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**REPUBLIC OF INDIA**  
**JHARKHAND TRIBAL EMPOWERMENT AND LIVELIHOODS PROJECT**

**PROJECT DESIGN REPORT**

**Stage: Design Completion**

Volume I  
Main Report

Asia and the Pacific Division  
Programme Management Department

REPORT No.

July 2012

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**INDIA**

**JHARKHAND TRIBAL EMPOWERMENT AND LIVELIHOOD PROJECT**

**PROJECT DESIGN REPORT – APPRAISAL**

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## FISCAL YEAR

1 April to 30 March

## CURRENCY AND EQUIVALENTS

|                      |   |                           |
|----------------------|---|---------------------------|
| <u>Currency Unit</u> |   | <u>Indian Rupee (INR)</u> |
| USD 1.00             | = | INR 50.00 Jan 2012        |
|                      | = | INR 55.00 June 2012       |

## UNITS AND CONVERSIONS

|                                  |   |                                      |
|----------------------------------|---|--------------------------------------|
| 1 kilogram (kg)                  | = | 2.204 pounds (lb)                    |
| 1 000 kg                         | = | 1 metric tonne (t)                   |
| 1 quintal                        | = | 100 kg                               |
| 1 kilometre (km)                 | = | 0.62 miles (mi)                      |
| 1 metre (m)                      | = | 1.09 yards (yd)                      |
| 1 square metre (m <sup>2</sup> ) | = | 10.76 square feet (ft <sup>2</sup> ) |
| 1 acre (ac)                      | = | 0.405 hectare (ha)                   |
| 1 hectare (ha)                   | = | 2.47 acres                           |
| 1 Lakh                           | = | 100,000                              |
| 10 Lakh                          | = | 1 million                            |

## ABBREVIATIONS, ACRONYMS AND GLOSSARY

|        |  |
|--------|--|
| AIBP   | Accelerated Irrigation Benefit Programme               |
| APD    | Additional Project Director                            |
| AWP&B  | Annual Work Plan and Budget                            |
| BCR    | Benefit-cost ratio                                     |
| BPCC   | Block Project Coordination Committee                   |
| BPL    | Below Poverty Line                                     |
| CRP    | Community Resource Person                              |
| DC     | Deputy Commissioner                                    |
| DFAO   | District Finance and Administration Officer            |
| DPCC   | District Project Coordination Committee                |
| DPMU   | District Project Management Unit                       |
| FAM    | Finance and Administration Manager                     |
| FNGO   | Facilitating NGO                                       |
| FRA    | Forests Rights Act of 2006                             |
| FSC    | Farmer Service Centre                                  |
| GOI    | Government of India                                    |
| GS-PEC | Gram Sabha Project Execution Committee                 |
| GSRMLP | Gram Sabha Resource Management and Livelihood Plan     |
| HH     | Households   |
| ICO    | India Country Office of IFAD                           |
| IFAD   | International Fund for Agricultural Development        |
| IGA    | Income Generating Activity                             |
| ILRI   | International Livestock Research Institute             |
| INRM   | Integrated Natural Resource Management                 |
| IRR    | Internal Rate of Return                                |
| ITDA   | Integrated Tribal Development Agency                   |
| IWMP   | Integrated Watershed Management Programme              |
| JTDP   | Jharkhand Tribal Development Programme, IFAD-supported |
| JTDS   | Jharkhand Tribal Development Society                   |

