

Summary of NLCPR Schemes

NLCPR is a Centrally Sponsored Scheme where funding pattern is 90:10(Central:State). The fund would be released/ sanctioned to the State Government in the form of 90:10. 90 % of the approved cost would be released by the Ministry of DoNER as grant. Balance 10% being state share would be contributed by the State Govt. The board objective of the non lapsable central pool of Resources scheme is to ensure speedy development of infrastructure in the North Eastern Region by increasing the flow of budgetary financing for new infrastructure projects / scheme in the region. Both physical and social infrastructure sectors such as Irrigation and Flood Control , Power, Roads and Bridges, Education, Health, Water supply and sanitation are considered for providing support under the central pool, with projects in physical infrastructure sector receiving priority. Funds from the Central Pool can be released for State sector as well as Central Sector projects/ schemes.

During submission of proposal under NLCPR a concept paper is to be prepared by the implementing agency as per the Model concept paper of NLCPR Guideline which is to be submitted to the Planning and Development Department, GoA. through UDD, Govt. of Assam for onward submission to the Ministry of DoNER, Govt of India for retention.

As per Guideline some process should be adopted for project formulation:

1. Each state would process through its Nodel Department, as Annual profile of projects under the NLCPR in terms of a shelf of projects (priority list) latest by 30 November to the next financial year.
2. Priority list once submitted shall not be changed or modified.
3. The priority list should be a comprehensive proposal containing 'gap analysis 'of all major sectors and justification of the list of projects in fulfilling these gaps. This should be in consonance with the overall planning process within the state covering Annual plans and five year plans.
4. State may identify certain sectors for focused investments with a long –term vision instead of expending these funds into small, diverse and stand along project.
5. The state should also indicate that these projects have not been taken up or proposed to be taken up with any other funding mechanism.
6. The projects in back ward areas, sixth schedule areas/Autonomous District Council of the State would continue to be accorded weightage.
7. Along with priority list the concept paper for each project included in it should be submitted denoting approximate financial out lay benefits accruing from such project, identification of beneficiaries ect. Any project contain in the priority list without proper concept will not be considered.
8. The concept paper should inter-alia include a certificate that the project have not been taken up or proposed to be taken up with any other funding mechanism.
9. Only the infrastructure development that may lead to socio economy upliftment in the state and having impact on larger number of people should be included in the list. No individual beneficiary schemes/projects should be included in the priority list.
10. For optimum utilization of funds, the State may propose the projects on the basis of presents need and keeping view the future expansions rather than making imaginary proposal.
11. To eliminate any duplication, the projects which can be taken up under the other schemes of central Ministries or udder the state plan should not be included in the priority list.
12. Projects with an estimated cost of only Rs. 3.00 cores or above should be included in the priority list.

13. If a project in the priority list is considered by the NLCPR committee but not retained, then it may not be proposed again at least for the next three (3) years.
14. The cost escalation in the DPR is allowed only to the extent of 10-15 % over the cost indicated in the concept paper. The scope of the project indicated in the concept paper should be what is intended to be reflected in the DPR. There should not be any major change in the scope of project in DPR against what was proposed in the concept paper.
15. NLCPR fund will not be used to fund land acquisition cost. Normally project duration should not be exceeding maximum three to four years.
16. The DPR would be prepared properly by the state department concerned as per generic structure given in the NLCPR guideline.
17. The DPR should be accompanied by a socio-economic feasibility report and details technical specifications like: CPM and PERT chart, Year wise phasing of expenditure, quarterly and year wise outputs/targets to be achieved, project implementation schedule, and authentication by State authorities that the cost are best on the latest schedules in vogue in the State concerned and all relevant regulatory and Statutory clearances and time frame for obtaining the same.

After retention of a project by the MoDoNER, the DPR is to be prepared for submission to the Planning and Development Department, GoA, through UDD, Govt. of Assam for onward submission to the Ministry of DoNER, for approval.

There shall be a committee 'NLCPR Committee' to administer NLCPR scheme consisting of:

- i. The Secretary, Ministry of development of North Eastern Region – Chairman .
- ii. The Finance Secretary or his representative not below the rank of Joint Secretary – Member.
- iii. The Home Secretary or his representative not below the rank of Joint Secretary – Member.
- iv. The Secretary of the concerned Ministry / department or his representative not below the rank of Joint Secretary proposing a central sector project- Member.
- v. The Principal Adviser/ Adviser, in charge of North Eastern state (and Sikkim) in planning Commission- Member.
- vi. Financial advisor, Ministry of DoNER – member.
- vi. Joint Secretary / Joint Secretaries in - charge of non lapsable central pool of Resources in the Ministry of development of North Eastern Region- One JS being member convener.

Once the project is approved by the Ministry of DoNER the State Government should ensure that the tender has been called on competitive basis by giving wide publicity in print media and website etc. and the works have been awarded within three months of it sanctioned even without waiting for the release of fund from State Government to implementing agency.

Once the proposal is approved for support by the Ministry of DoNER the fund would be released in three instalments comprising 40%, 40% and 20% of the approved project support.

Presently The Director of Town & country planning, Assam is the nodal officer for the projects being implemented by concerned ULB/ development authority as per provision of Guide line.

