



One Trillion Dollar Economy – Vision of GoUP

Udyami Mitra – Training/Orientation Session

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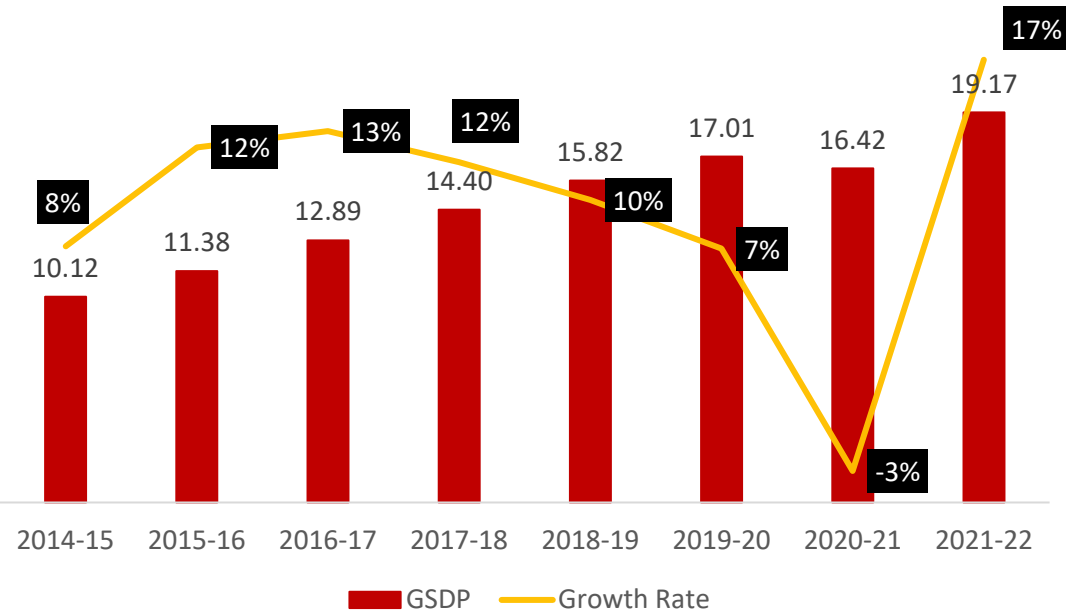
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Investment Grounding: Role of Udyami Mitras

Current State of UP's economy

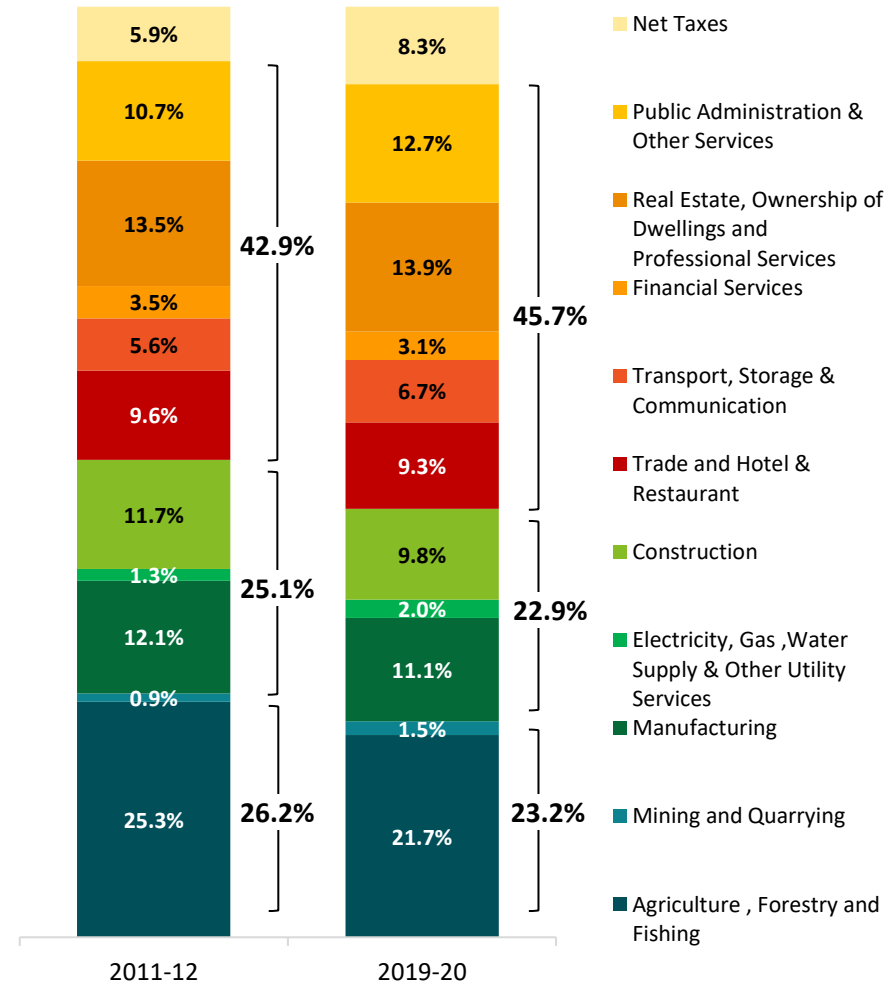
UP's GSDP captures all final goods and services produced in the State during a year, in monetary terms.

UP's Economic Growth (in INR lakh crores)



- UP's economy has grown at a **CAGR of ~8%** between FY17 and FY22.
- While the state was impacted by the COVID-19 pandemic, it saw a **strong recovery in FY22**.

