

**GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
FINANCE (REVENUE-II) DEPARTMENT
4TH LEVEL, 'A WING' DELHI SECRETARIAT
I.P. ESTATE, NEW DELHI 110002**

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Dated: 30/5/2018.

CIRCULAR

Please find enclosed herewith OM No. 3/6/2017-BPC&T dated: 05.04.2018 received from Deptt. of Economic Affairs (Bilateral Cooperation Division), Ministry of Finance, Govt. of India for information and necessary action as applicable:-

S. No.	Letter No. & Date	Received from	Subject
1	OM No. 3/6/2017-BPC&T dated: 05.04.2018	Deptt. of Economic Affairs (Bilateral Cooperation Division), Ministry of Finance, Govt. of India	Project Approval, Fund flow mechanism and administration of: (i) Stand Alone Externally Aided Projects (EAPs) of UTs (ii) Projects/ Schemes here UTs avail EAP assistance as part of a Multi-State Programme /Central Sector Scheme


(MANOJ KUMAR)
DY. SECY-V (FINANCE)

1. All Pr All Pr. Secretaries / Secretaries / Heads of Departments of GNCTD / Autonomous Bodies under Govt. of NCT of Delhi.
2. Assistant Programmer with the request to upload the same on Website of Finance Department and all the HODs of the departments are requested to download the same from website of Finance Department (**No hardcopy of enclosure will be dispatched to any organisation/department**).

F.No.3/6/2017-BPC&T

Ministry of Finance

Department of Economic Affairs
(Bilateral Cooperation Division)

OFFICE OF THE PRINCIPAL SECRETARY
GOVT. OF INDIA
27 APR 2018
BY No. OFFICE MEMORANDUM

Delhi Sachivalaya
R&I Br.
Govt. of NCT of Delhi
North Block, New Delhi 110012
Dated the 5th April, 2018
Dy. No. CAD/10/19380

**Subject: Project Approval, Fund flow mechanism and administration of
(i) Standalone Externally Aided Projects (EAPs) of UTs and
(ii) Projects/ Schemes where UTs avail EAP assistance as
part of a Multi-State Programme/Central Sector Scheme.**

In continuation of this Department's O.M. No.3/3/2004-PMU dated 09.05.2005, and in supersession of the O.M. No. 3/6/2017-PMU dated 27.7.17, the following guidelines, in context of the **standalone EAPs of UTs**, are issued:

A. UTs with Legislature (Delhi and Puducherry)

- (1) The procedure for project approval, funds flow and administration in UTs with Legislature will be similar to the procedure followed in respect of EAPs of State Governments.
- (2) Concerned UT Government will forward its proposal, duly approved at its competent level¹, to the concerned Line Ministry/Department of the Central Government. A copy of the same shall be endorsed to the Department of Economic Affairs (DEA), while keeping the Ministry of Home Affairs (MHA) informed. To illustrate, in respect of a Power project, Ministry of Power will be the Line Ministry to which concerned UT will send its project for undertaking technical appraisal and recommending the same for consideration/posing to DEA.
- (3) The Line Ministry/Department will, after undertaking necessary technical appraisal, forward its appraisal report to DEA for further necessary action. A copy of the report shall also be endorsed to MHA for information.
- (4) Concerned Multilateral / Bilateral Division in DEA will process the project as per standard procedure. e.g. Screening Committee of the Multilateral Investment Division will examine/ assess the project proposal and take necessary decision to pose it to the concerned Multilateral Institution.

Once the Project is finally approved by the concerned Multilateral/ Bilateral Institution, DEA will enter into formal agreement and set up process to disburse the funds through CAAA.

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Pr. Secretary (Finance)
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its Cabinet, if required.

- (7) UTs without Legislature do not have a separate Consolidated Fund. Their revenues flow into the Consolidated Fund of India (CFI), and their expenditures are also met out of the CFI, through the functional Major Heads. Therefore, the funds raised on account of EAPs of UTs without Legislature will flow through Union Government Accounts and will be counted in the Central Government debt.
- (8) The execution/ implementation of such projects shall be monitored by the concerned Line Ministry. However, MHA will be responsible for overall coordination and administrative supervision of such proposals.

2. The procedure for appraisal and approval of **EAP projects of UTs for Multi-State/as part of Central Sector Schemes**, implemented in UTs with/ without legislature, is as under:

- (i) Concerned UTs with legislature will propose their requirements directly to the concerned Line Ministries, keeping MHA informed. UTs without legislature will propose their requirements to the Line Ministry through MHA.
- (ii) Concerned Line Ministry will prepare, pose and get approval for such Multi-State/ Central Sector project, with UT's component following the existing process.
- (iii) Budget provisions in context of such schemes will be provided in the Demands for Grants of Line Ministry/ Department under the functional Major Heads in respect of UTs without legislature and under the Major Head '3602-Grants-in-aid for UT Governments with legislature' in respect of UTs with Legislature.


(S. SELVAKUMAR)

Joint Secretary to the Government of India
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1. The Secretaries of all Ministries / Departments of Govt. of India
2. All Chief Secretaries/ Administrators and Finance Secretaries of UTs
3. The Financial Advisors of all Ministries/ Departments of Govt. of India
4. Shri P. K. Srivastava, AS (UT), MHA
5. Joint Secretaries MI/ Budget Divisions of DEA.
6. JS (PF - States), Department of Expenditure.
7. CAAA, DEA.