State Reforms Action Plan

February 4, 2021

In News: DPIIT, in coordination with States and Union Territories (UTs), has undertaken a series of reforms to improve the business climate in the country. Starting with a 98-point Reform action Plan in 2014, successive State Reforms Action Plans have been released by DPIIT covering more areas of reform

State Reforms Action Plans

- Objective of the Action Plan is to lay out the series of reforms targeted at increasing transparency and improving the efficiency and effectiveness of regulatory framework and services for businesses in India.
- Since 2014 to track the implementation of business reforms at the State level, DPIIT in partnership with the World Bank, has been annually ranking all States and UTs based on the assessments of reforms in the specified areas of ease of doing business.
- The Action Plan is spread across 24 reform areas and seeks to promote a sector-specific approach so as to create an enabling business environment across various sectors in the country.
- The various sectors include Trade License, Healthcare, Legal Metrology, Fire License/NOC, Cinema Halls, Hospitality, Telecom, Movie Shooting and Tourism.
- The Action Plan for the year 2020 consists of 301 Reform points spread across 15 Areas.

The highlights of State Reforms Action Plan 2020

- 'Investment enablers' has been introduced as a specific area in the Action Plan.
 - This encompasses reforms related to 'Access to information and transparency', 'Investment Facilitation Centre/ Investment Promotion Agency'

and 'Online Single Window System'.

- Single Window system enabled with a dashboard has been included as a key reform area in the Action Plan.
 - The envisaged features of the single window system include online submission of application, payment of application fee, tracking of application status, download of the final signed certificate and third-party verification.
- Sectoral reforms have been introduced for the first time in the Action Plan for 2020 and these sectors are Tourism, Telecom, Hospitality, Trade License, Healthcare, Legal Metrology, Cinema Halls and Movie shooting.
- Public procurement undertaken by the Industries department has been added as a separate area in the Action Plan.
- Reforms relating to 'elimination of the requirements of renewals of certificates/ approvals/ licenses' and 'implementation of computerized central random inspection system' have been included in the Action Plan in line with Department of Expenditure (DoE) recommendations.

The top ten states under State Reform Action Plan 2019 are:

- Andhra Pradesh
- Uttar Pradesh
- Telangana
- Madhya Pradesh
- Jharkhand
- Chhattisgarh
- Himachal Pradesh
- Rajasthan
- West Bengal
- Gujarat