

Draft (19.7.2010)

National Advisory Council

**Minutes of the meeting of the National Advisory Council
held on 14th July, 2010 at 2 Motilal Nehru Place, New Delhi**

The National Advisory Council (NAC) held its third meeting on 14th July, 2010, chaired by Smt. Sonia Gandhi, Chairperson, NAC. The following members participated:

Prof. M.S. Swaminathan, MP
Dr. Ram Dayal Munda, MP
Prof. Narendra Jadhav
Prof. Pramod Tandon
Dr. Jean Dreze
Ms. Aruna Roy
Shri Madhav Gadgil
Dr. N.C. Saxena
Dr. A.K. Shiva Kumar
Shri Deep Joshi
Ms Anu Aga
Ms. Farah Naqvi
Shri Harsh Mander
Ms. Mirai Chatterjee

2 Dr. Rita Sharma, Secretary, Shri K. Raju, Joint Secretary, and Shri Dhiraj Kumar Srivastava, Private Secretary to Chairperson, were present.

3 Chairperson welcomed the members to the meeting and acknowledged the efforts made by the Working Groups on National Food Security Bill and Communal Violence Bill..

4 The minutes of the last meeting held on 1 July 2010 were tabled for confirmation. The NAC confirmed the minutes.

5 Secretary updated the Council regarding the activities undertaken since the last NAC meeting. It was informed that the Working Groups on the *Food Security Bill* and the *Communal Violence Bill* had held consultations with representatives of civil society as well as of Government. The first meeting of the Working Group on *Tribal Development* was scheduled on 15 July 2010. The final draft on *NAC Procedures* was circulated. Members were informed of the dates of the next three meetings, namely, 30 August 2010 (Monday), 25 September 2010 (Saturday) and 23 October 2010 (Saturday).

6 Shri Harsh Mander, convener of the Working Group on the Food Security Bill, made the presentation on behalf of the Group (presentation copy enclosed).

7 The Working Group recommended universal PDS in 1/3 or 1/4 districts or blocks in the first phase, where except for about 5% of excluded better-off households, all remaining households, i.e. 95% households in the rural areas to be entitled to receive 35 kgs per month at Rs 3 a kg. Similarly except for about 10% of the excluded better-off households, all remaining households, i.e. 90% in the urban areas to be entitled to receive 35kgs per month at Rs 3 a kg. In the remaining 2/3 or 3/4 districts/blocks about 37% to 40% of the households in the rural areas to receive 35 kgs per household at Rs 3 a kg. These households (expanded AAY households) would be identified based on inclusion criteria such that socially vulnerable groups such as SC/STs are fully covered. Remaining households in the rural areas, excluding about 20% of better-off households, will receive 25kgs per household at a differential price in a phased manner, from the second phase onwards. In case of urban areas in these remaining districts, 33% of the households to be identified by following the methodology being developed by the Hashim Committee, set up by the Planning Commission, will be entitled to receive 35kgs per Household at Rs 3 a kg. The foodgrains, in addition to wheat and rice should include millets and other nutritious cereals also. The Working group proposed a number of reforms in PDS which included, de-privatisation of Fair Price Shops (FPS), community management of such shops, higher procurement in surplus states, procurement and distribution of millets, decentralised procurement, creation of extensive decentralised storage infrastructure, doorstep delivery of foodgrain to FPS, extensive use of IT and RTI, social audits and location of ration shops in SC /ST hamlets and slum areas.

8 With regard to non PDS entitlements, the Working Group favoured inclusion of all the entitlements in accordance with the orders of the Supreme Court of India in the Right to Food case filed by the People's Union for Civil Liberties (PUCL). In addition, the Group proposed a package of welfare schemes including promotion of universal breast feeding and strengthening crèches, identification of destitute households and to extend to children below 6 from these households double food entitlements to prevent their slipping into malnutrition, nutrition rehabilitation centres and community based rehabilitation for Severe Acute Malnutrition (SAM), expanded maternity benefits programme, free 10kg grain per month for people living with TB, leprosy and HIV AIDS, free destitute feeding programme in all rural hamlets and slums, community kitchens and canteens for the urban homeless and residential schools for street children.

