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Deptt. of Rural Development
Government of India
Krishi Bhavan, New Delhi-110114

Dated: 23.03.2012

D.O. No.R-20015/27/2010-DRDA

Dear Shri Kumar,

As you are aware, this Ministry has constituted a Committee on Restructuring of DRDA under the chairmanship of Shri V. Ramchandran, Chairmen- Emeritus, Centre for Management Development, Thiruvananthapuram with the objective of strengthening and professionalizing DRDA to meet the challenge of Rural Development in the present context. The committee has now submitted its report.

In the past, in my capacity as convener of the Committee, I have had the occasion to discuss with you the report several times and your valuable suggestions have been incorporated in the final report of the Committee. Before acceptance of the report by the Government, I would like to seek your comments once again so that a consensus view is firmed up on the restructuring of DRDA.

Accordingly, I am forwarding a copy of the report of the committee on restructuring of DRDA for your valuable comments and suggestions.

You are requested to kindly send your comments and suggestion latest by 30th April, 2012 to this Ministry so that a final view can be taken on the report of the Committee. A Copy of this communication is also being uploaded on the website of this Ministry at URL: (www.rural.nic.in).

With regards,

Yours sincerely,

(~r)

All State Secretaries
Deptt. of Rural Development

Report of the Committee on
Restructuring of DRDA



Department of Rural Development
Ministry of Rural Development
Government of India
January 2012

Report of the Committee on
Restructuring of DRDA



सत्यमेव जयते

Department of Rural Development

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Preface

The Ministry of Rural Development (MoRD), Government of India (GoI), constituted the present Committee with a mandate to study the structure of the DRDA and suggest measures to strengthen their professional character so that they could be useful to the Zila Parishads and the district administration in planning for removal of rural poverty. The Committee thanks the Government of India for this opportunity. After discussions and analyses made by the Committee, it was felt that most of the original objectives of setting up of DRDA have not been achieved. The Committee realized that there are serious concerns regarding effective convergent planning and implementation of large number of schemes for poverty reduction, for which appropriate institutional arrangements are required.

We are grateful to Director General Shri Mathew Kunnumkal, Dr. M.V. Rao, Prof. P. Purushotham and other officers of NIRD for providing necessary logistic support for our meetings at NIRD, Hyderabad. The Committee sincerely thanks the Secretaries, Department of Rural Development of various States and Union Territories for providing information on DRDA and actively participating in the discussions from time to time. We hope that the report will be adopted by the Union Government and the concerned State Governments and will be useful in creating a suitable structure for providing professional and technical support in district level planning of anti-poverty programmes.

I also wish to record the Committee's deep appreciation of the dedicated assistance rendered by the officers of Ministry of Rural Development despite their other commitments in the Ministry.

V. Ramachandran
Chairman

January 2012

List of Abbreviations

AABY	Aam Admi Bima Yojana
ACA	Additional Central Assitance
AAY	Atal Awaas Yojana
ARWSP	Accelerated Rural Water Supply Programme
ADC	Autonomous District Councils
AKRSP	Aga Khan Rural Support Programme
APO	Asst. Project Officer
BPL	Below Poverty Line
BRGF	Backward Region Grant Fund
BRLP	Bihar Rural Livelihood Project
CBOs	Community Based Organizations
CEO	Chief Executive Officer
DA	Dearness Allowence
DC	District Collecdtor
DDP	Desert Development Programme
DHAN	Development of Human Action
DISNIC	District Information System of National Informatics Centre
DM	Distdrict Magistrate
DPAP	Drought Prone Area Programme
DPC	District Planning Commission
DPSU	District Plan Support Unit
DPU	District Planning Unit
DRDA	District Rural Development Agency
EAS	Employment Assurance Scheme
GGUY	Goa Grameen Urja Yojana
HR	Human Resources
IAS	Indian Administrative Service

IAY	Indira Awas Yojana
ICDS	Integrated Child Development Scheme
IES	Indian Economic Service
IJRY	Integrated Jawarhar Rozgar Yojana
IRDP	Integrated Rural Development Programme
IWDP	Integrated Watershed Development Programme
IWMP	Integrated Watershed Management Programme
JPC	Joint Parliamentary Committee
JRY	Jawahar Rozgar Yojana
JSBY	Janani Bal Suraksha Yojana
LDC	Lower Division Clerk
MAVY	Mukhya Mantri Vikas Yojana
MFALA	Marginal Farmers and Agricultural Labourer Development Agency
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MLALAD	Member of Legislative Assembly Local Area Development
MoRD	Ministry of Rural Development
MSBY	Matri Shakti Bima Yojana
MWS	Million Wells Scheme
MYRADA	Mysore Resettlement and Development Agency
NABARD	National Bank for Agriculture and Rural Development
NES	National Extension Service
NGO	Non-governmental Organization
NIC	National Informatics Centre
NIRD	National Institute of Rural Development
NLUP	New Land Use Policy
NRDWP	National Rural Drinking Water Programme
NRHM	National Rural Health Mission
NRLM	National Rural Livelihood Mission

NSAP	National Social Assistance Programme
PD	Project Director
PDS	Public Distribution Scheme
PLCP	Potential Linked Credit Plan
PMGSY	Prime Minister Gram Swarojgar Yojana
PRADAN	Professional Assistance for Development Action Programme
PRIA	Society for Participation Research in Asia
PRIs	Panchayat Raj Institutions
RGSVY	Rajeev Gandhi Grameen Vidyutheekaran
RGSYGGSY	Goa Gram Samrudhi Yojana
RMSA	Research Management of Self Assessment
RSBY	Rashtriya Swasthya Bima Yojana
SCSP	Security Content Automation Protocol
SERP	Society for Elimination of Rural Poverty
SEWA	Self-employed Women's Association
SFDA	Small Farmers Development Agency
SGSY	Swarnjayanthi Gram Swarojgar Yojana
SHGs	Self Help Groups
SIRD	State Institute of Rural Development
SSA	Sarva Shiksha Abhiyan
TNWDC	Tamil Nadu Women Development Corporation
ToR	Terms of Reference
TRYSEM	Training of Rural Youth for Self-Employment
TSC	Total Sanitation Campaign
TSG	Technology Support Group
TSIs	Technical Support Institutions
Uts	Union Territories
WCDC	Watershed Cell-cum-Data Centre
WDT	Watershed Development Team

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Chapter -1

Introduction

1.1 Background

The District Rural Development Agency (DRDA) was constituted in 1980 as the principal organ at the district level to oversee the implementation of different anti-poverty programmes of the Ministry of Rural Development. Over the years, the institution of DRDA has fallen short in realizing its objective due to enormous increase in the number of schemes, quantum of funds placed at its disposal and challenges in operationalizing different new generation programmes which required a high order of professional competence. In the context of emergence of PRIs, a need for integration of DRDA with Zilla Panchayat has also been felt.

In order to strengthen and professionalize the DRDA to meet new challenges, the Ministry of Rural Development constituted a Committee, the final composition of which is given below:

- i. Shri V. Ramachandran - Chairman
Chairman - Emeritus, Centre for Management Development,
Thiruvananthapuram
- ii. Shri B.N. Yugandhar - Former Member, Planning Commission
- iii. Smt. Aruna Sharma, Principal Secretary, Department of Panchayat &
Rural Development, Government of Madhya Pradesh
- iv. Shri Arun Kumar, Principal Secretary (RD), Government of Assam
- v. Shri S. M. Vijayanand, Addl. Chief Secretary (AR &T) Government of
Kerala & Director, IMG, Thiruvananthapuram
- vi. Shri A. Santhosh Mathew, Principal Secretary (RD), Government of Bihar

- vii. Smt. Rita Teotia, Commissioner & Principal Secretary (RD), Government of Gujarat,
- viii. Dr. Avtar Singh Sahota, Joint Secretary, Ministry of Panchayati Raj
- ix. Shri K. Raju, Joint Secretary, National Advisory Council
- x. Prof. Trilochan Sastry, IIM, Bangalore
- xi. Prof. M.S. Sriram, "Sri Shankara", Bangalore
- xii. Shri Deep Joshi, Development Expert, Gurgaon
- xiii. Dr. Ravi Chopra, People's Science Institute, Dehradun
- xiv. Shri Ved Arya, Programme Leader and Founder, SRIJAN, New Delhi
- xv. Shri T. Vijay Kumar, Joint Secretary, Ministry of Rural Development - Convener

1.2 The Terms of Reference (ToR) of the Committee

The following are the Terms of Reference of the Committee

- (i) The Committee will study the structure of the DRDAs on sample basis.
- (ii) The Committee will suggest appropriate structure for the DRDAs taking into account the demands on DRDAs in different States;
- (iii) The Committee will suggest professional qualifications for the Members of staff of DRDAs;
- (iv) The Committee will suggest the mode of recruitment and other service conditions of DRDA staff.
- (v) The Committee will suggest the mode of funding of the DRDAs;
- (vi) The Committee will look at the emerging roles of poor people's own institutions (SHGs and federations) in various States and lay down rules of the game for the DRDAs in nurturing these organisations, once the organisations are strong. Similarly, the Committee will suggest ways and means of promoting harmonious relationship between the institutions of the poor and the PRIs, recognizing the legitimate role of community owned institutions in the lives of the poor;
- (vii) The Committee will suggest integration of DRDAs with Zila Parishads and the District Administrations.

1.3 Methodology followed by the Committee

The Committee held discussions in the meetings and information were sought on the current status and functioning of DRDAs in the States/UTs through questionnaire circulated to them. Besides, video conferences were held and various reports on the subject were discussed and have been referred to.

(a) The Committee held four meetings as per the details given below:

- 1st Meeting - 19th January, 2011, at NIRD, Hyderabad
- 2nd Meeting - 28th March, 2011 at NIRD, Hyderabad
- 3rd Meeting - 6th August, 2011 at MoRD, New Delhi
- 4th Meeting - 18th October 2011 at NIRD, Hyderabad

(b) Some of the important documents referred by the Committee are listed below:

- i. Report of the Task Force on Integrated Rural Development (1973) (Chairman – Dr. B S Minhas)
- ii. Report of the Committee on Review of the Existing Administrative Arrangements for Rural Development and Poverty Alleviation Programmes, 1985 (Chairman – Dr. GVK Rao)
- iii. Report of the Working Group on District Planning, 1984 (Chairman – Dr. C H Hanumantha Rao)
- iv. Report of the Committee to Review and Rationalize Centrally-Sponsored Schemes for Poverty Alleviation and Employment Generation, 1997 (Chairman – Prof. S R Hashim)
- v. Report of the Committee to Review the Support for Administrative Costs under various Programmes in the Department of Rural Employment and Poverty Alleviation, 1998 (Chairman – Shri M Shankar)
- vi. Report of the Expert Group on Planning at the Grassroots Level: An Action Programame for the Eleventh Five Year Plan, 2006 (Chairman – Shri V Ramachandran)
- vii. Report of the Expert Committee on Planning for the Sixth Schedule Areas, 2007 (Chairman - Shri V Ramachandran)

- viii. Report of the Task Force for Preparation of Manual for Integrated District Planning, 2008 (Chairperson – Smt. Rajwant Sandhu)
- ix. Evaluation Report on DRDA Administration Scheme, 2008 (by Development and Research Services Pvt. Ltd., New Delhi)
- (c) A detailed questionnaire was sent to all the State Governments and UTs seeking information on the current status and functioning of DRDA. The Joint Secretary (NRLM), MoRD held a meeting through video conferencing with the State Secretaries of Rural Development on 31st January 2011 to discuss the issues related to DRDA in their respective states. The states were also requested to send their views on restructuring of DRDA. A separate video-conferencing was held with the Secretaries, RD of North-Eastern States on 1st August 2011 to discuss the status and functioning of DRDA and its relationship with Autonomous District Council and District Planning Committee in North Eastern States.
- (d) A sub-group consisting of Shri S M Vijayanand, Shri K Raju and Shri T Vijay Kumar, Members of the Committee was formed for preparing the draft report of the Committee. The sub group met several times at NIRD, Hyderabad and also in New Delhi. The sub-group's draft report was circulated among all the Members of the Committee for their comments and suggestions. The Committee which met on 6th August 2011 in New Delhi discussed the draft report and offered several suggestions for its revision. The sub-group again met on 16th to 18th August 2011 at NIRD, Hyderabad and revised the draft.
- (e) The revised draft report of the Committee was circulated to the Secretary, Rural Development of all States/UTs for their comments. Shri S.M.Vijayanand and Shri T. Vijay Kumar, members of the Committee discussed the key points of the report with the State Secretaries of Rural Development through video conferencing on 15-16 September, 2011. The draft was further revised after taking into account the suggestions made by the States/UTs.
- (f) The Committee finally met on 18th October 2011 and considered the revised draft as well as written comments of the states and finalized the report.

