



NITI Aayog: An overview

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Abstract

The Planning Commission was an institution in the government of India, which formulated India's five year plans, among other functions. The Planning Commission has announced an average GDP growth target of 8 percent for the Twelfth Five Year Plan period which runs from 2012-13 to 2016-17. While it is not as high as the 9 percent envisioned over a year back, it has not been dragged down to the sub-7 percent levels which some allude to as the 'new potential' of the economy. With the 8 percent target, the Commission seems to strike a balance between the current and the aspirational. In his first Independence Day speech in 2014, Prime Minister Narendra Modi announced his intention to dissolve the Planning Commission. It has since been replaced by a new institution named NITI Aayog. The National Institution for Transforming India, also called NITI Aayog, was formed via a decision of the Union Cabinet on January 1, 2015. NITI Aayog is the prime minister policy 'Think Tank' of the Government of India, providing both directional and policy inputs. While designing strategic and long term policies and programmes for the Government of India, NITI Aayog also provides related scientific suggestion to the Centre and States.

Keywords: NITI aayog, planning commission, GDP

Introduction

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The Government of India, in keeping with its reform agenda, constituted the NITI Aayog to replace the Planning Commission instituted in 1950. This was done in order to better provide the needs of the people of India. An important evolutionary change from the past, NITI Aayog acts as the standard platform of the Government of India to bring States to act together in national interest, and thereby fosters Cooperative Federalism.

At the foundation of NITI Aayog's creation are two hubs – Team India Hub and the Knowledge and Innovation Hub. The Team India Hub leads the engagement of states with the Central government, while the Knowledge and Innovation Hub builds NITI's think-tank capabilities. These hubs reproduce the two key responsibilities of the Aayog.

NITI Aayog is also developing itself as a State of the Art Resource Centre, with the necessary resources, knowledge and skills, that will enable it to act with speed, promote research and innovation, provide strategic policy vision for the government, and deal with contingent issues.

The NITI Aayog will work to the following function

a) To evolve a shared vision of national development priorities, sectors and strategies with the active involvement of States in the light of national objectives.

The vision of the NITI Aayog will then provide a framework 'national agenda' for the Prime Minister and the Chief Ministers to provide impetus to.

- b) To foster cooperative federalism through structured support initiatives and mechanisms with the States on a continuous basis, recognizing that strong States make a strong nation.
- c) To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government.
- d) To ensure, on areas that are specifically referred to it, that the interests of national security are incorporated in economic strategy and policy.
- e) To pay special attention to the sections of our society that may be at risk of not benefitting adequately from economic progress.
- f) To design strategic and long term policy and programme frameworks and initiatives, and monitor their progress and their efficacy. The lessons learnt through monitoring and feedback will be used for making innovative improvements, including necessary mid-course corrections.
- g) To provide advice and encourage partnerships between key stakeholders and national and international like-minded Think Tanks, as well as educational and policy research institutions.
- h) To create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and other partners.
- i) To offer a platform for resolution of inter-sectoral and inter-departmental issues in order to accelerate the implementation of the development agenda.

- j) To maintain a state-of-the-art Resource Centre, be a repository of research on good governance and best practices in sustainable and equitable development as well as help their dissemination to stake-holders.
- k) To actively monitor and evaluate the implementation of programmes and initiatives, including the identification of the needed resources so as to strengthen the probability of success and scope of delivery.
- l) To focus on technology upgradation and capacity building for implementation of programmes and initiatives.
- m) To undertake other activities as may be necessary in order to further the execution of the national development agenda, and the objectives mentioned above.

Achievements of NITI Aayog

1. Vision document, strategy & action agenda beyond 12th Five Year Plan: Replacing the Five Year Plans beyond 31st March, 2017, NITI Aayog is in the process of preparing the 15-year vision document keeping in view the social goals set and/ or proposed for a period of 15 years; A 7-year strategy document spanning 2017-18 to 2023-24 to convert the longer-term vision into implementable policy and action as a part of a “National Development Agenda” is also being worked upon. The 3-year Action Agenda for 2017-18 to 2019-20, aligned to the predictability of financial resources during the 14th Finance Commission Award period, has been completed and will be submitted before the Prime Minister on April 23rd at the 3rd Governing Council Meeting.