9 Prof Swaminathan observed that the proposal of the Working Group is designed to fulfil the vision articulated by the President of India in her address to the Parliament on 4 June, 2009. He suggested that a proposal by the NAC (i) aim at universalization (ii) should not affect current entitlements (iii) entitlements should be common and differentiated (iv) commence implementation by 1 April 2011. Prof Swaminathan felt that the proposed Bill is likely to stimulate agriculture production.

10 Dr. Jean Dreze reaffirmed his conviction of universalisation of PDS as BPL identification has led to devisiveness in society, leakages and corruption and major errors of inclusion and exclusion. Large number of the socially vulnerable group tend to get excluded. He favoured universal PDS which may be started in ¼ districts/blocks but expanded within a reasonable time frame to cover the entire country. Dr. Dreze pointed out that there is significant scope for reducing the economic cost of the foodgrains by streamlining the procurement, storage and transportation. Dr. Dreze felt that the decisions relating to nature of roll out of universalisation need not be taken in this very meeting and

that Working Group need to spend more time to work out the details of the subsequent phases.

11 Ms. Aruna Roy endorsed the views of Dr. Dreze and endorsed the case for universal entitlements. She pointed out that in the light of constraints to foodgrain availability the universalization can be started in the first phase in 1/3 or 1/4 districts or blocks. There should be a given time-frame within which the remaining districts should also be included.

12 Dr. Jadhav pointed out that the requirement of foodgrains and subsidy in the first year will be higher than the estimates arrived at by the Working Group. Similarly, the requirement of foodgrains in the last phase of rolling out of universal and differential entitlements would also be higher than what was estimated by the Working Group. He argued that the requirement for community kitchens had been significantly underestimated. Dr Jadhav cautioned against usage of the term 'universalisation' as universalisation in its true sense cannot be implemented across the country due to the limitation of foodgrain production and procurement. Usage of the terms quasi-universalisation and socially inclusive PDS also do not convey the spirit of universalisation. Therefore, he had exhorted against the usage of expression "universalisation". He however favoured universalisation in the poorest 1/4 districts/blocks. Regarding rolling out the universalisation to the remaining districts, Dr Jadhav advised that considered view need to be taken, based on hard data regarding the requirement of foodgrains and subsidy at the terminal point of universalisation.

13 Dr. Shiva Kumar while favouring universalization emphasized the need to bring greater clarity on the entitlements and implementation of the first phase of National Food Security Bill. Rolling out of the subsequent phases may happen at a pace determined by host of factors.

14 Professor Pramod Tandon observed that Food Corporation of India needs to take effective steps to minimise the losses by adopting scientific measures of storage and distribution. He has felt that investment for creation of decentralised storage has to be stepped up. FCI should also make best use of ICT to monitor its activities.

15 Ms. Farah Naqvi favoured universalization and opined that NAC had invested considerable time on NFSB and the Council should be moving ahead decisively towards the ultimate goal of providing food security for all. The proposed law would usher in a new regime making a break from current one which is riddled with malpractices. It was also suggested that there was need to concentrate on getting the first phase entitlements settled. The terminal year can be open-ended and predicated on increase in production and procurement.

16 Shri Harsh Mander was of the view that Antyodaya households continue to be food and nutrition insecure as they cannot afford to buy pulses and oil. He suggested that Government should supply pulses and oil to the Antyodaya households.

