

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

IT, E&C Dept - Promotions Wing –Andhra Pradesh Neighbourhood Workspace Policy 2025-30 – Orders – Issued.

**INFORMATION TECHNOLOGY, ELECTRONICS AND COMMUNICATION
[IT,E&C] (PROMOTIONS) DEPARTMENT**

G.O.MS.No. 52

Date: 11.11.2025
Read the following

1. G.O.Ms.No.9 ITE&C (Prom Wing) Dept., Date: 12.12.2024.

ORDER:

In the reference 1, the Government of Andhra Pradesh introduced the Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0), 2024–2029. As part of this policy, the Government conceptualized the innovative idea of “Neighbourhood Workspaces” and announced a range of incentives aimed at attracting investments and promoting remote work across the state.

2. The rise of flexible and distributed work models has brought several challenges that affect productivity and inclusivity. Many individual workers and small businesses face high costs to set up professional workspaces, including expenses for furniture, IT equipment, and internet connectivity. Often, they lack access to basic office infrastructure like high-speed internet, dedicated desks, and meeting rooms. Without a shared, professional environment, opportunities for collaboration, networking, and skill development are also limited. Accordingly, a dedicated policy has been prepared for “Neighbourhood Workspaces” to address the challenges.
3. The Neighbourhood Workspace (NWS) Policy aims to address the existing gaps by providing shared, professionally managed infrastructure that reduces setup costs and ensures reliable connectivity. By integrating skilling programs, digital resources, and community engagement initiatives, the policy aims to support remote workers, freelancers, and small enterprises and generate demand for services and ensure the long-term sustainability of these workspaces. This approach is expected to foster inclusive economic growth at the grassroots level across the state.
4. The Government, after careful examination of the proposal, hereby accords the approval for the “Andhra Pradesh Neighbourhood Workspace Policy 2025 – 2030” and is enclosed to this order as Annexure.
5. The Policy shall be valid for a period of 5 years from the date of the policy notification, or till a new Policy is announced.

(P.T.O)

6. The Incentives mentioned in the policy will be extended to eligible investors as per the operational guidelines to be notified separately. The IT, E & C Department shall take necessary action for implementing operating guidelines of this Policy.
7. This order is issued with the remarks and concurrence of the Finance department through the file number - Fin.U.O.No.Fin01-FMU0MISC/553/2025-FMU.GAD.I (Computer No. 2996246).

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**BHASKAR KATAMNENI
SECRETARY TO GOVERNMENT**

To

The Spl. Chief Secretary to Government, Revenue (CT) Department

The Secretary to Govt., Industries and Commerce Dept.

The VC&MD, APIIC Ltd, Vijayawada.

The Principal Secretary to Government, Finance Department

The Principal Secretary to Government, Energy, I&I Department

The Principal Secretary to Government, MA&UD Dept.

The Director, Industries, Andhra Pradesh

The Director, Employment and Training

The CEO, Andhra Pradesh Economic Development Board

The MD, Andhra Pradesh State Fibernet Limited

The MD, APTS, Vijayawada

The District Collectors and Magistrates of all the districts

Copy to:

The OSD to Hon'ble Minister for Information Technology, Andhra Pradesh

The PS to Principal Secretary to Hon'ble Chief Minister

The LET & F (Employment) Department.

The Law (B) Department

The P.S. to Secretary to Government & CIP

The P.S. to Secretary/Special Secretary to Government, IT, E&C Department

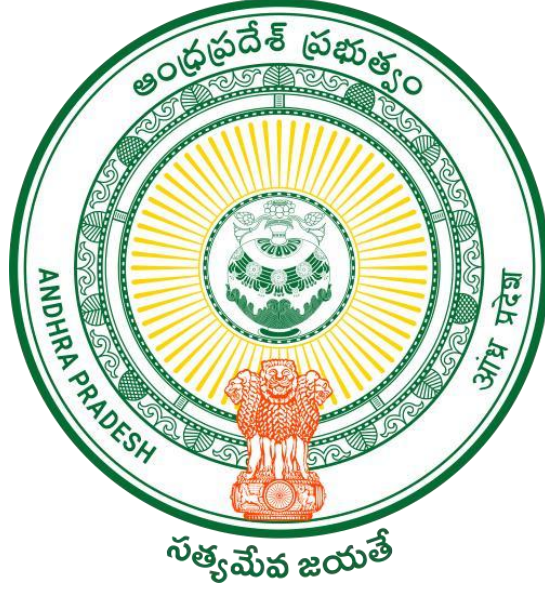
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// FORWARDED: BY ORDER //

