

ICDS Programme in Bihar

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Chapter 1: Executive Summary

Objective of the report

This report focuses on the bottlenecks in the implementation of the ICDS (Integrated Child Development Services), and proposes recommendations which are feasible and practical in the context of Bihar.

As compared to other states, Bihar has not only more poverty but the proportion of children in the overall population is also more. Though Bihar's share in India's population is one-twelfth, it accounts for one-seventh of those living below the poverty line, and one-sixth of the malnourished children. About four-fifths of children in the age group 6 to 35 months in Bihar are anaemic. There is a serious shortfall in the number of ICDS centres. More importantly, existing centres are beset by endemic quality problems; supply of supplementary nutrition is erratic, and the programme is being run by village level workers without effective supervision by seniors in the Department. Being a poor state, it finds difficult to arrange for state funds, but what is unfortunate is the fact that whatever funds are provided by GoI are not fully accessed due to procedural logjams.

I spent a lot of time at Patna speaking to senior officers of the state government, including the Chief Secretary, and persuading them to initiate simple reforms that can remove some of the bottlenecks in project cycle and help in better utilisation of central grants. I was assured by them that they would give high priority to changing procedures as agreed in the meetings with them. It may perhaps help if these decisions are reviewed after a few months.

Bihar lags behind other states in all the three elements of coverage in the ICDS programme; number of covered blocks, enrolment for feeding, and actual feeding. ICDS is present now in about 75% of the blocks in the country, but for Bihar this percentage is only 44. There are 533 blocks in the state, out of which the programme is operational in only 233 blocks. GoI has sanctioned another 161 projects for the state, but these are not yet operational, as procedure for filling up vacant posts of CDPOs and Lady Supervisors on contract basis through PRIs has still not been finalised. The actual enrolment of children in Bihar at each AWC is just about half the norm fixed by GoI, and the number of children and others who are actually being given supplementary feeding at the centres is even less. Even the meagre allotment from PMGY was not fully utilised in 2002-03 as the districts were able to spend only 6.32 out of 41.32 crores, i.e. 16% of the allotted funds. Late issue of sanctions and unimaginative procedures are the main cause for poor utilisation. This year financial sanction was issued on the 18th August, though it used to be even later in the past years.

In none of the nine centres of Vaishali district visited there was arrangement for supplementary nutrition on the day of the visit. This is despite the fact that sufficient funds were available at the district level. The problem lies with financial practices followed in the field, according to which the next advance for buying supplementary nutrition can be drawn only after the previous advance has been accounted for with vouchers, which takes time resulting in disruption in supply.

The entire staff of ICDS, including CDPOs, Supervisors and Sewikas/helpers get their salaries only twice in a year. This encourages corruption, besides giving an excuse to the staff for not doing their duties.

These issues were discussed with the Chief Secretary, Secretary Welfare, Finance Secretary and other senior officers. All of them were keen to rectify the shortcomings of the programme pointed out by me and to improve ICDS's effectiveness. In fact soon after my visit to the field State Government issued an order to the Collectors on 18th November 2003 asking them to ensure that there are no interruptions in supplementary feeding due to procedural factors, and the Anganwadi Worker should be given second instalment of the advance as soon as she submits Purchase and Food Stock Registers so that feeding could go on without any break.

Government also issued the following orders:

- The norm for feeding per centre was increased from 57 to 96 units on 21.11.03.
- Director ICDS will monitor that staff should get their salaries every month (order dated 9.12.03).
- There would be no restriction regarding the maximum number of days (at present 15 and 10) for which rations can be purchased by the AWW at a time (order dated 18.11.03).
- The price of gram fixed at Rs 18 is unrealistic and would be revised upward after consultation with Food Commissioner (order dated 3.12.03). The same consultation will help in permitting AWC to buy foodgrains from the ration shops.
- After the financial allocation for SNP in ICDS has been included in the vote-on-account, Head of Department should be competent to issue sanction for the first three months of the year (April to June) so that feeding does not stop. This sanction could issue in March itself without waiting for formal approval of the vote on account. AG has been requested to approve this.

On many other issues too, state government agreed to consider the suggestions given in this report, and its summary is given in Table 9.

Children's requirement for food is not much, but keeping in mind that in Bihar depth of poverty is very acute, it is vital to ensure improvement in supplementary nutrition, so that young children, especially the 6 months to 3 year age group, are able to get their due share at the centre itself.

It is generally said that Bihar's administration is afflicted with the three P's; bad procedures, reluctance to appoint personnel, and do procurement. Of these three, my assessment is that it is least difficult in Bihar to change procedures. Simple procedural reforms can cut delay and speed up decision making, and permit Bihar to better access central funds. Once this happens the demand for further reform will build up. Finally, simplification in procedures is less threatening to those in authority in contrast to some of the complex administrative reforms that have remained dormant in official reports. Therefore procedural reforms could in fact be used as short cuts to demonstrate "quick wins" while the ground is being prepared for the more difficult administrative reforms.

Chapter II - Integrated Child Development Services (ICDS) Scheme in Bihar

ICDS in India

As per 2001 census, India has around 175 million children, constituting 17.5% of India's population, who are below the age of 6 years. A large number of them live in economic and social environment which impedes the child's physical and mental development. These conditions include poverty, poor environmental sanitation, disease, infection, inadequate access to primary health care, inappropriate child caring and feeding practices.

The Integrated Child Development Services (ICDS) Scheme is the world's largest community-based child development programme, which aims at holistic development of children (0-6 years) and expectant & nursing mothers from disadvantaged sections by providing a package of services comprising supplementary nutrition, immunization, health check-up, referral services, pre-school non-formal education and nutrition & health education. In addition, the Scheme envisages effective convergence of inter-sectoral services in the anganwadi centres (AWC). The Scheme targets the most vulnerable groups of population including children upto 6 years of age, pregnant women and nursing mothers, and adolescent girls belonging to poorest of the poor families and living in disadvantaged areas including backward rural areas, tribal areas and urban slums. The identification of beneficiaries is done through surveying the community and identifying the families living below the poverty line.

Currently, services under the Scheme are being provided to about 388 lakh beneficiaries, comprising of about 322 lakh children below 6 years and about 66 lakh expectant & nursing mothers through a network of about 6 lakh Anganwadi Centres. The number of beneficiaries under the ICDS Scheme have significantly increased over the period from 1.66 crores beneficiaries in March 1992 to 2.77 crores in June 1999 to 3.88 crores beneficiaries as on June 2003. Many states such as Haryana, Himachal Pradesh, Karnataka, Tamil Nadu, and the northeastern States have achieved Universal/near Universal Coverage of the poor families.

ICDS in Bihar

It is well established that under-nutrition is a major problem in Bihar; NFHS-2 data indicates that the 39.3% of women have low body mass index, and 54.4% of children are underweight. 26% of children suffered from severe under-nutrition in Bihar, and 61% children were stunted.

