

CHAPTER 11

SPECIAL AREA PROGRAMMES AND NORTH EASTERN REGION

Special Area Programmes

Special Area Programmes have been formulated to deal with special problems faced by certain areas arising out of their distinct geo-physical structure and concomitant socio-economic development.

(i) Hill Areas Development Programme (HADP)

2. HADP has been in operation since the inception of the Fifth Five Year Plan and is being implemented for the integrated development of designated hill areas. The main objective of this programme is to ensure ecologically sustainable socio-economic development of hill areas, keeping in view the basic needs of the people of hill areas.

3. The Designated Hill Areas covered under HADP were identified in 1965 by a Committee of the National Development Council (NDC). These included twelve districts of Uttar Pradesh. However, consequent on the formation of Uttaranchal as a separate State, HADP is no longer in operation in the hill districts of erstwhile Uttar Pradesh. Presently, the designated Hill Areas covered under HADP include :

- (a) Two hill districts of Assam-North Cachar and Karbi Anglong.
- (b) Major part of Darjeeling district of West Bengal.
- (c) Nilgiris district of Tamil Nadu.

4. Last year, a Working Group was constituted on Hill Areas Development Programme / Western Ghats Development Programme for the Tenth Five Year Plan to look into various aspects of the programme. The Working Group in its final report has recommended the continuation of the Programme during the Tenth Five Year Plan. The main objectives of the Programme will continue to be eco-preservation and eco-restoration. However, the needs of the people particularly their economic needs have to be met, if the eco-system has to be preserved. Therefore, ecology and economy of the area have to be developed.

5. The Special Central Assistance (SCA) provided for HADP is additive to normal State Plan funds and supplements the efforts of the State Governments towards accelerating the development of hill areas. This SCA is not meant to be utilized for normal State Plan activities. The schemes under the HADP are to be properly dovetailed and integrated with the State Plan schemes. The schemes undertaken under both these Programmes also need to be conceived and designed to achieve the specific objectives of this programme and should not be merely conventional State Plan schemes.

6. The Special Central Assistance available for HADP is now divided amongst the designated hill areas under HADP and the designated talukas of Western Ghats

Development Programme in the ratio of 60:40. The SCA is distributed amongst the designated hill areas on the basis of area and population, giving equal weightage to both the factors.

7. The State Governments are required to prepare a separate sub-plan for the Hill Areas indicating the flow of funds from the State Plan and Special Central Assistance.

Review of Annual Plan 2000-2001 and 2001-2002

8. During 2000-2001, Rs.336 crore was allocated and released, in full, to the State Governments who have reported full utilization of the Special Central Assistance. A review of the programme showed that a large proportion of the expenditure was incurred on salaries in the hill districts of Assam (50 to 60 percent of the Special Central Assistance). The State Government has been asked to work out a system by which funding of salaries is phased out slowly and schemes for environmental preservation and restorations are introduced. The State Government of Assam has been asked to set a target to cut down the salary component to 20 – 25 percent by 2003-04 and increase schemes for maintaining the ecology by a similar proportion.

9. Special Central Assistance available for HADP during 2001-02 came down to Rs.95.54 crore, as Uttar Pradesh has been excluded from HADP from this year consequent on the formation of Uttaranchal as a separate state. The entire amount of Rs.95.54 crore was also released in full. The schemes under the Programme have been taken up under almost all the major sectors.

10. The allocation of Special Central Assistance for 2002-2003 under HADP is also Rs.95.54 crore. The details of the allocation of Special Central Assistance for 2001-2002 and 2002-2003 for the designated Hill areas in the States under HADP are indicated in Table 11.1.

Table 11.1

Hill Areas Development Programme: Allocation of SCA for 2001-2002 & 2002-2003

(Rs. crore)

Designated Hill Areas in the States under HADP	2001-2002	2002-2003
Assam	51.11	51.11
Tamil Nadu	22.10	22.10
West Bengal	22.33	22.33
Total	95.54	95.54

11. During Annual Plan 2001-2002, a comparative evaluation study of the efficacy of Hill Areas Development Programme in the States of Assam and West Bengal was conducted. A seminar was held to disseminate the findings and take corrective actions. The State Governments of Assam and West Bengal have been asked to initiate actions on the recommendations/suggestions given in the report.

