

08

**STANDING COMMITTEE
ON EXTERNAL AFFAIRS
(2015-2016)**

SIXTEENTH LOK SABHA

MINISTRY OF EXTERNAL AFFAIRS

[Action Taken by the Government on the observations contained in the Fourth Report
(16th Lok Sabha) on Demands for Grants of the Ministry of
External Affairs for the year 2014-15]

EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

November, 2015/ KARTIKA, 1937 (Saka)

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[Action Taken by the Government on the observations/recommendations contained in the Fourth Report (16th Lok Sabha) on Demands for Grants of the Ministry of External Affairs for the year 2014-15]

Presented to Hon'ble Speaker, Lok Sabha on 18th November, 2015

Presented to Lok Sabha on 30th November, 2015

Laid in Rajya Sabha on 2nd December, 2015



LOK SABHA SECRETARIAT
NEW DELHI
November, 2015/ KARTIKA, 1937 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON EXTERNAL AFFAIRS
(2015-16)**

<u>Sl. No.</u>	<u>Name of Members</u>
1.	Dr. Shashi Tharoor, Chairperson
Lok Sabha	
2.	Shri Sirajuddin Ajmal
3.	Prof. (Dr.) Sugata Bose
4.	Shri Ranjit Singh Brahmpura
5.	Shri Arka Keshari Deo
6.	Shri Feroze Varun Gandhi
7.	Shri Rahul Gandhi
8.	Shri Anant Kumar Hegde
9.	Smt. Raksha Khadse
10.	Shri Raghav Lakhnarpal
11.	Shri Venakateswara Rao Magananti
12.	Shri Jose K. Mani
13.	Shri Chhedi Paswan
14.	Shri A. Anwhar Raajhaa
15.	Shri Vishnu Dayal Ram
16.	Shri Mohammad Salim
17.	Prof. (Dr.) Mamtaz Sanghamita
18.	Shri P.R. Senthilnathan
19.	Shri Ram Swaroop Sharma
20.	Smt. Supriya Sule
21.	Shri Sharad Tripathi

Rajya Sabha

22.	Shri Satyavrat Chaturvedi
23.	Shri H.K. Dua
24.	Shri Chunibhai Kanjibhai Gohel
25.	Smt. Kanimozhi
26.	Shri Ram Kumar Kashyap
27.	Shri C.M. Ramesh
28.	Dr. Karan Singh
29.	Shri D. P. Tripathi
30.	Shri Pavan Kumar Varma
31.	Vacant

SECRETARIAT

1.	Shri Cyril John	-	Joint Secretary
2.	Dr. Ram Raj Rai	-	Director
3.	Smt. Jyochnamayi Sinha	-	Additional Director
4.	Ms. Kiran Bhargava	-	Sr. Executive Assistant

INTRODUCTION

I, the Chairperson, Standing Committee on External Affairs (2015-16) having been authorized by the Committee to present the Report on their behalf, present this Eighth Report (16th Lok Sabha) on Action Taken by Government on the observations/recommendations contained in the Fourth Report (16th Lok Sabha) of the Committee on Demands for Grants of the Ministry of External Affairs for the year 2014-15.

2. The Fourth Report was presented to the Parliament on 22nd December, 2014. The Action Taken Replies of the Government on all the observations/recommendations contained in the Report were received on 21st May, 2015.

3. The Committee considered and adopted this Action Taken Report at their second sitting held on 20th October, 2015. The Minutes of the sitting of the Committee have been given at Appendix-I to the Report.

4. An analysis of the Action Taken by the Government on the observations/recommendations contained in the Fourth Report of the Standing Committee on External Affairs (16th Lok Sabha) is given in Appendix-II.

NEW DELHI
6th November, 2015
15 Kartika, 1937 (Saka)

DR. SHASHI THAROOR,
Chairperson,
Standing Committee on External Affairs

CHAPTER-I

REPORT

This Report of the Standing Committee on External Affairs deals with the Action Taken by Government on the recommendations/observations contained in their Fourth Report on Demands for Grants of the Ministry of External Affairs for the year 2014-15 which was presented to Lok Sabha and laid in Rajya Sabha on 22nd December, 2014.

2. The Action taken notes have been received from the Ministry of External Affairs on all the 30 observations/recommendations contained in the Report. These have been categorized as follows:

(i) **Observations/Recommendations which have been accepted by the Government.**

Recommendation Nos. 1, 4, 7, 8, 10, 11, 12, 14, 15, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28 and 29.

Total-20

(ii) **Observations/Recommendations which the Committee do not desire to pursue in view of the Government replies.**

Recommendation No. NIL.

Total-00

(iii) **Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee and require reiteration.**

Recommendation Nos.2 and 3

Total- 02

(iv) **Observations/Recommendations in respect of which final replies of Government are still awaited.**

Recommendation Nos. 5, 6, 9, 13, 16, 17, 25, and 30

Total-08

3. **The Committee desire that specific replies to the comments of the Committee in Chapter-I and final replies to the recommendations/observations for which only interim replies have been given by the Government as mentioned in Chapter-V of this report should be furnished within three months of the presentation of this Report.**

4. The Committee will now deal with some of the replies received from the Government, which need reiteration or merit comments.

(Recommendation No. 1)

5. The Committee had observed that the Ministry of External Affairs during Budget Estimates (BE) 2014-15 had sought an allocation of Rs.26,111.23 crore. The Committee, however, were distressed to note that the actual Budget allocation made at BE Stage was Rs.14,730.39 crore with a 'Plan' Budget of Rs.5,100 crore and 'Non-Plan' Budget of Rs.9,630.39 crore. The Committee were concerned to observe that there was a vast gap between the allocation sought by the Ministry and the actual allocation made to the tune of 43.5 percent. The Committee were of the view that the budgetary allocation was grossly inadequate considering the size and aspirations of the country. The Committee had opined that if India intended to be a major power in the region and play an important role in world affairs, the intentions should be duly accompanied and complimented by appropriate budgetary support. The Committee, therefore, had strongly recommended that on that strong ground, the Ministry of External Affairs should vigorously pursue the matter so that the budgetary allocation of the Ministry would be substantially enhanced at the RE 2014-15 stage. The Committee further had recommended that the Ministry should also present their case strongly at the highest level in the Ministry of Finance and Planning Commission for the desired enhancement in budgetary allocation for the financial year 2015-16 from the very beginning.

6. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry acknowledges the concern expressed by the Committee in appreciating the deficit faced by the Ministry and the vast gap existing between the resources available and the requirements. It would certainly give the necessary fillip to the Ministry's efforts in getting additional allocations. The Ministry, on its part, had undertaken detailed consultation with all the stakeholders, particularly the Development Partnership Administration, to ensure that there is optimum allocation of funds within the overall budget. As regards augmentation of funds at the Revised Estimates (RE) stage of 2014-15, the Ministry of Finance was addressed at Ministerial and Secretary levels, but the efforts of the Ministry have not yielded results.

The allocation in BE 2015-16 (Non Plan) as communicated by the Ministry of Finance is also well below the Ministry's requirements. Consequently, the next financial year is also foreseen to be challenging from the budgetary perspective.

It is also respectfully submitted that the demand of Rs 20,161.07 crore was under Non Plan, and not under Plan."

7. The Committee note that at BE 2014-15 stage, the Ministry had sought an allocation of Rs. 26,111.23 crore (Both Plan and Non-Plan), against which only Rs. 14730.39 crore was allocated. Keeping in view the vast gap between the allocation sought by the Ministry and the actual allocation made during the year 2014-15, the Committee had recommended that the Ministry vigorously pursue the matter at the highest level for a substantial enhancement of the allocations at RE stage. But the Committee note with concern that the efforts made at the Ministerial and Secretary level, did not yield result. Rather, the Committee are aware that the allocation was further reduced to Rs. 12,620.00 crore at the RE stage. But the Ministry have not found it necessary to inform the Committee about the facts and figures in this regard and the reasons for such reduction at RE stage. The Committee are further dismayed to note that the allocations at BE 2015-16 (Non-Plan) are also much below the requirements of the Ministry, consequently the financial year 2015-16 is also going to be challenging. The Committee wish to express their displeasure at this approach of the Ministry of Finance to reduce the allocations at the RE stage instead of suitably increasing it. The Committee strongly feel that with such reduced allocations, India's role in world affairs and at the regional level will be compromised. The Committee, therefore, calls upon the Ministry of Finance to take into account the broader national interest before imposing such crippling cuts in the budget of the Ministry of External Affairs.

(Recommendation No. 2)

8. The Committee had specifically noted a peculiar situation created during 2013-14, when against the demand of Rs.16585.18 crore at RE Stage, the Ministry of Finance had initially reduced the allocation from Rs.11719.00 crore (BE allocation) to Rs.11693.65 crore and subsequently an additional Rs.100 crore was provided taking the RE figure to Rs.11793.65 crore. But surprisingly, that allocation was not supported by cash and was managed within the Ministry's Budget by way of token supplementary. The Committee had expressed their dismay at

such a state of affairs regarding allocation of the resources to the Ministry having mandate to implement India's foreign policy and pursue its interests globally. Similarly, the Committee had been informed that due to non-availability of funds in the last two months of the financial year 2013-14, the pace of various important projects in neighbouring countries had slowed down and execution of projects had almost come to a standstill as payments to various executing agencies could not be released in time with enormous pending schedules and cost implications. The Committee were concerned to note that due to the limited working season in several countries, a two-month delay could result into a one year delay with consequent overruns. The Committee were of the strong view that such practice should be averted because that could lead to a situation wherein a tool meant to provide leverage and advantage could become counter-productive, leading to adverse media attention and resultant public and political reaction in the beneficiary country. The Committee, therefore, had recommended that the Ministry of External Affairs should take necessary precautionary action to avert stalling of projects midway with a more vigilant monitoring mechanism which would anticipate shortage of funds well in advance and take adequate steps.

9. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry, as rightly observed by the Committee, has been functioning under severe financial constraints, and has not been able to discharge some of its important commitments owing to lack of funds. The commitments made at the highest levels, if not honoured in time, adversely impact the image of the country, which is why adequate budgetary allocation is important.

It may be mentioned that the progress of projects is being monitored at various levels, and scrutiny has improved significantly, particularly with the creation of Development Partnership Administration (DPA). However, it is also to be noted that without adequate funds, delays in projects may be inevitable, even though the Ministry tries to anticipate shortages and take precautionary action."

10. The Committee are not satisfied with the routine nature of the reply furnished by the Ministry stating that the Ministry has taken steps to monitor the progress of projects and with the creation of Development Partnership Administration (DPA), scrutiny has improved significantly. The reply of the Ministry is silent with regard to the exact measures taken in this direction. In view of the problem of shortage of funds leading to stalling of the international projects midway over the years, the Committee had recommended that the Ministry should take necessary precautionary action to avert such a situation, including the establishment of a vigilant monitoring mechanism which would anticipate shortage of funds

well in advance and take adequate steps. The Committee, therefore, would like to be apprised of the mechanism developed by them to anticipate the shortage of funds in advance, along with the role played by Development Partnership Administration. The Committee, further desire that the Ministry of External Affairs should convey to the Ministry of Finance that the credibility of the nation is at stake and pursue vigorously for getting additional funds in a timely manner.

(Recommendation No. 3)

11. The Committee had noted that due to budgetary constraints, the Ministry had to constantly resort to internal allocation and shifting of funds from one head to other head owing to the urgency or the strategic or political importance of the expenditure. The Committee understood that some degree of flexibility was required owing to the nature of Ministry's international engagement and immediate requirement of funds for strategic and political commitments at the highest level. The Committee, however, were not appreciative of the practice of shifting of funds mid-year based upon exigency. The Committee, therefore, were of the view that rather than making it a permanent feature, the provision for flexibility should be kept to the minimum and continuing projects/already committed projects should not suffer on account of other immediate needs. The Committee had recommended that if international commitments were made after the budgetary allocation at the BE stage, the Ministry must come to an arrangement with the Ministry of Finance so that the entire amount committed internationally was provided at the RE stage or at the supplementary stage as per the time-frame of such declaration rather than arranging such funds from the internal resources of the Ministry.

12. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry has been sensitizing Ministry of Finance about the commitments made at highest levels and details of these commitments are also shared with them. The details of the various projects and activities are also given in the 'Detailed Notes' sent to Ministry of Finance along with the Revised Estimates/Budget Estimates demands. This is followed by the pre-budget discussions with the Ministry of Finance where the Financial Advisor also seeks additional funds on behalf of the Ministry. Often, this is also followed up by way of letters from Foreign Secretary and/or Hon'ble Minister.

However, that Ministry would receive an augmentation at the RE/supplementary demands stage is extremely uncertain. The budgetary management exercise becomes extremely precarious particularly when Revised Estimates are fixed at a level lower than Budget Estimates. Under the circumstances, the Ministry is left with no choice, but to resort to prioritization within available resources, and carry out re-appropriation of funds

in order to honour most important high level commitments. Ministry's demands for additional funds at RE stage or through supplementaries, to meet commitments made through the year have not been met by the Ministry of Finance.

However, Ministry continues to liaise with the Ministry of Finance for additional funds as desired by the Hon'ble Committee."

13. The Committee take note of the reply furnished by the Ministry stating the normal procedure followed by them for approval of Budget and difficulties being faced by them in the augmentation of their Budget. The Committee reiterate that the Ministry should engage with the Ministry of Finance on the issue and apprise the Committee within three months about the steps taken in this regard as well as its outcome along with the views of Ministry of Finance in this regard.

(Recommendation No. 5)

14. The Committee had been continuously expressing their concern over serious under-resourcing of the Ministry in terms of both budget as well as staff. The Committee had also deliberated upon the incongruously small size of the Indian Foreign Services considering the enormous tasks and challenges faced by the Ministry. The Committee had also recognized the plan in place to increase the annual intake over the period of ten years and initiative has taken by the Ministry for lateral entry at various levels and that the problems were being faced by the Ministry in retaining the deputationists and in their postings overseas. The Committee, however, were of the view that the challenges were imminent and urgent and the Ministry was short of diplomats to address them. Staggered recruitment means that staff recruited today would need years to be trained to meet the acute needs of today. The Committee, therefore, had suggested to the Ministry to engage in a *de novo* exercise of assessing its existing available manpower and actual requirements and find a way to speed up the process of intake through the lateral entry of qualified and experienced individuals without compromising on the quality of recruits. The Committee had recommended that the Ministry must engage with the Department of Personnel and Training (DoPT) and impress upon them about the urgency of providing more staff, including through recruitment from other cadres and the academic and private sector, as per the specialized needs of the Ministry. The Committee had further recommended to the Ministry to take up the issue of altering the fixed cadre ratio and retention of deputationists from other cadres in view of their experience within the Ministry and the expertise achieved over the years. The Committee had also suggested for the inclusion of officials of other services like Parliamentary and Legal services along with All India Services working on equivalent posts for the purpose of deputation

with a view to expanding the base of expertise/experience in the Ministry. The Committee had also urged that recruitment on contract basis from individuals with academic or private sector experience that was directly relevant to urgent needs should be permitted.

15. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry of External Affairs is aware of the issues pointed out by the Committee and is currently undertaking comprehensive assessment of the situation. It proposes to undertake a review based on its assessment."

16. While assessing the position of manpower in the Ministry of External Affairs, the Committee had suggested several measures to be taken by the Ministry as well as in consultation with DoPT. But the Committee desire updates on measures taken by the Ministry in this regard including relating to the ongoing recruitment being done on contract basis or through lateral entry. The Committee, therefore, desire to be apprised of the ongoing exercise of comprehensive assessment being carried out by the Ministry as well as the review, along with the outcome thereof, within three months. They would also like to be apprised of the steps taken in regard to the *de novo* exercise, engaging with the Department of Personnel and Training for providing more staff, altering the fixed cadre ratio and retention of deputationists, as well as inclusion of the officers from other services along with the outcome thereof.

(Recommendation No. 6)

17. The Committee had noted that over the last three years, inspite of higher projections under the head 'Training', the budget allocation at BE stage had been kept at constant level of Rs.8.53 crore. The Committee were dismayed to note that during the same period the allocation was revised downwards at the RE stage and the Ministry was even not able to utilize the reduced allocation. The Committee had also taken note of the Ministry's initiative of using modern mediums in imparting training in order to maximize the outcomes from the available resources. The Committee, however, were not convinced at all with the Ministry's justification for continuous underutilization of allocated resources for training, particularly when the Committee had been regularly stressing upon the importance of regular orientation programmes for the personnel of the Ministry of External Affairs and for building in-house capacity in view of the evolving strategic and dynamic diplomatic and technological scenario. The lack of adequate language training for officers assigned to posts other than those using their preferred foreign languages could also be remedied by use of these funds. The Committee, therefore, had once again strongly recommended that Ministry should impart periodic training to its officers at all levels both in India and abroad taking the help of latest training modules.

18. In its action taken reply, the Ministry of External Affairs has stated as under:

"FSI would continue to strive to use the funds effectively and judiciously.

FSI would continue to regularly update its training programs and content to ensure that the skill upgradation needs of various ranks and cadres of the Ministry are adequately covered.

The Ministry is currently working on a review of its language policy, which would address issues such as this."

19. While observing the continuous under-utilization of allocated resources for training of the Personnel of the Ministry of External Affairs, the Committee had felt the need for regular orientation programmes and the development of an in-house capacity in view of the evolving strategic and dynamic diplomatic and technological scenario. In response, the Ministry has simply conveyed that FSI would continue to regularly update its training programs and content to ensure that the skill-upgradation needs of various ranks and cadres of the Ministry are adequately covered and would strive to use the funds effectively and judiciously. They have not mentioned about the targets set in this regard. The Committee desire the Ministry to apprise them about the impact of their efforts. The Committee further note that the Ministry is working on a review of its language policy which would also address the issues of adequate language training for the officers. The Committee may be apprised about the steps taken by them to address the issue of language training for Foreign Service Officers within three months of the presentation of this report.

(Recommendation No. 7)

20. The Committee had deliberated upon the lack of infrastructure related to Hindi language and non-adherence to official language norms and lapses in Missions/ Posts in its implementation. The Committee had noted that some new initiatives have been taken recently by the Ministry regarding the development of infrastructure and capacity building in Hindi language in the offices of MEA. The Ministry, however, had not mentioned any time-frame for implementation of these initiatives and there was no mention of steps being taken to strengthen the interpretation facility from Hindi to foreign languages and vice versa. The Committee in their 14th Report (15th Lok Sabha) had pointed out about non-availability of such interpretation facility in Indian Missions/Posts and had suggested the development of a separate cadre pool of interpreters for that purpose. The Committee, therefore, had recommended that adequate steps should be taken in a time bound manner for development of infrastructure and capacity building in Hindi language in

the offices of MEA and also for formation of a pool of interpreters from Hindi to foreign languages and vice versa and make such facility available in Indian Missions/Posts abroad.

21. In its action taken reply, the Ministry of External Affairs has stated as under:

"Ministry is giving due importance to the progressive use of official language Hindi in official business. All the Divisions/ Section of the Ministry are now equipped with Hindi infrastructure in the form of software to enable the officers to work both in Hindi and English Languages. Missions/Posts Abroad have also been provided with similar software. A majority of the Missions have confirmed that the computers in their offices are now equipped with software.

In addition, Hindi has become an integral element in all the training modules being imparted by the Foreign Services Institute to the officers and staff. This training is also relayed over online platform of webinar to our Missions/Posts abroad updating all with the latest tools in use of Hindi language. With an objective to increase the progressive use of Hindi in the Ministry, workshops are being organized at Headquarters regularly. Officers from the official language departments are also invited as guest speakers in these workshops.

As per Rule 10 (4) of Official Language Rules, 1976, if more than 80% of the officers/employees of an office acquire working knowledge of Hindi, then the said office is notified. In line with this, Ministry of External Affairs is notified since April 1987. Several of Ministries' subordinate offices including the Regional Passport Offices have also been notified. Recent additions to this list include Regional Passport Offices in Raipur and Dehradun.

Many Indian Foreign Service officers posted in various Missions/Posts acquire knowledge of the local language and are able to interpret from local language to Hindi and vice versa. Their services are being utilized during VVIP visits."

22. The Committee had recommended the development of infrastructure and capacity building in the Hindi language in all the offices of Ministry of External Affairs including Missions/Posts abroad, as well as the formation of a separate pool of interpreters from Hindi to foreign language and vice-versa, and making such facility available in Indian Missions/Posts. The Committee note that all the Divisions/ Sections of the Ministry are now equipped with Hindi infrastructure in the form of software to enable the officers to work both in Hindi and English languages and Missions/Posts Abroad have also been provided with similar software. As per Rule 10 (4) of Official Language Rules, 1976, if more than 80% of the officers/employees of

an office acquire, a working knowledge of Hindi, then the said office is notified. In line with this, Ministry of External Affairs is notified since April 1987. The Ministry and several of the Ministry's subordinate offices including the Regional Passport Offices have been notified. But there is no mention about the efforts made in the Missions/Posts for capacity building in the Hindi language including in the internal working of the Ministry. The Committee are concerned to note that the Ministry has not taken any step for strengthening the Hindi interpretation facility and the creation of separate pool of interpreters from Hindi to foreign languages and vice-versa. It appears to have made only stop gap arrangements. The Committee are of the strong view that the present arrangement where IFS officers play the role of interpreters is compromising the quality of the actual performance of IFS officers as well as the job of interpretation. The Committee, therefore, are of the view that in light of the emphasis on use of Hindi in international arena by the current Government, it is all the more pertinent for the Ministry to strengthen the infrastructure in Hindi in Missions/Posts and build capacity within the Ministry, including the creation of a separate pool of interpreters.

(Recommendation No. 8)

23. Indian Embassies/Missions/Posts represent India in the respective countries. The delivery of services by them to Indian Citizens and other service seekers has been an issue of concern. Though the Committee took note that a mechanism for supervision across various Divisions including a Directorate-General of Inspection (DGI) existed, they were dismayed to find that there was no specific/separate Division to oversee the services delivered by the Missions/Posts to the general public and there was no separate allocation to cater to the need for improving services in this area. The Committee had specifically noted that the Directorate-General of Inspection (DGI), which was set up in 2004 with the main objective of evaluating the activities/services and functioning of Indian Missions/Posts abroad and for evolving a comprehensive model and coordinated approach for such inspection, has not conducted any inspection since 2011. The Ministry had also accepted that there are lacunae in the existing system of inspection and the Committee had been informed that a comprehensive review of the functioning of DGI had been done and new system of inspection was in the process of being put into place. The Committee, therefore, had desired that the new system of inspection should be evolved at the earliest and Standard Operating Procedures (SOPs) be defined incorporating the new roles of Missions/Posts in the context of emerging contour of economic, commercial and cultural aspects of diplomacy.

Further, the Committee had also noted that there was lack of any feedback mechanism from public especially regarding consular and commercial services. The Committee, therefore, had suggested that various channels of obtaining feedback should also be created at the level of Missions/Posts and this should be duly reflected in the reports sent by these Missions/Posts to the Ministry alongwith grievance redressal status. The Committee had also recommended that centralized monitoring mechanism at the Headquarters must be strengthened to keep check and ensure efficient and fast delivery of services at all the Indian Missions/Posts abroad. The Committee had stressed that the Ministry should make a separate provision for improvement of services in the Missions/Posts abroad under one of the existing budget heads.

24. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry of External Affairs is cognizant of the importance of strengthening the centralized monitoring mechanism at Headquarters to keep a check and ensure efficient and fast delivery of services by Indian Missions and Posts abroad. In this regard, and also in keeping with the Ministry's tradition of adopting and evolving best practices for good governance, work is in progress on MEA e-Samiksha, a real time online system of monitoring follow up action taken by the Missions and Posts on the decisions taken by the Ministry. It provides a mechanism whereby the Missions and Posts abroad have to update the status of action taken by them on these, and many other, issues/measures whenever it changes or at least once a month. This is expected to bring in greater transparency, improve communication between the Ministry and the Missions, enhance efficiency and responsiveness of the Missions and Posts and ensure efficient and fast delivery of services at tall Indian Missions and Posts abroad.

A new system of inspection has been evolved and has been put in place. Standard Operating Procedures (SOPs) for undertaking the inspection of Missions/ Posts abroad by the DGI have also been defined. The Inspection Team will inter alia also examine whether the concerned Mission/ Post under inspection has been able to deliver the requisite services to the nationals of that country and, to the Persons of Indian Origin and Non-Resident Indians residing in that country.

The DGI has commenced inspection of Missions/ Posts abroad on the basis of the new SOPs.

The allocation for the purpose could be made under "Office Expenses" head of the respective Missions/Posts. The amount will need to be earmarked for the purpose and utilized for the purpose of 'improvement of services'.

In pursuance of “Good Governance” initiatives, Government has launched a web portal (online Consular Grievances Monitoring System, named MADAD for easy branding) to extend a helping hand to Indians abroad requiring consular assistance. It is a collaborative effort of the Ministry of External Affairs and MOIA. All our Missions and Posts abroad and the MEA’s Branch Secretariats in Chennai, Guwahati, Hyderabad and Kolkata, are being associated with this portal for consular grievance tracking and follow-up. The portal has been official launched on 21st February, 2015. The MADAD online portal represents a qualitative improvement over existing procedures for handling of consular until their eventual resolution. It allows direct registration of the grievances by the members of the public and effective tracking of the entire grievance handling process thereafter. MADAD incorporates several innovative features such as flexible architecture to handle a variety of grievances, online filing and linking of similar grievances for easier retrieval and reference, automatic escalation and enhancement of priority, colour-coded dash boards for easy assessment and monitoring, and allows connection with a call centre to help illiterate grievants, by linking with MOIA’s existing facility.”

25. The Committee are happy to note that Ministry of External Affairs is cognizant of the importance of strengthening the centralized monitoring mechanism at Headquarters to keep a check and ensure efficient and fast delivery of services by Indian Missions and Posts abroad and are in the process of a real time online system of monitoring follow up action taken by the Missions/Posts on the decision taken by the Ministry. Simultaneously, a web portal for online Consular Grievances Monitoring System named MADAD has also been created. Director General of Inspection (DGI) has also started inspection of Missions/Posts on the basis of new SoPs. But it is not clear whether either of these system is capable to centrally monitor and resolve and improve the services at Missions/Posts on the basis of feedback from public and ensure efficient and fast delivery in a time bound manner. The Committee, therefore, suggest that the Ministry must ensure a feedback mechanism particularly for the portal so as to resolve the concerns as well technical and procedural bottlenecks, if any, at the very beginning and also popularize the portal amongst the target seekers. The Committee also desire that the family members of Indians abroad may be able to register their grievances on the web portal in case of any adversity/death of their family members. The Committee would also desire that there should be a link for this purpose and particularly in case of loss of communication with Indians in zones of conflict, in case of missing persons, for claiming mortal remains of deceased persons, pension, etc.

(Recommendation No. 9)

26. The Committee had noted that the Ministry had embarked upon 'Digitization Project' for creation of image set retrievable database for passport, visa, OCI and PIO applications. The Committee, however, are not satisfied with the pace of implementation of the project. The Committee had observed that out of 183 Indian Missions/Posts, this project covers only 39 Missions/ Posts and the digitization was expected to be completed in these Missions/ Posts by May 2015 depending upon the desired approvals and timely and adequate release of funds. The Committee, therefore, had recommended that the Ministry should complete the project in all the 39 Missions/Posts within the time schedule fixed in this regard and it should further be expanded to include all the Indian Missions/Posts by formulating a time bound plan for digitization of existing data in all these establishments.

27. In its action taken reply, the Ministry of External Affairs has stated as under:

"The project was conceptualized for only those Missions/Posts with regular inflow of sizeable amount of consular documents and also where these were available in sizeable numbers in their record room. Based on the figures received, these Missions/Posts were selected. After approval from competent authorities for extension of contract by one year i.e. till May 2015, the work order for the rest of 7 Missions/Posts would be issued. In a nutshell, extension of contract by one year is required for completion of this project in the selected Missions/Posts."

28. The Committee note that the reply furnished by the Ministry is vague and does not clarify the status of 'Digitization Project' for creation of image set retrievable database for passport, visa, OCI and PIO applications in selected Missions/Posts. From the reply it is not clear whether the work in all selected 39 Missions/Posts has been completed even after the extended time schedule i.e May, 2015 or it is still to start in 7 Missions/Posts. The Committee wish to reiterate their earlier recommendation with regard to expansion of the digitization project in all the Indian Missions/Posts in a time-bound manner.

