

PPP projects to benefit from new funding rules

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The budgetary ceiling for annuity payments directed towards public-private partnerships (PPPs) has received approval by the Cabinet Committee on Economic Affairs (CCEA). Earlier, the recommendations in this direction, were made by the inter-ministerial task force under the chairmanship of member (Mr BK Chaturvedi), Planning Commission on budgetary ceilings for annuity commitments under PPP projects across sectors.

According to the statement issued by CCEA, the guidelines would be communicated to ministries for adoption within two weeks. The recommendation of the committee would ensure that the future budgetary options do not get restricted due to annuity payments for PPP projects. Therefore, the fixed amount for the projects will ensure the hassle free continuation despite the depletion of funds due to the budgetary restrictions caused by various factors.

These guidelines will streamline the process of structuring and sanction of projects under annuity mode of PPP. Currently, there are a number of schemes benefiting bioscience sector that have been implemented by the agencies under various ministries. The department of science and technology (DST), and department of biotechnology (DBT) under ministry of science and technology; Indian Council for Medical Research (ICMR) under ministry of health; Indian Council for Agricultural Research (ICAR) under agriculture ministry, have been nurturing the verticals such as biotechnology, nanotechnology, health and agriculture.