Evolution of UP's GSDP Composition



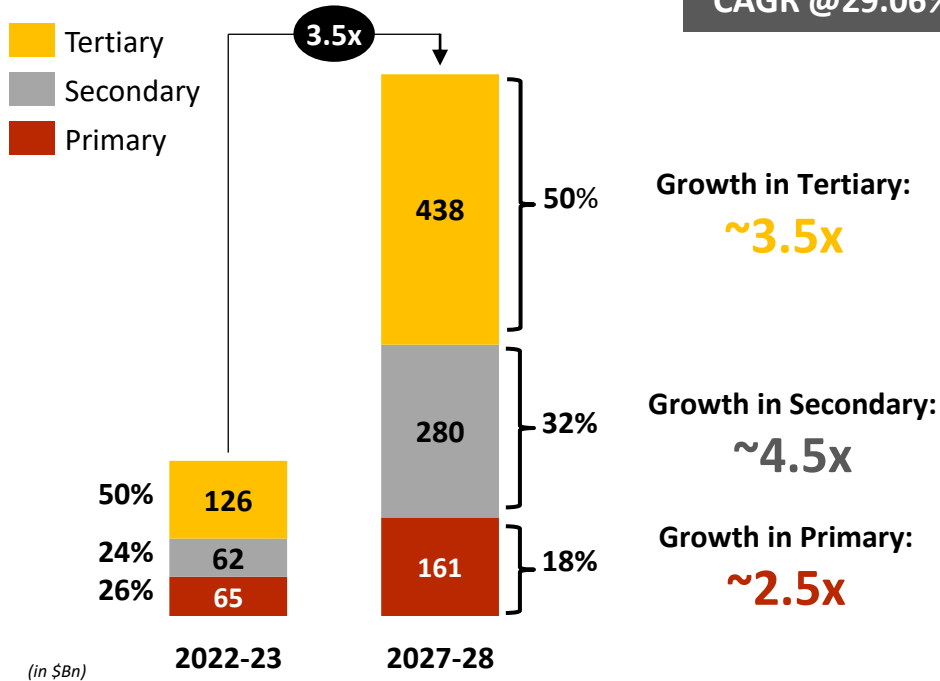
-While the contribution of agriculture has declined from 25.3% (2011-12) to 21.7% (2019-20), it is still **much higher than the contribution at an All-India level of 16.7%** (2019-20).

-During this time period, the **contribution of the secondary sector has declined** (from 25.1% to 22.9%). GoUP aspires to reverse this trend.

Aspiration to reach \$1 Tn economy

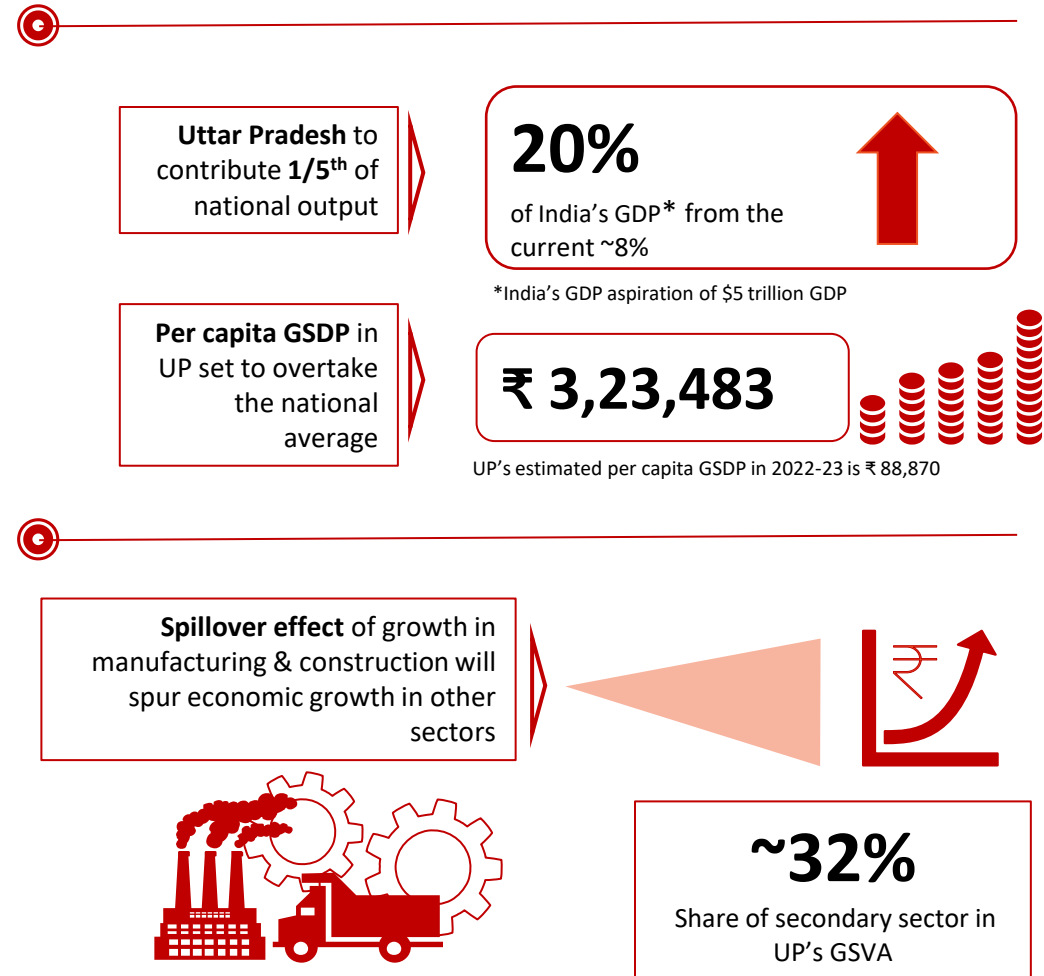
Sectoral contribution to GSVA

CAGR @29.06%



- Growth is expected to be **highest in the secondary sector**, even though the tertiary sector will contribute the most to the GSVA
- While primary sector is expected to grow, **UP's dependency on the primary sector is expected to reduce**

How will \$1 trillion GSDP for UP will look like?