12. From the year 2002-03 onwards, the State Governments are allowed to utilize upto a maximum of 15 percent of Special Central Assistance allocated to them under HADP, for

maintenance of assets created in the past under the programme which was hitherto allowed under WGDP.

13. It is also proposed to extend the training programmes on integrated watershed development for the Senior Level and Middle Level Officers who are directly involved in the implementation of Hill Areas Development Programme during the year 2002-03, which was so far conducted for the Officers of the State Governments which are implementing Western Ghats Development Programme..

(ii) Western Ghats Development Programme (WGDP)

14. The Western Ghats Hill Ranges run to a length of about 1600 Kms., more or less parallel to the west coast of Maharashtra starting from the mouth of river Tapti in Dhule District of Maharashtra and ending at Kanyakumari, the southern-most tip of peninsular India in Tamil Nadu. The region covers an area of 1.60 lakh sq. kms. supporting a population of 442 lakh (1991 Census).

15. The main problems of the Western Ghats region are the pressure of increasing population on land and vegetation. These factors have contributed to ecological and environmental problems in the region. The fragile eco-system of the hills has come under severe pressure because of submersion of large areas under river valley projects, damage to area due to mining, denudation of forests, clear felling of natural forests for raising commercial plantations, soil erosion leading to silting of reservoirs and reduction in their life span and the adverse effects of floods and landslides, encroachment of forest land and poaching of wild life etc.

16. A separate Western Ghats Development Programme (WGDP) was launched in 1974-75 as a part of the programme for the development of hill areas of the country. For delineation of the areas for coverage by the WGDP, the criteria of elevation (600 meters above MSL) and contiguity with taluka (a territorial administrative unit) was adopted. The Programme is being implemented in 159 talukas comprising of Western Ghats in five States viz. Maharashtra (62 talukas), Karnataka (40 talukas), Kerala (29 talukas), Tamil Nadu (25 talukas) and Goa (3 talukas).

17. Since the Sixth Five Year Plan up to 2000-2001, the allocable Special Central Assistance (SCA) for the Hill Areas Development Programme (HADP) was being distributed between WGDP and HADP in proportion of 13.39 per cent and 86.61 per cent respectively. Presently, this is being distributed in proportion of 60 per cent and 40 per cent. The SCA allocated to the States is released in the form of 90 per cent grant and 10 per cent loan. The financing pattern of Special Central Assistance (SCA) earmarked to WGDP is allocated amongst the States on the basis of 75 per cent weightage to area and 25 per cent weightage to population (except Goa in which case, ad-hoc allocation of 5 per cent of the total SCA is made because Goa's share when worked out adopting same criteria of weightage of area and population comes out to be minimal).

18. During the Tenth Five Year Plan, the main objectives of this programme will continue to be eco-preservation and eco-restoration. So far a large proportion of the funds under WGDP are spent on watershed basis. However, the development of people of these hilly areas in consonance with the fragility of their habitat, demands an approach which is more than just watershed development. Therefore it is felt that more attention needs to be paid

to economic activities which are sustainable, use of technologies which will help lighten the burden of the people both in economic and household situations and ensuring means of livelihood for the inhabitants with as little disturbance to the ecology. Thus, the approach during the Tenth Five Year Plan would be watershed plus approach – an approach which gives as much emphasis to ecology as to economic development. Although most of the WGDP areas are concentrating on watershed development, adequate importance has to be given to ecological considerations, maintenance of bio-diversity as well as schemes which would help the economy of the region.

19. Watershed-based development should continue to be the basic thrust area of the Programme as the watershed as an areal unit increases efficiency. Participatory Approach is being given more importance as this would result in efficiency, transparency and accountability. Under the programme, innovative schemes for technologies suited to hill areas are encouraged.

20. The State Governments, have been allowed to utilize upto a maximum of 15 per cent of Special Central Assistance allocated to them under WGDP, for maintenance of assets created in the past under the Programme.