Chapter – 2

Background and Evolution of DRDA

2.1 On 2nd October 1952, Government of India embarked on the historic Community Development Programme for which a new administrative unit, viz. the Block was created. It was intended to be distinct from old administrative units like Tehsils / Talukas which carried connotations of revenue collection or law and order. The Block Development office was envisaged as an umbrella arrangement within the fold of which, different departments like agriculture, animal husbandry, cooperation, public health, education, etc., were to function and provide their services to the people through public service minded village level workers. By the end of the Second Five Year Plan, 5000 National Extension Service (NES) Blocks were in existence.

2.2 With the focus moving on to food production and due to resource constraints, the Block system declined and along with it the concept of community-based integrated development of rural areas. The Panchayati Raj system ushered in by the Balwantrai Mehta Committee Report also did not strike root in most of the states, in the absence of sustained political will. The technology focus of the green revolution also shifted policy attention and financial resources from strengthening PRIs.

2.3 At the beginning of the Fourth Five Year Plan, it was realized that the benefits of the Green Revolution were not percolating to the small and marginal farmers and the agricultural labourers who constituted the bulk of the rural poor. So pilots were launched in selected districts in 1969 by setting up agencies namely Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Labourer Development Agency (MFALA), focusing on the primary sector. This was expanded in the mid-seventies.

2.4 A more integrated approach was advocated and the Integrated Rural Development Programme (IRDP) was launched in 1978 in selected blocks.

This was universalized on 2nd October, 1980. At this point of time, District Rural Development Agencies (DRDAs) were set up as registered societies to coordinate the implementation of the new programme and they subsumed the existing SFDAs. Over the years, different self-employment and wage-employment schemes as well as minimum needs infrastructure schemes for the households and the community were entrusted to the DRDAs.

2.5 Right from the beginning, DRDAs were not intended to be implementing agencies. They were to function as professional bodies to be in overall charge of planning, monitoring and evaluation of the programmes and also coordination with different agencies. The staff pattern in 1991 was as follows:

Project Director/officer	-	1
APO	-	3 (one each for credit, women, planning & monitoring)
Statistical Investigator	-	2
Accounts Officer	-	1
Accountants	-	3
Office Manager/	-	1
Superintendent/HC		
LDC	-	3
Driver	-	1
Class IV	-	1
Chawkidar	-	1

Any deviation from the above staffing pattern was required to be approved by the State Level Coordination Committee, keeping in view the State norms.

2.6 Initially, the funding of the administrative cost of the DRDAs came from IRDP fixed as 10 per cent of the allocation. In 1995, a Committee headed by Shri Ashok Jaitley, the then Additional Secretary in the Ministry of Rural Development, rationalized the permissible administrative costs under different programmes as follows:

- i) *JRY / IJRY* 2% of the allocation for the district where all blocks are covered under EAS; 2.5% for others. State will not utilize more than 10% of the permissible administrative cost above the district level. (at the time these guidelines were issued IAY & MWS were sub-schemes of JRY)
- ii) *EAS* 2% of the allocation subject to a minimum of Rs.1 lakh and a maximum of Rs.2 lakhs per block per annum. State will not utilize more than 10% of the permissible administrative cost above the district level.
- iii) *IRDP* 10% of the allocation for districts having 8 or more blocks, 12.5% for districts having 5 to 7 blocks and 15% for districts up to 4 blocks. State will not utilize more than 10% of the permissible administrative cost above the district level.
- iv) *DPAP / DDP* 10% of the allocation. State will not utilize more than 10% of the permissible administrative cost above the district level.

2.7 The broad structure of the DRDA was also recommended as follows:

- (a) For IRDP, there should be a maximum of 5 APOs at the district level with four of them viz., APO (Monitoring), APO (Credit), APO (Women) & APO (TRYSEM) as mandatory. The remaining APO can be from other specialized fields like Animal Husbandry, Agriculture, Industry, etc., depending upon the priorities in the particular district.
- (b) In the engineering wing, one Executive Engineer should be supported by one Assistant Engineer and one Junior Engineer at the district level and by 2-3 Junior Engineers in non-EAS blocks and by 4 Junior Engineers in blocks covered under the EAS.
- (c) In the Accounts Wing, one Accounts Officer shall be supported by 2-3 accounting personnel at the district level and one Accounts Officer and 1-2 Accounts Clerks at the block level.
- (d) In the Statistical Wing, one Research Officer / Project Economist should be supported by one Statistical Assistant at the district level and by one Statistical Investigator at the block level.

- (e) For DPAP / DDP programmes, the permanent staff if any, be paid out of the administrative funds available along with the cost of the salaries and TA, DA etc., of the WDT Teams. However, efforts should be made to accommodate the permanent staff in the WDT Teams.

2.8 With the enactment of the 73rd Constitutional Amendment, the DRDA was restructured through a circular issued by the Ministry of Rural Areas and Employment in November 1995, the key features of which were the following:

- (i) DRDAs should function under the overall supervision, control and guidance of the Zila Parishad, and provide executive and technical support to the Zila Parishad in discharging its functions. The Chairman/President/Pramukh of the Zila Parishad would be the ex-officio Chairman of the Governing Body of DRDA.
- (ii) With a view to bringing about greater integration between DRDA and Zilla Parishads, the CEO of Zila Parishad, where the posts are not held by DMs/Collectors/DCs in an ex-officio capacity, shall be a member secretary of the governing body of the DRDA. The CEO of Zila Prishad should not be below the rank of DM.
- (iii) The Governing Body of the DRDA, besides others, should also include at least 1/3rd of the Panchayat Samiti's Chairmen as members to be included by rotation for a tenure of one year each.
- (iv) The panchayats would formulate and recommend all schemes so that they are examined and recommended by the Panchayat Samities and thereafter the proposals would be submitted to Zila Parishads and DRDAs.
- (v) The Governing Body of the DRDA will provide policy directions, approve the annual plan and also review and monitor its implementation.
- (vi) All executive and financial powers of DRDA should be exercised by the Executive Committee/CEO as determined by rules of each State/UTs.
- (vii) As far as possible, purely departmental administrative concepts should be done away with and greater responsibilities assigned to district level functionaries and PRIs. Certain States have successfully delegated

financial and administrative powers hitherto exercised by departmental officers to coordination officials e.g. Collectors or Divisional Commissioners, for greater effectiveness and flexibility. This approach is strongly recommended.

- (viii) The engineering staff and other line departments in districts should be placed under the control of DRDA to ensure proper coordination. The Accounts and Engineering Wings should be strengthened.

2.9 In 1998, a Committee was set up under the Chairmanship of Shri M Shankar, the then Additional Secretary and Financial Adviser of the Ministry of Rural Areas and Employment. The Committee thoroughly studied the structure and funding of the DRDA. The key recommendations of the Committee were:

- (i) The staffing pattern must reflect the departure from that of a purely administrative organisation.
- (ii) DRDA must emerge as a specialised agency capable of managing the anti-poverty programmes of the Ministry on the one hand and to effectively relate this to the overall effort of poverty-reduction in the district for which it has to develop a far greater understanding of the processes necessary for poverty eradication.
- (iii) The DRDA should not be entrusted with a large number of programmes diverting attention from its core tasks.
- (iv) The principle to be followed for deciding the staffing pattern would be to ensure that actual execution of the programmes will be handled outside the DRDA and the DRDA's role will be to facilitate the implementation of the programme, to supervise / oversee and monitor the progress, to receive and send the progress reports as well as to do accounting of the funds.

2.10 Accordingly, the Committee recommended that each DRDA should have the following wings:

- i) Self-employment wing;
- ii) Women's wing

- iii) Wage employment wing;
- iv) Engineering wing (for Wage employment & Rural Housing programmes);
- v) Watershed wing, wherever (DDP/DPAP/IWDP) programmes are under implementation;
- vi) Accounts wing;
- vii) Monitoring and Evaluation wing; and
- viii) General Administrative wing

2.11 The Committee fixed the administrative cost per district as follows:

Category A districts (<6 blocks)	Rs. 46 lakhs
Category B districts (6 – 10 blocks)	Rs. 57 lakhs
Category C districts (11 – 15 blocks)	Rs. 65 lakhs
Category D districts (>15 blocks)	Rs. 67 lakhs

2.12 An annual increase of five percent on a compounding basis was recommended for funding the administrative cost of DRDA but it was not strictly observed in practice.

2.13 “DRDA Administration” became a centrally-sponsored scheme from then onwards.

Chapter - 3
Present Status of DRDAs and
Assessment of their Functioning

3.1 Clear guidelines were issued on the staffing and functioning of DRDAs in the light of the recommendations of the Shankar Committee. However their implementation has been widely varying across States. In fact, the Committee could not get a clear picture of the state-wise staffing pattern and functional responsibilities of DRDAs. From the available data, the following facts emerge:

- (i) DRDAs were abolished and merged with Zila Parishads, first in Karnataka in 1987 and after the 73rd Amendment in MP, Chhattisgarh, West Bengal, Rajasthan and Kerala. In these states, the staff of the abolished DRDAs function within the Zila Parishad as a kind of cell which carries out functions like receipt of funds from centrally sponsored schemes, their disbursement to the implementing agencies, reporting of expenditure, sending of utilization certificate and getting audit conducted. The Cells continued to be funded under the DRDA Administration scheme.
- (ii) In other States, DRDAs are manned by deputationists and DRDAs' own staff. The deputationists in the professional categories could be either from different departments or from the rural development department. By and large, the professional component of DRDA is relatively small. There is a preponderance of generalist ministerial staff - against the recommended ratio of 1 : 2 for managerial vs. professional and support staff, in practice it is almost 1:4.
- (iii) Across the States, there is also variation in the number of centrally sponsored schemes handled by DRDAs. The available information is summarized in the Box 3.1.
- (iv) The special nature of DRDAs in the north-eastern region, especially in districts which have the Autonomous District Councils (ADC), needs mention.

