

DISTRICT POVERTY INITIATIVE PROJECT RAJASTHAN



PROJECT IMPLEMENTATION PLAN (JULY 2000 – JUNE 2005)

**WITH ASSISTANCE FROM INTERNATIONAL
DEVELOPMENT
ASSOCIATION (IDA), WORLD BANK**

**RURAL DEVELOPMENT (DPIP-PMU) DEPARTMENT
GOVERNMENT OF RAJASTHAN**

Project Objectives

The long –term goal of the District Poverty Initiatives Project is to reduce poverty in the selected district of Rajasthan, which are the amongst the poorest in the state. The project development objective is to improve the living standards of specific groups of the rural poor by organizing them, building their capacities and empowering them to increase their access to infrastructure, services and resources that address their priority social and economic needs.

The project aims to develop and implement a new direct approach to poverty reduction based on the enhancement of institutional capacity for participatory planning and execution of poverty reducing interventions. The project will (a) mobilize the poor and help them develop strong grass root organizations that enable them to access and participate more fully in democratic and development processes, (b) improve ability of non-governmental, government and elected government (Panchayati Raj) institutions to 'hear', reach and serve the poor and to function in a more inclusive and participatory manner, (c) expand the involvement of the poor in economic activity by improving their organization, skills, access to social and economic infrastructure, services, employment opportunities, and (d) support small scale sub-project activities that are chosen, planned and implemented by the poor.

Keeping in view the above objectives, the project will ensure:

- A) Community mobilization and active participation of project beneficiaries.
- B) Implementation of demand driven sub-project activities by and for the rural poor.
- C) Education of poor communities in project identification, preparation of proposals, modes of execution of subprojects, and self assessment of benefits.
- D) Total transparency in funds flow, approval procedures, and beneficiary and agency selection
- E) Beneficiary contribution and maintenance of assets.
- F) Right to information of project functionaries, beneficiaries and outsiders,
- G) Complete flexibility in selection of activities by the poor to benefit them directly or indirectly.
- H) Skill improvement of beneficiaries and introduction of appropriate methods designs and technologies and quality improvement to make the products remunerative.
- I) Development of marketing support and other backward and forward linkages.

The project aims to reduce rural poverty by addressing two core issues-

(i) The capacity of the poor to address their poverty:

Related efforts will include: Increasing poor people's access to information and education; improving health and nutrition; initiating group-based income generating activities along with skill improvement of the poor in order to yield enhanced income.

(ii) The conditions which create a high incidence of poverty:

Related activities are: utilization of available waste and barren lands for productive use, upgradation of facilities for cultivable lands, infrastructure development to provide employment in the short run improve access to services, especially better market linkages to improve returns to the output of poor groups establishing forward and backward linkages.

Criteria of selection of Districts under DPIIP

The World Bank had suggested that 20 percent of the total districts in the State be included in the project. Accordingly, seven districts have been selected on the basis of following criteria.

Several indicators were used to rank all the districts in the state to compare their levels of development. The indicators were agreed between the state government and the International Development Association (IDA). Reliable and representative information was collected on each of these indicators for example from census data. The indicators are.

1. Proportion of SC/ST population to total population.
2. Proportion of agricultural labourers to total workers.
3. Proportion of workers engaged in manufacturing to total 'workers'
4. Kilometers of road per 100 sq. Kms. of area.
5. Female Literacy
6. Literacy of all persons.
7. Proportion of villages not having a primary school within 5 kms.
8. Proportion of villages not having a health facility within 5 kms.
9. Net area sown to total cropped area.
10. Irrigated area to total cropped area.
11. Cropping intensity.
12. Per Capital rural income.

The final list of seven poorest districts was therefore:

1. Baran
2. Churu
3. Dausa
4. Dholpur
5. Jhalawar
6. Rajsamand
7. Tonk

Subsequently, all the blocks of these districts were prioritised on the basis of poverty indicators including the non availability of infrastructure facilities, social amenities and individual poverty levels.

The project is intended to cover the poorest villages of each block district on a priority basis. Villages meeting any four of the following criteria are to be selected:

1. Not accessible by a B.T. Road.
2. Having a combined total of more than 10 percent Scheduled Tribes and/or Scheduled Caste.
3. Having a female literacy rate five percentage points or more, below the district average female literacy rate.
4. Having a cultivable area equal to five percentage points or more, below the district average cultivable area.
5. Having more than 10 percent of landless households.
6. Having more than 10 percent of female-headed households (widows, single mothers, etc).

It is recognized that the districts/blocks in the project may have:

- People Poverty
- Area Poverty and/or
- Resource

Consequently the selection of villages was done on the following basis.

(A) Indicators of People poverty:-

The selection of villages has been done on the following norms

(B) Indicators of Area poverty

The criteria for identifying villages under the head 'area poverty' were based on the distance of the village from infrastructure facilities and social amenities, viz

1. Road.
2. Communication facilities- (post office, STD-PCO).
3. Educational Institution-Primary/upper primary school
4. Medical Institution.
5. Veterinary institution.
6. Marketing facilities.
7. Fair price shop.
8. Diesel petrol outlet.
9. Electrification.

In addition, points were provided for the following conditions:-

1. Drinking Water problem (Salinity, fluoride contents more than 3 PPM).
2. Location of villages in the Dark Zone (in hydro-geological remote sensing maps).
3. Lack of any industrial activity in the village.
4. Non-availability of forestry, of pasture area in a village.

(C) Indicators of Resource Poverty

Resource Poverty refers to the non-availability of usable natural resources in a particular area. Two aspects were considered:-

Irrigation facilities

Cultivated area to total geographical area

During the project villages will be covered on the basis of their weightages ranked in descending order. The prioritisation of five clusters in the first two poorest blocks of the project districts for coverage in the first year of the project was done on the basis of the above criteria. These criteria will serve to guide the coverage of areas in a phased manner throughout the project. The project districts are of different agro-climatic zones with different geo-physical conditions. The districts are sub divided into blocks (Panchayat Samitis) varying between 4 to 7. The total numbers of blocks in all the project districts are 42. Dholpur is the smallest district with 4 blocks, followed by Dausa with 5 blocks. Jhalawar and Tonk districts have 6 blocks each and the remaining districts- Baran, Churu and Rajsamand – have 7 blocks each.

During the first project year, the first cluster of first and second poorest blocks will be covered with project activities. In the second year second and third poorest cluster of same blocks will be covered. And in the third year remaining two clusters of these blocks will be covered. In addition, third poorest block will be taken up in Baran, Churu, Jhalawar, Rajsamand and Tonk. The remaining blocks will be taken up in the fourth and fifth year of the project. The Phasing of clusters and blocks from the first to fifth years of the project is given in the table attached.

Project Strategy & Process

The blocks have been delineated into five clusters taking care that the Gram Panchayat units remain intact in one cluster or the other.

Project Strategy

1. Community mobilization and organization

Identified NGO in each project district will recruit Community Facilitators (CFs) preferably from the same village / block/ district. One Community Facilitator will cover three villages on an average. The NGO along with their team of resource persons and community facilitators (CFs) will begin the process of community organisation and village level entry programmes. The entry programmes include: awareness generation in the fields of health, hygiene, literacy, environment, poverty alleviation and other programmes under execution in the communities in clear and accessible language in order to help them understand the type and nature of activities that can be taken up by them for their own benefits.

The above efforts aim to initiate the process of community mobilisation, groups formation and generation of community confidence, by educating the beneficiaries and assisting them to identify small-scale, group based sub-project activities which can be completed within one year and from which benefits start accruing immediately.

The focus of the community mobilization effort will be on the formation of common interest groups (CIGs) and Village Development Association (VDAs), All members of a CIG will be BPL families and in each CIG, the poor will take up an activity based on their common interest and their socio-economic conditions. The group is the basis for almost all sub-project activities, and each group will get imparted training at the village level according to the activity to be undertaken by it, e.g. for adoption of improved design and quality of the micro enterprise product, for undertaking infrastructure development for sustainable functioning of the sub-project activities etc. Each village will have a VDA which will be a general body headed by the Sarpanch. The Executive Council of the VDA will have representation from all CIGs as the CIG chairperson will be members of VDA/EC. Each CIG will also elect its Chairperson from amongst the group members.

The chairpersons of the CIGs will constitute the Executive Council of the village Development Associations of whom all beneficiaries are members. The Chairperson of VDA will be the Sarpanch of the Gram Panchayat. The Community Facilitator for the village will be the member secretary of VDA/EC. He/She will be responsible for maintenance of accounts and correspondence with DPMU and will be responsible for convening the meetings of VDA, recording proceedings, and sending them to DPMU for information. The meeting of the VDA will be held at least twice in a year. Other members of the VDA will be: members elected /nominated from the poor community by Teh gram sabha, and ward panchas of the village in gram panchayat. The executive committee of the VDA will be

responsible for overseeing managing the implementation of the project at the village level.

Community Investment in Subprojects

After the formation of CIGs and initiation of completion of village level entry programmes, the CFs will assist the CIGs to first identify and prepare sub-project proposals for activities that the poor want to initiate. The NGOs will provide technical assistance for the preparation of these proposals keeping in view the sub-project appraisal criteria which will be made available by the DPMUs to all project functionaries. The proposals will contain information on the beneficiaries contribution in terms of cash/material/labour and procedures for implementation and management of subproject. The mode of execution will also be decided by the CIG, and will be specifically mentioned in the sub-project proposal.

The overarching strategy for project implementation is, involvement of the beneficiary group in the selection of group activity, preparation of the sub-project proposals. The involvement of beneficiaries is also extended through the formation of village level organizations and development of their capacity to take over the management of micro projects and the maintenance of assets that have been created.

The sub-project proposals prepared with the help of the CF will be forwarded to District Project Management Unit by the CF for approval and requisite sanction from the District level community investment fund. A maximum of 15 days has been fixed for money sanction from the date of submission of the proposal to the DPMU. The District Project Manager and staff (Project Appraisal Officer) will process the proposal per the subproject appraisal criteria and will issue the approval sanction. After approval of the activity and receipt of funds the implementation process will begin. The project proposals will be placed before the District Project Co-ordination committee for post facto agreement by it.

Project Components

Keeping in view the two main sets of processes above the project has three components:

1. Capacity Building
2. Community Investment Fund (CIF) and
3. State and District level project management.

Of the three components, the Capacity Building is the basis of the project, the CIF finance sub-project activities to be executed by the rural poor and the Project Management component is meant to provide the requisite support in the form of specialized services, guidance management and monitoring.

