



**Overview of Support for
Statistical Strengthening
and
Recent Developments**

Background of the Scheme

- To remove data gaps and deficiencies in the statistical system, the National Statistical Commission (NSC) recommended that the State statistical systems needed drastic improvements.
- Owing to this, a World Bank assisted Centrally Sponsored Scheme, India Statistical Strengthening Project (ISSP) with an outlay of Rs. 650.43 crores, was formulated.
- The project is based on the outcome of 35 detailed States/UTs Report prepared in 2008 identifying the specific requirements of strengthening of Statistical Bureaus

Background of the Scheme

- In 2013-14 another Scheme of the Ministry of Statistics and Programme Implementation namely Basic Statistics for Local Level Development (BSLLD) has been merged with this Scheme and the Scheme has been renamed Support for Statistical Strengthening (SSS).
- The Scheme has now been declared in September, 2015 as a **Central Sector Sub-Scheme with 100% funding from the Centre**
- **The Scheme was approved, till March, 2017. Now , it has been extended up to March, 2020**

Conception of the Scheme

Objectives

- Strengthening the capacity of the State Statistical Systems to serve the objective of policy formulation at the State and local levels
- To provide the data that would be required at the National Level in respect of the identified 20 core statistical activities.
- The Scheme provided ample scope and freedom to the States to identify the major deficiencies and potential and prepare suitable realistic plans to be implemented in phases.
- The Ministry is the facilitator, providing both financial and technical support, to build a sound Statistical System.
- To prepare estimates at the National Level, based on equally reliable and credible State Level estimates.

Coverage

- Under the scheme, 33 States/UTs had offered their willingness to participate through their Letters of Participation (LoPs).
- These 33 States/UTs are termed as ‘participating’ States/UTs. The State of Goa and the UT of Chandigarh informed their unwillingness to participate.
- Initially, 14 States joined the Scheme, during the period of 2010 to 2013 and were allocated funds.
- The Administration of UT of Lakshadweep which had earlier joined the Scheme later indicated the willingness to withdraw and therefore is not being considering in the Scheme.

Coverage

- Andhra Pradesh had been bifurcated to Telangana and Andhra Pradesh, the total number of States remained 14.
- After the revisiting exercise in 2014-15, allocations were made to 19 other willing States/UTs. Out of these, MoUs could be signed with three States and funds released to two of these 19 States also.
- States were provided Seed Money for preparing SSSPs.

Revisiting Of scheme and Policy Changes

During Mid Term Correction of the Scheme , following changes were made:

- Revised allocation of **Rs. 287 crore** (including seed money) were provided to the 14 currently implementing States to complete their projects.
- **Rs. 360.90 crore** was allocated for the other 19 States.
- In September, 2015 the Scheme was changed from a *Centrally Sponsored Scheme to Central Sector Scheme*,
- *Following which :*
 - Operational Guidelines were prepared, approved and implemented before fund release.
 - Recently, the competent Authority has approved , the extension of the Scheme up to March, 2020.

Implementation of the scheme in Currently implementing States

- Although the scheme has been extended up to 2020, the currently Implementing states may not be provided extension beyond March, 2017
- Presently all of currently Implementing states have been given fresh instalments or earlier instalments revalidated except Tamilnadu. The release of fund to Tamilnadu is under progress.

Implementation of the Scheme in the new States

- In the present circumstances where the Operational Guidelines will be invoked, it will require signing of Revised MoU with the 3 States U.P., Uttarakhand and Nagaland also.
- The MoU with the other 16 States/UTs will have to be reorganized to accommodate the clauses of the Operational Guidelines in view of change of the Scheme from Centrally Sponsored to Centre Sector
- As the scheme has now been restructured into a Central Sector Scheme from being a Centrally Sponsored Scheme, the EFC mandates may be adjusted.
- For the 19 States/UTs, Newly Joining including U.P. and Uttarakhand the project period is **extended up to March, 2020.**

Changes in the Scheme

| Items | Centrally Sponsored | Central Sector | Central Sector |
|-------------|---------------------|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| | | (currently Implementing) | (Newly Joining) |
| Allocation | Rs. 650.43 crore | Rs. 287.34 Crore | Rs. 360.90 Crore |
| MOU | Yes | For all currently Implementing states already signed. | Revised MOU to be signed with U.P. / Uttarakhand / Nagaland. Fresh MOUs to be signed with other 16 states/UTs |
| Funding | State Treasurers | Through PFMS module in a dedicated bank Account opened by DES for the Scheme | Through PFMS module in a dedicated bank Account opened by DES for the Scheme |
| State Share | Mandatory | Mandatory for all activities related to Physical Infrastructure in MOU | Not Mandatory |