Box 3.1 : Centrally sponsored schemes handled by DRDAs in various States			
S.No.	State	Programmes of MoRD	Programmes of other Ministries
(1)	(2)	(3)	(4)
1.	Andhra Pradesh	SGSY, NSAP	-
2.	Arunachal Pradesh IAY, DRDA Admn	SGSY, IWMP, MGNREGS, Bima Yojana(RSBY),	Rashtriya Swasthya BADP, MPLAD, Special Plan Assistance
3.	Assam DRDA Admn,	MGNREGS, SGSY, IAY,	BRGF in Sixth Schedule Area
4.	Bihar	MGNREGS, SGSY, IAY, DRDA Admn. BPL matters	-
5.	Chattisgarh	MGNREGS, SGSY, IAY, TSC, Social Sector Schemes	BRGF, Women & Child Dev. Schemes
6.	Goa	SGSY, IAY, NSAP, MGNREGS	Balika SamrudhiYojana
7.	Gujarat	MGNREGS, IAY,, SGSY, TSC	-
8.	Haryana	SGSY, MGNREGS, IAY, IWMP, DRDA Admn. TSC	BRGF, MP LADs, Mid- day Meal Scheme
9.	Himachal Pradesh	MGNREGS, SGSY, IAY, Watershed Development Projects, TSC	-
10.	Jharkhand	SGSY, MGNREGS, IAY, IWMP, (DPAP/IWDP), DRDA Administration	MPLAD
11.	Karnataka	MGNREGS, SGSY, IAY, IWMP, PMGSY, TSC	ARWSP, Bonded Labour Rehabilitation Scheme, National Bio Gas Development Project, DPAP

(Contd.)

(1)	(2)	(3)	(4)
12.	Maharashtra	SGSY, IAY, IWDP	BRGF
13.	Madhya Pradesh	SGSY, IAY, MGNREGS,	BRGF, Mid-day Meal IWMP, TSC, Swajaldhara
14.	Manipur	MGNREGS, IAY, SGSY, TSC, IWDP/IWMP, Swajaldhara	NRHM, BADP, MPLADS & MSDP/MODP
15.	Meghalaya	MGNREGS, IAY, SGSY, NRLM, NSAP	Programmes of M/o Panchayati Raj & Ministry of Minority Affairs. In two districts IFAD Project is implemented
16.	Mizoram	MGNREGS, SGSY, IAY, IWDP, IWMP, DRDA Administration Scheme	
17.	Nagaland	MGNREGA, SGSY, IAY	BRGF
18.	Punjab	SGSY, DRDA Admn. BPL Survey, MGNREGS, IAY, NSAP	
19.	Sikkim	SGSY	
20.	Uttar Pradesh	SGSY/NRLM, IAY, PMGSY, DRDA Administration, MGNREGS, BPL Survey	RSBY, Bio Gas

Source : Information as received from the State Governments

- (v) In many states, DRDAs have been entrusted with state level schemes also. The Box 3.2 indicates the state level schemes handled by the DRDAs.

Box 3.2 : State level Schemes handled by the DRDAs

S.No.	State	State Government Programme
(1)	(2)	(3)
1.	Andhra Pradesh	Y.S.R. Abhaya Hastaham, Aam Aadmi Bima Yojana, Pavala Vaddi, State Revolving Fund, Social Security Pensions
2.	Arunachal Pradesh	MLALAD
3.	Chhattisgarh	No state scheme being implemented by DRDA rather these are implemented by Zila panchayats.
4.	Goa	Goa Gram Samrudhi Yojana (GGSY) and Goa Grameen Urja Yojana (GGUY)
5.	Gujarat	Mission Mangalam, Gokul Gram Yojana, Aam Aadmi Bima Yojana, Nirmal Gujarat.
6.	Himachal Pradesh	National family Benefit Scheme(NFBS), Matri Shakti Bima Yojana (MSBY), Atal Awaas Yojana (AAY)
7.	Jharkhand	Lok Jal Smiridhi Yojana, Mukhya Mantri Vikas Yojana (MMVY), District Plan Untied Fund, Gram Awas Maramati Anudan, MLALAD, Selection & approval of Distt. Plan.
8.	Karnataka	Suvarna Gramodaya Yojana, Drinking water supply, Maintenance of Bore well, Chief Minister Gram Sadak yojana, Rural roads, Special Development Programmes, Nirmal Gram Yojana, NRWPD, Jal Nirmal
9.	Manipur	MLALADS, Infrastructure Development.

(Contd.)

(1)	(2)	(3)
10.	Maharashtra	Rajiv Gandhi Nivara Yojna (Bank loan scheme int. upto 9% is borne by govt.), Housing for SC beneficiaries scheme of Social Justice Department, Eco Village (Paryavaran Santulit Samruddh Gram Yojna), Pilgrimage Development Scheme (separate funds being provided to LSG for improving the basic amenities), Yashwant Gram Samrudhi Yojna
11.	Mizoram	State Rural Housing scheme, and New Land Use Policy (NLUP)
12.	Nagaland	Grants-in-aid to Village Development Boards, Microfinance to VDBs, VDB Welfare Fund
13.	MP	Mukhya Manti Awas Yojana, Mid-day Meal,
14.	Meghalaya	Special Rural work Programme, CM special Rural work programme, Construction of Rural work programme, Assistance to Small farmer/Marginal Farmers
15.	Punjab	Election work pertaining to Municipal corporation, Nagar Panchayat, Zila Panchayat, Panchayat Samiti and Panchayat Scrutiny of Backward classes, financial Development Corporation cases, Scrutiny of SC & Welfare Deptt. Cases.
16.	Sikkim	Mukhya Mantri Awas Yojana, Dhara Vikas.
17.	UP	UPRRDA, Community Development Programme, Ambedkar Special Employment Scheme, Mahamaya Sarvajan Awas Yohana, MLALAD

Source : Information as received from the State Governments

- (vi) Sallient features of the administrative arrangement of DRDAs in North Eastern region.
- a) In Assam, in the six districts which come under the Sixth Schedule, the DRDA is headed by the Principal Secretary of the Scheduled Area. In the remaining 21 districts, though the Chairman, Zila Parishad heads the DRDA, it functions directly under the control of Deputy Commissioner.
 - b) In Manipur, in four districts having Zila Parishad, the entire DRDA structure has been transferred to it. In the five districts having Autonomous District Councils, the Chairperson of the ADC chairs the DRDA also.
 - c) In Meghalaya, DRDAs are independent of the Autonomous District Councils and implement the centrally-sponsored rural development schemes.
 - d) In Mizoram, DRDAs exist in all districts including the two ADC districts.
 - e) Nagaland has no Zila Parishad and all the 11 districts have only DRDAs.
 - f) Sikkim has only one DRDA, even though there are four districts, which functions as the State Rural Development Agency.
 - g) In Tripura, all the four districts have DRDAs which are headed by the Chairpersons of the Zila Parishad. There is also the Tripura Tribal Areas Autonomous District Council which covers more than one district and has no link with DRDAs.
 - h) In Arunachal Pradesh, DRDAs are headed by the Chairpersons of the Zila Parishads and Deputy Commissioner functions as Chief Executive Officer of DRDAs.
- (vii) Even in respect of the above-mentioned states and centrally sponsored schemes, the role of DRDAs is not uniform. It is mostly fund routing and coordination and monitoring of implementation. In some schemes like SGSY, there is a rudimentary planning activity.

- (viii) Discussions with state secretaries show that in most states DRDAs are given specific functional roles even though they are at variance with the original objectives. Therefore, states are reluctant to wind up DRDAs, even though they welcome professionalization.
- (ix) The problem of staff recruited by DRDAs needs to be highlighted. Devoid of normal promotion avenues and without any clear service conditions, they are a disgruntled lot. States have reported resistance from line department staff against the integration of DRDA staff.
- (x) Though Government of India had committed to supporting the staff costs and the pattern of staffing and the scale of assistance was laid down in 1999, no effort was made to ensure that the suggested staffing pattern was implemented. Only a few states like Andhra Pradesh, Tamil Nadu, West Bengal and Kerala made some attempt to make changes. Available reports show a large number of vacancies in most states – almost 40 per cent.
- (xi) Government of India support for salary cost did not keep pace with the increase of salaries due to enhanced DA and revision on the basis of the Sixth Pay Commission recommendations.

3.2 The Ministry of Rural Development conducted an evaluation study of the DRDA Administration Scheme through Development and Research Services Private Ltd., New Delhi. The important findings of the study are summarized below:

- (i) The eight Wing structure as envisaged in the guidelines is not followed by the States. DRDA has become an agency that coordinates scheme implementation rather than being a body of knowledge on rural development. The same situation remains even in DRDAs merged in Zila Parishad.
- (ii) Acute shortage of staff due to vacant posts is affecting the technical support functions of DRDAs. Staff quality as envisaged in guidelines are not followed strictly. Variation in service condition and lack of benefits to DRDA staff, conditions in parent cadre has led to unwillingness of the officers/staff to join DRDA.

- (iii) Arrangement of pre-service training as envisaged in guidelines is not followed. Lack of training has led to poor understanding of the poverty alleviation programme and less sensitivity and commitment towards implementation.
- (iv) There is huge gap in funding under DRDA administration scheme. The provisions of enhancing the allocations annually @ 5% have not been implemented.
- (v) Lack of project economist in district, constraints of field visits due to lack of overall budget and travel support affects the monitoring of programme implementation.
- (vi) Non adoption of organisation structure by the guidelines has affected integration functions. The DRDAs suffer from:
 - a. lack of role clarity
 - b. non-cordial relationship due to variation in levels of PDs and line Deptts. Officials
 - c. low power vested with PD, DRDAs in some States
- (vii) DRDA is engaged in coordination of limited number of programmes/ schemes which varies across the various States. The sphere of development activities has widened over the years but the functionality of the DRDA is on decline due to limited resource availability.