21. In order to assess the impact of the programme, an Evaluation study of Western Ghats Development Programme of Goa has been entrusted to the Central Soil and Water Conservation Research and Training Institute, Ootacamund. Similarly, it is proposed to conduct an evaluation study of Western Ghats Development Programme in Kerala.

22. Under the programmes, the Senior Level and Middle Level Officers of the State Governments, which are implementing WGDP, are given training for integrated watershed development. For the current year also, it is proposed to conduct two such training programmes one for the Senior Level Officers and the other for the Middle Level Officers.

23. Approved/revised outlay and expenditure for 2000-2001, approved/revised outlay and anticipated expenditure for 2001-2002 and approved outlay for 2002-2003 is given in Table 11.2.

Table 11.2

Western Ghats Development Programme: Allocations/Expenditure

(Rs. Crore)

Name of the State	2000-2001			2001-2002			2002-2003
	Approved Outlay	Revised Outlay	Actual Expdr.	Approved Outlay	Revised Outlay	Antici. Expdr.	Approved Outlay
Maharashtra	21.02	21.08	20.82	21.06	21.06	21.06	21.06
Karnataka	16.49	16.69	14.89	15.57	16.79	16.79	15.57
Kerala	13.20	13.23	12.86	13.13	13.68	13.67	13.13
Tamil Nadu	10.94	10.94	10.94	10.99	10.99	10.99	10.99
Goa	3.20	3.30	3.24	3.21	3.21	2.80	3.21
Survey & Study/WGS	0.30	0.30	0.16	0.50	0.50	0.19	0.50
Total	65.15	65.54	62.91	64.46	66.23	65.50	64.46

(iii) Border Area Development Programme (BADP)

24. This programme was started in the year 1986-87 for balanced development of border areas of the States bordering Pakistan, namely Jammu & Kashmir, Punjab, Gujarat and Rajasthan. During the Eighth Plan, the programme was revamped and its coverage was extended to the States on the eastern border with Bangladesh. In the Ninth Plan period, the programme has been extended to all the land borders in response to the demands of the State Governments and the Ministry of Home Affairs. Thus, in 1997-98, BADP was extended to States bordering Myanmar. In 1998-99 the States bordering China were included under the Programme and from 1999-2000, the Programme was further extended to include the States bordering Nepal and Bhutan also. The main objective of BADP is to meet the special needs of the people living in remote and inaccessible areas situated near the border.

25. This is a 100 per cent Centrally funded programme and Special Central Assistance (SCA) is provided for execution of approved schemes. The block is the basic unit for the programme. The schemes to be taken up under the programme are prepared by the concerned departments in the State and submitted to the nodal department for approval by the State level Screening Committee. The Empowered Committee at the Central level deals with the policy matters relating to the scope of the programme, prescription of the geographical limits of the areas in the States and allocation of funds to the States.

26. The schemes being selected by the State Governments under the Programme are generally from sectors such as education, health, roads and bridges, water supply, etc. Particular emphasis is being given to improvement and strengthening of social and physical infrastructure. For this, the felt needs of the people are the prime criteria. Some of the State Governments are undertaking construction of Play grounds, Community halls, etc. so that the people, particularly, unemployed youth can spend their leisure time in constructive and creative activities.

27. A system of monitoring the schemes under BADP in physical and financial terms has been introduced since 1994-95 and the concerned State Government submit reports indicating the scheme-wise achievements in financial and physical terms to Planning Commission.

Review of Annual Plan 2000-01 & 2001-02

28. During 2000-01 an amount of Rs.210 crore was allocated and released to the State Governments under Border Area Development Programme (BADP). The second instalment of SCA could not be released to the Governments of Assam, Arunachal Pradesh and Bihar during 2000-01 due to large unspent balance pending with the State Governments. The unspent balance was made available to the better performing States namely; Jammu and Kashmir, Mizoram, Punjab and Himachal Pradesh as shown in Table-11.3.