17 Dr. N.C. Saxena suggested that ultimate aim should be universalization, but in the first phase start with (i) in 1/4 or 1/5 of the blocks households would get 35 kgs at Rs. 3 a kg (ii) in remaining districts use Tendulkar formula (iii) gradually expand the welfare schemes (iv) bring about systemic reforms in PDS with involvement of Panchayati Raj

Institutions. Dr. Saxena also indicated that both production and procurement are likely to increase in the future. That over 60 mMT can become available in the first phase itself if the procurement machinery is geared up. Several surplus states have registered poor procurement due to weaknesses in the procurement machinery. Moreover, appropriate management of buffer stocks can also lead to greater availability of foodgrain for distribution. Ban on exports would further increase domestic availability.

18 The exclusion principal proposed by the Working Group was discussed and accepted with a caveat that the process should not result in exclusion of the poor. Similarly the Working Group's proposal for inclusion of socially vulnerable groups such as SCs/STs and minorities was endorsed by the Council. Secretary NAC mentioned that Ministry of Rural Development is in the process of conducting the next BPL survey, which is currently being pilot tested. Wherever there is need for the exclusion of the ineligible better-off households and the identification of poor households under the category of expanded AAY and socially vulnerable households, modifications can be suggested to the forthcoming BPL survey to be able to capture the required information instead of mounting a separate survey.

19 The Working Group's proposal to launch universalisation of PDS in ¼ of the poorest districts/blocks was discussed in detail. The Members acknowledged that universalisation approach, particularly in the poorest areas, would be the best means to provide food security. Universalisation in the identified poorest district/block would eliminate the need for household-wise enumeration, issuing of BPL and APL cards and minimize targeting errors which have plagued the food distribution system for long in the country.

20 While endorsing the idea of universalisation in the poorest most disadvantaged areas, the issue of selecting districts or blocks as units of universalisation was discussed. Most of the Members felt that blocks as unit of universalization were preferable, however, block-wise poverty information and administrative convenience also need to be taken into account in making the choice. The choice could be left to the government. Secretary NAC explained that poverty data is presently not available at the block level, however, the Planning Commission are conducting an exercise to identify the poorest block. This information may come in useful in making the choice between district or block.

21 The Members advised that the current entitlements being delivered under PDS to the BPL and APL families have to be protected.

22 Members felt that the welfare scheme proposed by the Working Group will have significant impact on the food and nutrition security for the vulnerable groups. The members while agreeing to the expansion of the welfare scheme advise that actual details of the coverage, implementation arrangements need to be worked out.

23 After detailed deliberations and discussions on the proposal of the Working Group, the NAC reached an initial agreement on the following :

23.1 While time-bound universalisation of foodgrain entitlements across the country may be desirable, initial universalisation in one-fourth of the most disadvantaged districts

or blocks in the first year is recommended, where every household is entitled to receive 35kgs per month of foodgrains at Rs 3 a kg.

23.2 In the remaining districts/blocks, coverage of universal PDS with differentiated entitlements (in terms of quantity and issue price), would progressively be expanded to all rural areas in the country over a reasonable period of time. There shall be a guarantee of 35 kgs of foodgrains per household at Rs 3 a kg for all socially vulnerable groups including SC/STs, and 25 kgs for all others, at an appropriate price. There would also be a category that would be excluded based on transparent and verifiable criteria.

23.3 Further details of this basic framework will be formulated by the NAC before the next NAC meeting..

23.4 In urban areas, eligible households (identified by criteria developed by the Planning Commission based on the recommendations of the Hashim Committee), including slum-dwellers and the homeless, will be entitled to 35 kg per month at Rs 3 a kg.

23.5 Existing allocations for APL in the remaining districts/blocks should not be reduced.

23.6 Comprehensive nutrition support schemes for infants, pre-school children, school children, welfare hostel students, adolescent girls, pregnant women, street-children, homeless, the aged and infirm, differently-abled, those living with leprosy, TB and HIV/AIDS etc., together with community kitchens and destitute feeding will be initiated throughout the entire country.

23.7 The NAC also decided that the Working Group on Food Security will undertake further work on measures for enhancing agriculture production, PDS and procurement reforms, ICDS reforms and maternity benefits, community kitchens and destitute feeding. It would look at systems of oversight, transparency, accountability and grievance redressal.