3.3 In sum, the institutional weaknesses and functional shortcomings of DRDAs are:

Institutional weaknesses

- i) Lack of professional and multi-disciplinary staff
- ii) Preponderance of generalist staff
- iii) Absence of career prospects for own staff of DRDAs
- iv) Large number of vacancies, especially of professionals
- v) Limited IT support

Functional shortcomings

- i) Poor capacity building of DRDA staff
- ii) Limited involvement in planning and coordination
- iii) Monitoring limited only to financial expenditures
- iv) Absence of evaluation of programmes
- v) Limited engagement with PRIs and peoples organizations
- vi) Carrying out too much of unrelated ad hoc work
- vii) Insufficient funding of DRDAs
- viii) Absence of non-financial monitoring of DRDAs by Ministry of Rural Development

3.4 The New Context

Over the last decade, several new generation schemes have been launched by the Ministry of Rural Development. They are:

- a) Total Sanitation Campaign (TSC)
- b) PMGSY
- c) National Social Assistance Programme
- d) MG-NREGS
- e) Integrated Watershed Management Programme (IWMP)
- f) National Rural Livelihoods Mission (NRLM)

3.5 The above schemes have their own implementation arrangements funded from the schemes themselves.

- a) Total Sanitation Campaign (TSC)

TSC is implemented through the Panchayati Raj Institutions with Gram Panchayats playing the pivotal role. The State Water and Sanitation Mission and the District Water and Sanitation Mission are the implementing agencies. Upto five per cent of the project cost can be used for administrative expenses.

b) PMGSY

This is implemented through the State Rural Roads Development Agency with project implementation units at the district level headed by engineers. It is purely a works programme. Upto 2.25 per cent of the project cost can be used for consultancy support.

c) National Social Assistance Programme

The NSAP is implemented mostly by the Social Welfare Departments in most states except in States like Andhra Pradesh, West Bengal, Assam, Meghalaya and Goa. Funds are released as Additional Central Assistance (ACA) to the states.

d) MGNREGS

This largest scheme of the Ministry of Rural Development has an independent implementation mechanism with statutory positions of District Programme Coordinator (DPC), Joint Programme Coordinator (JPC) and Block Programme Officer. The engineers and IT professionals required for the programme have all been taken on contract. The DRDA is involved as fund routing and monitoring agency in some States besides providing administrative support and PD, DRDA is the DPC/JPC in a few States. Under MGNREGS 6% of total allocation is earmarked for administrative cost.

e) Integrated Watershed Management Programme (IWMP)

This new scheme requires the setting up of a State Level Nodal Agency (SLNA) and also Watershed Cell-cum- Data Centre (WCDC) at District level. The WCDC will be a separate unit in DRDA/Zila Parishad consisting of full time Technical Expert, Accountant and Data Entry Officer. In addition, there is provision of Watershed Development Team of 3-4 Technical Experts at project level and Watershed Secretary at village level. The expert positions required at the State, district and project levels are funded by the programme. There is a provision for administrative cost under the scheme by earmarking 10% of the allocation for the cutting edge level expenditure at the project and village level.

g) National Rural Livelihoods Mission (NRLM)

This programme which has just been initiated calls for a mission approach and highly qualified professionals to implement a comprehensive anti-poverty programme. Though the guidelines refer to DRDAs, each State has to work out the district level implementation arrangements and the relationship between the DRDAs and the District Project Management Units. Under NRLM, 5% of the fund will be allocated for administrative cost including the cost of staff at district and sub-district level.

3.6 In this context, of the major centrally sponsored schemes of the Ministry of Rural Development, only Indira Awas Yojana has no separate implementation arrangements. Examined in the light of the new schemes, the formulation made by the Shankar Committee needs to be re-visited.

- a) The Self employment and Women wings are no longer relevant once NRLM becomes fully functional.
- b) The Wage Employment and Engineering wings are not required in the context of MGNREGS and PMGSY. However, the Engineering wing could have limited role for the implementation of IAY.
- c) The Watershed wing has no place with the advent of IWMP.
- d) The Monitoring and Evaluation wing also loses its importance as the new programmes build in this element into the programme design.
- e) The Accounts wing is dependent on the quantum of funds flowing through DRDAs and this would shrink once the new schemes like the setting up of State Employment Guarantee Fund under MG-NREGA, State Level Nodal Agency for IWMP and State Rural Livelihoods Mission under NRLM, become fully operational.
- f) The General Administration wing would also have to be pared down as the administration of various schemes moves out.

Chapter - 4

Present Challenges in Rural Development

4.1 Historically and traditionally for a long time, even from the days of the Royal Commission on Agriculture, Rural Development was synonymous with Agriculture Development. After independence, with the advent of planned development, the focus shifted to community development which emphasised creation and fostering of people's own organisations and motivating people's initiatives, natural and stimulated, with government playing the role of a facilitator through extension and nucleus funding. Conceptually the approach was meant to transform the social and economic life of villages. However, in the absence of democratically elected Local Governments and participatory planning and paucity of resources, it could not make headway and the idea of all-round development of villages slipped in priority.

4.2 Severe shortage of food in the early 60's switched the emphasis on to food production. This resulted in an area-based approach and extension of technology, backed up by provision of necessary inputs. This narrow but intense strategy had its positive impact, as the country moved on to the path of self-sufficiency in food. In the early 70's it was also realized in policy that rural societies are not homogenous, and that the poor had gained little or no share of the benefits. A radical direct attack on poverty was initiated. A series of Centrally Sponsored Schemes and Centrally directed initiatives sprung up. Special agencies for small farmers, marginal farmers and agricultural labourers came up in selected districts. Integrated Child Development Scheme (ICDS) was launched in 1975, and in the same year Accelerated Rural Water Supply Programme was also started. Food for work became an important medium of tackling rural unemployment and food insecurity at the same time. Tribal Sub Plans were initiated in 1975 and Special Component Plan for scheduled castes, five years later.

4.3 The strategies and programmes were expanded considerably in the 1980's and 1990's. An important development was the increased importance given to the provision of basic minimum needs like housing, sanitation, drinking water, and rural connectivity. Simultaneously regeneration of natural resources also gained in importance and waste land development and watershed management programmes were formulated.

4.4 After the initial days of liberalization in the 90's, the realization that there was a great and growing divide between haves and have-nots, and the can-haves and cannot-haves which was dangerous in all senses – social, political and economical - came to be generally recognized.

4.5 In the second half of the 90's, and, the first half of the previous decade several large schemes intended primarily for rural areas were launched by Government of India. Interestingly they focused more on the poor and less on agriculture *per se*. Also their scope and coverage embraced the critical sectors related to holistic rural development – economic development, social development, human development and infrastructure development. Schemes like SGSY (now NRLM), MGNREGS, SSA, NRHM, expanded ICDS, PDS, Social assistance programmes, PMGSY, RGGVY, NRDWM, all testify to this variety and sweep.

4.6 In the last five years, there has been a paradigm shift in respect of development. The society and the nation are moving towards realization of the ideal of rights-based development. Right to education has been realised though not fully operationalized. Right to work is a functioning entitlement; right to food is in the offing; right to livelihood and right to social security are not far away.

4.7 At this point of time, "Rural Development" should mean all round integrated development of rural areas with stress on closing the various divides:

- a) Spatial divides - both urban – rural and intra-rural
- b) Social divides including gender, class, caste and community
- c) Economic divides

These are the challenges that the approach, policies, programmes and implementation face at present in rural development.

4.8 For dealing with the challenges, an *Antyodaya* (unto the last) approach needs to be followed for prioritising the development initiatives to lead on to *Sarvodaya* (development of all) in the shortest possible time on the basis of:

- i) Rights-based provisioning
- ii) Norms-based facilities and services
- iii) Entitlement-based access

4.9 The means of attaining such development would be:

- i) Organizing rural poor around solidarity based organizations and interest based organizations
- ii) Empowering these organizations and building their capacities
- iii) Empowerment-based participation resulting in priority for people's preferences through a process of local level planning.
- iv) Peoples power-based institutions led by Panchayats ensuring demand and need-based convergence and integration.
- v) Professional support system working for the people and their institutions to analyze their situation, plan for betterment and evaluate performance

4.10 The content of Rural Development would have to include:

- i) Human development focusing on the well being of the individual, family and the community through adequate provisioning of health and education.
- ii) Social Development ensuring gender justice, social justice and proactive inclusion of the differently abled and the destitutes
- iii) Eco-development trying to regenerate natural resources and attempting their sustainable utilisation.

- iv) Economic development focusing on livelihoods to generate employment and income covering agriculture, both traditional and commercial, and development of appropriate manufacturing and services.
- v) Physical development including housing, sanitation, water supply, power and mobility
- vi) To reduce vulnerabilities and uncertainties a robust social protection umbrella

4.11 Essentially what is to be aimed at is holistic development taking into account local resource endowments and optimum realisation of various potentials. At higher levels efforts should be focused on reducing intra-state, intra-regional and intra-district differentials in development and in dealing with the challenges of urbanization.

4.12 In the changed context, public intervention is called for to achieve not just the basic minimum needs to survive but also the optimal essential needs to live a life of dignity without shame. In a sense, the concept is a throw back to the community development approach of the 1950's except that it would also take into account the fact that rural society is quiet fragmented and even the poor are segmented in different ways and calibrate the policies, plans, programmes and implementation methods to match the differentials. Naturally the priority would be to develop an Anti-Poverty Sub Plan focusing on higher entitlements in the interest of equity and social justice.

4.13 Analysis of the present rural development scenario offers interesting conclusions. All the ingredients are there except that they are separated and insulated. The funding is substantial but sadly the medium for spending and delivery is weak or non-existent. Development in its literal sense envisages a process of unwrapping, unfolding and opening up of capabilities and possibilities. It is essentially subjective and aspirational. It is necessary to channel as well as filter aspirations into a collective agenda for change and improvement. Also development cannot be sectoral. It is always multi-dimensional and comprehensive and it can be attained only through a process and that too at the most decentralized level from a subsidiarity point of view and through a legitimate, democratic institutional mechanism. Rural Development cannot

be achieved by ignoring Panchayats which represent the people at the local level.

4.14 Strangely, when resources were not enough, there was a realization of the need for integrated development in the days of Community Development. But now the efforts are disjointed and performances are silo based – this is a cruel paradox in a situation where the Constitution mandates the setting up of democratic local governments in the form of Panchayats. While the programmes and resources are actually in the field, the institution exists in a ‘virtual’ State in the supreme rule book. It is time to bring them together so that the current concept of a rights-based integrated rural development with focus on the disadvantaged and excluded is realized. Of course this cannot happen overnight. The institutions need to be nurtured and their capacities built. But it is also axiomatic that capacities cannot develop *in vacuo*. In respect of development, learning can only come about by doing. So the Panchayats have to be entrusted with responsibilities and facilitated to discharge them.

4.15 The guidelines issued by the Planning Commission, the suggestions of the Expert Group on Grass Root Level Planning and the recommendations of the Second ARC, all call for the setting up of a dedicated professional unit at the district level to facilitate district planning by providing technical inputs to the local governments and the DPC and by ensuring two - way flow of information between different levels of governance. There is need for plan support systems at lower levels also. Such a facilitating mechanism is the need of the times and a great deal depends on the State Governments in proactively putting it to use. It is not possible nor desirable for Government of India to set this up at all levels but it can help to promote this at least at the level of the State and the district by funding a high quality professional group which can directly assist in integrated planning and facilitate and monitor the implementation of the plan focusing on reduction of poverty.

Chapter – 5

Organisations of the Poor and PRIs

5.1 Need for Organisations of Poor

In the context of participatory rights based development, PRIs and People's Groups and their interrelationships assume special significance.

5.1.1 The foundation of any long term and successful poverty eradication programme rests on the right kind of assumptions about the poor, recognising their institutions and their active involvement in the programme. Those development initiatives which recognise the capabilities of the poor, and, their strong desire to come out of poverty and have built their strategy around the organisations of the poor have achieved long term success. They have recognised that the real challenge is to organise the poor, capacitate them and thereby enable them to unleash their innate capabilities. This process enables them to generate meaningful livelihoods and come out of poverty. Poor women, in particular, may initially need to build separate organisations to take care of the double burden of being women and being poor.

5.1.2 Where such approaches have been tried, a majority of the poor, particularly women have taken very effective advantage of the process of social mobilization. They have demonstrated that a great deal of their dormant energy, when released could lead to a new power to tackle the double burden of gender and poverty. The experiences of state government led initiatives – A.P (SERP), Kerala (*KUDUMBASREE*), Bihar (*JEEVIKA*), Tamilnadu(TN WDC), and initiatives of eminent NGOs like MYRADA, SEWA, PRADAN, AKRSP, DHAN, etc., are illustrative of the phenomenon where poor women were not only able to assert their rights to resources intended for them but were also able, as a consequence, to enhance their dignity and increase their income through self-employment activities in their informal sector. In the process, they also took care of other social deprivations. As a result the entire family benefitted.

