

F.No. 42(02)/PF-II/2014  
Government of India  
Ministry of Finance  
Department of Expenditure  
[PFC-I Division]  
\*\*\*

North Block, New Delhi

Dated: 9<sup>th</sup> August, 2021

OFFICE MEMORANDUM

**Subject: Revised format for Appraisal and Approval of new Public Funded Schemes - reg.**

Reference is invited to this Department's OM NO. 24(35)/PF-II/2012 dated 5<sup>th</sup> August, 2016 regarding guidelines for appraisal and approval of public funded schemes in which the format for submitting EFC/SFC proposals for appraisal of new schemes is contained in **Annexure IV-A**. This format has been reviewed in consultation with NITI Aayog to make it more informative, lucid and to incorporate output/outcome related targets in a logical framework. This will make the appraisal more structured and effective while placing enhanced emphasis on measurable outputs/outcomes of public expenditure.

2. Accordingly, the undersigned is directed to convey the following:-

- i) The EFC/SFC proposals for new public funded schemes should be sent in the enclosed revised format (Annexure – A) including the summary sheet, along with detailed paper if required and other enclosures as prescribed in the checklist of the format. This format, henceforth, replaces Annexure IV A of the *ibid* DoE guidelines dated 5<sup>th</sup> August, 2016.
- ii) It is reiterated that before sending the EFC/SFC proposal, 'in-principle' approval of the Department of Expenditure for initiating any new scheme / sub scheme should be taken in terms of para 4(i) and para 5 of the *ibid* OM.
- iii) It may be noted that emphasis has been placed (para 3.3) on DBT in the beneficiary oriented schemes, on devising suitable mechanism for identification of genuine beneficiaries through Aadhaar authentication, provision for online application as well as fund disbursement through Aadhaar Enabled Payment System (AEPS).
- iv) For assistance in formulating logical framework based output / outcome tables for the new schemes, NITI Aayog may be consulted by Ministries/Departments.

3. This will apply to all EFC/SFC proposals for new schemes submitted on or after 1.9.2021.

4. For the schemes (new and ongoing), already approved this financial year in the old formats, Ministries/Departments should provide the logical framework based output/outcome table as given at Sr.No. 2.2 of the revised format (Annexure-A) by 31-3-2022 to the DoE and the NITI Aayog, to enable further monitoring of outputs/outcomes etc.

5. This issues with the approval of Finance Secretary & Secretary (Expenditure).



(Dr. Shivalli M. Chouhan)

Director (PFC-I)

Tel. 23093109

e-mail: [shivalli.chouhan@nic.in](mailto:shivalli.chouhan@nic.in)

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**FORMAT FOR EFC/SFC MEMORANDUM FOR APPRAISAL OF NEW SCHEMES**

**Summary Sheet**

<b>S.No.</b>	<b>Outline</b>	<b>Details</b>
1.	Name of the Scheme	
2.	Nature of the scheme (CSS/CS/Scheme under umbrella)	
3.	Duration	
4.	Proposed Outlay	
5.	Funding pattern	
6.	Source of Funding	
7.	Objectives	
8.	Target Beneficiaries	
9.	Major Interventions/Components	
10.	Name of schemes with which convergence is sought along with Ministries/Departments	
11.	Manpower Requirement	
12.	Measurable outputs/outcomes targeted at the end of scheme duration	

**FORMAT FOR EFC/SFC MEMORANDUM FOR APPRAISAL OF NEW SCHEMES**

**Documents' Checklist**

S. No.	Document	Attached (Yes / No / NA)	Annexure Number	Remarks (if any)
1.	Concept Paper			
2.	Evaluation Report			
3.	Feasibility / Pilot Study Report			
4.	Gap/ Need Analysis Report			
5.	Stakeholder Consultation Report			
6.	Approval and Clearances (Such as Land Acquisition, Environmental Clearance etc.)*			
6.1	..			
6.2	..			
7.	Response to Comments			
*to be enlisted as 6.1, 6.2 and so on by Ministries/Departments as applicable at approval stage				

**1. General**

- 1.1 Title of the Scheme
- 1.2 Sponsoring Agency (Ministry/ Department/Autonomous Body or Undertaking)
- 1.3 Proposed duration of the Scheme
- 1.4 Nature of the Scheme: Central Sector Scheme/ Centrally Sponsored Scheme (Please specify if it is under an umbrella)
- 1.5 Total estimated financial outlay of the proposed Scheme
- 1.6 Funding Pattern
- 1.7 Provide details of schemes under it along with proposed outlays. Details of sub-schemes (if any) under the scheme along with proposed outlays.