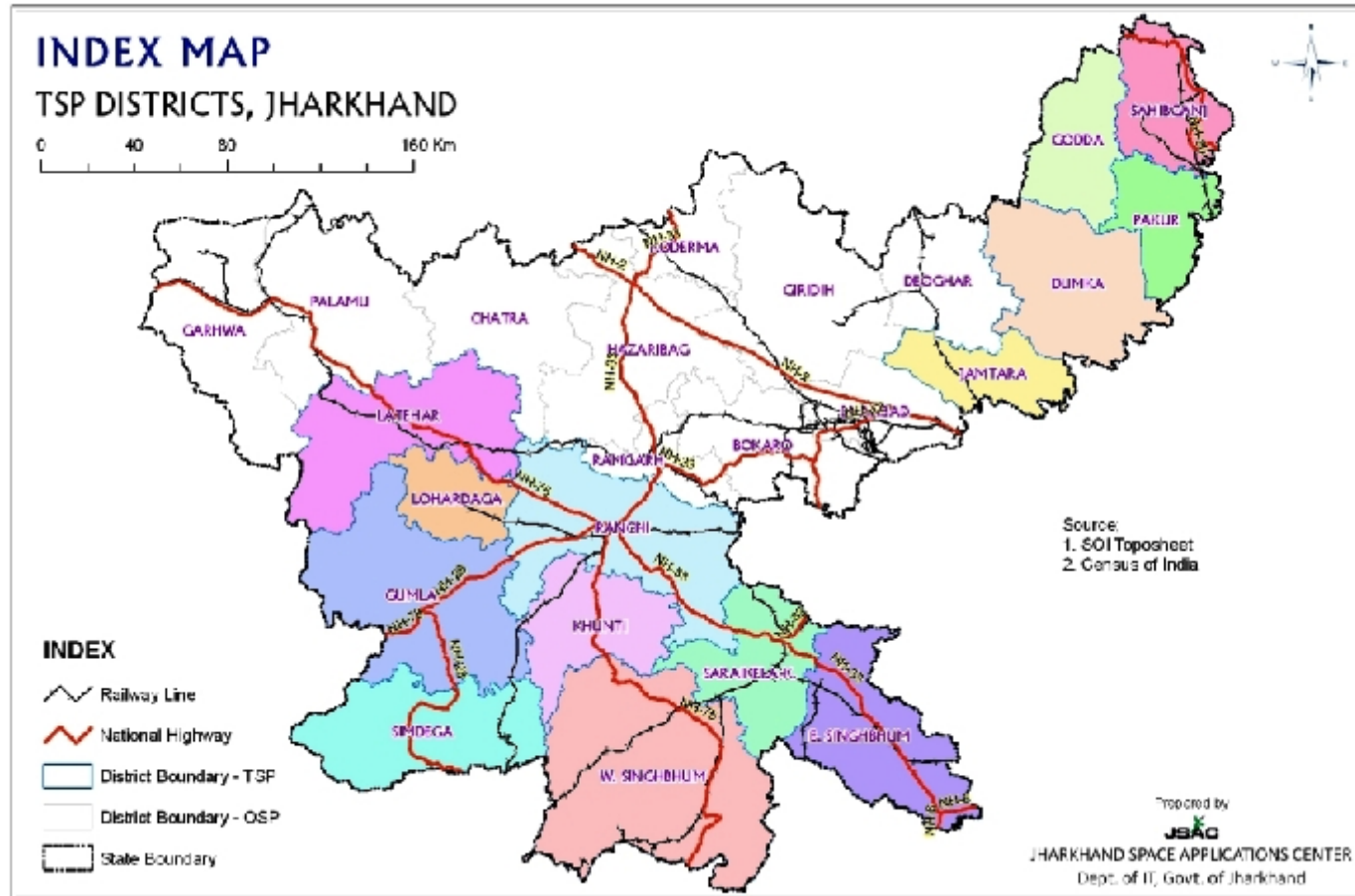
|            |  |
|------------|--|
| JTELP      | Jharkhand Tribal Empowerment and Livelihood Project                      |
| KAP        | Knowledge Attitude Practice Survey                                       |
| KM         | Knowledge Management   |
| M&E        | Monitoring and Evaluation  |
| MGNREGA    | Mahatma Gandhi National Rural Employment Guarantee Act                   |
| MGNREGS    | Mahatma Gandhi National Rural Employment Guarantee Scheme                |
| MIS        | Management Information System  |
| MOU        | Memorandum of Understanding  |
| MTR        | Mid-Term Review  |
| NGO        | Non-Governmental Organisation  |
| NHM        | National Horticulture Mission  |
| NPV        | Net Present Value  |
| NRHM       | National Rural Health Mission  |
| NRLM       | National Rural Livelihoods Mission                                       |
| NRM        | Natural Resource Management  |
| NTFP       | Non-timber Forest Produce  |
| OBC        | Other backward class   |
| PESA       | Panchayat (Extension to Scheduled Areas) Act                             |
| PIM        | Project Implementation Manual  |
| PMC        | Project Management Committee   |
| PRI        | Panchayat Raj Institutions   |
| PTGs       | Particularly vulnerable Tribal Groups                                    |
| RFP        | Request for Proposal   |
| RIMS       | Results and Impact Management System                                     |
| RKVY       | Rashtriya Krishi Vikas Yojana (National Agriculture Development Project) |
| SCA to TSP | Special Central Assistance to Tribal Sub-Plans                           |
| SCs        | Scheduled Castes   |
| SHG        | Self-help Group  |
| SOE        | Statement of Expenditures  |
| PSC        | Project Coordination Committee   |
| SPD        | State Project Director   |
| SPMU       | State Project Management Unit  |
| SPSC       | State Project Steering Committee   |
| STs        | Scheduled Tribes   |
| TSA        | Technical Support Agency   |
| TSP        | Tribal Sub-Plan  |
| VDF        | Village Development Fund   |
| WA         | Withdrawal Applications  |
| WFP        | World Food Programme   |
| YG         | Youth Group  |

