

National Advisory Council

Recommendations on The Scheduled Caste Sub-Plan (SCSP) and Tribal Sub-Plan (TSP): Towards Reform

1. The background:

1.1 Scheduled Castes (SCs) and Scheduled Tribes (STs) have historically suffered from an enormous disadvantage and development deficit as compared to the rest of the population. This was expressly recognized in the Constitution of India, which mandated special protections and provisions for SCs and STs. The Government of India initiated the concept of Tribal Sub-Plan (TSP) in Fifth Five Year Plan period and the Special Component Plan (SCP), now called Scheduled Caste Sub-plan (SCSP) in Sixth Five Year Plan. SCSP and TSP are seen as a critical initiative in closing the development gap between the Scheduled Castes/Scheduled Tribes when compared to others. This umbrella strategy purports to direct Plan resources across Central Ministries in GOI and Departments in the States, at least in proportion to the SC/ST population at the national level (16.2% and 8.8% respectively) and similarly at the State level, to *accelerate* the pace of development of SCs/STs so that the gaps in their development when compared to others is bridged at the earliest. SCSP/TSP is therefore a key instrument for fulfilling the objectives of inclusive growth in India.

1.2 However, experience of the last three decades show that implementation of SCSP/TSP, has been gravely deficient both in the States, and at the Centre. Instead of genuinely planning for SCs/STs in a manner that critical gaps in access to development may be filled so that they may reach a level-playing field with the rest of the population (in education, housing, health, employment, access to civic amenities, entrepreneurship, and so on), the SCSP/TSP has been reduced to a mere accounting exercise, whereby several Central Ministries/State Departments simply 'book' a proportion of their expenditure (16.2% or 8.8%) under the SCSP Head or TSP Head at the Central level, and similar accounting processes take place at the State level, barring only a few States. This 'accounting approach' to the SCSP/TSP means that a proportion of the existing schemes are 'paid for' by the SCSP/TSP, but, except for schemes implemented by the Ministry of Social Justice and Empowerment or Ministry of Tribal Affairs, there is no special or specific planning for SCs/STs; and little or no attempt is made by other Ministries/Departments to develop new schemes and programmes with greater and creative potential to address the development needs of SCs/STs.

1.3 The National Advisory Council (NAC) was of the view that a new system must be devised for the 12th Plan which can ensure that the Sub-Plans are implemented in letter and spirit and made its recommendations for a reform process of the SCSP/TSP to the Government of India in December, 2011. Building on this earlier recommendation to reform the SCSP/TSP, the NAC further recommends the following in order to operationalize a new planning process for the SCSP/TSP:

2. RECOMMENDATIONS

The Government of India should issue *fresh guidelines for the implementation of the SCSP/TSP including an institutional framework for this purpose as outlined.*

Draft 12th Plan document –section on SCSP/ TSP should be urgently revised to fully reflect the new approach towards ‘planning for SCSP/TSP’ being recommended.

2.1 Reiterating the Objectives of the Scheduled Castes Sub-Plan (SCSP)/Tribal Sub-Plan (TSP): Bridging the Gap

- a. Scheduled Castes Sub Plan (SCSP)/Tribal Sub-Plan (TSP) refers to a policy to channelize a proportion of the total Plan outlays of the State, at least equivalent to the proportion of SCs/STs in the State’s population, which should be set apart as Scheduled Caste Sub-Plan (SCSP)/Tribal Sub-Plan (TSP), before the Plan outlays are allocated to the Departments. The objective is to accelerate the development of SCs/STs, by securing to them reduction in poverty and unemployment; creation of productive assets and income generating opportunities; human resource development by enhancing their access to education and health services; enhancing quality of life by providing basic amenities in SC/ST localities including housing. Focus on the SCSP shall be on bridging the gaps between SCs/STs when compared to others.
- b. The current ‘post-facto accounting approach’ to the SCSP/TSP fails to achieve the desired objectives (bridging the gap). This prevailing approach - consisting largely of pro-rata accounting of expenditure on SCs/STs in existing schemes - has to give way to a robust ‘pro-active planning approach’ in order to secure genuine, inclusive growth.

2.2 Towards a Paradigm Shift: From ‘Accounting’ to ‘Planning’ for SCSP

i. Earmarking of SCSP Fund

The starting point for a reformed planning process is 'earmarking of SCSP/TSP Fund' not less than the population proportion of SCs/STs, much before Plan outlays are distributed to the Central Ministries or State Departments. It is well-established practice that, the Planning Commission in case of the Centre, and the Planning Department in case of the States, indicate the tentative plan size to each Ministry or Department, as the case may be, for the purpose of preparation of Plans for inclusion in the Budget Estimates of the ensuing financial year. The fresh guidelines should mandate earmarking of SCSP/TSP funds from Plan outlays at least 6 months before the commencement of the next financial year. The size

of the SCSP/TSP fund thus earmarked should be communicated to the Central Ministries or State Departments for commencing process of preparation of Scheduled Castes Sub Plans/Tribal Sub-Plan (TSP).

ii. Initiating a Pro-Active Planning Process for SCSP/TSP by the Central Ministries and State departments

Central Ministries or State departments need to undertake a planning process to come up with SC/ST Sub Plans. The planning process should begin with an assessment of current status of SCs/STs on select development parameters (relevant to the ministry or department concerned) and estimation of the gaps in development between SCs/STs when compared with others. The ongoing programs of the Central Ministries/State Departments need to be critically evaluated to assess whether the programs have the potential to - accelerate the pace of the development of SCs/STs and secure quantifiable benefits to SCs/STs and result in bridging the gaps in development between SCs/STs when compared with others. The implementation strategies too need to be evaluated to judge whether SCs/STs are effectively reached or covered under the programs. The Central Ministries and State Departments should also consult relevant stakeholders to take their input while formulating the SC/ST Sub Plans. The SC/ST Sub Plans should include only such existing schemes (including additional components to existing schemes) or new proposed schemes that fulfill the following criteria:

