

ANNUAL REPORT 2015-16



सत्यमेव जयते
NITI Aayog



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NITI Aayog



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NITI AAYOG AN OVERVIEW



Hon'ble PM Narendra Modi
Chairman



Arvind Panagariya
Vice-Chairman



Dr. V K Saraswat
Member



Dr. Amitabh Kant
CEO



Rao Inderjit Singh
MoS for Planning



Prof. Ramesh Chand
Member



Dr. Bibek Debroy
Member

ADVISERS	VERTICAL	STATES
Yudhvir Singh Malik	Addl. Secretary (KIH) Steel, Heavy Industries & PE, Textiles, Corporate Affairs, MSME, DIPP, Defence, DRDO, Atomic Energy	Haryana, Punjab, Chandigarh
Dr. C. Murali Krishna Kumar	Sr. Adviser (KIH), (Infra I), Digital & Rural Connectivity AIM, Digital India, Telecommunications, Deity, Posts, I&B, S&T, Space, Earth Sciences, Biotechnology, Atomic Energy (R&D), DSIR/CSIR	
Alok Kumar	Addl. Secretary (TIH & KIH) Infra (III), Physical Connectivity Civil Aviation, Shipping	Bihar
Ashok Kumar Jain Adviser (KIH & TIH),(RD)	Swachh Bharat Abhiyan, Housing For All, MGNREGA, Rural & Urban Livelihood Mission, RD, HUPA, Drinking Water & Sanitation	Karnataka, Andhra Pradesh, Telangana
Dr. Manoj Singh Adviser (KIH)	Railways, Roads & Highways Construction, Civil Aviation, Shipping	
Smt. Sunita Sanghi Adviser (KIH & TIH)	Skill Development, Employment, Managing Urbanisation	
Dr. Savita Sharma Adviser (KIH)	Data Management & Analysis MOSPI	
Dr. J.P. Mishra Adviser (KIH), (Agriculture)	RKVY, IWMP Agri & FW, AH&F, Land Res., Food Processing	
Dr. Yogesh Suri Adviser (KIH)	Governance & Research, Food & Public Distribution, Chemicals & Fertilisers, Personnel, Public Grievance, Pensions, AR	Gujarat, Uttarakhand
S.S. Ganapathi Adviser (KIH)	Rd(PMGSY)	
Srikara Naik Adviser (KIH)	SJ&E, Disability Affairs, Tribal Affairs, Minorities, Parliamentary Affairs, Planning	
U.K. Sharma Adviser (KIH)	Coordination, Project Monitoring E-Samiksha, PMG PRAGATI OCMS AIM, Digital India, DBT, Telecommunications, Deity, Posts, I&B	
Praveen Mahto Adviser	PIB/PPAC & Programme Appraisal Sectt.	
Anil Kumar Jain, Adviser (TIH & KIH)	Infra-II, Energy & Climate Change, Atomic Energy, Power, MNRE, P&NG, Coal, External Affairs, Overseas Indian Affairs	Maharashtra, Gujarat, Rajasthan, MP, Chhattishgarh
Ms. Alka Tiwari Adviser	Youth Affairs & Sports, Tourism, Culture, HRD (School, Education, Literacy, Higher Education)	Bihar, Jharkhand, H.P.
Alok Kumar-II Adviser (TIH)	Health, Nutrition, Women & Children) NHM, ICDS, BBBP, H&FW, Ayush, NACO, Health, Pharma, Medical Research, WCD	Assam, Kerala, Odisha, Sikkim, Tamil Nadu, WB
Jitendra Kumar Adviser, (TIH & KIH)	Natural Resources & Environment PMKSY, Green India Mission, Coordination of Port Led & Devl, Island Devl, E&F, WR, DONER, Mines	AR Pradesh, Mizoram, Meghalaya, Manipur, Tripura, Goa, Nagaland, Union Territories

OBJECTIVES AND FUNCTIONS OF NITI AAYOG

The Government has replaced Planning Commission with a new institution named NITI Aayog. This is consistent with the development of a mature institutional framework that provides for domain expertise, allowing us the chance to increase specificity of an institutional functioning. Specific to the planning process, there is a need to separate as well as energize the 'process' of governance from the 'strategy' of governance.

