

Minutes of the meeting taken by the Prime Minister on October 16, 2006 at 6.45 p.m. regarding Role of Ministry of DoNER and NEC.

The Prime Minister took a meeting to review various issues pertaining to development programmes in the North East, particularly those related to the NEC, the NLCPR and Ministry of Development of NE Region (DoNER). Home Minister, Minister for Tribal Affairs & DoNER, the Deputy Chairman, Planning Commission, Principal Secretary to PM, Member, Planning Commission and the full-time members of the NEC were present. The list of participants is appended.

2. The Prime Minister stressed the need for a coordinated, well-planned development strategy for the North Eastern region. He expressed the hope that the NEC would perform its task of a regional planning body and evolve itself as the nodal point for all the development activities in the NER. For this, he directed the NEC to make optimal use of the expertise of the full-time members. He also advised the NEC to expeditiously finalise the vision and regional plans and focus on proper monitoring and evaluation.

3. During discussion it was clarified that, following PM's earlier directives to improve the mechanisms for sanction and execution of projects under NLCPR and NEC, a detailed exercise had been carried out by the Ministry in close collaboration with the Planning Commission, the DoNER, the Finance Ministry, the Cabinet Secretariat and the Prime Minister's Office. Thereafter, a number of operational issues had been identified for urgent resolution. A set of broader and policy-related issues had also been identified for appropriate guidance. Hence this meeting.

4. After presentations by DoNER and the Planning Commission and following detailed discussions on the operational issues, it was agreed as follows:

Related to the NEC

- i) The NEC should prepare the Vision 2020 document and regional plans expeditiously. This should be completed by January 2007.
- ii) The NEC should concern itself only with inter-State projects, with wide-ranging impact and should focus on few areas of a critical nature and not spread its resources thin.
- iii) The NEC should ensure equitable allocation of resources amongst all the NE States. The Planning Commission would work out alternative formulae for the purpose and seek appropriate ratification.
- iv) The NEC should prepare a Self of important Projects through consultations in order to avoid overlap.

- v) Regional institutions should be transferred to line Ministries immediately. This will ensure that additional resources on account of avoided O&M expenditure become available to the NEC. It will also help secure professional management input. The Prime Minister directed that their regional character should be maintained under all circumstances and the line Ministries should make special efforts to allay local apprehensions, if any. Home Secretary expressed keenness of the MHA to take over NEPA so as to make optimal use of the available infrastructure for the benefit of NER. M/o DoNER would move separate proposals at the earliest.
- vi) The NEC should utilize the expertise of the full time Members. They should be fully involved with the planning process through Sectoral Empowered Committees. The Members would also be associated with the Annual Plan process and in monitoring and evaluation.
- vii) The NEC should not take up projects of minor nature and should aim to create an impact through substantive projects, not less than Rs. 2 crores each.
- viii) The Planning Commission would review umbrella and subsidy oriented schemes of NEC like SPINE, Sports and Youth Affairs, Agriculture, etc. with a view to avoiding overlap with the schemes launched by the Central Government and State Governments.
- ix) The Ministry of Finance should immediately post an FA, exclusively for NEC, who would be accountable to the Ministry of Finance as in other cases.
- x) To strengthen NEC, efforts would be made to fill up the vacant posts, in particular the 10 crucial posts identified by the full time Members. The Ministry would also move proposals through the Cabinet Secretary regarding an appropriate staff incentive package as a special case, without waiting for the recommendations of the Pay Commission.

Related to Ministry of DoNER

- xi) The provision for special package for the Bodo Territorial Council (BTC) would henceforth be met from the MHA budget.
- xii) M/o DoNER will expeditiously issues guidelines to facilitate State in preparing priority list of projects.
- xiii) M/o DoNER would undertake an intensive review to ensure that there is not overlap of the schemes and no duplication with the flagships programmes.

- xiv) Instructions would be issued to the State Governments to open separate accounts for NLCPR/NEC funds.
- xv) Teams of officers would be prepared for spot inspection of various projects.
- xvi) In the context of projects identified by MPs, the Ministry would issue necessary clarifications so that there are no misappropriations regarding enhancements in MPLAD funds (only for NE MPs).
- xvii) Directions issued in the meeting taken by the Principal Secretary to PM regarding preparation of DPRs, appraisal and competence for approvals may be implemented immediately.

Other issues

- xviii) There should be proper linkages and coordination between Planning Commission, Ministry of DoNER and NEC, Mo/ DoNER and NEC should undertake their primary duty of coordination more seriously.
- xix) The line Ministries, while approving the programmes for NER, should invariably consult M/o DoNER and NEC in a time bound manner. They should be guided by M/o DoNER to create schemes/projects that are in tune with the priorities. Appropriate advisories could go out from the Cabinet Secretariat for this purpose.

5. The Deputy Chairman, Planning Commission agreed to take into the broader, policy-oriented matters and separately submit his proposals to the PM. These would inter-alia include the issue of multiplicity of agencies and an appropriate institutional mechanism that would take care of the development needs of the region in a holistic manner, funding pattern for CSS including SSA, additional Plan support to DoNER and administration of the BADP & HADP. He would also examine the feasibility of an infrastructure development fund/dedicated professional agency for crucial infrastructure projects.

6. The question of transfer of EAP proceeds was discussed in detail. As it was felt that the revised mechanism could pose additional burden on the States it was agreed that the Principal Secretary to PM would formulate a view in consultation with the Finance Ministry, M/o DoNER and the Planning Commission, and seek final orders from the PM.