(Recommendation No. 13)

29. The Committee had taken note of financial contribution made by various countries in supporting the functioning of South Asian University as well as the pending amount of their share. The Committee had noted that there was an instance wherein no contribution had been received from one of the member-states so far. The Committee had desired that the Ministry must pursue the matter at the SAARC forum and emphasize the need for timely contribution by each of

the member states. The Committee had further taken note of the delay in construction schedule of South Asian University and had suggested to the Ministry to enhance the pace of construction as per newly fixed timeline and furnish a status report to the Committee in three months.

30. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry took up the issue of Pakistan not making timely contribution to the Operational Budget of SAU at the SAARC Standing Committee meeting on 24th November, 2014. Similarly, at the Governing Board Meeting on 9th March, 2015, we took up the issue of contributions with the Member from Pakistan on the Governing Board. We were assured by the Pakistani Member that the Government of Pakistan was processing the contributions to SAU.

Ministry has acquired a plot of land measuring 90.96 acres at Maidan Garhi, New Delhi from DDA which has since been handed over to SAU for construction of its permanent campus. The construction of the building has not yet started since statutory clearances from local authorities on tree cutting, ridge land etc. have not been received by the University so far. These are being facilitated and the building project is to commence in the next financial year.

A status report on the construction project will be furnished to the Committee in three months."

31. The Committee are happy to note that the Ministry has taken up with Pakistan the issue of not making timely contribution to the operational budget of the South Asian University (SAU) and they have been assured by the Pakistani Member that their Government was processing the contributions to South Asian University (SAU). The Committee hope that the Pakistan Government will fulfill its assurance.

The Committee note that the construction of permanent campus of SAU has not yet started as statutory clearances are still awaited. The Committee hope that no more delays would occur in commencement of the construction project and as assured by the Ministry, the project will commence during the current financial year in full swing. Further, the Committee desire to be furnished with a status report on the construction project on a quarterly basis.

(Recommendation No. 16)

32. The Committee had noted that bulk of the 'Plan' and 'Non Plan' outlay of the Ministry was spent on the developmental engagement with various countries. The Committee had understood

that the aim behind giving the aid was to increase India's goodwill. The Committee, however, were of the view that uncertainty about availability of funds leading to non-timely release of funds, instead had created a counter-effect, leading to questions about India's credibility and commitments. In view of Ministry's inability in providing funds for the projects committed by Head of State/Government/Minister of External Affairs, during strategically important visits to foreign countries, the Committee in their 20th Report (15th Lok Sabha) had desired that a separate head may be created for such international commitments, wherein allocation of requisite funds should be mandatory. The Ministry in its reply had stated that all voted expenditure is subject to reduction. The Committee are aware of constitutional provisions in this regard and, therefore, had to suggested that the Ministry in consultation with the Ministry of Finance must explore the possibility of creating a separate head with the specific mandate of fulfilling the commitments and agreements made for projects/aid signed at the highest level.

Moreover, the Committee had strongly believed that the commitments made at the highest political level with cabinet approval are a integral part of India's Foreign policy and it should be mandatory for the Ministry of Finance honour such decisions and provide funds for such commitments. The Committee had recommended that the Ministry must ensure correlation between such announcement and availability of funds within the required time-frame.

33. In its action taken reply, the Ministry of External Affairs has stated as under:

"The suggestion of the Committee for creation of a separate head of account will be taken up with the Ministry of Finance again. The recommendation of the Committee to ensure correlation between announcements from highest levels and availability of funds is well taken. All efforts are being taken to ensure that funds are available for fulfilling the commitments within the overall ceilings intimated by Ministry of Finance. This aspect will be taken up with Ministry of Finance as suggested by the Committee."

34. The Committee are dismayed that this important matter that has a potential to adversely affect the achievement of the foreign policy objectives of India particularly in the backdrop of a trend of lack of desired budgetary allocation at BE and RE stage resulting in stalling and delay in various international projects. The Committee, therefore, would like to reiterate that the Ministry must engage with the Ministry of Finance to ensure the creation of a separate head with the specific mandate of fulfilling the requirement of international projects/aid commitments made at the highest level. The Committee believe that through the creation of a separate Head for this purpose, the Ministry may be able to ensure correlation between announcements and availability of funds even before announcement of

aid commitments/projects at the highest level and avoid questions about India's credibility and commitments.

(Recommendation No. 17)

35. The Committee had noted that with the establishment of the Development Partnership Administration (DPA), implementation of the projects was supposed to be dealt with through a more focused approach. The Committee, however, had noted that even more than two and a half years after its establishment, the resource structure in DPA is still in the stage of development and augmentation. The Committee, therefore, had recommended that the Ministry provide required financial and human resources to the DPA.

The Committee had also observed that the provision of signing of the pre-contract Integrity Pact was stalled due to non-appointment of Independent External Monitors. The Committee had suggested that in view of the fact that the number of applications from the retired civil servants was low, the Ministry should pursue the matter with the Department of Personnel and Training and explore other alternatives.

36. In its action taken reply, the Ministry of External Affairs has stated as under:

"The process of further strengthening DPA's technical capacity to fulfill its mandate by availing the services of experts in various areas relevant to the projects being implemented under GoI's assistance is continuing. The ongoing efforts are aimed at creating in-house, specialized technical, legal and financial skills to fast-track various stages of project implementation. DPA is utilizing the services of officers on deputation from the Indian Telecom Service, Indian Audit and Accounts Service, Indian Economic Service and Central Public Works Department (CPWD) in the implementation of GoI's development partnership programmes. Officers from the Indian Forest Service, Indian Revenue Service and Central Water Commission have been deployed by the Ministry in our High Commission/Embassies in Sri Lanka, Myanmar and Nepal to assist in the implementation of projects. A team of CPWD engineers is stationed in Kabul to assist in the implementation of GOI assisted projects in Afghanistan, including the construction of the Afghanistan Parliament building. Officials from the Controller of Accounts have been deployed in Afghanistan and Sri Lanka to provide their financial expertise in accounting. In addition, DPA is seeking the assistance regularly of the concerned GoI Ministries/Departments in identifying the project parameters, such as the scope of work, preparation of feasibility report, site visit for preparation of tender documents and for appointment of consultants to prepare DPR and project management, and vetting of feasibility study/DPR from financial and technical angles. Wherever necessary, a

representative of the concerned Ministry/Department is included in the Tender Evaluation Committee. At the project implementation stage, a representative of the concerned GoI Ministry/Department is appropriately included in the bilateral project monitoring committee, comprising all stakeholders from the concerned partner country, project management consultant, implementing agency, Ministry, including representatives of our Mission/High Commission.

Efforts are ongoing through the Administration Division of the Ministry to address the financial and manpower constraints faced by DPA in the implementation of Development Partnership Programmes.

It has been decided that from 1st January, 2013 onwards, a Pre-contract Integrity Pact would be signed between the Ministry of External Affairs and the prospective bidders/ sellers for all procurements/ projects of the value of Rs. 50 crores and above. As per the records available with the Vigilance Unit, the Ministry has not signed any contract of the value of Rs. 50 crore and above after 1st January, 2013. No Pre-contract Integrity Pact has, therefore, been signed by the Ministry so far. Non-appointment of Independent External Monitors (IEM) has not stalled the signing of pre-contract Integrity Pacts.

The Ministry received twenty applications in response to advertisements for appointment as IEM. Out of these, eight names were shortlisted with the approval of the Foreign Secretary and sent to the Central Vigilance Commission (CVC) on 2nd January, 2015 for the appointment of two IEM of this Ministry. In response, the CVC has recently sought some information/ clarification from the Ministry. The proposal will be resubmitted to the CVC for their approval along with the information/ clarification sought by them."

37. The Committee note that the Ministry has only mentioned about the efforts that have been made to build the technical capacity of the Development Partnership Administration (DPA); however, not much has been mentioned about the efforts made by the Ministry to address the issue of financial and manpower constraints being faced by DPA and the outcomes thereof as well as the constraints being faced in building technical capacity.

The Committee are surprised to note that no pre-contract Integrity Pact has been signed between the Ministry and the prospective bidders/sellers during a period of two and a half years inspite of ongoing large infrastructure Projects abroad, although it is

compulsory for procurement/projects of the value of Rs. 50.00 crore and above. Moreover, Independent External Monitors (IEMs) for such agreements have also not been appointed so far. The Committee desire that the Ministry should proceed for appointment of Independent External Monitors (IEMs) after due examination of whether there is any need for appointment of such monitor, if no agreement has been signed since long.

(Recommendation No. 25)

38. The Committee in their 14th Report (15th Lok Sabha) had expressed their concern over the tardy implementation of the decisions taken during India Africa Forum Summit-I (IAFS-I). The Committee had noted that one of the reasons for delay in projects was that the selected host countries had not shown any interest in hosting the selected institutions. The Committee, therefore, had suggested that in view of the lacklustre response of the beneficiary countries, the Ministry should review its strategy and if required, the Ministry must redefine its policy and strategy of multilateral developmental engagement with countries in Africa. The Committee had recommended that the Ministry must engage with the African Union Commission and explore alternate ways for identification of beneficiary state, wherein the institutions/projects were not forced upon the countries and it must be ascertained before allocation of the project that the beneficiary country is interested in hosting the institution.

Further, the Committee had opined that dropping of the project in the host country would adversely impact India's stature. The Committee, therefore, had suggested that the Ministry must hold a consultative process with the African Union Commission alongwith individual countries before making announcement/commitment of such projects/institutions. The Committee had further recommended that the projects under implementation should be expedited and the Ministry should strive for their completion before IAFS-III.

39. In its action taken reply, the Ministry of External Affairs has stated as under:

"The Ministry is engaged with the African Union Commission. The issues of lack of response from the host country as well as selection of unsuitable locations by the African Union Commission have been discussed with the concerned authorities of the African Union Commission. It is proposed that some modifications would be made during the Plan of Action after the Third India-Africa Forum Summit (IAFS-III).

Further, the Ministry is also engaged bilaterally with Member States to ascertain their interest in hosting various institutions.

It may also be mentioned that lack of adequate resources has also been a reason for slow progress on a number of projects. Ministry will, therefore, continue efforts to ensure

allocation of more resources so that the projects decided under IAFS mechanism are implemented at a faster pace. In this connection, it may be stated that reduction of the Ministry's budget at RE stage 2014-15 has resulted in significant delays in action on a number of projects during the current financial year."

40. The Committee had recommended that the projects under the India-Africa Forum Summit (IAFS) I and II which were under implementation should be expedited and the Ministry should strive for their completion before the India-Africa Forum Summit-III. The Committee note that the Ministry has simply stated that the reduction of the Ministry's budget at RE stage 2014-15 has resulted in significant delays in action on number of projects during the current financial year. The Committee, therefore, desire to be apprised of the exact status of implementation of these projects and hope that the Ministry will at least ensure completion of some projects before the commencement of IAFS-III.

The Committee also note that some modifications are proposed to be made during the Plan of Action after the IAFS-III, but it is not clear whether the same have been discussed with the African Union and the concerned beneficiary countries individually or not and what would be the fate of the already announced projects. The Committee, therefore, would like to reiterate that before new announcements for any project/institution, the Government must consult all the stakeholders and ascertain its feasibility and acceptability in the beneficiary country and also ensure availability of adequate budgetary resources within the Ministry.

(Recommendation No. 28)

41. The Committee had observed that India had substantially contributed to the establishment of the SAARC Telemedicine E-Network Project and the SAARC Tele-Education Project in 2008 through its monetary contribution as well as expertise. The Committee, however, had noted that both the networks were not operational in any of the SAARC nations. The Committee had failed to understand that after so much of investments in these projects, the Ministry had made no efforts to ensure their continuity. The Committee, therefore, had recommend the Ministry to examine the issues related to their non-operationalisation and engage with concerned departments in India and the Governments abroad and take appropriate measures to ensure that both the networks were operationalised.

42. In its action taken reply, the Ministry of External Affairs has stated as under:

"The SAARC Telemedicine e-Network and Tele-Education Network are unilateral offers made by India to the SAARC Member States. However, they have not been exploited to their fullest potential due to lukewarm response from the Member States.

The Telemedicine Network in Bhutan was inaugurated in 2008 but was discontinued later as Bhutan did not want its continued operation. The Nepal Project was inaugurated in 2011. Currently, the network is being renewed and views of Ministry of Telecommunications have been sought on updating sanctions. The project, however, is currently operational in Afghanistan.

Tele-Education Network was commissioned in March, 2012. Only Nepal expressed interest in the project. However, it is not operational now as there has been little interest from the student community in Nepal. The two projects are likely to be discussed and further refined to make them more relevant to the needs of the recipient countries at the 4th SAARC Working Group Meeting on Telecommunications/ICTs on 26-27th March, 2015 in New Delhi."

43. The Committee are dismayed to note the lukewarm response from SAARC Members to the SAARC Tele Medicine E-Network Project and the SAARC Tele-Education Project offered by India. The Committee, however, are not satisfied with the efforts made by the Ministry for making both the networks operational in the concerned Member countries. The Committee, therefore, desire that the Ministry should analyze the reasons for such lukewarm response and ascertain whether the delay in implementation of the project has contributed to such response. The Ministry should also do a cost benefit analysis of the project in view of substantial monetary and technical contribution made by India in these projects. The Committee also desire that in the future Government should consult and engage with the beneficiary country/countries and ascertain the acceptability and the utility of the projects/initiatives offered by them before announcing them unilaterally and executing them.

(Recommendation No. 30)

44. The Committee had expressed their concern over the incidents of Indian nationals being held hostage by various groups internationally. The Committee had taken note of efforts being made by the Government in the concerned region/country and congratulate the authorities for the successful evacuations that have occurred. The Committee, had however, wondered whether widespread and repeated hostage taking indicates failure of Government of India's policy to deal

with various actors in the region. The Committee were particularly concerned about the plight of 41 Indian nationals being held hostage in Iraq. The Committee had recommended that the Ministry must strategically and diplomatically engage with the International Community and major actors in the region to ensure their safe release. The Committee had also noted that thousands of Indians are struck in areas of violent conflict and they are willing to return to India. The Committee had, therefore, recommended to the Government to equip its establishments in such zones and arrange for the expeditious evacuation of Indians.