Table 1: Nutrition-Current status (NFHS 1998-99) and Tenth Plan goals

| State | % Undernourished under age 3 years | | | | Exclusive breast feeding upto 6 months | | Semisolid introduction at 6 months | |
|-------|------------------------------------|-----------------------------|-------------------------|-----------------------------|--|-----------------------------|------------------------------------|-----------------------------|
| | Wt. for age below -3 SD | | Wt. for age below -2 SD | | | | | |
| | Current Level | 10 th plan goals | Current Level | 10 th plan goals | Current Level | 10 th plan goals | Current Level | 10 th plan goals |
| INDIA | 18.0 | 9.2 | 47.0 | 40.0 | 55.2 | 80.0 | 33.5 | 75.0 |
| Bihar | 25.5 | 12.8 | 54.4 | 46.3 | 55.2 | 80.0 | 15.0 | 33.6 |

Bihar lags behind other states in all the three elements of coverage; number of covered blocks, enrolment for feeding, and actual feeding. ICDS is present now in about 75% of the Blocks in the country, but for Bihar this percentage is only 44. There are 533 blocks in the state, out of which the programme is operational in only 233 blocks. GoI has sanctioned another 161 projects for the state, but these are not yet operational.

Table 2: Number of Sanctioned and Operational ICDS Projects in Bihar

| | General | Funded by WB | Total | No. of AWCs |
|-------------|---------|-----------------|-------|----------------|
| Sanctioned | 248 | 146 | 394 | 60813 |
| Operational | 87 | 146 | 233 | 29850 |

The state government hopes to operationalise 60 new projects by March, 2004 and another 97 projects by September, 2004. State Govt. has delegated the powers of selection of Anganwadi Workers & Anganwadi Helpers to the Gram Panchayats. The proposal for filling up vacant posts of CDPOs and Lady Supervisors on Contract basis through PRIs is under active consideration of State Govt. The establishment costs of staff salaries, etc are cent per cent borne by GoI, and yet there are substantial shortages, as can be seen from the following Table:

Table 3: Staffing Position in Bihar for ICDS

| Functionaries | Sanctioned | In position | Vacant | Vacancies as % of sanctioned strength |
|------------------|------------|-------------|--------|---|
| CDPO | 394 | 189 | 205 | 52 |
| Lady Supervisor | 2489 | 361 | 2128 | 85 |
| Anganwadi Worker | 60813 | 29850 | 30963 | 51 |
| Anganwadi Helper | 60813 | 26552 | 34261 | 56 |

ICDS in Bihar has been supported by the World Bank since 1993 and not only was the entire expenditure on establishment being borne by the Bank, it was also monitoring the progress on recruitments intensively. Despite this, the state government could appoint CDPOs only after 1998. The World Bank project had thus an indifferent beginning in the state due to which disbursement had to be suspended twice; in 1994 and 1998. The project was also rated as unsatisfactory at the mid-term stage because of delay in the appointment of key staff.

Whereas other states are very keen to fill up posts for which salary is borne by GoI, as providing jobs is one of the most popular political activities, in Bihar no officer is willing to sign appointment orders for fear of future enquiries, because the procedure for making merit based recruitment has not been evolved, or is not followed in practice. The Junior Public Service Commission in Bihar does not have administrative capacity (being itself short of staff) to do large-scale recruitments, with the result that a large number of vacancies in education and other departments have not been filled up. Often in the past vacancies in group C and D posts were filled up on the basis of personal loyalty and recommendations. As recruitment in everyone's mind is

associated with patronage, officers are scared of signing such orders which they would not be able to justify in future enquiries.

As the sanctioned posts have not been filled up in Bihar for many years the share of Bihar in allocation for establishment by GoI to states has been consistently falling over the years:

Table 4: Allocation to Bihar and all states (in crore Rs)

| Year | Bihar | All States | Share in % |
|---------|-------|------------|------------|
| 1999-00 | 49.19 | 881 | 5.58 |
| 2000-01 | 37.56 | 1047 | 3.59 |
| 2001-02 | 21.45 | 1224 | 1.75 |
| 2002-03 | 19.35 | 1505 | 1.29 |

Enrolment

The actual enrolment of children in Bihar at each AWC is just about half the norm fixed by GoI, as seen in the following Table:

Table 5: Number of potential beneficiaries in an Anganwadi Centre (total population =1000)

| Group | | Actual number | Beneficiaries as fixed by GoI | Beneficiaries as per state government norm |
|------------------------------|-----------------------|---------------|-------------------------------|--|
| Infants 0-3 | Normal | 80 | 28 | 12 |
| | Severely malnourished | 20 | 12 | 12 |
| Children 3-6 | Normal | 80 | 28 | |
| | Severely malnourished | 20 | 12 | 28 |
| Pregnant & lactating mothers | | 40 | 16 | 5 |
| Adolescent girls | | 20 | 20 | |
| Total | | 260 | 116 | 57 |

As compared to other states, Bihar has not only more poverty but the proportion of children in the overall population is also more. Though Bihar's share in India's population is one-twelfth, it accounts for one-seventh of those living below the poverty line, and one-sixth of the malnourished children. About four-fifths of children in the age group 6 to 35 months in Bihar are anaemic. Bihar has comparatively a young population with high fertility rates. In other words, Bihar has more children per 1000 population than southern states.

These factors should have persuaded state government to have a higher norm for eligibility than fixed by GoI. However, it is less than half, as the state government is not in a position to fund SNP for all malnourished children or children belonging to BPL families. The guidelines for selecting only 57 out of 260 units are yet to be issued, and therefore field staff has no clear idea as to how the SNP beneficiaries are to be chosen.

Supplementary Nutrition Programme (SNP)

Thus Bihar is lagging behind other states in both, the number of covered blocks and enrolment for feeding. We now come to the third indicator: number of children and others who are actually being given supplementary feeding at the centres.

As already stated, ICDS is a centrally-sponsored scheme, wherein the Central Government is responsible for programme planning & operating costs and the State Governments are responsible for programme implementation & for providing supplementary nutrition out of State's resources.

According to the norms fixed by the state government, Rs 2,650 is needed per month for feeding 57 units for 25 days at a single AWC. Therefore the total requirement of funds for the existing centres should be $2,650 \times 12 \times 29,850 = 95$ crores. However, if GoI norms were to be followed, one would need double this amount, or about 190 crores per annum. The norm of Rs 2,650 was fixed at 2001 prices, and should now be revised, as price of pulses has shot up from the prescribed 18 Rs to 26 Rs a kg.

But the actual allotment of funds by the state government is only 67 crores a year, which is much less than the required 95 crore Rs, calculated at only 57 units per 1000 population. Bihar has two sources for funding SNP; PMGY and non-plan. Presently, under PMGY only malnourished /severely malnourished children of 6 months to 3 yrs. of age group are covered. The older age group is fed out of funds from the non-plan budget.

Bihar government contributes 26 crores from non-plan budget, the rest 41 crores is drawn from PMGY, which is a central fund, meant from six basic services, rural health, rural drinking water, rural housing, elementary education, nutrition, and rural electrification. Of the total amount that Bihar gets under PMGY, each service must get 15%, and the rest 10% is left to the discretion of the state government. One would have liked to suggest to the Bihar government to divert more funds from PMGY for ICDS. There is less need to give PMGY funds for elementary education and rural water supply, because for these programmes the State Government in any case is not able to fully utilise the GoI CSS funds. At least the discretionary 10% of PMGY allocation could be primarily for nutrition and food security, because there is no other source of funds for the ICDS.