(a) Capacity Building

This component includes provision of organizational, educational and technical support to the poor community in the total project process. Empowerment of the rural community will be achievable only if and when all the

requisite support is made available at the village level itself for formation of strong institutions and improvement of levels of information and awareness. The technical support may be in the form of skill improvement, training for quality up-gradation of products or adoption of improved designs to yield remunerative returns from this produce or building the institutional and infrastructural support. Training will be provided to all levels of people involved in the project, including personnel of the SPMU/DPMUs, line departments and PRIs.

(b) Community Investment Funds (CIF):

The activities to be financed under this component are demand-driven community based sub-project selected by the Common Interest Groups (CIGs) VDAs or in time, the ward/Gram Panchayat. Each CIG will be required to contribute to the cost of the sub-project in the form of cash, material or labour. The beneficiary group will also be responsible for maintenance of assets created. In the case of micro-enterprise activities each beneficiary will be motivated to develop saving habits and the savings will be deposited in to group kosh, from which small loans may be taken by members and returned. The larger working capital requirements will be obtained from financing banking institutions and the group (s) will be required to pay back as per the banks terms and conditions. The funds made available from the CIF will be given to the beneficiary groups for the creation of infrastructural assets which would e jointly owned and managed.

(c) State- and District-level Project Management:

This component will finance incremental operating costs, staff; technical assistance; consultancies; vehicles; office equipment; supplies; workshops and study tours, monitoring and learning systems including continued social assessments, studies and documentation.

Methodology

The methodology for arriving at the identification of sub-project activities starts with successfully carrying out activities. This is the most essential component, and identified NGOs in the project districts and their Community Facilitators will be trained to carry out the process systematically. It is critical that the poor community takes active interest in the total project process. The credibility of the NGOs and Community Facilitators will be tested on creation harmonious environment, and resolution of any social conflicts which may arise. To ensure that the communities are empowered over time. It is critical that the processes that will ensure capacity development are gone through conscientiously and scrupulously. This is a painstaking process but the future of the project and the outcomes that have been planned will depend on it.

The following activities will be critical to the success of the project.

1. Organisation of the community into representative groups, wherein the disadvantaged section, especially women, form the core beneficiaries;
2. Imparting of necessary technical, managerial and other capabilities;

3. Putting up on offer a range of sub-projects from which CIGs will be able to choose their activity of interest and being able to respond to the requirements of a subproject suggested by the CIG;
4. Providing adequate financial support to take up activities subproject;
5. Creating and improving the accessibility to basic minimum services, namely health, education sanitation, communications etc especially in inaccessible areas;
6. Building the capacity of the community to manage assets crated under DPIP;
7. Assisting the community to optimize the utilization of natural resources, e.g., community land, water forests etc. and encouraging maintenance of ecological balance;
8. Up-gradation of simple, local easily-affordable technological skills, and of institutional arrangements that assist in implementation of subproject activities;
9. Setting up carefully planned income-generating activities with clear marketing tie-ups and linkages;
10. Development of the human resources of the village through self and wage employment;
11. Sub-projects that is consistent with regard to cost recovery, environmental protection, and socio-cultural practices of the local people.

Anticipated results

Projects are expected to lead to the following achievements.

- a) The village communities will be organized into homogeneous groups based on their need and common interest. These groups will achieve sufficient commitment from their members and take all their decisions by common consensus. The village community group representatives will be members of the VDA, and the VDA will act as a mechanism for taking decisions and undertaking activities at the village-wide level.
- b) The CIGs will have been suitably trained to ensure that technological, managerial and organizational skills required to successfully undertake further subprojects exist to a level that project continuity even after withdrawal of DPIP support is ensured.
- c) All the sub project activities that are taken up with the project funds will be completed by the community groups and have appropriated financial managerial and institutional arrangements to carry on as need beyond the project, making them sustainable.

Some criteria for gauging success would be:

- a) Qualitative and quantitative measurements of physical and financial progress of the subprojects at the CIG level, VDA level and District level;

- b) At least 70 percent of poor families will have crossed the poverty line in the project villages;
- c) There will have been an overall improvement of economic, social, and environmental conditions of the village community in all three "types" of poverty-people, area and resource.

Project Process

A. Initiating the Project

The project initiating phase will be amongst the most critical of all phases. Outreach is one of the most crucial activities under the CPIP from the point of view of the roles to be played by outsiders. This phase essentially deals with organisation of the community.

Activities under this phase will be co-ordinated by the District Project Management Unit in close collaboration with identified NGOs at the district or the block level. This may vary from one district to the other and will be based on the availability of sufficient competent NGOs to work in the area. The NGOs will take the lead role in collecting and processing required information and activities related to community organisation.

Community facilitators (CFs) will be appointed by NGOs in the project districts on the basis of criteria laid down by the project. The NGOs will be responsible for their performance. The DPMUs will oversee project performance overall ensuring that the NGOs and CFs are following project principles and procedures.

Awareness building and other sensitization activities would be initiated in the districts during this preparation phase and continue through out the project. The CFs will undertake participatory resources mapping and the basic survey required for planning of DPIP activities.

The baseline survey and analysis of village problems, natural resources and the other important aspects are also to be undertaken during this phase. PRA techniques will be used extensively for these purposes. Information gathering is however only one of the objectives of the PRA exercises. The more important objective is to interact with the village community in small groups to understand their perspective, perceptions and of the important problems and common understanding of the village community priorities. This will enable the project managers and the village community to arrive at a common outline of an action plan for the DPIP activity execution in a village.

Training will form an important component of this phase. The lead training agency appointed by the State DPIP-PMU will organize training for all those involved in the project from the top level project managers the community facilitators. The training contents will be developed and the training agency will work intensively to train the main functionaries in the project as soon as

possible. The project managers will provide the lead-training agency with complete information on the current situation of the project at all times. Training under the project will be a continuous process.

As proposed, the community facilitator will make the first move in the project villages. It is however emphasized that the Community Facilitator will not approach the village under any financial or administrative pressure until he/she has completed the first round of training.

Approaching the Community

Roles of the Community Facilitator: The community Facilitator is the key to the success of the project. He/She will have to be the best-informed person on behalf of the project and will represent the project at the village level. He/She will thus have to be given a position of importance and must feel it. He/She must internalise the project concepts and goals, and all activities undertaken by the CFs as part of DPIIP must reflect the goals of the project.

Although the CFs will be a part of NGO staff, the DPMU will also take the responsibility to ensure that the CFs are trained by appropriate agencies identified by the lead training agency on matters that make his/he performance effective. This will include training in participatory methods, exposure visits, provision of study and practical materials, discussion with resource persons and subject specialists for identification of appropriate technological options etc. Training is a critical component and the DPMU will have to ensure that it is therefore not subjected to any short cuts or irrational external pressure.

Activities

The roles that CFs is to play require extensive planning and organisation. This will be done by the NGOs at the district, and the NGO will guide the functioning of the CF's. The finer classification of roles will be done by the NGO based on field realities, and the special interventions that may be required in the district. However more generally, the roles will include the following activities which will get the project going in the district.

The CF will follow every PRA done with efforts towards community organisation (formation of groups). The CF would prepare a schedule to ensure that all the PRAs and follow up actions in village are completed within a reasonable time.

The CF will on the basis of the PRAs and the subsequent group formation and follow-up meetings finalize the details regarding the type of training programme to be organized, number of people to be trained (including PRI representatives, CIG / other women's group members etc). Other details related to the identification of the resource persons, amount to be spent towards ancillary activities, field visits and the NGO's additional inputs will be worked out in consultation with the district administration.

The CF participate in the training in the villages, which will cover as wide a range of persons as possible- PRI representatives, women, village elders and leaders. it

will be necessary to explain the concepts, philosophy methodology of the project and to this wide range of stakeholders. This could be done through village level workshops and would help clarify the roles that each would play to ensure the success of the project. The CF will organize such events with the help of the NGOs and resource personnel identified by the lead training agency and DPMU. These village level workshops will also attempt to provide an understanding of issues related to setting up group activities, the need for focussing on natural resource management, setting up village industries, and the immediate productivity problem and priorities of village.

Such workshops will help things get started in the villages and provide the CF with entry points that he/she could constantly and continuously use. Subsequent meetings and interactions will provide the CF opportunities to discuss issues such as equity among the resource-endowed and others, equity considerations in gender, income generation and value addition of production, environmental considerations, technology interventions, social systems for resource management and other matters that are of critical importance to the projects goals.

The CF will undertake tasks assigned by the NGOs in respect of villages falling in their purview, and carry these out while keeping in contact the NGO and DPMU. The CFs will be provided training by identified training agency. They will work in other areas of the blocks after completion of tasks in the assigned villages. The NGOs will work in the project district areas jointly decided with the DPMU and will provide the support needed by CFs and village groups including in some instances technical help through their specialized teams. The NGOs will also liase with the respective DPMU to provide all the requisite support to project villages.

B. Community Organisation

Following initiation of the project the actual activities of community organisation will begin. The project visualises two levels of community organizations in the villages. The first is the Common interest Groups (CIGs), who come together on the basis of a common priority or interest shared by people in the village.

The Village Development Association is a second level of organisation which may represent a wiser or even the entire village. it is formed of the members of all CIGs in the village habitation.

(i) The CIG's

The CIGs are small groups and may not represent the concerns of entire village. The CIGs would be more cohesive groups and would be directly responsible for around 10 families which get together to take up a project which addresses a livelihood, productivity or similar problem confronting them and helps them to overcome their poverty. Participation in CIGs will be from identified poor families.

The CFs will arrange open meetings of all stakeholders and potential beneficiaries in the villages to orienting them to the role of groups and to discuss the criteria and methods to be used for the formation and sustenance of homogeneous groups.

The CF will assist the village communities to develop CIGs based on their understanding of the problem they aim to address. He/She will try to ensure that

the factors that the evolving CIGs are suggesting as grouping factors will be workable and genuine. The parameters for such an assessment will be developed by the NGO with Community Facilitators, to ensure that specific local conditions are taken care of and will generally be based on understanding of social dynamics, the problems identified, and possible solutions. For some problems which affect the entire village, more than one CIG may be formed if necessary. The CF would help the CIG members devise norms for meetings, membership roles (particularly for accomplishing group action needed for implementation of their community activities. The process of coming together will take some time. Once the CIG have come together, there will be a clear identification of the objective(S) of CIG and a work plan and schedule will be formulated. It will be in the interest of the CIG to adhere to the plan and obtain required support from the CF, the NGO, and the District Project Management Unit.

