GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Delivery of Improved Services in Administration (DISA) Programme (2006-2009) – Reform Incentive Fund (RIF) to take up innovative Reform initiatives-Amendment to orders on operational Guidelines – Issued.

GENERAL ADMINISTRATION (GPM & AR) DEPARTMENT

G.O.Ms.No.700

Dt:21.11.2008

Read the following:-


ORDER:

The following amendments are issued to the orders issued in G.O.Ms. No.138, General Administration (GPM&AR) Department dated 11-03-2008, and the Annexure thereto, with immediate effect:-

Amendments

1. For the existing words “to encourage the Government Departments” occurring in para 2 of the G.O, the words “to encourage all Government Departments” shall be substituted.

2. The existing word “focus” occurring in para 5 of the G.O. shall be deleted.

3. For the existing para 6 the following shall be substituted as paras 6,7 and 8 and the existing paras, 7 & 8 shall be renumbered as paras 9 & 10:-

6) The Reform Incentive Fund shall be managed by the Centre for Good Governance. The Director General & Executive Director, Centre for Good Governance, shall obtain proposals on Reform Incentive Fund (RIF) from the departments and shall scrutinize, evaluate, approve the projects and sanction the Budget as per the pre-qualification and appraisal criteria prescribed in the Annexure to this order. He shall obtain post-facto approval from the Chief Secretary and Chairman, Project Formulation & Implementation Review Committee (PFIRC) through the Spl.CS/Secy./Secy., General Administration (GPM&AR) Department.

7) In respect of proposals of the departments with are in deviation of the pre-qualification criteria and in exceptional cases, the Director General & Executive Director, Centre for Good Governance, shall obtain orders in circulation to the Chief Secretary and Chairman PFIRC through the Spl.CS / Prf.Secy. / Secy., General Administration (GPM&AR) Department.

8) The Director General & Executive Director, Centre for Good Governance shall be the manager of RIF. He shall prepare an operational Framework to ensure that the RIF funds are managed without any conflict of interest and that the RIF continues to operate on sound and healthy lines even after completion of the period of DISA 2006-09 (i.e after 31-03-2009)

4. For the words “The Chairman of RIF Committee” occurring in para 7 (renumbered as para 9), the words “Chief Secretary” shall be substituted.
2. The existing Annexure to G.O.Ms. No.138, GA(GPM&AR) Department, dated 11-03-2008 shall be substituted with the new Annexure appended to this order.

3. This order issues with the concurrence of Finance Department vide their U.O.No. 32523/697/A1/Expr.GAD.I/08, dated 19-11-2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

JAGANNATH PRASAD MURTY
SPL. CHIEF SECRETARY TO GOVERNMENT

To
All Departments of Secretariat,

All the Spl.CSs/Prl.Secys./Secys. to Government

The Director General & Executive Director,
Centre for Good Governance,
Dr. MCR HRDI of AP Premises,
Road No.25, Jubilee Hills,
Hyderabad – 500 033.

Copy to:
The Director General & Spl.CS,
Dr. MCR HRDI of AP Premises,
Road No.25, Jubilee Hills,
Hyderabad – 500 033.

The PS to CS
The PS to Spl.CS, GA(GPM&AR)
The Finance (EXP.GAD.I) Dept.

//FORWARDED :: BY ORDER//

ASST. SECRETARY TO GOVT.
ANNEXURE
(Reform Incentive fund)

The Objective of RIF

1. To encourage GoAP Departments to undertake innovative projects on governance reforms and service delivery.
2. To enable Senior Officers of GoAP Departments to conceptualize and ground innovative projects – that require mobilization of funds and people by allowing access to RIF fund.
3. To encourage those departments that have already made good progress under the first year Change and Delivery (C&D) Plans of DISA Programme and all other departments to undertake more innovative reforms.

