



**Review of Implementation of Flagship
Schemes and Programmes**

Orissa

Planning Commission

NEW DELHI

Planning Commission

Subject : Report of Performance Review of Flagship Programmes Implemented in Orissa

EXECUTIVE SUMMARY

Adviser (LEM) visited Orissa on 18th – 20th October, 2009 to review the implementation of Flagship programmes. Discussions were held with concerned Principal Secretaries / Special Secretaries/ Secretaries of the State Government on 19th October, 2009 at Bhubaneswar.

(1) National Rural Employment Guarantee Act (NREGA)

As of date, all **30** districts are covered under NREGA. Total Releases are to the tune of **Rs.655 crore** and the Expenditure **Rs.312 crore**. As regards issue of job cards, **80,000** job cards have not been issued, though people have registered. Lack of dedicated staff, especially **JE**, location of banks/ post offices at a distance of more than **5 Kms.** and lack of convergence has posed problems in the implementation of NREGA. Participation of women has also been low.

(2) Indira Awaas Yojana (IAY)

A very large population in rural Orissa is without *pucca houses*. It would, therefore, augur well to give a further impetus to the IAY scheme. In the absence of finalized IAY list, the process of selection of beneficiaries seems not transparent, even though targets have been achieved in recent years. As far as landless agricultural labourers are concerned, the lack of availability of Government land for landless agricultural labourers has resulted in landless agricultural labourers being left out of the scheme of IAY.

(3) Pradhan Mantri Gram Sadak Yojana (PMGSY)

Despite utilization of funds, targets of road lengths, as envisaged, have not yet been met. Non-awarding of works in the Naxal-affected districts has affected not only this programme, but overall development of the Naxal-affected districts, since construction of roads is a major component for overall development of the Naxal-affected region. These districts in the State need special dispensation in the matter of e-tendering on the similar lines of other Naxal-affected districts.

(4) Mid-Day Meal Scheme (MDMS)

More schools need to be handed over to NGOs like Akshay Patra and Nandi Foundation, as their quality is far better than those run even by Women SHGs There is also an urgent need to enhance rates for food, especially cereals + pulses provided under MDMS. Keeping in view the efficient management of MDMS by NGOs, handing over MDMS in more schools is suggested. MDMS has not so far been evaluated by a third party.

(5) Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

So far, only Bhubaneswar and Puri have been identified as Mission Cities. Rs.811.98 crore have been approved for 5 projects and an amount of Rs.159.29 crore has been released. Bhubaneswar Sewage Project is one of the most important projects in the State. As regards slow progress in respect of implementation of schemes under JNNURM, non-finalization of tenders has been the main cause of slow progress in respect of implementation of schemes under JNNURM. This is presumably attributable to the fact that the model code of conduct was enforced due to elections; and secondly, for want of loan agreement with JICA. (Japan International Cooperation Agency). The tenders for semi-low floor buses and mini buses for Mission cities are yet to be finalized.

(6) Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)

All districts are now covered under RGGVY. Central Government PSUs are implementing this scheme under a quadripartite agreement amongst REC, Orissa Govt Power Distribution Companies. It has not been possible for Contractors to complete the projects as per schedule. Works have been accomplished in 6,266 villages out of 87,826 villages approved under RGGVY. In fact, CM, Orissa has sought Union Power Minister's intervention to ensure CPSUs complete their targets. There is also a need for replacement of M/s. Maytas in view of the circumstances obtaining as a fall out of Satyam scam. M/s. Maytas had been awarded contract for 3 districts, which they have abandoned.

(7) National Rural Health Mission (NRHM)

Orissa is a high focus non-NE State for NRHM. Performance under NRHM in the State is poor. All health indicators are much higher than the national average. Extremely low percentage of institutional deliveries. As regards medical facilities, no mobile medical units are functioning in the districts. Most of CHCs are not having 24X7 facilities. Much more focus on NRHM is required for both training of ASHAs and setting up of mobile health units.

