

NEC-11/2/2023-UNDER SECRETARY (A)
Government of India
Ministry of Development of North Eastern Region

New Delhi – 110011
Dated: 16.08.2024

Office Memorandum

Subject: Revision of Guidelines for administration of the Schemes of North Eastern Council (NEC) circulated vide letter of even number dated 21.08.2023 – Partial modification – regarding.

The undersigned is directed to refer to the guidelines for administration of the Schemes of North Eastern Council (NEC) dated 21.08.2023 and to convey the partial modification made in the guidelines with the following amendments for administration of the **Schemes of North Eastern Council (NEC)** of the Ministry of Development of North Eastern Region:

A. Existing para 7.4.1

7.4.1 Minimum Project Size:

	Central Agency Component (CAC)	State Normative Component (SNC)	Focused Development Component (FDC)
Minimum/Average Project Size	Rs.10 crore	Rs.10 crore	NA
	Aggregate of projects costing less than Rs. 5 crore shall not exceed 40% of the Annual Outlay for new sanctions under both CAC and SNC components		NA

Under the Central Agency Component and State Normative Component, the average project size/cost shall be generally more than Rs.10 crore. However, under the Focused Development Component, the size of the project may not be a binding condition because of its nature. Further, under the CAC and SNC components, the aggregate of projects costing less than Rs.5 crore shall not exceed 40% of the cumulative annual outlay for State Normative Component and Central Agency Component. Only in exceptional cases, and for reasons to be recorded in writing, the EIMC may recommend smaller size of projects, especially in livelihood sectors, giving due justification for the same.

Amended Para 7.4.1

7.4.1 Minimum Project Size:

	Central Agency Component (CAC)	State Normative Component (SNC)	Focused Development Component (FDC)
Minimum Project Size	Rs.15crore	No minimum size	No minimum size

Under the Focused Development Component, the size of the project may not be a binding condition because of its nature. Further, under SNC component, the aggregate of projects costing less than Rs.5 crore shall not exceed 40% of the cumulative annual outlay for State Normative Component. Only in exceptional cases and for reasons to be recorded in writing, the Competent Authority may approve smaller size projects.

B. 2nd Note on page 9 of the Existing Guideline of Schemes of NEC

Note: 30% of the annual outlay for new sanction under the Scheme will be earmarked for FDC component. There will be no state-wise normative allocation under the FDC component. Under this component, State/Central Agencies/NEC may pose projects to NEC.

Note: In all the above 3 components, expenditure may also be incurred for undertaking promotional activities for NER. However, the expenditure on such promotional activities must not exceed 5% of the total allocation. Furthermore, the guidelines to be followed for sanction of such activities are mentioned at **Annexure-V**.

Amended 2nd Note on page 9 of the Guideline of Schemes of NEC

Note-I: 30% of the annual outlay for new sanction under the Scheme will be earmarked for FDC component. There will be no state-wise normative allocation under the FDC component. Under this component, State/Central Agencies/NEC may pose projects to NEC.

Note-II: In all the above 3 components, expenditure may also be incurred for undertaking promotional activities for NER. However, the expenditure on such promotional activities must not exceed 10% of the total allocation. There will be no minimum size for projects undertaking promotional activities. Furthermore, the guidelines to be followed for sanction of such activities are mentioned at **Annexure-V**.

C. Following priority sectors have been added in Annexure-I of the guidelines in addition to the existing 8 points:

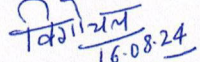
- (ix) Projects related to Irrigation, flood control and water shed management
- (x) Projects related to Information, public relation and culture

D. Following addition has been made in Annexure-IV at point (g):

(g) *Projects for upliftment of social and educationally backward communities in the sector of livelihood, health, education and infrastructure.*

2. In the light of the above, the State Governments of NE Region will be at liberty to continue with the project proposals which have already been recommended by the SEC/EIMC for selection (in principle approval) or sanction (DPR approval) under Schemes of NEC, but the AFS has not been issued. These project proposals can still be considered for sanction or issuance of AFS (as the case may be) under Schemes of NEC. The projects, for which AFS has already been issued, shall not be affected.

3. This issues with the approval of the Competent Authority.


16-08-24
(Vijay Kumar Goel)
Director

To,

Chief Secretaries, All the North Eastern States

Copy to:

- i. CEO, NITI Aayog
- ii. Home Secretary, North Block, New Delhi.
- iii. Foreign Secretary, South Block, New Delhi.
- iv. Secretary, DPIIT, Vanijya Bhawan, New Delhi.
- v. Secretary, NEC, Shillong, Meghalaya.
- vi. Additional Secretary & Financial Advisor, MDoNER, Udyog Bhawan, New Delhi.
- vii. Financial Advisor, NEC, Shillong, Meghalaya.
- viii. Planning Advisor, NEC, Shillong, Meghalaya.

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7. Sr. Director, NIC for uploading on the website of the Ministry.