In the context of governance structures, the changed requirements of our country, point to the need for setting up an institution that serves as a Think-tank of the government – a directional and policy dynamo. The proposed institution has to provide governments at the central and state levels with relevant strategic and technical advice across the spectrum of key elements of policy. This includes matters of national and international import on the economic front, dissemination of best practices from within the country as well as from other nations, the infusion of new policy ideas and specific issue-based support. The institution has to be able to respond to the changing and more integrated world that India is part of.

After extensive consultations with a range of stakeholders including inter alia state governments, domain experts and relevant institutions, NITI Aayog has been designed to give life to these aspirations. The key objectives laid out in the Resolution, towards which NITI Aayog will work are placed at Annexure 1.2 of the Report.

NITI has been mandated to provide a critical, directional and strategic input in the development process through its commitment to cooperation, federalism, and promotion of citizen engagement, egalitarian access to opportunity, participative and adaptive governance and increasing use of technology. This, along with being an incubator of ideas of development, is the core mission of NITI Aayog.

The primary functions of NITI Aayog can be grouped under four broad categories. Revised entry 49 of Allocation of Business rules, 1961 (see Annexure 1.3) envisages the detailed functions to be carried out under each of these heads.



In order to architect this, NITI Aayog's entire gamut of activities is divided between two main hubs - Team India Hub and Knowledge and Innovation Hub – that are at the core of NITI's structure and functioning. Team India Hub carries out the mandate of fostering 'Cooperative Federalism' and 'Designing Policy and Programme Frameworks'. It provides requisite coordination and support framework to NITI Aayog in its engagement with the States. Knowledge & Innovation Hub ensures fulfilling the mandate of maintaining a state-of-the-art Resource Centre; to be a repository of research of good governance and best practices in sustainable and equitable development as well as help in their dissemination to stakeholders; and to provide advice and encourage partnerships between key stakeholders and national and international likeminded Think-tanks, as well as educational and policy research institutions. Both Hubs are headed by the Chief Executive Officer of NITI Aayog.

Team India hub comprising 6 subject matter divisions of NITI Aayog and Knowledge and Innovation Hub comprises 10 subject matter divisions. The list of all verticals are:

Social Justice and Empowerment	Science & Technology
Data Management & Analysis	Natural resource & Environment
Rural Development	Social sector - I, II
Project Appraisal, Public Private Partnership Appraisal and Public Investment Board	State Coordination Division & Decentralised Planning
Agriculture & Allied Sectors	Industry
Infrastructure-connectivity	Administration
HRD, Governing Council Secretariat & Coordination	Infrastructure-Energy, International Cooperation, General Administration & Accounts
Governance and Research	

ADMINISTRATION & SUPPORT UNITS

The creation of an altogether new organization such as the NITI Aayog from the erstwhile Planning Commission entailed a mammoth restructuring process. In pursuance to the recommendations contained in the Report of the Task Force on Restructuring of NITI Aayog Secretariat and in order to right sizing the staff strength of NITI Aayog, it was reduced to 500 against the initial strength of 1255. The Team India and Knowledge and Innovation Hubs were constituted, and accordingly Verticals and Core Divisions were created.

The Administration in NITI Aayog functions in accordance with the service rules and extant Government of India instructions through the nodal Department, i.e. Department of Personnel & Training (DOPT) on issues relating to personnel management of employees working in the NITI Aayog. The Administration is concerned with all aspects of service conditions of the Officers and Staff, viz. recruitment, promotion, postings, transfers, retirement, deputation, court cases relating to service matters, besides providing information under the RTI Act on these matters. It is also

entrusted with the responsibilities relating to Internship Scheme/Research Associate for Post Graduate/Research Students for acquainting them with the Planning Process.

NITI Aayog has finalized the guidelines for Young Professionals, Consultants and Sr. consultants for carrying out the specific tasks given to NITI Aayog. The Adm./Recruitment Cell initiated the process of selection of Young Professionals in NITI Aayog under the 'Young Professional Programme 2015'. After completion of shortlisting and interview process, offer letters were issued to selected candidates and further to the candidates from reserved list, to fill the 46 slots. From the YP Programme, NITI Aayog is facilitating the Young Professionals to have exposure to public policy, planning, development and the areas that are relevant to development and will provide high quality professional inputs in Economics, Finance, Education, Public health, Social Sciences, Engineering, Urban Planning and Infrastructure amongst others.