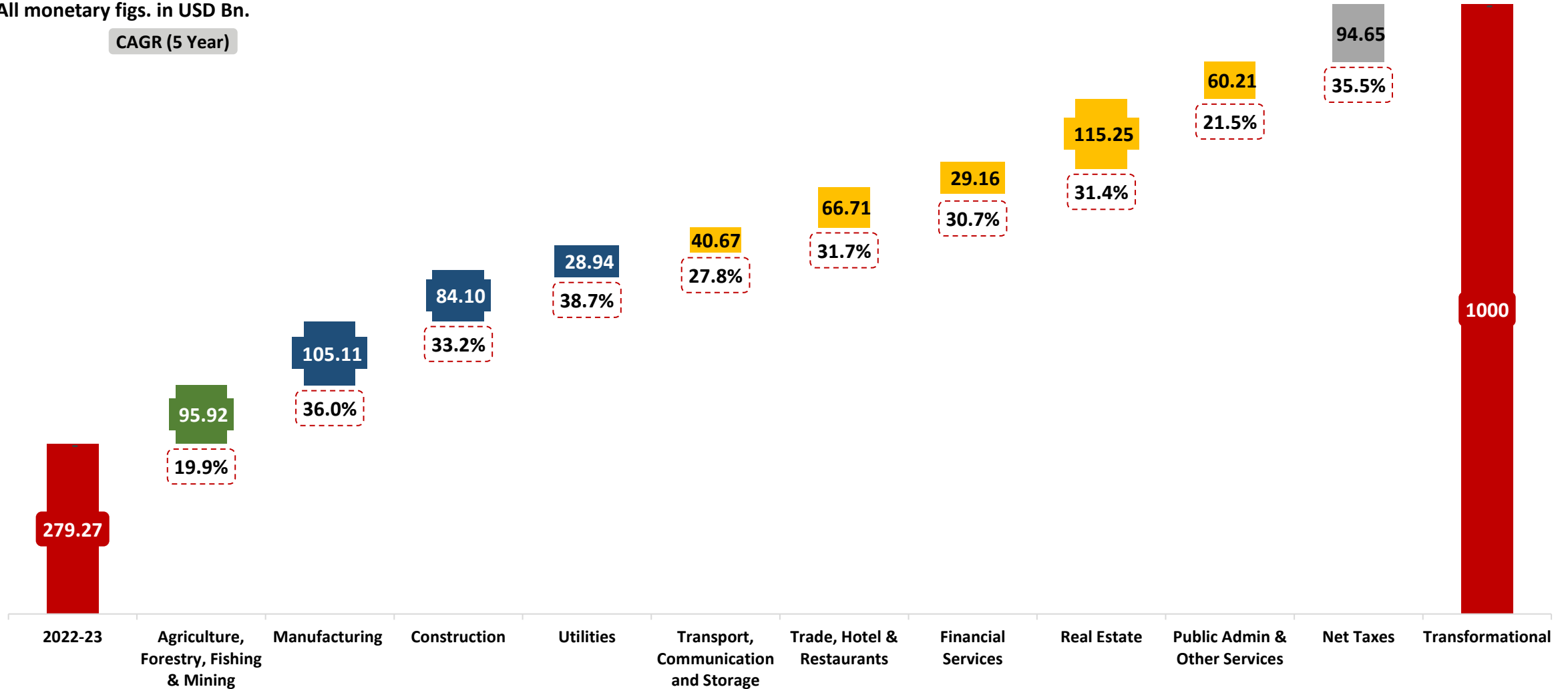


Sectors contributing to 1 trillion-dollar economy

Growth of the economy will be led by the secondary sector

All monetary figs. in USD Bn.

CAGR (5 Year)



Note: The percentage indicates the CAGR of the sector from 2022-28; Note: Deloitte projections for FY 23

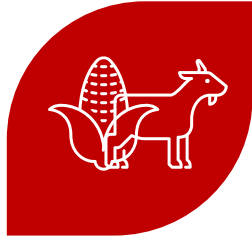
Total Investment USD ~ 1.3-1.5 trillion



Key Drivers for \$1 trillion economy

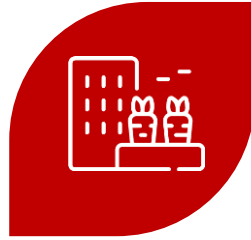


UP's path to \$1 Trillion GSDP - Focus on "UP for UP, UP for India, UP for World"



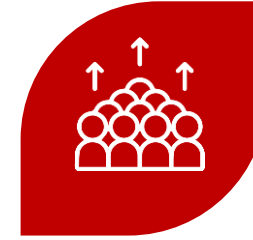
Agriculture & Allied - Leveraging Food Basket of India

Develop a Super App | Partnership with Agri-tech Startups | Establish Dairy FPOs (Under Nand Baba Doodh Mission) | Economically Sustainable Gaushala Model | Develop Poultry Production Cluster- PPC



Focus on Sunrise Sectors

Semiconductor/Chips | Aerospace & Defence | Green Energy | Clean Mobility | Drones



IT & ITeS - Emerging Tech Clusters

Lucknow - AI City | Kanpur - Drones and Robotics | Prayagraj/Varanasi - ER&D hotspots | Gautam Buddha Nagar - Emerging Tech and Data Center hub



MSMEs & ODOP - Promoting Entrepreneurship

Private Industrial Park Development- PLEDGE Parks | Export Facilitation| E-Commerce Platform



Attractive Tourist Destination

Development of Special Tourism Investment Regions | Tourists Destination Development | Focus on Wellness Tourism | Digitization of the tourist assets/routes



Making UP the Education / Skill Hub of India

5 Education Townships | Establishing Skill Hubs - Skilling in Mission Mode | ~4000 Model schools



World Class Industrial Infrastructure

Developing Special Investment Regions (SIR) in each of the four regions | Creation of raw material bank | GIS-based Land bank | Logistics hubs | Last mile and multi-modal connectivity | Dry ports



Ensuring Clean and Quality Power

Modernizing Distribution Infrastructure | 4 GW Green Energy Transmission Corridor | Solar Parks for Industries



Urbanising UP

Extension of Smart Cities | New Townships | Augmenting water, waste and SWM infrastructure | Municipal Performance Assessment | Mobility Planning



Highlights of Sector-Specific Strategies



Bold Plays | Agriculture & Allied



Agriculture



Crop yield improvement: through increased seed production, farm mechanization and awareness of block-level best practices



Exports: Basmati rice, Kalanamak rice, & Til through market development and marketing support



Agri-tech: Partnership with startups, crop mapping for accurate estimates, precision agriculture, Super app for farmers & ground staff app for increasing staff productivity



Crop diversification: Pulses, millets, oilseeds, maize for self-sufficiency through seed replacement & distribution programs, buyer seller meets, etc.