It is very important that the CIGs build capacity to function as a viable social unit. The requirements of participatory management are varied and complex. The groups will need to learn from others as well as form their own experiences with the sustained help of the CF, The CIGs will have to emerge as competent units, and the primary responsibility of ensuring that this happens will be that of the CIGs be well trained for their activities. The CFs will link up with the agencies identified to provide training. The training will be on aspects of group development and participatory management, information required by the CIG members and on practical skills needed by specific CIGs for their chosen activity. CIG members could also be taken for visits to research stations, successful watersheds, KVKs, etc., where they would see demonstrations of successful technologies/practices/designs that are relevant to them. The DPMU and the Lead Training Agency will organize such visits and training. The use of audio-visual and other media would help increase awareness and motivation among CIG members.

(ii) The VDAs

The VDA is the larger operational unit in the village habitation. It is to be formed as a member body of all the CIGs in the village. The VDA will provide the organizational structure at the village level, and some activities of the project will be implemented through it.

After the entry point activities have been successfully completed, (the emphasis here is on successfully) and some basic units in the form of CIGs have been formed, the CF will facilitate the organisation of a general body in the village.

The level of preparedness for VDA formulation within the village will have to be worked out by the CFs and NGO in consultation with the CIGs. They could first form a rudimentary VDA. The VDA will not be rushed into or formed overnight. The rudimentary VDA would gradually be developed into a full-fledged village organisation. It is not possible to identify a time frame for this happen. The decision on the numbers of such VDAs to be set up would be taken by the CFs and the NGO based on their assessment of the situation. The process of forming CIGs and VDAs will be monitored also by the independent process monitoring agency and will therefore be amenable to corrections throughout.

To ensure and organic link with the Panchayati Raj system, the sarpanch of the village will be the Chairperson of VDA. The Deputy Chairperson will be

elected by VDA and will oversee the day to day work of the VDA by heading its executive committee. To ensure gender balance either the Chairperson or Vice Chairperson would be woman. The CF will provide constant support to the process of VDA formulation and development and assist the CIG members to elect their representatives to the VDA. All members of poor families identified by the CF through PRA and other methods will be part of the gram sabha and the VDA will have representatives from the wider group of people. The VDA would formulate its rules for officers, elections etc.

The VDA members (representing the CIGs, PRIs and other poor) could formulate plans for wider village improvement. This would ensure synergies with the activities proposed by the CIGs and avoid duplication in the event of overlap; the VDA would reconcile the activities suggested by different CIGs and assist the CF, NGOs and DPMU to oversee their harmonious implementation.

The VDAs and CIGs will work out their own Subproject implementation plan and the budget for the activities. The subproject activities to be undertaken, will be approved by the DPMU and funds will be released to the CIGs or VDA for execution of activities.(see the section on subproject appraisal for details)

C. Sub-Project – Preparation, Appraisal and Approval

(i) Training Of CF, NGOs and VDA Members for sub-project Implementation

During the preparatory phase and during activities related to community organisation, the CIGs will be provided with training related to various needs, options, that exists for them and tasks to be done. During this period they will draw upon their experience and understanding to select an activity that they would like to undertake. Once community organisation activities have picked up, the groups will have to be supported to undertake activities which they wish to. This will require additional and in some cases specialized training.

The lead training agency and DPMUs will organize a workshop-cum-training programmes for CFs, NGOs/and CIGs and VDA members to discuss the modalities for implementation, procurement of inputs, reporting and reviewing odd progress and to orient implementation. These include:

- a) Records to be maintained
- b) documentation of participatory processes
- c) reports of physical progress
- d) reports of financial progress
- e) Group members are to work out their own schedule of activities for the implementation phase. This includes: meetings to review their activities, field visits, supervision, monitoring and documentation's. Guidelines to assist them will be prepared and circulated by SPMU/DPMUs.

(i) Subproject Proposal Preparation:

The Community Facilitator would assist the CISs in the processes of selecting activities and developing proposals. These proposals would have to be presented by the CIG in an acceptable format. The proposal would be reviewed by the DPMU (or designated NGO) for technical feasibility. The CF will help the groups to prepare budget estimates in consultation with concerned departments/ agencies

identified in the proposal as potential executors of the activities. The following steps would be involved:

Preparatory meetings during which formats which are to be filled by the Common interest Groups for their specific proposals are discussed and understood. Formulation of proposals by Common interest Groups with the CF. Initial review and consolidation where possible of proposals by CF/NGOs. Scrutiny by the DPMU (see below). Facilitation of group action and conflict resolution if needed by the VDA.D

Preparation of budget estimates with the help of Line departments in case the CF/CIG/VDA need assistance. Summarization of eligible proposals by CF, and submission of proposals to District-PMU for approval.

(ii) Preparation Pf Proposals and Budget Estimates.

The CFs will orient CIG/DA members about preparation of budget estimates to be prepared in consultation with respective specialists of NGO. CF in consultation with the VDA, the CIG, and CF will finalize the location and specifications of proposed structures/ activities and work out the details odd execution of works.

The CF will also ensure that the concerned beneficiary groups make the key decisions about their subprojects and at the same time that they have given their commitment to the activity especially if it involves construction, repair and maintenance work paying up-front contributions before the implementation begins, willingness to abide by decisions of the group related to group actions and of the VDA in the case of conflicts needing resolution.

The subproject proposal will also contain a schedule of expected installment payment with specified benchmarks. This is necessary so that funds can be made available to the CIG/VDA on a timely basis.

(iii) Approval and Prioritisation of Subprojects

The District PMU will examine these proposals and if they are found workable, provide the administrative and financial sanction for each sub-project.

Sanction of the proposals will be accorded by the following authorities:-

1. By the District Project Manager with : Up to Rs. 12.5 lacs
approval of the Additional Collector
Development/District Collector.
2. District Project Manager with the : More than Rs. 12.5 lacs
approval of PCD/Collector/ and SPMU.

Technical Sanctions will be accorded to each sub-project activity by the DPMU after consultation with the appropriate experts.

These approvals will be granted only after consultation of the Subproject Appraisal Manual prepared for the project or with the Subproject Appraisal Consultant for any activity outside the scope of manual.

In the case of construction activities such as roads, anicut; the assistance of an Engineer/Executive Engineer in the district who will be a consultant to DPMU will be obtained to finalize and approve the technical specifications. The arrangement has been made by specifying COIN (Consultant for infrastructure) in each project district.

If at any stage of the project the proposals from CIGs require larger amounts of funds than available under the project, first priority will be given to the groups in the poorest villages (as per weightage ranking criteria done by each DPMU) who have proposed activities relating to development of and/or access to common resources (land, water and perennial vegetation). The decision on this aspect will be taken by DPMU or VDA and endorsed in the general body meeting. The eligible proposals would be prioritised by the VDA in the general body.

The DPCC will be kept informed of all project activities especially subprojects. It will play a role in ensuring co-ordination and collaboration among the various agencies involved.

(iv) Subproject Implementation and Supervision

The implementation of subproject activities is to be carried out by any agency selected by the CIG or VDA including through the community itself. The quality of works is to be maintained by the groups taking direct interest in the implementation of project activities. The CF's role is to facilitate the community and review progress periodically. It is therefore crucial that the capacity of executing agency is adequate for effective implementation of works, maintenance of records, and submission of progress reports. Activities may be inspected by appropriate officers if required to ensure compliance with specifications and budget estimates.

In the case of conflicts (e. g. between the inspecting officer and the community) it will be resolved amicably by District Project Manager in consultation with CIG, VDA, NGO and other implementing agencies.

D. Management of Subproject Funds

An important aspect of the proposed project is the management of funds directly by the persons who will be understanding and benefiting from the activities that will be financed. After according technical and financial approval, the DPMU will advance the first installment of funds from the district-level Community Investment Funds (CIF) to the groups, Subsequent installment will be paid upon completion of agreed benchmarks.

Each Common Interest Group will open a bank account to operate the funds received by them from DPMU for developmental work initiated by them in the village. Contributions received from the community (per their proposal) and funds collected by each CIG for the maintenance of assets created under DPIIP will be put into this account and managed by the group.

The use of these funds and the operation of the bank account will be managed in transparent manner. The account will be jointly operated by the Chairperson of CIG and CF.

E. Review and Monitoring of Progress.

Monitoring the progress of the activities taken up by the CIGs and VDAs will be done firstly by the groups themselves with the CF and the NGO. The CF and the NGO will organize monthly meetings to review the progress of tasks to be performed, and identify constraints (if any) in implementation. The District-PMU will organize monthly CF/NGO meetings to review the overall progress in

their village and work out modalities to address any constraints in implementation of the project.

The CF will maintain qualitative documentation through diaries, notes, case records etc as designed by the process monitoring agency in consultation with NGOs, CFs, CIGs. (See Financial Management Section below) This will facilitate understanding of the processes taking place in the project and enable appropriate inputs to be provided to the CIGs and VDAs. Qualitative records will give better picture of the sequence of activities undertaken during the implementation of the project and how these can be streamlined and accelerated in time.

The Community Facilitator will maintain the accounts of the VDA and CIGs or ensure that a suitable person is engaged to do so. He/ She will keep all vouchers and records and will ensure that actions required at this level for proper financial management of the project are carried out.

The Process Monitoring agency will work out the details of monitoring activities and methods with help of the NGOs, the CFs will organize a review meeting of each VDA and set of CIGs, and evolve locally appropriate criteria to judge the progress and success of activities that are being undertaken. The CF will organize meetings to review physical and financial progress of works under DPIP. The VDA general Body will also review the completion of project activities and words relate these to the selected criteria. Based on experience, methods to improve subsequent actions will be evolved.