29. The allocation for the programme for 2001-2002 was Rs.240 crore out of which, an amount of Rs.194.17 crore was released. The SCA under BADP is distributed amongst the beneficiary States on the basis of the three parameters viz. area, population of the bordering blocks and length of the international border. However, the States bordering Myanmar, China, Bhutan and Nepal have been allocated tentative amount as full

information regarding the parameters was awaited from some of these States in 2001-02. Subsequently the increase in the allocation for the programme has not been sufficient to allow the application of the formula as using the formula would decrease the existing level of SCA to some of the States.

30. The allocations/releases to the beneficiary States in 2000-2001, 2001-2002 and the allocation for 2002-03 are given in the Table 11.3.

Table 11.3
Border Area Development Programme : Allocations and Releases

(Rs. Crore)

Name of the State	2000-2001		2001-2002		2002-03
	Allocation	Releases	Allocation	Releases	Allocation
Assam	7.48	3.74	7.48	7.48	7.48
Gujarat	10.26	10.26	10.26	0.00	10.26
Jammu & Kashmir	34.85	39.65	34.85	34.85	34.85
Meghalaya	4.70	4.70	4.70	5.36#	4.70
Mizoram	8.32	12.32	8.32	16.08*	8.32
Punjab	10.08	14.08	10.08	10.08	10.08
Rajasthan	30.32	30.32	30.32	30.32	30.32
IGNP	-	-	—	-	—
Tripura	12.96	12.96	12.96	12.96	12.96
West Bengal	39.56	37.99	39.56	19.78	39.56
Arunachal Pradesh	13.51	6.75	13.51	13.51	13.51
Nagaland	4.16	4.16	4.16	4.16	4.16
Manipur	4.16	4.16	4.16	4.16	4.16
Himachal Pradesh	4.16	8.16	4.16	19.31\$	4.16
Sikkim	5.72	4.63	5.72	5.72	5.72
Uttar Pradesh	8.32	8.32	8.32	8.32	8.32
Bihar	7.28	3.64	7.28	0.00	7.28
Uttaranchal	4.16	4.16	4.16	2.08	4.16
TOTAL	210.00	210.00	210.00~	194.17	210.00**

~ Total Allocation for 2001-2002 is Rs.240 crore.

Includes one time additionality of Rs.0.66 crore.

* Includes one time additionality of Rs.7.76 crore.

\$ Includes one time additionality of Rs.15.15 crore.

** Total allocation for 2002-2003 is Rs.260 crore.

(iv) North Eastern Council (NEC)

31. North Eastern Council (NEC) was set up in August 1972, with its secretariat at Shillong, for regional planning and development of the North Eastern Region. Under the NEC Act, the Council is envisaged as an advisory body empowered to discuss and recommend matters of common interest to the Union and the NE States. The Act provides that for securing balanced development, the NEC may formulate, for the Member States, a regional plan in regard to matters of common importance to more than one State of the Region, indicate priorities of the projects/schemes included in the plan and their location. The projects financed by the NEC are implemented either by the State agencies or by the Central public sector undertakings/organizations.

Outlay and Expenditure

32. The approved outlay for the Ninth Five Year Plan (1997-2002) was Rs.2450 crores against which an amount of Rs.2114 crores was budgeted during the five years of the Ninth Five Year Plan period. The utilization of the budgeted outlay was over 90% during the 9th Plan period as may be seen from the Table 11.4 :

Table 11.4
Year wise details of the Budget Estimates, Revised Estimate and Expenditure of NEC during Ninth Plan

(Rs. Crores)

Year	Budget Estimate	Revised Estimate	Expenditure	Utilization over BE
1997-98	324.00	324.00	319.16	98.50
1998-99	440.00@	370.00	368.55	83.76
1999-2000	450.00	425.00	413.53	91.89
2000-01	450.00&	410.90	409.48	90.99
2001-02	450.00	450.00	414.82#	92.18
Total	2114.00	1979.90	1925.54	91.08