Dairy and Milk processing



Milk Yield improvement: From **4.2 kg/day to 5kg/day**- breed improvement, leveraging sexed semen technology, improving fodder & feed availability, improving livestock care, etc.



Increased milk processing: from **10% to 20%** through focus on investment promotion, creating Dairy FPOs, quality standards, and micro value-added clusters



Animal waste, stray-cattle management: Creating Gaushalas in PPP mode at 1 per mandal; 2000 destitute cattle to be provided, 30 acre land given on lease; support for CBG plants, etc.



Horticulture and Food processing



Post harvest infrastructure for fruits and flowers: For reduction in post-harvest losses of horticulture produce specially near mandis post harvest infra such as cold storages and cooling centers to be developed.



Horticulture processing: Utilize horticulture produce as an input for processed food, Nutraceuticals manufacturing & Alkaloids extraction



Crop Mapping of Horticulture Produce: Capture area, production and yield data of fruits, vegetables, spices, medicinal & aromatic crops and plantations using remote sensing



Livestock, Poultry & Fisheries



Thrust on fisheries: **Increasing production & productivity in fisheries** by ensuring availability of **quality seed & feed**, promotion of Regional best practices, **RAS & Cage culturing, species diversification**, increased **utilization** of available water resources like rivers, ponds, lakes, wetlands etc.; Promoting **Shrimp culturing** in salinity affected potential regions of the state



Proliferation of poultry production: Creating **production clusters**, developing infrastructure, **reducing feed costs while increasing availability**, improving **market linkages**, enhancing **business conditions**, and implementing **policy interventions**



Enhancing Poultry Productivity: Ensuring **quality input** availability, improving **breed mgmt.** practices, improving **disease control** and improving **on-farm poultry infrastructure**

Bold Plays | Manufacturing

1

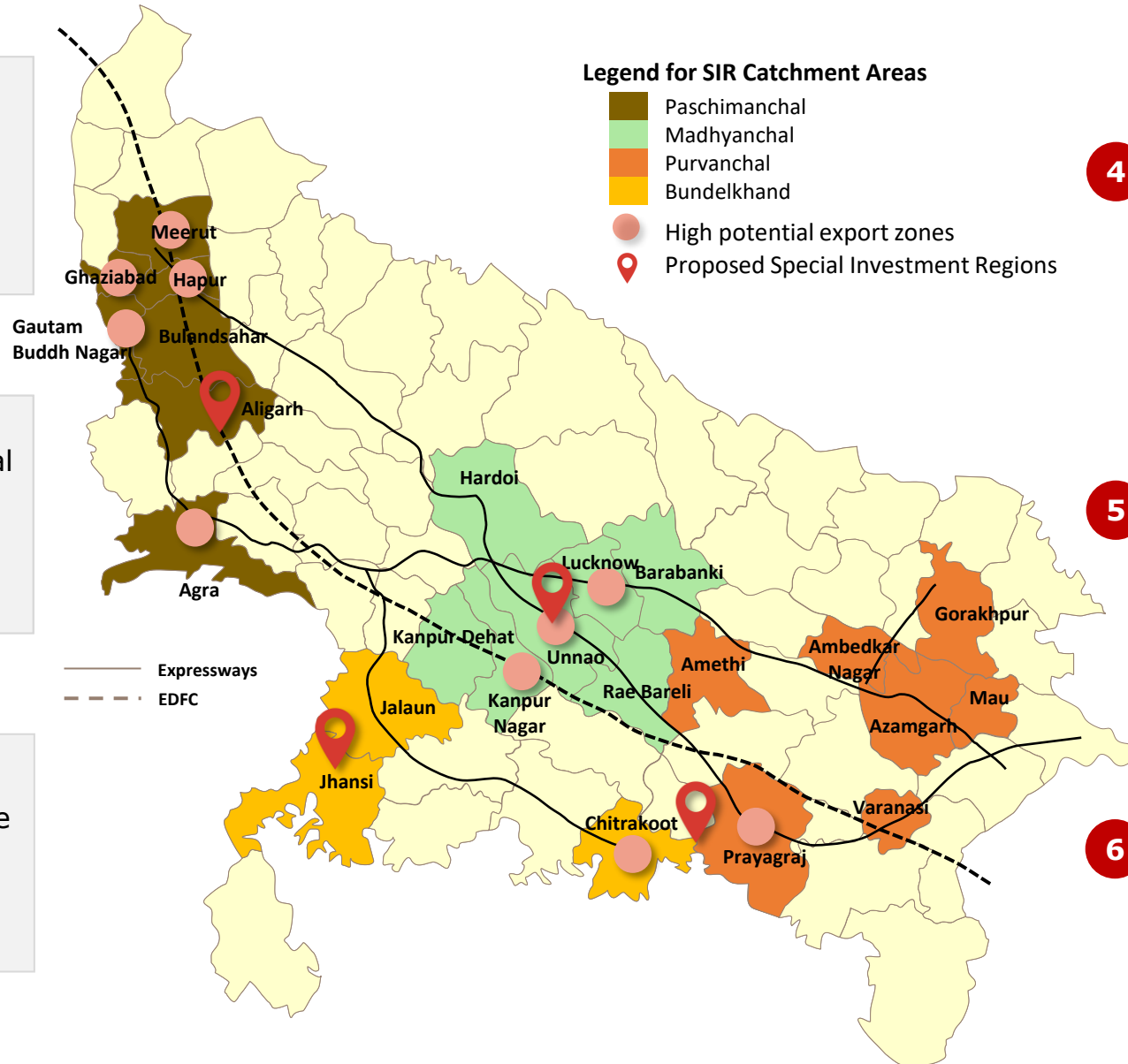
Land bank Creation: Creating land bank across 24 high potential districts through land acquisition, land pooling etc.

