

National Clean Energy & Environment Fund (NCEEF)

Through Finance Bill 2010-11 a corpus called **National Clean Energy Fund (NCEF)** was created out of cess on coal produced / imported (“polluter pays” principle) for the purposes of financing and promoting clean energy initiatives, funding research in the area of clean energy or for any other purpose relating thereto. Subsequently, the scope of the fund has been expanded to include clean environment initiatives also. An Inter-Ministerial Group (IMG) chaired by Finance Secretary approves the projects/schemes eligible for financing under the NCEF. These projects include innovative schemes like Green Energy Corridor for boosting up the transmission sector, Namami Gange, Green India Mission, Jawaharlal Nehru National Solar Mission (JNNSM)’s installation of solar photovoltaic (SPV) lights and small capacity lights, installation of SPV water pumping systems, SPV Power Plants, Grid Connected Rooftop SPV Power Plants, pilot project to assess wind power potential etc.

2. Till date IMG has recommended 55 projects have been recommended with total VGF of Rs. 34811.19 crore spread over years. For BE 2017-18, Rs.8703 crore have been provided for in the Budget for NCEF projects. The coal cess was collected at Rs. 50.00 per tonne of coal since June 22, 2010 which was extended in Budget 2014-15 to Rs. 100.00 per tonne of coal w.e.f. 11.07.2014. The same was increased to Rs. 200.00 per tonne w.e.f. 01.03.2015 in the 2015-16 Budget. Further, the coal cess has been increased to Rs. 400 per tonne in the Union budget 2016-17 and the same has been renamed as “Clean Environment Cess”. Accordingly, the name of NCEF has been changed to National Clean Energy and Environment Fund (NCEEF).

However, the Goods and Services Tax (Compensation to States) Act, 2017 which has been notified on 12.04.2017, provides that coal cess, along with some other cess on pan masala, tobacco, aerated water etc. would constitute GST Compensation Fund and the same would be utilized to compensate the States for five years to compensate them for potential losses on account of GST implementation. After five years any amount left would be shared on 50% basis between Centre and States.

Details of Fund Position in NCEEF

(Rs. in Crore)

Year	Coal Cess Collected	Amount transferred to NCEEF	Amounts financed from NCEEF for projects
2010-2011	1,066.46	0.00	0.00
2011-2012	2,579.55	1,066.46	220.75
2012-2013	3,053.19	1,500.00	246.43
2013-2014	3,471.98	1,650.00	1,218.78
2014-2015	5,393.46	4,700.00	2,087.99
2015-2016	12,675.60	5,123.09	5,234.80
2016-2017 (RE)	28,500.00	6,902.74	6,902.74
2017-2018 (BE)	29,700.00	8,703.00	-

Total	86,440.21	29,645.29	15,911.49
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Year wise Details of project Recommended in NCEEF

(Rs. in Crore)

Year	Projects recommended by IMG to be financed from NCEEF	No of Projects recommended by IMG
2010-2011	0.00	
2011-2012	566.50	9
2012-2013	2715.11	6
2013-2014	1060.22	11
2014-15	12000.17	19
2015-16	18469.47	10
Total	34811.19	55

Ministry wise NCEEF Fund allocation in different years

(Rupees in crores)

Years/ Ministry	MNRE	Ministry of Water Resources, River Development & Ganga Rejuvenation	Ministry of Drinking Water & Sanitation	Ministry of Environment & Forests	Ministry of Power	Ministry of Heavy Industries & Public Enterprises	Total
2010-11	0	0	0	0	0	0	0
2011-12	160.80	0	0	59.95	0	0	220.75
2012-13	125.78	0	110.65	10.00	0	0	246.43
2013-14	1,218.78	0	0	0	0	0	1,218.78
2014-15	1,977.35	0	110.64	0	0	0	2,087.99
2015-16	3,989.83	1,000.00		244.97	0	0	5,234.80
2016-17 (RE)	4,272.00	1,675.00	-	955.74	0	0	6,902.74
2017-18 BE	5,341.70	2,250.00		1,111.30			8,703
Total	17,086.24	4,925.00	221.290	2381.96	0	0	24,614.49

Budget of MNRE

(Rs in Crores)

FY	Budget grant without NCEF	NCEF grant in Budget	Total grant in Budget
2014-15	515.18	1977.35	2492.53
2015-16	226.02	3,989.83	4,215.85
2016-17 (RE)	88.13	4,272.00	4,360.13
2017-18(BE)	131.14	5,341.70	5,472.84