**Details of the scheme (year-wise)**

<b>Umbrella Scheme</b>	<b>Scheme</b>	<b>Sub- Scheme</b>	<b>FY</b>	<b>Proposed Outlay (INR Crores)</b>
(Column may be deleted if not applicable)		(Column may be deleted if not applicable)		

- 1.8 A) Is the scheme created by restructuring/merger/renaming of previously existing scheme(s)/sub-scheme(s)? *If yes, please mention the name of the scheme(s) proposed to be merged/dropped/ rationalized?*
- B) Please mention whether the old scheme(s) was evaluated? If yes, please attach Evaluation report.
- C) What were the main findings of the evaluation and how are they incorporated in the scheme design (please use the table given below)?

<b>Total no of recommendation listed in evaluation report</b>				
<b>S. No.</b>	<b>Recommendation of the evaluation report</b>	<b>Has an action been taken on this recommendation? (Yes / No)</b>	<b>If yes, please elaborate the action or revision in scheme proposal undertaken.</b>	<b>If no, please explain the reasoning for exclusion of this recommendation.</b>

- 1.9 Details of In-principle approval-
- 1.10 A) Concept Paper details including findings of Gap/Need analysis and Feasibility/Pilot Study along with a summary justification for the new scheme.
- B) Details of stakeholder consultations undertaken. Please include details of state governments consultation, particularly in CSS scheme.
- 1.11 Overlap with any existing scheme/sub-schemes in this Ministry/Department/any other Ministry/Department? If yes, please fill below table highlighting the aspects in which there is an overlap and how will the scheme use this convergence to save public resources?

Name of Ministry / Departments	Scheme/ Sub-scheme Name (with which there is convergence)	Is there any convergence at the following stages? (And details thereof)				How will the scheme use this convergence?	Other remarks
		Design stage	Implementation stage	M&E stage	Others		
		For instance, in objectives, outcomes, outputs, activities or target groups of the two schemes)	For instance, in implementing agencies, human resources at any level, technologies, financial resources, PMUs, others	For instance, in monitoring bodies, monitoring mechanisms (MIS, data collection), joint evaluations, others			

1.12 Whether the proposal is secured against natural / man-made disasters like floods, cyclones, earthquakes, tsunamis, etc. If the proposal involves creation /modification of structural and engineering assets or change in land use plans, disaster management concern should be assessed, and specifically commented upon.

## 2. Outcomes and Deliverables

2.1 Objectives of the Scheme

2.2 Indicate year-wise targets set for outputs and outcomes of the scheme along with the activities to be undertaken and inputs to be used in the form of measurable indicators in the below mentioned table. Data sources for each indicator must be clearly mentioned along with key assumptions and risks involved (if any) along with their severity as perceived by the proposer. Baseline data (Year and Value) should also be benchmarked and mentioned for all indicators.

Objective statement	Indicators	Means of verification. (Data source)	Important assumptions	Risks involved		Baseline Year	Baseline Value	Target							
				Risk Identified	Severity of Risks (Low/Medium/High)			Fiscal Year "A-B"	Fiscal Year "B-C"	Fiscal Year "C-D"	Fiscal Year "D-E"	Fiscal Year "E-F"			
Outcome															
Output															
Activity															
Input															
<b>Output Efficiency: - the ratio of targeted change in outputs to budgeted expenditure (to be calculated for each year) taken on key output indicators</b>															

**3. Target Beneficiaries**

- 3.1. A) Please specify the target beneficiaries in terms of location, area and segment of population, industries, companies, institutions, etc.  
 B) Please give the details of coverage of target population and basis for selection of the target beneficiaries.
- 3.2. Is there a specific intervention targeted at any of demographics mentioned in the below table? If yes, please elaborate on specific interventions targeted for the corresponding demographic. If no, please mention why.

Is there a specific intervention targeted at any of the below mentioned demographics?		If yes, please elaborate on specific interventions targeted for the corresponding demographic. If no, please mention why.
Demographic	Yes / No	
Marginalized social groups, namely SC, ST, Persons with disability (Divyangjan), minorities and other vulnerable groups.		
Women		
North East, Himalayan, LWE, Island territories and other backward areas.		