For supplementary nutrition locally made Dalia/Sattu i.e. 60 gms. of Cereals and 30 gms. of Pulses for each beneficiary is prescribed. For severely malnourished the norm is Dalia/Sattu made up of 120 gms. of Cereals and 60 gms. of Pulses. The prescribed food appeared appropriate for local needs and taste.

The responsibility for monitoring/ execution of supplementary nutrition programme has been delegated to Panchayats. This is to ensure community involvement in the ICDS programme. An Executive Committee for distribution of supplementary nutrition has been formed at the Anganwadi Centre level. During our field visit we found that in many places, committee members were present at the Centre (especially in Dular villages), although to what extent their election is democratic is difficult to say. In a few places we felt that they were chosen by the CDPO or the Supervisor.

Government of India allocates foodgrains (wheat and rice) at BPL rates to States on their demand for meeting the needs of supplementary nutrition under ICDS. Most states take advantage of this, and in 2002-03, states lifted 3.27 lakh tonnes of wheat and 1.47 lakh tonnes of rice. The current year releases upto 13th Oct 2003 have been 4.31 lakh tonnes of wheat and 1.01 lakh tonnes of rice. Bihar does not take advantage

of this subsidy, and prefers to buy foodgrains from the open market. One third of the total cost of supplementary nutrition at a centre is for cereals (Rs 840 out of Rs 2650 per month), for which the state government pays Rs 8 per kg. If it were taken from GoI there could be substantial saving which could be used for increasing the number of units at a centre. I discussed this issue with the Food Secretary, Bihar who promptly agreed to make the required cereal (wheat and rice) available to the centre from the nearest shop at the subsidised rates. I requested Welfare Secretary to take advantage of the offer, and he has sent a letter to Food Secretary on the subject on the 3rd December. I spoke to food Secretary on the 22nd December and he promised to examine this.

According to GoI guidelines, the allocation under PMGY is essentially meant as an additionality for providing enhanced nutrition requirement to children in the age group 0 to 3 years. In Bihar, state government does not provide any funds from its resources for this age group, which is entirely dependent on PMGY.

However, the problem is that even the meagre allotment from PMGY is not fully utilised, as can be seen from the following Table:

Table 6: Utilisation of Supplementary Nutrition Funds from PMGY in 2002-03

| | |
|-----------------------------|----------------|
| Total allotted funds | 41.32 crore Rs |
| Put back in Civil Deposit | 20.79 crore Rs |
| Spent on nutrition | 6.32 crore Rs |
| Available in the Bank | 5.94 crore Rs |
| Children & others benefited | 5,81,472 |

Note: Rest of the 8.27 crores was not drawn, and thus surrendered.

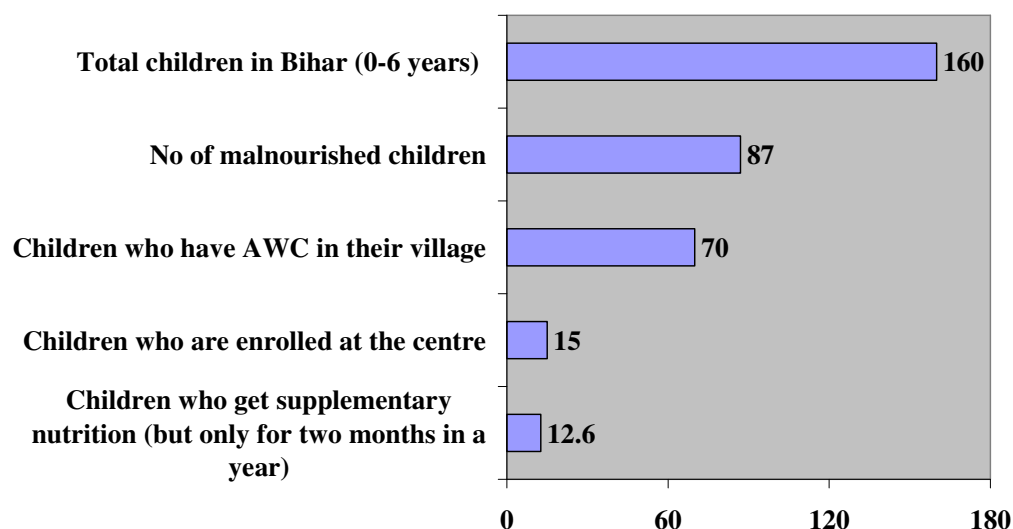
As only 5,81,472 children could be reached (that too only for a few months in 2002-03), the actual number of benefited children in the age group 0-3 years per AWC comes to only $581472/29850 = 20$, which even according to the state government norms is not satisfactory. As feeding was confined to an average of two months in a year, the picture becomes even more disappointing.

Thus the districts were able to utilise only 6.32 out of 41.32 crores, i.e. 16% of the allotted funds. Out of 233 CDPO Projects, in 65 projects the expenditure was nil (some of them may have been new projects). This may have happened because either the CDPO was absent and the person holding temporary charge did not want to get involved in drawing funds, or in some places the Treasury Office kept on raising objections, because of which funds could not be drawn.

It may however be mentioned to the credit of Bihar that utilisation of funds under the non-plan for the age group 3 to 6 years was much better, almost the entire allocation was fully utilised without any civil deposit, and the number of beneficiaries was also higher at 7,99,524, including 6,78,384 children. Thus the total children benefited in 2002-03 including both plan and non-plan heads comes to $581472+678384 = 12,59,856$, say 12.60 lakhs. However, the need for SNP is greater for the age group 0-3, and therefore poor utilisation in PMGY had more severe impacts on their malnutrition.

The macro picture of benefited children in Bihar can thus be graphically demonstrated as follows:

Access to supplementary nutrition for children in Bihar (in lakhs) in 2002-03



In brief, a very large number of malnourished children are deprived of supplementary nutrition in Bihar on a continuous basis.

The present status of expenditure and beneficiaries during 2003-04 under supplementary nutrition programme is as follows :

(as on 31.10.2003)

| Expenditure | Beneficiaries | |
|----------------|---------------|--------|
| | Children | Women |
| 3,17,77,871 Rs | 485689 | 166171 |

Field visit

In the two districts that I visited, I asked the CDPOs about the number of months supplementary nutrition was made available at the centres in the previous years. What they said is summarised below:

Table 7: Histroy of supplementary nutrition as per CDPOs version – number of months during which feeding was done at the centres

District Muzaffarpur

| Name of the CDPO division | during 2002-03 | during 2001-02 |
|---------------------------|----------------|----------------|
| Bauchahan | One month | Three months |
| Kanti | One month | Two months |
| Dholimurol | Nil | Three months |

District Vaishali

| Name of the CDPO division | during 2002-03 | during the current year so far |
|---------------------------|----------------|--------------------------------|
| Jandaha | two months | two months |
| Mahnar | One month | Two months |
| Lalganj | One month | Two months |
| Pateputra | Two months | One month |
| Hajipur | One month | Two months |

The senior officers of the State Government admitted that generally there is no feeding of children under this scheme in the first six months of the financial year, as financial sanction is not issued in time. During 2002-03 the budget allocation for feeding children was 41.32 crores from the PMGY plan and 28.76 crore from the non-plan state budget, but the financial sanction was issued only in Nov and December respectively, which meant that there was no feeding in the earlier months of the year. In Muzaffarpur financial sanction of Rs 1=95 crore Rs for the PMGY component was received in December 2002, but the entire amount was put in the civil deposit, as the Treasury Officer did not allow withdrawal of the funds for want of an authority from the Accountant General. Luckily the state government has now issued a clarification that ICDS, being a continuing scheme, does not require AG's authority. However, there are still no instructions as to how funds put in the civil deposit in 2002-03 and in the previous years are to be utilised.