NITI Aayog engaged 5 consultants for (i) carrying out specific tasks/research on literature on a variety of economic and social issues, (ii) building the data and best practices sections of the NITI Website under the directions of Vice Chairman and Members (iii) research and policy work on transportation (such as roads, railways, shipping), with particular focus on the North East (iv) research and policy work in social sectors with particular focus on health, women, child development and poverty reduction (v) research and policy work in legal area such as reform of statutes and administrative law and (vi) technology development in Strategic Sectors/Energy Sector/Railways Engg./Communication/IT Environment, Techno-Commercial evaluation of Technology development Schemes etc. A proposal has also been processed to engage one (1) more consultant as Officer on Special Duty.

NITI Aayog initiated process of engaging one (1) Mission Director and Five (5) Managers in "Atal Innovation Mission" and "Self Employment and Talent Utilization" to promote a culture of innovations and entrepreneurship in India and to find ultra-low cost solutions to India's pressing & intractable problems.

NITI Aayog also initiated process of engaging one consultant in Governance & Public Service Delivery vertical for designing & implementation of a portfolio of policy initiatives, innovative projects & partnerships related to the area of Governance & Public Services Delivery.

OFFICES ATTACHED TO THE NITI AAYOG:

The Development Monitoring and Evaluation Office (DMEO) has been constituted on 18 September, 2015 by merging the Programme Evaluation Organization (PEO) and the Independent Evaluation Office (IEO); and notified as an attached office under the aegis of NITI for fulfilling the mandate of evaluation and monitoring assigned to NITI Aayog.

National Institute of Labour Economics Research and Development (NILERD), the only one of its kind, was established by the Government of India, in 1962. It is a Central Autonomous Organization under the NITI Aayog, Ministry of Planning, Government of India. NITI Aayog Vice Chairman, Dr. Arvind Panagariya is the President of its General Council. CEO, Mr. Amitabh Kant is the Chairperson of the Executive Council and Adviser, Dr. Yogesh Suri has been given additional charge as the Director General of NILERD. The primary objectives of this Institution are research, data collection, and education and training in all aspects of Human Capital Planning and Human Resource Development.

COOPERATIVE FEDERALISM

NITI Aayog has been constituted to actualise the important goal of cooperative federalism and to enable good governance in India, to build strong states that will make a strong nation. In a truly federal state, several objectives that ought to be achieved may carry political ramifications throughout the country. It is impossible for any federal government to achieve the national objectives without active cooperation from state governments. It is, therefore, crucial that the Centre and State governments work together as equals. Two key aspects of Cooperative Federalism are:

(i) Joint development of the National Development Agenda by the Centre and the States, (ii) Advocacy of State perspectives with Central Ministries.

In keeping with this, NITI Aayog has been mandated the task of evolving a shared vision of national development priorities, sectors and strategies with the active involvement of States. These priorities ought to reflect the national objectives and foster cooperative federalism through structured support to States on a continuous basis. NITI ought also to help states develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government. The aim is to progress from a stage when the Centre decided development policies to a truly federal government wherein States are equal stakeholders in the planning process.

The Government has also accepted the recommendation of the Report of the Fourteenth Finance Commission regarding increasing the share of the States in the divisible pool of the Union Taxes from 32 per cent to 42 per cent. This is the highest ever increase in the devolution of taxes to States so far. This would give the States greater autonomy in designing and financing schemes as per local priorities. The extra fiscal space available would also enable the States to create productive capital assets, particularly for filling developmental gaps in deficit regions.

The policy of the Government to involve State governments is reflected in changes in the interaction processes of the NITI Aayog.



FIRST MEETING OF THE GOVERNING COUNCIL

The first meeting of the Governing Council of the NITI Aayog was held on 8th February, 2015 where the Hon'ble Prime Minister urged all Chief Ministers to work with the Centre to forge a model of cooperative federalism, whereby the Centre and the States – Team India – can come together to resolve differences, and chart a common course to progress and prosperity. In the spirit of cooperative federalism, therefore, the Governing Council had decided that the NITI Aayog would constitute three major Sub-Groups of Chief Ministers:

RATIONALISATION OF CENTRALLY SPONSORED SCHEMES

SKILL DEVELOPMENT

SWACHH BHARAT ABHIYAN

In addition, it was also decided that the States will set up two Task Forces on Agriculture Development and Poverty Elimination, under the leadership of the NITI Aayog.

The reports of all the sub-groups have been submitted by the NITI Aayog to the Prime Ministers Office. The Sub-Group of Chief Ministers meet helped arrive at a consensus on many contentious issues, not only for the States represented in the Sub-Groups, but even the others through regional meetings, consultations, etc.

