



Government of India

NITI Aayog

25-April-2017

Draft Three Year Action Agenda

In May 2016, the Prime Minister's Office advised the NITI Aayog, its premier, independent think tank, to prepare a Fifteen Year Vision, Seven Year Strategy and Three Year Action Agenda. The Fifteen Year Vision and Seven Year Strategy document spanning 2017-18 to 2031-32 is in progress. The Action Agenda covers the period from 2017-18 to 2019-20, the last years of the Fourteenth Finance Commission.

How does the Vision, Strategy and Action Agenda exercise differ from the Five Year Plan process?

The 12th Five Year Plan was the last of the Five Year Plans. With an increasingly open and liberalized economy and given the new realities of the global economy, we needed to rethink the tools and approaches to conceptualizing the development process. The Vision, Strategy and Action Agenda framework will allow us to better align the development strategy with the changed reality of India.

An Overview of the Three Year Action Agenda

In preparing the Agenda, the NITI Aayog sought and received inputs from State Governments, Union Territories and Ministries of the Central Government. Extensive consultations were held with groups of scientists, economists, journalists, voluntary organizations, industry associations and experts in education, health, culture, transport and other fields. Numerous experts and institutions provided useful written inputs.

The Draft Agenda was circulated to NITI Aayog's Governing Council Members on April 23, 2016. It contains ambitious yet achievable proposals to achieve far-reaching changes in India's economy. Where relevant, we have included possible actions by the states to complement the Centre's efforts. The document has 7 parts with 24 chapters. The table of contents is attached.

Selected Key Action Agenda Items

Three Year Revenue and Expenditure Framework:

· A tentative medium-term expenditure framework (MTEF) for the Centre is proposed. Based on forecasts of revenue, it proposes sector-wise expenditure allocation for three years.



- Proposes reduction of the fiscal deficit to 3% of the GDP by 2018-19, and the revenue deficit to 0.9% of the GDP by 2019-20.

- The roadmap consisting of shifting additional revenues towards high priority sectors: health, education, agriculture, rural development, defence, railways, roads and other categories of capital expenditure.

Agriculture: Doubling Farmers' Incomes by 2022

- Reform the Agricultural Produce Marketing to ensure that farmers receive remunerative prices.

- Raise productivity through enhanced irrigation, faster seed replacement and precision agriculture.

Shift to high value commodities: horticulture, animal husbandry, fisheries.

A separate detailed roadmap issued by Member, Professor Ramesh Chand

Industry and Services: Job Creation

- Overarching Action Points

- Create Coastal Employment Zones to boost exports and generate high-productivity jobs.

- Enhance labour-market flexibility through reforming key laws

- Address the high and rising share of Non-Performing Assets (NPAs) in India's banks through supporting the auction of larger assets to private asset reconstruction companies (ARCs), and strengthening the State Bank of India-led ARC.

- Action points for specific sectors

- Apparel

- Leather and footwear

- Electronics

- Food processing

- Gems and jewelry

- Tourism

- Finance

- Real estate.

Urban Development

- Need to bring down land prices to make housing affordable through increased supply of urban land

1. More flexible conversion rules from one use to another

2. Release of land held by sick units

3. Release of other urban land potentially available

4. More generous Floor Space Index.



- Reform the Rent Control Act along the lines of Model Tenancy Act;
- Initiate titles of urban property
- Promote dormitory housing
- Address issues related to city transportation infrastructure and waste management.

Regional strategies

- Actions targeted aimed at improving development outcomes in the (i) North Eastern Region, (ii) Coastal Areas & Islands, (iii) North Himalayan states and (iv) Desert and Drought prone states.

Transport and Digital Connectivity

- Strengthen infrastructure in roadways, railways, shipping & ports, inland waterways and civil aviation.
- Ensure last-mile digital connectivity, particularly for e-governance and financial inclusion, through developing infrastructure, simplifying the payments structure and improving literacy.
- Facilitate Public-Private Partnerships by reorienting the role of the India Infrastructure Finance Company Ltd. (IIFCL), introducing low cost debt instruments and operationalizing the National Investment Infrastructure Fund (NIIF).

Energy

- Adopt consumer friendly measures such as provision of electricity to all households by 2022, LPG connection to all BPL households, elimination of black carbon by 2022, and extension of the city gas distribution programme to 100 smart cities.
- Reduce the cross-subsidy in the power sector to ensure competitive supply of electricity to industry.
- Reform the coal sector by setting up a regulator, encouraging commercial mining and improving labour productivity.

Science & Technology

- Create comprehensive database of all government schemes and evaluate them for desirable changes
- Develop guidelines for PPPs in S&T to improve education and industry-academia linkages for demand-driven research
- Channel S&T to address development challenges such as access to education, improving agricultural productivity and wastewater management.



- Create a “National Science, Technology & Innovation Foundation” to identify and deliberate national issues, recommend priority interventions in S&T and prepare frameworks for their implementation
- Streamline the administration of the patent regime

Governance

- Re-calibrate the role of the government by shrinking its involvement in activities that do not serve a public purpose and expanding its role in areas that necessarily require public provision
 - Implement the roadmap on closing select loss-making PSEs and strategic disinvestment of 20 identified CPSEs.
 - Expand the government’s role in public health and quality education.
- Strengthen the civil services through better human resource management, e-governance, addressing anomalies in tenures of secretaries and increasing specialization and lateral entry.

Taxation and Regulation

- Tackle tax evasion, expand the tax base and simplify the tax system through reforms. For example, consolidate existing custom duty rates to a unified rate.
- Create an institutional mechanism for promoting competition through comprehensive review and reform of government regulations across all sectors.
- Strengthen public procurement

The Rule of Law

- Undertake significant judicial system reforms including increased ICT use, structured performance evaluation and reduced judicial workload.
- Legislative, administrative and operational reforms of police are suggested to the states.

Education and Skill Development

- Shift the emphasis on the quality of school education paying particular attention to foundational learning
 - Move away from input-based to outcome-based assessments
 - Rank outcomes across jurisdictions
- Use ICT judiciously to align teaching to the student’s level and pace
Revisit the policy of automatic promotion up to eighth grade
- Create a tiered regulation of universities and college to provide greater autonomy to top universities under the current system.



- Focus on creating and funding public universities under the World Class Universities program.

Health

- Focus on public health through significantly increasing government expenditure on it, establishing a focal point and creating a dedicated cadre.
- Generate and disseminate periodic, district-level data as per uniform protocols.
- Formulate a model policy on human resources for health, implement a bridge course for nurses/AYUSH practitioners in primary care.
- Reform IMC Act and the acts governing homeopathy and Indian systems of medicine
- Launch the National Nutrition Mission; develop a comprehensive Nutrition Information System.

Building an Inclusive Society

- Enhance the welfare of women, children, youth, minorities, SC, ST, OBCs, differently abled persons and senior citizens.
- Develop a composite gender-based index to reflect the status of women in the country.
- Introduce skill-based education and extra-curricular activities as a mandatory part of school curricula; design innovative conditional cash transfer schemes to encourage girls' education.

Environment and Water Resources

- Adopt sustainable practices and streamline regulatory structures to support high economic growth.
- Adopt measures to tackle city air pollution
- Revisit the policy towards felling of trees on private land and transport of trees

Promote sustainable use of water resources by improving groundwater management, adopting smart water meters for specific industrial units and enhancing the regulatory environment in the sector.