To

1. The Chief Secretary, Govt. of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi-110002.
2. The Administrator, UT of Dadra & Nagar Haveli, Secretariat, Silvassa.
3. The Administrator, UT of Lakshadweep, Kavaratti.
4. The Chief Secretary, UT of Andaman and Nicobar Islands, Port Blair.
5. The Adviser to the Administrator, UT Chandigarh, Chandigarh.
6. The Administrator, UT of Daman & Diu Secretariat, Daman, Moti Daman.
7. The Chief Secretary, Government of Puducherry, Puducherry.

Subject: Appraisal and approval of Public Funded Schemes and Projects (continuation of existing scheme beyond 12th Five Year Plan) - regarding.

Sir,

I am directed to forward herewith a copy of Integrated Finance Division’s communication No. 03/02/2014-Fin-III dated 16/03/2017 along-with OM No. N-14072/09/2017/MHA dated 9/10th March, 2017 received from Niti Aayog on the subject mentioned above.

2. It is, therefore, requested to kindly ensure appropriate action in a time bound manner as per instructions issued in OM dated 23/02/2017 (copy enclosed) of Department of Expenditure, Ministry of Finance.

Yours faithfully,

(M. N. Khan)
Under Secretary to the Government of India
Ph.: 23093147

Encl.: As above
OFFICE MEMORANDUM

Subject: Continuation of ongoing Schemes beyond 12th Five Year Plan:
Instructions regarding.

Reference is invited to this Department's O.M. No. 1(3)/PF-II/2011 dated December 14th, 2011 on the subject of continuation of Plan Schemes from 11th to 12th Five Year Plan. In the past every scheme, proposed for continuation beyond a five year plan, was revisited at the end of that plan period. The plan era is ending with the present 12th Five Year Plan. To improve quality of the Government expenditure, every scheme should have a sun-set date and an outcome review. Accordingly for aligning the schemes with financial resources cycle of Central and State Governments, these will be co-terminus with the Finance Commission cycles, the first such one being the remaining Fourteenth Finance Commission period ending March, 2020. In the following paragraphs the guidelines for continuation of schemes beyond 12th Five Year Plan are elaborated. These guidelines are equally applicable to both Central Sector Schemes (CSs) and Centrally Sponsored Schemes (CSSs).

1. As per this Department's O.M. No. 24(35)/PF-II/2012 dated 5th August, 2016 (Para 11), it has been directed that all Ministries / Departments should undertake an outcome review of their ongoing schemes at the end of 12th Five Year Plan (FYP) and for further continuation resubmit the same for appraisal and approval unless the scheme has already been made co-terminus with the Fourteenth Finance Commission (FFC) period or beyond.

2. The Ministries / Departments should ensure submission of their schemes for appraisal at the earliest before end of March, 2017, so that the schemes can continue beyond 12th Five Year Plan in a smooth, rationalized and effective manner.

3. The approval for continuation of the scheme may be sought if the outcome review for the scheme has been positive and shows that though the scheme has been effective in achieving its objectives, still, there is a need to continue the scheme in view of its mandate and performance. Depending upon the outcome review, the scheme can continue in its present form or with necessary modifications.
4. It may be ensured that in all such schemes which are proposed for continuation, there should be no scheme where the competent authority had specifically decided to terminate it at the end of 12th Five Year Plan.

5. In the run-up to Union Budget 2016-17, schemes were rationalized in consultation with the implementing Ministries / Departments with respect to their outcome framework. However, in the proposal for continuation of the schemes / sub-schemes, further rationalization may be carried out by merging, restructuring or dropping existing schemes and sub-schemes that are duplicate or have become redundant or ineffective with the passage of time. The Department of Expenditure reserves the right to merge, restructure or drop any existing scheme / sub-scheme in consultation with the Administrative Ministry / Department to improve economies of scale for better outcomes.

6. For continuation of schemes with a total financial implication below Rs. 500 Crore for the approved period, the proposals may be appraised and approved within the delegated financial powers to the Ministries / Departments as per the extant procedure given in Department of Expenditure ibid O.M. dated 5th August, 2016. The proposals for continuation of schemes with such total financial implication worth more than Rs. 500 crore should be processed by the Ministries / Departments for appraisal / approval as per the laid down procedure through EFC / PIB in two parts:

   a) Part A should contain a consolidated proposal in respect of all the umbrella schemes of the Ministry / Department for continuation. The overall financial implication of each umbrella Centrally Sponsored Scheme (programme) pertaining to one Ministry / Department should be taken into account for determining the competent authority for appraisal / approval.

   b) Part B should contain a consolidated proposal for all the Central Sector schemes of the Ministries / Departments for continuation. However, for the purpose of appraisal / approval, the cost of each Central Sector schemes will be considered separately for determining the competent authority. The proposal in this consolidated manner may be sent only for those Central Sector schemes where there is no major change in the basic features / guidelines of the ongoing schemes. There may be schemes where a major change is proposed in the scheme’s architecture, design, features and / or guidelines while still retaining its original objectives. This proposal for changes may be based on outcome evaluation, a paradigm shift in policy or any other valid and sound reason. In all such schemes, the proposal for continuation should be initiated separately on stand-alone basis, since it will require a more thorough inter-ministerial consultation and appraisal which may take more time.