The second meeting of the Governing Council of NITI Aayog was held on July 15, 2015 where the Prime Minister reiterated the vision that States should be the focus of all development efforts. In order to work towards a federal structure, based on a two-way flow of priorities and cooperative action, a series of meetings were held in NITI Aayog with groups of States to develop a strategy of working together. This exercise culminated in the conference – ‘Role of NITI Aayog: Consultation with the States’ – held on 30th November, 2015, with the Planning and Finance Secretaries of States chalking out the procedure for a structured engagements with the States.



SECOND MEETING OF THE GOVERNING COUNCIL

The conference advocated the need for gradual shifting of the focus from Planning to Policy, in order to influence the behaviours of both public and private actors. This is important in the light of changed economic circumstances where the major share of investments today flow from the private sector.

It was also observed that most States had achieved sizes of economy larger than many countries. As a result, States needed to interact a great deal not only with the Central Government but also with international government and non-governmental bodies. To enable this, the Governing Council had suggested that NITI Aayog:

1. Serve as a repository of best practices for the States and for transfer of knowledge
2. Provide advocacy support to States in sorting their issues with Central ministries
3. Sort problems of States pertaining to Centrally Sponsored Schemes, particularly the need for transparent norms and timely releases of funds.

It was mutually decided that each year there would be at least two meetings, an annual conference in October or November, and a post budget meeting in April to discuss the requirements of the States from the Centre. Honouring the decisions of this conference, two working groups have also been set up, viz., i) Working Group on North Eastern States and Hill States and ii) Working Group on Central Sector Schemes.

SUB-GROUP OF CHIEF MINISTERS

1. Sub-Group of Chief Ministers on Rationalization of Centrally Sponsored Schemes (CSS):

This Sub-Group of CMs was constituted on 9th March, 2015, under the Convenership of the Chief Minister, Madhya Pradesh, with Chief Ministers of Arunachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Manipur, Nagaland, Rajasthan, Telangana, Uttar Pradesh and Lt. Governor of A & N Islands as Members and CEO, NITI Aayog as Coordinator.

The Sub-Group has submitted its report to Hon'ble Prime Minister on 27th October, 2015 after having wider consultation with the Members of the Sub-Group as well as representatives of non- member States and Central Ministries.



MAJOR RECOMMENDATIONS OF THE SUB-GROUP ON CSS

Existing CSS should be divided into Core and Optional Schemes. Focus of CSS should be on schemes that comprise the National Development Agenda where the Centre and States will work together in the spirit of Team India.

Amongst the core schemes, those for social protection and social inclusion should form the core of core and be the first charge on available funds for the National Development Agenda.

Funds for optional schemes would be allocated to States by the Ministry of Finance as a lump sum and States would be free to choose which optional schemes they wish to implement.

In any sector there should be one Umbrella scheme having the same funding pattern for all of its sub-components.

The recommendations of the Sub-Group on funding pattern are as follows:

Core Schemes:	(a) For 8 NE and 3 Himalayan States: Centre: State: 90:10
	(b) For other States: Centre: State: 60:40
	(c) For Union Territories without legislative: Centre 100%
Optional Schemes:	a) For 8 NE and 3 Himalayan States: Centre: State: 80:20
	b) For other States: Centre: State: 50:50
	(c) For Union Territories without legislative: Centre 100%
	(d) For Union Territories with legislative: Centre: UTs: 80:20
Core of the Core Schemes:	Existing Funding pattern of the core of the core schemes should continue.
	(a) Remuneration for ASHAs, Anganwadis and Contract Teachers to be protected. However, Central Assistance (CA) may be capped at existing level for the next 2 years in this regard.
	(b) Flexibility in Schemes and Institutional Mechanism: 25% allocation in a scheme should be flexi-fund, to be spent in accordance with Ministry of Finance guidelines in case of States and 30% in case of UTs.
	(c) Design of CSS should be broadly like Rashtriya Krishi Vikas Yojana (RKVY) with a large number of admissible components in a scheme, and the States being free to choose components to suit their local needs.
	(d) The Ministry of Finance would make scheme wise allocation for Core Schemes. In each Core schemes, there would be transparent criteria for State allocation of funds. There would also be transparent criteria for the lump sum allocation to States for Optional schemes. These criteria to be evolved by NITI Aayog in consultation with State Governments and Central Ministries.
	(e) NITI Aayog to have concurrent jurisdiction in monitoring of Centrally Sponsored Schemes in the States and Central Ministries.
	(f) Third Party evaluation by NITI Aayog.