(8) National Horticulture Mission (NHM)

Agro-climatic conditions in the State are extremely favourable for an intensive horticulture production. High dependence on agriculture also brings in a definite role for NHM to act in the State, bringing more districts under its cover. NHM would do well to cater to the needs of the State Government towards the impending revision of guidelines for market complexes, as also for a more attractive subsidy pattern for private sector nurseries. Augmenting facilities for providing quality planting material and post-harvest storage facilities is also required. Lack of these facilities inhibits the increase in horticulture production. Presently, the progress of the works under NHM is stalled due to State's quest for increased subsidies.

(9) Sarva Shiksha Abhayan (SSA)

Drop-out rates have marginally improved as compared to pre-1992-93. As regards the composite Educational Development Index (EDI), Orissa State's ranking continues to be static during 2005-2008 without much improvement. So far as building works programme in Kasturba Balika Vidhyala Scheme are concerned, the

progress has been sluggish. The State has still has **2,70,783** out-of-school children, of whom **1,97, 212** are to be covered through direct enrolment. Against **5,842** sanctioned Primary School buildings, **2,962** buildings have been completed till **March, 2009**.

(10) Integrated Child Development Scheme (ICDS)

All the 326 ICDS projects sanctioned are operational. However, as regards *anganwadis*, out of the 71,134 *anganwadis* sanctioned, only 53,885 are operational.

(11) Accelerated Rural Water Supply Programme (ARWSP)

The Bharat Nirman target for **2005-06** was **47,154** uncovered habitations. Against this, the achievement is **77,280** habitations, which includes slipped back and quality affected habitations also. In the current year, against the allocation of **Rs.187 crore**, an amount of **Rs.102.68 crore** has been released so far.

(12) Total Sanitation Programme (TSP)

In many districts, the expenditure is **< 60%** of the Central release. In the matter of constructing individual toilets, the State is lagging behind other States. Of the total projected outlay in all 30 districts the cumulative expenditure is extremely low.

(13) Accelerated Irrigation Benefits Programme (AIBP)

Under the Bharat Nirman component, the achievement of overall physical target has been substantive. In the current year an amount of **Rs.221.58 crore** has been released till **20.10.2009** against the allocation of **Rs.1200 crore**.

(14) Accelerated Power Development and Reforms Programme (APDRP)

The State is not eligible for funds in the first phase as the sector been privatized. Additional vent needs to be provided by the National Highway Authority of India in **NH-60** between Balasore and Laxmannath in order to stop the water logging problem created by the construction of the national highway. The guidelines for the **Accelerated Power Development and Reform Programme II (APDRP II)** are to the disadvantage of the State since under the existing guidelines. The State has asked for revision of guidelines. since privatized utilities are not covered in the first instance.

(15) Special Problems

1. Allotment of coal block / coal linkage to the IPPs

21 Independent Power Producers (IPPs) have signed **MoU** with the Government of Orissa to establish power plants in the State. The total installed capacity of these **21 IPPs** is **27,025 MW**. Out of these **21 IPPs**, only **9 IPPs** have so far got either the coal block or coal linkage. The State Government has recommended to the Ministry of Coal to allot coal block / coal linkage to all the **21 IPPs**. Unless coal block / coal linkage is allotted / allowed, these IPPs can not proceed for financial closure. The Ministry of Coal needs to expedite development since a generation capacity of **>27,000 MW** is at stake.

2. Backward Regions Grant Fund

Funds are provided to the State under two components of the programme, namely, the Special Plan for the KBK districts of Orissa and the Districts component.

KBK Programme

The 3 undivided districts of **KBK**, i.e., **Koraput, Bolangir** and Kalahandi have since been divided into 8 districts and are covered under the KBK Programme. These districts cover 30% of the State in terms of area and have 20% of the State Population. All demographic and socio economic indicators of the KBK are extremely poor. [Literacy rate 43%, Female Literacy Rate 29%]. Compared to the national average of 36.8% of girls marrying below 18 years of age, in the KBK districts, the figure is as high as 60.6%.

