Governance and Fiscal Management

Policy Asks from Odisha Vikash Conclave

1. Allocation on economic services in the state budget should be at par with the allocation on social services to promote socio and economic-development.

2. Although the overall social sector spending in the state is good, per capita social sector expenditure requires improvement and should be increased.

3. Reprioritization of social sector expenditure towards marginalized sections, rural and hard to access areas to be done.

4. The recommendations of the 14th Finance commission have increased fiscal space and autonomy in the state to spend, which must be tapped to improve the quality of expenditure.

5. Total revenue of the state, both tax and non-tax to be improved.

6. Tax to GSDP ratio of Odisha is about 6.5% currently, as opposed to 10.5% in Tamil Nadu, thus tax GSDP (Gross state domestic product), to be improved at least by 1% in the current scenario, and abbot 4% over a period of time for the state, primarily by improving the tax base, which is bringing more people into the taxable income bracket.

7. Recommendations to construct district wise governance index like a state governance index constructed by using government data, in order and identify and bridge gaps among the various districts of Odisha.

8. Transparency due to technological improvements such as online treasury system, budget data available online is very good in the state; this should be replicated at the district level as well.

9. New Resource mobilization-
   a. Research to be conducted on new emerging resources for the state to capitalize and tap new resources such as District mineral fund (DMF), Compensatory A forestation Fund (CAMPA).

   b. Proper planning and optimal utilization of these new resources to be done, as they are obtained at the cost of other resources.

10. For redesigning governance-
    a. Eliminate the need for a physical document – biometric identity proof and open databases.

b. Future of databases – from proprietary to open source; from open source to distributed databases; the tantalizing possibilities of the block chain technology.

c. Outcomes depend on processes; therefore processes should be given the same importance as the outcomes, focusing on efficient use of resources.