

CVC revises rules for appointing Independent External Monitors (IEM)

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In news- The Central Vigilance Commission (CVC) has again modified the criteria for the appointment of Independent External Monitors (IEM) in government bodies.

About the revised rules-

- The CVC has **revised the Standard Operating Procedure (SOP) for adopting and implementing the Integrity Pact**, the first step in ensuring transparency in public procurements.
- The change in rules say that the **IEMs can only be considered from a panel of eminent persons/officers who have held the post of additional secretary or equivalent or higher pay scale in the Government of India at the time of retirement.**
- **Existing rules, last issued in June 2021, only considered officials at the rank of Secretary to Government of India, Chief secretaries in the states or officials at equivalent pay scale at the time of retirement.**
- The **latest SOPs have removed the retired Director generals of police from the list** of eminent persons who could be considered for empanelment as IEMs.
- In the new rules, the **CVC has removed the provision sub-section (vi) of 5.2, which earlier allowed officers who were in the apex pay scale at the time of the retirement** in the central government, state government or forest service to be IEMs.
- **For retired armed officers too**, now the officers equivalent to additional secretaries or higher ranks in

government of India **will be eligible to become IEMs. Earlier, this was allowed only for officers in apex pay scale.**

- **Persons who have held the post of Chairman and Managing Directors (CMDs)/MD or CEO of public sector banks, insurance companies,** and other financial institutions at the time of retirement will **continue to be included in the list of IEMs.**
- The CVC has also stated in its SOPs, shared with all departments and ministries that the proposal for nomination of IEMs in respective organizations should be sent by the concerned department responsible for ensuring implementation of Integrity Pact in the organization, after taking approval of the competent authority.
- It said the proposal should be sent within 3 months of completion of tenure of existing IEMs, failing which the CVC itself will nominate IEM (s) on its own from its panel.

Independent External Monitors (IEM) and the Integrity Pact (IP)-

- **IEMs are appointed by the apex vigilance body,** CVC to look into issues relating to execution of contract (s) and any irregularities.
- The IEMs independently and objectively review the documents to determine if the parties have complied with their obligations under the integrity pact(IP).
- **The main role and responsibility of IEM is to resolve issues raised by an intending bidder** regarding any aspect of the tender which allegedly restricts competition or indicates bias towards some bidders.
- After a contract is given in a government organization, the IEMs will have access to all the documents/records pertaining to the contract for which a complaint or issue is raised before them, except the documents having

national security implications.

- **The IEMs will examine all complaints received by them and give their recommendations to the chief executive of the organization.**
- In case of suspicion of serious irregularities requiring legal or administrative action, they are supposed to send a report to the Chief Vigilance Officers (CVOs).
- **Integrity Pact is a vigilance tool that envisages an agreement between the prospective vendors/bidders and the buyer**, committing both the parties not to exercise any corrupt influence on any aspect of the contract.

IP is mandatory for all *government organizations, public sector enterprises, public sector banks, insurance companies, and other financial institutions and autonomous bodies etc..*