

**GOVERNMENT OF INDIA  
NORTH EASTERN COUNCIL SECRETARIAT  
NONGRIM HILLS: SHILLONG - 793003**

**No. NEC/ PLAN/I-31/2007**

**Dated: 18<sup>th</sup> December, 2009**

**To:**

1. The Development Commissioner, Planning Department, Govt. of Arunachal Pradesh, Itanagar
2. The Additional Chief Secretary, Planning & Development Department, Govt of Assam, Dispur
3. The Principal Secretary, Planning Department, Govt. of Manipur, Imphal
4. The Commissioner & Secretary, Govt. of Meghalaya, Planning Department, Shillong
5. The Principal Secretary, Planning Department, Govt. of Mizoram, Aizawl
6. The Additional Chief Secretary & Development Commissioner, Planning Department, Govt. of Nagaland, Kohima
7. The Principal Secretary-Cum Development Commissioner, Development Planning, E.R. & NEC Affairs Department Govt. of Sikkim, Tashiling Secretariat, Gangtok
8. The Principal Secretary, Planning Department, Govt. of Tripura, Agartala.

**Subject: Proceedings of the 16<sup>th</sup> Steering Committee Meeting**

Sir,

With reference to the above cited subject, the undersigned is directed to enclose herewith the Proceedings of the 16<sup>th</sup> Steering Committee Meeting of the NEC held on 11.12.2009 in the Conference Hall of the NEC Secretariat, Nongrim Hills, Shillong for favour of your kind information and necessary action.

**Enclo: as above**

Yours faithfully,



**[D. Khound]**

**Director ( E & M )**

**Copy to:**

1. P.S. to Hon'ble Members, NEC for information of Member
- ✓ 2. The P.S. to Chief Secretary to the Government of Arunachal Pradesh, Itanagar/ Assam, Dispur/ Manipur, Imphal/ Meghalaya, Shillong/ Mizoram, Aizawl/ Nagaland, Kohima/ Sikkim, Gangtok/ Tripura, Agartala.
3. P.S. to Secretary, Ministry of Development of North Eastern Region, Govt. of India, Vigyan Bhavan Annexe, Maulana Azad Road, New Delhi.

**PROCEEDINGS OF THE 16<sup>TH</sup> STEERING COMMITTEE MEETING HELD ON 11<sup>TH</sup> DECEMBER, 2009 AT 10.00 A.M. AT THE NEC CONFERENCE ROOM, SHILLONG**

The meeting was presided over by Secretary, NEC and the list of participants is at the Annexure.

Calling the meeting to order, Secretary, NEC requested all the participants for introducing themselves to the house. This was accordingly carried out. The Chairman informed the house that the States of Arunachal Pradesh and Tripura could not send any representative for attending this meeting, however, they had sent their agenda wise comments.

The meeting then proceeded as per the circulated agenda.

**Agenda Item No. 1: Budget Estimate 2010-11**

1.1 On the instruction from the Chair, Director (Admn & Planning), NEC placed the content and details of the proposed BE 2010-11 of the NEC. He said that an amount of Rs. 1102.30 crores was proposed in the BE 2010-11. He also gave the breakup of sector-wise and scheme-wise allocation highlighting the fact that an amount of about Rs. 101 crores had been proposed for North Eastern Regional Livelihood Project (NERLP) alone. In this context, he observed that, this amount, however, would be reflected in the budget of Ministry of DoNER. Hence, the balance amount would only be available for the NEC.

1.2 Planning Adviser, NEC at this juncture, raised the issue of submission of Priority Lists by the States for 2009-10. He observed that only the States of Arunachal Pradesh, Mizoram, Nagaland, Sikkim and Tripura submitted the Priority Lists for 2009-10 and requested the other States also to submit the same as the financial year is coming to an end. The representative of Manipur, however, observed that since none of the schemes included in the priority list of 2008-09 for Manipur were considered by the NEC, the same priority list might be considered for 2009-10 also. Secretary, NEC, intervened to say that the Government of Manipur might intimate NEC about the position in writing.