SECTION OFFICER

(Annexure to G.O.Ms.No. 52, dt: 11.11.2025)

Annexure



Andhra Pradesh Neighborhood Workspace (NWS) Policy 2025-30

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1. Preamble

In response to the dynamic evolution of work, propelled by digital transformation, remote collaboration, and the proliferation of the gig economy, the Government of Andhra Pradesh reaffirms its commitment to building a resilient, inclusive, and future-ready workforce. Anchored in the strategic vision of Swarna Andhra Vision 2047 and aligned with the Digital India Mission, the State introduces the Neighborhood Workspace (NWS) Policy as a transformative enabler of decentralized work infrastructure.

This policy aims to operationalize a decentralized network of affordable, professionally managed, and digitally enabled workspaces across the State. These hubs will serve as strategic enablers for freelancers, gig workers, remote employees, and digitally skilled individuals, thereby accelerating socio-economic development, promoting employment generation, and reinforcing Andhra Pradesh's position as a progressive, talent-driven economy. By leveraging national priorities such as the Digital India Mission, Skill India, and the emerging frameworks around the Gig and Platform Economy championed by NITI Aayog, the NWS Policy aims to democratize access to professional infrastructure, enhance human capital, and catalyze socio-economic mobility. This initiative will not only bridge the urban-rural digital divide but also reinforce Andhra Pradesh's leadership in shaping the future of work through innovation, inclusion, and infrastructure excellence.

2. Introduction to Neighborhood Workspaces (NWS)

Neighborhood Workspaces (NWS) represent a forward-looking initiative conceptualized by the Government of Andhra Pradesh to redefine the future of work through hyper-localized infrastructure. These compact, professionally managed facilities are designed to be geographically inclusive, thereby bridging the accessibility gap and fostering equitable participation in the digital economy. Strategically leveraging underutilized real estate assets such as government buildings, educational institutions, residential complexes, and leased private properties, NWS units are envisioned to be locally owned and operated, promoting community engagement and micro-entrepreneurship. This decentralized model not only optimizes resource utilization but also aligns with sustainable urban development principles.

Beyond serving as remote work enablers, NWS hubs are positioned as integrated talent development centers. By embedding digital skilling programs, vocational training, and continuous learning modules, these workspaces will enhance workforce productivity, improve employability, and support lifelong learning. The operational framework of NWS allows for flexible governance, ranging from Public-Private Partnerships (PPPs) and industry collaborations, ensuring scalability, financial sustainability, and innovation-driven service delivery.

3. Need for policy

The accelerated adoption of flexible, hybrid, and distributed work models has surfaced critical infrastructure and accessibility gaps that impede productivity, inclusivity, and economic participation—particularly among individual professionals, freelancers, and micro-enterprises. The absence of affordable, professionally equipped workspaces forces many to incur high capital expenditures on furniture, IT hardware, and connectivity, often without access to essential amenities such as high-speed internet, ergonomic workstations, and collaborative meeting spaces.

Moreover, the lack of community-centric, professionally managed environments limits opportunities for peer learning, networking, and continuous skill development, factors that are increasingly vital in a knowledge-driven economy. These challenges are especially pronounced in non-metro and rural areas, where digital infrastructure and professional ecosystems remain underdeveloped.

The Neighborhood Workspace (NWS) Policy is designed to strategically address these systemic gaps by institutionalizing a network of shared, professionally operated workspaces that reduce entry barriers and operational costs for remote workers, gig professionals, and small enterprises. By embedding digital skilling programs, access to digital public goods, and community engagement initiatives, the policy aims to create a self-sustaining ecosystem that fosters innovation, entrepreneurship, and inclusive growth.

This initiative aligns with the Government's broader agenda of enabling distributed economic development, enhancing human capital productivity, and promoting digital inclusion across Andhra Pradesh. It also complements national priorities under Digital India, Skill India, and the Gig and Platform Economy Framework, positioning the State as a frontrunner in shaping the future of work through resilient, decentralized infrastructure.