Changes in the Scheme

| Items | Centrally Sponsored | Central Sector | Central Sector |
|-------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| | | (currently Implementing) | (Newly Joining) |
| Component of the scheme | Twelve Component | Twelve Component | Nine Component for new states including U.P. and Uttarakhand |
| Physical Infrastructure | Present but certain percentage of expenditure was to be given by the state as State Share | Present but certain percentage of expenditure was to be given by the state as State Share | Not at all |
| IT | Procurement of Hardware can be done | NO Procurement of Hardware can be done from the fund which is to be released/revalidated | NO Procurement of Hardware /equipment can be done |
| Procedure for Approval of MOU | <u>Detail</u> | <u>Detail</u> | <u>Detail</u> |

Changes in the Scheme

| Items | Centrally Sponsored | Central Sector | Central Sector |
|--------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| | | (currently Implementing) | (Newly Joining) |
| Release of Money | Maximum Two Instalments in a year | Two Instalments, (As per given in the revised MOU) | Three Instalments |
| Nodal officer in-charge for implementation and monitoring of the Project | Not defined | Secretary (Planning) of the concerned State | Secretary (Planning) of the concerned State |
| State High Level Steering Committee | Yes | Yes | Yes |
| State Implementation Committee | No | Yes | Yes |
| Fund Released | Through treasury | Through PFMS module to a bank account opened by DES | Through PFMS module to a bank account opened by DES |
| Utilization certificate | From DES | Through PFMS module | Through PFMS module |

Changes in the Scheme while approving Extension up to March 2020 :

- Physical Infrastructure and IT components shall be dropped from the MoU of the 19 new States/UTs.
- Allocation kept for PI has been reallocated to the remaining items.
- For the States of UP and Uttarakhand, only those activities of PI which have already been initiated shall remain as Government of India liability and the rest shall be dropped.
- In the MoU of the new 19 States/UTs ,9 heads will be there in the MoU instead of the earlier 12 heads
- The funds will be released in three installments in the ratio of 25:50:25 for the three years of the scheme.
- Total allocation for the States/UTs has not been altered.

Changes in the Scheme while approving Extension up to March 2020

9 components will be as below

| S. No. | Items |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Statistical Applications |
| 2 | Preparation of State Strategic Statistical Plan(SSSP) and signing of MOU by States with Govt. of India |
| 3 | Implementation of recommendations of Technical Groups/Bodies for filling up existing and expected/emerging data gaps, including State/UT specific additionalities |
| 4 | HRD issues, with a focus on Training for Capacity Development and Skills Enhancement/ upgradation, including support to Regional Training Centres. |
| 5 | Introduction of Innovative Techniques and Methodologies for improving the efficacy of statistical processes and operations |
| 6 | Holding of regular/periodic (say once every year) User-Producer dialogues , stakeholders' consultations and Conduct of periodic (say annual) surveys on user-satisfaction. |
| 7 | Dissemination of Annual Reports on the performance of State Statistical Systems and improving the cost effectiveness and ease of data access. |
| 8 | Data quality and efficiency improvement measures. |
| 9 | Advocacy Issues viz. Publicity and IEC (Information, Education and Communication) to improve usage of Statistical Products & services |

Implementation of the Scheme: A Central Sector Scheme

State High Level Steering Committee

- The apex authority for monitoring of the Scheme at the state level
- Approve at the state level the activities to be taken up under the Scheme
- Deciding authority for execution of modalities/procedure, approvals, etc. for executing the activities in the state
- Give necessary directions to the Line Departments, other State Govt. agencies/institutions, DES and ensure effective co-ordination for speedy execution of activities
- Review the detailed financial and physical progress of the scheme during its meetings.
- The High Level Steering Committee of ISSP [HLSC] headed by the Secretary, MOSPI is the approving authority at Central Level.

Implementation of the Scheme: A Central Sector Scheme

- The State Directorates/Bureau of Economics & Statistics is the implementing authority for the Scheme in the State /UTs
- Funds would now be released through the Public Financial Management System (PFMS) module, to the concerned State Directorate of Economics & Statistics, to a dedicated Bank Account of the State DES.
- Secretary (Planning) of the concerned State would be the designated nodal officer in-charge for implementation and monitoring of the Project in the state.