## Glossary

|                       |  |
|-----------------------|--|
| <i>Bari/Badi</i>      | Land around a homestead used for cultivation                               |
| <i>Dhaincha</i>       | A nitrogen fixing plant used as green manure ( <i>Sesbania bispinosa</i> ) |
| <i>Goda dhaan</i>     | A variety of rain-fed, drought resistant paddy, cultivated in uplands      |
| <i>Gram sabha</i>     | Generic name for a village assembly; also the statutory village assembly   |
| <i>Jhum</i>           | Shifting cultivation   |
| <i>Kharif</i>         | Monsoon (wet) farming season   |
| <i>Kulthi</i>         | Horse Gram ( <i>Macrotyloma uniflorum</i> )                                |
| <i>Mate</i>           | One who supervises a work unit in civil construction work under MGNREGS    |
| <i>Murrum</i>         | Weathered and disintegrated rock, such as Laterites                        |
| <i>Rabi</i>           | Winter farming season  |
| <i>Taand or Taanr</i> | Upland or the upper reaches in a rolling landscape                         |
| <i>Tola</i>           | A hamlet forming part of a large village                                   |

### MAP OF JHARKHAND

(Project Area Districts are shown in colour)



### PROJECT SUMMARY

|                       |  |
|-----------------------|--|
| <b>COUNTRY:</b>       | India  |
| <b>Project Title:</b> | Jharkhand Tribal Empowerment and Livelihoods Project |
| <b>CPM:</b>           | Nigel Brett  |
| <b>QA Reviewer:</b>   |  |

|                         |                      |
|-------------------------|----------------------|
| <b>Director:</b>        | Nigel Brett OIC/ APR |
| <b>Division:</b>        | Asia Pacific Region  |
| <b>QE Lead Advisor:</b> | Tom Anyonge          |
| <b>QE Date:</b>         | 18 April 2012        |
| <b>QE Panel rating:</b> | 4.5                  |

**Development objective:** Empower and enable 136,000 tribal households to take up sustainable livelihoods opportunities and equitable use of natural resources in Jharkhand

**Project Components & Costs:**

| Components                                | Component cost<br>(US\$) | Percentage of<br>total cost |
|---|--------------------------|-----------------------------|
| 1. Community Empowerment                  | 11.74                    | 10.16%                      |
| 2. Integrated Natural Resource Management | 58.03                    | 50.20%                      |
| 3. Livelihoods Support                    | 16.29                    | 14.10%                      |
| 4. Project Management                     | 13.06                    | 11.29%                      |
| 5. Contingencies                          | 16.48                    | 14.25%                      |

**Total Project Cost: US\$ 115.59 M**

**IFAD contribution: US\$ 51.0 M – loan: US\$ 51.0 M; grant: US\$ 0 M**

**Number of Beneficiaries:** 136,000 households (direct)

**Cost per Beneficiary:** 850 US\$/ household (direct)

**Sources of Financing and Amounts:** IFAD (44.1%), TSP (10%), MGNREGS (38.2%), Govt (6.9%), Beneficiaries (0.8%)

**Terms of Financing:**

Highly concessional, interest-free loan and with 0.75% service charge  
Maturity period of 40 years with a 10 year of grace period