Overall progress will be assessed on the basis of criteria mentioned above. It is proposed that

- Each CIG along with the CF make its own assessment regarding planes completed items pending, problems faced, and lessons learnt corrective measures taken and overall progress. They will prepare reports in a narrative form.
- The DPMU will make its own assessment of each of the items mentioned above.
- The DPMU will review whether the quarterly reports of the CIGs/CF have been submitted in time and ensure that feedback has been sent to them. This report will also be in narrative form.
- The DPMU will arrange workshops with CFs, CIGs and VDA chairpersons from each village to identify gaps/ shortfalls and work out the details for completing activities in each phase, overcoming deficiencies in functioning of the institutions concerned and further building capacity.
- The agency responsible for process monitoring will evaluate the report of activities and submit its report to the DPMUs and SPMU. These reports will be carefully examined in the SPMUs at both the levels and in case of serious problems a team will visit the CIGs and VDAs and take appropriate action. Such events will also be brought to the notice due the World Bank and the report made available to them.

A quantitative and qualitative assessment of overall project implementation will also be undertaken including implementation of works, and progress of activities during the previous year. A final project evaluation will be carried out by an independent agency in the fifth year of the project to determine the project achievements.

F. Subproject Maintenance Phase

The maintenance of assets created through subprojects will be done by the community in the case of community assets or by the CIG in case of group assets. The budget required for this is expected to be raised by member contributions during the implementation phase for at least the first year of maintenance.

The CF, NGO, and DPMU will encourage the CIGs or VDA to workout modalities for maintenance and repair of works, which are executed with financial support from the project. There will be a pre-condition in each sub-project which calls for maintenance of the asset by the community/group and they are expected to abide by the condition.

G. Subproject Evaluation Phase

The evaluation phase is one of the most crucial to establish the overall success of the project and hence it requires the serious attention of the community, DPMU and also SPMU. Evaluation will be done at three namely: internal evaluation by beneficiaries themselves at the end of one year of implementation; med-term evaluation jointly by beneficiaries as well as others; and impact assessment by an external team after completion of the project. The internal evaluation will help to modify project approaches based upon actual field experience. The mid-term evaluation would help to assess whether the project is going in the right direction; and the impact assessment will provide feedback on the success/ failure of specific interventions. The success stories will help to replicate the experience and to provide feedback on policy related issues to the government for future considerations.

Main Risks

The main risks associated with the project are given below. Suitable measures will be taken in the Project to address these issues and ensure that potential adverse impacts are eliminated or at least reduced. To do so wide awareness of the risks is necessary.

Project Complexity:

The project is innovative, and involves multi-sectoral activities at the district level and below. Management of such a project is difficult especially as it requires changes in traditional approaches. The project will mitigate this risk by extensive training constant monitoring.

Personnel:

This project to be executed through contractual staff. Since the jobs are not of a permanent nature personnel may leave for better opportunities resulting in high turnover. This in turn will slow down project processes. The project will ensure remunerative returns to personnel and provide good opportunities to encourage staff to stay in place.

It is also important that the staff selected for the project (SPMU, DPMU, NGOs, CFs etc) be sensitive to the poor and concerned. In the absence of such people the effectiveness of the project would be adversely affected. This factor will also be kept in mind during selection and placement of staff.

Consultancies:

A large portion of the work is expected to be done by external consultants. Timeliness and quality of products are some of the risks inherent in this approach. The project will attempt to engage consultants early to undertake critical tasks and ensure that the best people/ institutions are selected for work.

Conflicts in the villages, VDAs and CIG:

Due to social divisions and problems between 'haves' and 'havenots' in the villages, the project may be slow to progress in some areas. The DPMs and NGOs in the districts will be responsible for being aware of such potential conflicts and taking remedial measures when any problem crops up. These measures include meetings, planning joint activities and undertaking some subprojects that benefit the wider community.

Marketing of Outputs

Activities selected by beneficiaries for income-generation may not have adequate marketing facilities and hence the development may be slow or ineffective in reducing poverty. Situations may arise in which outputs are not marketed in time or in the quantities desired. In this connection, while sanctioning the sub-project activities, the DPMU and NGO will make efforts to develop a marketing network. Efforts will be made to assess demand for specific products and encourage those with good market potential.

Credit Support:

Income generating activities need credit support available from credit institutions. However the credit institutions have some constraints and the timely availability of credit is a matter of concern. Lack of credit will hamper the progress of micro-enterprise activities. Therefore the project will work with the local bodies to sort out such problems. These institutions will participate in the meetings of DPCC organized by District Collectors, so that they are an integral part of the project.

Maintenance & Sustenance of Assets:

The project has built in mechanisms to ensure proper maintenance of sanctioning of sub-project activity, that procedures for maintenance have been incorporated in the proposal and agreement with the beneficiaries, including collection of contribution for the first year of operation and a system for subsequent years.

Non-utilization of Funds:

A general problem of externally aided projects is that funds approved for the project period and for each project year are not spent in totality. In this project a major effort will be made to build capacity amongst the poor to undertake the subprojects. Until such capacity is built, it will be difficult to ensure proper use of project funds. Conversely, when adequate capacity and systems are established it is expected that the funds in the CIF(which are about 78% of the total project) will be spent rapidly and well. The DPMUs and SPMU will constantly monitor project schedules and expenditures.

NGOs

In this project crucial roles have been assigned to NGOs and CFs. The success of the project will depend upon their positive and effective involvement. In some cases however, there may not be adequate numbers or quality of NGOs. For this reason, the project also aims to build NGO capacity which will entail time and effort.

His relationship between the NGOs the DPMUs and other government agencies is critical. It needs to be maintained at a good working level, and there be complete trust project would suffer immensely. Under the capacity building component the project will organize joint vision building and training activities which will address this need.

Subproject Processing delays:

The project has defined a system to sanction sub-project activities in a short specified time. However in some cases the sanctioning process may be unduly delayed and affect the subproject schedule, leading to and non-completion of activities in the stipulated time especially those affected by the monsoon season.

Financial Delays:

Alternatively the expected financial support may not be timely. For example, there could be delays in transferring funds to the bank accounts of the CIGs /VDAs. This would affect both the physical progress of the project and the attitude of the beneficiaries to the project activities, and so, care will be taken to avoid such situations.

Project Costs

Annual Phasing

In order to execute the project effectively, coverage of the project districts has been phased area wise. This phasing of areas was done on the basis of need. All the Panchayat Samitis in the project districts were prioritized on the basis poverty indicators. In each project district the two poorest blocks were disaggregated into five clusters on the basis of their social and geographical characteristics keeping Gram Panchayats intact in each cluster.

During the first Year of the project the first cluster of the two poorest blocks will be covered. Earlier, a demand assessment was conducted in the villages of these clusters by Social Assessment Consultants and district administration staff. The demands identified were considered in terms of potential sub-project activities.

Thus the project has three broad components:

- Capacity building
- community Investment Fund and
- Project Management

These subproject activities would be financed from the district Community Investment Funds (CIGs). In addition, the project will finance capacity building of groups, village organizations, NGOs, district and state personnel and so on from capacity building component. And project Management cost would be met. The expected year-wise phasing of expenditure on these activities is as under:

Activity	I	II	III	IV	V	Total
1.Institutional Capacity Building						
1)NGO services to project districts	0.80	1.29	1.95	2.38	1.94	8.36
2)Community Facilitators	0.96	2.12	3.46	4.29	3.31	14.14
3) State & District training cells	1.00	0.90	1.00	1.20	1.17	5.27
4) Training Expenses	0.42	0.60	0.90	1.00	0.74	3.66
H. Total-1	3.18	4.91	7.31	8.87	7.16	31.43
2. Community Investment Fund						
a) Agriculture related activities	14.89	23.71	58.81	134.94	129.01	361.36
b)Rural Infrastructure	8.77	18.82	27.81	34.75	31.28	121.43
c)Social Service	0.45		1.27	1.79	1.03	5.36
d)Micro Enterprises	4.52	7.00	9.04	13.13	12.48	46.17
e) Village Startup activities	0.50	1.00	2.00	2.00	1.50	7.00
f) PRI Capacity building	0.25	0.50	1.00	1.10	0.75	3.60
g) Training component of subproject activities	2.27	5.69	9.47	11.37	9.11	37.95
Total-2	31.65	57.54	109.40	199.08	185.16	582.83
3. State District Project Management						
a) State Project Management Unit Investment Cost						
i) Equipment	0.16	0.15	0.17	0.09	0.11	0.68
Recurring Cost						
i) Salaries of Staff	0.43	0.50	0.57	0.64	0.75	2.89
ii) Consultancy Services	0.40	0.40	0.40	0.40	0.40	2.00
iii) Project Appraisal Specialist	0.06	0.03	0.03	-	-	0.12
IV) M&L						
a) Performance Tracking	0.05	-	-	-	-	0.05
b) Baseline survey/Impact assessment	0.06	0.07	-	0.06	0.07	0.26
c)Process Monitoring	0.05	0.06	0.07	0.08	0.09	0.35
d) Dev. Audit	-	0.15	-	0.20	-	0.35
v)Environment	0.11	0.13	0.16	-	-	0.40

Assessment						
vi) Financial Management	-	0.02	0.06	0.08	0.09	0.25
vii) Preparation of follow up project	-	-	0.10	0.10	-	0.20
viii) COMMUNICATIONS	0.10	0.12	0.14	0.16	0.17	0.69
ix) Workshop & Study Tours	0.10	0.10	0.10	0.10	0.10	0.50
x) Office Expenses	0.11	0.12	0.14	0.16	0.17	0.70
xi) Hiring of Vehicles	0.06	0.07	0.08	0.09	0.10	0.40
Total State PMU	1.69	1.92	2.02	2.16	2.05	9.84

B) District Project Management Unit						
Investment Cost						
i) Equipment	0.03	0.03	0.03	0.03	0.03	0.15
Recurring Cost						
l) Salaries of Staff	0.22	0.26	0.31	0.35	0.40	1.54
ii) Consultancy Services	0.02	0.02	0.02	0.02	0.02	0.10
iii) Workshop & Study Tours	0.05	0.05	0.05	0.05	0.05	0.25
iv) Office Expenses	0.15	0.05	0.05	0.05	0.05	0.35
v) Hiring of Vehicles	0.06	0.07	0.08	0.09	0.10	0.40
Total DPMU	0.53	0.48	0.54	0.59	0.65	2.79
Seven District	3.71	3.36	3.78	4.13	4.55	19.53
Total State & District PMUs	5.40	5.28	5.80	6.29	6.60	29.37
Grand Total	40.23	67.73	122.51	214.24	198.92	643.63

PROJECT ORGANISATION & MANAGEMENT

At state and district levels, project management is envisaged as a well-organized system with Proper coordination mechanisms to execute the project in a community responsive manner. The State Project Management Unit will be responsible for the management of funds flow, obtaining the requisite funds for the project formulation of policies and guidelines, project supervision and monitoring, recruiting of senior staff, and project consultants etc. The District Project Management will be entrusted with the responsibility for management of all activities to be undertaken in the project districts. Below the district level, non-government organizations (NGOs) which have been/will be working in the project districts and the Community Facilitators (CFs) will provide support to project activities. Other support will be obtained from line departments, Panchayati Raj functionaries, consultants and contractors hired under the project and subproject activities.

