

F.No. 2/10/2004-INF
Government of India
Ministry of Finance
Department of Economic Affairs
Infrastructure-II Section

New Delhi, the 18th August, 2005

Notification

Subject: Setting up an Empowered Committee and Empowered Institutions.

Cabinet Committee on Economic Affairs in its meeting of 25th July, 2005 approved the **Scheme for support to Public Private Partnerships in Infrastructure**. In pursuance of the decision of the Cabinet, it has been decided to constitute an Empowered Committee and Empowered Institution for approving financial assistance to such projects which satisfies all the eligibility criteria indicated in the Scheme.

2. The composition of Empowered Committee will be as follows:

- (i) Secretary (Economic Affairs)
- (ii) Secretary (Planning Commission)
- (iii) Secretary (Expenditure)
- (iv) Secretary of the line Ministry dealing with the subject

3. The Empowered Committee will:

- (a) Sanction Viability Gap Funding up to Rs. 200 crore (Rs. Two hundred crore) for each project subject to the budgetary ceilings indicated by the Finance Ministry. Amounts exceeding Rs. 200 crore may be sanctioned by the Empowered Committee with the approval of Finance Minister;
- (b) Determine the appropriate formula that balances needs across sectors in a manner that broad bases the sectoral coverage and avoids pre-empting of funds by a few large projects;
- (c) Determine the inter-se allocation between any on-going Plan Scheme providing viability gap funding and this Scheme; and,
- (d) Provide clarifications or instructions relating to eligibility of a project for such support as and when requested by Empowered Institution.

4. The Composition of the Empowered Institution is as follows:

- (i) Additional Secretary (Economic Affairs)
- (ii) Additional Secretary (Expenditure)
- (iii) Representative of Planning Commission not below the rank of Joint Secretary
- (iv) Joint Secretary in the line Ministry dealing with the subject
- (v) Joint Secretary (FT), DEA -- Member Secretary

5. The Empowered Institution will sanction projects for Viability Gap Funding upto Rs. 100 crore (Rs. One hundred crore) for each eligible project subject to the budgetary ceiling indicated by the Finance Ministry. Empowered Institution will also consider other proposals and place them before the Empowered Committee.

6. Eligible Sector: The sectors eligible for Viability Gap Funding under this Scheme are:

- (i) Roads and bridges, railways, seaports, airports, inland waterways;
- (ii) Power;
- (iii) Urban transport, water supply, sewerage, solid waste management and other physical infrastructure in urban areas;
- (iv) Infrastructure projects in Special Economic Zones; and
- (v) International convention centres and other tourism infrastructure projects;

Provided that the Empowered Committee may, with approval of the Finance Minister, add or delete sectors/sub-sectors from the aforesaid list.

Sd/-

(Pradip K. Deb)
Joint Secretary (FT)

Copy to: All Members of the Empowered Committee

Copy also for information to:

- 1) Cabinet Secretary
- 2) Secretary, Planning Commission
- 3) Secretary, Ministry of Road Transport & Highways
- 4) Secretary, Department of Shipping
- 5) Secretary, Ministry of Power
- 6) Secretary, Civil Aviation

- 7) Secretary, Tourism
- 8) Secretary, Ministry of Urban Development
- 9) Chairman & Ex-officio Principal Secretary (Railway Board)

(Pradip K. Deb)
Joint Secretary (FT)