**Key Implementing Partners:**

- (i) Welfare Department, Government of Jharkhand
- (ii) Jharkhand Tribal Development Society, Ranchi
- (iii) Participating FNGOs
- (iv) Participating Technical Support Agencies

**Project Duration:** 8 years

## INDIA

### JHARKHAND TRIBAL EMPOWERMENT AND LIVELIHOODS PROJECT EXECUTIVE SUMMARY

#### Background and rationale

1. Removing rural poverty, estimated at 41.8% is the key challenge before India. Poverty is highest among the Scheduled Tribes (STs). Building on the experience of the IFAD-supported Jharkhand Tribal Development Programme (JTDP), the proposed Jharkhand Tribal Empowerment and Livelihoods Project (JTELP) will strengthen community-based institutions, promote improved natural resource management, enhance productivity and up-scale proven market-oriented production models. JTELP will foster convergence with on-going Government of India (GoI) programmes for tribal and rural development.

2. The tribal and rural development policies and the Approach Paper to the 12<sup>th</sup> Five Year Plan of the GoI emphasize convergence through decentralized governance. With elected Panchayats in place to plan and implement village development projects, the environment to implement JTELP is conducive. JTELP's objective is aligned with COSOP's emphasis on tribal people, women, youth and small and marginal farmers, and the strategic objective of greater access to agricultural technologies and natural resources.

#### Rural context, geographic area of intervention and target groups

3. Jharkhand has an area of 79,714 Km<sup>2</sup> and a population of 32.97 million (Census 2011), of whom 26% are STs and 78% rural. This fifth poorest Indian State has 51.6% rural people below the poverty line (BPL). Agriculture is the main rural occupation, yet over half of the cultivable land remains fallow, only 11% of sown area is irrigated and over 70% farms are under 1 ha. Low productivity of subsistence farming, forest degradation and lack of non-farm livelihoods are key drivers of poverty. In spite of many affirmative national and State laws and tribal development programmes, STs are poorest nationally and in Jharkhand and have suffered most in terms of displacement due to development projects.

4. Target Group: JTELP will work with approximately 136,000 families in about 1,350 villages of 30 Blocks (sub-districts) in the 14 Tribal Sub-Plan districts, targeting STs, PTGs, women-headed families, rural youth and BPL families. Choosing Panchayats with ST concentration will ensure ST targeting.

#### Key Project Objectives

5. JTELP will foster community-based institutions to empower village communities, especially women, introduce sustainable natural resource management systems and enhance food security and cash incomes by introducing improved farming practices and proven production technologies. The overall project goal is to "*improve the living conditions of tribal people in general and PTGs in particular*". This is sought to be achieved by organising and enabling communities to adopt sustainable and productive natural resource management regimes, adopt market-oriented production systems and learn the skills and gain the experience of planning and implementing development plans relevant to their villages.

#### Components

7. Component 1 - Community Empowerment: To reduce dependence on high cost consumption loans, improve women's participation in local governance and enhance access to entitlements. The three sub-components will be: (i) Promotion of 5,500 SHGs and 328 Youth Groups (YGs) and support to 1500 existing SHGs; (ii) Capacity building of Community Resource Persons (CRPs), Gram Sabha Project Execution Committees (GS-PECs) and staff of FNGOs and JTDS; and (iii) Special support to PTGs to access their entitlements. NRLM processes will be followed to form SHGs to facilitate their integration with NRLM.

8. Component 2 - Integrated Natural Resource Management: To improve productivity of rain-fed farming, the three sub-components will be: (i) Community Mobilization; (ii) Land and Water Resources Development; and (iii) Productivity Enhancement and Crop Diversification. Building on the SHG base, Gram Sabhas will be organized and GS-PECs formed to facilitate GSRMLP preparation, get government approvals, manage funds and supervise plan implementation under MGNREGA. Productivity enhancement and crop diversification will also be taken up besides land and water resource development.

9. Component 3 - Livelihood Support: To enhance incomes and minimise distress migration and youth unemployment, the four sub-components will be: (i) Support for Income Generating Activities to PTGs and the poorest; (ii) Promoting market-linked production clusters for vegetable production, mango orchards, tasar silk rearing, lac rearing and goat rearing; (iii) Vocational training and placement in urban and rural trades; and (iv) Innovative interventions such as (a) setting up community forests by providing Community Pattas; (b) lac rearing on *semialata*; and (c) PTG habitat planning.