Backwardness in the KBK is multifaceted:-

- (i) Tribal backwardness
- (ii) Hill area backwardness
- (iii) Severe natural calamities

The special Plan for KBK districts has been in operation since 2002-03 with Central support on 100% grant basis under **BRGF**. An amount of **Rs.1557.50** crore has been released so far. The State Government has now submitted an eight-year Plan (2009-2017) with a proposed outlay of **Rs.4,500 crore**, recasting the earlier KBK Programme.

3. Relaxing the norms

Norms for drinking water supply, roads and other schemes in tribal and Naxalite-affected areas need to be relaxed. The 5 Naxal-affected districts deserve special treatment for :-

- (a) Construction of roads
- (b) Construction of school buildings
- (c) Recruitment of Teachers
- (d) Recruitment of Medical and Para-medical staff.
- (e) Convergence of expenditure on security with social sector programme.

Office of Adviser (LEM)
Planning Commission

Review of Implementation of Flagship Schemes Programme
Orissa

In pursuance of order **M-13019/3/2009-SP.Coord** dated **23.9.2009** visit to the State Headquarters, i.e. Bhubaneswar was undertaken from **18th -20th October, 2009** to review the implementation of the flagship programmes. Also (a) Inspection of **mid-day meal scheme (MDMS)** both in Puri and Khordha districts and (b) Inspection of central kitchens under the **MDMS** was made in both Khordha and Puri districts.

Brief Facts

| | | |
|--|---|--|
| • Total Population | - | 3.7 crore |
| • ST Population | - | 16.5 % |
| • Tribal Population | - | 22.15% |
| • Percentage of Population below poverty line (2004-05) | - | 46.4% [Highest among major States [All-India average 27.5%] |
| • Literacy Rate | - | 63% [All-India average 65%] |
| • Female Literacy Rate | - | 50.1% [All-India average 56.6%] |
| • Infant Mortality Rate (IMR) | - | 71/1000 [All-India average 58/1000] |

Most socio-economic Indicators for Orissa can be classified as “below average”. Orissa’s relative position amongst the **15** major States with reference to **Human Development Index (HDI)** has not shown any change. It continues to rank fifth lowest with reference to **HDI** (in **2001**) with only Madhya Pradesh, UP, Assam and Bihar ranking below Orissa.

I. National Rural Employment Guarantee Act (NREGA)

1. Earlier, **19** districts were covered in the **1st Phase** and **5** more districts were covered in **Phase II** and now all the **30** districts are covered under **NREGA**. The State Government has fixed a wage rate of **Rs.70.00** with effect from **1.5.2007**.
2. Total release since **2005-06** under **NREGA** has been **Rs.655.55 crores** out of which expenditure of only **Rs.312.56 crore** has been incurred.
3. While the employment generated (in lakh-person days) was **799** in **2006-07** it has fallen drastically to **405** in **2007-08** and **432** in **2008-09**. The reason was

a report by an NGO which had indicted the State Government officials for false entries in job cards and non payment / less payment of wages and concluded that funds under NREGA have been misappropriated by the officials. As a consequence, the average number of days work provided per household has also fallen from **57** in **2006-07** to **36** in **2008-09**.

Issues

1. **Availability of technical manpower at the block level.**

No dedicated manpower or technical manpower for the scheme at the block level, as only 1 **Junior Engineer** is available for measurement at the block level, and, therefore, in many cases payments are delayed since measurement takes a long time.

2. **Payment of wages through Bank/Post Office has become mandatory since 1.10.2008 but Post Offices take as much as 80-90 days for payment, and through banks, payments take more than a month.**

3. **Location of banks as well as post offices is extremely far away (> 5 kms) in as many as 20% – 30% hamlets.**

4. There exists a vested interest by the *panchayats* not to take up **work under NREGA** as this would reduce the manpower availability for agricultural operations.

5. As many as **80,000 households** have not yet been given job cards, as only **11.27 lakh** households have been provided employment whereas the number of households demanding employment is more than **11.98 lakh**.

6. Efforts at convergence need to be made, especially with the Department of Women & Child Development, Department of SC, and Department of Tribal Welfare, etc.

7. Even though **NREGA** is not limited to BPL households, the outreach of the programme, both in terms of job card issued and employment provided, is low.