2. Report submitted by the Sub-Group of Chief Ministers on Swachh Bharat Abhiyaan:

The Swachh Bharat Mission (SBM) was launched on 2nd October, 2014 to fulfil the vision of cleaner India by October 2, 2019 as a tribute to Mahatma Gandhi on his 150th birth anniversary. SBM is a concerted approach and one of the biggest ever drives to accelerate the efforts towards achieving universal sanitation coverage, improving cleanliness and eliminating open defecation in the country. The Swachh Bharat Mission has both Rural and Urban Components - Swachh Bharat Mission (Urban) and Swachh Bharat Mission (Gramin).

The Mission comprises components such as construction of individual household toilets, community & public toilets and solid & liquid waste management etc.

The Sub-Group on Swachh Bharat consists of the Chief Ministers of Andhra Pradesh, Bihar, Delhi, Haryana, Karnataka, Maharashtra, Mizoram, Sikkim, Uttarakhand and West Bengal as Members with Chief Minister of Andhra Pradesh as the Convener of the Sub-Group. The Sub-Group has submitted its report to the Prime Minister on 14th October, 2015, after wider consultation with the Members of the Sub-Group as well as representatives of non-member States and Central Ministries.

3. Report of the Sub-Group of Chief Ministers on Skill Development:

The notification for the Sub Group was issued on 24th March 2015 with the Chief Ministers of Assam, Chhattisgarh, Goa, Gujarat, Himachal Pradesh, Meghalaya, Odisha, Puducherry, Tripura and Tamil Nadu as Members and the Chief Minister of Punjab as the convener and CEO, NITI Aayog, as the coordinator of the Sub-Group.

The terms of reference of the Sub-group was pertaining to strengthening State Skill Development Missions for integrated delivery; improving private sector participation in various aspects of skill development; expanding outreach of skilling programmes, mobilizing local bodies, civil societies, Railways and Armed Forces to participate in skilling; career guidance and post training placement tracking and to suggest State level innovative measures for up-scaling of pilots, best practices, dissemination and replication by the other States/UTs and raising resources for financing.

The Sub-Group submitted their final Report in September 2015. The report has been presented to the PM and actionable points emerging from the recommendations of the Report which would be taken up for implementation among all stakeholders.

KEY RECOMMENDATIONS OF THE REPORT

Strengthening the institutional delivery framework at the State level by strengthening the State Skill Development Missions.

Improving the access, outreach and quality of skill development programmes.

Improving the availability and quality of trainers.

Identifying alternative sources of funding to scale up skill development.

Ensuring active involvement of the private sector in all aspects of skill development including curriculum development, delivery mechanism, and certification.

Involving the Panchayati raj institutions in spreading the awareness about skill development

TASK FORCES

1. Task Force on Agriculture Development

A Task Force on Agriculture Development was constituted under the Chairmanship of the Vice Chairman of NITI Aayog to co-ordinate and develop synergy with the Central Ministries and State Governments Task Forces and recommend strategies for re-invigorating agriculture in all its aspects, formulate strategies for reforms, innovation and technology diffusion and identify successful experiments and programmes from which all State(s) and UTs may learn.



The Task Force on Agriculture has identified new initiatives to raise agricultural productivity. These include employing an integrated approach in resource allocation on crops; to make the share of horticulture and livestock coterminous with their contribution to the States agriculture (GSDP) and available resource GSDP; promotion of knowledge-based agriculture to find technological solutions with active involvement in the proves of technological innovations and adoption; development of an appropriate, farmer-centric institutional framework such as Farmer Producer Organizations (FPOs) to support production systems and forward linkages; and promotion of agriculture-industry linkages.



Several persisting issues in the agriculture sector that demand far greater attention, have also been identified by the Task Force. These include achieving efficiency in fertilizer use (NPK Balance), improving soil health through soil analysis, ensuring use of soil health cards, soil health campaigns and addressing fertilizer subsidy; investment in electricity; research and extension; agricultural marketing and trade (a single national market); links to industry - food processing; land holding consolidation (land titles and land leasing & sales laws); credit and finance; concerns relating to small and marginal farmers; crop insurance and convergence of Central Sector and Centrally Sponsored Schemes, which will include pooling of resources, both human and capital, transfer of productive and eco-friendly technologies and value addition through provision of backward and forward linkages.

