

**Concluding Remarks by the Prime Minister at the 56<sup>th</sup> Meeting of the National Development Council (NDC) at Vigyan Bhavan, New Delhi on 22<sup>nd</sup> October, 2011**

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Following is the text of the concluding remarks made by the Prime Minister Dr. Manmohan Singh at the National Development Council Meeting here today.

“We have come to the end of discussions, let me say that we have had a fruitful discussion. Many Chief Ministers have expressed their views on the various issues covered in the Approach Paper. There are different views on some issues, but there is a broad agreement that the objectives laid out in the Approach Paper and the challenges identified there in should be the basis of finalizing the Twelfth Five Year Plan.

In the course of our deliberations today two issues appear to be common to most of the States’ representatives. The first of these is regarding the operation of the Centrally Sponsored Schemes. Many Chief Ministers have said that these schemes are frequently not flexible enough to accommodate the specific issues facing each State. I am very sympathetic to this concern. These issues have been examined by the B.K. Chaturvedi Committee. The recommendations of the Chaturvedi Committee Report will take care of many of the problems and we will deliberate on the Committee’s recommendations and incorporate the outcome of our deliberations in the Twelfth Five Year Plan.

The second issue relates to the fiscal burden that is being faced by the State Governments due to the range of National Flagship Programmes and insufficient consultation with the State Governments on the issue of fiscal sustainability of these initiatives. Shri Nitish Kumarji is here, he raised some of these issues. As you are all aware, in the past decade the Central Government has taken several major steps to improve the fiscal position of the States, which seem to have succeeded to a substantial extent but I do recognize that there is such a thing as resource constraint which cannot be however wished away. Today, most States of the Union are in a relatively strong position, and indeed, perhaps a stronger fiscal position than the Centre itself. The projections made in the Approach Paper suggest that by the end of the Twelfth Plan period, the States would have larger share of Plan funds than the Centre, if the CSS allocation to the States are included. The States should, therefore, be able to launch interventions that address their own specific problems, provided they make reasonable efforts to raise their own resources. As regards the specific problems raised by various Chief Ministers, we will try to accommodate them as we formulate the Twelfth Five Year Plan.

Besides these two general points, many interesting points have been raised by the States, particularly regarding the specific problems faced by them. As I said, we will certainly take these into account in finalizing the Twelfth Plan Document.

Some States have raised concern that there should be no discriminatory treatment against any State. I could not agree more. I wish to assure you that the Centre is determined to treat all states of the Union fairly or transparently. If there is a perception of discrimination it is a perception and not based on reality. It is true that we tend to provide more support to the poorer States, but that does not mean we are discriminating against the more advanced States.

Ladies and gentlemen, I am not responding to all the points raised by different Hon’ble Chief Ministers. We have taken note of these suggestions and I wish to assure you that all reasonable suggestions will be given full consideration while formulating the draft of the Twelfth Five Year Plan. I believe we can conclude this meeting by agreeing that it is the consensus of this august gathering, that the Planning Commission should proceed with

finalizing the Twelfth Plan on the broad outlines indicated in the Approach Paper, with of course modifications emanating from today's discussions where these are warranted.

With these words I thank each one of you for having taken the trouble of sitting throughout these lengthy discussions. As I said, it has been a fruitful discussion and I sincerely hope that out of today's discussion we will have a draft of the Twelfth Five Year Plan, which is truly a document with which we can all identify and we can take some pride for having contributed to the outcome.

I Thank You.”

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