5.1.3 What is required as a non-negotiable in any programme of poverty eradication is a process of motivating the poor to form their own institutions, and through their 'own' institutions, over which they have effective control, provide long term handholding support to their members. The members themselves would decide whether they should build new organisations or use existing ones as instruments of action. Strong institutional platforms of the poor, empower them and enable them to build-up their own human, social, financial and other resources. They enable them to access their rights, entitlements and livelihoods opportunities, including services (both from the public and private sector). The social mobilization process enhances solidarity, voice and bargaining power of the poor. A key to social mobilisation is a **sensitive support organisation**. Such an organisation performs a critical function as an umbrella organization for capacity creation. The support organisation, which can be an external organisation or an organisation owned by the poor provides enabling environment and a sensitive support mechanism in which people can work for themselves to improve their own lives.

5.1.4 However, building institutions of the poor has not been seen as a core investment. In many development programmes, it has been merely seen as a way of involving the poor in a specific thematic area, that too for a limited period of time. Once the programme funds are exhausted, these 'people's institutions' have also withered away. For sustainable poverty eradication it is essential that institutions of the poor need to be nurtured for a reasonable period of time and it should be seen as a core component and as an end in itself and not as a 'limited' component.

5.2 Typology of organisations of the poor

The participatory organisations of poor can be classified into four broad categories:

- i. Thrift and credit based Women's organisation, where the poor women are organised into self-help groups (SHGs). In states like A.P, Kerala and Bihar the self-help groups have been federated at village and higher levels. The state missions for rural livelihoods and NGOs are playing a key role in this effort.

- ii. Organisations of Labourers :- agriculture labourers can organise themselves so that they consistently improve their collective bargaining power and get better deal from those who employ them. MGNREGS provides an opportunity for promoting such organisations for the unskilled labour.
- iii. Livelihoods organisations/Artisanal cooperatives/Producer groups:- All those pursuing similar livelihoods or involved in production of a particular product have been organised and supported with a range of livelihoods services.
- iv. Special organisations for the most vulnerables:- The most neglected or vulnerable families like disabled, primitive tribal groups, orphans, etc., require special organisations to address their problems/needs.

5.3 Role of organisations of poor in tackling poverty

5.3.1 Initiatives for change, undertaken by the poor through their own organisations, form the essence of a process of participatory development where the **poor operate as conscious subjects of change**. They reflect on their life-situations and take decisions to bring about changes to improve their social and economic status. The underlying assumption is that the **poor are creative and are capable of taking initiatives for development**. But social processes have often operated to deny them the opportunities for the practical expression of their creativity. A meaningful development process must lead to liberation of the creative initiatives of the poor. In many states, there are new opportunities in the form of strengthened Panchayati raj institutions, which could be strong allies of the poor in this process of social mobilisation and institution building.

5.3.2 The organisations of the poor have multiple roles:

- i. **The organisations of poor** : It would develop a holistic approach to their economic, political and physical environment. At the same time, the achievement of specific objectives, like improving their resources through collective effort, would impart greater confidence, help bring the poor out of isolation and reinforce community identity and strength.
- ii. **Larger collectives of the poor**: If the organisations of poor are linked across space and sustain each other through exchange of ideas, they

could contribute to the eventual emergence of not just of a new consciousness but also of new kinds of structures. Within such structures, mass participation in economic, social decision-making could become a distinct possibility. In the long-run, when structural changes at the macro level occur, such organisations could form the institutional basis for developing further community consciousness and further unleash the creative potential of the poor.

- iii. **Role in planning** : The organisations of poor will influence policy, planning at various levels, particularly at grass-roots level so that the policies will reflect their true aspirations. These organisations of poor will also try to bring in, through their continuous efforts, pro-poor perspective in all aspects of planning and policy formulation and their implementation.
- iv. **Community professionals** : The organisations of the poor will not only involve in mobilizing the poor into suitable institutions but also create community level large pool of professional service providers to support and nurture these institutions to take up self-managed and self-sustainable anti-poverty initiatives at various levels and ensure their accountability to the members. This is a very important development in the architecture of anti-poverty programmes. There is a virtual vacuum in delivery of extension services to the poor.
- v. **Transparency** : The impact of the poor people's organisations on the design and implementation of the development programmes bring in efficiency in their implementation by bringing in ownership, transparency, and will attract more resources and skills.
- vi. **Lobby of the poor** : The people's organisations also function as lobby and advocacy agencies to be used by the poor to voice their concerns and felt needs which ultimately result in democratization of delivery system. These organisations of the poor will act as link between official machinery of implementation and beneficiaries/target clientele.

5.3.3 The mobilization of poor and building their own institutions (organisations) is a complex and time consuming task. It is essential that this is done on a scale such that poverty eradication can happen effectively and in

a sustainable manner. For this to happen on a scale, it needs to be induced by external sensitive support structures. Government agencies, Panchayati raj institutions. NGOs and civil society organisations, banks and corporate sector can play this role. With time, as the institutions of poor grow and mature, they themselves become the internal sensitive support structures and institutions for the poor. Their successful members and empowered leaders take charge of and accelerate many of these processes. Thus, **the programme for the poor becomes the programme by the poor and of the poor**. It is only when we consciously build social capital of the poor that sustainable development can take place. They can effectively participate in all institutions, particularly in the Gram sabhas and Gram panchayats.

5.4 Role of Government in working with organisations of poor

As more and more schemes and programmes mandate setting up of SHGs and User Groups, the Government, either directly or through Panchayati raj institutions and NGOs, has to do the following:

- i. **Promote social mobilisation:** The centre-piece of a policy framework for poverty alleviation has to be the mobilisation of the poor in order to enable them to participate directly and effectively in the decisions that affect their lives and prospects. This mobilisation shall revolve around identifiable communities of poor – villages in rural areas, settlements of the poor in rural/urban areas and special groups such as women, ethnic minorities and other disadvantaged groups. **Where the contradictions are sharp, the poor and vulnerable have to be separately organised.**
- ii. **Capacity building of the organisations of the poor and their staff :** This is a sensitive and critical requirement.
- iii. **Encourage bottom-up planning:** This is an essential function. Unless poor have access to decisions that affect and influence their lives, policies and programmes will continuously fail to integrate poor into the mainstream of development.
- iv. **Focus on women:** It is imperative to remove gender bias and discrimination from the attitudinal, legal and institutional domains of

society. A foremost innovation to effect this kind and magnitude of social change is to ensure that women are fully and effectively represented in the political process.

- v. **Develop a sensitive support mechanism** : There is a need for an **umbrella support mechanism** that would supply other needed services. Experience suggest that non-governmental organisations, banks for the poor and sensitized government institutions like KUDUMBASREE in Kerala, SERP in Andhra Pradesh, BRLPs in Bihar, WDC in Tamil Nadu, etc. have brought tremendous change in the lives of poor by functioning as sensitive support mechanisms. These mechanisms also have catalysts/animators and facilitators – who would work with local communities in areas where the poor live and bring to them information on the benefits of collective action.

- vi. **Create and nurture sustainable institutions of the poor** : The mobilization of poor into their institutions (organisations) initially needs to be induced by external sensitive support structure. Government agencies, Panchayati raj institutions, NGOs and civil society organisations, banks and corporate sector can play this role. With time, as the institutions of poor grow and mature, they become the ‘true’ internal sensitive support structures and institutions for the poor. Thus there is an ‘exit policy’ for the promoters. The successful members and empowered leaders of organisations of the poor take charge of and accelerate many of these processes. **Thus, the programme for the poor becomes the programme by the poor and of the poor.**

5.5 Relationship between Organisations of the Poor and PRIs

5.5.1 As mentioned above, organisations of the poor could exist in the form of Community Based Organisations (CBOs), Self Help Groups and User Groups. They can broadly be divided into two categories:

- i) *Generic institutions of the poor.* They could either be autonomous social groups formed through internal or externally non-governmental or governmental motivation and could function as advocacy groups, groups fighting against injustice or groups acting in unison to further common interest - economic, social, political and/or developmental.

- ii) *Programme specific groups* - They could also come into being as groups organised by Government for implementation of specific programmes like water supply, irrigation, watershed management

5.5.2 There is subtle difference between these two types. The former have absolute freedom of action and can even challenge PRIs through public action. But the latter groups, organised for specific purposes around the promise of a benefit and recipients of public development funds in functional areas related to the legitimate domain of the Panchayats, have to develop a working relationship with PRIs. The objectives behind setting up such groups by public agencies include –

- i) Participatory planning
- ii) Involvement in implementation
- iii) Local resource contribution
- iv) Potential to develop as interest groups
- v) Inculcating culture of self-help
- vi) Facilitating NGO involvement
- vii) Ensuring sustainability through take over of operation and maintenance functions
- viii) Empowerment of communities.

5.5.3 Over the years there has been a tendency to club these organisations of the poor with PRIs and equate them consciously or unconsciously. Some times people's groups are proposed as efficient substitutes of "corrupt or political PRIs." They could be effective in advocacy or in delivery of development programmes, especially anti-poverty programmes. But it has to be noted that howsoever vibrant they are they can not substitute local governments.

5.5.4 PRIs are local governments performing a range of governance and development functions. They are not unidimensional social groups or project implementation agencies; they are political and governance entities. They are accountable to the entire population of a Panchayat and not just to a small circle of beneficiaries. Thus there is a natural and obvious distinction between local governments and people's groups. However, there is no doubt that people's

groups are absolutely necessary for augmenting social capital and deepening democracy.

5.5.5 But there are some disturbing trends which are listed below:

- i. State continuing to perform local government functions through CBOs, Line agencies by-passing elected PRIs and directly dealing with CBOs
- ii. CBOs utilizing funds and performing functions in the legitimate sphere of PRIs without their knowledge.
- iii. CBOs having not even symbolic accountability to elected PRIs even when they are using public funds or utilising the natural resources of the locality.
- iv. CBOs being politically manipulated by the State Government, often to undermine the political legitimacy of PRIs – in such cases they become parallel power centers.
- v. CBOs being nurtured as developmental substitutes of PRIs through generous infusion of funds even while starving the PRIs of resources.
- vi. CBOs duplicating the work of PRIs and engaging in turf wars.

In such a scenario CBOs, visualised as substitutes of Local Governments, tend to become bodies functioning in parallel to PRIs contesting their space, and sapping their strength.

5.5.6 Now there is even talk of Community Driven Development being more democratic and effective than Local Government-led Development. But the Indian Constitution and its development scenario call for stronger grassroots level democratic institutions of governance. While community formations are necessary to further their legitimate interest, political institutions are required for all round development which calls for reconciliation and harmonisation of conflicting interests and pressures.

5.5.7 As of now PRIs may be weak and the active organisations of the poor may justifiably feel that they have nothing much to gain from partnering with PRIs. They may even feel that it could at least temporarily put a brake on their

momentum. But, in the long-term interest of the poor, it is necessary that they have to participate in the local democratic process. They cannot continue to remain as project functionaries and self-help entities. They have to get their legitimate share of power on their own terms.

5.5.8 Enlightened self-interest should also motivate the poor in linking up with PRIs. Experience has shown that the poor learn better about the workings of democracy and power relations by involvement in local governments through 'seeing' how the levels of power actually operate in the local context. Moreover, it is expected that during the Twelfth Five Year Plan, PRIs would be strengthened considerably and several Centrally Sponsored Schemes are likely to be implemented through them. If the poor keep away at this juncture it would prove costly to them in future for it would mean alienation from future opportunities. Therefore, the organisations of the poor would stand to gain by linking up with PRIs. At the same time, the PRIs would also gain considerably from the social capital to become more effective as development institutions.

