

No. M-11/16(2)/2015-VAC

NITI Aayog

Voluntary Action Cell

Parliament Street, New Delhi

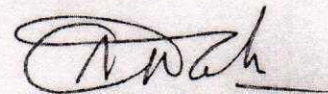
10th September, 2015

OFFICE MEMORANDUM

Subject : Common Guidelines for implementation of Centrally Sponsored Schemes (CSS)/Central Sector (CS) Schemes through Non-Government Organisations (NGOs)

The Committee of Secretaries (CoS) in its meeting held on 26.7.2015, considered the CoS Note on the review of the Centrally Sponsored Schemes (CSS)/Central Sector (CS) Schemes implemented through Non-Government Organisations (NGOs) by different Ministries/Departments which was earlier carried out by the erstwhile Planning Commission. The CoS has recommended that NITI Aayog formulate generic Guidelines for selection of NGOs, monitoring & evaluation, transparency & accountability for implementation of such schemes through the NGOs. Each Ministry has to develop its own sector specific guidelines broadly within these generic Guidelines.

2. Accordingly, keeping in view the relevant provisions in the National Policy on the Voluntary Sector, 2007, outcome of the review of the CSS/CS implemented through NGOs and the recommendations by the CoS, the Guidelines have been formulated and circulated herewith for kind information and necessary action.



(Srikara Naik)

Adviser (VAC)

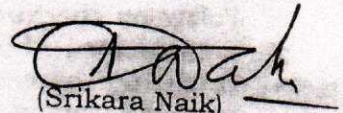
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- ✓23. Secretary, M/o Water Resources, River Development and Ganga Rejuvenation
- ✓24. Secretary, M/o Statistics & Program Implementation

✓ Copy also forwarded for kind information to:
Cabinet Secretariat, Rashtrapati Bhawan, New Delhi
(Kind Attn: Shri T.K. Pandey, Joint Secretary)



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**NITI Aayog
(Voluntary Action Cell)**

**Common Guidelines for Implementation of Centrally Sponsored Schemes (CSS)/Central Sector
(CS) Schemes through Non-Government Organizations (NGOs)**

1. The National Policy on the Voluntary Sector was notified vide Gazette Notification dated 17th July, 2007 (copy enclosed) acknowledges that "Voluntary Sector has contributed significantly to finding innovative solutions to poverty, deprivation, discrimination and exclusion, through means such as awareness raising, social mobilization, service delivery, training research, and advocacy". Further, the National Policy, 2007, also recognizes that "there are legitimate concerns regarding the effectiveness of grants-in-aid schemes. Out-dated design of funding schemes, arbitrary procedures, selection of unsuitable NGOs, poor quality of implementation, and misuse of funds are some of the reasons for possible defeat of the objectives of such funding". The Policy suggests proper accountability and monitoring of public funds distributed to NGOs and recommends a review of the experience of such decentralized funding and to make suitable recommendations to Central Agencies.

2. A review of the Centrally Sponsored Schemes (CSS) and Central Sector (CS) Schemes implemented through NGOs by different Ministries/Departments was carried out by the erstwhile Planning Commission. The Report identified best practices regarding selection procedure, monitoring and evaluation, accountability and transparency besides common challenges. The report was considered by the Committee of Secretaries (CoS) in its meeting held on 24.07.2015. The CoS recommended that NITI Aayog formulate generic Guidelines for selection of NGOs, monitoring and evaluation, transparency and accountability for the schemes implemented through the NGOs, keeping in view the provisions of GFR. Each Ministry thereafter has to develop its own sector specific guidelines broadly within the generic guidelines.