1.3 Principal Secretary, Mizoram, observed that the NERCORMP should be extended to Mizoram also. Secretary, NEC, intervened to say that the NERLP was going to be implemented in Mizoram and told Director (Admn & Planning)



to explain in details. On this, Director (Admn. & Planning), NEC observed that Aizawl and Mamit districts of Mizoram were included for being taken up under the NERLP of the Ministry of DoNER. Principal Secretary, Mizoram further observed that there was no mention of any project of Mizoram under the Health Sector of NEC. Secretary pointed out that the schemes under Health Sector of NEC were mostly continuing ones. He observed that Mizoram might think of preparing a DPR for establishing a Medical College at Mizoram as the State did not have any so far.

1.4 The representative of Assam observed that the Government of Assam would need an additional allocation of Rs. 1.00 crore each for Regional Dental College and Regional College of Nursing in the BE 2010-11. On the request from the representative of the Government of Meghalaya, Secretary observed that Meghalaya might consider submitting new proposals on Accident and Trauma Centres along the highways, especially in the eastern part of the State. He further pointed out that the Accident and Trauma Centre at Nongpoh was not functioning properly and the Government of Meghalaya should look into the matter.

1.5 Representative of the Government of Manipur suggested for inclusion of a scheme on establishment of a Nursing College at Manipur. The representative of the Government of Manipur also observed that the projects at Seijo and Lamdak had been proposed for upgradation. As regards the Churachandpur hospital, it was pointed out that the U/C was yet to be received and, hence, further release of fund could not be considered. It was intimated that the J.N. Hospital, Imphal had been included in the State Plan and support from NEC would not be necessary. Secretary, NEC, desired that Government of Manipur might intimate the fact to NEC in writing.

1.6 Secretary, NEC pointed out that a big power plant was coming up in Baramura, Tripura, and if Mizoarm intended to draw power from the project they should take appropriate measures to upgrade their transmission and distribution system. Principal Secretary, Mizoram was requested to take appropriate steps in this regard.

1.7. Secretary, NEC observed that the suggestions made by the States during discussion on the agenda item would be taken care of during finalization of NEC's next annual plan. Director (Admn & Planning), NEC requested all the States to submit proposals, either in the form of Concept Paper or in the form of DPR, in respect of entries made in their respective priority lists as very few project proposals were received till now. He pointed out that Tripura did not submit any proposal during 2009-10 though they had already sent their priority list.

**Agenda Item No. 2: Unspent Balances, UCs, Audit Certificates and Action Plan for speedy expenditure**

2.1 Secretary, NEC, initiated discussions on the agenda item and to begin with he requested Adviser (T&C), NEC to present the State-wise status of unspent balance and status on submission of U/C since the Transport & Communications Sector formed a major chunk of NEC budget. Adviser (T&C), NEC circulated the copies containing State-wise details. Detailed discussions were held on the agenda item. On instruction from the Chair, Adviser (T&C), NEC also placed before the house the list of pending EFC cases. He pointed out that of the 56 road schemes recommended by the Working Group for being taken up during the 11<sup>th</sup> Plan, the Planning Commission had given its in-principle approval for 16 of them. EFC memo has been sent to the Ministry of DoNER for convening the EFC meeting and 10 cases were still pending. He thought that EFC meeting for these cases would be held shortly and then NEC would be able to release the funds earmarked for those projects within the financial year itself.

2.2 Representative of the Government of Manipur observed that a road project was given to the BRO for implementation which was not liked by the people. Adviser (T&C) observed that the issue was between BRO and the State Government and NEC had no role to play in this matter.

2.3 Representative of the Government of Manipur further pointed out that the State would require more fund for preparing DPRs. Director (Admn & Planning) observed that NEC had a scheme for preparation of DPR and the scheme was under the Evaluation and Monitoring Sector. He thought that



representative of the State Government might discuss with Director (E&M), NEC for details of the scheme.