2

Industrial cluster & Infra Development: Creating Special Investment Regions (SIRs), sector-specific & anchor led industrial parks & infra-augmentation

3

Policy Development: Preparation of SOPs to minimize scope for interpretation & address challenges faced by investors



4

Branding, Promotion & Outreach: Continuous investment promotion through investor connect sessions and highlighting sectoral opportunity areas

5

Access to markets, technology & infrastructure for MSMEs: Targeted interventions to improve access to finance, markets, and technology

6

Skill development for MSMEs: Partnership with national skill development institutes and upgradation of ITIs to increase pool of skilled labour

Bold Plays | IT/ ITeS Sector

📍 Focus Cities – Segment Specific Play

Gautam Buddha Nagar

Attract software product companies and GCCs by leveraging proximity to Delhi NCR region

Lucknow

Emerging Tier 2 city in India can be the next IT hub after Noida with the establishment of an AI city

Kanpur

‘Center of Mechatronics’ at IIT Kanpur can be leveraged to enable Kanpur become a Robotic and Drones hotspot in India

Varanasi, Prayagraj

With quality engineering talent from colleges like IIT-BHU, MNIT and IIIT, these cities can be promoted as an ER&D hub

Following interventions are necessary to achieve the proposed recommendations across focus cities

Interventions	Augment IT Office Infrastructure (Real Estate)	Enhance Technology Talent Pool	Establish an IT Ecosystem	Branding & Conducive Policy Environment
Approach	<ul style="list-style-type: none"> Invite renowned builders to set up IT cities, IT parks across key locations Make plug and play infrastructure available Ensure land availability, smooth land allotment for developing IT parks 	<ul style="list-style-type: none"> Form a standing committee consisting of Industry and academia Work with industry to provide internships for UP-based graduate students Periodically assess the skilling requirements and develop courses on emerging technology 	<ul style="list-style-type: none"> Digitalise Government services and provide opportunities to UP based IT Companies Constitute a core committee for State IT/ITeS Promotion Targeted investment promotion in Focus Cities through proactive investor reach out 	<ul style="list-style-type: none"> Ensure timely incentives disbursal Periodically assess and amend existing policies as required Improving the institutional capacity of UPLC to achieve one trillion-dollar vision Conduct annual technology events to brand focus cities (eg : Hackathons)

Bold Plays | Tourism & Energy

Tourism



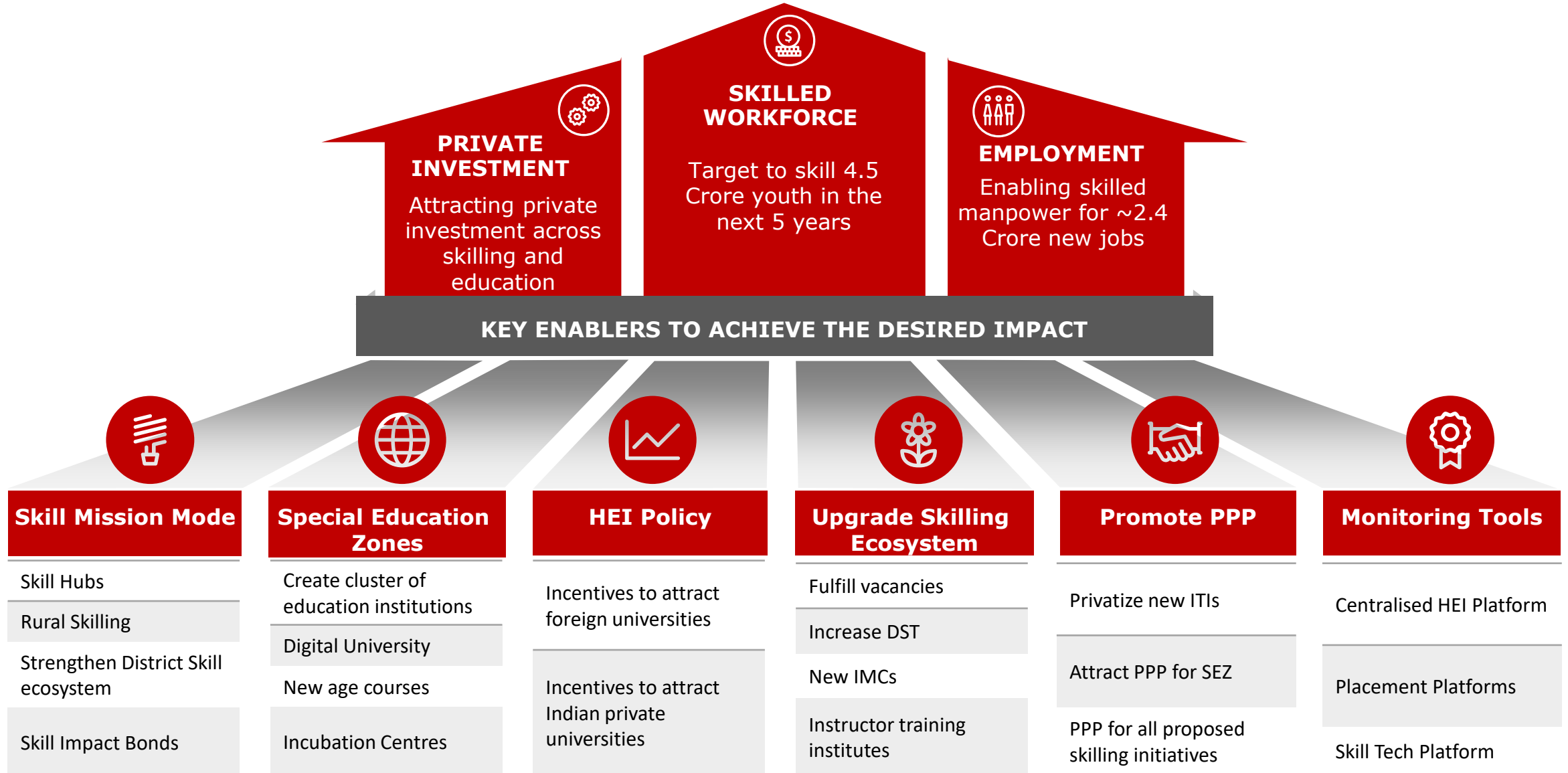
- **Multiple experience package:** New packages for tourism products & services across destinations
- **Destination Centric Development:** Implementation of the Destination Centric Approach including defining destinations, setting up destination organization, data-driven management, master plans, marketing, skilling etc.
- **Eco-tourism for specific development:** Provide multiple tourism products & services for eco-tourism in destinations like Soor Sarovar based on assessment and site visit and implementing soft & hard interventions
- **Re-adaptive usage of forts/properties:** Promoting tourism in the Bundelkhand region through private sector participation

