Service Delivery in India –
Targeting, Leakages and Other Such Ills

Impact and Policy Conference

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NOTE: The views expressed in this document are personal
Agenda

- Major Rural Development Programmes in India
- What Leads to Leakages: Some Big Issues in Service Delivery
- Recent Innovations to address these
  - Biometrics – Aadhaar
  - Concurrent Evaluation
- Key Takeaways

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## Major Rural Development Programmes in India

<table>
<thead>
<tr>
<th>Category</th>
<th>Programmes</th>
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<tbody>
<tr>
<td><strong>Social Safety Nets</strong></td>
<td>1. Employment (MNREGA)</td>
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<td>2. Pensions (NSAP)</td>
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<td><strong>Rural Infrastructure</strong></td>
<td>3. Rural Roads (PMGSY)</td>
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<td>4. Housing (IAY)</td>
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<td>5. Drinking Water (NRDWP)</td>
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<td>6. Sanitation (NBA)</td>
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<td><strong>Skill Development &amp; Livelihoods</strong></td>
<td>7. Aajeevika (NRLM)</td>
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- Funding by Central Government, Implementation by States
- Annual Budget ~Rs 99,000 crore (~USD 20Bn)

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What Leads to Leakages: Some Big Issues in Service Delivery

1. Top Down Design and Approach
   - “One-size Fits All”
   - Difficult to target, manage and monitor

2. Multiple Layers of intermediaries
   - Limited involvement of communities
   - Diffusion of Responsibility and Disconnect

3. Authentication
   - Confirming that the right person gets the benefit

4. Weak Monitoring and Evaluation
   - Limited (and anecdotal) evidence on what’s going well, what’s going wrong and where

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Recent Innovations to address these

1. Top Down Design and Approach
   - Rural Flexi-Fund for the States
     - Direct transfer of untied funds to States

2. Multiple Layers of Intermediaries
   - Restructuring our schemes
     - e.g., Old Age Pensions

3. Authentication
   - Biometrics – Aadhaar

4. Weak Monitoring and Evaluations
   - Concurrent Evaluation Office

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Potential of Biometrics (Aadhaar) in Reducing Leakages

- Tackles ‘**Duplicates**’ and ‘**Ghosts**’

- **Mobile identity** that travels with the resident even when he/she moves or migrates

- **Single biometric service** available
  - Across all government schemes
  - By all banks
  - With uniform standards across country and apps

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But significant challenges remain…

- **Setting it Up:**
  - ~ 1 billion people need to be enrolled, universally (200 million already done!)
  - Bank accounts need to be linked

- **Technical Issues:**
  - Foolproof biometric recognition, especially for elderly/manual workers
  - Connectivity

- **Banking Network in the last mile**

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Weaknesses with Current Monitoring and Evaluation

- **Expenditure Obsession**
  - Accountability of States is on ‘spending’, no real incentives/disincentives for achievements of outcomes

- **Evaluations ad hoc and ex-post, not Concurrent**
  - Limited baselines, needs assessments, feasibility analysis
  - No consolidated/collaborative view of achievements across programmes

- **Policy-loop is seldom closed**

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Concurrent Evaluation Office (CEO)

An independent organization to facilitate systematic rapid and rigorous concurrent evaluations through a network of institutions - a Concurrent Evaluation Network (CENET)

Functions

1. Identify appropriate concurrent evaluations to be done

2. For each study
   - Design ToRs
   - Identify institutions to undertake studies
   - Coordinate implementation

3. Identify learning and recommend policy changes

4. Review the "Action Taken Reports" of the Ministry

5. Disseminate findings and datasets

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A Dual Challenge

On the one hand…

CEO should be independent and professional

On the other hand…

CEO work should do relevant work, and feed into policy

How to reconcile these seemingly conflicting objectives?

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Concurrent Evaluation Office (CEO)

**Independent & Professional**

1. Formed as an independent society, not as a department/cell in the Ministry

2. Professional Governing Body with 5 independent experts

3. Director-General to be a Professional Economist with full functional autonomy and budget

4. Core Team (Researchers/YPs) hired from ‘market’, other services outsourced

**…Yet Embedded in the System**

1. Governing Body to have Ministry, Planning Commission, States representatives

2. Formal Consultation Process with Ministry and agreed Annual Work Plan codified as an MoU

3. Concept of ‘Action Taken Reports’ to be prepared by Ministry on recommendations of CEO

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**Key Takeaways**

- Service delivery challenges at scale (1.2 billion people) are large
- Many things wrong, but many things going right as well
- Innovative solutions required to address the issue at scale
  - More decentralisation and involvement of communities
  - Simplify programmes
  - Biometrics (Aadhaar)
  - Better Evaluations

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