

Budget Outlays for Nutrition-Sensitive Programmes: Insights from Bihar, Chhattisgarh, Odisha and Uttar Pradesh

Policy Brief 2 | 2017



Why we did it

The long-term consequences of child stunting have been on the forefront of policy discussions for quite some time. Lancet 2013 series points out that scaling up nutrition-specific interventions to 90% coverage can reduce child stunting by 20%. The remaining 80 % reduction in child stunting needs to be addressed through nutrition sensitive programmes and interventions (NSIs), which address underlying determinants of foetal and child nutrition and development. These programmes and interventions relate to agriculture, livestock and fisheries; food security, social safety nets; WASH; education and health etc. With the recent changes in India's fiscal architecture and changed fund sharing pattern of most of the CSS, the role of state governments in financing NSIs has drawn more attention. We studied budgets for NSIs to understand the platforms through which public expenditure for NSIs are being made in India, particularly at the state level and to assess the expenditure for programmes considered to be nutrition-sensitive.

How we did it

At the Union and state government levels, the Ministries / departments that have nutrition sensitive programmes in six relevant sectors were mapped. In each of the six sectors identified, the nutrition

sensitive programmes and interventions are spread across a number of Ministries at the Union level and a number of departments in the states. The budget outlays for all these NSIs were studied for Union government and four state governments -Bihar, Chhattisgarh, Odisha and Uttar Pradesh for three financial years: 2014-15, 2015-16 and 2016-17. We compared the per capita NSIs budgets across states to assess inter-state disparities in provisioning of resources for these.

What we found

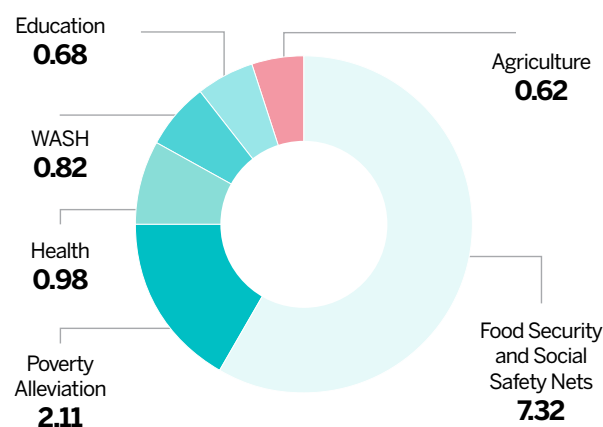
- **A large number of schemes financed by the Union and state governments are relevant for NSIs:** NSIs are spread across multiple sectors and a number of administrative units, both at the Union Government level and states. Eighteen CSS under nine Union Ministries have NSIs, and the number of departments delivering these programmes and interventions (as state specific schemes) at the state level varies across study states (Figure 1). The state-specific schemes considered for our analysis were 29 in Bihar, 27 in Chhattisgarh, 15 in Odisha and 32 in Uttar Pradesh, apart from the 18 CSS.
- **Reductions in the priority for NSIs in Union budget:** In the Union Government budget, the combined allocation for NSIs in 2016-17 BE was INR 2,47,884

Figure 1: Ministries and programmes/ schemes delivering NSIs, Union Govt

Ministry	Programme/Scheme
Sector: Agriculture Ministry of Agriculture and Farmers Welfare	National Food Security Mission; National Mission on Oilseeds and Oil Palm; National Mission for Sustainable Agriculture; National Horticulture Mission; Rashtriya Krishi Vikas Yojana; White Revolution- Rashtriya Pashudhan Vikas Yojna; Blue Revolution-Integrated Development and Management of Fisheries
Sector: Education Ministry of Human Resource Development	Mid-Day Meal; Rashtriya Madhyamik Shiksha Abhiyaan
Sector: WASH Ministry of Drinking Water and Sanitation Ministry of Urban Development	National Rural Drinking Water Programm Swachh Bharat Mission
Sector: Health Ministry of Health and Family Welfare; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy (AYUSH)	National Health Mission
Sector: Poverty Alleviation Ministry of Rural Development Ministry of Urban Development	Mahatma Gandhi National Rural Employment Guarantee Scheme; Ajeevika; National Urban Livelihood Mission
Sector: Food Security and Social Safety Nets Ministry of Consumer Affairs, Food and Public Distribution Ministry of Rural Development Ministry of Women and Child Development	National Food Security Scheme National Social Assistance Programme Indira Gandhi Matritva Sahyog Yojana

Crore, an increase of INR 6,604 Crore compared to 2015-16 RE and of INR 25,306 Crore compared to 2014-15 AE. However, as a proportion of total Union budget, the figure for 2016-17 BE was 12.53 %, lower than both 2015-16 RE (13.51 %) and 2014-15 AE (13.38 %). The Food security and social safety nets sector accounted for 7.32 % of the total Union budget in 2016-17 BE; this proportion (i.e. share in the total budget) was lower than one percent for the NSIs pertaining to most of the other relevant sectors like Health (0.98 %), WASH (0.82 %), Education (0.68 %) and Agriculture, livestock and fisheries (0.62 %) sector (Figure 2).