STATE LEVEL SETUP

At the state level, two committees will be set-up for proper project policy formulation and administration. The first is the Governing Council, and the other is the Empowered Committee. The Executive arm of the state set-up is the State Project Management Unit. Details of these are given below:

Governing Council:

The Governing Council will be headed by the Minister for Panchayati Raj and Rural Development. Two Thirds of the members of the council will be distinguished persons, from eminent non-government institutions working in the field of poverty alleviation. The other one third will be government officials, heads of Departments, Secretaries or Ministers. The State Project Director will be the Member Secretary of the Governing Council.

The Governing Council will be the highest body, and will decide on and approve policy matters related to the project including inter-departmental issues.

Empowered Committee:

The Chief Secretary will head the Empowered Committee which will include concerned Secretaries and Heads of Departments as members. The State project Director will be the Member-Secretary of the Empowered Committee. The Committee will be responsible for-

- (1) Implementation of decisions taken in the Governing Council.
- (2) Coordination of activities of various line departments.
- (3) Resolution of inter-departmental issues which do not require reference to the Governing Council.(i.e. of a non-policy nature).

The decisions taken by the Empowered Committee will be final and would not require reference to be made to any specific department for approval.

STATE PROJECT MANAGEMENT UNIT

The Department of Rural Development has been designated as the administrative department responsible for overall implementation of the project. The State Project Management Unit for DPIIP will be an integral part of the Rural.

Development Department. The RD department is headed by the Secretary, Rural

Development, who functions under the supervision of the Development Commissioner. The State Project Director (SPD) will function under the administrative control of the Secretary, Rural Development. The SPD is also designated as Special Secretary DPIIP and enjoys the powers of the Head of the Department for DPIIP.

DISTRICT LEVEL SETUP

District Project Management Units will be set up in each of the project districts headed by a District Project Manager. The DPMUs will function under the overall administrative control of the Additional Collector (Development) who is also the Chief Executive Officer of the Zila Parishad. The District Project Manager will be directly responsible to Additional Collector (Development) and to the State Project Director for project activities. The Additional Collector (Development) in turn is accountable to the District Collector and would seek his/her guidance and directions on important matters related to the project.

Each DPMU will operate a separate bank account for the project. The progress of DPIIP will be reported by the District Project Manager to the Additional Collector (Development), the District Collector and SPD. This will keep all concerned officers and elected representatives well informed about the project. It will provide opportunities for seeking suggestions and guidance from these members to improve the implementation of the project activities.

DISTRICT PROJECT COORDINATION COMMITTEE

A District Project Coordination Committee will be set up in each project district. The DPCC will be headed by the District Collector. The other concerned officers including district level officers of line departments, will be members of the committee. Representatives of NGOs, prominent individuals, selected Chairpersons of CIGs will also be members of the DPCC. The District Project Manager will function as the Member-Secretary of the Committee.

The DPCC will serve as an important forum to coordinate the activities of the project. Inter departmental matters will be discussed and sorted out in the DPCC. This committee will also secure integration of DPIIP activities with other on-going programs, to enhance the effectiveness and outcomes of DPIIP. Involvement of NGOs and PRIs will help to enhance community participation. The following matters will be referred to the DPCC with the approval of the District Collector:

1. Approval of sub-project activities (if any) which cut across Gram Panchayats. In case the meetings of the DPCC are not convened in the time limit fixed for approval of the sub-project activities, the approval will be accorded by the Additional District Collector (Development), and post-facto approval will be obtained in the next meeting of DPCC.
2. Approval of the mode of contribution to such sub-project activities. Similarly, exemption from payment of beneficiary contribution can be approved by the DPCC, in accordance with the instructions issued by SPMU.
3. Resolution of Inter departmental issues, especially coverage of areas and activities under DPIIP.
4. Resolution of conflicts between beneficiary groups and project entities which have not been resolved at lower levels.
5. Reviewing the functioning of VDAs/and the performance of support provided by line

departments.

6. Resolution of conflicts between PRIs, line departments, and VDAs/CIGs which have not been resolved by DPM or ACD.

ADDITIONAL DISTRICT COLLECTOR (Development)

The Additional District Collector (Development) will oversee all financial and administrative matters. The District Project Manager will seek his/ her approval for sanction of project activities. The roles and responsibilities of the Additional Collector (Development) will be as follows:

1. Coordination of DPIP activities with those of line departments and Zila Parishad to avoid duplication. AC (D) will ensure that sub-project activities under DPIP can not be funded out of available funds/schemes.
2. Coordination with line department for specialist support to project activities if and wherever required.
3. Resolution of conflicts if any between (any of) DPMU, NGO, PRI, VDAs, CIGs and consultation.
4. In addition to the District Project Manager the AC (D) will be responsible to the District Collector for all the DPIP activities.
5. Guidance to the DPM and DPMU staff in all project related matters.
6. Coordination with banking and credit institutions to ensure working capital for CIGs, VDAs and other project payees.
7. Ensure timely release of funds to CIGs.

DISTRICT PROJECT MANAGER

The District Project Manager will head the District Project Management Unit and will be responsible for the adherence of all project activities to the project guidelines. There will be a separate Bank account in each project district which will be operated under the joint signatures of the Additional Collector (Development) and District Project Manager. The role of District Project manager has been defined in terms of powers and functions, which are given below. These are to be carried out with other members of the district team, including the District Training Officer, Project Appraisal Officer and Monitoring and earning Officer.

Role and Responsibilities:

1. Prepare budget for each financial year/project year and submit these to the SPMU per schedule.
2. Release funds to VDAs/CIGs after appraising sub-project proposals per project guidelines.
3. Submit timely reimbursement claims-accounts of expenditure incurred, and proposals for advance funding under LACI.
4. Supervise activities of consultants/NGOs in project districts and ensure deployment of community facilitators by NGOs per norms and qualifications fixed by the project.
5. Ensure training of VDAs/CIGs for group activities, skill improvements, adoption of better design and quality and other project related activities.
6. Monitor and evaluate project activities including Performance tracking, Process Monitoring, Development Audit and other activities.
7. Ensure adherence to proper procurement procedures in all project activities.
8. Ensure community contributions for sub-project activities and advice on the calculation of wages and materials into monetary terms in the sub-project proposals.
9. Ensure adherence to sub-project eligibility criteria and timely approval of sub

- projects after appraisal.
10. Monitor execution of sub-project activities and release installments to facilitate completion of sub-project activities in time.
 11. Monitor maintenance of assets by beneficiary groups and take remedial measures wherever necessary.
 12. Attend to complaints of conflicts between VDAs/ CIGs, and ensure their settlement.
 13. Inquire into complaints of misappropriation of funds, and take timely remedial measures. Serious matters will be brought to the notice of the AC (D)/District Collector for rectification.
 14. Monitor functioning of micro-enterprise activities, and ensure timely procurement, training, working capital and marketing arrangements.
 15. Review comments of World Bank and SPMU, and take immediate steps for compliance/adherence.
 16. Report the progress/performance of DPIIP to AC(D), District Collector and SPMU.
 17. Share information related to project related matters with project functionaries and interested groups/ individuals, and ensure adequate dissemination of information to (potential) beneficiaries.

Administrative Powers:

1. Supervision of NGOs services under contracts.
2. Approval of sub-project activities per appraisal and approval process, within the specified time limit.
3. Supervision of DPMU staff and suggesting replacement to SPD in case of improper functioning.
4. Review of functioning of VDAs/CIGs/NGOs and CFs and assisting their performance in case of low performance.
5. Administering procurement of works/goods and consultancies per procurement guidelines.
6. Suggesting suitable local trainers to training agencies and ensuring training of all functionaries.
7. Ensuring receipt of beneficiary contributions in cash, material or labor before sanction of sub-projects. In case of material and labor, ensuring appropriate calculation of market value in money terms.

Financial Powers

1. Issuing administrative and financial sanctions of sub-project activities per guidelines. In case the case of construction activities, technical sanctions will also be issued by the DPM.
2. Supervising procurement done by VDAs/CIGs to ensure adherence to procedures and quality of works and goods.
3. Issuing further installments of funds per the terms of the sub-project agreement after ascertaining completion up to the agreed level.
4. Ensuring proper functioning of bank account of DPMU and timely availability of funds to all project functionaries and entities.
5. Obtaining advance releases of funds from the state level as required.
6. Supervising utilization of funds given to VDAs/CIGs and ensuring no unspent balances are kept for long durations.

VILLAGE LEVEL SETUP

The project structures at the village level are intended to actively participate in and

implement project activities. Some of the features of the project strategy and village-level structure are given below.

“Every village identified for development interventions under DPIP will have Common Interest Groups (CIGs) and a Village Development Association (VDA).” Community Facilitators (CF) will be the main link between the project management (DPMU) and the village communities (CIGs and VDAs). The Community Facilitators will be employed by the identified NGOs which will be answerable to the DPMU for their agreed activities in project. The NGOs will position one CF for about 3 villages. The ratio will depend on the geophysical conditions of the area and the distances between villages. The CF may reside in any of the villages but will work continuously in all the assigned villages.

“The process of intervention in the villages will begin with entry-level programmes organized by the NGO and Community Facilitators will participate actively in these interventions. The entry-level programmes will include community mobilization, awareness generation for development processes, health and hygiene, education literacy and environment education.

“During the formation of Common Interest Groups, the concept of empowerment of the poor and their roles in selection of demand based sub-project activities will be clearly explained to them. Concentrated efforts will be made to communicate the benefits of beneficiary participation in the project. It will also be explained that group members will be required to contribute their share to each sub-project activity. Rates and Methods will be discussed.

“The NGO will provide all assistance needed for these interventions. The same or other NGOs will provide specialist support for above activities. The CF will also participate actively in planning and overseeing these interventions as activities in subsequent project villages could be done by CF.

” In case the poor communities require / request it two or more CIGs can be constituted for similar activities.