The Report of the Task Force on Agriculture Development has a wide scope in order to include suggestions received during the presentation made before the Prime Minister on September 16, 2015 and the inputs received from the States and Union Territories. A total of 20 States and UTs have submitted their report to NITI Aayog. A discussion paper based on the work of Task Force – ‘Raising Agricultural Productivity & Making Farming Remunerative for Farmers’ – has been uploaded on NITI Aayog website. Three regional consultations with all States/UTs were held in February 2016 at Gandhinagar, Bengaluru and New Delhi. This report had been submitted in the end of April, 2016.



An Expert Group on Land Leasing has also been constituted to review existing Agricultural Tenancy Laws of State(s) to suggest appropriate amendments to legalize and liberalize land leasing for much needed occupational diversification and rapid Rural Transformation. The Expert Group was consulted with states, NGOs, academicians, legal experts and Farmers group to develop a Model Land Leasing Act. The Model Land Leasing Act has been submitted to Vice Chairman, NITI Aayog on 31st March 2016. Pilots on Price Deficiency Payment (PDP) in cotton in Maharashtra and pulses in Madhya Pradesh are also being contemplated.

2. Task Force on Elimination of Poverty in India

Subsequent to the decision taken in the first meeting of the Governing Council of NITI Aayog, held under the Chairmanship of Hon'ble Prime Minister on 8th February, 2015, a Task Force on Elimination of Poverty in India was constituted by NITI Aayog on 16th March, 2015 under the Chairmanship of Dr. Arvind Panagariya, Vice Chairman, NITI Aayog.

Based on the discussions held in first meeting of the Task Force on 7th April, 2015, a concept note and a background paper was circulated to all States/UTs by the NITI Aayog. So far, the Task Force has held three meetings on 7th April, 2015, 20th May, 2015 and 29th June, 2015 respectively.

The order mandating the formation of the Task Force notes that the State government would submit their respective Task Force report to NITI Aayog and after that the Task Force of the NITI Aayog would consider these reports and prepare its own report. So far, NITI Aayog has received the report from 16 States/UTs. Further, 11 States/UTs have informed about constitution of Task Force but are yet to submit their report. The remaining nine States/UTs are yet to inform NITI Aayog about the constitution of parallel Task Force in their State/UT.

Based on the work of the above Task Force and the inputs provided in the Reports of the Task Force constituted by the States, an occasional paper on 'Eliminating Poverty: Creating Jobs and Strengthening Social Programmes' has been prepared and posted on official website of NITI Aayog (www.niti.gov.in).

Further it has been decided that four regional consultation meetings will be organized for preparation of Task Force report on Elimination of Poverty in India at Hyderabad, Jaipur, Delhi and Patna on 13th April, 2016, 22nd April, 2016, 2nd May, 2016 and 6th May, 2016 respectively.

OUR WORK WITH THE STATES

1. Resolving pending Centre-State issues that delay development efforts in States

NITI Aayog took an unprecedented initiative to resolve the pending issues of State of Telangana with Central Ministries. This was done in view of its mandate to offer a platform for resolution of inter-sectoral and inter-departmental issues and accelerate the implementation of the development agenda.

Twenty issues spread across ministries of Coal, Petroleum and Natural Gas, Power, Environment, Forest and Climate Change, Culture, Finance and Rural Development were identified by Telangana State. A note flagging these issues was sent by NITI Aayog to the concerned ministries and a meeting of the senior state and central government officials was held at NITI under the chairmanship of Vice Chairman, Shri Arvind Panagariya to facilitate the resolution of pending issues of the State with various Central Ministries.

To the satisfaction of both sides involved, all issues were either resolved or brought much closer to resolution. It is important to note that both sides discussed matters in good faith, yielding ground where it was warranted and explaining satisfactorily when the outcome desired by the other side was not feasible.

Accordingly, Chief Ministers of all the States were also requested by the Vice Chairman to make use of intermediation by NITI Aayog for any pending issues requiring clearance or approval by the Central Government in order to speed up the implementation of the nation's development agenda.

Apart from that, a number of issues between states and central ministries pertaining to PMKSY were also resolved with the help of NITIs intervention.