Another scheme, Balika Smridhi Yojana, meant for girl child (a deposit of Rs 500 is made in her name to be made available to her after seven years) met similar fate in Muzaffarpur, and the entire grant of Rs 40 lakhs was put in the civil deposit account. We were told that the last dispersal of funds under this scheme in the district was done in 1999.

This year too, financial sanction for ICDS was issued only on the 18th August. Rs.40.81 crore from PMGY and Rs 27.12 crores from (Non-Plan) have been released to the districts.

We visited about fifteen centres in the two districts. These were chosen at random, some Dular and some non-Dular, and the district officials did not know the centres that we would visit. Thus it was truly a surprise inspection. Overall I found the field staff, especially at the centre, to be very committed to their tasks while performing under very difficult conditions of uncertain supply of supplementary nutrition, and procedural limitations which result in frequent breakdown of supply chain. The Anganwadi Workers had a good rapport with the village women and community leaders. In fact, the worker incharge of the focal point of delivery in the village i.e. Anganwadi worker is a lady from the village itself so that she does not have too many overheads and does not take it as a job being performed like by a Government employee. She perhaps felt that she was enabling the children and women, many of whom may be of her own community, to derive the benefits from the programme.

I also found that that the rural link roads are in a better shape now than these were four years back. Notwithstanding agrarian unrest in central Bihar, villages have social capital and are capable of cohesive and collaborative action. This was also the

experience of those who were closely associated with Bihar Education Project (BEP), which has been a great success in Bihar and Jharkhand.

Our field visit showed that only 25% AWCs have permanent brick structures where there is ample space for cleaning, packaging and roasting of foodgrains. In other centres these tasks cannot be performed, especially during the rainy season. There is no arrangement of locking the centre. Another problem was non-availability of a source of safe drinking water at most of the centres visited. Basic facilities required for running SNP such as utensils, stove/chulha, serving utensils etc were not available at the AWCs, which were not sponsored by the World Bank. A report (sponsored by Unicef) of Pilot test for field trial of supplementary nutrition to be produced at AWCs came to similar findings.

In many places adolescent girls were involved in the programme in helping the AWW perform her duties (especially in Dular centres), which showed that the Dular programme had penetrated the village and was heading towards sustainability. One only wished that the enthusiasm of the workers was matched by a strong supply line. However, since government had failed to supply supplementary nutrition, by default it had deepened community participation, and reduced too much dependence on Government. At the same time, motivation of the village people (which is also a much needed element) to support the programme can be sustained only when the supply line is strengthened.

The entire staff of ICDS, including CDPOs, Supervisors and Sewikas/helpers get their salaries only twice in a year. This encourages corruption, besides giving an excuse to the staff for ignoring their duties. It is unfortunate that even when funds and salaries come from GoI they cannot be disbursed monthly by the state government.

Several Sewikas in Muzaffarpur complained that the government order asking them to purchase nutrition only for 15 days at a time, and then for 10 days was not practical, as it meant her and the Adyaksha (chairperson of the purchase committee) go to the market twice in a month, which wastes their time. This problem can easily be resolved by amending the GO number 9/SNP-09/98.550 dated 30th March 2001, which lays down this procedure.

The centre-wise evidence on feeding that we collected is summarised below:

Table 8: Feeding record in the districts visited

District Muzaffarpur

| Name of the village | Name of the Sewika | Whether feeding took place on the day of the visit | Feeding record since April 2003 | Feeding in the past years |
|----------------------------|--------------------|--|--|--|
| Daryaganj Kafan | Vibha Pande | Yes | Feeding started only since the last two months | No feeding took place in the last four years |
| Chakmehshi | Kamal Kumari | Yes | same | same |
| Daryapur | Vibha Kumari | Yes | Feeding took place in May and June, and now restarted in October | Same |
| Kharaina Deeh, block Kurni | Poonam Kumari | Yes | Feeding took place in April, and then | NA |

| | | | | |
|--------------------------------------|-----------|----|--|----|
| | | | stopped. Started only in October | |
| Karjadeeh, Poorvi tola, block Marwal | Kaushalya | no | Feeding took place for 15 days in June, then for 15 days in August, and then stopped | NA |

District Vaishali

| | | | | |
|-------------------|----------------------|----|---|--|
| Manpur | Sita Devi | No | Feeding took place for seven days in September and 18 days in October | During 2002-03 feeding took place only for six days in March 2003 |
| Dhanushi east | Usha Devi | No | Same | Only for a month in 2002-03 |
| Dhanushi west | Pramila Devi | No | Feeding could start only in October, but stopped by the month-end | Feeding took place only for one, two, and one month in 2002-03, 2001-02, and 2000-01 |
| Darveshpur Anjani | Centre was locked up | No | No feeding in this financial year | Only during March 2003, but no feeding during the rest of the financial year |
| Mohammadpur | Nirmala Kumari | No | Feeding started in Sept (25 days), but ran only for 14 days in October, and 10 days in November | No feeding in any of the month of the year 2002-03 |
| Desi tola | Kumari Saroj | No | Feeding took place from 24 th Aug to 23 rd Sept, but has not resumed since then | Feeding took place only for a month in each of the three preceding years |
| Manua Hajipur | ? | No | Feeding was done from 10 th Sept to 11 th October | During 2002-03 feeding could take place only during January and February |

Reasons for poor expenditure

There are three main reasons why even the meagre amount sanctioned by the state government for the scheme is either not drawn or not spent in the field and put back in the civil deposit:

1. Procedure for issue of financial sanctions is time consuming
2. Procedure for drawing advance by the CDPO leads to logjams and interruptions
3. Poor supervision and lack of monitoring

Financial Procedures

Bihar's main problem is its antiquated financial rules and practices, because of which:

- It is not able to access full quota of its funds from central government;
- It is not able to disburse these funds in time;
- Its expenditure is poor, which further reduces the quantum of future central assistance. Thus a vicious cycle is established.

The third schedule of rules of Executive Business in Bihar lists the matters that should be brought before the Cabinet. Rule 35 of this schedule provides that all new plans schemes and even on going plan schemes exceeding Rs 25 lakhs are to be brought before the Cabinet. There is no such parallel provision in the Transaction of Business rules of the Government of India, nor is there any such provision in other states. In fact, even in UP, once the budget gets the approval of Governor, Departments are free to spend money on the continuing schemes without waiting for any financial sanction, not even from the Administrative Department.

In Bihar, however, by an executive instruction all new plan schemes and continuing plan schemes exceeding Rs 25 lakhs are first to be approved by an Empowered Committee headed by the Development Commissioner. The Finance Commissioner and the Administrative Secretary concerned are members; the Planning Secretary is the Convenor of this Empowered Committee. After the Empowered Committee's approval the proposal is sent through the MOS Planning to the Planning Minister for the approval. After their approval it comes back to the Planning Secretary for issue of a resolution to the effect that the Empowered Committee has approved it. The concerned administrative department thereupon sends a detailed memorandum of the concerned scheme annexing the Resolution of the Empowered Committee to the Chief Minister through the Chief Secretary. When the Chief Minister directs that it should be placed before the Cabinet, a Cabinet memo is circulated. Thus the whole process is very time consuming. Different Secretaries give different versions of the delay it entails. But, it ranges from 4 to 6 months. In any case, the effect can be quite harmful.