Figure 2: Sectoral shares of NSIs in the total Union budget (In %)



Figures for 2016-17 BE
 Source: Compiled by CBGA from Union Budget documents, Ministry of Finance, Government of India

The reduction in the priorities for NSIs in the last two Union budgets needs to be seen in the context of restructuring of CSS; since 2015-16, the states are contributing bigger matching share from their untied resources for many CSS and the state budget priorities have become more important for overall public resources for some of these sectors.

● **Per capita spending on NSIs:**

The per capita spending on NSIs from the Union budget increased to INR 1,895 in 2015-16 RE and further to INR 1,924 in 2016-17 BE from INR 1,770 in 2014-15 AE (Figure 3).

Source: Compiled by CBGA from the policy and budget documents of the respective Ministries and Departments, Government of India.

Figure 3: Per capita allocation on NSIs, Union budget (in INR)



* Supplementary Budgets Note: The population projection is based on the Report of the technical group on population projections constituted by the National Commission on Population, 2006 with modifications using 2011 census data Source: Compiled by CBGA from Union Budget documents.

● **Share of allocations / expenditure on NSIs (out of total state budget) across states stagnated during the study period:**

The share of NSIs budget envelope in the total budgets of the states was assessed. The allocation/expenditure on NSIs from the state budget include both the Union budget and state's matching share of allocations for the relevant CSS and state's provisioning of allocations for the state-specific schemes. Uttar Pradesh, despite its impressive absolute increase in budget 2016-17, witnessed a stagnation in share of NSIs budget to total state budget compared with AE 2014-15, and it also emerged as the state with lowest share of NSIs budget envelope to total state budget (close to 10 %). Among the study states, Chhattisgarh had the highest share (16.7 % in AE 2014-15 and 18.7 % in 2016-17 BE). In Bihar, NSIs budget envelope as a proportion to the total state budget ranged between 12.1 % and 14.3 %. Similarly for

Odisha, the share of NSIs budget envelope in 2016-17 BE was marginally lower than AE 2014-15 (13.9% of the total state budget compared to 14.3 %) (Figure 4).

● **Per capita spending on NSIs by states decreased for Chhattisgarh and Odisha in 2016-17 BE**

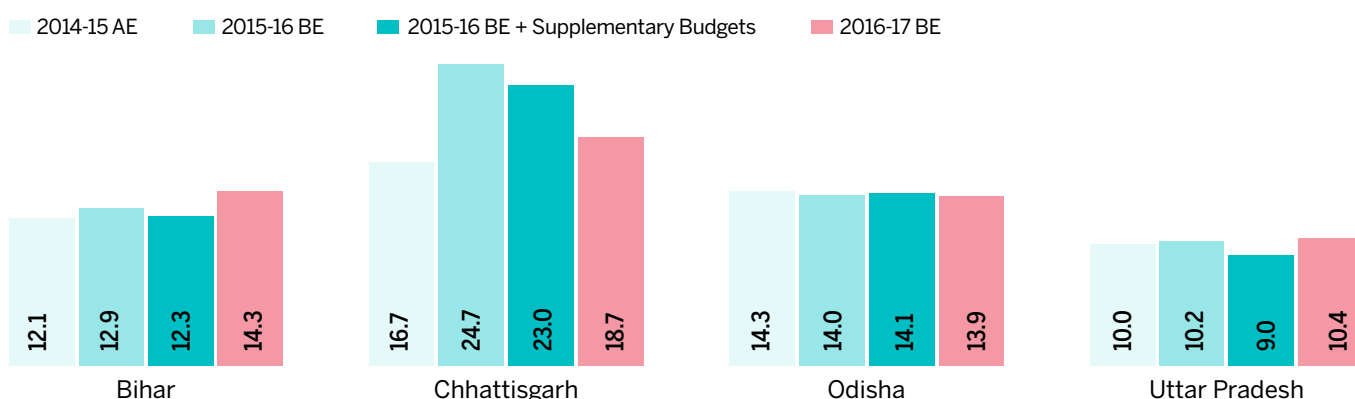
Though Chhattisgarh has the highest per capita NSIs budget, the per capita allocation / spending of the state has fluctuated in the last two years-it increased from 2014-15 to 2015-16, before taking a dip in 2016-17 BE. The per capita allocations and spending for NSIs, for Bihar and Uttar Pradesh, reveal that there has been a consistent increase. Across states, the two states with a higher burden of stunting-Bihar and Uttar Pradesh- have the lowest per capita spending on NSIs (Figure 5).