8. There are as many as **423** suspended works in one district, i.e., Ganjam.

9. Women participation in NREGA is very low. Special work sites for women could be considered.

10. No independent evaluation study for NREGA has so far been undertaken.

11. The impact on wages can be judged by the fact that average wage rate of **Rs.93.85** is higher than the wage rate fixed.

II. Indira Awaas Yojana (IAY)

1. In a State where as much as **80%** people in rural areas are still without *pucca houses* as compared to an All-India level of **56%**, the importance of the **IAY** scheme cannot be overemphasized.
2. While targets since **2007-08** have been achieved, there is lack of transparency in the selection of beneficiaries since the State has not finalized the permanent **IAY** list.
3. Landless agricultural labourers have been completely left out of the scheme since the State has not acquired /utilized any land for **IAY** for landless agricultural labourers.

III. Pradhan Mantri Gram Sadak Yojana (PMGSY)

1. Utilization of funds has been more than original outlay. However, only **64%** of the target of length of roads under PMGSY in kms has been completed.
2. While e-tendering for all the **PMGSY** roads has been done, no contractors have come forth in the **5 Naxal-affected districts**. A special dispensation of dispensing with some tender conditions in line with similar guidelines for the **33 Naxal affected districts** may be necessary.
3. The road length per 100 sq.km. in the four most Naxal-affected districts, namely, Koraput, Sundergarh, Gajapati and Malkangiri is very poor.

Issues

1. Forest and environmental clearance – In several cases, approval of M/o Environment & Forests is required which easily takes one year.
2. Achievement in terms of connectivity of new habitations is only **57%** of the target, i.e., **43%** of hamlets having **>500** population are yet to be covered by all-weather roads.
3. The State Government has been demanding inclusion of connectivity status of hamlets having less than **250** population which at present is not covered under the **PMGSY** guidelines. However, till hamlets with more than **500** are fully connected it may not be advisable to dilute the guidelines.

IV. Mid-Day Meal Scheme (MDMS)

1. In view of the **National Family Health Survey (NFHS) Report 2005-06**, wherein the percentage of under-weight children is as high as **44%**, the importance of the Mid-Day Meal Scheme cannot be overemphasized. At present, mid-day meal is provided for children at a cost of **Rs.2.22 for class-I to**

class-V students and Rs.2.74 for class-VI to class VIII students with the Central Government allocating rice @**100 gms per child per day** free of cost

for primary students and @150gms per child per day free of cost for upper primary students.

2. In view of the recent hike in the costs of foodgrains and vegetables, there is a need to enhance rates of **Rs.2.22** and **Rs.2.74**
3. Almost **85%** of the schools have been handed over to the Women Self Help Groups who are managing this programme. The **Akshay Patra Foundation** and the **Nandi Foundation** are providing mid-day meal from the central kitchens in **Puri** and **Khordha** district. The quality of mid-day meal provided by these NGOs is excellent as these NGOs are incurring a cost of **>Rs.6 per day per child** whereas the State Government is bearing a cost of **Rs.2.22 for lower primary or Rs.2.74 per day per child for upper primary** and the remaining **Rs.4 approx.** is borne by the NGOs.

Issues

1. **MDM** in more schools need to be handed over to NGOs, like the **Akshay Patra Foundation** and **Nandi Foundation** for ensuring not only better quality of **MDM** but efficient management of the programme.
2. No third party **evaluation** of **MDM** has been done till date.

V. Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

1. Only Bhubaneswar and Puri have been identified as **Mission Cities**. **5** Projects have been approved at a cost of **Rs.811.98 crore** and an amount of **Rs.159.29** crore has been released. The most important project is the Bhubaneswar Sewage Project. Total cost is **Rs.750 crore** wherein **21.2%** State's share is being met from **JICA** fund. Progress under all the schemes under JNNURM is generally slow. The reasons for non-finalization of tenders are :-
 - (a) coming into force of the model code of conduct due to elections.
 - (b) non-finalization of the loan agreement with JICA.
2. The tender for **55** semi-low floor buses and **70** mini buses both for Bhubaneswar and Puri has also not yet been finalized.

