

Procedural improvements

7.75 A Committee on Reforming Investment Approvals & Implementation Procedures was set up with Secretary, Department of Industrial Policy and Promotion as convenor to examine extant procedures for investment approvals and implementation of projects and to suggest measures to simplify and expedite the process of both public and private projects, which has already submitted its report. The major recommendations of the Committee are in Box 7.4.

Box 7.4 : Recommendations of the committee on 'Reforming Investment Approval and Implementation Procedures'

- Re-engineering of regulatory processes at the Central, State and local levels.
- Re-engineering groups to be set up in the Ministries/Departments of Government of India to undertake:
- Re-engineering of the regulatory processes prescribed under extant laws, regulations, etc., to embody the principles of non-discretionary decision rules, minimizing and standardizing documentation requirements, reducing stages and levels of review and define time-limits for processing to ensure transparency and accountability.
- Prescribe time limits for the grant of non-statutory approvals.
- Develop trigger mechanisms to automatically raise the matter to the next higher level in case the matter is not decided within the prescribed period.
- Review the extant laws for their consolidation.
- Suggest a generic structure for re-engineering of the regulatory processes at State level.
- Re-engineering groups may be set up, to begin with, in the Ministries of Labour, Environment & Forests, Power, Agriculture, Petroleum & Natural Gas and Department of Industrial Policy & Promotion.
- The Re-engineering Groups to complete the re-engineering of the regulatory processes within a period of six months and consolidation of extant laws within a period of one year.
- Industrial Investment Facilitation Board (IIFB) to be set up to facilitate implementation of projects and resolution of difficulties faced during implementation.
- The Committee has made several other recommendations relating to simplification of inspection, reporting and record keeping requirements with specific measures for greater use of IT in approval, reporting and record-keeping.