” The Village Development Association will be constituted from the CIGs. Other members of the VDA will be representatives of BPL families elected in the Gram Sabha.

” An assessment of training and skill up-gradation requirements will be carried out by the lead training agency (LTA). The LTA will manage training programmes with the help of the DPMUs and NGOs. Requirements of other support will also be assessed, and the DPMU will provide this support with the help of the NGOs. Details of the Common Interest Groups, the Village Development Associations and NGO roles are given below.

COMMON INTEREST GROUPS (CIGs)

One of the strategies being used in the project to address through building of group organizations among the poor to strengthen their capacities. Groups will be constituted on the basis of their common needs and interests and provided with resources which can help them to mitigate their poverty. A unit of 10 families is ideal for a CIG, but this can be adjusted by the group itself and may depend on the number of BPL families in the villages.

The Common Interest Groups will be the core structures of DPIP. Only persons belonging to BPL families can be members of CIGs. Each CIG will elect its chairperson from amongst themselves, and the chairman of each CIG will be a member of the VDA of the village habitation.

For all CIG activities, training and skill up-gradation will be provided at the village level. These groups will be assisted to form cohesive groups and provided support to undertake sub-project activities per their demand and sub-project eligibility criteria. For income generating activities, arrangements for credit will be obtained from financial institutions. The funds received from the project and beneficiary contributions will be deposited in the CIG bank account (each CIG will have a bank account). Each CIG will procure machinery and equipment required by them selves using the money in their account, but representatives of the NGO and /or will review the purchase to ensure the quality of the product and performance guarantee for a specified period.

CIGs may also establish a Group Kosh as described earlier. The bank will make the working capital available on the basis of CIGs demand and creditworthiness as determined by a system to be developed for the project. The CIG members will have to repay the working capital along with interest to the bank.

Amount will be withdrawn as requirement for the sub-project activity, and will be used only for the purpose mentioned in the proposal approved by the DPMU. The CF will be responsible for overseeing withdrawal of amounts.

Infrastructure Activities. The beneficiary CIG will use the available funds, to create the proposed infrastructure and the assets will be used by the beneficiary group. While the assets will be the property of the Government the responsibility to manage them will be of the beneficiary group. The group will collect contribution for assets maintenance to ensure that benefits are sustained for a longer period.

Income Generation Activities. In case of income generating activities, the CIG will repay any bank loan along with interest to the bank. In addition the group may develop their group kosh for their working capital requirements over the long term and reduce and their dependence on the bank. For this the CIG may deposit some portion of their earnings in the kosh.

The CIG account and group kosh will be handled by CF in the beginning but the group may obtain training for an educated member or other person to maintain the accounts.

Role of Chairperson of CIG:

The Chairperson of the CIG will be elected from amongst the members of the group. The Chairperson will function as the representative of the CIG in the VDA. As a member of VDA, the Chairperson will report the activities of the CIG to the VDA. It will be the Chairperson's responsibility to report back to the CIG the decisions taken by the VDA and safeguard the interests of CIG.

As the Chairperson of the CIG, his/her responsibility will also be to make the performance of his/her group outstanding. The Chairperson will be responsible for making the accounts transparent to members of CIG. The Chairperson will have to be able to share with the project management all the problems being faced by his / her group, and to try to find solutions to the problems-or seek help in doing so.

Performance Appraisal of CIG:

The performance of each CIG will be reviewed by itself and discussed by the VDA, CF, and NGO and it will be communicated to DPMU. In addition the NGO and district-level functionaries will monitor the functioning of CIGs in terms of physical and financial progress, security of assets, and access to credit payback of funds and so on. The performance tracking system will assess the performance of the CIGs and such reports will be sent to DPMU and SPMU. The process monitoring agency will also make independent assessment of performances of CIG which will directly report to SPMU for each CIG group and constraints of functioning and reasons for non-functioning will be reported along-with possible remedial measures.

In case of outstanding performance of one or more CIGs, the DPMU will assess factors responsible for their success, demonstrate and encourage the other groups to incorporate similar techniques or methods of functioning. Such events can be converted into workshops for sharing the views of successful members and efforts they made. The theme of group strength, harmony among the group members will need to be elaborated in details too. In the beginning number of such groups may be limited but the demonstration impact and competition among the CIGs will accelerate it in multiplier.

In case of non-performance of any CIG, the DPMU will be required to examine the reasons responsible for such events. The reasons for conflicts and non-cooperation among the group members will have to be studied in detail

VILLAGE DEVELOPMENT ASSOCIATION (VDA)

Each village will have a Village Development Association and the CIGs at the village level will be federated in this common structure called VDA.

The Executive Committee of VDA will comprise of CF and Chairpersons of CIGs. The CF will work as the Chairman of the Executive Committee and preside over the meetings of the EC. The EC will meet frequently and will be responsible for day to day basis of implementation of the programmes and activities of the Project at the village level. All matters relating to the VDA including accounts etc. will be managed and maintained by the Community Facilitator. It will also be ensured that at least 30% members of the VDA are women. Representation of SC/ST will be proportionate to their number. The meeting of VDA will be called by the member secretary and proceedings of such meeting will be recorded and conveyed then to the DPMU. In a meeting if the VDA Chairperson is not available, the VDA members will elect another chairperson for that specific meeting and decision/s taken in the said meeting will be obligatory on all concerned.

The main functions of VDA are as follows:

- (i) To provide the poor a framework to undertake activities.
- (ii) To assess the demand for activities that can be taken up by the VDA as per project eligibility list.
- (iii) Formulate appropriate and sustainable programmes at the village level through participatory methods
- (iv) Assist and ensure effective implementation of the programmes at the village level.
- (v) Mobilize and secure participation of the village community.
- (vi) Convey its views on the policy, problems and implementation of the project to DPMU.
- (vii) Ensure transparency and accountability in all its activities
- (viii) Implement the suggestions and directions issued by the DPMU & DPCC.
- (ix) Secure the involvement, assistance and support of the NGOs in the project implementation and,
- (x) Solve all conflicts between members of CIG.

The constituent members of the VDA are as follows:

Chairperson: The Sarpanch of the Gram Panchayat under which the village falls.

Vice Chairperson: Will be elected from the beneficiary group for any meeting in case Chairperson is not present.

Community Facilitator: Will be ex-officio Member Secretary of the VDA.

Members: Chairperson of each CIG in the village will be elected by the members of

BPL families by the Gram Sabha to make the total minimum number of VDA members 11.

Role Definitions

Chairperson

1. Chair the VDA meetings and in the capacity as the Chairperson sign and submit the sub-project proposals.
2. The Chairperson shall give direction and support to CIGs. He/ she shall also assist CIGs in preparing proposals, which shall be submitted, for screening and approval to the VDA before being sent for processing and approval to VDA.
3. Address the monitoring and reporting aspects of DPIIP sub-projects for the village.
4. Motivate the community to associate with and contribute to the activities.
5. Tap potential sources other than community contribution (and matching contribution) for the DPIIP Community Investment Fund (CIF).

Member

Secretary:

The member secretary of the VDA will be CF. The Community Facilitator (CF) would fix meetings of VDA as per requirement of the tasks, issue notice of the meetings and issue proceedings to be sent to DPMU.

The member secretary's main task is to facilitate the DPIIP process and orient the community, for which the procedural parts of his tasks are outlined below.

1. Call / co-ordinate VDA meetings at least twice a year.
2. Call / co-ordinate Community Investment Group meetings as and when required.
3. Facilitate elections pertaining to the VDA and CIGs as and when required.
4. Facilitate in assessment of demands of the poor community and assist them in preparation of proposals
5. Motivate the beneficiary group to manage their contribution required in the form of cash, material or wages and ensure its proper availability in money terms in case the proposed contribution is in the form of material or wages.
6. Ensure the community's right to information by providing all information relevant to DPIIP. This would involve regular maintenance of information on a board in the village and calling of village meetings as per requirement.
7. In general, motivate the community, VDA to monitor the project progress in their domain and participate in the same.
8. Ensure that the Community Investment Group funds are in keeping with their objectives.
9. Oversee account keeping of the VDA and CIG. Prepare all vouchers and maintain proper registers of accounts and send periodic information to DPMU.
10. Constitute Group Kosh amongst beneficiary members and ensure sustainability of Sub-project activities after completion/running.
11. Do the base work, defined by the DPMU and the M & E agency for external monitoring and evaluation for the first year and assist in the same for all years. He/ she should also communicate the feedback from such a process to the village community, and help improvements based on the same.
12. Motivate village community for participation in DPIIP activities, their preparation, execution, and appraisal, as well as requisite contribution for each sub project activity.

ROLE OF NGO

The NGO is the main functional agency that will provide support to the Village Development Associations (VDAs) and Common Interest Groups (CIGs). Their activities will start from village level entry programmes, community mobilization, motivating people for participation in the developmental activities of their village.

The NGO will recruit persons to work with the village community and they will be referred to as community Facilitators. Beginning from village level entry programmes the NGO will generate awareness in the people and explain the concept and objectives of the project (DPIP) in easily communicable language. The task of district NGO becomes crucial due to the fact that the village community in general, and poor families in particular, are not conversant with their own problems and factors responsible for their poverty nor with the measures required to be undertaken for mitigating their problems can be derived as their response. The district NGO with their support personnel will have to access the potential demands of poor community and generate awareness amongst them to understand the real problems and help them prioritize their demands.

The NGOs with their experts/specialist members will provide support in preparation of sub-project proposals by the CIG members for approval by the DPMU. The NGOs will also have to highlight the maintenance component of assets. These NGOs will also provide support in deciding the executing agency for the sub-project activities. Another area of support to the CIGs is establishing market linkages to sell the product at the reasonable prices. The NGOs will also participate in credit support component of the sub-project activity especially in case of micro-enterprise activities, the borrowed sum will have to be returned to the banking institution, and the NGO will have to ensure timely deposit of dues.

Appraisal of Sub- Projects

Under DPIP, the identification of sub-project activities, preparation of proposals, execution, and monitoring and evaluation will be done by the beneficiary groups themselves.

The approval of sub-project activities will be done by the DPMU on the basis of eligibility criteria given below.

In order to appraise the feasibility and effectiveness, the DPMU will have access to model information collected for project.

These models will include information on technical specifications, costs, beneficiaries and other aspects relevant to the particular subproject. A range of such models (cases are being prepared to enable the DPMU to evaluate (by comparison) the subproject proposals being forwarded by the CIGs and VDAs. However the set of cases will be refined and expanded on the basis of experience and assessments on the ground.