To give an example, GoI started in 2002-03 a pilot project for provision of free food grains to under-nourished adolescent girls and pregnant & lactating mothers in 51 identified districts. For Bihar Aurangabad and Gaya districts were selected. However, Bihar government could not draw the amount in the year 2002-2003, as they had made no financial provision in the state budget that year for this scheme. In other states contingency funds are raided for such eventualities, but in Bihar to do so needs

at least four to six months, with the result that funds for new schemes received from GoI in the last quarter of the year generally result in surrender.

One would have expected that the Social Welfare Department, which is incharge of this scheme, would move papers in April itself to revalidate the lapsed sanction, but the process could begin only on the 29th July 2003, because the state government's approval for a new scheme can be taken only when the state budget has been passed and GoI's approval for revalidation has been obtained. Papers were then sent on the 9th August to the Empowered Committee which gave its approval on the 10th September. Thereafter Chief Minister's approval was obtained on the 21st September, and papers were sent to the Cabinet, which approved the scheme on the 27th October. Thereafter the file has been sent to the Finance Department for issuing sanction. Thus, whereas other states have been utilising the GoI funds for this scheme for over a year now, Bihar was still struggling with the procedures, and till the 13th of December no sanction had been issued. Similarly the World Bank funds for construction of new AWCs have not been utilised and financial sanction has not been issued, as estimates are yet to be vetted by the local Building Department.

It was unfortunate that in none of the centres of Vaishali district there was arrangement for supplementary nutrition on the day of the visit. This is despite the fact that sufficient funds have been made available to the district by the state government to last for at least four months. The problem again lies with financial practices followed in the field. According to the circular dated 1st September 2003 from Sri Vaish, Secretary Social Welfare Department, the CDPOs are authorised to draw an advance (this is a recent positive development. Previously AWWs had to spend first and then claim reimbursement) of Rs 10,000 per centre that should easily be sufficient to meet the requirement of supplementary nutrition for each centre for two months (the requirement per month per Centre is about 2,650 Rs). The order also says that the next advance should be drawn only after the previous advance has been accounted for with vouchers.

However, the CDPOs in Vaishali district draw only one month's advance, and after the rations for that month are exhausted, records are summoned to the CDPO office through Mukhia for verification. That takes from two to four weeks, and during this period there is no distribution of supplementary nutrition at the centre. The problem can easily be avoided by drawing advance for two months, as envisaged in the government order, and maintaining two sets of registers, so that while one is under verification after one month of feeding, the other can be used for recording feeding during the second month. Maintaining this kind of rotation will ensure compliance of the government order as well as continuity of feeding at the centre without any break.

Lack of supervision

In a study by the Planning Commission on Bihar (2001) it was found that hardly 17% sample villages reported existence of the Anganwadi facility, and only two villages—one in Saharsa and other in Sheohar reported their performance as satisfactory. The reason for poor performance of ICDS programme is stated in the study as absence of monitoring and supervision. Even though vehicles have been supplied but CDPOs generally do not visit the villages. Only one CDPO was found to go round in villages, this was in Sheohar district, where ICDS functioning was reportedly satisfactory.

CDPOs are required to inspect at least 50% of the centres every month, as prescribed in the above order dated 30th March 2001. This is not being observed for want of

supervision, and sometimes vehicles. Even when there are vehicles these are either requisitioned for law and order, or stay idle for want of timely release of POL/maintenance funds, or their shortage. The Secretary Welfare suggested that CDPOs may be given Rs 400 per day for touring, and they can either hire a vehicle or drive their own car. This idea is worth pursuing.

Most CDPOs and Supervisors in the State are young, and should be asked to learn riding motor bikes and mopeds. There should be a government scheme for sanction of interest-free loans to them for buying mopeds, and lady staff members should be asked to take advantage of this scheme. Many may not be even having a driving license. Most women workers in India would need to be trained in driving before they can be persuaded to buy a motorbike. It may be a good idea to include driving in their training programmes. If they do not have their own means of transport they get dependent on other people's vehicles, and that explains why Supervisor's visits to AWC are so inadequate.

The number of Supervisors is too meagre, just about 15% of the sanctioned strength (see Table 3) is filled up. It may be useful to hire supervisors on contract, and these powers can be given to the PRIs (the middle tier) with suitable checks and balances. At least 50% of such appointments should be made from the existing AWWs.

In addition to supervision, some component of the programme require excellent coordination between different wings of government. For instance, the Department of Health has a very large number of vitamin A and IFA pills in its godowns in the districts, these need to be brought to the PHC, and then given to Anganwadi workers through the ANMs for distribution to the target population. Thus there needs to be proper harmony between the three departments concerned. Funds and supply here is not much of a problem. With greater coordination, it should be easy to distribute these tablets twice a year through AWCs. The vit A campaign was launched in Bihar on a pilot basis two years back with the objective of covering at least 60% of the eligible children with at least three doses of vit A. Since August 2000, three 6-monthly campaigns were organised in Gaya and other districts. These drives were done through two day camps and promoted as Netra Jyoti Saptaha (Better eyesight week). However, nothing has been done in the last two years on this front.

What needs to be done

It is generally said that Bihar's administration is afflicted with the three P's; bad procedures, reluctance to appoint personnel, and do procurement. Of these three, my assessment is that it is least difficult in Bihar to change procedures. Simple procedural reforms can cut delay and speed up decision making, and permit Bihar to better access central funds. Once this happens the demand for further reform will build up.

There are several reasons why changing procedures should figure prominently in any programme of administrative reform and modernisation in Bihar. First and foremost, these applications are easier to implement today than many other types of administrative reforms. Second, the additional 500 to 800 crores that these reforms will bring for Bihar from GoI will benefit millions of citizens (and even contractors and politicians), and hence should be quite appealing to the political masters, if the gains from such reforms are properly presented to them. Finally, simplification in procedures is less threatening to those in authority in contrast to some of the complex administrative reforms that have remained dormant in official reports. Therefore

procedural reforms could in fact be used as short cuts to demonstrate “quick wins” while the ground is being prepared for the more difficult administrative reforms.

Procedural changes do occur in Bihar, when there is pressure on the policy makers to improve performance. For instance, it was in September 2003 that the procedure for giving advance to the Mothers’ Purchase committee in ICDS was introduced. Earlier the committee had to spend first and then claim re-imbursement, a system that is prone to corruption and entry of contractors from the backdoor.

My discussions about the problems in ICDS with the Chief Secretary, Secretary Welfare, Finance Secretary and senior officers in Bihar were most positive. All of them were keen to rectify the shortcomings of the programme pointed out by me and to improve this sector’s performance. In fact soon after my meeting with Sri Kang, Secretary Welfare, a decision was taken by the State Government to ensure that there is no interruption in the supply of nutrition, which was observed at the centres in Vaishali. I am summarising the Order number 1526 dated 18th November 2003 from Commissioner and Secretary Welfare on this issue:

‘Government has viewed with concern interruptions in supplementary feeding due to procedural factors. It has therefore been decided that the Anganwadi Worker should be given second instalment of the advance as soon as she submits Purchase and Food Stock Registers so that feeding could go on without any break. In case there is any unspent balance from the advance given before, it may be adjusted in subsequent releases of advance.’