Energy



- **Plug and Play Solar Parks** to accelerate for Captive/ Open Access Projects.
- **Encourage Private Solar Developers** to aggregate demand from industries.
- **Develop Land Banks** for in Bundelkhand Region

Bold Plays | Education, Labor and Skills



Bold Plays | Urban & Infrastructure

Unlock the potential of Uttar Pradesh Cities and enable them as engines of economic growth to realize the State's vision of one trillion-dollar economy



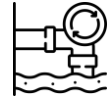
Extension of Smart Cities (Mission to Movement)

Currently, there are 10 Smart Cities in Uttar Pradesh under the India Smart Cities Mission, and an additional 7 cities to be selected by the State



Augmenting Water Supply Infrastructure

About 40% of urban households reportedly have access to piped water connections, with demand expected to increase significantly by 2027



Augmenting Sewerage/ Septage Infrastructure

About less than 10% of ULBs have wastewater network services along with treatment facilities created.



Strengthening MSWM Infrastructure

About 38% of ~22,000 TPD of solid waste generated in Uttar Pradesh is being scientifically processed



Municipal Performance Assessment

Service infrastructure and delivery in UP cities needs a boost to bridge current gaps and meet future demand

BOLD PLAYS

Use of data and technology for improved municipal service delivery and scaling up of Smart City initiatives to other cities in UP

Enhanced infrastructure for water supply, towards achieving universal coverage of piped water supply to urban households

Enhanced infrastructure to expand sewage treatment services to all ULBS, especially those with >1L population

Enhance MSWM infrastructure – MRF and Waste to Compost facilities in all ULBs; Waste to Energy Plants in >1L population cities

Revitalize UP cities by upgrading service-levels with targeted/ data-driven interventions identified through periodic performance assessments

Bold Plays | Housing and Passenger Transport

Real Estate, Housing and Transport shall play the role of a crucial enabler to realize the State's vision of one trillion-dollar economy



New Townships

- Rising industrialization and urbanization in key growth regions and boosting private investments and employment creation will necessitate demand of townships
- Developed States such as Maharashtra, Madhya Pradesh, Tamil Nadu has more than 300 townships, whereas UP has around 30 ongoing township (>25 acres) projects.



Digitization and Titling of Urban Land Records

- While the State of UP has digitized rural land records- 'BhuLekh portal'. The urban land records titling hasn't been undertaken.
- This will help in identification of title owners, and would reduce timeline for obtaining clearances, and approvals for projects



Disposal of Unsold Unit and Digitization of Processes

- UP has a high unsold inventory of ~29,030 units worth ~INR 10 thousand crores and a delayed process of approvals and clearances.



Augment Buses and Ancillary Infra

- UP has presently around 7 buses/ lakh population. There is a requirement to increase it to 20 buses/ lakh population
- Increased Bus Fleet Augmentation, transition to cleaner fuel technology, services delivery



Multi-Modal Integration

- Multimodal integration enables seamless transitions between modes of transportation connectivity options.
- Network integration, digital integration, and institutional integration

BOLD PLAYS

Development of at least 100 new townships self sustainable townships

Unique Property Ownership records (UPOR)

Complete disposal of existing inventory and planned development via regular demand assessment

Best-in-Class Public Transport ecosystem

Digitization of Transport Services

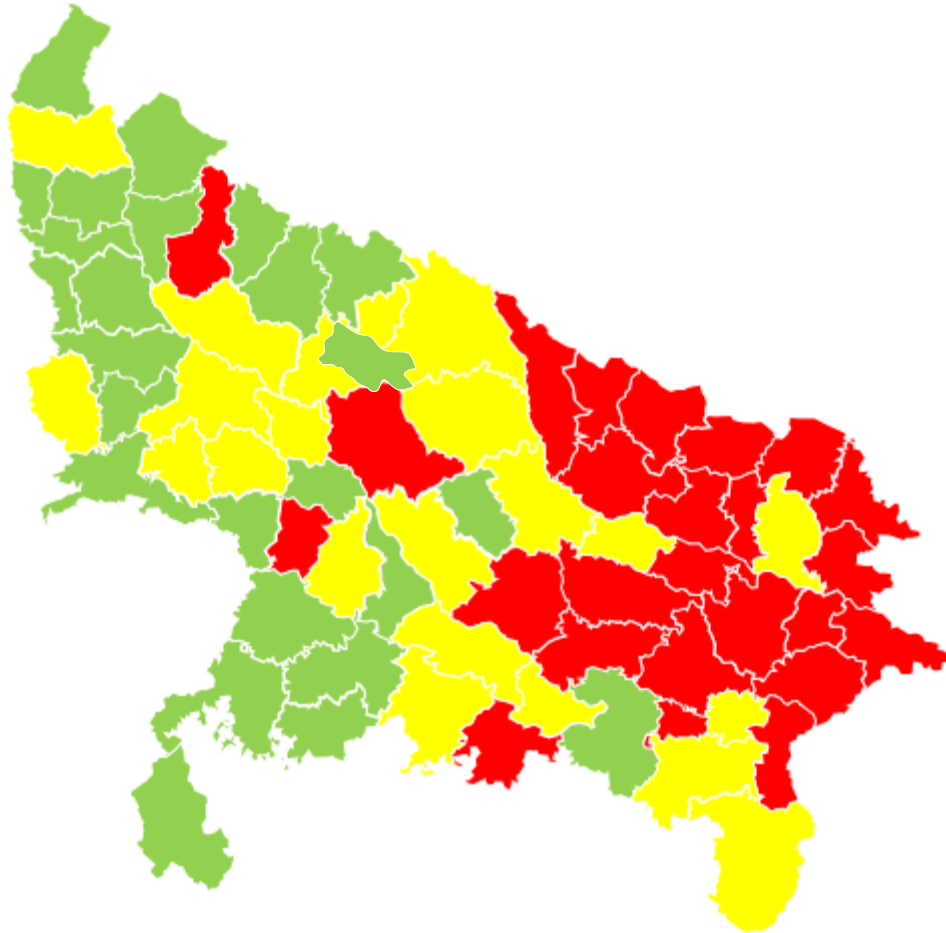


Districts as Growth Centers



Need to correct regional imbalance: High regional disparity in the State

District-wise per capita GSDP (2019-20)



- Per capita GSDP higher than INR 85,000
- Per capita GSDP higher than INR 65,000 but lower than INR 85,000
- Per capita GSDP lower than INR 65,000

Sources: Census 2011, UPDES

Key Insights

- Pashchimanchal and Bundelkhand have relatively high per capita GSDP.
- Districts in Purvanchal have the lowest per capita GSDP.
- There is significant disparity in per capita GSDP across districts. Gautam Buddha Nagar in Pashchimanchal has a high per capita GSDP while Shrawasti in Purvanchal has one of the lowest per capita GSDP.