An effective implementation of sub-project activities is also dependent upon adherence to time and cost schedules these will also be monitored for further improvement of models.

The cases will be contained in a Subproject Appraisal Manual to be prepared by the consultant team. The manual will also contain details of how to appraise Subproject eligibility criteria etc. It will be useful for training concerned personnel from SPMU, DPMU, NGO, CFs and possibly VDAs and CIGs.

Under DPIIP, completion of entry point activities is a pre-requisite for smooth execution of sub-project activities. These will consist of village entry programmes, formation of CIGs and VDAs, and identification of priority needs and subproject activities. The Project execution in an area will conclude after the completion of sub-project activities and take over of assets by the village community for their use and members will be imparted training for maintenance of these assets.

This information was used to determine the potential project expenditures simply to finalize the project size.

The Additionality Principle

A major objective of DPIIP is to provide funds for sub-project activities to be undertaken by the poor in project villages. Primary responsibility of the DPMU will be to ensure that project funds are additional to existing resources of the state government and are simply not replacing them.

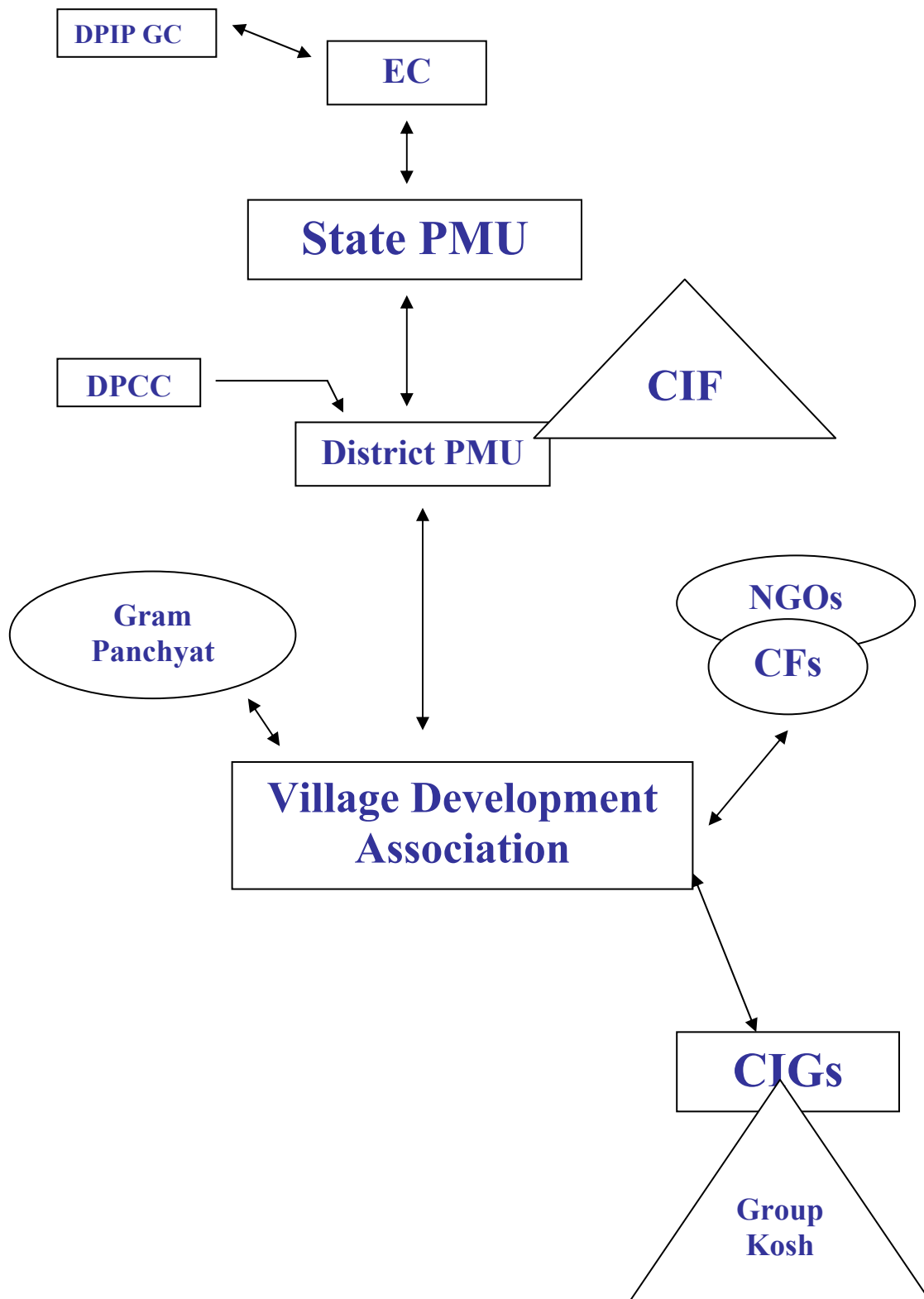
Since the funds from DPIIP are intended to be supplemental, it is important that available state funds are not diverted to other areas. The DPMU, while verifying subproject proposals and working out their feasibility, will also cross-check with the respective government line department whether the proposed activity is in the process of sanction or is likely to be sanctioned, during the financial year. In such cases, the proposal will be returned to VDA with appropriate explanation.

Under the subproject approval procedures, the DPM is empowered to sanction sub-project activities upto a unit cost of Rs. 12 lacs after ascertaining the status from the line department and carrying out subproject appraisal. Sub-project activities will have to be approved within 15 days from the date of receipt of the proposal from CIGs/VDA. Proposals of more than Rs. 12 lacs will need to be referred to the SPMU after checking their status with the Heads of the line departments. In such cases the maximum time allowances for approval is 30 days. In both cases, the sanction will be issued by district Project Manager. A presentation will be made at the next meeting of DPCC listing the sub-project activities approved since the last held meeting.

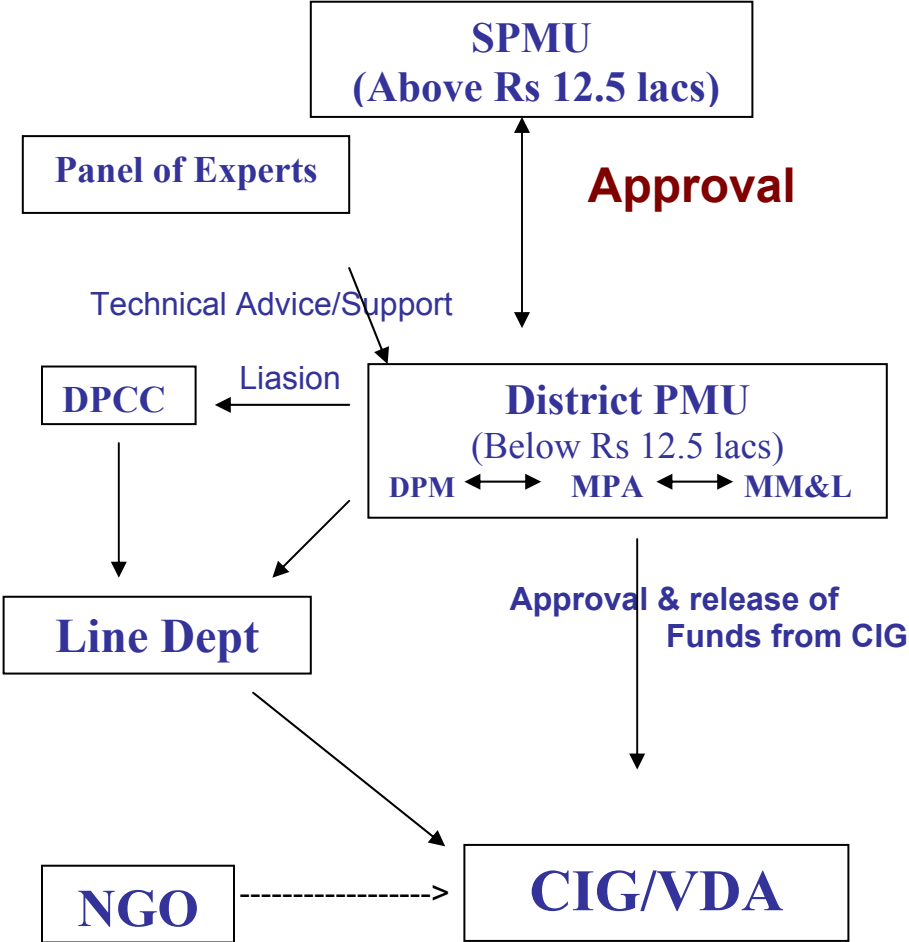
In cases where cost estimates exceed the approved norms, the revision of norms by and issue of approvals could be carried out as follows:-

- a) By District PMU with the approval of the Additional Collector Development- (deviation of 12 percent in basic cost upto a ceiling of Rs. 5 lacs.)
- b) By District Project co-ordination Committee – deviation of 25 percent in basic cost up to a ceiling of Rs. 10 lacs.
- c) By Project Management Unit – over item no 2.

Institutional Structure for Implementation



SUB-PROJECT APPROVAL



Subproject Eligibility Criteria

Each sub-project will be examined by the DPMU and approved only if it fulfills the following eligibility criteria (and passes the other appraisal tests mentioned above):

- The subproject benefits the poor who are inhabitants of the project villages, including members of Scheduled Castes and Tribes, women, landless, female heads of households, and those engaged in backward occupations.
- The subproject originates from the beneficiary community, which has been provided a range of options from which to choose as well as sufficient information to make an informed choice, and the design of the subproject encourages community participation in all sub-project phases.
- The sub-project is technically sound and technologically simple, and is consistent with what the community can operate and maintain.
- The sub-project is labor intensive and uses local labor or otherwise generates a significant social impact.
- There is adequate evidence that the subproject will effectively manage and implemented by the community making the request, with the community acting independently or contracting other agencies.
- The financial, technical, and institutional arrangements for operations and maintenance of the sub-project are in place, maintenance- related training, and ensuring the necessary funding.
- The sub-project is consistent with good practice sectoral policies (e.g., with respect to cost recovery), not simply with existing government policies which may themselves need reform.
- The total sub-project cost does not exceed Rs. 42 lacs.
- The beneficiaries contribute a minimum of 10% of the total sub-project cost in cash or kind up front, or in labor.
- The sub-project is additional to existing or planned public investments.
- The sub-project meets the "cost per unit" and "cost per beneficiary" ceilings established by the project.
- The sub-project does not receive funds from other sources.
- The sub-project is located on public or community land, or land belonging to local bodies, or where the location proposed is private land, an appropriate written contract between owners of the land and the beneficiaries exists which ensures unlimited and unimpeded access to the beneficiaries for a duration that is acceptable to them(e.g. ten years).
- For any land requirement that would negatively affect a villager's income and require compensation, the village and the affected family have agreed on compensation that would improve or restore the living standard, income earning or production capacity of the affected persons upto the level prior to initiation of subproject activities, in accordance with guidelines for compensation and resettlement.
- The subproject does not have negative environmental effects, or if it does, adequate mitigation measures exist.