Other orders issued by Government on the problems pointed out by me are summarised below:

Table 9: Summary of action taken by state government

| Issues raised by NC Saxena | Decisions taken by State Government |
|--|---|
| As feeding could not take place in the first six (and in many cases, seven) months, the allotted funds of 67 crores in the current year would not be fully utilised at the present norm of feeding 57 units per centre. Therefore government would increase the norm from 57 to 116 units, which is the standard fixed by GoI for each centre. | Norms for increasing the number of beneficiaries from 57 to 96 units per centre from Dec 2003 have been issued vide letter no 1564 dated 21 st Nov 2003. |
| Since orders for continuation of the scheme upto September 2004 as well as financial sanction for establishment charges have already been issued, there is no justification that staff should not get their salaries every month. Director ICDS will issue instructions on this subject and monitor the progress in each monthly meeting of the District Welfare Officers. Regular payment of salaries will improve the morale of the employees, as well as give an image of efficiency of the department. | Orders for timely payment of honorarium to Anganwadi workers and helpers have been issued vide letter no 1659 dated 9 th Dec 2003. The matter will be vigorously reviewed in the State level meeting of District Programme/Welfare officers every month. |
| There should be no restriction regarding the maximum number of days (at present 15 and 10) for which rations can be purchased by the AWW at a time. This should be left to the discretion of the | Directions have been issued vide letter no 1526 on 18 th Nov 2003 |

time. This should be left to the discretion of the local purchase committee, who would take into account the nature of perishability of the commodities, its storage facilities, etc while deciding for how many days rations should be bought at a time.

Sixtyfive Projects for PMGY and 36 for non-plan grant could not draw a single rupee during 2002-03. Director ICDS will ascertain from the districts why this happened and take steps against its recurrence. Some of these projects may be new, where staff has not been posted. If that is so, District Magistrates should be authorised to transfer such funds to other projects in the district so that funds do not lapse and more number of children, adolescent girls and mothers can be covered under the scheme.

Service Rules for Supervisors were drafted, but not finalised. These should be finalised soon, and have some promotional opportunity for good AWWs. Government may also consider circulating these draft rules among the stakeholders so as to take their views into account before finalising the same. Service Rules for CDPOs should also be drafted with adequate promotional opportunities for Supervisors.

Orders relating to recruitment of Supervisors and CDPOs by PRIs should be expedited. Bihar has successfully experimented with appointment of para-teachers in the Education Department on contractual basis, and similar order needs to be passed by the Welfare Department. However, such appointments must be transparent and done for a specific block on a non-transferable basis, so that staff does not put pressure on the system to seek favourable postings.

The norm relating to prices of cereals and pulses was fixed in 2001, and needs to be modified. The price of gram fixed at Rs 18 is unrealistic and needs upward revision.

Efforts will be made to rope in donor agencies, such as CARE and WFP, to help in augmentation of supplementary nutrition. In addition, each centre may be given a ration card, so that the village purchase committee has the freedom to buy foodgrains from the ration shop, and thus save

60 Projects for non-plan and 51 for PMGY could not draw allotted amount, their explanations have been called on 10th Dec 2003. There is difficulty in authorising the DMs for transfer of funds from one project to another one.

It is being given final shape

The exercise is in progress

Chief Secretary decided that this should be revised once in two years. Food Secretary has been requested to furnish current prices of foodgrains vide letter no 1611 dated 3rd Dec 2003.

CARE has agreed to provide 942 MT of RVSO to 5117 Anganwadi Centres of 36 ICDS projects pertaining to Patna, Nalanda and Nawada districts. Food Secretary has been asked

money that could be used to feed more units. However, there should be no compulsion, as in many villages the present ration shop system is not well developed. The committee should have discretion to buy from the open market as before, or from the PDS shop.

The present practice of requiring each scheme with an outlay of more than Rs 25 lakhs to seek the approval of the Empowered Committee and then the Cabinet will be restricted to only new schemes, and approval for continuing schemes will be needed once in five years.

After the financial allocation for SNP in ICDS has been included in the vote-on-account, Head of Department will be competent to issue sanction for the first three months of the year (April to June) so that feeding does not stop. This sanction could issue in March itself without waiting for formal approval of the vote on account.

CDPOs will be authorised to draw advance in the last week of March for two months so that continuity in feeding is maintained.

Dular is highly successful in Bihar and therefore needs to be upscaled. The World Bank should be requested to incorporate the elements of Dular in their strategy.

State government had run successful programme for eradication of night blindness in district Gaya two years back by launching a campaign to distribute Vitamin A tablets. Unfortunately nothing was done in 2002-03 or in the current year so far. Similar campaign should be launched this year, as supplies are available in plenty.

The draft Bihar Nutrition Policy has been under consideration in the State for almost two years now. It states *inter alia* that all adolescent girls from vulnerable sections should be covered through the ICDS by 2005 in all the blocks of the State and in 50% of the urban slum pockets. Early action should be taken to finalise the policy.

Lastly, Government should consider appointing a full time Director for ICDS.

to permit buying of foodgrains from PDS shops. Besides, supply of micro-nutrients in the shape of fortified candies is also in the final shape.

This is a policy matter, will take time to decide.

Finance Department has agreed to a proposal put up by Directorate of ICDS for issue of sanction orders for SNP for the first three months of the year (April to June) to ensure uninterrupted provision of supplementary nutrition subject to approval of AG, Bihar.

AG will be requested to agree to this

Bihar Government will write a letter to World Bank through GoI. Unicef will assist the state government in preparing such a draft.

State government agreed to consider this.

Finance Department has asked for information on the financial implication of the Policy. Welfare Department will work it out and take it to the Cabinet.

Under consideration of the government.

Rationale for Dular – Is SNP sufficient to prevent malnutrition?

According to WHO, about 55% of infant and child mortality in India can be attributed to malnutrition. There has been only a small improvement in the percent of children malnourished, decreasing from 52% to 47% of India's children under three years from 1992-93 to 1998-99. The decline has been less than one percentage point per year. The most striking finding of recent surveys has been the very high anaemia prevalence observed amongst both women and children under three years.

India's answer to the problem of child malnutrition is supplementary feeding through the ICDS programme. However, there are reasons to believe that the recent modest decrease in the prevalence of malnutrition in India is not due to ICDS, and is just what might have been expected anyway with general economic development. For example, in Bihar, where the delivery of SNP as discussed above has been seriously compromised, the rate of malnutrition decreased from 63% in 1992-93 to 54% in 1998-99 (compared to a fall from 51.5% to 46.7% in the country as a whole). And this has been achieved in a state where the supply of food to the AWCs is irregular and limited to less than 5% children.