2.4 Principal Secretary, Mizoram, observed that the list that he carried and the one provided by Adviser (T&C), NEC did not tally and he thought NEC should circulate such materials well in advance so that the State Governments could come prepared for discussion in the meeting. He, however, promised to look into all the pending cases and assured that all these cases would be settled shortly. Representatives of the other States also assured that they will look into the matter once they are back at their respective home States. They would also apprise NEC of the status of the pending schemes.

2.5 Apart from the projects under Transport & Communication Sector, pending cases of other Sectors of the NEC were also discussed.

2.6 Secretary, NEC desired that all the pending cases should be resolved at the earliest and the States invariably should contribute their share in order to enable NEC to release the balance payments.

2.7 When some of the States raised the issue of fund for maintenance of road schemes to be provided by the NEC, it was pointed out that maintenance was a State subject and a non-plan activity. Hence, this item should be taken care of in the State Plan only. Secretary observed that most of the States are hard pressed due to financial constraints and there was hardly any scope for taking up project maintenance under the State Plan. As a solution to this, Principal Secretary, Mizoram suggested that adequate fund might be reflected in the original DPR itself so that whenever the situation arises, fund could be provided from the scheme already sanctioned. Director (Admn & Planning), NEC observed that for maintenance either fund should be included under non-plan budget of the States or as an alternative, he pointed out, Member (NEC) Planning Commission once suggested that, in extreme necessity the maintenance work can be subsumed in upgradation activities if upgradation of facilities is also required. Secretary, NEC, however, was of the view that the question of maintenance should be dealt with separately since the question of upgradation arises only after a period of 3 to 4 years of implementation of the

original scheme, but maintenance requirements begin from the second year itself.

### **Agenda Item No. 3: Proposed Guidelines for NEC Schemes**

3.1 On the instruction from the Chair, Director (Admn & Planning), NEC gave the background of how the guidelines were prepared. Secretary, NEC, observed that the States were not expected to give their comments in the meeting itself since this might require thorough study by the States and, therefore, requested all concerned to send their views within a week or so, so that NEC might finalise the draft for placing at the next Plenary Session which might be convened sometime in January next year. Expressing his opinion Secretary felt that the issue of projects costing more than Rs. 5.00 crores might not be reflected in the guidelines since these types of projects would require to be dealt with under existing procedures of the Government of India.

3.2 Principal Secretary, Government of Mizoram observed that the restriction on NEC for not considering the State-specific projects was a difficult one. On this issue Director (Admn. & Plng.), NEC attracted the attention of the house to the provisions of the NEC Act and guidelines issued by the PMO and observed that the NEC Act only suggested for taking up of regional projects by the NEC, and probably does not restrict NEC to consider State-specific projects/schemes having regional impact. However, Secretary desired that the States might reflect such issues in the speeches of the Hon'ble Chief Ministers in their addresses at the Plenary Session of the NEC so that the Council can take a view in the matter.

3.3 Principal Secretary, Government of Mizoram also raised the issue of Air Connectivity in the region. He said, most of the States were not connected properly and hence, requested NEC to do something in this regard. Adviser (T&C), NEC observed that NEC had already invested an amount of Rs. 38 crores in this project. Many of the airports have already been upgraded and modernized while some more projects were in the pipeline. Secretary pointed out that NEC had funded for procuring four numbers of 50 seater aircrafts for operating in the region. This was done through Alliance Air who was supposed to have the hub at LGB Airport, Guwahati. Unfortunately, the hub is in Kolkata



and only one aircraft is stationed at Guwahati. He observed that the MoU with Alliance Air would cease by the end of December, 2009. Principal Secretary, Government of Mizoram pointed out that since money was spent in the project the problems such as connecting difficult areas should be addressed. Links between the State capitals by air should be looked into. Secretary suggested that this issue, too, might be reflected in the speeches of Hon'ble Chief Ministers to the Council so that NEC could take up the matter with the Government of India.