Condition for Release of funds under SSS:

For currently implementing States which have signed the Revised MoUs and received part instalments of remaining funds etc., further funds will be released only through PFMS platform and on :

- Utilization of at least 75% of all the previously released funds
- furnishing of utilization certificate to that effect, giving detailed item-wise, activity-wise utilization figures;
- Furnishing of a detailed achievement- cum- performance report, reflecting the commensurate achievement of at least 80% of physical targets in each of the activities/items, also explaining the manner in which the funds have been utilized and the improvements effected through the funds
- Release of the requisite State share [if any] as committed in the revised MoU.
- Opening of Bank Account and constituting the State Implementation Committee

State Implementation Committee

- Under the Chairmanship of Secretary (Planning)
- with the Director, DES as a Member, a senior officer of the DES/Joint Director handling the scheme as Member Secretary and a Member each from the Finance Department and two other line Departments of the State will be the implementation arm of the scheme in the state.
- Will be empowered to take all decisions on matters relating to execution of activities, mode of execution, award of tenders, hiring of consultants, etc.
- Wherever required it will take up the matter with the State High Level Steering Committee [SHLSC] under the chairmanship of Chief Secretary.

State Implementation Committee

- Decide on planning of the activities, their mode of execution, both for short term and long term period.
- Coordinate with the Line Departments and executing agencies/vendors and the Ministry/GoI
- Ensure implementation of all procurement and capital expenditure as per Government procedure
- Monitor the meeting of targets/milestones for all statistical activities
- Review the implementation by the DES and the executing agencies
- Inform regularly the details of implementation to the Central Ministry.

Procedures for Execution

- The State DESs would follow the extant State Government procedures/rules/regulations, for executing all the activities, as decided/approved for execution by the Competent Authority. All the extant rules and regulations prevailing in State Financial Rules may be adhered to.
- No diversion of funds to other schemes or activities outside the scheme will be permitted.

Completion of the Project

- All the activities should be completed by the implementing State by the end of the project period.
- A detailed physical Completion Report, in respect of each of the activities, expenditure incurred, the statistical outcomes/outputs achieved, has to be forwarded to the Ministry with the approval of the State High Level Steering Committee, for confirmation/acceptance by the High Level Steering Committee on Support for Statistical Strengthening (SSS).

Operational Guidelines

A set of Operational Guidelines has been approved by the Ministry of Finance for Implementation of the Scheme

Audit of Accounts

- The accounts of the scheme together with the funds utilized at the implementation level [i.e State level] will be subject to Audit.
- The Audit Reports of the Audit done periodically by CAG may be forwarded to the Ministry. Otherwise, a Consolidated Audit through the Government Auditor for all the funds released till date and the manner of utilization should be conducted. The period of such a Consolidated Audit Report for a State should be from the initial year of the Scheme in that state.
- The observations of the Audit Report, particularly in cases of discrepancies/irregularities pointed out, should be addressed immediately and necessary corrective/ameliorative measures taken.

Operational Guidelines

Monitoring Mechanism

- The State Implementation Committee under the Chairmanship of the Secretary (Planning), review the monthly/quarterly implementation vis-à-vis the month/quarter wise targets committed in the Action Plan.
- The scheme would be audited
- The Ministry would also review the implementation from time to time, through review meetings, Joint Review Missions (JRM)s and participation in the SHLSC meetings held in the States.
- Monthly progress report related to the Scheme must invariably be prepared, considered and provided to the SSS unit at Delhi

Requirement for New States

- Identification of all the activities to be taken up under the scheme and their finalization after consultation with the Ministry.
- Two activities to be included in the MoUs of the new state viz. Creating a comprehensive ground level data base for local area planning and regular preparation of items listed under core statistics.
- Speed up the process of finalization of MoU preparation.
- Steering High Level Committee has to approve the MoUs
- A nodal officer should be designated for the scheme
- Delete any Physical infrastructure activities or proposal for purchase of vehicles if any in the earlier proposed MoU
- Under head IT, do not make any provision related to procurement
- For early finalization of the MOU meetings will be held in February, 2017 in Delhi

Action Plan for Finalization of MoU with New States

- The state should send their status on 20 key indicators
- The state should restructure the state program to accommodate changes
- The state may finalize the state program in consultation with ISSP at the earliest
- A series of review meetings for states is being organized in Feb, 2017 to finalize the program

Tentative Programme schedule for meeting for finalisation of MOU with new states:

| Date | State |
|------------------------------------|-------------------------------------------------------------------------|
| 09-10 th February, 2017 | Uttar Pradesh, Uttarakhand, Nagaland, Meghalaya, Assam |
| 16-17 th February, 2017 | Chhattisgarh, Tripura, Arunachal Pradesh, Madhya Pradesh, Maharashtra |
| 20-21 st February, 2017 | Jammu & Kashmir, Punjab, Haryana, Himachal Pradesh |
| 22-23 rd February, 2017 | Andaman & Nicobar, Puducherry, Dadar & Nagar Haveli, Daman & Diu, Delhi |