Paschimanchal

37% share in population | **49%** share in Primary GSVA |
62% share in Secondary GSVA | **44%** share in Tertiary GSVA

Bundelkhand

5% share in population | **7%** share in Primary GSVA |
2% share in Secondary GSVA | **5%** share in Tertiary GSVA

Madhyanchal

18% share in population | **16%** share in Primary GSVA |
16% share in Secondary GSVA | **18%** share in Tertiary GSVA

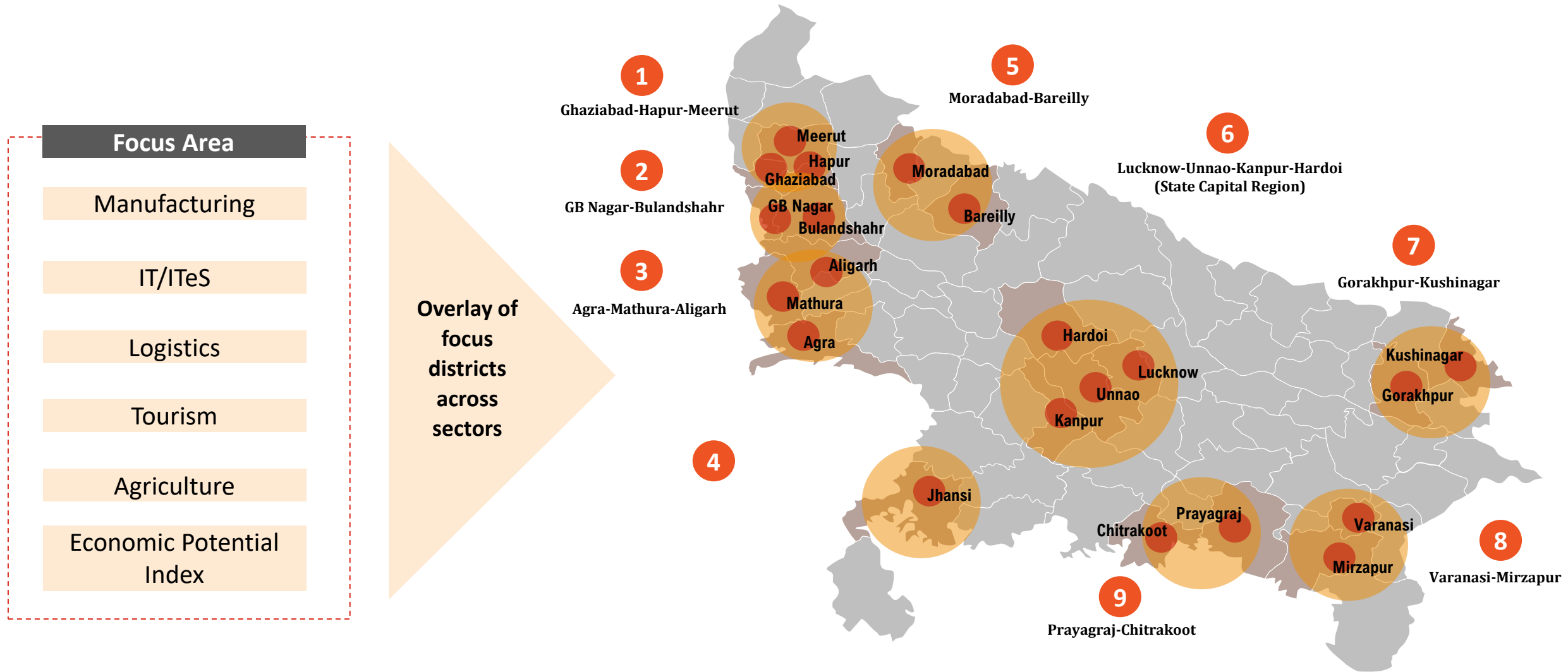
Purvanchal

40% share in population | **28%** share in Primary GSVA |
19% share in Secondary GSVA | **32%** share in Tertiary GSVA

Region & location specific targeted interventions are required for achieving targeted growth

Focus on Regions – Districts as Growth Centers

Uttar Pradesh will need to leverage agglomeration economies and play in the nine growth centers with potential industrial clusters, IT/ITES nodes, tourism circuits/nodes, logistic hubs