**Agenda Item No. 4: State's Agenda for next Council meeting.**

4.1 Secretary, NEC, then invited the State representatives to raise any issue of importance to their respective States to be included as that State's proposed agenda for the next Council Meeting. The representatives of the Government of Meghalaya suggested that the issue of funding pattern of 90:10 could be flagged as an agenda for the next Council Meeting. NEC should impress upon the Government of India to consider providing entire 100% for projects approved by the NEC. Secretary, NEC observed that the issue may be reflected in the speeches of Hon'ble Chief Ministers to the Council-in-session. Discussion on this agenda ended with a request from the Chair to the States that they should intimate, with due approval of the concerned State Governments, any issue that is proposed to be taken up in the next Council Meeting.

**Agenda Item No. 5: Equitable distribution of NEC Plan Funds**

5.1 Principal Secretary, Government of Mizoram observed that in addition to the criteria of Population and Backwardness, Area should also be a parameter for evolving the formula for equitable distribution of NEC fund. Representative of the Government of Manipur wondered what should be the weightage for area as a parameter. Commissioner & Secretary, Planning Department, Government of Meghalaya observed that the assessment of poverty by the Planning Commission was already challenged since that is flawed and any yardstick taking that into consideration would probably be wrong. The Joint Director, Planning, Government of Manipur narrated in details about the formula for poverty used by the Planning Commission highlighting its inadequacy in reflecting the actual scenario in the States. He observed that he was also a

member of the team which undertook the study in this regard. He suggested any alternative approach. It was decided that Joint Director, Planning, Government of Manipur would circulate the formula for poverty to the States of NER which would be examined by all the States and, accordingly, the formula for equitable distribution of NEC funds could be worked out.

5.2 Joint Development Commissioner, Government of Nagaland observed that the Government of Nagaland had the following suggestions for equitable distribution of NEC fund - 10% might be earmarked for each of the States which would account for 80% and the rest 20% might be used for regional projects. Out of the 10% allocation proposed for each States, 5% may be devoted for inter-State projects and rest 5% for State-specific projects. Secretary, NEC expressed the opinion that the Nagaland Government should also submit their proposal in writing to the NEC for taking up the same in the NEC Plenary

**Agenda Item No. 6: Any other item with permission of the Chair**

6.1 Adviser (Transport & Communication), NEC pointed out that the Finance Departments of the State Governments were taking inordinately long time in releasing the fund to the implementing agencies and awaited requisition from the implementing agencies in this regard. He felt that the procedure should be simplified for a speedy release of fund provided by the NEC for developmental projects. There were threadbare discussions on the issue where all the States participated. Principal Secretary, Government of Mizoram pointed out that the States of the region had constraints in terms of cash reserves with the RBI. The representative of the Government of Assam pointed out that, on requisition from the implementing departments, the Finance Departments of the States raised the bills which were sent to the treasury for clearance. If the funds are released during the fag end of the financial year, it becomes difficult for the States' Finance Departments to release funds for implementation of the projects. Planning Adviser, NEC observed that funds should be budgeted by the States for the succeeding financial year so as to avoid the exercise of revalidation.

6.2 Secretary, NEC pointed out that for release of fund by the NEC submission of Utilization Certificate was mandatory, and, if the Utilization



Certificates were sent in the end of March, release of fund during the year was not possible. He requested the representatives of the States for submission of UCs in time, especially by the end of December.

6.3 On the issue of granting scholarship under the relevant scheme of the NEC, Secretary pointed out that Nagaland and Meghalaya were not staking enough claim. He expressed the view that this was a very good scheme and the students get the benefit out of it. Hence, he observed, the States should do a proper exercise and send more claims to the NEC.

6.4 On the issue of clearing the pending projects under the Industries Sector, Adviser (BIT), NEC observed that, except for Mizoram, all the cases pending with other States were already settled. For the schemes of Mizoram, she observed that the projects in Mizoram will be scrutinized very soon by a committee formed for the purpose.