45. In its action taken reply, the Ministry of External Affairs has stated as under:

- (i) "Some Indians were trapped in the conflict areas following sudden attacks and capturing of several cities in northern and central Iraq by the Islamic State of Iraq and Sham beginning 8 June 2014. A group of 41 Indian nationals working in a construction company in Mosul in Iraq were taken captive and still remain so.
- (ii) Safety and security of Indian nationals in Iraq is a matter of foremost concern and preoccupation for the Government. The Government is making every effort and taking all steps to secure their release and has been in regular touch with the countries in the region in this regard.
- (iii) In addition, there is an Inter-Ministerial Standing Group in place for safe evacuation of Indian nationals from Gulf countries in case of conflict or emergency situations.
- (iv) Contingency evacuation plans by our Missions in the Gulf countries are being regularly updated and appropriate mechanism are already in place to respond to emergency situations.

MEA has been engaging in the evacuation of Indian nationals abroad whenever a crisis situation has emerged and the Ministry has been directed to undertake this task in close coordination with all other relevant Ministries/Departments. A Standing Group (SG) has been set up with the approval of the former Prime Minister to address all issues relating to the repatriation of Indian nationals abroad in cases of emergency/other local developments. This Group is chaired by Foreign Secretary (or the Secretary concerned in MEA). The other Members of this Group are the Finance Secretary, Defence Secretary, Secretary Shipping, Home Secretary, Secretary, Ministry of Overseas Indian Affairs; and Secretary, Ministry of Civil Aviation. There are specific Terms of Reference of the SG. The SG would decide on the modalities to be followed for repatriation of Indian nationals

from abroad in the event of the outbreak of a crisis, delineating responsibilities of each Ministry/Department, the Mission/Post and other concerned entities.

The recommendation primarily relates to Iraq. However, with regards to Libya, it is stated that from the time of the intensification of the conflict in June 2014, 3414 Indian nationals have been evacuated through GoI assistance. There are estimated to be around 2500 Indians still remaining in Libya, who continue to stay on their own volition, based on job considerations – despite regular Embassy advisories."

46. The Committee note with concern that the group of 41 Indian nationals working in the construction company in Mosul in Iraq were captured and still their fate is uncertain. The efforts made by the Government have not given any clue about them. The Committee, therefore, would like to reiterate that the Government must strategically and diplomatically engage with the international community and major actors in the region to ensure the safe release of these 41 Indian nationals and that the Committee be kept apprised about the developments in this regard.

CHAPTER – II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

(Recommendation No. 1)

The Committee observe that the Ministry of External Affairs during Budget Estimates (BE) 2014-15 had sought an allocation of Rs.26,111.23 crore including the 'Plan' component of Rs.20,161.07 crore. The Committee, however, are distressed to note that the actual Budget allocation made at BE Stage is Rs.14,730.39 crore with a 'Plan' Budget of Rs.5,100 crore and 'Non-Plan' Budget of Rs.9,630.39 crore. The Committee are concerned to observe that there is a vast gap between the allocation sought by the Ministry and the actual allocation made to the tune of 43.5 percent. The Committee are of the view that the budgetary allocation is grossly inadequate considering the size and aspirations of the country. The Committee opine that if India intends to be a major power in the region and play an important role in world affairs, the intentions should be duly accompanied and complimented by appropriate budgetary support. The Committee, therefore, strongly recommend that on this strong ground, the Ministry of External Affairs should vigorously pursue the matter so that the budgetary allocation of the Ministry is substantially enhanced at the RE 2014-15 stage. The Committee further recommend that the Ministry should also present their case strongly at the highest level in the Ministry of Finance and Planning Commission for the desired enhancement in budgetary allocation for the financial year 2015-16 from the very beginning.

Reply of the Government

The Ministry acknowledges the concern expressed by the Committee in appreciating the deficit faced by the Ministry and the vast gap existing between the resources available and the requirements. It would certainly give the necessary fillip to the Ministry's efforts in getting additional allocations. The Ministry, on its part, had undertaken detailed consultation with all the stakeholders, particularly the Development Partnership Administration, to ensure that there is optimum allocation of funds within the overall budget. As regards augmentation of funds at the Revised Estimates (RE) stage of 2014-15, the Ministry of Finance was addressed at Ministerial and Secretary levels, but the efforts of the Ministry have not yielded results.

The allocation in BE 2015-16 (Non Plan) as communicated by the Ministry of Finance is also well below the Ministry's requirements. Consequently, the next financial year is also foreseen to be challenging from the budgetary perspective.

It is also respectfully submitted that the demand of Rs 20,161.07 crore was under Non Plan, and not under Plan.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 4)

The Committee have once again found several discrepancies and omissions in the various Budget documents prepared during the current financial year. The Committee, therefore, would like to reiterate that the Ministry must ascertain the correctness of information and that there are no omissions. It is also essential that complete information is invariably submitted to the Committee. Moreover, the Committee note that often there are revised timelines and escalation in the cost of many projects but the details like the original timeline or the cost at the time of inception are nowhere reflected in the Budget documents. The Committee were informed that there is no such 'column' in the Outcome Budget documents. The Committee, however, note that in the Statement 'Review of past performance in terms of targets fixed in (the previous year)' in the Outcome Budget, there is a column for original and anticipated dates of completion. The Committee, therefore, recommend that instead of furnishing revised date of completion in this column, the Ministry must furnish the original time-frame and cost as well as at completion. The Committee further suggest that in the column 'Factor wise analysis of cost escalation, impact of cost over run and viability of project etc', the Ministry could incorporate the original cost of the project at the time of inception and mention about the cost escalation, if any, and the revised estimates alongwith the reasons therefor.

Reply of the Government

The Ministry acknowledges the concern expressed by the Committee regarding discrepancies and omissions in the Outcome Budget 2014-15 prepared by this Ministry. The Ministry, on its part, has undertaken detailed consultation with all the stakeholders i.e., the concerned Divisions and Autonomous Bodies, attached to this Ministry, to ensure that the details like original timeline, cost at the time of inception, cost escalation and revised estimates are incorporated in columns outlined in Outcome Budget documents, in future.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 7)

The Committee deliberated upon the lack of infrastructure related to Hindi language and non-adherence to official language norms and lapses in Missions/ Posts in its implementation. The Committee note that some new initiatives have been taken recently by the Ministry regarding the development of infrastructure and capacity building in Hindi language in the offices of MEA. The Ministry, however, has not mentioned any time-frame for implementation of these initiatives and there is no mention of steps being taken to strengthen the interpretation facility from Hindi to foreign languages and vice versa. The Committee in their 14th Report (15th Lok Sabha) had pointed out about non-availability of such interpretation facility in Indian Missions/Posts and had suggested the development of a separate cadre pool of interpreters for that purpose. The Committee, therefore, recommend that adequate steps should be taken in a time bound manner for development of infrastructure and capacity building in Hindi language in the offices of MEA and also for formation of a pool of interpreters from Hindi to foreign languages and vice versa and make such facility available in Indian Missions/Posts abroad.

Reply of the Government

Ministry is giving due importance to the progressive use of official language Hindi in official business. All the Divisions/ Section of the Ministry are now equipped with Hindi infrastructure in the form of software to enable the officers to work both in Hindi and English Languages. Missions/Posts Abroad have also been provided with similar software. A majority of the Missions have confirmed that the computers in their offices are now equipped with software.

In addition, Hindi has become an integral element in all the training modules being imparted by the Foreign Services Institute to the officers and staff. This training is also relayed over online platform of webinar to our Missions/Posts abroad updating all with the latest tools in use of Hindi language. With an objective to increase the progressive use of Hindi in the Ministry, workshops are being organized at Headquarters regularly. Officers from the official language departments are also invited as guest speakers in these workshops.

As per Rule 10 (4) of Official Language Rules, 1976, if more than 80% of the officers/employees of an office acquire working knowledge of Hindi, then the said office is notified. In line with this, Ministry of External Affairs is notified since April 1987. Several of Ministries' subordinate offices, including the Regional Passport Offices have also been notified. Recent additions to this list include Regional Passport Offices in Raipur and Dehradun.

Many Indian Foreign Service officers posted in various Missions/Posts acquire knowledge of the local language and are able to interpret from local language to Hindi and vice versa. Their services are being utilized during VVIP visits.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 8)

Indian Embassies/Missions/Posts represent India in the respective countries. The delivery of services by them to Indian Citizens and other service seekers has been an issue of concern. Though the Committee take note that a mechanism for supervision across various Divisions including a Directorate-General of Inspection (DGI) exists, they are dismayed to find that there is no specific/separate Division to oversee the services delivered by the Missions/Posts to the general public and there is no separate allocation to cater to the need for improving services in this area. The Committee specifically note that the Directorate-General of Inspection (DGI), which was set up in 2004 with the main objective of evaluating the activities/services and functioning of Indian Missions/Posts abroad and for evolving a comprehensive model and coordinated approach for such inspection, has not conducted any inspection since 2011. The Ministry has also accepted that there are lacunae in the existing system of inspection and the Committee have been informed that a comprehensive review of the functioning of DGI has been done and new system of inspection is in the process of being put into place. The Committee, therefore, desire that the new system of inspection should be evolved at the earliest and Standard

Operating Procedures (SOPs) be defined incorporating the new roles of Missions/Posts in the context of emerging contour of economic, commercial and cultural aspects of diplomacy.

Further, the Committee also note that there is lack of any feedback mechanism from public especially regarding consular and commercial services. The Committee, therefore, suggest that various channels of obtaining feedback should also be created at the level of Missions/Posts and this should be duly reflected in the reports sent by these Missions/Posts to the Ministry alongwith grievance redressal status. The Committee, also recommend that centralized monitoring mechanism at the Headquarters must be strengthened to keep check and ensure efficient and fast delivery of services at all the Indian Missions/Posts abroad. The Committee stress that the Ministry should make a separate provision for improvement of services in the Missions/Posts abroad under one of the existing budget heads.

Reply of the Government

The Ministry of External Affairs is cognizant of the importance of strengthening the centralized monitoring mechanism at Headquarters to keep a check and ensure efficient and fast delivery of services by Indian Missions and Posts abroad. In this regard, and also in keeping with the Ministry's tradition of adopting and evolving best practices for good governance, work is in progress on MEA e-Samiksha, a real time online system of monitoring follow up action taken by the Missions and Posts on the decisions taken by the Ministry. It provides a mechanism whereby the Missions and Posts abroad have to update the status of action taken by them on these, and many other, issues/measures whenever it changes or at least once a month. This is expected to bring in greater transparency, improve communication between the Ministry and the Missions, enhance efficiency and responsiveness of the Missions and Posts and ensure efficient and fast delivery of services at tall Indian Missions and Posts abroad.

A new system of inspection has been evolved and has been put in place. Standard Operating Procedures (SOPs) for undertaking the inspection of Missions/ Posts abroad by the DGI have also been defined. The Inspection Team will inter alia also examine whether the concerned Mission/ Post under inspection has been able to deliver the requisite services to the nationals of that country and, to the Persons of Indian Origin and Non-Resident Indians residing in that country.

The DGI has commenced inspection of Missions/ Posts abroad on the basis of the new SOPs.

4. The allocation for the purpose could be made under "Office Expenses" head of the respective Missions/Posts. The amount will need to be earmarked for the purpose and utilized for the purpose of 'improvement of services'.

In pursuance of "Good Governance" initiatives, Government has launched a web portal (online Consular Grievances Monitoring System, named MADAD for easy branding) to extend a helping hand to Indians abroad requiring consular assistance. It is a collaborative effort of the Ministry of External Affairs and MOIA. All our Missions and Posts abroad and the MEA's Branch Secretariats in Chennai, Guwahati, Hyderabad and Kolkata, are being associated with this portal for consular grievance tracking and follow-up. The portal has been official launched on 21st

February, 2015. The MADAD online portal represents a qualitative improvement over existing procedures for handling of consular until their eventual resolution. It allows direct registration of the grievances by the members of the public and effective tracking of the entire grievance handling process thereafter. MADAD incorporates several innovative features such as flexible architecture to handle a variety of grievances, online filing and linking of similar grievances for easier retrieval and reference, automatic escalation and enhancement of priority, colour-coded dash boards for easy assessment and monitoring, and allows connection with a call centre to help illiterate grievants, by linking with MOIA's existing facility.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 10)

The Committee note that an increase in allocation was sought in BE 2014-15 under the head 'Passport and Emigration' to meet the shortfall of Rs.149.5 crore in 2013-14 for the increased expenditure on procurement of passport booklets. At the same time, the Committee also observe that the Ministry is able to generate revenue to the tune of 35% of its current overall budgetary allocation from this head. The Committee, therefore, strongly believe that there is a compelling case for increased allocation at least under this Head. The Committee further recommend that sufficient allocation should be made under this head so as to ensure timely payment to ISP, Nasik in order to maintain regular flow of passport booklets and also for the purpose of rental liabilities for establishment of nine co-located PSKs. The printing of sufficient reserve stock of passports, so as to avoid a recurrence of the shortages, must also be provided for.

Reply of the Government

The suggestion of the Committee for allocation of additional funds for Passport Offices, particularly for procurement of passport booklets, is well taken. In spite of the fact that the BE 2015-16 allocation under Non Plan has practically remained stagnant as compared to BE 2014-15, the Ministry, recognizing the importance of the issue, has made a conscious effort to propose 9% additional funds over BE 2014-15 under this head (Rs 591.72 crore vs Rs 542.83 crore). However, allocation for Procurement of Travel documents (i.e., Publications head) has been retained at same levels as last year. Allocation of additional funds can be considered only if Ministry of Finance augments the Ministry's budget through Supplementary Demands for Grants/RE ceilings. Ministry will continue its efforts in liaising with Ministry of Finance for additional allocations.

For manufacturing of sufficient number of passport booklets including strategic reserves, monitoring is done on daily basis. The matter is also being taken up with ISP, Nashik on regular basis to keep the production of passport booklets as per schedule and in keeping with Ministry's requirement.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 11)

The Committee note that two international universities i.e. South Asian University and Nalanda University are established in India under the aegis of the Ministry. The Committee are of the view that these Universities should not become mere symbols and serve the purpose of tokenism. The Committee suggest that management and academic activities including curriculum should incorporate the vision behind the establishment of these Universities. The Committee also suggest that the Ministry should ponder upon the desirability of exclusive involvement of Ministry of External Affairs in the management of Universities and see if a more appropriate Ministry or agency related to administration of University and academics should be involved or even take over the academic supervision of these institutions.

Reply of the Government

The South Asian University is an international organization established under the SAARC charter and is functioning independently of the control of the Ministry of External Affairs. The University is governed under the rules and bylaws framed by its Governing Board, Executive and Academic Councils. The Governing Board consists of two members each from the 8 Member Countries. The Indian representatives are nominees of the Ministry of External Affairs and Ministry of Human Resources Development.

