

# THE 2<sup>ND</sup> ARC and its recommendation



# Background of the ARC

- The Administrative Reform Commission or ARC is the committee appointed by Govt. of India for giving recommendations for reviewing the public administration system of India.
- The first ARC was constituted on 5<sup>th</sup> January, 1966 under the chairmanship of Shri Morarji Desai. Later, K.Hanumanthaiah succeeded him when the former became Dy. PM

# 1<sup>st</sup> ARC

- The Commission was mandated to give consideration to the need for ensuring the highest standards of efficiency and integrity in the public services and for making public administration a fit instrument for carrying out the social and economic policies of the Government and achieving social and economic goal of development
- 1<sup>st</sup> ARC submitted 20 reports to the Government and the above 20 reports contained 580 recommendations.

# 2<sup>nd</sup> ARC

- Govt, of India set up, in August, 2005, a Commission of Inquiry called “2<sup>nd</sup> ARC” to prepare a detailed blueprint for revamping the public administration system.
- It was given a mandate to suggest measures to achieve a proactive, responsive, accountable, sustainable and efficient administration for the country at all levels of government

## 2<sup>nd</sup> ARC (cont..)

- Headed by Shri Veerappa Moily with 4 members
- Veerappa Moily resigned w.e.f 1.4.2009 and V.Ramachandran was appointed chairman.
- The 2<sup>nd</sup> ARC has presented 15 Reports to the Government for consideration
- Out of 15 Reports, Group of Ministers has so far considered 11 reports. Remaining reports are taken up separately.

# Role of ARC

- Early part of independent India saw inadequacy of bureaucracy in facing challenges of developmental activities. So felt a need for a fresh look into all aspects of administration – thereby leading to- setting up of 1<sup>st</sup> ARC in 1966
- Experimental phase (1970-1984)
- Transitional phase (1984-1991)
- Reformist phase (1991-1995)
- Mainstreaming phase (1996- Present)

# Reforms recommended by 2<sup>nd</sup> ARC

- Recommendations of 2<sup>nd</sup> ARC fall into two group
  - 1<sup>st</sup> – changes for administrative structures/processes/techniques
  - 2<sup>nd</sup> set – a number of issues to be examined by Govt- for implementation of suggested changes need strong political will and sustained political guidance at the highest level

# Reforms recommended by 2<sup>nd</sup> ARC

- State Information Commission (1<sup>st</sup> Report)
- NREGA- Payment of wages thru Bank and Post office (2<sup>nd</sup>)
- Fund should be transferred directly to District(2<sup>nd</sup>)
- District Disaster Management Plan – Long term mitigation Plan, Emergency Response Plan, etc.. (3<sup>rd</sup>)
- Lokayukta(reinforced), Citizens' Charter, Ombudsman for local bodies, etc.. (4<sup>th</sup>)



# Cont...

- MIPUI AW (Centralized Public Grievances Redressal Mechanism) (4<sup>th</sup> & 12<sup>th</sup> )
- Social Audit (4<sup>th</sup>)
- Corporate Social Responsibility (9<sup>th</sup> Report)
- G2C, CSC , SWAN (promotion of e-governance) – (11<sup>th</sup> Report)
- Effective Citizen's Charter & Lok Adalat -12<sup>th</sup> Report
- Result Framework Documents (RFD) -12<sup>th</sup> Report

# Summary of 2<sup>nd</sup> ARC Reports & Reports considered by Central Government

- 1<sup>st</sup> Report (RTI):
  - ▣ The Official Secret Act, 1923 should be repealed (N)
  - ▣ Any person having official secret but fails to take care must be guilty of an offence (A)
  - ▣ Governmental privilege in Evidence (Sec 123 of Indian Evidence Act, 1872 should be amended (N)
  - ▣ Oath of Secrecy (N)
  - ▣ Exempted Organization (Armed Forces) (N)
  - ▣ Central Civil Services (Conduct) Rules, (A)
  - ▣ Manual of Office Procedures (A)
  - ▣ Constitution of SIC (A)

# Cont...

- 2<sup>nd</sup> Report (Unlocking Human Capital-NREGA)
  - Guaranteeing Reach (A)
  - Guaranteeing Outcomes (A)
  - Ensuring Convergence (A)
  - Expanding the scheme (A)
  - Fixing Wage rates (NA)
  - Financial Management System (A &N)
  - Mode of Payment to Workers (N)
  - Role of Banks and Post Offices in fund flow (A)
  - Use of IT and Monitoring (A) and many more

# Cont.

- 3<sup>rd</sup> Report (Crisis Management: From despair to Hope)
  - Separate provision in the Constitution for Disaster (N)
  - State Govt. should handle Crisis Management and Union Government play supportive role.(A)
  - No separate ministry/department at the national/state level. (A) However, we have in our State
  - Empowering Relief Commissioners (A)
  - Institutional support and use of IT (GIS) for solution and prevention (A)
  - Disaster Management should be introduced as a subject (A)
  - National Policy on Disaster Management (A)
  - Awareness campaign and Disaster Management Plan (A)
  - Early Warning system (A)