Policy asks

● **Increasing the NSIs budget envelope:**

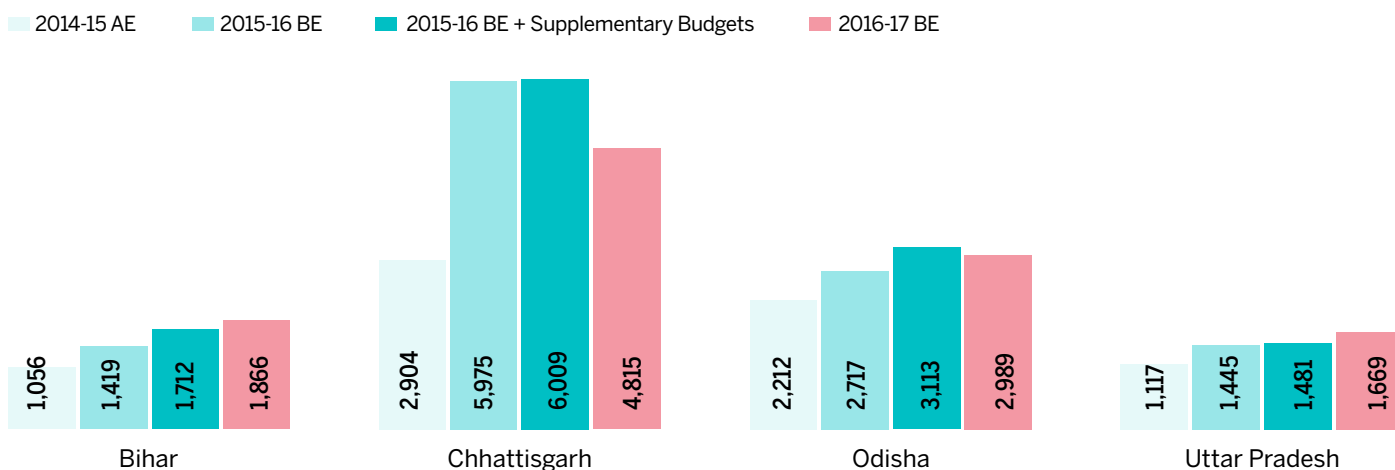
To address the regional / state-wise variations on the coverage of NSIs, there is a need for stepping up Union budget allocations for these NSIs (with focus on states' need). However, in the new fiscal architecture since 2015-16, state governments are getting more untied funds from the Union; the expectation is that states will increase their budgetary priority for NSIs by drawing upon their larger pools of untied funds. Since 2014-15, the formats of the Detailed Budget Books of states

Figure 4: Share of budgets and expenditure on NSIs to total state budget (in %)



Source: Compiled by CBGA from State Budget Documents of study States (Detailed Demand for Grants) and Union Budget.

Figure 5: Per capita spending on NSIs by states (INR)



Note: The population projection is based on the Report of the technical group on population projections constituted by the National Commission on Population, 2006 with modifications using 2011 census data
 Source: Compiled by CBGA from State Budget Documents of study States (Detailed Demand for Grants) and Union Budget.

have been changed, as a result of which it is now extremely difficult to find out how much is a state government providing for a CSS over and above the Union budget share for the same. State Finance Departments also need to bring in more transparency in the budget documents.

- **Need for better coordination across departments as a large number of schemes are relevant for NSIs:**

With multiplicity of agencies and schemes and the systemic issues of inter-department coordination, overlap of objectives and strategies was not uncommon. This presents a case for a nodal coordination agency for effective implementation and monitoring of outcomes of NSIs through these Ministries and departments. For better integration of schemes and programmes and bringing convergence, institutionalising such a coordination mechanism would lead to better outcomes.

- **Developing a standard framework to track budget allocations and spending on NSIs:**

Multiple objectives of schemes (relevant for NSIs) make it difficult to track the total budget envelope for NSIs accurately. A standard framework should be developed for tracking budget allocations and spending on NSIs at the state level. This would help in tracking and monitoring the implementation of the relevant programmes and interventions.

- **Making the relevant programmes and schemes more nutrition sensitive:**

Budget envelope for the nutrition sensitive programmes and interventions require a lot of attention. But we must also pay attention to the nutrition impact of these programmes and schemes, particularly towards enhancing the same. There is, hence, a need to integrate nutrition goals into the relevant schemes across sectors.