5.5.9 Thus bringing about an organic linkage between the PRIs and CBOs is both a constitutional obligation and a practical necessity.

5.5.10 In fact, even the marginalized groups get innumerable opportunities for participation if the development processes are suitably structured. Such participation would help them in gaining confidence and in moving from token participation onto higher forms of direct social action for collective good. This would enable people to assume responsibilities for management of utilities create demand for services, and exercise effective social audit and control.

5.5.11 Local governments afford opportunities to the poor to grow in strength by continuous participation (learning by doing), constant observation of the exercise of power (learning by seeing) and accessing more information (learning by knowing). As barriers are weaker in the local situation, the poor can hope to break them with some effort. From (voice), the poor can move on to 'choice' i.e. more control over resource use. Slowly 'freedom' gets enlarged and 'capabilities' get enhanced. Thus, they facilitate empowerment.

5.5.12 Thus, there is need to have absolute clarity and definite policy on the relationship between organisations of the poor and PRIs. If the relationship between the two is consciously structured and if in the initial years Government

were to positively intermediate between the two there is every chance that mutually complementary and beneficial working relationship can be forged between the two. People's groups can act as the community wings of PRIs or as thematic or cross sectoral sub-systems of PRIs to generate demand, suggest priorities and be a vehicle for convergence of resources and services. Such a partnership can be visualised as the next step in democratic decentralisation. While the autonomy of functioning of the people's groups should be insulated from any interference, it is also equally important that the PRIs should have the right to know what they are doing. As far as possible, public resources to the people's organisations should be routed through PRIs for rule-based transfer to them without any space for discretion, patronage or pilferage. But the organisations of the poor have to render accounts to the PRIs for the resources they get from them.

5.5.13 Structural linkage would be desirable. For example, units and federations of people's organisations could be co-terminus with a ward or a panchayat. People's groups could be accredited to execute Panchayat Works through the community – contracting mode or deliver civic services.

5.5.14 Till such relationship stabilizes, government could play the role of a neutral umpire by laying down fair rules as well as build capacities to bring about fruitful engagement between the PRIs and people's groups. Such an approach would strengthen both PRIs and people's groups and release synergies leading to symbiotic relationship. If CBOs and PRIs work in parallel, the democratic gains cancel themselves out. But if they work together each having a well-demarcated functional space and a well-structured working relationship, then the democratic gains are multiplied. Such is the dynamics of this relationship.

5.5.15 To sum up, the roles of PRIs would be:

- i) Facilitate the formation and growth of poor people's organisations and mentor such organisations.
- ii) Give primacy to such organisations while taking decisions on matters related to poverty by involving them in planning for poverty reduction and converging resources and services meant for poverty reduction in response to the participatory plans prepared by them.

- iii) Incorporate such organisations into functional committees based on their capacity
- iv) Channel funds to such organisations.
- v) Use such organisations for outreach as well as for implementation including operation and maintenance of utilities and assets.
- vi) Utilize the organisations for feedback.
- vii) Allow the organisations to social audit expenditures related to poverty reduction.

5.5.16 The role of the people's organisations vis-à-vis PRIs would be :

- i) Recognise PRIs as Local Governments to be engaged with (and not confronted) and hold frequent interactions.
- ii) Provide necessary information on their situation and on their functioning.
- iii) Take PRIs into confidence while preparing their plans for development.
- iv) Work closely with PRIs as a medium for delivery of services and development.
- v) Participate actively, articulate demand for quality public services and ensure direct and continuing social accountability through functional Grama Sabhas.
- vi) Assist in selection of beneficiaries.
- vii) Monitor anti-poverty programmes and poverty indicators.
- viii) Submit regular reports to the Panchayat.
- ix) Groom members especially women to contest Panchayat elections.
- x) Achieve a superior form of politicisation beyond partisan politics by developing a shared understanding of poverty and the possible ways of emerging out of it.

5.5.17 Ultimately, PRIs as well as CBOs have to function as instruments and institutions for ensuring that the voice of the people is listened to and that the people have a direct say in decisions regarding their development. In India, it has to be admitted that PRIs are not ipso facto pro-poor in all places and there are vast differences across states. Similarly, poor communities are not properly organised to protect their interests or articulate their demands. In such a scenario, there are places where some PRIs could act against the interests of the poor and some CBOs could be too weak and ineffective either to protect their interests or influence the panchayats. There could be several instances of cooption or conflict.

5.5.18 For mutual synergy to develop, the participatory role of CBOs needs to be strengthened, which can realistically happen only at the sub-gram panchayat level – at the level of the habitation. Here, social mobilisation is stronger and negotiations with the panchayat easier. It is here that effective alliance can be forged between peoples groups and the panchayats but this may not happen automatically. To start with, higher tiers of government and also NGOs need to play a facilitatory role and, at times, even a reconciliatory role. Poor people's groups can influence panchayats only if their affinity is strong and their interests are clearly articulated in the various participatory forums like ward sabhas, village committees, etc. Collectives of such groups have greater capacity in this respect.

Chapter - 6

DRDA and PRIs

6.1 DRDAs are pre-Panchayati Raj institutions in the sense that they were set up as professional units with non-official participation, before the constitutional mandate of economic development and social justice was vested in the Panchayati Raj institutions. There was a strong logic and justification in setting up such organizations at that point of time. The key objectives were:

- i) To provide professional support, often multi-disciplinary and of supra departmental nature, for implementation of a programme.
- ii) To provide for non-official participation in decision making especially of MPs and MLAs as required in the pre-Panchayat Raj era.
- iii) To facilitate easy and accountable management of funds through –
 - a) Receiving funds directly from Government of India
 - b) Parking of funds in interest drawing account in commercial banks outside the government treasury system to avoid risks of ways and means restrictions on fund flow.
 - c) Tracking of utilisation of funds through implementing agencies.
 - d) Proper account keeping through double entry systems and arranging audit.
 - e) Providing utilisation details and other financial management information requirements of Government of India.
 - f) Tracking regular release of funds from Government of India.
- iv) To provide a flexible organisational system for quick decision-making, easy procurement of goods and services etc.

6.2 DRDAs have, by and large, succeeded in ensuring smooth fund flow and rendering of accounts, and particularly in ring-fencing central funds. However in integrated planning and in bringing about transparency and participation in the implementation the experience is at best mixed.

6.3 In the constitutional context created by the amendments, political context brought in by functioning of elected bodies, development context giving primacy to participatory development, and administrative context giving importance to transparency and accountability there is a need for revisiting the *raison d'être* of bodies like DRDAs. The Constitution mandates that planning for economic development and social justice, and implementation of such plans, should be the responsibility of the PRIs and it further provides for transferring schemes in the functional domain of PRIs to them. In this context, it is necessary to examine the role and relevance of bodies like DRDAs.

6.4 In the changed context, autonomous bodies can end up as parallel bodies which can be defined as follows:

Parallel bodies are those set up as directed by the State or Central Governments to plan and/or execute development projects in areas which are in the functional domain of local governments, using funds provided by the State or Central Governments or donor funds. They are called parallel because they have a separate system of decision making on prioritization of projects and resource allocation to them which is independent of and removed from the Panchayati Raj set up. These bodies could have in them bureaucrats, elected representatives and, even, non-officials and community representatives. They have considerable autonomy, flexible procedures and function in isolation directly reporting to the State Government and some times to the Central Government.

6.5 Such bodies need a re-look for the following reasons.

- i) They compete for political space and usurp the legitimate territory of PRIs.
- ii) They contest the very rationale of PRIs and question the conceptualisation of PRIs as institutions of Local-self Government. They reduce PRIs to the status of "yet another organisation".

- iii) They challenge the idea of functional domain of PRIs.
- iv) They dwarf at the PRIs through superior resource endowments and visible patronage systems.
- v) They are bureaucratically controlled and propelled.

6.6 The Constitution envisages harmonisation not only of laws but also of institutional mechanisms with the Panchayati Raj system. The principle of concomitance cannot be limited to just laws but it extends to institutional arrangements as well. Viewed in this sense such institutions have to be harmonised with the PRI set up or else they become ultravires of the Constitution.

6.7 This principle had been recognised by the Government of India in 1990s and it was decided that the elected head of the Zila Parishad should be made the Chairperson of DRDA. States like Madhya Pradesh, Chhattisgarh, Rajasthan, West Bengal and Kerala went further and abolished DRDAs as separate legal entities and merged them with the Zila Parishads following the example of Karnataka which did so way back in 1987 without any negative effect on the flow of funds from the Government of India, their proper utilisation, and timely submission of accounts.

6.8 As parallel bodies pose a serious threat to the growth and maturation of PRIs as institutions of Local Self Government as envisaged in the Constitution, it is necessary that they are fully harmonised with the Panchayat Raj set up. What is required is to distinguish between the professional component and the autonomous-institutional component. The former is absolutely indispensable, particularly taking into account the fact that PRIs have relatively weak professional support; the latter has no relevance or place when democratically elected bodies are in existence. Therefore, it is in the fitness of things that DRDAs are suitably restructured by changing their institutional structure and character as charitable societies and converting them into a high quality professional group, preferably placed in the District Panchayats, but with the specific mandate to service the District Planning Committees. At the same time, alternative arrangements should be put in place to carry on with the work currently being done by DRDAs in several states.

Chapter - 7

Strengthening DPCs for Preparation of Anti-Poverty Plans

7.1 Article 243-ZD of the Constitution mandates the setting up of District Planning Committees (DPCs) to consolidate the Plans prepared by Panchayats and Municipalities and to prepare a draft development plan for the district as a whole in doing which matters of common interest including the following require to be considered.

- i) Spatial planning
- ii) Sharing of water and other physical and natural resources
- iii) Integrated development of infrastructure
- iv) Environmental conservation

7.2 Though there are doubts regarding the meaning of 'consolidation', draft development plan and whether the Plan should be for available resources or for a perspective, relationship with the State Plan etc., DPC remains the only body in the country which has a constitutional mandate for planning for economic development and social justice in a district. It is another matter that DPCs have not yet started playing this critical role.

7.3 The Second Administrative Reforms Commission in its Sixth Report on "Local Governance" has analysed in detail the limitations of DPCs in their present form and has recommended radical restructuring. Though such a restructuring is absolutely necessary to enable DPCs to discharge their planning, functions effectively, it would involve constitutional amendments which would take time.

7.4 The Task Force set up by the Planning Commission for preparation of a Manual for District Planning outlined the activities of DPCs which include the following.

- a) Providing overall leadership to the district planning process;
- b) Leading the district visioning exercise;
- c) Setting district priorities on the basis of consensus among local-governments, line departments, civil society, academia and other stakeholders in development;
- d) During the process of consolidation, reviewing plans of local governments and development departments particularly to ensure that these address the district vision as a whole and are free of overlapping and duplication;
- e) Performing the central role in the preparation of the Potential Linked Credit Plan (PLCP) for the district, with the support of National Bank for Agricultural and Rural Development (NABARD);
- f) Overseeing the participative planning process of the district development plan, to ensure that timelines are followed;
- g) After the plan is approved, to review implementation progress with local governments, line departments and other implementing agencies and planning units; and
- h) Oversee capacity-development of staff and elected representatives of local governments and line department staff regarding decentralised planning and implementation

7.5 The Task Force also gave the following recommendations to strengthen DPCs :

7.5.1 *“Constitution of District Planning Committee Secretariat -*

The core of the District Planning Committee Secretariat can be quickly created by merging the following district offices into the District Planning Unit (DPU).

