



ABSTRACT

Tamil Nadu Urban Health Care Project – Assistance from Japanese International Cooperation Agency (JICA) –Implementation of Tamil Nadu Urban Health Care Project in 17 Districts in Tamil Nadu at a cost of Rs.1633.695 crore – Administrative sanction - Orders - Issued.

Health and Family Welfare (EAP II-1) Department

G.O.(Ms).No. 217

Dated:08.09.2016
Thiruvalluvar Aandu 2047
Dhurmuki Aavani 23

Read :

1. From the Project Director, Tamil Nadu Health System Project Letter Rc.No.7301/E1 TNHSP /JICA/2015; Dated :18.2.2016.
2. G.O.(Ms).NO.348 Health Family Welfare (EAPII-1)Department, dated.28.03.2016.

ORDER:

The Department of Economic Affairs, Government of India has invited project proposal for Japanese International Cooperation Agency (JICA) Overseas Development Assistance loan(ODA) for the financial year 2014 to improve the Urban Health Services. A detailed Draft Project Report for Tamil Nadu Urban Health Care Project with the following five major components was proposed for loan under Japanese International Cooperation Agency(JICA):-

- (i) Upgrading of three Tertiary Hospitals (Facilities and Medical Equipment)
- (ii) Strengthening of fourteen Referral Hospitals (Medical Equipment)
- (iii) Strengthening of four secondary care hospitals (Facilities and Medical Equipment)
- (iv) Strengthening Hospital Management (21 facilities)
- (v) Strengthening Primary Health Care in Non-Communicable Diseases (2 Regional facilities)

2. In this connection, the Department of Economic Affairs, Finance, Government of India had arranged a meeting for discussion for Overseas Development Assistance(ODA) Loan and process finalization. After a detailed discussion, Ministry of Health and Family Welfare, Government of India has accepted the Detailed Project Report (DPR) and Minutes of Discussion(MOD) has been signed by Ministry of Health and Family Welfare, Government of India, Health and Family Welfare Department, Government of Tamil Nadu and JICA, India. The Japan International Co-operation

agency placed the Project in their Board Meeting at Tokyo on 25th January, 2016 following which the Government of Japan has issued a pledge. Exchange of Notes (E/N) and loan agreement between Government of India and Government of Japan has been signed on 31.3.2016.

3. The JICA will provide 85% of loan amounting to Rs.1387.87 crore (JPY 25,537 million). The State Government will provide 15% of the above project cost i.e Rs.255.82 crore (JPY 4,523 million). The total project cost is Rs.1633.695 crore (JPY 30,060 million). The base year for cost estimation is 2015. The project period is for seven years 2016-2022. The interest rate is 0.30% with 40 years term with 10 years grace period for loan repayment period for the above project.

4. In the Government Order second read above, the Project Director, Tamil Nadu Health system Project has been placed to look after the activities relating to Tamil Nadu Urban Health Care Project. The Project Director i/c, Tamil Nadu Urban Health Care Project has sent proposal towards Tamil Nadu Urban Health Care Project with five major component for loan under Japan International Co-operation agency (JICA) at a cost of Rs.1633.695 crore and requested to issue administrative sanction.

5. The Government after careful examination of the proposal of the Project Director i/c, Tamil Nadu Urban Health Care Project, issue the following orders:

- (a) Sanction is accorded for the implementation of Tamil Nadu Urban Health Care Project at a total cost of Rs.1634,69,50,000/- with the assistance of Japan International Co-operation agency (JICA) as detailed in the Annexure to this order.
- (b) to create one new post of Project Director, Tamil Nadu Urban Health Care Project in the cadre of I.A.S. for implementation of the Japan International Co-operation agency (JICA) project.
- (c) The Project Director, Tamil Nadu Urban Health Care Project is permitted to establish Tamil Nadu Urban Health Care Society to implement the Tamil Nadu Urban Health Care Project with Project Management Unit broadly on similar lines as Tamil Nadu Health System Project.
- (d) The Project Director, Tamil Nadu Urban Health Care Project is permitted to carry out the Tamil Nadu Urban Health Care Project in Tamil Nadu in 21 Urban Towns /Cities in 17 Districts of the State viz., Madurai, Chennai, Coimbatore, Salem, Vellore, Thanjavur, Tirunelveli, Trichirappalli, Thoothukkudi, Kanniyakumari, Erode, Tiruppur, Cuddalore, Dindigul, Pudukkottai, Krishnagiri and Periyakulam as detailed below:-

