

Social sectors

1.71 As per the UNDP's Human Development Report (HDR) 2007, in spite of the absolute value of the human development index (HDI) for India improving from 0.577 in 2000 to 0.611 in 2004 and further to 0.619 in 2005, the relative ranking of India has not changed much.

1.72 In consonance with the commitment to faster social sector development under the National Common Minimum Programme (NCMP), the Central Government has launched new initiatives for social sector development during 2007-08. Substantial progress was also made on the major initiatives launched in earlier years. The new initiatives include Aam Admi Bima Yojana and Rastriya Swasthya Bima Yojana. The share of the Central Government expenditure on social services, including rural development, in total expenditure (plan and non-plan), has increased from 10.97 per cent in 2001-02 to 16.42 per cent in 2007-08. The National Rural Health Mission has successfully provided a platform for community health action at all levels. Besides merger of the Departments of Health and Family Welfare in all States, NRHM has successfully moved towards a single State and District level Health Society for effective integration and convergence. Concerted efforts at decentralized planning through preparation of District Health Action Plans under NRHM has helped in bringing about intra health sector and inter sectoral convergence for effectiveness and efficiency. In all the States, specific health needs of the people have been articulated for local action.

1.73 Since universalization of elementary education has become an important goal, it is also essential to push this vision forward to move towards universalization of secondary education. It has, therefore, been decided to launch a centrally-sponsored scheme viz., Scheme for Universalization of Access to Secondary Education (SUCCESS) and improvement of quality at secondary stage during the Eleventh Five Year Plan. The main objective of the programme is to make secondary education of good quality available, accessible and affordable to all young students in the age group 15-16 years (classes IX and X).

1.74 The 'demographic dividend' will manifest itself as a rise in the working age population aged

15 to 64 years, from 62.9 per cent in 2006 to 68.4 per cent in 2026. To tap this dividend, the Eleventh Five Year Plan focuses on ensuring better delivery of healthcare, skill development and encouragement of labour intensive industries.

Global warming and climate change

1.75 Issues like global warming and the resultant climate change have gained in importance in international discussions. Globally, carbon trading, has grown rapidly in recent years. There is, however, a need to balance the harmful effects of human activity on global warming against the need for poverty reduction and economic growth in developing and least developed countries. The issue of global social justice cannot be delinked from the issue of global public goods like the atmosphere. The costs and benefits to the people living in different countries and their respective contributions must be dealt with in an integrated way.

1.76 India is a party to the United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol. The Protocol provides for three mechanisms that enable the developed countries with quantified emission limitation and reduction commitments to acquire greenhouse gas reduction credits from activities outside their own boundaries at relatively lesser costs. These are Joint Implementation, Clean Development Mechanism (CDM) and Emission Trading. Only CDM is applicable to developing countries like India. Under the Clean Development Mechanism, a developed country would take up greenhouse gas reduction project activities in a developing country where the costs of greenhouse gas reduction project activities are usually much lower.

1.77 India's CDM potential represents a significant component of the global CDM market. As on 31 January 2008, 309 out of total 918 projects registered by the CDM Executive Board are from India, which so far is the highest from any country in the world. The Indian National CDM Authority has accorded Host Country Approval to 858 projects facilitating an investment of more than Rs. 71,121 crore. These projects are in the sectors of energy efficiency, fuel switching, industrial processes, municipal solid waste and renewable energy. If all these projects get

registered by the CDM Executive Board, they have the potential to generate 448 million Certified Emission Reductions (CERs) by the year 2012.

1.78 Sustained growth and resilience in the face of shocks, such as high energy and commodity prices and a slow down in world growth and import demand, have characterised the Indian economy in the recent years. Indeed, in terms of growth,

the fiscal period 2003-08 has been, perhaps, the best ever five year growth performance in the history of independent India. Yet, there are a number of challenges that need to be addressed if the current growth momentum has to be sustained in the coming years. Chapter 2 highlights some of these challenges, policy options and prospects for the Indian economy.