- (i) Department of Planning and Economic Affairs, staffed by the District Planning officer with planning assistants.
- (ii) Department of Economics and Statistics, staffed by the District Statistics officer and statistical assistants.
- (iii) Department of Town and Country Planning, staffed by the Town and Country Planning Officer and Town Planners

In addition, the district unit of the National Informatics Centre (NIC) headed by the District Informatics Officer should also become part of the District Planning Unit and the DISNIC programme taken up in all districts under the District Planning Committee. The Natural Resources Data Management Support Unit established by the Department of Science and Technology in some districts may be made a part of the District Planning Unit.

Experts in the areas of social development, livelihoods, environment and resource management can be hired to support the planning and monitoring process in the district. Even if fully qualified persons are not available to begin with, those with relevant educational qualification can be hired and encouraged to improve their knowledge and skills through add-on courses and on-the-job experience.

The District Planning Committee may set up technical support groups in the lead sectors identified for the district to assist in developing a vision for the sector plan, identify technical inputs required and areas of research. These groups may comprise sectoral line department heads, experts from reputed technical institutions, universities or NGOs with expertise in the area etc. The TSG can assist in developing a vision for the sector plan and identify technical inputs required and areas of research.

The District Planning Committee can seek the assistance of technical support institutions (TSIs) until fully equipped to perform its task. It can decide on the scope of the work to be assigned to the TSI (See a model developed by PRIA, for this purpose).

7.5.2 In order to ensure that the District Planning Committee effectively performs the role envisaged for it in the Constitution, the following are also recommended:

Infrastructure: A building to house the District Planning Committee Secretariat with adequate space for the office of Chairperson, Secretariat headed by the Secretary of the District Planning Committee, officials of the District Planning Unit (DPU) and supporting staff. The offices must be fully equipped with IT facilities. Access to conference rooms with adequate facilities for holding large meetings and smaller working group meetings is also necessary.

Secretary of the District Planning Committee: At present, either the District Collector or the CEO of the Zila Parishad functions as Member Secretary. However, District Collectors usually have about seven to eight years of experience and for CEOs of Zila Parishads, if they are from the Indian Administrative Service (IAS), this may only be four to five years. On the other hand, line department officers such as Conservator of Forests, the Superintending Engineer for PWD and Public Health, CMOs, Deputy/Joint Director (Agriculture), have at least 15-16 years of service behind them. District Collectors are often preoccupied with regulatory responsibilities concerning law and order, elections, revenue administration and protocol duties, leaving them precious little time for development work. Their leadership in coordinating planning and monitoring district development work has been eroded with time. This results in compartmentalised working by line departments and consequent sub-optimal utilization of financial and other resources. It is, therefore, necessary that the Secretary of the District Planning Committee works on a full-time basis and be equipped to lead the planning process in the district. It is suggested that an IAS officer with at least 15-16 years of service, or an officer from the Indian Economic Service (IES) or Indian Statistical Service (ISS) or technocrats, with the same years of service be posted as Secretary of the District Planning Committee.

Adequate budgetary resources must be provided to the District Planning Committee: To meet expenditure on its regular staff as well as to hire experts, outsource work, facilitate the envisioning workshops, PRA exercises, exposure visits etc., funds are required. Capacity-building of elected representatives and staff of line departments related to the planning process must also be funded through the District Planning Committee. The District Planning Committees could, in turn, work out their training programmes and schedules in consultation with the state SIRDs, or any other nodal agency that is entrusted the task of training of elected representatives”.

7.6 The Committee endorses these recommendations. The Committee strongly feels that it is desirable that the DPC is chaired by the elected head of the Zila Parishad. Also DPC needs to be provided high quality staff. As suggested by the Working Group on District Planning headed by Dr. C.H. Hanumantha Rao way back in 1984, the District Planning set-up should have experts from various disciplines like economics, statistics, agronomy, cartography / economic geography, engineering, sociology, banking, etc., as well as from sectors like agriculture, animal husbandry, horticulture and so on – the actual composition and number being decided on the basis of the local situation. The Committee considers district planning to be a critical activity going beyond schemes and sectors and covering the whole gamut of development. The DPCs have to be fully equipped for this complex task. At the same time integrated planning for poverty reduction is the most important subset of the district planning function and needs to be immediately operationalised. In fact, this could be the entry point which could make the DPCs functional and enable them to gain experience and develop capacity on the job. Accordingly, the following suggestions are made:

- i) The DPCs may be empowered through amendments to the relevant guidelines of Centrally Sponsored Schemes (as was done in the case of BRGF) and given the nodal role in coordinating the preparation of district plans, approving and monitoring them, in respect of NRLM, MGNREGS, IAY, TSC, NRDWP, PMGSY, NRHM, ICDS, SSA/RMSA and IWMP.
- ii) For performing the above role the services of professional support teams in place in respect of these schemes may be seconded to the DPCs.
- iii) The District Collector or CEO of the Zila Parishad could coordinate on behalf of the DPC.
- iv) Within the broad ambit of these schemes and such State and local level schemes as the State may wish to specify. DPCs may be given the responsibility of preparing an Anti-Poverty Sub Plan for the district as a whole. For this purpose the DPCs should be empowered to converge available resources of the above mentioned schemes to meet the requirements of the integrated plan for poverty reduction. For this, a professional support group needs to work for the DPCs.

Chapter - 8

New Institutional Arrangements for Decentralised Planning with focus of Anti-poverty Programmes

8.1 In the light of the discussions and analysis made in the earlier chapters, it is obvious that most of the original objectives of setting up of DRDA have not been realised. Now that large schemes for poverty reduction are in place and there are serious concerns regarding their effective convergent planning and implementation, there is a need for new institutional arrangements. The existence of constitutionally mandated PRIs and the emergence of community-based organisations of the poor in the context of rights based development further justify the need for new institutional arrangements.

The key principles which should govern the design of the new institutional arrangements are:

- i. Participation of the people, especially the poor and the marginalized in decision-making in respect of their development
- ii. Primacy to the PRIs in ensuring convergent planning, - with the core plans prepared at the level of gram panchayat and then consolidated at the levels of the intermediate and district panchayats. This will be guided by a district perspective arrived at after elaborate analysis of data and consultation with the key stakeholders.
- iii. Provision of high quality professional support to the participatory planning and implementation processes – both to the PRIs and peoples' organisations.
- iv. Systematic on-line monitoring of outputs and evaluation of outcomes leading to evidence-based decisions.
- v. Social accountability at all stages

8.2 Towards Anti-poverty Sub-Plan

8.2.1 Resources allocated for poverty-reduction have increased manifold in the recent past. Several big schemes have been formulated by Government of India with direct focus on poverty. They include:

I Livelihoods

- i. MGNREGS
- ii. IWMP
- iii. NRLM

II Minimum Needs Infrastructure

- iv. IAY
- v. NRDWM
- vi. TSC
- vii. RGGVY
- viii. PMGSY
- ix. BRGF

III Human Development

- x. ICDS
- xi. SSA / RMSA
- xii. NRHM

IV Social Development

- xiii. SCSP / TSP Programmes

V Social Security

- xiv. NSAP
- xv. PDS
- xvi. RSBY
- xvii. AABY
- xviii. JSBY

8.2.2 Though elaborate planning procedures have been prescribed for most of these schemes, they are independent of each other with the result that they

operate in silos. This has severely affected the effectiveness of the huge financial investments. Thus, there is an urgent need to converge these resources meant for the poor in accordance with their needs and priorities. This can be best achieved through participatory planning for poverty reduction by the people themselves under the leadership of PRIs leading to an integrated anti-poverty sub plan.

For the important schemes there are professional staff support structures at the district and state levels. What is now required is special support to focus on convergent planning as appropriate to the local poverty situation. This can be best done by a professional support unit at the district level.

8.3 District Plan Support Unit (DPSU)

8.3.1 This is envisaged as a lean and coherent professional team driven by a shared vision to eliminate poverty. Ideally, in keeping with the constitutional scheme of things, this group should be located within the District Planning Committee as a distinct part of its technical secretariat. However, as District Planning Committees are still in the nascent stage in almost all the states, it may not be feasible to do so immediately in all States. Therefore, in the interim, say during the period of Twelfth Five Year Plan, the unit would be part of the Zila Parishad except in States where DPCs are fully functional, where they would be part of the DPCs. It has also to be admitted that in all states all the schemes mentioned earlier are not implemented by the Zila Parishad. In such cases, the Unit, though a part of the Zila Parishad, needs to be given the mandate to cover all the schemes. The implementing officers of the schemes at the district level would work with the DPSU in the preparation of the anti-poverty sub plan for which there would be a standing coordination committee.

8.3.2 While the different components of the anti-poverty sub plan coming from different schemes would be vetted by the respective scheme approving authorities the sub plan as a whole would have to be approved either by the Zila Parishad or by the DPC as decided by the state government.

8.3.3 The states should simultaneously strengthen the DPC by providing necessary technical officers like District Planning Officer, District Statistical Officer, Town Planning Officer, etc. It is expected that the Planning Commission

would support strengthening of DPC in the Twelfth Five Year Plan. By the end of the Twelfth Five Year Plan, the DPC should be in a position to directly undertake the task of preparing the anti-poverty sub plan utilising the services of the DPSU, which by then would form the part of the technical secretariat of the DPC in all States.

8.3.4 The mission of the DPSU would be *"to prepare a district level holistic anti-poverty sub plan converging all the centrally sponsored schemes directly related to the poverty reduction along with similar schemes of the state and local governments and oversee and guide convergent implementation"*. The DPSU will be responsible for:

- i) Analysis of poverty at district level
- ii) Devising and designing strategies for poverty eradication
- iii) Preparing sectors plans
- iv) Matching the plans with available resources and schemes
- v) Monitoring and evaluation of performance, as well as impact being achieved through anti-poverty schemes at district level.

8.3.5 The DPSU needs to be suitably empowered for carrying out the tasks assigned to it. In order to facilitate this, it has to be given the authority to coordinate the district level planning and implementing mechanisms of different anti-poverty programmes. For this, the DPSU can provide the technical support to the Zila Parishad / DPC for the preparation, approval and monitoring of the integrated anti-poverty sub plan. In the North-East wherever Autonomous District Councils (ADCs) are in charge of planning for poverty reduction, the DPSU would support the ADCs. This will bring together all the anti-poverty programmes to maximize their impact. It is strongly recommended that a sum equivalent to 10 per cent of the total allocation for centrally sponsored schemes of the Ministry of Rural Development and the Ministry of Panchayati Raj should be devolved in an untied manner to the districts to enable DPSU to fill up critical gaps while preparing the anti-poverty sub plan. While the DPSU is not expected to directly implement any of the programmes, it would need to intervene to ensure that proper sequencing and integration of the programmes are adhered to at the time of implementation, in accordance with the sub plan.

For achieving this, it needs to be empowered to issue necessary directives and advisories.

8.3.6 The DPSU also needs to coordinate with SIRD and drive different capacity building initiatives relevant for poverty reduction, especially those meant for

- i) Poor people's institutions
- ii) Panchayati Raj institutions
- iii) Departments implementing anti-poverty schemes
- iv) Bankers
- v) Civil society organizations

A well-structured capacity building plan would be an integral part of the anti-poverty sub plan.