The Government is keen to ensure proper management of Nalanda University. At present, the Nalanda Mentor Group is exercising the powers and discharging the functions of University's Governing Board. The constitution of the Governing Board as per the provisions of Nalanda Act 2010 is necessary. This process is expected to be completed soon.

The vision behind the establishment of Nalanda University is being incorporated in its academic activities, including the curriculum for the courses offered, and its faculty and students, as well as its international profile, which is facilitated by the Ministry. The first two schools, viz. the School of Historical Studies, and the School of Ecology and Environment Studies, have commenced classes in September 2014 from temporary premises in Bihar. The future academic activities will also be planned accordingly.

Nalanda University's establishment is linked to the decisions taken at the East Asia Summits and the Ministry continues to maintain regular contact with EAS on the progress of this project. MEA has a coordinating role in view of its international dimension. The Ministry of Human Resource Development is currently involved in the Nalanda University's Finance Committee and they will also be part of the Governing Body being constituted as per the Act. The Government of Bihar plays a key role in view of the location of the University in the State and the Governing Board has administrative and academic supervision of Nalanda University.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 12)

The Committee are concerned to note that the allocation for Nalanda University during BE 2013-14 was Rs.125 crore which was reduced to Rs.50 crore at RE stage while the actual utilization was as dismally low as Rs.9.15 crore. Similarly, for 2014-15 an allocation of Rs.100

crore has been made but only 17 crore has been released and allocation is being reduced at the RE stage in view of slow progress in construction and other expenditure. In view of the continuous trend of inappropriately higher projections and dismally low utilization, the Committee in their 20th Report (15th Lok Sabha) had strongly recommended that University must streamline its budgetary projection process. In view of further delay in the project and highly inappropriate projections, the Committee desire that actual ground reality should be kept in mind while making projections and responsibility should also be fixed for slow pace of the execution of the project. The Committee further recommend that the existing arrangement must be reviewed and necessary changes made, if required, in order to streamline the decision-making process in the Ministry as well as in Nalanda University administration. The Committee are of the opinion that there is an urgent need to begin the construction activity as the academic activity has already started and the Government of India has also received funds from some other countries for the project. Further, the Committee urge the Government to consider and address the issues in the Nalanda University (Amendment) Bill, which was examined and reported by the Committee in 2013.

Reply of the Government

The Ministry shares the Committee's concerns at the slow progress in construction and the low utilization of allocations made over the years. The situation has, however, improved considerably in the last year with the shifting of the Vice-Chancellor and other staff to Rajgir in August 2014 and commencement of teaching in two Schools in September 2014. The Architect's contract was signed in May 2014 after which preliminary approvals have been processed, finalisation of the detailed scope of work to be done during the first phase of construction of University' own campus and residences has been completed, tender for some preliminary and immediate work has been issued in February and a full-fledged tender for phase I of the construction is planned for April 2015. The Ministry has conveyed that construction related activity must begin at the earliest and close monitoring of implementation will be followed. The University has also appointed a Project Management Consultant to oversee the construction process.

The financial projections for the F.Y. 2015-16 have been made keeping the ground realities in mind. Once the construction commences in full swing after the monsoons, other governments, who have made contributions, will be consulted on the utilization of funds provided by them.

The Government is also in the process of strengthening the University's governance. It is hoped that a regular Governing Board, to be appointed soon, would institute arrangements for time bound execution of the project and review the existing processes with a view to streamline decision making. The Ministry on its part will seek feedback from the University on progress in the execution of the project.

As regards further action on the Nalanda University (Amendment) Bill pending in the Rajya Sabha, the Government will take a fresh decision and pursue it accordingly.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 14)

While considering the status of acquisition of Chanceries and residential properties abroad, the Committee note that there is a delay in three ongoing construction projects whereas several construction projects that were conceived are yet to be implemented for various reasons. The Committee, therefore, recommend that each case be closely examined and factors leading to delay be addressed. The Committee desire that a status note relating to this be furnished to the Committee within three months.

The Committee observe that the Ministry has a five year Action Plan for the acquisition of buildup properties/ plot of land for chancelleries and residences abroad and have made certain changes to improve contract management in view of adverse comments by C&AG in their report about property management of the Ministry of External Affairs. The Committee, therefore, desire that the Project Division must ascertain that at the proposal stage itself the concerned Mission must ensure that the property/plot which is to be acquired conforms to the local laws/regulations before proceeding further. The Committee further suggest that accessibility to public as well as security considerations must be given due priority while considering the location.

Reply of the Government

PARA I

The Ministry has taken note of PACs directions and is closely monitoring the progress of various construction projects with objective of ensuring their timely completion. The status of the projects referred to by the PAC in this observation above is given as under:

Sl No.	Name of project	Present Status
1.	High Commission of India, Dhaka	By the end of January 2015, around 75% of the work has been completed at Dhaka. Staff Housing Block of the project has been handed over by the Contractor and occupied by the Mission's staff. Works is progressing at Chancery and High Commissioner's residence. Tenders for Interior works of 9.40Cr. for Furniture for Chancery and ER have been approved.
2.	Consulate General of India, Shanghai	Selection of the Architects and for the Construction of Design Brief has been finalized. The Post has been advised to circulate the Design Brief to the selected Architects for Design Competition. Given the present status of the project, Ministry has prioritized this construction project to be commenced around April 2016 and completed by October 2017 as per its five year action plan (2014-19).

3.	High Commission of India, Port of Spain	Draft for the Tender Documents in respect of the project have been finalized. Detailed estimates for the project have been submitted for approval of the competent Authority. After approval of detailed estimates, tender will be floated. Ministry has prioritized this construction project to be commenced around June 2015 and completed by December 2016 in its five year action plan (2014-19).
4.	High Commission of India, Port Louis, Mauritius	Local Body's approvals for construction of the buildings have been obtained. Detailed Estimates and Tender Documents for the project have been finalized. Tender drawings are awaited from the Mission. Given the present status of the project, Ministry has prioritized this construction project to be commenced around June 2015 and completed by December 2016 in its five year action plan (2014-19).
5.	High Commission of India, Dar-Es-Salaam, Tanzania	Work has commenced w. e. f. 01 December 2014 with stipulated completion period of 24 months.
6.	Embassy of India, Kathmandu	Around 65.00% of the construction work completed. Target date for completion of the Project is 31 st December 2015. All apartments and bungalows completed in September 2014.
7.	Embassy of India, Tashkent	It was decided in the Ministry to float tender for the project in two bid system. Prequalification bids from the interested construction companies were called and received in December 2014. In view of the Post's response it has been decided to re-invite the bids in single stag Two Bids system.
8.	Embassy of India, Kyiv, Ukraine	<ul style="list-style-type: none"> • Govt. of India, purchased a built-up property at Zabily Street, Kyiv, Ukraine at cost of US\$ 800,000 in September 1995. Ministry also approved some essential renovations of US\$ 400,000 based on visual findings in the built-up structure in 1995. However Land registration could not be done until August 1999 because of complex local regulations in Kyiv, Ukraine. • Mission appointed a consultant for renovations works in February 1996 and initiated the proposal for renovations. However, after land registrations in March 1999 when the Mission approached for construction permit for renovations works, local authorities desired that Mission may get the structural investigations of the property and renovations shall be based on such investigations only. Subsequently the consultant proposed structural reinforcement of about

		<p>US\$150,000 apart from renovations cost of US\$ 400,000. In view of this additional cost, the Consultant also demanded revision in the consultancy agreement with increase in consultation fee.</p> <ul style="list-style-type: none"> • The Committee on Non-plan Expenditure (CNE) in its meeting held on November 3, 1999, during deliberations on the proposed renovations, suggested to the Ministry to explore option of disposing of the property. However as the re-sale value of the property was found to be less than 1/4 (US\$ 200,000 against US\$ 800,000) of the purchase value, the options was not pursued further. • In March 2000, A Technical team of Senior Architect and Structural Engineer from the Ministry visited Kyiv to assess the Structural Report viz-a-viz structural reinforcement proposal by the consultant. The team however, advised demolition of the existing structure in place of proposed renovations and recommended to construct a new building in the plot which the Ministry approved on January, 2001. • Ministry in December, 2003 appointed M/s Arcom, Architect-Consultant for Construction of Chancery Residences in Kyiv, Ukraine following EOI and design competition of short-listed firms. Ministry also approved engaging of M/s GDIP, a local Govt. Agency to facilitate the Mission in obtaining the approval of design proposal from the local authorities. However, as the Ministry had purchased a built-up property, new construction on this plot necessitated signing of the Revised Lease agreement with the Kyiv authorities. This whole process took almost 4 years and finally in March 2007, with Ministry's approval the Land Lease Agreement was signed for 49 years permitting the Ministry for construction of Chancery Residences on the plot. • In the meantime, looking at the potential of the plot, Ministry decided to construct the Chancery, a Multi-purpose hall for cultural activities along with Chancery Residences on this plot. However, as per prevailing local regulations, Mission had to obtain permission for change of land use from Residential to Mix-use (Chancery & residences). This change in Landuse required City Planning Argumentation (CPA), i.e. an Urban Feasibility Study based on the design concept of the project before the same is accepted for approval by the local authorities. Mission in September, 2010 engaged a specialize consultant for the Urban studies which completed this by end of 2011 and
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		<p>therefore change in Landuse was received only in September 2012. Action was simultaneously initiated by the Ministry / Mission for preparation of a concept design for construction of the proposed Chancery-cum-residential complex</p> <ul style="list-style-type: none"> • Ministry in February 2011, revised the Space area norms for the Missions abroad hence, the Concept design was also required to be revised and Ministry approved the Concept design of Chancery-cum-residential complex in April 2011. This also necessitated signing of supplementary agreement with the Architect-consultant in May 2011. • The consultant in September 2012, submitted the preliminary design with a building design based on sustainable design parameters in anticipation of proposed changes in the local regulation in this regard. However these local laws have still not been enacted and therefore Ministry advised the architect-consultant to stick to conventional design only. • Reasons for delay relate to the Kyiv city authorities and the Ukrainian Ministry of Regional Construction and Development which made changes in legislation and brought a new requirement regarding construction norms. After the change in construction norms which came into effect in October, 2009, the Ukrainian Parliament on September 22, 2011 adopted the 'Law of Ukraine on Amendments to Article 28 on Land'. Some of the major changes in Ukraine construction legislation for the period from 2010 to 2013 which according to the Architect-consultant have resulted in delay in obtaining local body approvals are as under; <ul style="list-style-type: none"> • <i>General terms and features of planning legislation - Three basic laws of planning legislation</i> • <i>The land issue in passing the licensing procedures in the construction</i> • <i>Territory planning</i> • <i>Design and construction of the object category of complexity.</i> • <i>Licensing procedures in the construction</i> • <i>Ecology</i> • Such frequent changes in the local land laws necessitated fresh/additional approvals. The Mission is working in close cooperation with state agency GDIP and the local Consultant has been making efforts to get the necessary approval from the Government of Ukraine.
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		<ul style="list-style-type: none"> Senior Architect from the Ministry visited Kyiv in May, 2013 and had detailed consultations with the local Architect and with GDIP. After making the necessary changes in the design and layout plan, etc. the local Architect submitted updated functional layouts and space optimization configuration. Ministry has finalized the Preliminary Design for the project. However no progress has been made in the last one year because of political instability in the country. The Mission has also been engaged in evacuation & welfare of Indian nationals in the disturbed areas. <p>Given the present status of the project, Ministry has prioritized this construction project to be commenced around September 2016 and completed by September 2018 in the five year action plan (2014 -19). However, we need to be conscious of the ongoing hostile situation in Ukraine and economy on the verge of default.</p>
9.	Embassy of India, Brasilia, Brazil	The buildings have been completed in November 2013 and are being utilized by the Mission since December 2013.
10	Embassy of India, Doha, Qatar	Ministry has kept this project pending since Mission is pursuing the larger plot of land with the Government of Qatar.
11.	High Commission of India, Nicosia, Cyprus	Detailed cost Estimates and Tender Documents for the project are under finalization. Given the present status of the project, Ministry has prioritized this construction project to be commenced around June 2015 and completed by December 2016 in the five year action plan (2014-19).

PARA II

Ministry has issued revised guidelines to Missions/Posts to take due care before making any purchase proposal on 21.01.2015. These guidelines cover the following:-

- i) Detailed proposals be prepared with a brief background (location plan w. r. t. Foreign Office, information on neighbourhood, plot area, floor plans, Floor Area Ratio (FAR) permitted as per local laws and potential for further development of the property, transport connections etc.) on each property and the physical condition of each property with Mission's recommendations.
- ii) While preparing a short-list of suitable properties, Missions should ascertain basic aspects such as clear title and the ownership. As far as possible, short-listed properties should satisfy the prescribed space norms and functional requirements.

- iii) While indicating the asking price for each short-listed property, the indicative cost of repairs/renovation to be undertaken should also be provided by the Mission.
- iv) “Economic cost” as per the formula be worked out for each property under consideration.
- v) To ascertain reasonableness of asking price, Missions should provide inputs on the prevalent real estate price in that locality by gathering information about the recent sales of properties in the neighbourhood.
- vi) Missions should check about local laws relating to sale/purchase of property. Any specific regulations by local government regarding purchase of a property by diplomatic missions should be ascertained.
- vii) Details of local developmental norms may also be provided in case any redevelopment/expansion is visualized. A confirmation should be given whether the building falls under the heritage category.
- viii) A clear indication of the usage of the property as per the local regulations i.e. whether the property will be allowed to be used as office / residence / Cultural Centre / mixed use as the case may be, as per local regulations. The need for clearance by Foreign Office should be checked.
- ix) Missions should ascertain the likely cost of registration, notary fee, agency charges, etc.

Suggestions of CAG have been noted for compliance.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 15)

The Committee observe that developmental cooperation has emerged as an important tool in conducting India's foreign policy through grant of aid/loan/advances and development projects in neighbouring countries and countries in our extended neighbourhood. The Committee, however, are of the opinion that there is imminent need for India to define its aid policy with clear and unambiguous aims, objectives and targets. The Committee over the years have observed that the Ministry is unable to fulfill its commitments to several countries and its international projects have suffered due to inadequate funding. Aside from delayed release of funds by the Finance Ministry, the main reason for such failure is that each division prioritizes the expenditure differently. The Committee note that there is an imminent need for the Ministry to review its policy and resort to prioritization of its aid/loan/advances to other countries. The Committee recommend that rather than merely routine continuation of aid/project, there must be a direct correlation between the aid provided and a continuing assessment of India's political relationship with the beneficiary country. Furthermore, the Committee observe that in view of the involvement of external agencies and NGOs in execution of its project, the Ministry should develop SOPs for each. Moreover, the provision for their regular and objective assessment should be duly incorporated, along with penal provisions in cases of non-fulfillment of objectives.