2. Access to RIF

The access to RIF shall be regulated by a two stage process. The first stage shall consist of a pre-qualification one, followed by an appraisal process of the innovative projects in the second stage:

A. Pre-qualification criteria for accessing RIF

1. Long term / Medium term reform document of the department concerned in place aligning itself with the logframe of DISA Programme.
2. Evidence of ownership of the SPIU by the Secretary.
3. Positioning of full-time Director of SPIU.
4. Establishment of Resources Centre.
5. Positioning of Consultants as per the SPIU structure, as required.
6. Progress on the implementation earlier C&D Plan / Project reports / agreed action points if any.
7. Operational Citizens Characters.
9. Strong evidence that C&D plans framed under DISA (2006-09) have impacted positively on service delivery systems for the poor, in respect of those Departments covered under DISA (2006-09).

Pre-qualified departments will submit innovative projects for RIF funding. If a department does not pre-qualify, it has an opportunity to take steps to fulfill the pre-qualified criteria. Such is the nature of the pre-qualification criteria, these can be fulfilled in a short term of 3 months. The departments can then again bid for RIF. It is expected that RIF approvals can be every half-yearly for providing flexibility to the departments to bid for them.

B. Appraisal Criteria

These projects will go through an appraisal based on the following criteria:

1. Whether the proposed projects are inline with the Project Logical Framework outlined in the DISA Programme Guidelines? Wherever applicable.
2. Whether the Department’s long-term reform strategy paper in place?
3. Whether the projects address core governance issues that impact service delivery in that department / sector?
4. Whether the projects are based on a medium term strategic reform plan for the department?
5. How sound is the poverty and institutional analysis on which the projects are designed?
6. To what extent the current C&D Plans address the critical issues faced by the sector, department and the poor?
7. To what extent, the projects are intended to reach the cutting edge level and improve outcomes or the poor?
8. To what extent the projects have potential for replication across the departments?
9. To what extent there are in-built mechanisms for monitoring for assessing the impact of the projects?
10. To what extent there is evidence that the projects will start showing impact within a year?

3. Funding Arrangements

A. Amount of Funding

The Government is taking up reforms as per the work plan of DFID funded Delivery of Improved Services in Administration (DISA) with an outlay of more than Rs.20.00 crores per year during the project period 2006-09 and the scheme came into effect from 2007-08 within the budget allocation.

From the year 2008-09, the RIF shall be created with a provision of Rs. 7.00 crores from the state budget, which will be matched with equivalent funding from DFID contribution within the project. Thereafter, during the post project period i.e. from 2009-10 onwards, the size of the RIF shall be determined by the Government of A.P. subject to a minimum of Rs.10.00 crores every year in the 11th Plan period.

B. Administrative Expenditure

(i) An administrative expenditure of 5% shall be allowed under RIF towards expenditure on consumables, TA&DA, exposure visits and logistic support and contingent expenditure to operationalise the scheme and managing the RIF at Government level. This amount may also be utilized for conduct of Seminars/Workshops for better utilization of RIF.

(ii) The DG&ED, CGG shall be allowed to deduct 10% as management fees for managing RIF including technical assistance from out of the sanctioned value of the projects approved under RIF from time to time. All administrative expenditure both at CGG and Government level shall be met from this amount.

4. Managing Agency:

The Centre for Good Governance shall be the managing agency and project Manager which will manage the RIF. Pre-qualification check for the departments will be done by the CGG.

Since CGG provides technical assistance to departments for drawing up the C&D Projects, an External appraisal Panel (contracted by CGG) will be set up for appraising the innovative projects under RIF. The External Appraisal Panel (EAP) should consist of 4-5 experts on governance, social development and service delivery issues related to the sectors/departments.

This EAP will appraise the innovative C&D Projects and inform their views in writing to the DG&ED, CGG.

Responsibilities of the Managing Agency shall include:

1. Administration of the RIF including disbursements;
2. Obtain, process, scrutinize, evaluate, approve and sanctions the budget as per pre-qualifications and appraisal criteria and obtain post-facto approval from the Chief Secretary and chairman, PFIRC through Spl. C.S/Prl.Secy./Secy. of GA(GPM&AR) Department.
3. Initiate the research project contracts and scope of services with the respective departments and their Consultants after the C&D projects are approved to RIF funding.

4. Review and submit quarterly MIS to the Chief Secretary through the Spl.CS/Prl.Secy./Secy. Of GA(GPM&AR) Department.

Jagannath Prasad Murty
Spl. Chief Secretary to Government