

## Suspension of MPLAD Scheme

### Why in news?

The Centre suspended the Member of Parliament Local Area Development (MPLAD) Scheme to use its funds for COVID-related efforts.

### What is the MPLAD Scheme?

- MPLAD is a central government scheme.
- Prime Minister P V Narasimha Rao announced it in Lok Sabha (1993).
- Each MP can recommend development works involving spending of **Rs 5 crore every year** in their constituency.
- MPs from both Lok Sabha and Rajya Sabha can do so.
- Over the years, it was adopted and adapted by state governments.

### How does the scheme work?

- MPs and MLAs do not receive any money under these schemes.
- The government transfers it directly to the respective local authorities.
- After the legislators give the list of developmental works, the district authorities as per the government rules execute them.

### How can the legislators recommend the works?

- The legislators can recommend works in their constituencies based on a set of guidelines.
- The guidelines focus on the creation of durable community assets like roads, school buildings, etc.
- Recommendations for non-durable assets can be made only under limited circumstances.
- The guidelines for use of MLALAD funds differ across states.

### How long are the schemes supposed to continue?

- The central scheme has continued uninterrupted for 27 years.
- It is budgeted through the finances of government.
- It will continue as long as the government is agreeable.
- In 2018, the Cabinet Committee on Economic Affairs approved the scheme until the term of 14th Finance Commission (March 31, 2020).

## What has been the impact of the MPLAD scheme?

- Until 2017, nearly 19 lakh projects worth Rs 45,000 crore had been sanctioned under the MPLAD Scheme.
- Creation of durable assets of locally felt needs has positive impact on the local economy, social fabric and feasible environment.
- Further, 82% of the projects have been in rural areas and the remaining in urban/semi-urban areas.

## What are the criticisms of the scheme?

- It is **inconsistent with the Constitution** as it co-opts legislators into executive functioning.
- The workload on MPs created by the scheme diverted their attention from holding the government accountable and other legislative work.
- The Second Administrative Reforms Commission (2007) recommended the discontinuation of this scheme.
- There is a claim of **corruption** associated with allocation of works.
- On many occasions, the Comptroller and Auditor General has highlighted gaps in implementation.

**Source: The Indian Express**