10. Component 4 - Project Management: JTELP will be implemented by JTDS, a Society set up by GoJ. With a State Project Director (SPD) and a State Project Management Unit (SPMU), the State level organisation will consolidate plans and budget and manage funds flow, M&E and KM. Each district will have a DPMU within the Deputy Commissioner's office to facilitate convergence.

## Gender

11. JTELP will include a gender mainstreaming process across all components. Gender concerns will be integrated in selecting staff, FNGOs and TSAs and in project management. Stakeholder capacity to address gender concerns will be enhanced. Women will be recruited as Community Resource Persons. Gender-specific monitoring indicators, such as impact on gender relations will be developed.

## Benefits

- Some 7,000 SHGs and 328 Youth Groups from 66,000 households organised and trained;
- About 136,000 households (including 10,000 PTG) benefited by village development funds (VDF), land and water development, irrigation and crop demonstrations;
- Some 43,070 households benefited by IGA, market-linked production and vocational training; and
- Some 1,000 households benefited by *semialata* lac production, 10 PTG villages by habitat development and 50 villages by land use titles through community forestry.

## Implementation arrangements

12. **Implementation arrangements:** The Department of Economic Affairs in the Ministry of Finance of GoI will be the nodal agency to review and monitor the Project. JTDS, promoted by the Welfare Department of GoJ as Lead Project Agency will be responsible for planning, funds flow, M&E and KM at the State level. A State Project Steering Committee headed by the GoJ Chief Secretary, district coordination committees headed by Deputy Commissioners and Block Committees under Block Development Officers (BDOs) will provide coordination and policy support. Planning and implementation in the field will be done by community-based institutions, fostered and trained by FNGOs. Technical Support Agencies (TSAs) will mentor FNGOs and the two together will provide the implementation support to community-based institutions. Approval of village plans will be decentralized and a mechanism will be instituted for convergence of programmes in districts.

## Links with other initiatives

13. JTELP will mobilise finances through convergence with government programmes, especially Grants under RKVY and GoI schemes for PTGs. Project promoted SHGs will be integrated with NRLM.

## Costs and financing

14. The cost for eight years is estimated at USD 115.59 million to be financed through an IFAD loan of USD 51 million, GoJ contribution of USD 7.93 million, USD 11.56 from GoJ budget under Art 275(1) and SCA to TSP, USD 44.18 million through MGNREGS and USD 0.93 million as beneficiary contribution.

## Risks

15. Left-wing extremist violence could be disruptive in some districts though JTDP remained unaffected and the absence of contractors minimises the risk. The risk of uncertain rainfall affecting project-aided farm based livelihoods will be mitigated by natural resource development. Mining may be disruptive in some districts though mining will need Panchayat concurrence once PESA is implemented. Potential conflicts between traditional tribal leaders and elected Panchayat and GS-PEC leaders could be handled through negotiation and persuasion. Better remuneration, larger project clusters and use of FNGOs and TSAs will mitigate the potential risk from scarcity of quality human resources.

## Environment

16. JTELP will have beneficial environmental impacts through conservation of rainwater, reduction in soil erosion, community forestry, etc. However, it is by requirement classified as “**Category B**” as it will operate in fragile areas with poor quality soils.

## Knowledge management, innovation and scaling up

17. JTELP will develop a KM strategy consonant with IFAD policies, spelling out proposed outputs, such as newsletters, training materials, technology manuals and dissemination plans. An M&E unit at SPMU will collect data via DPMUs, analyse it to measure progress vis-à-vis the logframe and report to the government and IFAD. Monitoring will include project activities, outputs, processes, outcomes and impact.

18. The project initiated innovations include community forestry with community titles under Section 3 (1) of FRA, lac rearing on *semialata* and habitat development in selected PTG villages. These have potential for up-scaling. The project for the first time has successfully forged financial convergence with SCA-TSP and Article 275 funds. The GoJ also considers the project as creating replicable models to develop tribal villages.