7. The extant orders on the structure, categorizations and architecture of the schemes / sub-schemes along with the prescribed format for appraisal / approval should be strictly adhered to.
8. To eliminate overlap of activities / objectives for the same target beneficiaries, the proposal should reflect a clear convergence architecture with other similar or related schemes of Central Government. This is desirable for optimum deployment of resources. Further, the Ministries / Departments should examine various ongoing schemes being administered by them / other Ministries to explore the possibilities of merger / dropping of schemes with overlapping objectives.

9. Unnecessary creation of Establishment, administrative expenses and thin spread of resources should be avoided.

10. The Ministries / Departments should be conscious of the fact that common norms should be evolved and followed in all the Central Government schemes with similar activities / objectives in order to achieve better coordination and harmonization of effort. This should be incorporated in the proposals for continuation of ongoing schemes especially all the scholarship schemes, schemes with skill development component and for integration of funds meant for awareness generation, empowerment of PRIs for their greater and meaningful involvement in implementation of all Panchayat Centric Programmes / Schemes in consultation with Panchayati Raj Ministry and all other such schemes / sub-schemes / components.

11. For continued improvement in public service delivery, the Government is placing great emphasis on identification of authentic beneficiaries, Aadhar seeding and transfer of direct benefit to the same. The proposals for continuation of schemes should effect necessary modification in the implementation mechanism accordingly. The flow of funds in all the schemes should be through PFMS.

12. Similarly, cashless and electronic transactions of financial resources should be incorporated suitably in the scheme design to promote the objective of digital and less cash economy.

13. The projected outlay of the schemes of a Ministry / Department should be aligned to the Medium Term Expenditure Framework given by the Budget Division.

14. This issues with the approval of the Finance Minister.

(Dr. Sandeep Dave)
Joint Secretary to the Government of India

All Secretaries to the Government of India
All Financial Advisers to Ministries / Departments
Cabinet Secretariat
Prime Minister's Office
NITI Aayog
Railway Board
Internal Circulation
Subject: Appraisal and approval of Public Funded Schemes and Projects.

This is in continuation of IFD's note of even number dated 21st February, 2017, 10th March, 2017 and 14th March, 2017 on the above subject and about continuation of existing scheme beyond 12th Five Year Plan.

2. The undersigned is directed to forward herewith a copy of OM No. N-14072/09/017/MHA dated 9/10th March, 2017 received from Niti Aayog for compliance.

3. The review of the schemes as per OM dated 5th August, 2016 and 23rd February, 2016 issued by DoE, MoF needs to be done in a time bound manner for continuation of the scheme beyond 31st March, 2017. Therefore, all Divisions are again requested to ensure appropriate action in a time bound manner as per instructions issued in aforesaid OM of DoE, MoF.

To,
1. All Joint Secretaries in the Ministry of Home Affairs
2. All IFA of CAPFs & CPOs.

Copy for information to:
1. PS to Secretary (BM)
2. PS to AS & FA (Home)
3. PS to Director (Fin-Home) / Director (Fin-Pers.)
4. All AFAs
5. Section Officer (IT) for uploading on MHA website
OFFICE MEMORANDUM

Subject: Continuation of ongoing Schemes beyond 12th Five Year Plan: Instructions regarding

The undersigned is directed to enclosed herewith a copy of the OM No. 42(02)/PF-II/2014 dated 23.02.2017 on the subject cited above.

2. It is stated that Department of Expenditure vide their earlier OM No. 24(25)/PF-II/2012 dated 05.08.2016 (Para-11), all the Ministries /Departments were directed to undertaken outcome review on their ongoing Schemes at the end of Twelfth Five year Plan (f.y.p.) and for further continuation resubmit the same for appraisal and approval unless the Schemes has already been made co-terminus with the 14th Finance Commission (FFC) period or beyond. Now the department of Expenditure has again directed all Ministries /Departments to ensure submission of their Schemes for appraisal at the earliest before end of March 2017, so that the Schemes can continue beyond 12th F.Y.P in a smooth, rationalised and effective manner.

3. Ministry of Home Affairs is requested to kindly ensure submission of their Schemes to the Department of Expenditure, Ministry of Finance at the earliest under intimation to NITI Aayog.

4. This issues with the approval of JS (SC & DP).

(Mary B. Barla)
Director (MHA)
Tel: 23096604

Shri Rajiv Mehrishi,
Home Secretary,
Ministry of Home Affairs,
113, North Block,
New Delhi - 110001