Reply of the Government

A policy framework based on a mutually beneficial exchange of developmental experiences and resources, a demand driven approach acknowledging the developmental priorities of partner countries and an understanding of their sensitivities in pursuing their own nation building priorities, has been the underlying principles in pursuing various Development cooperation initiatives. The establishment of Development Partnership Administration [DPA] as an umbrella arrangement within MEA has provided a more focused approach to the implementation of development cooperation programmes, including an analysis of our past programmes and their impact with a view to prioritize our future engagement with partner countries. Consultations with other stake holders for further calibration of existing terms and conditions and modality of development assistance to meet the expectations of our partner countries and our own national objectives is an integral and ongoing aspect of the efforts being made by the Ministry to enhance the impact of the development cooperation programmes.

There is a process of regular and continuous assessment of our development assistance programmes. As these programmes are demand-driven, feedbacks from partner countries are regularly analyzed and reviewed, independently as well as during the discussions with partner countries in bilateral mechanisms such as Foreign Office Consultations, Joint Commission Meetings and VVIP visits. The lack of predictability and adequacy of budgetary allocation for development cooperation programmes remain a major constraint; efforts are ongoing to address this constraint.

The Standard Operating Procedures for engagement of external agencies in execution of projects funded by India are based on existing GoI guidelines which, inter-alia, include provisions for structured and objective assessment of their performance, payments linked to completion of set targets and penal provisions for time and cost overruns.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 18)

The Committee take note of the various projects in Afghanistan. Though the Committee acknowledge the difficulties in execution of projects in Afghanistan due to current security scenario, they feel concerned about the levels of expenditure and pace of the projects. The Committee observe that under the head 'Security Sector Cooperation' utilization of allocated funds has been low. The Committee suggest that necessary steps should be taken to enhance its pace and if needed, the Government may engage with the Government of Afghanistan. Furthermore, in the light of further delay in the construction of the Parliament building in Afghanistan due to the poor financial condition of the agencies engaged and the lack of response from agencies in India for the remaining packages of work, the Committee suggest that the Ministry should explore the possibility of engaging local agencies for execution of the projects.

The Committee further observe that the original cost of Salma Dam Project was Rs.351.87 crore, which has been revised in January 2013 to Rs.1457.56 crore. The Committee recommend that the Ministry must ensure that the project is completed as per the revised schedule so as to avoid any further time and cost escalation.

Reply of the Government

Due to the lack of poor response from agencies in India for undertaking the remaining packages of work of the Parliament building in Afghanistan, a decision was taken to issue the tenders for the remaining packages in Afghanistan. After finalization of tenders, some local agencies have been selected for execution of the remaining packages.

Regular and continuous monitoring of the progress of Salma dam project is being undertaken by the Ministry. Regular meetings of the Review Committee are held to discuss and monitor progress of various components of the project. The Consultant for the project also undertakes regular review, which is reported on a monthly basis. In addition, specific issues of concern that could impact project implementation are also taken up for resolution, as and when the need arises. The Consulate General of India in Herat and the Embassy of India in Kabul maintain close contact with agencies involved in the implementation of the project and undertake periodic visits to the project site and hold discussions with all concerned agencies to facilitate and coordinate on project related issues to expeditiously complete the project. Due to difficult security conditions in Afghanistan, infrastructure issues, delays in payments, non-availability of regular helicopter services to transport skilled manpower/experts from the site to the nearest airport in Herat in Afghanistan, as movement through road from Herat to the site has been restricted due to various incidents of blasts on or along the road side in past, the Consultant, Ms. WAPCOS has requested the Ministry for extension of time for completion of the project up to June 2016. Ms. WAPCOS has also requested for revision in the cost estimate for completion of the project, which is currently being examined in the Ministry.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 19)

The Committee observe that for the establishment of an Akhaura-Agartala Rail Link, the Memorandum of Understanding was signed in February 2013 but not much headway has been made. After the joint survey, the Land Acquisition Plan was handed over to Bangladesh side in July 2014. The Bangladesh side is yet to finalize the Detailed Project Report (DPR). The Committee, therefore, suggest that the matter be taken up with the concerned authorities in Bangladesh so as to accelerate the pace of pre-construction activities.

Reply of the Government

The DPR for the Akhaura-Agartala Rail link project was received from the Government of Bangladesh in February 2015. The project proposal was discussed in the Fourth Project Steering Committee meeting held in Dhaka on Feb. 22, 2015 wherein the Bangladesh side was requested to provide details of estimated costs and make necessary arrangements for the Technical Adviser for the project to proceed with the Geo technical investigations on the Bangladesh side so as to complete the pre-construction activities and proceed to implementation phase of the project.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 20)

The Committee observe that the original cost of Punatsagchhu-I Project at December 2006 prices was Rs.3814.81 crore while approved Revised Costs Estimate of the project is Rs.9387.87 crore and it is under consideration of the Ministry. The Committee also observe that in the past, there has been an instance of stalling of the project due to lack of availability of funds. The Committee, therefore, recommend that adequate funds be provided to the project authorities for timely execution of the project.

The Committee also note that during the last financial year higher budgetary allocation was sought for each of the five new Hydro Power Projects in Bhutan even when the Detailed Project Reports (DPRs) were awaited. The Committee, therefore, suggest that the Ministry should consider the exact stage of the projects while making budgetary projections.

Reply of the Government

The Revised Cost Estimate (RCE) proposal for Punatsangchhu-1 (1200 MW) Hydro Electric Project (HEP) is being examined/vetted by Ministry of Power. In Financial Year 2013-14, Rs. 1054.27 crores was allocated to Punatsangchhu-1 HEP against the projected demand of Rs.1570 crores. In Financial Year 2014-15, Ministry made an adequate allocation of Rs.1900 crores to the project. The EFC/PIB meeting for consideration of the RCE proposal of Rs. 9387.87 crores is being scheduled, after which it will be submitted for consideration of the Union Cabinet. Requisite funds will continue to be provided subsequently.

Detailed Project Reports (DPRs) of Bunakha, Wangchhu and Chamkharchhu HEPs are being examined/vetted by Ministry of Power, Central Electricity Authority (CEA) and Central Water Commission (CWC). Notional allocation of Rs.1 crore each was made to these projects in earlier budgets as DPRs of these HEPs were yet to be approved by the above organizations. After receipt of approvals from technical agencies, the project proposals will be submitted for consideration of the Union Cabinet. Actual budgetary allocations to these projects will be made only after receiving approvals from the Union Cabinet.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 21)

The Committee take note of slow pace of implementation of projects in the Maldives. The Committee observe that in regard to setting up of a Police Academy in the Maldives, a Memorandum of Understanding between the Governments of India and the Maldives was signed in September 2012 but not much progress has been made due to change in location of the project twice. The revised layout plan has been forwarded to High Commission of the Maldives. The Committee, therefore, suggest that the Ministry must engage with the concerned authorities in order to finally decide upon the location as well as for approval of the layout plan so that the pre-construction modalities and activities are completed and the construction could start in a time-bound manner.

Reply of the Government

The final location for the project has been identified by the Maldivian side in October 2014 as being Addu City (Seenu Atoll) in Maldives. The proposed land has been acquired by the Maldives Police Service (MPS). NBCC, the Consultant for the project, has submitted a revised layout for the project as the area of the land acquired by MPS is smaller than the land originally identified for the project. The Government of Maldives has agreed to the revised layout and their official confirmation in this regard is awaited. In view of revision in the layout of the project and its possible impact on the cost of the project, NBCC is finalizing a revised proposal for approval of the competent authority. Tendering for implementation of the project would be undertaken by NBCC subsequent to this approval.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 22)

The Committee observe that various initiatives have been taken by the Government of India to engage with Cambodia, Lao PDR and Vietnam for the extension of Trilateral Highway Projects in these countries. The Committee note that India had asked Cambodia and Lao PDR to provide coordinated route alignments for extension since 2011 and in September 2014, the Governments of Cambodia, Lao PDR and Vietnam have submitted individual routes for extension of the Trilateral Highway and the ASEAN-India centre is currently examining the feasibility of these routes. Meanwhile, the Committee would like to suggest that the Ministry must consult the Ministry of Road Transport and Highways as well as the concerned State Governments to assess the impact of Highway and to ensure preparedness in India for establishing connectivity with the already identified Tamu-Kalewa-Kalemyo (TKK) route.

Reply of the Government

The Ministry of External Affairs is in consultation with the Ministry of Road Transport and Highways and the concerned State Governments to assess the impact of the Trilateral Highway and to ensure preparedness in India for establishing connectivity with the already identified Tamu-Kalewa-Kalemyo (TKK) route.

The Ministry of Road Transport and Highways has been providing technical assistance to MEA for Trilateral Highway project from the initial stages of the project. The Ministry of Road Transport and Highways has conveyed that they have taken up several initiatives to boost cross border activities and regional connectivity along the Trilateral Highway as detailed below:

- i. India and Myanmar have agreed to start a bus service between Imphal and Mandalay. A joint delegation from India and Myanmar conducted the technical survey of Imphal-Mandalay route on 11-15 January 2015 and recommended a tentative target for flagging off the bus service on the agreed route of Imphal – Mandalay (via Gangaw/ Yagyi).
- ii. Under Asian Development Bank (ADB)'s South Asia Sub-Regional Economic Cooperation (SASEC) Programme, ADB has taken up for funding of Imphal- Moreh

(India-Myanmar Border) road stretches of 126 km on Indian side. Up-gradation of Imphal-Moreh Road which serves as connectivity to Myanmar for the North East, will be taken up for implementation shortly with ADB loan assistance.

- iii. Two Asian Highways, viz., AH1 (from Japan to the border of Bangladesh) and the AH 2 (from Indonesia to Iran) are passing through India. AH 1 connects India with Pakistan, Bangladesh and Myanmar and AH 2 connects India with Nepal and Bangladesh. Three sub-routes of these highways have connections with Nepal, Sri Lanka and Bhutan. Out of 11,690 km Asian Highway routes in India, about 6,901 km has been developed to 4-lane standards under National Highway Development Project (NHDP) and 4-laning of about 2,254 km length is under implementation under NHDP and Special Accelerated Road Development Programme in the North East States (SARDP-NE).
- iv. BIMSTEC Corridor i.e. Kolkata-Dhaka-Silchar-Imphal-Moreh-Mandalay-Bago-Mae Sot-Tang-Bangkok-Laem Chabang will become functional once Sub-regional Agreement among Bangladesh, Bhutan, India and Nepal (BBIN) and Tri-lateral Agreement with Myanmar & Thailand for cross border Motor Vehicles movement is in place.
- v. Ministry of Road Transport and Highways is implementing a Special Accelerated Road Development Programme-NE (SARDP-NE) to strengthen regional connectivity. The Ministry has also set up National Highways Infrastructure Development Corporation Limited (NHIDCL) to undertake construction and maintenance of National Highways and strategic routes, including inter-connected routes in North-Eastern region and border areas.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 23)

The Committee observe that there is undue delay in the execution of the Terai Road Project in Nepal and two contractors have approached the Dispute Review Committee. The Committee note that in view of the problems in acquisition of land and other delays, the Ministry is considering an alternate course by providing funds to the Government of Nepal for the execution of projects. The Committee, however, would like to suggest that the proposed change should be examined in depth and the opinion of the Government of Nepal should also be sought on the issue before adopting this model in all its projects in Nepal. Similarly, the Committee take note of the delay in Rail Link Project. The Committee desire that the process of acquisition of land should be expedited so that the work can start on Indian side as per schedule.

Reply of the Government

Government of Nepal is being closely consulted on any revised modality on the implementation of the Terai Roads Phase-I project. Mechanisms including Joint Project Monitoring Committee, due quality control checks, and release of funds based on duly verified physical progress, will continue even under the revised modality.

Pursuant to the decision taken at the meeting convened by the Chief Secretary of Bihar in Patna on June 4, 2014 to expedite land acquisition in Bihar for the two Rail Link projects, the Government of Bihar has completed the land acquisition for laying of railway tracks for the Jogbani-Biratnagar Rail link and handed over the land on December 5, 2014. The contract for Earth work and Bridges has been awarded. The tendering for the construction of Indian Custom Yard is in process and work is likely to be awarded by end February/ early March 2015. The work in the Indian portion is likely to be completed by March 2016.

For the Jaynagar-Bijalpura-Bardibas Rail link, it was decided that land will be acquired by the Government of Bihar as per the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

To expedite land acquisition in Nepal, during the 3rd Project Steering Committee (PSC) meeting held on October 20, 2014 at New Delhi, the Nepalese side assured to hand over encumbrance free stretches of land in a stage-wise manner. The Nepalese side has started handing over encumbrance free stretches of land for Jayanagar-Bijalpura rail link in a phased manner. Work on the available stretches of land has started in full swing.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 24)

The Committee welcome the developments in context of the Pancheshwar Development Authority. The Committee, however, are concerned over the pace of embankment construction on Lal Bakaya, Bagmati, Kamla and Khando River, which is aimed at mitigation of floods in India and Nepal. The Committee, therefore, suggest that the Ministry should engage with the Government of Nepal for an early completion of the projects.

Further, the Committee take note of the cooperation between India and Nepal on the issue of sharing of information regarding landslides in Sunkoshi River which could have triggered floods. The Committee, however, would like to recommend the further strengthening of the institutional mechanism for sharing the data and putting in place an early warning system in India and Nepal.

Reply of the Government

We are closely engaged with the Government of Nepal in the field of water resources. There is a three-tier bilateral mechanism in place, comprising the Joint Ministerial Level Commission on Water Resources (JMCWR); the Secretary level Joint Committee on Water Resources (JCWR); and the Technical level Joint Standing Technical Committee (JSTC) to oversee the entire gamut of cooperation on water related issues.