# Cont.

## □ 4<sup>th</sup> Report (Ethics in Governance):

- Reform of political funding (Action not needed)
- Tightening of Anti-defection law (A-nn)
- Disqualification of persons wt chargesheet (A-nn)
- Chief Election Commissioners/Commissioners-selection should be done by collegiums (A-nn)
- Expediting Disposal of Election Petitions (Special Election Tribunals) (Not Accepted)
- Grounds of disqualification for membership (A-nn)
- Ethical framework for Ministers (duplicacy of Code of Conduct)
- PM and CM should shoulder responsibility in ensuring Code of Ethics
- Office of Ethics Commissioner suggested (A-nn)
- Office of Profit (A-nn)
- Public Service Values for all public servants should be defined (A)
- National Judicial Council (A)
- Sanction for prosecution (NA)
- Protection to whistle-blowers (A)
- Article 310 & 311 should be repealed (NA)
- Lok Pal (A-nn) & Lok Ayukta (A) (1<sup>st</sup> ARC-reinforcement)

# Cont...

- 5<sup>th</sup> (Public Order) is yet to be considered by the Government
- 6<sup>th</sup> (Local Governance) seems to be out of context for our State.
- 7<sup>th</sup> Report (Capacity Building for conflict resolution)
  - ▣ New Land Acquisition Act (A)
  - ▣ SEZ should not be located in prime agri. Land (N)
  - ▣ Issues relating to Tribal areas (A)
  - ▣ Water related issues (A)
  - ▣ Capacity Building in Administration in the North East (A)

# Cont..

- 8<sup>th</sup> Report (Combating Terrorism) is being processed/implemented by Ministry of Home Affairs.
- 9<sup>th</sup> Report (Social Capital-A shared destiny)
  - New Legal Framework for Charities in India(A)
  - Corporate Social Responsibility (A)
  - Accreditation of Voluntary Organisations (National Accreditation Council (A)
  - Regulation of Foreign Contribution (Bill needs to be amended)(A)
  - SHGs movement need to be enhanced in the rural areas and also to be extended to the urban and semi-urban areas (A)
  - Integrated Social Policy (A)

# Summary of 2<sup>nd</sup> ARC Reports & Reports considered by Central Government (c)

- 10<sup>th</sup> Report(Refurbishing of Personnel Administration-Scaling new heights) – being considered by the Government
- 11<sup>th</sup> Report(Promoting e-Governance-The smart way forward)
  - ▣ Building a congenial environment (A)
  - ▣ Identification of e-Governance Projects and Prioritization (A) – {2-3% of Plan budget for this}
  - ▣ Business Process Re-engineering (A)
  - ▣ Capacity Building and Creating Awareness (A)
  - ▣ Monitoring and Implementation (A)
  - ▣ Common Support Infrastructure (SDC, SWAN, CSCs etc..)(A)
  - ▣ Mission Mode Projects (A)& fr Land Records
  - ▣ Passport & Visa, Unique National ID
  - ▣ Legal Framework for e-Governance (A)
  - ▣ Knowledge management (A)



# Cont....

## 12<sup>th</sup> Report (Citizen Centric Administration-The Heart of Governance)

- ▣ Functions of Government (A)
- ▣ Making Citizens Charter Effective (A)
- ▣ The ARC Seven Step Model for Citizen Centricity (A)
- ▣ Participation of Women and the Physically Challenged (A)
- ▣ Delegation (A)
- ▣ Evolving an Effective Public Grievances Redressal System (A)
- ▣ Analysis and Identification of Grievance Prone Areas(A)
- ▣ Simplifying Internal Procedures (A)
- ▣ Monitoring and Evaluation (A)
- ▣ Rationalizing Procedures – Issue of Driving Licenses, registration of Births and Deaths
- ▣ Building Licenses and Completion Certificate

# Cont..

## 13<sup>th</sup> Report(Organizational Structure of Government of India)

- ▣ Core principles of Reforming the Structure of the Government (A)
- ▣ Government at all levels should be guided by the principle of subsidiarity (A)
- ▣ Rationalizing the functions of the Government (A)
- ▣ Rationalizing and Reorganizing the Ministries and Departments (A)
- ▣ Recasting the Allocation of Business Rules (A)
- ▣ Creation of Effective Executive Agencies (A)
- ▣ Coordination Mechanism (A)

# Cont...

- 14<sup>th</sup> Report (Strengthening Financial Management Systems)
  - Unrealistic Budget Estimates (A)
  - Delay in Implementation of Projects (A)
  - Skewed Expenditure pattern-Rush of Expenditure towards the end of the financial year (A)
  - Inadequate adherence to the Multi-year Perspective and Missing Line of Sight between Plan and budget (A)
  - Emphasis on Meeting Budgetary Financial Targets rather than on Outputs and Outcomes (A)
  - Irrational 'Plan-Non-Plan' Distinction leads to Inefficiency in resource Utilization..
  - Capacity Building

# Cont...

- 15<sup>th</sup> Report ( State and District Administration)
  - ▣ Size of the Council of Ministers needs to be reduced (A)
  - ▣ Rationalizing the Number of Secretarial Departments (A)
  - ▣ Executive Agencies > Departments (A)
  - ▣ Civil Services Law (A) > States are advised to take similar action after the proposed act is passed by Central Government
  - ▣ Regional Level Administration (A)
  - ▣ Vigilance Commission/Lokayukta(A)
  - ▣ State Public Service Commission (A)
  - ▣ Redefining Collector's Role and modernizing its office (A)



THANK YOU