VI. Rajiv Gandhi Gramin Vidyuti Karan Yojana (RGGVY)

1. All **30 districts** are now covered under **RGGVY**.
2. Work under the scheme has been assigned to Central Government PSUs, namely **NTPC, NHPC and PGCIL** under the quadripartite agreement within **REC, CPSUs**, Government of Orissa and the Power Distribution companies. Funds

are released to the **CPSUs** who award the work to contractors on turn-key basis. The State Government and Power Distribution companies only facilitate the work and help sort out field level problems.

3. The physical progress of the work is much below the target, although, as per agreement the contractor has to complete the project within **18** months
4. Out of **87,826** villages approved under **RGVY**, works in only **6,266** villages have so far been completed. The pace of work is very slow and delegation in execution of the works by the State Government would expedite the **rural electrification works**
5. The **Chief Minister** has requested for a special review with the **Union Minister (Power)** since **CPSUs** have not been able to complete the work awarded to contractors.
6. **M/s Maytas** which has been awarded the work by the **CPSUs** in **3** districts has abandoned the work after the Satyam scam and the **CPSUs have not taken any decision** regarding replacement of M/s. Maytas

VII. National Rural Health Mission (NRHM)

1. Although Orissa is a part of the **high focus non-NE States**, the performance under **NRHM** continues to be below average. All health indicators, like **IMR**, **MMR**, etc. continue to be much higher than the national average. The percentage of institutional deliveries is as low as **39%**. [National average **47%**]. **IMR** is **2nd highest** in the country (**71**) with only one State, i.e., **MP** being higher at **72**.
2. The **IMR** in the four most Naxal-affected districts is as high as **123 / 1000**.
3. Not a single district mobile medical unit is opened and most **CHCs** do not have **24 x 7** facilities.

VIII. National Horticulture Mission (NHM)

Issues

1. Overdependence on paddy cultivation even in rainfed areas is a limiting factor to agriculture growth because the State is prone to natural calamities. With a work force of as much as **65%** dependent on agriculture, the role of the **NHM** is extremely important and Orissa could be made a special focus State under the **NHM**. The State's agro-climatic conditions are extremely favourable for an intensive horticulture production.
2. Only **24** districts are presently covered under **NHM**.
3. Staff at field level for implementation is inadequate.

4. However, at present facilities of both quality planting material and post-harvest storage facilities are extremely poor. Both these are limiting factors for increased horticulture production.
5. The State is awaiting **revision of guidelines** for market complexes as well as for a more attractive **subsidy pattern** for private sector nurseries from the **National Horticulture Mission**.
6. Work under NHM is virtually at a standstill due to State's request for increasing subsidies in the various components of the programme.

IX. Sarva Shiksha Abhiyan

1. The composite Educational Development Index (**EDI**) ranking of Orissa which was **28** in **2005-06** has remained at that level even in **2007-08**.
2. Building Works Programme in **Kasturba Balika Vidhyala Scheme** are extremely slow.
3. Out of **30, 14** districts have been classified as **special focus districts** under **SSA**.
4. The State still has **2,70,783 out-of-school** children of whom **1,97,212** are to be covered through direct enrolment. Drop out rates have only marginally improved since **1992-93**.
5. Against **5,842** sanctioned Primary School buildings, **2,962** buildings have been completed till **March, 2009**.

Issues

2. Tremendous shortage of trained teachers and their involvement in non-teaching activities diverts them from academics. Teacher-Pupil ratio especially at Primary and Upper Primary is below the national average.
3. 21,000 vacant posts of teachers exist.

X. Integrated Child Development Services

All the **326** ICDS projects sanctioned are operational. Out of the **71,134** *anganwadis* sanctioned, **53,885** are operational.

XI. Accelerated Rural Water Supply Programme (ARWSP)

1. The Bharat Nirman target for **2005-06** was **47,154** uncovered habitations against which the achievement is **77,280** habitations, which includes slipped back and quality affected habitations also.
2. In the current year, against the allocation of **Rs.187 crore**, an amount of **Rs.102.68 crore** has been released so far.

