

NITI Aayog's Three Year Action Agenda

Why in news?

\n\n

The draft "Three Year Action Agenda" of the NITI Aayog has been circulated recently to its governing council.

\n\n

What is the Agenda about?

\n\n

\n

- After dismantling Planning Commission and taking its place, NITI Aayog set to create **15-year long-term vision** and subsequently the **seven-year policy strategy** along with Three Year Action Agenda.

\n

- This set the phasing out of Five Year planning as a concept completely.

\n

- But for the NITI Aayog's initiative to be an improvement on the Five Year Plan, pragmatic moves, such as delinking planning from finance, will be required.

\n

- **The NITI Aayog's governing council**, which is currently reviewing the "Three Year Action Agenda", comprises all chief ministers, mirroring the erstwhile National Development Council.

\n

- The "Three Year Action Agenda" seeks to embark on "a path to achieve all-round development of India and its people" through concerted action, **outlined in seven parts** covering multiple facets of the Indian economy.

\n

\n\n

What are the advantages of the Agenda?

\n\n

\n

- **Electoral cycles do not synchronise with five-year plans**; quite often,

this entailed outcome accountability to rest with a successor government.

\n

- But a “Three Year Action Agenda” makes the government in office **more directly accountable** for the implementation of its plans.

\n

- It gives the government an improved prospect to make corrections and adaptations during its own term in office.

\n

- Augmenting the “Three Year Action Agenda” with a seven-year implementable policy strategy and a 15-year vision allows adaptation to changing times and exogenous variables.

\n

- It enables us to look into the future, particularly at evolving technology, demography and ecology, and accordingly align our policies.

\n

- The 15-year vision is also somewhat coterminous with the Sustainable Development Goals (SDGs) of the United Nations (UN).

\n

- **The new format thus combines domestic aspiration with global aims.**

\n

- The agenda projects three scenarios for nominal GVA (Gross Value Added), namely, low growth, baseline and high growth.

\n

\n\n

What does the Agenda offer?

\n\n

\n

- Relying on the proposals forwarded by the FRBM Review Committee, the action agenda estimates a fall in the share of non-development revenue expenditure, both as a proportion of total budget expenditure and GDP.

\n

- It rightly emphasises **the need for optimal utilisation of resources** and regular monitoring of progress.

\n

- The agenda rightly points out that a functional classification of public expenditure rather than distinction between revenue and capital expenditures will prove to be more meaningful.

\n

- The agenda says that there exist many exogenous factors: Unfavourable monsoons, global protectionist trends - could impinge our twin deficits which critically undermine our growth prospects.

\n

- The continued pursuit of an unconventional monetary policy approach by advanced economies could limit the manoeuvrability of our monetary authority.
\n
- Agenda says credible efforts at enhancing tax compliance and realisation, deeper penetration of the digital economy and medium-term gains from the GST can be expected.
\n
- Non-tax revenues, particularly from spectrum sale, necessitate structural changes in telecom policy.
\n
- The public listing of PSUs will enable improved price discovery as per the agenda.
\n

\n\n

How can this Agenda be realised?

\n\n

- It would be advantageous to constitute a **separate parliamentary committee on planning**, which could meaningfully engage with the NITI Aayog's policy prescriptions.
\n
- It would also be desirable to create state-level bodies, to be called **Sub-National Institutes for Transforming India (SuNITI)**, in formulating and expediting state-specific policies.
\n
- This should enable state assemblies to discuss state-level plans in sync with the "Three Year Action Agenda".
\n
- In the notification constituting the NITI Aayog, there is a provision to form "**Regional Councils** to address specific issues impacting more than one state or a region".
\n
- This is the right time to implement this enabling mandate.
\n

\n\n

\n\n

Source: The Indian Express

\n



SHANKAR
IAS PARLIAMENT
Information is Empowering