4. Applicability and Policy Period

- 4.1. This Policy shall remain in force for a period of five (5) years from the date of its official notification, or until a subsequent policy is notified by the Government.
- 4.2. The provisions of this Policy may be amended or modified during the course of implementation. However, all such amendments shall be applied prospectively and shall not affect any benefits or concessions already granted under the existing policy framework.
- 4.3. The Government of Andhra Pradesh reserves the right to extend the validity of this Policy as deemed necessary. The Policy shall be uniformly applicable across the entire State of Andhra Pradesh.

5. Policy Framework

5.1. Vision

To catalyze knowledge-driven economic growth at the grassroots by establishing inclusive, technology-enabled workspaces that are accessible, affordable, and professionally managed, empowering individuals and communities across Andhra Pradesh to participate meaningfully in the digital economy.

5.2. Objectives

- 5.2.1. **Establish decentralized remote work infrastructure:** Facilitate the creation of affordable, professionally managed, and digitally enabled workspaces across all Mandals in Andhra Pradesh to support remote workers, freelancers, and gig economy participants.
- 5.2.2. **Facilitate infrastructure for inclusive remote work:** Address critical gaps in home-based work environments by enabling creation of essential infrastructure, including high-speed internet, reliable power supply, ergonomic workstations, and collaborative meeting facilities, thereby enabling seamless remote operations and enhancing workforce efficiency.
- 5.2.3. **Integrate skilling, employment, and talent development programs:** Leverage NWS hubs as multi-functional platforms for delivering digital skilling, career advancement, and employment generation initiatives through convergence with government schemes and private sector programs.

- 5.2.4. **Promote entrepreneurship and ensure operational sustainability:** Encourage private sector participation through targeted financial incentives, capacity-building support, and enabling policy frameworks.

5.3. Strategic Targets of the Policy

- 5.3.1. **Statewide Coverage:** Establish a minimum of one NWS hub per Mandal across Andhra Pradesh in the policy period.
- 5.3.2. **Infrastructure Enablement:** Ensure 100% of NWS hubs are equipped with state-of-the-art office high-speed internet, reliable power backup, ergonomic workstations, and meeting facilities.
- 5.3.3. **Skilling Integration:** Deliver digital skilling and career development programs to at least 1 lakh individuals & Government staff through NWS hubs, in partnership with government and private agencies.
- 5.3.4. **Sustainability and Self-Reliance:** Facilitate financial sustainability for at least 70% of operational NWS hubs within five years.

6. Incentives

6.1. Eligibility Criteria:

To qualify for incentives and support under the Neighborhood Workspace (NWS) Policy, the proposed facility must adhere to the following:

- 6.1.1. The workspace shall have a built-up area of not less than 1,000 square feet and a minimum seating capacity of 10 dedicated workstations.
- 6.1.2. The facility must have the following basic facilities & Infrastructure:
- A. High-speed internet / Broadband connectivity.
 - B. At least 10-seater board / meeting room for conducting VC.
 - C. Dedicated VC facility.
 - D. Commercial Office grade Printing & scanning facility with requisite peripherals.
 - E. Mini pantry with basic refreshments.
 - F. Clean & Accessible restrooms with dedicated restrooms for women.
- 6.1.3. The premises shall ensure uninterrupted 24x7 power supply, supported by adequate backup systems and CCTV to maintain operational continuity.

6.1.4. The Neighborhood Workspace (NWS) facilities may further incorporate advanced, state-of-the-art infrastructure beyond the prescribed minimum standards to elevate the overall quality of the workspace environment. Such enhancements may include premium interior design, upgraded IT systems, and collaborative amenities, aimed at creating a high-performance, innovation-driven ecosystem that attracts diverse user segments and reinforces the positioning of NWS hubs as aspirational, future-ready workspaces.

6.2. Infrastructure Enablement & Capital Support

To facilitate the seamless establishment of Neighborhood Workspace (NWS) facilities, the Government of Andhra Pradesh shall extend financial assistance aimed at offsetting initial capital expenditure. This support may include rental subsidies, interior fit-out costs, and provisioning of IT hardware and essential infrastructure. The objective is to accelerate operational readiness, reduce entry barriers for operators, and promote rapid deployment of professionally managed, tech-enabled workspaces across the State.

