

OBSERVATIONS

(Tour to Sikkim - 23rd to 26th March'04)

1. PLANNING PROCESS:

There is a clear need to draw up a Plan for NLCPR and NEC Projects, keeping in view, inter-alia, the NLCPR/NEC Guidelines, State Plan, Centrally Sponsored Schemes, the State's Human Development Report and Vision Documents etc. This will ensure that the identified focus areas are suitably addressed, there is synergy of resource utilisation, avoidance of duplication and balanced development within key sectors and different areas of the State. The Nodal Department may advise the concerned Departments accordingly.

At present what seems to be happening is that proposals are called for by the Nodal Department from Line Departments and put together/forwarded, apparently without assessing whether they fit into a coherent pattern of development.

To illustrate, for 2004-05, 36 Projects, from diverse sectors have been posed, under NLCPR, at a total cost of Rs.352 crore, without so much as a Concept Note or resumes for specific

Projects. The amount is higher than what has been invested in the State since inception of NLCPR in 1998-9 and hence raises key concerns of absorptive capacity and modification of implementation strategies that may be necessitated, as a result. With State elections round the corner it may perhaps be advisable to keep this Priority List on hold for now and rework it, as proposed above, when the new Govt. assumes charge.

Further, the practice of adding Projects to the "Priority List" throughout the year, should be discouraged.

2. **PREPARATION OF DPRs:**

The technical inputs for DPRs come exclusively from the Line Departments and these are not subject to a second level of scrutiny by the Nodal Department, admittedly because of lack of expertise.

On account of this, several deficiencies remain in technical and financial aspects, which occasion these documents being referred back to the State Govt. for rectification by the Dept. of

DONER, on the advice of Central Ministries to which they are referred for vetting, causing unwarranted delay in processing. Cost calculation is another area of weakness because of which there are escalations. According to existing Guidelines, there is limited flexibility for accommodating such escalations, which invariably leads to various ground level and operational problems.

Since it is not always feasible or desirable to hire Consultants for preparation of DPR, it is imperative to build professional skills within the State Govt. in the Line Departments as well as the Nodal Department.

Dept. of DONER has been sponsoring various 'Capacity Building' Programmes under its ongoing Plan Scheme but so far the response of the State Govt. has not been particularly enthusiastic. It is, therefore, suggested that the Nodal Department do a quick, 'Training-Needs-Analysis' and draw up a calendar of Programmes for 2004-05 so that Dept. of DONER, may facilitate them, through deployment of suitable Trainers/Faculty at Gangtok.

3. PROJECT IMPLEMENTATION:

There appears to be a requirement for bringing in modern management techniques into Project implementation to obviate problems ordinarily associated with conventional practices obtaining in Government. Together with uninterrupted fund flow to Implementing Agencies, sharing of ideas on the subject with Central Government Organisations Professional Groups, as well as capacity building, by plugging into relevant Training Programmes at IIM, Calcutta, IIPA, Delhi, etc. supported by the Department of DONER, would appear to go a long way in improving the present situation.

The State Govt. may also consider assigning implementation of major Projects, on a turn-key basis through a national competitive bids, so that the works are executed by the most experienced and competent Agency (Central/ State/Private), in an efficient manner. These Agencies may be advised to incorporate clauses relating to penalty and incentives for their contractors, so that Projects are implemented expeditiously. State Govt's Line Departments may even think of restricting themselves to

implementation of smaller Projects, below a certain financial cap, as may be internally determined.

4. **MONITORING & EVALUATION:**

According to NLCPR Guidelines QPRs are required to be submitted to the Dept. of DONER, as well as record of the Chief Secretary's Review Meeting on progress of implementation of on-going Projects and Field Inspection Reports. It has to be ensured that these are received in the Dept of DONER regularly. This is not happening as of now.

The Nodal Department may take up M&E activities more vigorously by calling for monthly updates on Projects, co-ordinating Inspections, by utilizing the services of empanelled retired persons, on a contract basis, if required, conducting concurrent evaluations, impact studies and social audit of Projects etc.

Software, which is being developed, in this regard, by the State Govt., may be shared with the Dept. of DONER to assess its compatibility with our systems and procedures.

5. **STREAMLINING OF DATA-BASE:**

The data base at the Project level, State level and Dept. of DONER should be uniform. This is not the case, as of now. Number of projects (e.g. in the Roads Sector), completion status etc. vary and this aspect needs immediate attention for reconciliation. An officer from the Nodal Department may be deputed, at a convenient time, to New Delhi, for the purpose.

LIST OF PROJECTS INSPECTED**EDUCATION**

1. LAW COLLEGE, Burtuk (Rs.3 crore)
2. Centre for Computer and Communication Technology, Polytechnic, Gangtok (Rs.2.5 crore).
3. Construction of School Buildings at Melli and Saddam (Total for 198 Schools, Rs.23.42 crore)

FLOOD CONTROL

4. Anti-Erosion Works - 32, Namil and Rampool Bridge, East Sikkim (Rs.0.50 crore)

SPORTS

5. Paljor Stadium, Gangtok (Rs.15.16 crore)

POWER

6. 132 KV S/C Transmission Line from Rangit to Melli, with 132/66 KV Sub-Station at Melli (Rs.29.70 crore)

ROADS

7. Upgradation of Mamring - Phongla Road (25 Kms) (Rs.2.35 crore)

WATER SUPPLY & SEWERAGE

8. Extension of Gangtok's Sewerage Project (Rs.9.95 crore).

MISC.

9. Ropeway from Deorali to Tashiliag (Rs.10.60 crore)
10. Dacheling Cremation Ground (Rs.1.09 crore).
11. ITES Training Programme (Funded under 'Plan Scheme' of Capacity Building Rs.9 lakhs).
12. Solar Heating/Rain-Water Harvesting, Saddam (Set-up through SWRC, Tilonia, with external assistance).

**(Dr. T. Kumar)
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