6.5 Secretary, NEC, inviting attention of the representatives of the Government of Assam, observed that the Yatrivas project at Guwahati was already completed and Government of Assam might consider handing over the NEC portion so that NEC could take steps in making the same functioning. It was pointed out that the project was waiting formal commissioning and consent of Hon'ble Chief Minister of Assam was sought in this matter.

6.6 Secretary invited proposals from the States for implementation of the NEC schemes namely Sports Talents Search and Chairman's Sports Award. He further observed that T. Ao Memorial Football Tournament held this year in Nagaland was a great success and invited the States to stake claim for organizing the tournament in the next year. The representative of Government of Manipur readily expressed their willingness to organize the tournament in Manipur next year.

6.7 Inviting attention of the participants, Director (Admn & Planning), NEC desired that NEC supported projects in the States should get proper publicity and display boards in this regard should be erected at each of the project site highlighting the contribution of NEC in the project. It was pointed out that the name of NEC has not been acknowledged as the funding agency in the ISBT project at Guwahati. He requested that the Government of Assam should take

steps in this regard. Director (Admn & Planning), NEC also invited attention of the representatives of the States in pointing out the fact that the advantage of the scheme on Seminar and Symposium was taken only by Assam and Meghalaya and that other States might also submit proposals for support against the scheme. He said NEC also got a scheme on preparation of DPR which the States should take advantage of.

6.8 Director (Admn. & Planning), NEC, attracted the attention of the representative of the States to the issue of technical vetting of projects with Civil Engineering/ Construction components as submitted by the States to the NEC, for all the Sectors and pointed out that, as per the new guideline issued by the NEC, technical vetting was to be obtained by agencies specified in the relevant communication from NEC to the Planning Departments of the States. However, on being directed by Secretary, NEC, Adviser (T&C) further clarified that when proposed project is to be implemented by some other department/ agency of the State (except for the PWD) and there are components of civil engineering/ construction in the same, then, the concerned PWD may vet the estimate which also would be accepted by NEC. Secretary, NEC, instructed him to issue a formal guideline on this in continuation of the one already issued as regards technical vetting in such cases by specified agencies and Adviser (T&C) promised that it would be done at the earliest.

6.9 As regards the ISBT/ISTT projects, Secretary, NEC observed that it was only in case of the State of Meghalaya that no such proposals had been submitted to the NEC. Representative of the Government of Meghalaya pointed out that already DPR has been prepared for Mawiong ISBT project which would be submitted to the NEC shortly.

6.10 Secretary, NEC, then instructed Director (Science & Technology), NEC to appraise the house on the telemedicine project in the States. Some of the States, expressing their concern, observed that the Planning Departments of the States were not aware of the developments. The house decided that the Planning Departments of the States must be updated on the developments of all projects at every step.



6.11 Taking cue from the decision taken in the 57<sup>th</sup> Plenary Session of the NEC, the representative of the Government of Meghalaya wanted to know whether the project on establishment of the Regional Institute of Environmental Studies at Shillong might be taken up by the NEC. Secretary, NEC, observed that the point was taken note of.

6.12 On being invited by the Secretary, NEC, the Financial Adviser, NEC observed that the States were yet to submit the Audit Certificates for the project which were taking up during the 9<sup>th</sup> Plan and requested for early submission of the same. The representative of Assam observed on the issue that NEC could also write to the office of Accountant General for submission of Audit Certificates. He observed that the issue had been lying pending with the AGs office for a long time and NEC's intervention might help solve the issue. The house desired that NEC should take up the matter with the office of AG of the respective States and NEC agreed to do so.

6.13 On the question of deviation of cost estimates reflected in the Concept Paper and the DPR, Adviser (T&C), NEC pointed out that the difference between the estimates reflected in the Concept Paper and the DPR should be within limits as acceptable as per the Government of India norms.

6.14 To end the day's proceedings, Secretary thanked all the participants for a very fruitful discussion that was held during the deliberation. He observed that if the States considered any issue as having importance to be considered by the Council they might flag those issues in the speeches of Hon'ble Chief Ministers at the Council in session.