For flood mitigation, the Joint Committee on Inundation and Flood Management (JCIFM) monitors the ongoing and proposed works for construction of embankments along the rivers Kamala, Bagmati and Lalbakeya, including on-site inspection visits of completed and ongoing works. In its latest (9th) meeting held from 8-12 February 2015, the Committee has recommended 32 new work packages (15 on Kamala, 6 on Bagmati, and 11 on Lalbakeya) with a funds

requirement of Rs. 48.28 crores in the Financial Year 2015-16. So far, the total grant assistance already disbursed for embankment construction along these rivers stands at around Rs.205 crores. A notable outcome of the 9th JCIFM meeting with regard to flood forecasting was that both sides agreed to form groups tasked to monitor the preparedness of hydro-meteorological stations in Nepal before the onset of the monsoon. This would enhance the reliability of the flood forecasting data received from Nepal.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 26)

The Committee take note of various projects in the Latin America and Caribbean Region. The Committee observe that the project to supply buses to Cuba could not take off due to shipping difficulties originating from restrictions imposed by US sanctions. The Committee are of the view that the concerned Mission should do appropriate ground work including identification and feasibility of the project before announcement of aid/project at the highest political level and the Ministry must ensure availability of funds before such announcement. The Committee further note that in the past years under certain heads the expenditure was zero. The projects were not implemented due to lack of important information from the host countries. The Committee, therefore, suggest that the concerned embassy/mission/post should maintain a channel of communication with the concerned authorities in order to expedite the process for execution of each project.

Reply of the Government

The LAC Division has advised all the Missions in the Latin and Caribbean region that in future, before making recommendations/announcements of aid projects, proper ground work including identification and feasibility be conducted. Missions must also maintain regular channel of communication with the countries of accreditation for expeditious execution of the projects.

Division takes into account budgetary provisions while announcing projects.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 27)

The Committee observe that the then Prime Minister had committed to grant assistance of USD 10 Million to Palestine in 2012. The Committee are unhappy to note that during financial year 2013-14 first tranche of USD 1 Million was released and USD 4 Million was released during financial year 2014-15 and USD 5 Million is still pending. Furthermore, the reason for delay has been given as the financial constraints in 2013-14. The Committee note that by Ministry's own admission, this has adversely affected India's credibility in its bilateral relationship with the Palestine Government. The Committee, therefore, recommend to the Ministry to pursue the matter with the Ministry of Finance in order to obtain the necessary allocation for this purpose and release the pending amount to fulfill the commitment made at the highest political level.

Reply of the Government

The Ministry projected US \$ 9 million for release of the committed Aid to Palestine in its RE 2014-15. Due to budgetary constraints in the FY 2014-15, Ministry was able to release USD 4 million (out of the balance USD 9 million) in December 2014. Ministry proposes to release the balance USD 5 million in FY (2015-16) by June/July 2015 for which the budget provision has been made.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 28)

The Committee observe that India has substantially contributed to the establishment of the SAARC Telemedicine E-Network Project and the SAARC Tele-Education Project in 2008 through its monetary contribution as well as expertise. The Committee, however, are dismayed to note that both the networks are not operational in any of the SAARC nations. The Committee fail to understand that after so much of investments in these projects, the Ministry has made no efforts to ensure their continuity. The Committee, therefore, recommend to the Ministry to examine the issues related to their non-operationalisation and engage with concerned departments in India and the Governments abroad and take appropriate measures to ensure that both the networks are operationalised.

Reply of the Government

The SAARC Telemedicine e-Network and Tele-Education Network are unilateral offers made by India to the SAARC Member States. However, they have not been exploited to their fullest potential due to lukewarm response from the Member States.

The Telemedicine Network in Bhutan was inaugurated in 2008 but was discontinued later as Bhutan did not want its continued operation. The Nepal Project was inaugurated in 2011. Currently, the network is being renewed and views of Ministry of Telecommunications have been sought on updating sanctions. The project, however, is currently operational in Afghanistan.

Tele-Education Network was commissioned in March, 2012. Only Nepal expressed interest in the project. However, it is not operational now as there has been little interest from the student community in Nepal. The two projects are likely to be discussed and further refined to make them more relevant to the needs of the recipient countries at the 4th SAARC Working Group Meeting on Telecommunications/ICTs on 26-27th March, 2015 in New Delhi.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 29)

The Committee consider ICCR to be the effective tool of India's cultural diplomacy and over the years have stressed upon its importance and the need of enhanced allocations to ICCR. But allocation for ICCR for 2014-15 has been kept at Rs.176 crore against the BE of Rs.160 crore during the 2013-14. Due to non-availability of funds ICCR has been facing difficulty in enhancing the number of scholarships and opening of Chairs and Centres abroad. The Committee, therefore, desire that the allocation for ICCR should be enhanced as per its needs and proposals so that it may be able to work as valuable tool of India's cultural diplomacy and an instrument of our "soft power".

The Committee also welcome the fact that ICCR is in the process of opening new Indian Cultural Centres. The Committee, however, are dismayed to note that in the past such centres were opened without due approval. The Committee, therefore, would like to suggest to the Ministry to ensure that due procedures are followed and approvals are taken in the process of opening of new cultural centres abroad. The Committee further note that the C&AG report has highlighted that 25% slots of scholarship were allocated under Cultural Exchange Programme Scholarship Schemes to countries where no valid agreement of cultural exchange programme/education exchange programme existed. The Committee are not convinced with the Ministry's justification in this regard. The Committee, therefore, would like to recommend that the Ministry and ICCR must ensure that rules and norms are followed in execution of scholarship programmes and other programmes.

Reply of the Government

Against the proposed demand of ICCR to the extent of Rs. 217.68 Cr, a sum of Rs. 176.00 Cr was allocated for the FY 2014-15 due to overall cut of MEA budget. The Council had restricted its activities in accordance with the funds allocated. However, AS&FA and Foreign Secretary were apprised of the financial crises, giving full justifications, being faced by ICCR and requested for augmentation of funds, at least, up to Rs. 193 Cr i.e. additionality of Rs. 17 Cr only for the F/y 2014-15 at RE stage. The Council's proposed revised demands (RE 2014-15) to the tune of Rs. 193.19 Cr were also submitted to IFD/MEA. Due to overall reduction of the Ministry's budget at RE stage, the allocation of ICCR was reduced by 5% to Rs 167.20 cr in RE 2014-15.

As regard opening of new cultural centres abroad, this would be done strictly in accordance with the stipulations as laid down by the Statutory Bodies of the Council, and due approvals from MEA and M/o Finance including provision of budgetary support. It will be ensured that rules and norms are followed in execution of scholarship and other programmes. The ICCR has offered scholarships slots to various countries for the academic year 2015-16 under Cultural Exchange Programmes (CEPs)/ Educational Exchange Programmes (EEPs) on the basis of valid CEPs/EEPs provided by the Department of Culture/Education.

[File No. AA/Parl/125/06/2015]

CHAPTER – III

**OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

– NIL –

CHAPTER – IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND REQUIRE REITERATION

(Recommendation No. 2)

The Committee specifically note a peculiar situation created during 2013-14, when against the demand of Rs.16585.18 crore at RE Stage, the Ministry of Finance had initially reduced the allocation from Rs.11719.00 crore (BE allocation) to Rs.11693.65 crore and subsequently an additional Rs.100 crore was provided taking the RE figure to Rs.11793.65 crore. But surprisingly, this allocation was not supported by cash and was managed within the Ministry's Budget by way of token supplementary. The Committee express their dismay at such a state of affairs regarding allocation of the resources to the Ministry which has a mandate to implement India's foreign policy and pursue its interests globally. Similarly, the Committee were informed that due to non-availability of funds in the last two months of the financial year 2013-14, the pace of various important projects in neighbouring countries had slowed down and execution of projects had almost come to a standstill as payments to various executing agencies could not be released in time with enormous pending schedules and cost implications. The Committee are concerned to note that due to the limited working season in several countries, a two-month delay results in a one year delay with consequent overruns. The Committee are of the strong view that such practice should be averted because this leads to a situation wherein a tool meant to provide leverage and advantage becomes counter-productive, leading to adverse media attention and resultant public and political reaction in the beneficiary country. The Committee, therefore, recommend that the Ministry of External Affairs should take necessary precautionary action to avert stalling of projects midway with a more vigilant monitoring mechanism which would anticipate shortage of funds well in advance and take adequate steps.

Reply of the Government

The Ministry, as rightly observed by the Committee, has been functioning under severe financial constraints, and has not been able to discharge some of its important commitments owing to lack of funds. The commitments made at the highest levels, if not honoured in time, adversely impact the image of the country, which is why adequate budgetary allocation is important.

It may be mentioned that the progress of projects is being monitored at various levels, and scrutiny has improved significantly, particularly with the creation of Development Partnership Administration (DPA). However, it is also to be noted that without adequate funds, delays in projects may be inevitable, even though the Ministry tries to anticipate shortages and take precautionary action.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 3)

By the Ministry's own admission, the Committee note that due to budgetary constraints, the Ministry has to constantly resort to internal allocation and shifting of funds from one head to other head owing to the urgency or the strategic or political importance of the expenditure. The Committee understand that some degree of flexibility is required owing to the nature of Ministry's international engagement and immediate requirement of funds for strategic and political commitments at the highest level. The Committee, however, are not appreciative of this practice of shifting of funds mid-year based upon exigency. The Committee, therefore, are of the view that rather than making it a permanent feature, the provision for flexibility should be kept to the minimum and continuing projects/already committed projects should not suffer on account of other immediate needs. The Committee recommend that if international commitments are made after the budgetary allocation at the BE stage, the Ministry must come to an arrangement with the Ministry of Finance so that the entire amount committed internationally is provided at the RE stage or at the supplementary stage as per the time-frame of such declaration rather than arranging such funds from the internal resources of the Ministry.

Reply of the Government

The Ministry has been sensitizing Ministry of Finance about the commitments made at highest levels and details of these commitments are also shared with them. The details of the various projects and activities are also given in the 'Detailed Notes' sent to Ministry of Finance along with the Revised Estimates/Budget Estimates demands. This is followed by the pre-budget discussions with the Ministry of Finance where the Financial Advisor also seeks additional funds on behalf of the Ministry. Often, this is also followed up by way of letters from Foreign Secretary and/or Hon'ble Minister.

However, that Ministry would receive an augmentation at the RE/supplementary demands stage is extremely uncertain. The budgetary management exercise becomes extremely precarious particularly when Revised Estimates are fixed at a level lower than Budget Estimates. Under the circumstances, the Ministry is left with no choice, but to resort to prioritization within available resources, and carry out re-appropriation of funds in order to honour most important high level commitments. Ministry's demands for additional funds at RE stage or through supplementaries, to meet commitments made through the year have not been met by the Ministry of Finance.

However, Ministry continues to liaise with the Ministry of Finance for additional funds as desired by the Hon'ble Committee.

[File No. AA/Parl/125/06/2015]

CHAPTER – V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

(Recommendation No. 5)

The Committee have been continuously expressing their concern over serious under-resourcing of the Ministry in terms of both budget as well as staff. The Committee have also deliberated upon the incongruously small size of the Indian Foreign Services considering the enormous tasks and challenges faced by the Ministry. The Committee also recognize the plan in place to increase the annual intake over the period of ten years and initiative taken by the Ministry for lateral entry at various levels and the problems being faced by the Ministry in retaining the deputationists and in their postings overseas. The Committee, however, are of the view that the challenges are imminent and urgent and the Ministry is short of diplomats to address them. Staggered recruitment means that staff recruited today would need years to be trained to meet the acute needs of today. The Committee, therefore, suggest to the Ministry to engage in a *de novo* exercise of assessing its present available manpower and actual requirements and find a way to speed up the process of intake through the lateral entry of qualified and experienced individuals without compromising on the quality of recruits. The Committee recommend that the Ministry must engage with the Department of Personnel and Training (DoPT) and impress upon them about the urgency of providing more staff, including through recruitment from other cadres and the academic and private sector, as per the specialized needs of the Ministry. The Committee further recommend to the Ministry to take up the issue of altering the fixed cadre ratio and retention of deputationists from other cadres in view of their experience within the Ministry and the expertise achieved over the years. The Committee would also like the inclusion of officials of other services like Parliamentary and Legal services alongwith All India Services working on equivalent posts for the purpose of deputation with a view to expanding the base of expertise/experience in the Ministry. Recruitment on contract basis from individuals with academic or private sector experience that is directly relevant to urgent needs should be permitted.

Reply of the Government

The Ministry of External Affairs is aware of the issues pointed out by the Committee and is currently undertaking comprehensive assessment of the situation. It proposes to undertake a review based on its assessment.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 6)

The Committee note that over the last three years, inspite of higher projections under the head 'Training', the budget allocation at BE stage has been kept at constant level of Rs.8.53 crore. The Committee are dismayed to note that during the same period the allocation was revised downwards at the RE stage and the Ministry was even not able to utilize the reduced allocation. The Committee also take note of the Ministry's initiative of using modern mediums in imparting

training in order to maximize the outcomes from the available resources. The Committee, however, are not convinced at all with the Ministry's justification for continuous underutilization of allocated resources for training, particularly when the Committee have been regularly stressing upon the importance of regular orientation programmes for the personnel of the Ministry of External Affairs and for building in-house capacity in view of the evolving strategic and dynamic diplomatic and technological scenario. The lack of adequate language training for officers assigned to posts other than those using their preferred foreign languages could also be remedied by use of these funds. The Committee, therefore, once again strongly recommend that Ministry should impart periodic training to its officers at all levels both in India and abroad taking the help of latest training modules.

Reply of the Government

FSI would continue to strive to use the funds effectively and judiciously.

FSI would continue to regularly update its training programs and content to ensure that the skill upgradation needs of various ranks and cadres of the Ministry are adequately covered.

The Ministry is currently working on a review of its language policy, which would address issues such as this.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 9)

The Committee note that the Ministry had embarked upon 'Digitization Project' for creation of image set retrievable database for passport, visa, OCI and PIO applications. The Committee, however, are not satisfied with the pace of implementation of the project. The Committee observe that out of 183 Indian Missions/Posts, this project covers only 39 Missions/ Posts and the digitization is expected to be completed in these Missions/ Posts by May 2015 depending upon the desired approvals and timely and adequate release of funds. The Committee, therefore, recommend that the Ministry should complete the project in all the 39 Missions/Posts within the time schedule fixed in this regard and it should further be expanded to include all the Indian Missions/Posts by formulating a time bound plan for digitization of existing data in all these establishments.