- 3.3. In case of beneficiary-oriented schemes, indicate whether the scheme is a Direct Benefit Transfer (DBT) scheme inter alia indicating the mechanism for identification of target beneficiaries through Aadhaar authentication, provision for online application and fund disbursement mechanism (Disbursement of funds should be done through Aadhaar Enabled Payment System (AEPS) to ensure Aadhaar authentication, and not merely Aadhaar seeding).
- 3.4. A) Are Panchayati Raj Institutions and Urban Local Bodies involved in implementation?  
 B) If yes, elaborate on their involvement.  
 C) Please also comment on preparedness and ability of the local bodies to undertake this.

D) If no, please mention the reason for the exclusion of PRIs/ULBs in the implementation process.

**4. Scheme Financing**

- 4.1 Indicate the sources of finance for the Scheme: budgetary support, extra-budgetary sources, external aid, state share, etc. (Total amount year wise)
- 4.2 If external sources are intended, the sponsoring agency may be indicated, as also whether such funds have been tied up?

**5. Cost Analysis**

- 5.1 Please provide year-wise and component-wise cost estimates for the scheme in the below provided table and indicate how will they be shared by the state governments, local bodies, user beneficiaries or private parties. Also segregate them into recurring and non-recurring expenses

Scheme Component	Recurring / non-recurring cost	Cost Estimate / Proposed Outlay						Cost sharing at different levels				Remarks	
		Fiscal Year "A-B"	Fiscal Year "B-C"	Fiscal Year "C-D"	Fiscal Year "D-E"	Fiscal Year "E-F"	Total	Central Share	State Share	Local Body / 3 <sup>rd</sup> tier share	Others		

- 5.2 The basis of these cost estimates along with the reference dates for normative costing.
- 5.3 In case pre-investment activities or pilot studies are being carried out, how much has been spent on these?
- 5.4 In case the scheme involves pay out of subsidy, the year wise and component wise expected outgo may be indicated.
- 5.5 In case the land is to be acquired, the details of cost of land and cost of rehabilitation/resettlement, if any.
- 5.6 In case committed liabilities are created, who is to bear the same? In case assets are created, arrangements for their maintenance and upkeep?

**6. Approvals and Clearances**

6.1. Requirement of mandatory approvals and clearances from various local, state and national bodies and their availability may be indicated in a tabular form (land acquisition, environment, forestry, wildlife etc.)

S. No	Approval/Clearances	Agency Concerned	Availability(Y/N)

**7. Human Resources**

7.1. Please fill below table to indicate the administrative structure for scheme implementation. Please also provide details of manpower requirement, outsourcing of services, hiring of consultants and associated costs." (Note: In case posts, permanent or temporary, are intended to be created, a separate proposal may be sent on file to Pers. Division of Department of Expenditure after the main proposal is recommended by the appraisal body)

	Agency	Role of the agency in administration of scheme implementation	Manpower Requirement (in no. of personnel)	Number of posts to be created		Number of consultants to be hired	Details of outsourcing of services	Associated Cost and funding source	Remarks
				Permanent	Temporary				
Centre									
State									
Local									

**8. Monitoring and Evaluation**

8.1. A) Please indicate the monitoring systems to be established for the scheme. Indicate all that are applicable and provide details thereof,

- Constitution of Monitoring bodies or cells
- Development of Scheme MIS
- Establishment of protocol for regular performance reviews
- Others, please specify

B) Please indicate the arrangements of statutory and non-statutory audits. Indicate all that are applicable and clearly provide details of modes of conducting and other arrangements of the same.

- Statutory Audits
- Non-statutory Audits
- Social audits,
- Participatory Rural Appraisal,
- Observational audits and
- Others, please specify.

8.2. Please indicate the arrangement for third party / independent evaluations (separately for base-line, mid-line and end-line evaluations) along with methodological approach (experimental, quasi-experimental, mixed methodology, others) to be adopted for evaluations. Please note that evaluation is necessary for extension of scheme from one period to another. Please specify the amount of funds earmarked for third party evaluation under scheme budget.

9. **Approval Sought:**

**Joint Secretary to the Government of India**

**Tel. No. ....**

**Fax No. ....**

**E-mail.....**

\* Detailed Paper outlining the major elements and overall architecture of the proposed Scheme may be attached.

\*\* Comments of the Financial Advisor of the Ministry/Department, NITI Aayog, Department of Expenditure and other Ministries/Departments may be summarized in a table given below. The table may be enclosed as an annexure of the EFC Memo. At the draft EFC memorandum stage, only comments of IFD of the Ministry/Department should be enclosed in the format

S. No.	Comments	Is the comment incorporated in revised proposal (Y/N)?	If yes, please specify how it has been incorporated? If no, please specify why it has not been incorporated?