Summary of NEC funding Schemes

The guidelines for preparation and submission of “Annual priority list of projects for North Eastern Funding (NEC) funding” have been worked out based on the NEC general guidelines approved in the 58th NEC Plenary and the “Trust Areas for NEC” approved in the 62nd NEC Plenary. The North Eastern Council (NEC) was set up as a Regional Advisory body through the NEC Act, 1971. The council shall function as a regional planning body for the North Eastern Area and while formulating the regional plans for the North Eastern Area, the council shall give priority to schemes and projects which will benefit two or more states. Projects supported by NEC shall be in the ratio of 90:10 between NEC and state Government. NEC normally supports projects that do not exceed Rs.15 crore. The board objective of the NEC funding scheme is to ensure regional development in the North Eastern Region. Both physical and social infrastructure sectors such as Transport and communication, Irrigation and Flood Control , Power, Health, industries, tourism, human resource development, science and technology, agriculture and horticulture, fisheries sections and art and culture, etc.

As per Guideline some process should be adopted for project formulation:

1. Each state would process through the Planning Department, as “Annual Priority List of projects” for NEC funding in the next financial Year latest by 31st December of the preceding year. Priority list once submitted shall not be changed or modified.
2. The Annual priority list shall be accompanied by a concept paper for each project as per the Template/Performa enclosed in the guideline. The concept paper should accompany a “No-Duplication Certificate”.
3. The projects retained by NEC from the Annual Priority List will be communicated by NEC to the state Planning Department with a copy to the line department concerned for sending the DPR to NEC through State Planning Department within two months of retention of projects.
4. The DPR would be prepared properly by the state department concerned based on the current schedule of rates and vetted by a competent engineering authority.
5. Components/items not funded by NEC
 - (a) Staff components, either work charged or regular, shall not be funded from NEC funds.
 - (b) NEC fund will not be used to fund land acquisition costs.
 - (c) Purchase of vehicle is not allowed from NEC funds.
 - (d) No maintenance work /cost will be funded from NEC funds.
 - (e) No working capital will be funded by NEC.
 - (f) Monitoring and evaluation charges are not provided to the States. This is done centrally by NEC.

Guidelines for Administration of Non-lapsable Central Pool of Resources

Background

1. The projects of interstate nature in the North Eastern Region are funded through by North Eastern Council, which has a separate additional budget for the purpose.
2. The North Eastern state has essentially depended on central funding for development work. Development plan are centrally financed on the basis of 90%Grant and 10% Lone. However fund drawn under this projects in Assam is sanctioned as grants in-aid till date.
3. The North Eastern states in terms of per-capita, state domestic product or other development indices such as power, Lenght of roads or hospital beds, the North Eastern ranks well below the national average. Though the literacy levels are higher than the national average, vocational training and entrepreneurial skills remain weak areas.
4. As the benefits of economic development have yet to steadily accrue to the region, efforts have been initiated in this direction in the direction through various supportive measures. In October 1996, the then Prime Minister announced “New initiatives for North Easter Reasons” and stipulated that at list 10% of the budget (s) of the central ministries / department will be earmarked for the development of North Eastern State.
5. A proposal was mooted by the planning commission to the cabinet for constitution of such as central pool of resources. The cabinet approved the approach , in principle , on 15th December, 1997, observing that the creation of the central resources pool would require parliamentary approval.
6. The Union budget 1998-99 was voted and passed by parliament . With that, the non lapsable central pool of resources was constituted with approval of parliament.

7. Objectives

- a. The board objective of the non lapsable central pool of Resources scheme is to ensure speedy development of infrastructure in the North Eastern Region by increasing the flow of budgetary financing for new infrastructure projects / scheme in the region. Both physical and social infrastructure sectors such as Irrigation and Flood Control , Power, Roads and Bridges, Education, Health, Water supply and sanitation are considered for providing support under the central pool, with projects in physical infrastructure sector receiving priority.
 - b. Funds from the Central Pool can be released for State sector as well as Central Sector projects/ schemes.
8. Institutional arrangement to administer the NLCPR Funds
- a. There shall be a committee ‘NLCPR Committee’ to administer NLCPR scheme consisting of :
 - i. The Secretary, Ministry of development of North Eastern Region – Chairman
 - ii. The Finance Secretary or his representative not below the rank of Joint Secretary – Member.
 - iii. The Home Secretary or his representative not below the rank of Joint Secretary – Member.

- iv. The Secretary of the concerned Ministry / department or his representative not below the rank of Joint Secretary proposing a central sector project-Member.
 - v. The Principal Adviser/ Adviser, in charge of North Eastern state (and Sikkim) in planning Commission- Member.
 - vi. Financial advisor, Ministry of DoNER – member.
- c. vi. Joint Secretary / Joint Secretaries in - charge of non lapsable central pool of Resources in the Ministry of development of North Eastern Region- One JS being member convener.

Admissible components of NLCPR

- 1. a
- 2. b

In the conference of Governors and Chief Ministers of the North Eastern states and Sikkim held in January 2000 at Shillong the Prime Minister stated the objectives of the non lapsable central pool of resources. The relevant paragraph from Prime Ministers speech is :

“My Government has also created a pool of non lapsable funds of North East state and Sikkim . This pool, meant for funding development projects in these States, will fill the resource gap in creation of new infrastructure, which is a top priority concern of the Union Government.”