Activities Not Eligible For DPIIP Financing (Negative List)

- Purchase or leasing of land.

- Rehabilitation or construction on private land or improvement of private property unless there are significant externalities for the poor.
- Grant or loans to individuals.
- Completion of unfinished construction projects or projects receiving other sources of funds.
- Major structural repairs to infrastructure.
- Facilities that do not directly improve the productivity of the poor (e.g. public administration buildings, political or trade union facilities, religious buildings).
- Sophisticated equipment that cannot be operated and maintained at the village level.
- Cost of running/ operating constructed facilities.
- Relief activities and activities which directly support consumption.
- Taxes and duties.

While issuing the sanction for each activity, the District Project Manager will record in writing that the sub-project activity fulfills the above eligibility and non-eligibility criteria.

Sub-project Cycle:

Most of the sub-project activities likely to be undertaken in the Project are those that can be completed in single project year and village-specific in nature. But there are some of longer duration such as watershed development and ravine reclamation for which project support is required over the entire period. Other activities such as horticulture and social forestry have a gestation period of 4 to 5 years. But may not require project support throughout – the beneficiary group could take care and maintain the activities after appropriate training.

In the case of group-based income-generating activities, groups could be trained on their own machinery or equipment. Sustenance of the activity will depend on the raw material supplies and efforts of the group members, and on the development of adequate linkages to working capital, and marketing networks.

Prior to the initiation of sub-project activities, the following steps need to be taken.

The formation of CIGs and VDAs must precede the beginning of sub-project activities.

Assessment of the demands of the poor and their translation into activities which are economically viable, friendly to society and environment, and acceptable to the target group.

Assessment of the training requirements of the CIGs keeping in view skill development of the group needed to implement the subproject.

Assured linkages to working capital to fulfill their requirements for raw material supply. This requirement will be on-going, so a facility for withdrawal of funds as required will have to be ensured.

Implementation Phase:

To complete sub-project activities the following process is likely to be needed:

- For activities involving works, signed contracts with the requisite contractor.
- Capacity building activities. These will need to be undertaken right at right at the beginning of the implementation phase.
- Release of the first installment for the proposed activity by the DPMU. These funds will be the form of an advance to be given to the CIG/VDA. The contractor will have to adhere to the project schedule for completion of the task as per time limit.
- Machinery & Equipment need to be procured after ascertaining the sustainability of the common interest group for a reasonable duration. The NGOs and CFs will need to ensure that CIGs have been constituted with serious effort and not in a routine or ad hoc manner.
- The DPMU will also have to advise the groups that case PRIs/contractors/ other implementing agencies are employed to carry out the works, 10% of the total amount due to them is kept as safety and damage security funds with the CIG. This would be released after ascertaining the safety and quality of works.

The project cycle and duration of each activity is given below:

S. No.	Sub-Project Activity	Pre-Subproject Phase	Implementation Phase	Maintenance/ Sustenance Phase
1.	Watershed Development	Site selection Land leveling Demarcation of sites for each activity, Soil treatment Development of nursery Mode of execution	Plantation on arable and non-arable lands Drainage line treatment Construction of water harvesting structure etc.	Watering of plants Maintenance of assets
2.	Water Harvesting Structures	Site selection Leasing of land to VDA/CIG Preparation of estimates Mode of execution decided	Construction of water harvesting structure.	Maintenance of asset.
3.	Horticulture	Site Selection Leasing to VDA/CIG Land Leveling	Fencing of area Construction of tube well Plantation	Watering of plants and maintenance

4.	Livestock improvement	Formation of Group Training for upkeep of improved breed of cattle	Supply of Improved breed of cattle Provision of A.I. Breeding	Up-Keep of assets
5.	Pasture Development	Site selection. Leasing land to VDA/CIG Land leveling Mode of execution decided	Fencing of area Construction of tube well Plantation	Maintenance
6.	Ravine Reclamation	Site selection Leasing land to VDA/CIG Land leveling Mode of execution decided	Construction of structure for water drainage Construction of water harvesting structure and ancillary activities	Maintenance
7.	Agriculture awareness and treatment of degraded lands	Awareness generation Site selection	Treatment of degraded lands Training to farmers to apply similar doses in later years	Continuous treatment of land for 2 to 4 years
8.	Village link roads	Site selection Survey of proposed road area Mode of execution decided Settling of land related issues	Construction of roads and CD works Earth work, gravel and black-topping	Supervision and maintenance
9.	Multipurpose Community Hall	Site selection Leasing land to VDA/CIG Land leveling Mode of execution decided	Construction of Community Hal	Maintenance
10.	education facilities or Structure Strengthening	Mode of execution decided Training	Construction of room Purchase of Equipment Other activities	Maintenance
11.	Health facilities or structure	Mode of execution	Construction of room	Maintenance

	Strengthening	decided Training	Purchase of Equipment Other activities	
12.	Drinking Water(e.g. Structures in Schools)	Decide mode of water supply	Construction of tanks Hand pump/ Water supply connection etc.	Maintenance
13.	Mahila Swasth Karmi	Selection	Training and supply of equipment	Feed back Refresher training
14	Rehabilitation of Kanjars	Beneficiaries selection Mode of execution decided	Construction of house Other activities	Handing over to beneficiaries
15.	Dais	Selection	Training and supply of equipment	Feed back Refresher training
16.	Traditional Micro Enterprises	Formation of Groups	Training and procurement of equipment and machinery	Up-keep of assets Marketing of products
17.	Prime Activity Micro Enterprises	Formation of Groups	Training and procurement of equipment and machinery	Up-keep of assets Marketing of products

Beneficiaries Contribution:

Common Interest Groups which are constituted will take up to one or other type of sub-project activity. Beneficiary contributions will be generated by the groups in cash, materials or labor depending on the activity and their abilities. The nature of CIGs and modes of collection of beneficiary contributions are exemplified below:

1. Some of the activities identified will motivate specific geographic locations, where the beneficiaries will be the surrounding local families – poor and the exclusion of anyone will not be possible or unwise. Examples of such activities are watershed development, water harvesting structures, ravine reclamation, etc. In such situations, locations where the concentration of BPL families is maximum will be selected. In case no options are available for site selection, the activities will be executed only when 50% of the beneficiaries are from BPL families. In such sub-project activities, the rate of collection of beneficiary contributions will be different for the poor and non-poor. The total funds to be generated through beneficiary contributions between the poor and non-poor could be in the ratio of 1:2.
2. In the case of activities such as village link roads, the beneficiaries will be the total village community, but the decision to undertake this activity may be taken by a CIG or the VDA. Here, the non-poor of the village are expected to provide most of the beneficiary contribution in the form of cash or materials. The BPL families will add their contribution in the form

- of labor where payment will be managed out of cash contribution or project funds. They would be expected to give one day free labor for every 10 earning days. Their intention behind such an arrangement is, to assure wage payment to BPL families. However such decisions would be made by the CIG or the VDA, to manage beneficiary contributions while safeguarding the interests of the poor.
3. For maintenance of assets created under DPIP, the amount for maintenance of these assets will be chargeable at different rates from poor families and non-poor families. The modalities would be worked out in the meeting of the CIGs or VDAs and incorporated into the proposal to be submitted to DPMU.
 4. For income generating activities, common interest groups will be formulated either to carry out the same activities or for the purposes of thrift and credit requirements of the muted activity group. No member other than a BPL person will be included in any such CIG unless absolutely necessary and as agreed by all other members of the group in the case of group based micro enterprise activities, separate CIGs will be formed for women. Inclusion of willing women in muted groups will also be ensured.

Further details are provided in section on Cost Sharing:

Maintenance of Assets Created:

After the creation of an asset there will be some expenditure on maintenance. For the first year contributions will be collected during implementation, the beneficiaries would be required to contribute their share to the maintenance. They will jointly decide on the amount and method of collection, being fully informed that the project will not bear any continuing costs.

Thrift and Credit activities of CIGs:

The CIG will be motivated to form a *group kosh* (thrift and credit fund) which would be used for the benefit of its members. The *group kosh* would be managed by the members of the concerned CIG in any manner they would like. They would be encouraged to open a bank account to deposit the savings and in time this would enable them to obtain funds from the bank.

As a consequence, the CIG could use the funds collected to lend among its members on a pre-decided rate of interest and pay back period. These funds could be used for working capital and may also be helpful to the CIG in setting up better marketing arrangements. The surplus generated by means of interest from the internal loans would help the fund to grow. The CIG would be the sole authority deciding on matters concerning their group kosh.

Marketing Support:

In the event of a CIG taking up an income generating activity, linkages for marketing will have to be worked out. Such marketing support will be required for micro enterprises which will be of two types:

- traditional activities; or
- Prime sub-sectoral activities.

Traditional activities will be supported to benefit poor people in the area who are already carrying out such activities, or a readily begin such activities for their economic enlistment. These traditional activities require little skill development

and the duration of training could be from seven days to one-month. The main purpose of supporting such activities under the project is to enhance skills, introduce improved designs and quality control, and marketing support to traditional occupants, thereby helping them improve their incomes. Efforts will be made to initiate activities among several CIGs in an area with a view to achieving economies of scale for the development of a marketing channel, raw materials, procurement etc.

It will be made clear to all CIGs that the future of the activity will not and cannot depend on subsidies and they will have to become self-sustained. Developing suitable marketing outlets and channels will be started in the early part of the project. A suitable marketing outlet or complex could also be created in each district.

Preliminary arrangements for marketing linkages will be slow to develop. Therefore, suitable networking will be needed in each project district for marketing linkages, in addition to smooth production and adequate access to capital.