Issues

1. The State Government has requested for enhancement of Central allocation specifically to:-
 - (a) Tackle water quality problem; and
 - (b) Implementation of piped water supply schemes in selected rural areas.

XII. Total Sanitation Programme

1. In as many as **12** districts, expenditure is **< 60%** of the Central release.
2. Against a target of constructing **70.56 lakh** individual toilets, the State has reported construction of **23.58 lakh** toilets which is **33.42%** (All-India **60%**) of total target upto **09.12.2009**. The performance of the State is not satisfactory.
3. The total projected outlay in all 30 districts is **Rs.1313.20 crore** (in which Government of India share is **Rs.849.02 crore**, State's share **Rs.336.17 crore** and beneficiary share is **Rs.128.00 crore**) against which the cumulative expenditure reported is only **Rs.314.12 crore**. The Central release of funds to the programme is **Rs.336.68 crore** upto **09.12.2009**.

XIII. Accelerated Irrigation Benefit Programme (AIBP)

1. Under the Bharat Nirman component, the overall physical target was **331.940 thousand hectares**. The achievement from **2005-06** to **2008-09** has been **237.575 thousand hectares** i.e., **71.57 %**.
2. In the current year an amount of **Rs.221.58 crore** has been released till **20.10.2009** against the allocation of **Rs.1200 crore**.

XIV. Accelerated Power Development and Reforms Programme (APDRP)

1. The State is not eligible for funds in the first phase as the sector been privatized.
2. Additional vent needs to be provided by the National Highway Authority of India in **NH-60** between Balasore and Laxmannath in order to stop the water logging problem created by the construction of the national highway.

3. The State has asked for revision of guidelines. The guidelines for the **Accelerated Power Development and Reform Programme II (APDRP II)** are to the disadvantage of the State since under the existing guidelines privatized utilities are not covered in the first instance.

XV. Special Problems

1. Allotment of coal block / coal linkage to the IPPs

21 Independent Power Producers (IPPs) have signed **MoU's** with the Government of Orissa to establish power plants in the State. The total installed capacity of these **21 IPPs is 27,025 MW**. Out of these **21 IPPs**, only **9 IPPs** have so far got either the coal block or coal linkage. The State Government has recommended to the Ministry of Coal to allot coal block / coal linkage to all the **21 IPPs**. Unless coal block / coal linkage is allotted / allowed, these IPPs can not proceed for financial closure. The Ministry of Coal needs to expedite development since a generation capacity of **>27,000 MW** is at stake.

2. Backward Regions Grant Fund

Funds are provided to the State under two components of the programme, namely, the Special Plan for the KBK districts of Orissa and the Districts component.

KBK Programme

The **3** undivided districts of **KBK**, i.e., **Koraput, Bolangir** and Kalahandi have since been divided into **8** districts and are covered under the KBK Programme. These districts cover **30%** of the State in terms of area and have **20%** of the State Population. All demographic and socio economic indicators of the KBK are extremely poor. [Literacy rate **43%**, Female Literacy Rate **29%**]. Compared to the national average of **36.8%** of girls marrying below **18** years of age, in the KBK districts, the figure is as high as **60.6%**.

Backwardness in the KBK is multifaceted:-

- (i) Tribal backwardness
- (ii) Hill area backwardness
- (iii) Severe natural calamities

The special Plan for KBK districts has been in operation since **2002-03** with Central support on **100%** grant basis under **BRGF**. An amount of **Rs.1557.50** crore has been released so far. The State Government has now submitted an eight-year Plan (**2009-2017**) with a proposed outlay of **Rs.4,500 crore**, recasting the earlier KBK Programme. The State Government is awaiting clearance for this recasted Programme.

3. Relaxing the norms

Norms for drinking water supply, roads and other schemes in tribal and Naxalite-affected areas need to be relaxed. The **5** Naxalite-affected districts deserve special treatment for:-

- (a) Construction of Roads
- (b) Construction of School Buildings
- (c) Recruitment of Teachers
- (d) Recruitment of Medical and Para-medical Staff
- (e) Convergence of Expenditure on Security with Social Sector Programme.