Incentive Category	Support for NWS developer
Rental Support	Category A – NWS setup in Government Buildings: 100% rent exemption for 5 years. Applicable only for first NWS application per Mandal. - Nominal Rent for subsequent NWS applications in Govt. buildings. Note: Government will identify commercially viable office space in government buildings for each mandal. Category B – NWS set up in Private Buildings: 50% Rental support up to INR 6 Lakh / year
Interior Development Support	- Early bird: 60% CAPEX support up to INR 15 Lakh for first NWS Application in Mandal 50% CAPEX support up to INR 7.5 Lakh for subsequent approved NWS applications Note: One time Capex Support for Interior works including furniture &

Incentive Category	Support for NWS developer
	fixtures, electrical, plumbing etc.
IT Hardware & Facilities Setup Support	50% CAPEX support up to INR 5 Lakh per NWS facility This is one time support towards IT Hardware (including office printer, VC facility etc.)

NWS Developer: Investor who builds/develops a neighborhood workspace.

6.3. Commercial Operations Assistance

To ensure the smooth commercial functioning and long-term viability of Neighborhood Workspace (NWS) facilities, the Government of Andhra Pradesh shall provide targeted financial support to Neighborhood Workspace (NWS) developer to ensure seamless commercial operations and infrastructure quality. These measures are designed to reduce recurring operational costs, accelerate service readiness, and enhance the overall functionality and user experience of NWS hubs.

Incentive Category	Support for NWS developer
High Speed Broadband	50% reimbursement up to INR 1 lakh per year for 5 years towards High-Speed Broadband (Min 300 Mbps)
Interest Subsidy	8% interest subsidy up to INR 10,000 / month for 5 years Note: – Applicable on Interest payment – Only loan taken towards Interior Development & procurement of IT Hardware is eligible

6.4. Skill-Linked Demand Generation Incentive

To ensure effective utilization of Neighborhood Workspace (NWS) hubs and position them as dynamic community assets, the Government of Andhra Pradesh shall provide targeted incentives to private organizations conducting digital skilling programs within

these facilities. This support is designed to stimulate consistent footfall and demand by linking occupancy with the delivery of high-impact training initiatives for professionals, students, and local talent. By transforming NWS hubs into accessible, innovative platforms for skill dissemination, the policy aims to foster inclusive workforce development, enhance digital literacy, and reinforce the role of these workspaces as engines of grassroots economic empowerment.

Incentive Category	Support
Private Skilling Organizations / Programs	To drive demand and ensure optimal utilization of Neighborhood Workspace (NWS) hubs, the Government of Andhra Pradesh shall incentivize private organizations conducting localized skilling programs at the Mandal level. These initiatives may target remote employees, students, or professionals, and aim to position NWS hubs as accessible, high-impact platforms for digital skill dissemination and workforce engagement: • INR 100 per skill program per person for up to 3 skilling courses / certifications executed through NWS. • Max. Demand Creation Incentive limited INR 10 Lakh per individual organization for first 100 such programs across entire Andhra Pradesh
Government Skilling Programs	To promote effective utilization of Neighborhood Workspace (NWS) hubs and expand access to digital skilling, the Government of Andhra Pradesh shall proactively conduct its own skilling programs within these facilities. For such Mandal-level training initiatives, the Government shall pay appropriate usage fees to NWS operators. This approach aims to institutionalize NWS as a preferred delivery channel for public skilling programs while enhancing accessibility, occupancy, and community engagement.

6.5. Disbursal of incentives

All the incentives will be disbursed on a quarterly basis to the approved Neighborhood Workspace (NWS) applications.

7. Policy Implementation

- 7.1. The Consultative Committee for Information Technology and Electronics Industry (CCITEI), reconstituted vide G.O. Ms. No. 8 dated 25.04.2024, shall have the authority to oversee and implement this policy.
- 7.2. The decisions of CCITEI shall be conclusive and binding on all matters relating to the application for setting up Neighborhood Workspaces and incentives.
- 7.3. The CCITEI consists of representatives from both Government as well as Industry and enables faster decision making and rapid disbursement of incentives.

8. Operating Guidelines

The operating guidelines for this policy will be issued separately detailing the definitions of various terminologies and procedures for availing incentives under this policy.