**LOGICAL FRAMEWORK MATRIX AT APPRAISAL**

| Objective hierarchy  | Indicators  | Means of verification   | Assumptions & risks   |
|--|---|---|---|
| <b>Goal:</b><br>Improve living conditions of the Tribal communities and in particular, particularly vulnerable tribal groups (PTGs) in the Tribal Scheduled Area districts in Jharkhand.   | -At least 75% of households with improvement in household asset ownership index.<br>-Reduction in the prevalence of child malnutrition by gender.<br>-At least 75% of households that have improved food security and incomes.<br>- Reduction in IMR from 67 and increases in % of child immunisation from 34. % .  | RIMS+ impact surveys at baseline, mid-terms and completion  | Relative stability in the price of food and in general economic conditions are conducive to poverty reduction   |
| <b>Development Objective:</b><br>Empower and enable 136,000 tribal households including 10,000 PTGs households to take up livelihood opportunities based on sustainable and equitable use of natural resources in 164 village Panchayats falling in 30 Blocks of 14 TSP districts. | -122,400 households report income increases from rainfed agriculture from INR 483 to INR 2035;<br>-136,000 households report increases in total incomes;<br>-average household food production increases from 644 kg to 813 kg/year;<br>-84,000 women SHGs report improvement in decision making, assets, mobility etc<br>-4,920 youth groups report benefits from the projects;<br>-10,000 PTG households report increases in incomes from livelihood activities averaging INR 13,749.<br>-164 gram sabha PECs report effective functioning  | RIMS + impact surveys<br>Annual outcome surveys<br>Participatory gender and community evaluations | Policies of Tribal development, political stability and security situation allow communities access to economic opportunities and natural resources   |
| <b>Outcomes:</b>   |   |   |   |
| 122,400 tribal households from highland benefit from increased food production, greater participation and returns from improved rainfed farming practices.   | -122,400 highland and upland farmers adopt improved technology and in situ water-harvesting measures;<br>-income increase from INR 483 to INR 2075/household/year;<br>-average yield increases from 1,624 kg/ha to 2,070 kg/ha<br>-average cropping intensity increase of 75% to 105%   | Annual outcome surveys<br>KAP surveys<br>Case studies<br>Reports from FNGOs                       | Weather patterns do not change to the extent that seriously affects farming; Prices do not fall to the extent that makes local production uneconomic; Markets for vegetables and other produce are not affected by external completion;   |
| 26,640 households in lowland benefit from improved village irrigation facilities   | -26,640 lowland households adopt irrigated agriculture and improved farming practices each with average area of 0.2 ha;<br>-farmers report increased farm yields ranging between 25% and 40% and increases in cropping intensity from 84% to 123% and income increases from INR 13,955 to INR 36,091.   | Annual outcome surveys<br>KAP surveys<br>Case studies<br>Reports from FNGOs                       | As above plus<br>Irrigation systems are not damaged by erosion and these are under good maintenance by the beneficiaries;   |
| 42,650 households benefit from market-linked, commercial production and livelihoods activities   | -25,150 households benefit from cluster-based commercial production of vegetables, mango, tasar cocoons, lac and goat and reporting net incomes of INR 11,000 and 31,000 a year;<br>-income from vegetable cultivation from INR 21,693 to INR 35,063 per year per household;<br>-income from mango cultivation at INR 85,769 per household per year from 2.3 ton of mango<br>-income from Tasar cocoon production at INR 21,688 per household per year ( from sale of 12,500 cocoon per hh)<br>-income from lac production at INR 10,966 per household per year (55 kg of lac per hh)<br>-income from goat keeping at INR 41,125 per household/year from sale of 22 goats<br>-17,500 households benefit household-based income generating activities and getting an average net income of INR 13,749 a year | Annual outcome surveys<br>KAP surveys<br>Case studies<br>Reports from FNGOs                       | As above plus Quality seeds and other inputs available on schedule and as per crop calendar;<br>Cluster and collective cooperation continues without hindrances;<br>Good communication exists.  |
| <b>Outputs:</b>  |   |   |   |
| Increased community awareness, strengthened Gram sabha PECs, women's groups, youth's groups and PTGs households.   | -5000 new women SHGs formed, trained and capacitated and 328 youth groups organised, trained and capacitated<br>-1000 community facilitators and 328 CRPs trained;<br>-Exposure visit organised for 164 Panchayat groups;<br>-For PTG villages 68 CRPs, VHWs and VAHWs and 55 TBAs trained;<br>-10,126 solar lanterns and medicated mosquito nets distributed to PTG households   | Project progress reports  | Communities are interested and willing to take active participation in the project interventions  |
| Land and water resources conserved and used sustainably for the benefit of tribal communities.   | -164 CRPs trained in INRM and exposure visits for 164 PECs;<br>-1350 new and old villages covered under INRM;<br>-1230 mates trained in record-keeping;<br>-VDF provided to 1,000 villages;<br>-1,330 village irrigation infrastructure is constructed;<br>-164 farmer service centres designed and constructed;<br>-17,200 crop demonstrations conducted;  | Project progress reports  | Adequate funds are available for the implementation of land-based activities under MGNREGS; completed works are under proper maintenance by beneficiaries; effective functioning of GS-PECs and FSCs                                      |
| Improved food security and increased incomes from use of natural resources and off-farm employment   | -17,500 hh provided training in IGA activities;<br>- 5,000 hh supported in setting up of backyard poultry units, 1000 hh in pig-rearing units; 5500 hh in goat-rearing units; and 6000 hh in rural artisan;<br>- 14 vegetable growers clusters, 7 tasar clusters, 14 mango clusters, 60 goat clusters and 110 lac clusters supported;<br>-420 rural youth received long-term vocational training;<br>-under innovative interventions 200 ha covered under community forestry, ten PTG villages selected for habitat improvement and 10 clusters for lac rearing on Semialata;   | Project progress reports  | Communities are willing to form into clusters and adopt the better farming technology; adequate quality seeds and other inputs available on time; market-linkages established for all produce; availability of TSA services for mentoring |