For having no other points for discussion the meeting ended with vote of thanks to the Chair.

**LIST OF PARTICIPANTS IN THE 16<sup>TH</sup> STEERING COMMITTEE MEETING HELD AT  
THE CONFERENCE ROOM, NEC SECRETARIAT AT 10.00 A.M. ON  
11<sup>TH</sup> DECEMBER, 2009**

<i>Representative of the North Eastern States</i>		
	<b>Assam</b>	
	Shri R.R. Hazarika	Director, Finance
	Dr. (Ms) Chitra Kalita	Jt. Director, P&D Deptt.
	Dr. D. Hazarika	D.M.E.
	Shri M.U. Ahmed	C.E., PWD
	Shri B.K. Das	C.E. PWD (Building)
	Shri A.K. Roy	Sr. R.O., D.M.E.
	Mrs. K. Saikia	A.R.O., D.M.E.
	Shri Uday Barman	Liaison Officer, NEC works
	Mrs. M. Neog	E.E. , PWD (Building)
	Shri A. Baruah	S.E. (P), NEC, PWD
	Shri N.M. Sharma	F&A.O., D.M.E.
	Shri H. Rajkhowa	Research Officer
	<b>Manipur</b>	
	Dr. Th. Munindro Singh	Jt. Director, Planning
	Smti N. Kulkarani Devi	Senior Research Officer, Planning Department, Manipur
	Shri L. Priyokumar Singh	Addl. Chief Engineer (Power)
	Shri Kh. Temba Singh	SE (PWD)
	Dr. N. Pratapchandra Singh	Add. Director (Health)
	<b>Meghalaya</b>	
	Shri L. Roy	Commissioner & Secretary, Planning
	Shri H.B. Dkhar	Secretary, Planning
	Smti C. Langstieh	S.O. & deputy secretary, Planning Department, Govt. of Meghalaya
	Shri T. Basaiawmoit	P.O. & Under Secretary, Planning Department, Govt. of Meghalaya
	Shri P.S.G. Lyngdoh	C.E., PWD (Roads)
	Dr. C.O. Rangad	Director (Horti), Deptt. of Agriculture
	Dr. D. Khonglah	Director, A.H. & Vety
	Dr. E. Bareh	Dy. Director, A.H. & Vety
	Shri F.G. Momin	Director, Fisheries
	Shri S.C. Rynjah	Dy. Director of Fisheries
	Shri P. S. Nianglang	Research Officer, Planning Department, Govt. of Meghalaya



	<b>Mizoram</b>	
	Shri C. Lawsawta	Principal Secretary, Planning
	Shri K. Lalzahawana	Research Officer, State Planning Board
	<b>Nagaland</b>	
	Ms Aolemla Jamir	Joint Development Commissioner, Planning Department, Nagaland
	Shri Imlikokba Longkumer	Assistant Planning Officer, Nagaland
	<b>Sikkim</b>	
	Shri S.K. Shilal	Addl. Secretary, P&DD
	<b>NEC OFFICIALS</b>	
	Shri U.K. Sangma,	Secretary, NEC
	Shri J. Lungdim	Planning Adviser, NEC
	Shri H. Vanlahluta	Financial Adviser, NEC
	Shri M. S. Sodhi	Adviser (T & C), NEC
	Shri S. Mitra	Director ( Adm & Plg), NEC
	Smti. M. S. Bhuyan	Adviser (BIT), NEC
	Shri N.J. Sharma	Adviser (IFC, WSM & Power), NEC
	Smti S. Lalthangzo	Director (HRD&E)
	Shri D. khound	Director (E & M), NEC
	Dr. U. K. Mishra	Director (S & T), NEC
	Shri B.C. Chakraborty	Assistant Secretary
	Shri V. K. Lyngdoh	ARO (Planning)
	Shri M. Chakrabarty	STA (Planning), NEC