Reasons why the ICDS is hardly having any impact on infant malnutrition are many. Apart from issues of coverage (not reaching enough children, not reaching children in the poorest families, not reaching remote areas, and not reaching enough children in the critical under 3 years age group), too much focus on supplying supplementary food and pre-school education may be distracting the AWW and mothers from the more important task of changing feeding behaviour and control and treatment of infectious diseases. Changing feeding habits would require intense eye-to-eye contact between the development worker and the mother almost on a weekly basis, which is difficult to achieve if SNP remains the sole focus of the programme.

It is now widely believed that the emphasis on food diverts the effort in ICDS away from the real issues. Most of the children attending AWC are 3-6 years (rather than the 0-3 year olds who are most in need), or even older (we saw many 7 or 8 year old children at the feeding centres in our field visit). Nutritional guidance, for expectant mothers does not normally exist at non-Dular centres. Real issues are emphasizing improved feeding in the first 2 years of life and changing feeding habits so that intakes of protein and energy are adequate.

The proportion of children who are undernourished increases rapidly with the child's age through 12-23 months, where it peaks at 22 per cent for wasting and 58-59 per cent for underweight and stunting. Even during the first six months of life, when 55 per cent of babies are exclusively breastfed, 9-15 per cent of children are undernourished, according to the three nutritional indices. Infant feeding practices have significant effects both on mothers and children. Proper infant feeding, starting from the time of birth, is important for the physical and mental development of the child.

The rationale for Dular (meaning 'love, care and affection') introduced by Unicef in Bihar has to be understood in the context of limitations of centre based activities focusing only on feeding and pre-school education. Dular is a strategy being implemented in 31 blocks of four districts in Bihar. Dular is an important communication and monitoring tool, whereby the family and community are

empowered to monitor the growth of the Child and care of the Pregnant Women. The strategy has already been tested in field conditions and is presently being successfully implemented in four districts viz. Vaishali, Nalanda, Gaya and Muzaffarpur with the assistance of Unicef. This will be replicated in the rest of Bihar in the coming years in a phased manner.

Dular is a low cost replicable strategy, which emphasizes systematic involvement of the family and community at large and channelises their effort and resources towards proper development of the child. Although it is implemented through the already existent infrastructure of ICDS, it uses advocacy and social mobilization to empower the community so that there is a demand for the program from the community itself and the community members are motivated to sustain it. The strategy is introduced to a village through an activity called village contact drive (VCD). This is a two-day training and advocacy program that presents the objectives of the strategy to the community. The opportunity is seized during this visit to collect information on local beliefs and traditional practices which are harmful to health (particularly children's health from 0 to 3 years) and this information is fed into further planning of project activities to make them adaptable to local conditions.

The life cycle approach is adopted as part of this strategy to promote 'care' of children under 3 years. Dular has been particularly successful in challenging deeply embedded and nutritionally problematic beliefs such as delayed introduction of complementary food to children, eating down during pregnancy, and the three days of "hell fasting" ('*narak upvas*') that mothers go through following delivery of a baby. To change these three particularly intractable practices Dular has been working with households District Mobile Monitoring and Training Teams, which assist the ICDS system by carrying out some of the activities usually assigned to sector supervisors. Each community has identified a volunteer to monitor the childcare behaviours of members of the respective community; she is designated as Local Resource Person (LRP). The LRP maintains contact with families in his/her locality, collects information, supports families in changing some of the harmful basic care practices and behaviours, and in addressing problematic cultural beliefs related to nutrition and health in an innovative manner. Community mobilisation and participation is achieved through organisation of village contact drives and the formation of *mahila* mandals and *kishori balika* mandals. A strong monitoring and feedback system at different levels is a salient component of the strategy, At the household level, the family-retained Dular card is used for monitoring the growth of the child.

The LRP shares many of the responsibilities that are given to AWW, such as contacting each family and changing their nutrition practices. Because the well being of children is linked to that of the mother, the strategy seeks to ensure that girls and women have access to good nutrition and health care throughout their lives, especially during pregnancy and nursing.

In the non-Dular villages one found that the involvement of people in ICDS remains largely passive, with the Sewika acting as 'doer' rather than change agent, and communities acting as recipients rather than participants. However, in the Dular centres one found greater community involvement and better interaction between the Sewika and LRPs, and between the LRPs and the village women.

In a recent survey conducted by the Tufts University, USA it was seen that the percentage of children (under 3) with normal weight in Dular Intensive Villages was higher at 58.7, as compared to 50.7 in Non Dular Villages. Similarly the percentage of

children below 3 years who had Diarrhoea in the past 3 months was 50.0 in Dular Intensive Village as compared to 70.3 in Non Dular Villages. The study thus shows that Dular is impacting positively on the rural communities.

A State Level Task Force on Dular strategy has also been constituted by the State Govt. to effectively supervise and monitor its implementation and increase its coverage in other areas.

Whereas now there is consensus among academics, professionals and donors that the problem of malnutrition cannot be addressed by confining attention to feeding alone, it does not mean that issues relating to family food security can be totally bypassed everywhere. Children's requirement for food is not much, and even many poor families can afford that, but keeping in mind that in Bihar depth of poverty is very acute, the Department of Welfare and the Directorate of ICDS must ensure improvement in supplementary nutrition, so that young children are able to get their due share at the centre itself. Therefore the Dular strategy must be accompanied by proper feeding arrangements at the centre for the 6 months to 3 year age group, so that mothers have an incentive in bringing their young children to the centre.

Chapter 3: Some generic issues

We have seen in the past chapter that financial procedures in Bihar do not encourage speedy financial sanctions and utilisation. Bihar has perhaps the lowest resource utilization rate for central government's assistance in India, despite being one of India's poorest State and therefore with the greatest need for development assistance from the centre. In addition to some specific reasons discussed above there are generic factors why budget sanctions even for long established schemes are not released in time from Patna. Bihar Government seldom gets its full annual budget passed by the legislature. Instead the budget is passed in two instalments, first for four months and later for the full year. This therefore necessitates allotment of funds in instalments to districts and Directorates, keeping the implementing agencies always waiting for receipt of funds. Delay and uncertainty in releases upsets planning. Many departments have almost zero fund for implementation during April to June. Then rains restrict field activity for another four months. Thus virtually half the year field staff sits idle. In a review meeting held at Patna on the 24th December 2002 presided by the Principal Adviser, Planning Commission, Bihar Government admitted that plan expenditure in the first three months of the year, ie. June 2002, was only 2.5% of the total, and it barely rose to 8.3% (cumulative) by the end of September.

Another issue is the gap between Plan Outlay and the budgeted amount on the one hand, and between budgeted amount and actual expenditure on the other, as shown below.