3. Accordingly, keeping in view the relevant provisions in the National Policy on the Voluntary Sector 2007, outcome of the review of the CSS/CS implemented through NGOs and the recommendations by the CoS the following guidelines are being issued:

Electronic Integration of Data

4. The National Policy on the Voluntary Sector 2007 observes that databases of NGOs working in different sectors are useful for communication between the Voluntary Sector and the Public & Private Sector. The Policy has recommended that the Government will commission suitable agencies to prepare and update such databases. In the interest of transparency & credibility, it is desirable that all information regarding NGOs, schemes, projects sanctioned, achievements etc. are integrated and maintained electronically. The erstwhile Planning Commission was coordinating and managing the NGO-PS portal, since July 2009. In view of constitution of NITI Aayog w.e.f. 1st January, 2015 the NGO-PS Portal is under the process of revalidation to include such information about the NGOs which can be acceptable as their minimum qualifying criteria. It is recommended that the NGO-PS portal of the NITI Aayog may be regularly accessed. In addition, the portal of each

Ministry should be under the charge of a nodal officer. The nodal officer should create a linkage with Nodal officers of the line Departments at the State and District levels.

Selection Procedure

5. The NGO should have signed up in the NGO-Partnership (NGO-PS) Portal of the NITI Aayog with all self declared details and should have obtained a Unique ID. The unique ID should be mandatorily quoted by the NGO at the time of application for grants from any entity under the Central Government. NGOs shall update their data base in the Portal every year. Each Ministry shall have its own Portal which is to be linked to the NGO-PS Portal maintained by the NITI Aayog.

6. It is desirable that Central Ministries/Departments, rather than administering various schemes directly, should appoint regional/State level intermediary Organizations on their behalf, which will allow closer interaction for better selection and monitoring of NGOs. It should be ensured that the NGO is a registered body under an Act/Rules/Regulations of the either the Central or the State Government and its proposals are recommended by the concerned State Government.

7. States need to be closely involved in recommending not only NGOs and their proposals but also field supervision of the projects implemented by the NGOs. Recommendation of States should be obtained every third year for Established Voluntary Agencies (EVAs) who are in regular receipt of grant under any scheme. National level activities /events organized through NGOs however should not be linked to the recommendation by the State Government. The concerned Ministries may also have alternative option of cross verification of the NGOs through their own sources in case of undue delay in getting recommendation/views from a State for which appropriate procedures may be prescribed by the Ministry concerned.

Monitoring and Evaluation

8. For NGOs which are in receipt of grant from a Ministry on regular basis, a third party evaluation may be necessary specifically to evaluate the focus and sensitivity of the NGOs towards the main issues in the project, organizational capacity and programme delivery. The process may help in weeding out non-performing NGOs.

9. Monitoring of the schemes implemented through NGOs should be online preferably supported by periodic field visits/ checks of officials both from Centre and State, and if necessary by outsourcing. Ministries/Departments should put in place a well defined mechanism for third party evaluation of the performance of the NGOs. The portals of respective Ministries would facilitate uploading of information on release of grants, utilization certificates, audited statements of accounts, services rendered, physical achievements made, photographs of assets created. The concerned NGO should also upload the achievement of the project on its own website.

Accountability and Transparency

10. Ministries/Departments shall ensure strict compliance with the relevant instructions under the extant General Financial Rules (GFR). The grants in aid released to the NGOs should be reflected in the Public Financial Management System (PFMS) of the Controller General of Accounts, Ministry of Finance, through the NGO-PS Portal of the respective Ministries that must be linked to NITI Aayog's NGO-PS portal. In addition to the existing accounting system like submission of

utilization certificate, audited statement of accounts, execution of surety bond or signing of MoU by the NGO for the implementation of the project may also be considered.

11. In case of default or misuse of funds by an NGO, or, in case the NGO ceasing to exist, the Ministry/Department may consider acquiring assets created from the grants-in-aid given to the NGO. Blacklisting of NGOs should also be resorted to in case of reasons cited above. Names of blacklisted NGOs shall be reflected in the Portal of the concerned Ministry and will also appear in the Home page of the NGO-PS Portal of NITI Aayog for the information of all Ministries/Department as well as State Governments and other stakeholders.

12. The guidelines are illustrative and not exhaustive. Ministries/ Departments may need to have additional procedures/conditionality for credible, transparent and accountable involvement of NGOs in the implementation of Schemes funded from the public exchequer and may frame their sector/scheme-specific guidelines, within these generic guidelines.