8.4 Composition of the DPSU

The following composition of the DPSU is suggested:

I. Mandatory Positions

- i) Team Leader – a development professional with post graduate degree in development studies / related subjects with at least 10 years experience in implementing anti-poverty / social development programmes within or outside the government at the block level or above. Such a person is best identified through a transparent application -cum-search process.
- ii) Capacity Building Specialist
- iii) Natural Resource Management and Livelihoods Expert
- iv) Social Development Specialist
- v) Spatial Planning Expert
- vi) Human Development Expert
- vii) Social Security Expert
- viii) Monitoring and Evaluation Expert
- ix) Accounting and Finance Expert

II. Optional Positions

States may choose upto three professionals depending on the specific needs of the district.

III. Young Professionals

These would be post graduates from any of the development disciplines or graduates from professional courses - either fresh or having upto two years experience. They could be hired for a maximum of three years and one person placed in each block. The young professionals would primarily work as social animators and field level monitors besides facilitating preparation of gram panchayat level anti-poverty sub plans and their implementation.

IV. Support Staff

Support staff as required, like executive assistants, drivers etc., may be posted by the state government on deputation following a rigorous merit based, and open selection process. The posts may be determined by the state government subject to the condition that Government of India financial support for these posts would be limited to 30% of the expenditure on professional positions.

8.5 Block Level Arrangements

For supporting the district level set up the state government may put in place a Block level arrangement for performing the functions of coordinated planning and monitoring and this could be in the form of a team of officers concerned.

8.6 State Level Set Up

It is recommended that at the state level also there would be a supporting unit with identical composition as the DPSU but with higher experience.

8.7 The professional positions may be of permanent nature and the recruitment made by the state governments following the regular procedure of recruitment. However continuance of such staff would be allowed only after performance assessment on the basis of clear indicators to be developed for the purpose.

8.8 The Committee recommends a permanent cadre selected through the normal recruitment process to facilitate gaining from experience and to inculcate long term stake among the professionals. However, if some States feel the need for contract or consultancy arrangements, minor modifications could be made with adequate justification as provided in Para 8.20.

8.9 The suggested professional staff would be fully funded by Government of India through a centrally sponsored scheme "Strengthening of Planning for Rural Poverty Eradication". In order to give confidence and comfort to the States the scheme should be guaranteed to continue for at least three Plan periods. All recruited staff have to undergo an intensive induction cum immersion programme ranging from 6 months to 1 year. The induction programme may be centrally designed and hosted by reputed national level academic/training institutions. The MoRD, in consultation with MoPR, could steer the said induction cum training programme for all new recruits of state level supporting unit and DPSU.

8.10 The selection process should particularly look into the following abilities:

- i) To be able to give professional advice to departments, implementing anti-poverty schemes at district level
- ii) To commission surveys and studies for analysing poverty in the district
- iii) To have deep knowledge and skills for analyzing data/survey reports
- iv) To bring practitioner's perspective in executing tasks
- v) To look at all issues from the lens of the poor

8.11 There has to be structured HR policy for managing the new cadre of professionals. The compensation structure has to be competitive at least at par with what is available in reputed organisations/agencies functioning in the development sector. Special allowances may have to be provided to those working in difficult areas as defined from time to time.

8.12 The proposed consolidated monthly salary range for different positions in DPSU is suggested below:

- I. Team Leader - Rs. 70,000 to 80,000
- II. Thematic Specialist - Rs. 50,000 to 60,000
- III. Young Professional - Rs. 30,000 to 40,000

8.13 In addition to consolidated monthly pay, adequate provision for insurance, self-learning, communication, pension etc. should also be made available. Further, provision for periodic performance linked increment should also be kept in range of 5% – 10 % of total pay.

8.14 The DPSU should be suitably located in an office, preferably part of Zila Parishad, for which one-time capital grant may be made available for equipments and furniture. Administratively the DPSU could function either under the District Collector or the CEO of the Zila Parishad as decided by the state government.

8.15 Functions of the Proposed DPSU

8.15.1 The proposed DPSU may be made responsible for the following deliverables:

- i. Preparing Annual Status of Poverty Report based on analysis of survey and study reports being commissioned to analyse poverty situation at the district level.
- ii. Preparing integrated anti-poverty sub-plans.
- iii. Preparing and successfully executing the annual capacity building plan based on need assessment and stakeholders' analysis.
- iv. Producing annual monitoring and evaluation report of all anti-poverty programme at district level.
- v. Conducting policy studies for assessing factors responsible for deepening as well as elevating of poverty.
- vi. Conducting BPL survey and preparing repository of BPL database.
- vii. Documenting best practices of anti-poverty initiatives.
- viii. Conducting Action Research.
- ix. Capacity building of block level teams and coordination of their activities.

8.15.2 To achieve the above said deliverables, the following activities are suggested for the DPSU:

Preparing Annual Status of Poverty Report

- i. Collating and analyzing secondary data
- ii. Conducting survey studies and participatory assessment
- iii. Conducting BPL survey and keep updating the database
- iv. Organising seminars, workshop and consultation interface/meeting of various stakeholders
- v. Preparing annual report on "Status of Poverty in the District".
- vi. Dissemination of report among all stakeholders and policy makers.

Preparing Integrated Anti-Poverty Sub-Plans

- i. Holding multi-stakeholder consultation meeting.
- ii. Preparing sector wise gap analysis.
- iii. Identify sector-wise and cross sector strategies and options for poverty reduction. This will feed into the sub plans.
- iv. Mapping available resources and schemes.
- v. Preparing annual integrated anti-poverty sub plans.

Preparing and Getting the Execution of Annual Capacity Building Plan

- i. Need assessment of the stakeholders.
- ii. Interact and facilitate in preparation of training modules for people's institutions, PRIs, departments, bankers and civil society organisations.
- iii. Identification of good Resource Persons/Institutions and enrol them with DPSU.
- iv. Preparing repository of key institutions, agencies, resource individuals and opinion makers.
- v. Conducting ToT for resource persons.
- vi. Preparing annual training calendar.

- vii. Monitoring of CB initiatives being implemented by various departments.
- viii. Advocacy, planning and action.

Annual Monitoring and Evaluation

- i. Designing review and feedback mechanism for all anti-poverty schemes being implemented at district level.
- ii. Developing base line data on key sectors and aspects related to poverty and monitoring progress vis a vis the base line data.
- iii. Developing system for community based monitoring system and institutionalizing the same in practice.
- iv. Conducting regular field visits.
- v. Preparing periodic review and monitoring reports.
- vi. Identification and best practices, documenting them and disseminate the same for wider learning.
- vii. Preparing annual monitoring and evaluation report on poverty reduction.

Conducting Policy Studies

- i. Identify gap areas where studies are required.
- ii. Design framework of survey and studies and accordingly develop Terms of Reference for engaging consultant institutions/individuals.
- iii. Analysing data, findings and recommendations of the studies.

Transparency Measures

- i. Proactive disclosure of policies, norms data and expenditures.
- ii. Getting performance audit done.
- iii. Putting in place social accountability arrangements including social audit and grievance redressal mechanism.

Documenting Best Practices

- i. Identify best practices in all the sectors.
- ii. Take up field visits and document the practices.
- iii. Preparing case studies of failures.
- iv. Sharing of documents with all related departments/officials.
- v. Open a web site in which all data and documents would be placed for public knowledge.

8.16 Functions of the State Level Set Up

The key responsibility of this set up would be to guide and assist the DPSUs to achieve their tasks. It would ensure the coordination of line departments and agencies and also liaise with nodal departments like statistics, planning, finance etc., it would consolidate at the state level all the data and outputs of DPSUs.

8.17 National Level Coordination Arrangements

Since schemes of several Ministries are to be included in the anti-poverty sub plan, it is suggested that an empowered committee be set up at the national level consisting of the Secretaries of the Ministries concerned with authorised representatives from the Planning Commission and Ministry of Finance.

8.18 Suggested Planning Process

The planning methodology suggested by the report of the Expert Group on Planning at the Grassroots Level (2006) may be followed *mutatis and mutandis* for preparation of the anti-poverty sub plan. Of course, the process has to be iterative. Yet it has to start from the gram panchayat for which it has to be given an idea of the resource envelope it is entitled to from the various schemes. At the intermediate level there will be a consolidation of the village level plans and at the district level they would be further integrated. For this process to happen, it is necessary that appropriate modifications may be made in the guidelines of all the centrally-sponsored schemes listed earlier by the ministries concerned – mandating normative allocation of funds below the district level and integrated planning through the DPSU.

8.19 Transitory Arrangements

The following arrangements are suggested for managing the transition to the new scheme of things:

- i The society structure of existing DRDAs may be dissolved forthwith following due process, as a separate institution with its own decision making processes is no longer relevant in the context of Panchayati Raj. The existing staff may be relocated based on the kind of work they have been doing to the respective scheme implementation structures.
- ii Those support staff of DRDAs who have the qualifications may be placed in the DPSU/ State set up and should be transferred to these units.
- iii Those staff of DRDA who cannot be placed as above, may be re-located and supported using one or more of the following options.
 - a) Utilising the administrative cost of schemes viz. MGNREGS, PMGSY, TSC, IWMP, NSAP.
 - b) Allowing five percent of the SGSY allocation as administrative cost till intensive phase of NRLM becomes operational in all districts.
 - c) Allowing three percent of the IAY allocation as administrative cost.
- iv Even after these arrangements if there are surplus staff they could be treated as vanishing cadre and their services utilised in schemes related to poverty reduction. Their establishment costs would be met by Government of India till they retire, on 75:25 funding (90:10 in the case of North Eastern states). However, such commitment would not be there if the posts are in excess of those indicated in the DRDA administration guidelines.
- v The States should mandatorily absorb the DRDA-borne staff in appropriate line departments in accordance with the Supreme Court guidelines or treat them as a separate but vanishing category. Such

staff should not be discriminated in respect of emoluments and other conditions of service.

- vi During the transition, the existing functions of DRDAs should not be upset.
- vii State governments may suitably rename the DRDAs once the DPSU comes into being.
- viii In Sixth Schedule Areas of districts, till the DPSU is set up, DRDAs may be permitted to continue as a professional group with existing financial support.
- ix Small States / UTs may be given the flexibility to have the unit at the state level.
- x The DRDA Administration Scheme would be wound up by the end of the Eleventh Five Year Plan.

8.20 State Specific Modifications

The Committee realises that it may not be possible for all States to recruit the same categories of professionals as suggested by the Committee. Similarly, terms and conditions of recruitment and service would require changes in far flung states as well as Island Union Territories. Therefore, it is suggested that Government of India may set up an Empowered Committee with Secretary, Rural Development as Chairperson and consisting of representatives of the Ministries concerned and the Planning Commission and two or three professional experts as required to consider variation proposals from States and give one time approval.

8.21 Conclusion

The suggested arrangement of planning, coordination and integration of all schemes having direct relevance to poverty reduction needs to be owned up by all the Ministries which administer the schemes concerned. They need to clearly empower the DPSU and state unit to bring about the required convergence and synergy by amending the scheme guidelines appropriately. Since it is the mandate of the Ministry of Rural Development to deal with poverty related issues, it is in the best position to look after and support the functioning of state unit and DPSU.