Ministry wise and Scheme-wise allocation of NCEEF funds for BE 2017-18

S. No.	Name of the Ministry/Scheme	Amount (Rs. in Cr.)
1	Ministry of Environment, Forest and Climate Change	
(i)	Climate Change Action Plan	40.00
(ii)	National Mission on Himalayan Studies	50.00
(iii)	National Adaptation Fund	110.00
(iv)	National Mission for Green India	157.30
(v)	Integrated Development of Wildlife Habitats	522.50
(vi)	Conservation of Natural resources and Ecosystems	91.00
(vii)	National River Conservation Programme	140.50
	Subtotal- Ministry of Environment, Forest and Climate Change	1,111.30
2	Ministry of New and Renewable Energy	
(i)	Grid Interactive Renewable Power	4034.50
(ii)	Off Grid /Distributed &Decentralized Renewable Power	918.20
(iii)	Research, Development and International co-operation	144.00
(iv)	Supporting Programmes	195.00
(v)	Other Central Sector Expenditure(PSUs)	50.00
	Subtotal- Ministry of New and Renewable Energy	5,341.70
3	Ministry of Water Resources, River Development and Ganga Rejuvenation	
(i)	Namame Gange: National Ganga Plan	2250.00
	Subtotal- Ministry of Water Resources, River Development and Ganga Rejuvenation	2250.00
	Total (1+2+3)	8,703.00

Annexure II

Following is a statement of the projects, recommended for funding by the Inter Ministerial Group (IMG), constituted to recommend the funding under NCEEF (This is upto the last IMG Meeting, i.e. the 12th IMG which took place on 30.04.2015):

S. No.	Ministry / Deptt.	Project	Amount approved by IMG (in crore)
F.Y. 2011-12			
1	MNRE	Solar Water Heaters	64.14
2	MNRE	SPV System in 6 States	85.88
3	MNRE	Refinancing through NABARD	46.80
4	MoE&F	Remediation of Hazardous Waste Sites	60.00
5	MoE&F	Green India Mission	200.00
6	MoP	Flue Gas based Aqua Ammonia Power Cycle	8.00
7	MoP	Indigenous Development of 1200 kV Ultra High Voltage (UHV) AC transmission Technology- Establishment of 1200 kV National Test Station (R&D Project)	39.40
8	MNRE	Bihar Saurkranti Sichai Yojna (Pilot Project)	17.64
9	MNRE	Funding for Off-grid SPV systems to be installed under JNNSM in 9 villages of North 24 Paragana District, West Bengal	44.64
Total			566.50
F.Y. 2012-13			
10	MNRE	Installation of SPV power plants up to size of 500kWp with aggregate capacity of 50 MWp	70.90
11	MNRE	Financial Support for extending subsidy- for installation of Solar Photovoltaic lights and small capacity systems through NABARD	73.71
12	MNRE	Installation of Solar Photovoltaic Power Plants aggregating to 4 MWp capacity at different Indian Railway Locations	15.20
13	MNRE	Pilot grid connected Solar Thermal Power Projects under JNNSM	1020.00
14	MDWS	Solar Energy Based Dual Pump Piped Water Supply in 78 IAP Districts	221.30
15	MNRE	Viability Gap Funding for setting up 750 MW Grid connected Solar PV Power projects under JNNSM	1314.00
Total			2715.11
FY.2013-14			
16	MNRE	Installation of Solar Water Heating System, 20,000 Home Lighting System (model 2) and 2,000 Solar Street Lights through NHB	104.70
17	MNRE	Market Development of medium and high Temperature Concentrated Solar Technology (CSTs) for community cooking, process heat and cooling applications	68.00
18	MNRE	Localization of Solar Energy through Local Assembly, Sale and Usage of 1 Million Solar Study Lamps	21.19
19	MNRE	Installation of 23,500 Nos. SPV Power Plants of 1 KWp capacity each for Domestic household in Rajasthan, Andhra Pradesh, Kerala, Tamilnadu, Chhattisgarh and other selected states.	44.40
20	MNRE	Financial Support for extending subsidy- for installation of Solar Photovoltaic lights and small capacity systems	149.81