	Project Component	Target Facilities / Areas
1.	Upgrading Tertiary Hospitals (Facilities and Medical Equipment)	Three Medical College Hospitals • Government Rajaji Hospital (MMCH), Madurai. • Kilpauk Medical College Hospital (KMCH), Chennai • Coimbatore Medical College Hospital (CMCH), Coimbatore
2.	Strengthening Referral Hospitals (Medical Equipment)	Seven Medical College Hospitals • Salem Medical College Hospital • Vellore Medical College Hospital • Thanjavur Medical College Hospital • Tirunelveli Medical College Hospital • Trichy Medical College Hospital • Thoothukudi Medical College Hospital • Kanyakumari Medical College Hospital Seven District Headquarters Hospitals (DHQH) • Erode District Head Quarters Hospital • Tiruppur District Head Quarters Hospital • Cuddalore District Head Quarters Hospital • Dindigul District Head Quarters Hospital • Pudukottai District Headquarters Hospital (now upgraded as Medical College Hospital) • Krishnagiri District Head Quarters Hospital • Periyakulam District Head Quarters Hospital
3.	Strengthening Secondary Care Hospitals (Facilities and Medical Equipment)	Four Secondary Care Hospitals • Avadi, Chennai • Maniyanoor, Salem, • Velampalayam, Tiruppur • Kandigaiperi, Tirunelveli
4.	Strengthening Hospital Management	21 facilities in 17 districts as given above
5.	Strengthening Primary Health Care in Non Communicable Diseases.	Two Regional Training Institutes In Chennai and Madurai

- (e) The Project Director, Tamil Nadu Urban Health Care Project is permitted to utilize the amount of Rs.1633.695 crore (85% of Rs.1387.88 crore (JICA) + 15% of Rs.245.815 crore (State of Tamil Nadu) for the effective implementation of the Tamil Nadu Urban Health Care Project in 21 Urban Towns/Cities in the 17 Districts in Tamil Nadu.

- (f) The Project Director, Tamil Nadu Urban Health Care Project is directed to carry out the Civil Works through Public Works Department and to procure the medical equipments through Tamil Nadu Medical Service Corporation and minor procurements through the Project Management Unit(PMU), Tamil Nadu Urban Health Care Project as per the JICA procurement guidelines.

7. This order issues with the concurrence of Finance Department vide its U.O.No.46307/EAPII/2016, dated.07.09.2016.

(By order of the Governor)

J.RADHAKRISHNAN
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Project Director, Tamil Nadu Health System Project, Chennai-6.
The Chief Engineer (B), Public Works Department, Chennai-5.
The Managing Director, Tamil Nadu Medical Services Corporation, Chennai-8.
The Director of Medical Education, Chennai-10.
The Director of Medical and Rural Health Services, Chennai-6.
The Director of Public Health and Preventive Medicine, Chennai-6
Copy to:
The Health and Family Welfare(OP – I/EAP.I/Data Cell)Department, Chennai-9
The Finance (Health-F&W) Department, Chennai-9.
SF/SC.

// Forwarded / By order//

8/02/2016
8/9/16
Section Officer

8/9/16

Annexure

Breakdown of cost	Foreign Currency Portion			Local Currency Portion			Total			Total		
	(million JPY)			(million INR)			(million JPY)			(Rupees in lakhs)		
	Total	JICA Portion	Others (GoTN)	Total	JICA Portion	Others (GoTN)	Total	JICA Portion	Others (GoTN)	Total	JICA Portion	Others (GoTN)
Component 1-1 Upgrading Tertiary Hospitals (Facilities)	0	0	0	3,565	3,565	0	6,560	6,560	0	35652.17	35652.17	0
Component 1-2 Upgrading Tertiary Hospitals (Equipment)	7744	7744	0	743	743	0	9110	9110	0	49510.87	49510.87	0
Component 2 Strengthening Referral Hospitals	2468	2468	0	237	237	0	2903	2903	0	15777.17	15777.17	0
Component 3-1 Strengthening Secondary Hospitals (Facilities)	0	0	0	801	801	0	1473	1473	0	8005.43	8005.43	0
Component 3-2 Strengthening Secondary Hospitals (Equipment)	777	777	0	106	106	0	972	972	0	5282.61	5282.61	0
Component 4 Strengthening Hospital Management	0	0	0	200	200	0	368	368	0	2000.00	2000.00	0
Component 5 Strengthening Primary Health Care	0	0	0	109	109	0	201	201	0	1092.39	1092.39	0
Project Management Capacity Development	0	0	0	75	75	0	137	137	0	744.57	744.57	0
Price Escalation	853	853	0	313	313	0	1429	1429	0	7766.30	7766.30	0
Physical Contingency	592	592	0	307	307	0	1158	1158	0	6293.48	6293.48	0
Consulting Services	818	818	0	222	222	0	1226	1226	0	6663.04	6663.04	0
Existing Building Demolition & Land Acquisition	0	0	0	202	0	202	372	0	372	2021.74	2021.74	2021.74
Administration Cost	0	0	0	704	0	704	1295	0	1295	7038.04	0	7038.04
VAT	0	0	0	1101	0	1101	2025	0	2025	11005.03	0	11005.03
Import Tax	0	0	0	270	0	270	497	0	497	2701.09	0	2701.09
Interest during construction	283	0	283	0	0	0	283	0	283	1538.04	0	1538.04
Front End Fee	51	0	51	0	0	0	51	0	51	277.17	0	277.17
Total	13585	13251	334	8954	6677	2277	30060	25537	4524	163369.50	138788.00	24581.52

Note

- Exchange Rate : US \$1 = Rs.65.1, US \$1 = 120.1 Japanese yen, Rs .1 = JPY 1.84
- Price escalation (a) Foreign Currency Portion : 1.8 % p.a., (b) Local Currency Portion : 1.3 % p.a.
- Physical Contingency : 5%
- Base Year for Cost Estimation : November 2015