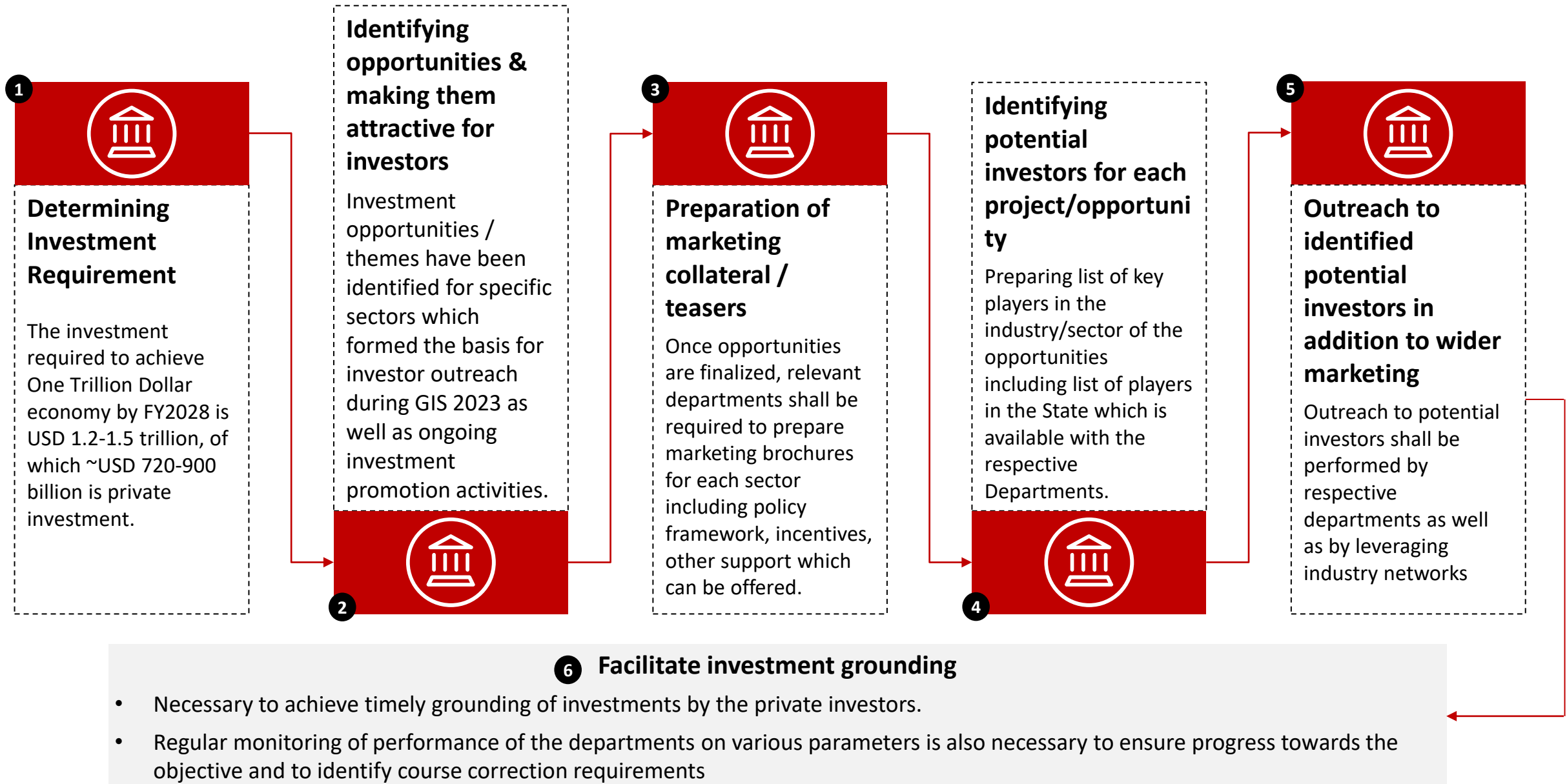
- UP's economic growth towards \$1 trillion will be centered around key geographical **convergence points or 'growth centers'**
- These **9 clusters comprise 21 districts across 4 regions** of the State, offering maximum potential through cross-sectoral interactions



Investment Grounding: Role of Udhyami Mitras



Typical Investment Lifecycle



Challenges faced by investors*

For obtaining feedback, interactions were organized with select investors during September to October 2022 which had signed MOUs in GIS 2018, as identified from data from Nivesh Mitra Portal, but were facing process issues, policy implementation challenges, etc.

01

Delay in subsidy/incentives

- Instances of **delay in release of subsidy/incentives** as per the policy under which projects were setup.
- **Differences of interpretation** of what incentives can be made available to investors.

02

Time to gestation

Long lead time from application to approval forces investors look for alternate locations, especially if the project is not for UP consumers

03

Operational

While there is full support from top level administration/officials, there is unwillingness and lack of support at the ground/district level towards increasing investment in the state.

04

Awareness

- Players which are not operating in UP or investing in UP for the first time were not necessarily aware of policy benefits, incentives offered, progress made in single window clearances, etc.
- Concerted efforts need to be made to market these processes / benefits across industries, in order to attract more players



*Based on the feedback survey conducted by Deloitte India

Investor Facilitation Systems developed By GoUP

Investment life cycle management solutions deployed to ease the business environment

Investor Relationship Management System

Nivesh Sarathi

One stop solution across investment lifecycle, starting from intent / MoU to investment grounding: interactive, query / resolution; seeking facilitation support and real-time monitoring

Single Window Investor Facilitation

Nivesh Mitra

To provide NOCs/Clearances/Licenses including Renewals required for setting up (Pre-Establishment) & running (Pre and Post Operation) a business

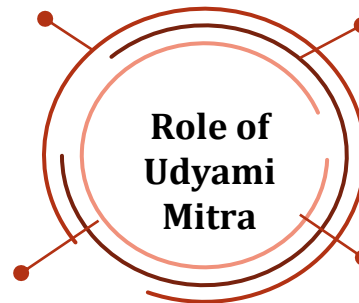
Incentive Facilitation System

Online Incentive Management System

Online incentive management system for processing, sanctioning and disbursement of incentives, with scope for real-time monitoring of disbursement status

105 "Udyami Mitra" (Investment Facilitation Friends) recruited for assisting Investors

Facilitating the investor with complete investment process such as filling of investment intent form, Land Allotment, Application under Sectoral Policies, L.O.C. Issuance, etc



To coordinate regarding approvals from various Departments of the State Government and providing assistance in navigation of Nivesh Mitra and Nivesh Sarathi portal

Identification of land parcels and handling of investors' queries/queries in coordination with Development Authorities and InvestUP

Managing and surveying relationships with existing investors, resolving investment related issues and facilitating expansion plans, aftercare for resolution of issues arising after project inception in coordination with Invest UP

Key Takeaways



- **You will be the backbone of the economic growth** - Achieving the One trillion Dollar Target is dependent on securing private investments!
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- **Take ownership** - There are several data challenges at the district level, need to ensure data collection & reporting.
-



- Keep the Torch High - You are the **Brand Ambassadors** of the State
-



- **Be Empathetic** – It is money on the line for investors setting up projects, as well as livelihood for employees
-



- **Be Responsive** – Time is Money for investors
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- **Be Proactive** – Identify opportunities and go after them! Don't wait for the knock on the door
-



- **Keep your eyes and ears open** – Receive and provide continuous feedback on initiatives, policies, processes. When in doubt, communicate!
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