- a) The scheme has the potential to bridge the gaps in development between SCs/STs when compared to others
- b) The benefits to SCs/STs are quantifiable

Schemes where benefits to SCs/STs are merely notional are not to be included in the Sub Plans. The National Commission for Scheduled Castes and National Commission for Scheduled Tribes should be strengthened with adequate professional expertise and provided with supporting human resource to assist the Central Ministries/Departments by providing inputs in the formulation of new schemes/modification of existing ones under SCSP/TSP that have the potential to directly benefit SCs/STs.

iii. Stringent Appraisal & Approval of the SCSP/TSP plans prepared by the Central Ministries/State departments

The SC/ST Sub Plans formulated by the Central Ministries need to be appraised by the Planning Commission to ensure that the schemes included in the SC/ST Sub Plans fulfil the criteria detailed above. The appraisal process needs to ask the critical questions:

- ✓ What are the gaps?
- ✓ How will the proposed scheme bridge the gaps?
- ✓ Are the benefits quantifiable?
- ✓ Does the Ministry/Department have the institutional capability for effective implementation, or a plan to create such institutional capabilities?
- ✓ How will the Ministry track/monitor?
- ✓ How will the Ministry evaluate the outcomes?

Similarly State governments may entrust the responsibility to appraise the SC/ST Sub Plans to the Planning Department or any other appropriate agency identified by the State governments. The SC/ST Sub Plans that pass through the appraisal alone should be included in the Annual SC/ST Sub Plans of the Central ministry or the state department. The four way categorisation of Central Ministries in terms of percentage of budget to be allocated to SC/ST Sub Plans recommended by the Task Force of the Planning Commission, chaired by Member, Shri Narendra Jadhav should be considered only the *minimum* floor for preparation of plans. Any Central ministry may propose SC/ST Sub Plans *beyond* the minimum allocation that is mandated, provided the ministry's proposal/s fulfil the appraisal criteria detailed above.

iv. Re-appropriation

Re-appropriation of SCSP/TSP funds from one Department to another Department after a mid-year review should be facilitated for effective use of the resources.

2.3 Institutional strengthening at the Centre: A High Level Committee to Review and Appraise Central Scheduled Castes/ Tribal Sub Plans & monitor their Implementation

- a) The present Central Tripartite Committee (CTC) in the Planning Commission to be replaced with a new High Level Committee (HLC) consisting of the Deputy Chairman, Planning Commission, Minister of Social Justice and Empowerment, Minister of Tribal Affairs, besides Member/s-in-charge, Planning Commission and Chairperson, National Commission for Scheduled Castes and National Commission for Scheduled Tribes to
 - i. Approve the schemes under SCSP/TSP as appraised by the Nodal Secretarial unit in the Planning Commission;
 - ii. review the implementation of SCSP/TSP and outcomes at the end of the year with Ministries/Departments as well as the State Governments; and
 - iii. to resolve various policy related issues thereto.
- b) A separate unit to be created in the Planning Commission under a Principal Advisor for SCSP/TSP with adequate staff to appraise the Annual SCSP/TSP Plans of Central Ministries, finalize the allocations and to evaluate the outcomes at the end of the financial year. This unit shall also be the Secretariat for the HLC in the Planning Commission.
- c) In the Central Ministries, a dedicated nodal unit to be headed by a Joint Secretary or Economic Advisor with full time support staff with the responsibility of preparation of Annual SCSP/TSP Plans, and also to monitor their subsequent implementation.

2.4 Institutional strengthening in the States: A Nodal Agency to Review and Appraise Sub Plans & monitor their Implementation in the States

- a) An apex body may be set up in all States with the Chief Minister of the State as the Chairperson.

- b) The duties of such an apex body should include formulation of policies, approval of Annual SCSP/TSP Plans of the departments, and monitoring of progress of SCSP/TSP so as to take corrective measures for improving the performance of the Departments.
- c) A department may be designated as Nodal department for SCSP/TSP. Such Nodal department should be strengthened to appraise the Annual SCSP/TSP Plans prepared by other departments and also to undertake intensive monitoring and evaluation of the implementation of Annual SCSP/TSP Plans.
- d) The Nodal department to be empowered to clear the schemes proposed by the Departments under SCSP/TSP, if the schemes fulfil the criteria of securing direct benefits to SC/ST individuals, households and localities.

2.5 Monitoring & Transparency

- a) It should be the responsibility of the Ministries/Departments at the Centre, through their Nodal Units to monitor and ensure effective implementation of SCSP/TSP.
- b) It should also be the responsibility of the nodal units to disseminate information electronically regarding SCSP/TSP funds in terms of both allocation and expenditure, and place this information in the public domain to allow citizens to track outcomes under every scheme as well as in terms of beneficiaries.

2.6 Outcome Evaluation

- a) Periodic evaluation of the outcomes of the schemes taken up under SCSP/TSP should be undertaken by the Central Ministries/State Departments.
- b) The National Commission for Scheduled Castes and National Commission for Scheduled Tribes should also get periodic evaluations conducted on SCSP/TSP schemes, to give feedback to the Central Ministries/Planning Commission for better implementation of SCSP/TSP.
- c) The State Commissions for Scheduled Castes and Scheduled Tribes to be similarly strengthened and mandated to get independent evaluations conducted at the State level.
- d) The Planning Commission should review outcomes from this reformed planning process for the SCSP/TSP at the end of every financial year.