		through NABARD, RRB's, Nationalised banks and Cooperative banks under Jawaharlal Nehru National Solar Mission (JNNSM).	
21	MNRE	Financial Support for extending subsidy- for installation of Solar Photovoltaic lights and small capacity systems through Solar Energy Corporation of India implementing through commercial Banks under Jawaharlal Nehru National Solar Mission (JNNSM).	105.09
22	MNRE	5x100 KWp SPV Power Plants from Deogarh to Basukinath alongwith 2500 Nos. LED Street Lights	4.00
23	MNRE	Installation of 17,500 SPV water Pumping System in Rajasthan, Tamilnadu, Andhra Pradesh, Uttar Pradesh, Bihar and other selected states to meet the irrigation requirements	299.25
24	MNRE	Installation of Solar Water Heating Systems with cumulative collector area of 4,00,000 Sq. m. for institutional and industrial sector in the different states of the country.	108.00
25	MNRE	Installation of Grid Connected Rooftop Solar Photovoltaic Power Plans with aggregate 50 MWP capacity in various states across the country on pilot basis.	56.18
26	MNRE	National Clean Energy Fund (NCEF)-Indian Renewable Energy Development Agency (IREDA) concessional funding support for Renewable Energy.	100.00
Total			1060.22
FY.2014-15			
27	MNRE	52 MWp Grid Connected Rooftop SPV Plants through Multi Govt. Agencies	143.20
28	MNRE	54 MWp Grid Connected Rooftop SPV Power Plants through State Nodal agencies	149.85
29	MNRE	Installation of 5 lakh sq.m. collector area Solar Water Heating System in Domestic & Building Sector	142.50
30	MNRE	Setting up 1000 MW of Grid-connected Solar PV Power Projects by Establishments of Ministry of Defence	1250.00
31	MNRE	25 MWp SPV Plan through SNA's and channel partners	142.50
32	MNRE	Generation Based Incentive (GBI) for grid connected wind power projects	741.00
33	MoHI &PE	Solar PV Manufacturing Plant of BHEL	1092.22
34	MNRE	Installation of 8,500 SPV water Pumping System	148.26
35	MNRE	73 MWp Grid Connected Rooftop SPV Power Plants in the Warehouses through Solar Energy Corporation of India (SECI)	148.92
36	MNRE	Setting up 1000 MW of Grid-connected Solar PV Power Project by CPSUs	1000.00
37	MNRE	Revised proposal for NCEF funding of 960 crore for pilot grid connected solar thermal projects	960.00
38	MNRE	IREDA to on lend to viable RE projects under NCEF	2500.00

39	MNRE	Intra-State Transmission System for Renewable Power Evacuation in Rajasthan	402.52
40	MNRE	Intra-State Transmission System for Renewable Power Evacuation in Tamil Nadu	637.20
41	MoEF	12 MW Ghazipur Municipal Solid Waste (MSW) to Energy Project.	120.00
42	MNRE	Installation of solar power generator above 3 Wp up to size of 100 kWp (with or without battery) with aggregate capacity of 25 MWp through SNA's and channel partners	142.5
43	MNRE	Solar Electrification of 1000 villages under JNNSM	154.50
44	MNRE	Provision of solar power in border areas	25.00
45	MNRE	Setting up of 1000 MW of grid connected solar PV power projects with Viability Gap Funding under Jawaharlal Nehru National Solar Mission (JNNSM	2100
Total			12000.17
46		FY. 2015-16 (till date)	
	MNRE	InSTS for Renewable Power Evacuation in Rajasthan (Green energy Corridor)	407.32
47	MNRE	InSTS for Renewable Power Evacuation in Andhra Pradesh (Green energy Corridor)	515.70
48	MNRE	InSTS for Renewable Power Evacuation in Himachal Pradesh (Green energy Corridor)	364.21
49	MNRE	InSTS for Renewable Power Evacuation in Gujarat (Green energy Corridor)	785.20
50	MNRE	InSTS for Renewable Power Evacuation in Karnataka (Green energy Corridor)	362.40
51	MNRE	InSTS for Renewable Power Evacuation in Madhya Pradesh (Green energy Corridor)	840.00
52	MNRE	InSTS for Renewable Power Evacuation in Maharashtra (Green energy Corridor)	144.64
53	MNRE	Setting-up of 5000 MW of Grid Connected Solar PV Power Projects with VGF under Batch-IV of Phase-II of JNNSM	5050
54	MNRE	Grid Connected Rooftop and Small Solar Power Plants Programme (40000 MW)	5000
55	MNRE	Decentralised Generation of Renewable Energy {with special emphasis on Unemployed Youths and Village Panchayats (10000 MW)}	5000
Total			18469.47
GRAND TOTAL			34811.87

* Apart from the above, Rs. 25 crores (Rs. 1 cr in 2013-14 and Rs. 24 cr in 2014-15 has been released from NCEEF to MNRE towards Joint Indo-US "PACESetter Fund". The Fund will be used to provide grants for seed capital for clean energy projects. The Funds' priority will be for demonstration of the viability of off-grid renewable energy businesses or technologies. The fund will be part of the "Promoting Energy Access through Clean Energy (PEACE)" initiative.