Table 10: Approved outlay and Expenditure for Bihar during the 9th Plan in Rs. crore

| Year | Approved Outlay | Expenditure (Current Prices) |
|------------|-----------------|------------------------------|
| Ninth Plan | 16680 | |
| 1997-98 | 2268 | 1711 |
| 1998-99 | 3769 | 2425 |
| 1999-2000 | 3630 | 2334 |
| 2000-2001 | 3100 | 1638 |
| 2001-2002 | 2644 | 1471 |
| TOTAL | 15411 | 9921 |

* Fall in expenditure in 2000-01 is primarily due to formation of Jharkhand

Thus actual expenditure of state Plan schemes in Bihar has always been much less than what is approved. This is because of the inability of the state government to raise matching resources, or correctly anticipate its resources at the time of finalisation of the Plan. The end result is that the State Government ends up with a highly optimistic Plan¹ without carefully assessing its own resources or likely resources to be obtained from other sources. The wide gap between approved Plan and resources upsets fund

¹ The picture of non utilization of Plan funds was worse during the Eighth Plan. The Eighth Plan performance was only 46.72 percent (Rs. 5405 crore) against the outlay of Rs. 11569. During the 9th Plan percentage of plan utilisation has gone upto 65%, as shown in the Table.

releases for sectoral schemes, which are often approved on the basis of the approved Plan size but for which resources are not in sight. Even when financial sanctions are issued as per budget and plan provisions, the Treasury does not release money when the bills are presented. Finance Department issues formal/ informal instructions for not honouring the bills even though they may be within the budgetary provisions. Often financial stringency restricts full release of cost of the programme at the apex level. Uncertainty in releases means that no advance action is taken by the implementing agency, nor do they have any ready shelf of schemes for implementation. This delays expenditure which ultimately impinges on future releases. The implementing agency cannot plan completion of a project in time. No effective monitoring is possible under such a system.

One may add here that expenditure has considerably improved in 2002-03 to about Rs 2300 crores, which is a marked improvement over the previous year. One hopes this trend will continue, and essential expenditure in social sectors will be adequately funded.

Finally, there is paralysis of decision making in Bihar, especially in dealing with financial matters. There is apprehension and certain hesitation among the officers about incurring expenditure, lest they are hauled up for financial irregularities or involved in criminal cases. After the scams an idea has gained ground among the field level officers and even among higher officers that there is "constructive criminal liability" for financial irregularities committed anywhere in the department and even though the senior officers may not be accessory or abettors of such misdemeanour they could be involved in criminal cases.

The net result is that Bihar ends up losing about 500 crore Rs every year because of procedural logjams. A few examples are being given here. Allocation for Bihar for AIBP (Accelerated Irrigation Benefit Programme) in the last two years 2001-02 and 2002-03 was 150, and 100 crores but actual releases were only Rs 3.4 and 14.5 crores. The main problem in Bihar has been poor expenditure, because of which further assistance to the same project is stopped. An amount of Rs 2500 Crores was provided in the Annual Budget 2002/03 towards the Development Reforms Facility, (Rashtriya Sam Vikas Yojana) but GoI did not release any amount that year, as Bihar did not prepare schemes in time. In the current year, the scheme has three components, out of which one is 'Special Plan for Bihar', for which Rs.500 crore has been provided in the Annual Plan 2003-04 of Bihar. Planning Commission is keen to locate central agencies to implement these schemes in sectors, like power, rural connectivity, and irrigation. The State Government have however not agreed to support this initiative and to allocate funds to the Central Agencies identified by the Planning Commission, with the result that no releases have been made so far. The Border Area Development Programme which is 100% Centrally funded at present covers all the seventeen States which share international borders. Bihar should have got nearly 15% of the total allocation, had the approved formula been applied, but ends up in receiving only 1.4% of the total released amount. - The PMGSY (Prime Minister's Gramin Sarak Yojana) program is a 100% centrally sponsored for rural roads. In the last two years, the GoI has cleared project proposals to the tune of Rs. 7554 crores. Bihar was released funds in the first year of the scheme, i.e. 2000-01, but there has been no release of funds for the next two years, or in the first eight months of 2003-04, as Bihar did not utilise the releases of the first year.

Therefore all well wishers of Bihar should pool their efforts in changing procedures so that better utilisation of central funds leads to development of the State.

Conventional administrative reforms in India have had a mixed record for several reasons. A major problem is in mobilizing the kind of political and administrative will necessary to implement them. Vested interests are able to block many reforms and make it difficult to monitor the few that tend to get adopted. It could also be that people are not certain about the final outcome of some of these reforms. As a result, many ambitious reforms are proposed in official reports that are seldom acted on. Much time and money are wasted on exercises that produce no impact on the ground. Therefore procedural reforms could in fact be used as short cuts to demonstrate “quick wins” while the ground is being prepared for the more difficult administrative reforms.

Many changes in procedures have already been suggested in this paper. Some others that will bring improvement in the long-term are summarised below.

- Bihar suffers from excessive centralisation, it must know what delegations exist in other states, and delegate secretariat powers to the field. Even in Bihar, wherever delegations exist, government has been able to enhance public satisfaction, as in relief where blankets were distributed during floods recently without the need of any clearance from the secretariat.
- Rule 35 of Third schedule of Rules of Executive Business in Bihar provides that all new plans schemes and even on going plan schemes exceeding Rs 25 lakhs are to be brought before the Cabinet. There is no such parallel provision in the Transaction of Business rules of the Government of India, nor is there any such provision in other states. The whole process is very time consuming resulting in delay ranging from 4 to 6 months. Doing away with this Rule in itself will expedite financial releases, giving more time to the field to spend and then claim second instalment.
- The financial powers of field staff need to be enhanced manifold because of inflation and the large volume of funds now flowing from GoI.
- The PWD Schedule of Rates is antiquated, and must be revised urgently. Same is true of procurement procedures in government departments. If Bihar officers are scared of making bold recommendations on this front, let such committees be chaired by outside professionals (they could be funded by donor agencies, so that the best talent is made available in this respect).
- Panchayats may be delegated the powers to hire staff on contract, and State Government may help the panchayats by preparing a district-wise panel of such technical people.
- A lot of improvement in the functioning of Bihar secretariat can be achieved by increasing the number of computers and printers, and giving to officers short training. However, if funds are provided computers may never be bought for fear of future enquiries, and therefore the practical solution will be for a central agency to buy computers and supply them free to the State Government.
- Resident Commissioner should be asked to follow up all cases of central releases concerning women and children with the central Ministries and send a fortnightly report to the concerned Department at Patna, as well as to the Chief

Secretary. The State must press for full allocation from GoI in these sectors, and at the same time speed up disbursement in the field.

- Chief Secretary should meet with Bihar cadre officers posted in Delhi periodically and take their help and feedback on how the State can benefit from Central funds.
- Chief Secretary may consider having an OSD who will maintain a data base that makes it possible for the Chief Secretary to effectively monitor scheme progress. [like Randeep Sudan does for CM, AP]
- Research Institute and NGO led Budget studies that continuously analyse government expenditure need to be funded and its results made available to the legislature and put in the public domain for debate.
- Donors should set up a fund for supporting innovation in government. Ford Foundation, World Bank, WHO, Unicef etc. can come together to support this.

Abbreviations

| | |
|-------|---------------------------------------|
| ANM | Auxiliary Nurse & Midwife |
| AWC | Anganwadi Centre |
| AWW | Anganwadi Worker |
| BPL | Below Poverty Line |
| CAG | Comptroller & Auditor General |
| CDPOs | Child Development Project Officer |
| CHC | Community Health Centre |
| EAG | Empowered Action Group |
| GoI | Government of India |
| ICDS | Integrated Child Development Services |
| IEC | Information Extension Communication |
| PHCs | primary health centres |
| PMGY | Prime Minister Gramin Yojana |
| PRI | Panchayati Raj Institution |
| PWD | Public Works Department |
| RCH | Reproductive & Child Health |
| SCOVA | State Committee on Voluntary Action |
| SD | Standard Deviation |
| SNP | Supplementary Nutrition Programme |