23.8 A decision was also taken that the Working-group will prepare a draft Bill based on this framework.

24 In the Second Session Ms. Farah Naqvi and Shri Harsh Mander conveners of the Working Group on the proposed Communal Violence Bill (CVB) made a presentation (presentation enclosed).

25 The Working Group pointed out that even after long drawn discussions over the past five year which have resulted in some 80 plus amendments being proposed to the CVB 2005, the draft Bill did not fully reflect the stated objectives. These objectives were read out in the meeting as

An Act to ensure action by and accountability of public authorities, including all State Governments and the Central Government, for the prevention and control of communal violence which threatens the physical, social, economic, cultural, political, and human security of citizens and the unity and secular fabric of the Nation; the speedy investigation, prosecution and punishment of those engaging in communal crimes; justice and security to victims and survivors; and guarantee

of the rights of victims and survivors to comprehensive rescue, relief, rehabilitation, compensation, restitution and reparations.

26 The limitations of the draft Bill were highlighted as (i) communal violence seen merely as a law & order problem rather than failure of constitutional duty to protect all (ii) framework rested on State Government declaring certain areas as 'Disturbed Areas' (iii) establishment of a 'Competent Authority' by the State Government with powers to manage the 'Disturbed Areas' (iv) concentration and duplication of powers already vested with local authorities

27 The Working Group elaborated the key recommendations regarding the core structure of the proposed Bill indicating certain non-negotiables. It was emphasized that States do not require more powers to stop communal violence rather there was a need for a framework to ensure action and greater accountability of public authorities for the prevention and control of communal and sectarian violence.

28 The key recommendations of the Working Group included (i) expansion of the scope of the law to include 'sectarian violence' and to cover isolated incidents and mass crime (ii) definitions of new crimes such as sexual assault, torture etc. (iii) setting up a National authority to monitor compliance with law (iv) ensuring accountability of public officials (v) stipulating national norms from rescue to restitution (vi) specifying compensation norms (viii) ensuring victim-witness rights.

29 The Members deliberated on various aspects of the proposed CVB including the key recommendations of the Working Group.

30 The NAC was in agreement with the stated objective of the Act as in para 25 above. It was felt that the current Draft Bill does not fulfil the stated objectives. The present framework of the Bill appears to be unable to accommodate the various features essential for the achievement of these objectives. Some of these essential features included widening the scope of the law to include sectarian violence, definitions of new crimes, setting up of National Authority, ensuring greater accountability of public authorities, stipulation of national norms from rescue to restitution, specifying compensation norms and ensuring victim-witness rights.

31 It was agreed in the NAC that there was a need to draft a fresh law on the subject that would reflect the letter and spirit of the stated objectives. The Working Group would consult with the legal experts for this purpose.

32 Ms Aruna Roy, convener of the Working Group on NAC Procedures placed the draft NAC procedures before the Council. The efforts of the Working Group in preparing the document was highly appreciated by the members. The Council adopted the NAC procedures.

33 It was agreed that the following subjects would be included in the list of items to be taken up for discussion

- a. Rehabilitation of Bhopal gas tragedy victims
- b. Preservation of the national heritage

34 It was also agreed that since the Working Group on NAC Procedures had completed its task it would be wound up. Two new Working Groups would be formed on the following:

- a. Issues related to the disadvantaged child, and legislation on protection of the child from sexual and other offences.
- b. Improvement of delivery systems - transparency and accountability in Governance

35 Action Points

35.1 The Working Group on Food Security Bill will work as indicated in paras 23.3, 23.7 and 23.8.

35.2 The Working Group on Communal Violence Bill will work as indicated in para 31.

35.3 Secretariat will initiate the process for constitution of two new Working Groups as in para 34.

The next meeting of the NAC would be held on 30 August, 2010.

The meeting concluded with thanks to the Chair.