2. Push for formula-based allocation of CSS funds to States by Central Ministries

In line with the recommendation of the Sub-Group of Chief Minister for Rationalizing Centrally Sponsored Schemes, NITI called for the creation of an objective and transparent formula to distribute Central funds to States, under the Centrally Sponsored Schemes (CSS). The Aayog wrote to Secretaries of Central Ministries/Departments calling for prompt action to develop an objective formula for distribution of CSS funds.

With the budget making exercise in full swing at the Union and many State Government Levels in February 2016,

NITI Aayog told the Secretaries of all nodal ministries suggesting that it would be entirely appropriate that State Governments have a broad appreciation of the quantum of Central funds that is committed to them scheme-wise, in order for them to plan better and also ensure speedier execution of CSS. Ministries have so far had the flexibility to swap funds between States depending on various criteria. The creation of a formula, however, will ensure transparency in allocation, while creating an objective and timely method for speedy action by States. With prior knowledge of funds that will be allotted to them under each CSS, States can allocate funds to corresponding sectors in their budgets accordingly, without having to wait for the release of the Union Budget.

The task of creating the formula has been entrusted to a three-member committee with the Secretary of the nodal Ministry implementing the CSS as the Chairman, and the Financial Adviser of the Ministry and Adviser of the NITI Aayog as its Members. NITI will give its inputs and recommendations based on consultation with all State Governments. The decision reflects NITI Aayog's commitment to cooperative federalism. Through this, the Aayog has ensured direct involvement of States in national policy making, cutting across party lines.

DECENTRALISED PLANNING

The States Coordination & Decentralised Planning division in the NITI Aayog is entrusted with the responsibility to foster cooperative federalism through structured support and initiatives and to develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government.



1. Consultations with States on the 'Role of NITI Aayog'

The conference on The Role of NITI Aayog, organized on November 30th, 2015, advocated the need for gradual shifting of the focus from Planning to Policy so as to influence behaviours of actors - both public and private - in the light of the changed economic scenario with major share of investments coming from the private sector. As the majority of the States had achieved sizes of economy larger than many countries it was recognised that the States needed greater interaction not only nationally but also internationally.

The suggestions on the role to be played by NITI Aayog included: serving as a repository of best practices for the States and for transfer of knowledge, advocacy for issues raised by the States with the Central Ministries, sorting of problems of States related to Centrally Sponsored Schemes particularly the need for transparent norms and predictable and timely releases of funds. It was mutually decided that there would be at least two meetings, an annual conference in October-November and a post budget meeting in April every year to discuss the pairing of requirements of the States with the Centre.

As per the decisions taken in this conference two working groups have also been set up, viz., i) Working Group on North Eastern States and Hill States and ii) Working Group on Central Sector Schemes.



DEVELOPMENT OF THE NORTH-EASTERN REGION

- a. **Road Map for development of North-Eastern and Eastern States:** A draft Road-map has been prepared in-house in NITI Aayog for development of North-Eastern States and similarly positioned Eastern States i.e. Bihar, Chhattisgarh, Jharkhand, Odisha and West Bengal. The draft Road-map has been circulated to all concerned Central Ministries/Departments and States for comments. The Road-map is expected to be finalized in consultation with the States and other stakeholders. It will include suitable strategies for sustainable development of North-Eastern and Eastern States. A proposal for assistance of World Bank for development of the road map has also been prepared by NITI Aayog and submitted to the Department of Economic Affairs.
- b. **Rationalization of NLCPR guidelines:** A Sub-Committee consisting of officers from the Ministry of DoNER and NITI Aayog submitted recommendations for simplifying the process of project approval under Non-Lapsable Central Pool of Resources (NLCPR) with focus on the following:
 - (i) Inter-State allocation of funds under NLCPR;
 - (ii) Retention of Projects;
 - (iii) Process for approval/vetting of Detailed Project Reports (DPRs);

- (iv) Release of funds in instalments;
- (v) Monitoring of projects through independent agencies.

These recommendations have been made for accelerating the pace of programme implementation under NLCPR.

- c. **Allocation for Sixth Schedule areas:** NITI Aayog has recommended Rs 1,000 crore from Demand No.37 of the Union Budget 2015-16 for Sixth Schedule areas in the States of Assam, Meghalaya, Mizoram and Tripura. The allocation has been made as "One Time Assistance to areas covered under sixth schedule of The constitution".

