



ABSTRACT

Evaluation - Institutionalize an evidence-based approach to policy making to maximize the impact of anti-poverty programmes and policies in the State- Partnership with J-PAL - Guidelines for revised procedure towards payments for the projects – Orders – Issued.

PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES (ST.2&E) DEPARTMENT

G.O.Ms.No.18

**Dated: 26.02.2016.
Manmatha- Masi 14
Thiruvalluvar Aandu 2047.**

READ:-

1. G.O.Ms. No.81, Planning, Development and Special Initiatives (ST-2&E) Department, Dated: 02.09.2014.
2. E-mail received from Thiru Jasmine Shah, Deputy Director, J-PAL

ORDER:-

In the reference first read above, the Government issued orders for institutionalize an evidence based policy approach to policymaking to maximize the impact of anti-poverty programmes and policies in the State in partnership with Abdul Latif Jameel Poverty Action Lab (J-PAL), and constituted the Steering Committee to approve the new pilot programmes and evaluation.

2. For each of the projects, clear payment milestones for grants to J-PAL are mentioned in the Government Order to ensure smooth execution of evaluation studies. However, it is noticed that payments for several projects are getting delayed which in turn are affecting timely execution and progress of these projects. So far, 14 projects approved by the Steering Committee with the approval of HOD's of 6 Line Departments of GoTN.

3. Hence, a discussion was held on 15.02.2016 for the revised Payment Approval Process for projects under GoTN and J-PAL partnership. It has been decided

to issue revised procedure towards payments for the projects as follows:

1. Newly Approved Projects

- a) In normal course, Government Orders are issued within one month of the Steering Committee approving new policy-research projects. The GO identifies the budget head from which the project will be funded, which allows the project to seek an immediate advance to begin staff hiring. While it is committed to funding all projects approved by the Steering Committee, identifying budget heads for individual projects can sometimes take longer than a month, which ends up delaying the preliminary activities of the projects.
- b) GoTN and J-PAL SA have jointly agreed to create a *Revolving Advance Fund* of Rs.20.00 lakhs, with equal contribution from both parties. This fund will reside within IFMR (host institution of J-PAL SA). After the approval of one or more policy-research projects at a Steering Committee meeting, the State Planning Commission (SPC) will give IFMR an advance fund of Rs.10.00 lakhs or 10 percent of the cumulative total of all approved policy-research projects approved in that round, whichever is less, within two weeks of the issue of the Minutes of Meeting. The advance would be released from the 7.5 percent study component available under TANII on 2 percent SBGF administration funds available with SPC. This fund can be used by J-PAL, SA as an advance for all projects approved in that round of the Steering committee. Once the GOs for the projects are issued, the amount released by the SPC for Revolving Advance Fund will be adjusted by it against the first installment release for the projects funded by SPC (pro-rated by the size of project budget).
- c) The above process shall be followed for projects approved at the 3rd Steering Committee meeting on 23rd December 2015, and shall be repeated after every subsequent Steering Committee meeting.

2. Ongoing Projects:

- a) Whenever any policy-research project reaches a payment milestone (as defined in the project GO), J-PAL SA will raise an Invoice for the payment to the HOD of the line department in-charge of releasing the funds, typically Member Secretary – SPC. If a deliverable is due against that payment milestone (e.g. a report), a copy of the same will also be shared by J-PAL SA.
- b) In the letter raising the invoice to the MS, SPC, J-PAL SA will copy the nodal person and HOD from the implementing line department (e.g. Health & Family Welfare department for Health related projects), seeking their comments/feedback on the deliverable within 30 days. If the MS–SPC does not hear back from the implementing line department within 30 days of J-PAL SA's submission of deliverable with Invoice, he/she would deem the department is in concurrence with the deliverable, and process the release of payment to IFMR.

- c) If specific comments are made by the implementing line department on the deliverable submitted by J-PAL SA, which are then addressed by J-PAL SA through submission of a revised version of the deliverable, then the implementing line department will have another 15 days to respond with additional comments, if any.

3. Completed Projects

Once the final results of a Policy-Research project are presented at an Advisory Committee meeting, and the same are accepted by the Advisory Committee, then the final invoice for the project can be raised against the Minutes of the Meeting. For this final invoice, no additional concurrence/response from the implementing department is required, and the SPC may directly process the payment to IFMR within 15 days of receiving the invoice. However, J-PAL SA would continue to work with the concerned line department to incorporate any feedback received and accordingly revise the final report.

4. Budget Variances

- a) If there are variances in expenditure of individual line items of a project budget, without affecting the overall budget, then J-PAL, SA is authorized to do so after intimating the same to Principal Secretary – PD&SI, provided that reallocations will not be made to pay for administrative overheads.
- b) In case of budget overruns for a policy-research project, if the extra expenditure can be managed through re-allocation from other GoTN approved projects with cost savings, then J-PAL SA is authorized to do so after intimating the same to Principal Secretary – PD&SI, and the Secretary of the concerned line department. Such reallocation can happen only between projects funded by the same line department e.g. SPC, Health & Family Welfare department etc. and will not cover administrative overheads.
- c) In case the budget overruns for a Policy-Research project cannot be managed through re-allocation from other GoTN approved projects, then the approval of excess budget amount shall be sought by J-PAL, SA, providing adequate justification from the Steering Committee.

4. This order issues with the concurrence of Finance Department, vide its U.O.No.14960/DS(B)/2016, Dated: 26.02.2016.

(BY ORDER OF THE GOVERNOR)

**S.KRISHNAN,
PRINCIPAL SECRETARY TO GOVERNMENT.**

To
The Principal Secretary to Government,
Finance Department, Secretariat, Chennai-9.

The Principal Secretary to Government,
 School Education Department, Secretariat, Chennai-9.
 The Principal Secretary to Government,
 Municipal Administration and Water Supply Department, Secretariat, Chennai-9.
 The Principal Secretary to Government,
 Rural Development and Panchayat Raj Department, Secretariat, Chennai-9.
 The Principal Secretary to Government,
 Social Welfare and Nutritious Meal Programme Department, Secretariat, Chennai-9.
 The Secretary to Government,
 Health and Family Welfare Department, Chennai-9.
 The Secretary to Government,
 Labour and Employment Department, Chennai-9.
 The Member Secretary,
 State Planning Commission, Chepauk, Chennai-5.
 The Director (FAC),
 Evaluation and Applied Research Department,
 Kuralagam, Chennai-108.
 Mr. John Floretta,
 Interim Executive Director, J-PAL South Asia at IFMR,
 Buhari Towers, Moors Road, Thousand light, Chennai-6.
 Copy to:
 The Finance (Public/BG.I/ B.G.II) Department, Chennai-600 009.
 The Private Secretary to the Chief Secretary to Government,
 Secretariat, Chennai-9.
 The Private Secretary to the Principal Secretary to Government,
 Planning, Development and Special Initiatives Department,
 Secretariat, Chennai-9.
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//FORWARDED BY ORDER//


SECTION OFFICER. 26/2/16

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 26/2/2016