@ Outlay Approved by Planning Commission was Rs.471 crores

& Outlay Approved by Planning Commission was Rs.415 crores

Anticipated Expenditure for 2001-02

33. The main emphasis of the Council has been on the development of infrastructure in the NE Region, especially on projects with Inter-State ramifications. Keeping in view the vast potential for the development hydroelectric power in the Region, the Council has been making special efforts to harness hydroelectric and gas-based power. The Council has been concentrating on enlarging transport and communications infrastructure and setting up technical institutions in the Region. During Ninth Five Year Plan the North Eastern Council completed Doyang Hydro Electric Project (3x25 MW), Nagaland and Ranganadi Hydro Electric Project (3x105 MW). The Council made good performance for improvement/

upgradation of Airports and construction of roads in the North Eastern Region. It has completed the first phase of the Regional Institute of Medical Sciences (RIMS), Imphal with addition of new facilities. The Lok Priya Gopinath Bordoloi Regional Institute of Mental Health has started functioning and re-organization has been initiated. Satellite Application Centre for the North East has been set up to encourage activity in the field of remote sensing.

Tenth Five Year Plan

34. With a view to improve the impact of investments the Council has assigned priority during the Tenth Five Year Plan to taking up fewer major projects instead of initiating a large number of small projects, effective monitoring of the projects to avoid time and cost overruns, consolidation of projects already taken up, involvement of local communities with due consideration to the local tradition and customs, steps to attract outside investment in various sectors like Industry, Tourism and Information Technology in the region. Planning Commission has recommended that the North Eastern Council should accord highest priority to the completion of the incomplete and spillover works from the earlier Plan period and the selected schemes/projects should reflect the regional perspective having common interest to the North Eastern Region.

35. Planning Commission has approved an outlay of Rs.3500 crores for the Tenth Five Year Plan of the Council which represents a step-up of around 42% over the agreed outlay of Rs.2450 crores for the Ninth Five Year Plan. For the Annual Plan 2002-03 an outlay of Rs.450 crores has been budgeted for the North Eastern Council.

(v) Special Area Programme for KBK Districts

36. The KBK region comprises of the original Kalahandi, Bolangir and Koraput districts situated in the southern and western part of Orissa. These three districts have been reorganized since 1992-93 into eight districts, namely Kalahandi, Nuapada, Bolangir, Sonepur, Koraput, Nabarangpur, Malkangiri and Rayagada comprising of 80 blocks, 1171 Gram Panchayats and 12,104 villages. This area has become the center of attention owing to the high levels of poverty and consequent adverse effects on the quality of the life of the people of the region.

37. The State Government had drawn up a Revised LTAP (1998-99 to 2006-07) with a total outlay of Rs.6061.83 crore consisting of a Central Plan and Centrally Sponsored Schemes in various sectors, namely agriculture, horticulture, watershed developed, afforestation, irrigation, health, drinking water, emergency feeding, welfare of SCs/STs and rural connectivity. In order to fill critical gaps, Additional Central Assistance of Rs.243.95 crore was allocated by Planning Commission from 1998-99 to 2001-02 to the KBK districts. However, apart from this additionality, most of the other fund flow to these districts comprised of only normal flows under various Centrally Sponsored Schemes.

38. Hence, it was decided that a more concerted effort was required if the living conditions of the people of these districts have to be ameliorated. In order to adopt a more holistic approach to the development of the KBK districts and to tackle the basic problems of drought proofing and essential support to disadvantaged groups and economically weaker sections, the State Government were requested to prepare a projectised plan for

critical sectors. The State Government have prepared an Annual Action Plan for 2002-03 comprised of Rs. 200.00 crore as Special Central Assistance and Rs.164.69 crore as Central Loan Assistance under the Accelerated Irrigation Benefits Programme with emphasis on the following sectors: (i) Drought Proofing (Soil and Water Conservation, Afforestation, Irrigation and Drinking Water) (ii) Livelihood support (Agriculture, Horticulture, Animal Husbandry, Fisheries, Agri-Business, Agri-Market, Handloom and Sericulture); (iii) Support for Disadvantaged Groups (Special Nutrition Programme, Emergency Feeding, Tribal Development and Women's Self-Help Groups); (iv) Health; (v) Rural Connectivity; and (vi) Administrative Support.

39. Special Central Assistance to the Special Plan for the KBK Districts will be provided subject to satisfactory physical and financial progress of schemes. The main aim is to use a project based approach and local participation along with transparent and responsive administration to ensure that field level results are visible in a time-bound manner.