Reply of the Government

The project was conceptualized for only those Missions/Posts with regular inflow of sizeable amount of consular documents and also where these were available in sizeable numbers in their record room. Based on the figures received, these Missions/Posts were selected. After approval from competent authorities for extension of contract by one year i.e. till May 2015, the work order for the rest of 7 Missions/Posts would be issued. In a nutshell, extension of contract by one year is required for completion of this project in the selected Missions/Posts.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 13)

The Committee take note of financial contribution made by various countries in supporting the functioning of South Asian University as well as the pending amount of their share. The Committee note that there is an instance wherein no contribution has been received from one of the member-states so far. The Committee desire that the Ministry must pursue the matter at the SAARC forum and emphasize the need for timely contribution by each of the member states. The Committee further take note of the delay in construction schedule of South Asian University and suggest to the Ministry to enhance the pace of construction as per newly fixed timeline and furnish a status report to the Committee in three months.

Reply of the Government

The Ministry took up the issue of Pakistan not making timely contribution to the Operational Budget of SAU at the SAARC Standing Committee meeting on 24th November, 2014. Similarly, at the Governing Board Meeting on 9th March, 2015, we took up the issue of contributions with the Member from Pakistan on the Governing Board. We were assured by the Pakistani Member that the Government of Pakistan was processing the contributions to SAU.

Ministry has acquired a plot of land measuring 90.96 acres at Maidan Garhi, New Delhi from DDA which has since been handed over to SAU for construction of its permanent campus. The construction of the building has not yet started since statutory clearances from local authorities on tree cutting, ridge land etc. have not been received by the University so far. These are being facilitated and the building project is to commence in the next financial year.

A status report on the construction project will be furnished to the Committee in three months.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 16)

The Committee note that bulk of the 'Plan' and 'Non Plan' outlay of the Ministry is spent on the developmental engagement with various countries. The Committee understand that the aim behind giving the aid is to increase India's goodwill. The Committee, however, are of the view that uncertainty about availability of funds leading to non-timely release of funds, instead creates a counter-effect, leading to questions about India's credibility and commitments. In view of Ministry's inability in providing funds for the projects committed by Head of State/Government/Minister of External Affairs, during strategically important visits to foreign countries, the Committee in their 20th Report (15th Lok Sabha) had desired that a separate head may be created for such international commitments, wherein allocation of requisite funds should be mandatory. The Ministry in its reply had stated that all voted expenditure is subject to reduction. The Committee are aware of constitutional provisions in this regard and, therefore, would like to suggest that the Ministry in consultation with the Ministry of Finance must explore

the possibility of creating a separate head with the specific mandate of fulfilling the commitments and agreements made for projects/aid signed at the highest level.

Moreover, the Committee strongly believe that the commitments made at the highest political level with cabinet approval are a integral part of India's Foreign policy and it should be mandatory for the Ministry of Finance honour such decisions and provide funds for such commitments. The Committee recommend that the Ministry must ensure correlation between such announcement and availability of funds within the required time-frame.

Reply of the Government

The suggestion of the Committee for creation of a separate head of account will be taken up with the Ministry of Finance again. The recommendation of the Committee to ensure correlation between announcements from highest levels and availability of funds is well taken. All efforts are being taken to ensure that funds are available for fulfilling the commitments within the overall ceilings intimated by Ministry of Finance. This aspect will be taken up with Ministry of Finance as suggested by the Committee.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 17)

The Committee note that with the establishment of the Development Partnership Administration (DPA), implementation of the projects was supposed to be dealt with through a more focused approach. The Committee, however, note that even more than two and a half years after its establishment, the resource structure in DPA is still in the stage of development and augmentation. The Committee, therefore, recommend that the Ministry provide required financial and human resources to the DPA.

The Committee also observe that the provision of signing of the pre-contract Integrity Pact is stalled due to non-appointment of Independent External Monitors. The Committee suggest that in view of the fact that the number of applications from the retired civil servants is low, the Ministry should pursue the matter with the Department of Personnel and Training and explore other alternatives.

Reply of the Government

The process of further strengthening DPA's technical capacity to fulfill its mandate by availing the services of experts in various areas relevant to the projects being implemented under GoI's assistance is continuing. The ongoing efforts are aimed at creating in-house, specialized technical, legal and financial skills to fast-track various stages of project implementation. DPA is utilizing the services of officers on deputation from the Indian Telecom Service, Indian Audit and Accounts Service, Indian Economic Service and Central Public Works Department (CPWD) in the implementation of GoI's development partnership programmes. Officers from the Indian Forest Service, Indian Revenue Service and Central Water Commission have been deployed by the Ministry in our High Commission/Embassies in Sri Lanka, Myanmar and Nepal to assist in

the implementation of projects. A team of CPWD engineers is stationed in Kabul to assist in the implementation of GOI assisted projects in Afghanistan, including the construction of the Afghanistan Parliament building. Officials from the Controller of Accounts have been deployed in Afghanistan and Sri Lanka to provide their financial expertise in accounting. In addition, DPA is seeking the assistance regularly of the concerned GoI Ministries/Departments in identifying the project parameters, such as the scope of work, preparation of feasibility report, site visit for preparation of tender documents and for appointment of consultants to prepare DPR and project management, and vetting of feasibility study/DPR from financial and technical angles. Wherever necessary, a representative of the concerned Ministry/Department is included in the Tender Evaluation Committee. At the project implementation stage, a representative of the concerned GoI Ministry/Department is appropriately included in the bilateral project monitoring committee, comprising all stakeholders from the concerned partner country, project management consultant, implementing agency, Ministry, including representatives of our Mission/High Commission.

Efforts are ongoing through the Administration Division of the Ministry to address the financial and manpower constraints faced by DPA in the implementation of Development Partnership Programmes.

It has been decided that from 1st January, 2013 onwards, a Pre-contract Integrity Pact would be signed between the Ministry of External Affairs and the prospective bidders/ sellers for all procurements/ projects of the value of Rs. 50 crores and above. As per the records available with the Vigilance Unit, the Ministry has not signed any contract of the value of Rs. 50 crore and above after 1st January, 2013. No Pre-contract Integrity Pact has, therefore, been signed by the Ministry so far. Non-appointment of Independent External Monitors (IEM) has not stalled the signing of pre-contract Integrity Pacts.

The Ministry received twenty applications in response to advertisements for appointment as IEM. Out of these, eight names were shortlisted with the approval of the Foreign Secretary and sent to the Central Vigilance Commission (CVC) on 2nd January, 2015 for the appointment of two IEM of this Ministry. In response, the CVC has recently sought some information/ clarification from the Ministry. The proposal will be resubmitted to the CVC for their approval along with the information/ clarification sought by them.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 25)

The Committee in their 14th Report (15th Lok Sabha) had expressed their concern over the tardy implementation of the decisions taken during India Africa Forum Summit-I (IAFS-I). The Committee note that one of the reasons for delay in projects is that the selected host countries had not shown any interest in hosting the selected institutions. The Committee, therefore, had suggested that in view of the lacklustre response of the beneficiary countries, the Ministry should review its strategy and if required, the Ministry must redefine its policy and strategy of multilateral developmental engagement with countries in Africa. The Committee had recommended that the Ministry must engage with the African Union Commission and explore alternate ways for identification of beneficiary state, wherein the institutions/projects were not

forced upon the countries and it must be ascertained before allocation of the project that the beneficiary country is interested in hosting the institution.

Further, the Committee had opined that dropping of the project in the host country would adversely impact India's stature. The Committee, therefore, had suggested that the Ministry must hold a consultative process with the African Union Commission alongwith individual countries before making announcement/commitment of such projects/institutions. The Committee had further recommended that the projects under implementation should be expedited and the Ministry should strive for their completion before IAFS-III.

Reply of the Government

The Ministry is engaged with the African Union Commission. The issues of lack of response from the host country as well as selection of unsuitable locations by the African Union Commission have been discussed with the concerned authorities of the African Union Commission. It is proposed that some modifications would be made during the Plan of Action after the Third India-Africa Forum Summit (IAFS-III).

Further, the Ministry is also engaged bilaterally with Member States to ascertain their interest in hosting various institutions.

It may also be mentioned that lack of adequate resources has also been a reason for slow progress on a number of projects. Ministry will, therefore, continue efforts to ensure allocation of more resources so that the projects decided under IAFS mechanism are implemented at a faster pace. In this connection, it may be stated that reduction of the Ministry's budget at RE stage 2014-15 has resulted in significant delays in action on a number of projects during the current financial year.

[File No. AA/Parl/125/06/2015]

(Recommendation No. 30)

The Committee had expressed their concern over the incidents of Indian nationals being held hostage by various groups internationally. The Committee had taken note of efforts being made by the Government in the concerned region/country and congratulate the authorities for the successful evacuations that have occurred. The Committee, however, wondered whether widespread and repeated hostage taking indicates failure of Government of India's policy to deal with various actors in the region. The Committee were particularly concerned about the plight of 41 Indian nationals being held hostage in Iraq. The Committee had recommended that the Ministry must strategically and diplomatically engage with the International Community and major actors in the region to ensure their safe release. The Committee had also noted that thousands of Indians are struck in areas of violent conflict and they are willing to return to India. The Committee, had therefore, recommended to the Government to equip its establishments in such zones and arrange for the expeditious evacuation of Indians.

Reply of the Government

- (i) Some Indians were trapped in the conflict areas following sudden attacks and capturing of several cities in northern and central Iraq by the Islamic State of Iraq and Sham beginning 8 June 2014. A group of 41 Indian nationals working in a construction company in Mosul in Iraq were taken captive and still remain so.
- (ii) Safety and security of Indian nationals in Iraq is a matter of foremost concern and preoccupation for the Government. The Government is making every effort and taking all steps to secure their release and has been in regular touch with the countries in the region in this regard.
- (iii) In addition, there is an Inter-Ministerial Standing Group in place for safe evacuation of Indian nationals from Gulf countries in case of conflict or emergency situations.
- (iv) Contingency evacuation plans by our Missions in the Gulf countries are being regularly updated and appropriate mechanism are already in place to respond to emergency situations.

MEA has been engaging in the evacuation of Indian nationals abroad whenever a crisis situation has emerged and the Ministry has been directed to undertake this task in close coordination with all other relevant Ministries/Departments. A Standing Group (SG) has been set up with the approval of the former Prime Minister to address all issues relating to the repatriation of Indian nationals abroad in cases of emergency/other local developments. This Group is chaired by Foreign Secretary (or the Secretary concerned in MEA). The other Members of this Group are the Finance Secretary, Defence Secretary, Secretary Shipping, Home Secretary, Secretary, Ministry of Overseas Indian Affairs; and Secretary, Ministry of Civil Aviation. There are specific Terms of Reference of the SG. The SG would decide on the modalities to be followed for repatriation of Indian nationals from abroad in the event of the outbreak of a crisis, delineating responsibilities of each Ministry/Department, the Mission/Post and other concerned entities.

The recommendation primarily relates to Iraq. However, with regards to Libya, it is stated that from the time of the intensification of the conflict in June 2014, 3414 Indian nationals have been evacuated through GoI assistance. There are estimated to be around 2500 Indians still remaining in Libya, who continue to stay on their own volition, based on job considerations – despite regular Embassy advisories.

[File No. AA/Parl/125/06/2015]

NEW DELHI

November, 2015
Kartika,, 1937 (Saka)

DR. SHASHI THAROOR,

Chairperson,
Standing Committee on External Affairs.

**MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON
EXTERNAL AFFAIRS (2015-16) HELD ON 20th OCTOBER, 2015**

The Committee sat on Tuesday, the 20th October, 2015 from 1100 hrs. to 1250 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

MEMBERS

Lok Sabha

2. Shri Arka Keshari Deo
3. Prof (Dr) Sugata Bose
4. Shri Jose K. Mani
5. Shri Chhedi Paswan
6. Shri A. Anwhar Raajhaa
7. Shri Vishnu Dayal Ram
8. Shri Mohammad Salim
9. Prof. (Dr.) Mamtaz Sanghamita
10. Shri Sharad Tripathi

Rajya Sabha

11. Shri Satyavrat Chaturvedi
12. Shri Shri H.K. Dua
13. Shri Ram Kumar Kashyap
14. Dr. Karan Singh
15. Shri D.P. Tripathi
16. Shri Pavan Kumar Varma

Secretariat

1. Dr. Ram Raj Rai - Director
2. Smt. Jyochnamayi Sinha - Additional Director

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee.
3. The Committee took up for consideration the following draft Reports on: (i) Action taken by the Government on the recommendations/observations contained in the (i) XXXXXXXX (ii) Fourth Report on Demands for Grants of the Ministry of External Affairs for the year 2014-15. (iii) XXXXXXXX XX.
4. The Chairperson invited the Members to offer their suggestions, if any, for incorporation in the draft Reports. The Members suggested some minor modifications. The Committee adopted the draft Reports with these minor modifications.

5. The Committee then authorized the Chairperson to finalize the Action Taken Reports incorporating the suggestions made by the Members. It was also decided that since Parliament is not in session the Chairperson may present the reports to the Hon'ble Speaker under Rule 71A of the Directions by the Speaker with a request to permit the printing, publication and circulation of the Reports under Rule 280 of the Rules of Procedure and Conduct of Business in Lok Sabha and subsequently, these Reports will be presented to both the Houses of the Parliament after commencement of the next session.

The Committee then adjourned.

(Vide Para 4 of Introduction of Report)

**ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE
RECOMMENDATIONS/OBSERVATIONS CONTAINED IN
THE FOURTH REPORT OF THE
STANDING COMMITTEE ON EXTERNAL AFFAIRS (16TH LOK SABHA)**

- | | |
|--|---------------------------|
| (i) Total Number of Recommendations | 30 |
| (ii) Recommendations/Observations, which have been accepted by the Government. | |
| Recommendation Nos. 1, 4, 7, 8, 10, 11, 12, 14, 15, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28 and 29. | |
| | Total-20 |
| | Percentage: 66.66% |
| (iii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government replies. | |
| Recommendation Nos. NIL. | |
| | Total-00 |
| | Percentage: 00.00% |
| (v) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and require reiteration. | |
| Recommendation Nos. 2 and 3 | |
| | Total- 02 |
| | Percentage: 6.66 % |
| (vi) Recommendations/Observations in respect of which final replies of Government are still awaited. | |
| Recommendation Nos 5, 6, 9, 13, 16, 17, 25 and 30 | |
| | Total-08 |
| | Percentage: 26.66% |