2. Reforms in Agriculture

a. Model land leasing law: Taking note of increasing incidents of leasing in and out of land and suboptimal use of land with lesser number of cultivators, NITI Aayog has formulated a Model Agricultural Land Leasing Act, 2016 to both recognize the rights of the tenant and safeguard interest of landowners. A dedicated cell for land reforms was also set up in NITI. Based on the model act, Madhya Pradesh has enacted separate land leasing law and Uttar Pradesh and Uttarakhand have modified their land leasing laws. Some States, including Odisha, Andhra Pradesh and Telangana, are already at an advance stage of formulating legislations to enact their land leasing laws for agriculture.

b. Reforms of the agricultural produce marketing committee act: NITI Aayog consulted with the States on 21 October 2016 on three critical reforms –

- i) Agricultural marketing reforms
- ii) Felling and transit laws for tree produce grown at private land
- iii) Agricultural land leasing

Subsequently, Model APMC Act version 2 prepared. States are being consulted to adopt APMC Act version 2.

c. Agricultural marketing and farmer friendly reforms index: NITI Aayog has developed the first ever ‘Agriculture Marketing and Farmer Friendly Reforms Index’ to sensitise states about the need to undertake reforms in the three key areas of Agriculture Market Reforms, Land Lease Reforms and Forestry on

Private Land (Felling and Transit of Trees). The index carries a score with a minimum value “0” implying no reforms and maximum value “100” implying complete reforms in the selected areas.

As per NITI Aayog’s index, Maharashtra ranks highest in implementation of various agricultural reforms. The State has implemented most of the marketing reforms and offers the best environment for undertaking agri-business among all the States and UTs. Gujarat ranks second with a score of 71.50 out of 100, closely followed by Rajasthan and Madhya Pradesh. Almost two third States have not been able to reach even the halfway mark of reforms score, in the year 2016-17. The index aims to induce a healthy competition between States and percolate best practices in implementing farmer-friendly reforms.

3. Reforming medical education: A committee chaired by Vice Chairman, NITI Aayog recommended scrapping of the Medical Council of India and suggested a new body for regulating medical education. The draft legislation for the proposed National Medical Commission has been submitted to the Government for further necessary action.

4. Digital payments movement

1. An action plan on advocacy, awareness and co-ordination of handholding efforts among general public, micro enterprises and other stakeholders was prepared. Appropriate literature in print and multimedia was prepared on the subject for widespread dissemination. Presentations/ interactions were organized by NITI Aayog for training and capacity building of various Ministries/Departments of Government of India, representatives of State/UTs, Trade and Industry Bodies as well as all other stakeholders.

2. NITI Aayog also constituted a Committee of Chief Ministers on Digital Payments on 30th November 2016 with the Chief Minister of Andhra Pradesh, Chandrababu Naidu, as the Convener to promote transparency, financial inclusion and a healthy financial ecosystem nationwide. The Committee submitted its interim report to Hon’ble Prime Minister in January 2017.

3. To incentivize the States/UTs for promotion of digital transactions, Central assistance of Rs. 50 crore would be provided to the districts for undertaking Information, Education and Communication activities to bring 5 crore Jan Dhan accounts to digital platform.

4. Cashback and referral bonus schemes were launched by the Prime Minister on 14.4.2017 to promote the use of digital payments through the BHIM App.

5. Niti Aayog also launched two incentive schemes to promote digital payments across all sections of society - the Lucky Grahak Yojana and the Digi Dhan Vyapar Yojana –Over 16 lakh consumers and merchants have won Rs. 256 crore under these two schemes.

6. Digi Dhan Melas were also held for 100 days in 100 cities, from December 25th to April 14th.

5. Atal Innovation Mission: The Government has set up Atal Innovation Mission (AIM) in NITI Aayog with a view to strengthen the country’s innovation and

entrepreneurship ecosystem by creating institutions and programs that spur innovation in schools, colleges, and entrepreneurs in general. In 2016-17, the following major schemes were rolled out:

1. **Atal Tinkering Labs (ATLs):** To foster creativity and scientific temper in students, AIM is helping to establish 500 ATLs in schools across India, where students can design and make small prototypes to solve challenges they see around them, using rapid prototyping technologies that have emerged in recent years.
2. **Atal Incubation Centres (AICs):** AIM will provide financial support of Rs.10 crore and capacity building for setting AICs across India, which will help startups expand quicker and enable innovation-entrepreneurship, in core sectors such as manufacturing, transport, energy, education, agriculture, water and sanitation, etc.
6. **Indices measuring states' performance in health, education and water management:** As part of the Prime Minister's Focus on outcomes, NITI has come out with indices to measure incremental annual outcomes in critical social sectors like health, education and water with a view to nudge the states into competing with each other for better outcomes, while at the same time sharing best practices & innovations to help each other - an example of competitive and cooperative federalism..
7. **Sub-group of chief ministers on rationalization of centrally sponsored schemes:** Based on the recommendations of this Sub-Group, a Cabinet note was prepared by NITI Aayog which was approved by the Cabinet on 3rd August, 2016. Among several key decision, the sub-group led to the rationalization of the existing CSSs into 28 umbrella schemes.
8. **Sub-group of chief ministers on Swachh Bharat Abhiyan:** Constituted by NITI Aayog on 9th March, 2015, the Sub-Group has submitted its report to the Hon'ble Prime Minister in October, 2015 and most of its recommendations have been accepted.
9. **Sub-group of chief ministers on skill development:** Constituted on 9th March, 2015, the report of the Sub-Group of Chief Ministers on Skill Development was presented before the Hon'ble Prime Minister on 31/12/2015. The recommendation and actionable points emerging from the Report were approved by the Hon'ble Prime Minister and are in implementation by the Ministry of Skill Development
10. **Task force on elimination of poverty in India:** Constituted on 16th March, 2015 under the Chairmanship of Dr. Arvind Panagariya, Vice Chairman, NITI Aayog, the report of the Task Force was finalized and submitted to the Prime Minister on 11th July, 2016. The report of the Task Force primarily focusses on issues of measurement of poverty and strategies to combat poverty. Regarding estimation of poverty, the report of the Task Force states that "a consensus in favour of either the Tendulkar or a higher poverty line did not emerge. Therefore, the Task Force has concluded that the matter be considered in greater depth by the country's top experts on poverty before a final decision is made. Accordingly, it is

recommended that an expert committee be set up to arrive at an informed decision on the level at which the poverty line should be set." With respect to strategies to combat poverty, the Task Force has made recommendations on faster poverty reduction through employment intensive sustained rapid growth and effective implementation of anti-poverty programs.

11. **Task force on agriculture development:** The Task Force on Agricultural development was constituted on 16th March, 2015 under the Chairmanship of Dr. Arvind Panagariya, Vice Chairman, NITI Aayog. The Task Force based on its works prepared an occasional paper entitled "Raising Agricultural Productivity and Making Farming Remunerative for Farmers" focusing on 5 critical areas of Indian Agriculture. These are (i) Raising Productivity, (ii) Remunerative Prices to Farmers, (iii) Land Leasing, Land Records & Land Titles; (iv) Second Green Revolution- Focus on Eastern States; and (v) Responding to Farmers' Distress. After taking inputs of all the States on occasional paper and through their reports, the Task Force submitted the final report to Prime Minister on 31st May, 2016. It has suggested important policy measures to bring in reforms in agriculture for the welfare of the farmers as well as enhancing their income.

12. **Transforming India lecture series:** As the government's premier think-tank, NITI Aayog views knowledge building & transfer as the enabler of real transformation in States. To build knowledge systems for States and the Centre, NITI Aayog launched the 'NITI Lectures: Transforming India' series, with full support of the Prime Minister on 26th August 2016. The lecture series is aimed at addressing the top policy making team of the Government of India, including members of the cabinet and several top layers of the bureaucracy. It aims is to bring cutting edge ideas in development policy to Indian policy makers and public, so as to promote the cause of transformation of India into a prosperous modern economy. The Deputy Prime Minister of Singapore, Shri Tharman Shanmugaratnam, delivered the first lecture on the topic: India and the Global Economy. On November 16th, 2016, Bill Gates, Co-Founder, Bill and Melinda Gates Foundation, delivered the second lecture in the series under the theme: 'Technology and Transformation'.

Conclusion

The Government effort to make efficient working and better implementation of policies for various sectors of the economy are quite laudable. The potential of agriculture sector in India, which requires Governments most attention, will depends on the seriousness of the government and how they will adopt the measures suggested by the constituted task force on agricultural development in India.

When it comes to the digital movement in India, it has been seen in that there is huge gap between the policies of the government and the commercial banks. The idea of digital India cannot be achieved without developing consensus between the state and the commercial banks still we are practicing the old method of measuring poverty which is unable to filter the actual poor in the country. For effective implementation of the flagship programmes combating

poverty in the country, a better measure of the poverty is need of the hour for which the government should form a high level expert committee on a primary basis for eliminating poverty and to find a measure of poverty.

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