2. Resource Book on Good Practices in Social Sector Service Delivery

The Resource Book published by NITI Aayog consists of 37 Case Studies. It covers innovative introductions in development practices across various sectors viz. Health, Education, Water & Sanitation, Financial Inclusion, Child protection, Environment, Food Security and Public Distribution, Infrastructure & Development, Local Governance, Social Security and Women Empowerment.

3. District level disaggregated data on 51 indicators for all the States/UTs

One of NITI Aayog's new roles is to come out with a repository of data from district upwards to monitor the development of States. For the first time, an extensive exercise to collate disaggregated data across the country was successfully undertaken. The extensive data, clustered into social infrastructure like health, school education, and then physical infrastructure like water, roads and electricity and Information Technology penetration has been published on the website of NITI Aayog. The sources for the data are Census 2011, District Level Household and Facility Survey (DLHS) and District Information System for Education (DISE). It covers the five key sectors of Health, Education, Water, Electricity and Telecommunication of all the States/UTs.

5. Port-led development

A concept note on Port-led development was prepared and circulated to the concerned Central Ministries/Departments for comments. The Concept Note has the focus on development of non-major ports, connectivity to hinterlands- road, rail and waterways, port-based Special Economic Zones (SEZs) in hinterlands, ship building and repair, coastal shipping, coastal tourism, community welfare etc. It is expected that promotion of port-led development will facilitate substantial growth in maritime trade providing employment opportunities for the people living in coastal areas.

6. Development of Islands

The Government of India has proposed that it would develop identified islands for maritime trade, shipping, fisheries, eco-tourism, under-sea mining, oil and gas and other socio-economic activities. It also aims to replace use of diesel with promotion of non-conventional energy sources such as Solar Energy, Wind Energy, Tidal Energy, Ocean Thermal Energy etc in islands.

NITI Aayog has been actively involved in formulation of strategies for sustainable development of islands. It actively participated in the Inter-Ministerial consultations for finalizing the selection of Islands for holistic development. The NITI Aayog proposes to steer the holistic development of Islands on a sustainable basis for which the process of shortlisting of Islands is under way.

7. Assistance to Backward States by granting Special Assistance

States	Special Assistance Areas	Amount Released (Rs. Crore)
Bihar	Special Assistance Areas	1887.53
West Bengal	To boost Road, Education, Irrigation & Health sectors	836.77
Odisha	For taking up development activities in KBK districts of Odisha	132.00
Madhya Pradesh	For taking up development activities/water prioritise interventions in Bundelkhand region	405.58
Uttar Pradesh	For taking up development activities/water prioritise interventions in Bundelkhand region	264.84

8. Supported States for strengthening Decentralised Planning

Three states - Chhattisgarh, Madhya Pradesh and Odisha – have been supported by the NITI Aayog to strengthen the functioning of a Decentralized Plan Process in all levels of the State Government. This is being executed to the SCDP project of the NITI Aayog.

This has ensured support to the States in preparing future roadmaps for institution development of the District Planning Committees (DPCs) based on a participatory capacity assessment study.

A practitioners' manual, namely, "Manual for Social Audit: Facilitating Accountability in Social Sector Programmes" was published as aid to the trainers and practitioners. A Training Manual, namely, "Gender Inclusive Planning: Training Manual for Facilitators" was published for guiding capacity development. Trained 282 Master Facilitators and local resource persons to address gender and women's empowerment issues in planning and implementation at district/sub-district levels. About 150 journalists from print, broadcast, electronic and online media were sensitised on decentralised planning.

Apart from that, selected 10 village Panchayats in Odisha were supported through training and technical support to prepare Village Panchayat development plans to utilise resources devolved under the 14th Finance Commission award. Moreover, 65 Master Facilitators and 147 local social auditors were trained to conduct social audits indifferent flagship schemes.

9. Human Development Project

District Human Development Reports for 8 districts of Gujarat was prepared & released.

"Human Development: Performance of 30 Districts, Taluks and Urban Local Bodies in Karnataka, 2014 - a Snapshot", was prepared and released.

MDG report 2014 for Delhi based on primary and secondary data was prepared and released.

In the State of Gujarat six training modules on Human Development were prepared viz. 1. Human Development, 2. Health & Human Development, 3. Education & Human Development, 4. Gender & Human Development, 5. Poverty & Human Development, 6. Security & Human Development.

District Human Development Reports for three districts of Maharashtra were prepared and released.