

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:5150

ANSWERED ON:26.04.2013

PANCHAYAT EMPOWERMENT AND ACCOUNTABILITY INCENTIVE SCHEME

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Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the Government has received the proposals from various State Governments/Union Territory (UT) Administrations for financial assistance under Panchayat Empowerment and Accountability Incentive Scheme (PEAIS);

(b) if so, the details thereof; and

(c) the criterion for allocation of funds under PEAIS to the States/UTs along with the funds sanctioned, released and utilized by the State Governments and UT Administrations during each of the last three years and the current year ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PANCHAYATI RAJ (SHRI V. KISHORE CHANDRA DEO)

(a) & (b) Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) is aimed at (i) incentivization of States for devolving funds, functions and functionaries (3Fs) to Panchayats and (ii) incentivization of Panchayats to put in place accountability systems to make their functioning transparent and efficient. Under the scheme, token awards have been given to the States which rank high on the Devolution Index (DI) prepared by an independent agency, which measures the extent to which States have devolved funds, functions and functionaries (3Fs) to Panchayats. The scope of the DI has been expanded in 2012-13 to include efforts made by States for capacity building of Panchayats and enhancing their accountability so that the index has now become a 'Panchayat Strengthening Index'. From 2011-12, best performing Panchayats in the country have also been incentivized. Hence under PEAIS, proposals are not received from States for financial assistance. From 2013-14, this process has been subsumed under the Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA).

(c) Funds are provided to States for their performance, and for incentivizing Panchayats on the basis of performance. Funds sanctioned, released and utilized by the State Governments and UT Administrations under PEAIS during 2010-11, 2011-12 and 2012-13 are given in Annex. No funds have been sanctioned and released under PEAIS during 2013-14. Utilization of funds sanctioned and released in 2012-13 will be due only after March, 2014.