ESG) requirements. Creating blended funding options for risky but necessary green projects. Ensuring digital transparency with tools like blockchain contracts and conducting social audits to maintain accountability.

- Way forward for policy, practice, and design

### Policy Reforms

**Standardized Frameworks:** Develop a national law for Public-Private Partnerships (PPP). This law should clearly outline how risks are shared between parties, include specific Environmental, Social, and Governance (ESG) clauses, and provide methods for resolving disputes. Example:: Take Singapore's BCA Green Mark rules as a guide for creating infrastructure that is environmentally friendly and energy-efficient.

**Incentivize Sustainability:** Offer tax incentives or financial support for projects that align with achieving net-zero carbon emissions or meeting Sustainable Development Goals (SDGs). Example: Expand the model of Hyderabad's solar-powered metro stations to other cities to promote clean energy use in public transportation.

### Practice Innovations

**Tech-Driven Execution:** Utilize advanced digital tools for monitoring projects, such as digital twins, which have been implemented on the Delhi-Meerut Expressway. Implement blockchain technology in project contracts to ensure transparency and security, beginning with a test project on the Mumbai Coastal Road.

**Community-Led Models:** Make it mandatory to have public consultations before project bidding, as seen with the Kochi Water Metro, to ensure community involvement. Enhance the skills and capacity of Urban Local Bodies through the Ministry of Housing and Urban Affairs' Urban Learning Center initiative.

## Design Evolution

**Resilient & Inclusive Infrastructure:** Incorporate flood management strategies using the sponge city approach, exemplified by Chennai's stormwater management Public-Private Partnership projects. Ensure that metro systems and housing designs are accessible to everyone, including features like tactile paths for the visually impaired as implemented in the Delhi Metro.

**Life-Cycle Costing:** Focus on the long-term sustainability impacts of projects over a 30-year period when selecting bids, rather than simply choosing the cheapest options. Example: Develop projects like Surat's sewage Public-Private Partnership, which uses recycled water from sewage for industrial purposes, to promote sustainable water management.

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