IFAD/India-Jharkhand Tribal Empowerment and Livelihood Project  
Project Design Report-Appraisal- Main Report

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|   |
|---|
| <b>Components/activities:</b>   |
| Community empowerment: Promotion of SHGs and Youth Groups, service providers contracts for FNGOs, Capacity building and special support to PTG households;  |
| <u>Integrated Natural Resources Management</u> : community mobilisation, services of TSAs for training and mentoring, land and water resources management, productivity enhancement and crop diversification; |
| <u>Livelihoods support</u> : support to IGA, vocational training, innovative interventions such as community forestry, PTG village habitat improvement, lac rearing on semialata plants etc;                  |
| Project management: state PMU and DPMUs established, staff recruited, MOUs with partner agencies, project coordination, monitoring and evaluation, knowledge management;                                      |

## I. STRATEGIC CONTEXT AND RATIONALE

### A. Country and Rural Development and Poverty Context

#### 1. Economic and Social Development

1. Despite remarkable economic growth, poverty remains a major issue for India, with 41.8% of the population living on less than USD1.25 per day. India has 33 per cent of the world's poor people, and nutritional levels are unacceptably low, with 42.5% of children underweight, one of the highest rates globally<sup>1</sup>. Distribution of the benefits of growth to poor rural people has been limited by: inadequate physical and social infrastructure, poor access to services, low investment, a highly stratified and hierarchical social structure, characterized by inequalities in assets, status and power; and ineffective, inefficient implementation of pro-poor programmes, owing to governance failures. There is now a genuine and widespread recognition that, without inclusive growth, the social and political consequences of rising inequalities could be very adverse. About one third of Indian districts are affected by civil unrest and left-wing terrorism, which represent the main national security threats. A summary of related issues is in Key File Table 1.

2. Agricultural wage earners, smallholder farmers and casual workers in the non-farm sector constitute the bulk of poor rural people. Within these categories, women and tribal communities are the most deprived. In terms of gender deficit, India is ranked 113 as per Global Gender Gap Index<sup>2</sup> with overall score of 0.6190. Finally, about 300 million young people aged between 13 and 35 live in rural areas, most of them being forced to migrate seasonally or permanently, without the skills and competencies required by the modern economy. More information is in Annex 1.

#### 2. Policies and programmes

3. Removing widespread rural poverty remains an abiding challenge before India. Despite sustained high economic growth for over a decade, 41.8% of the rural population lives on less than PPP\$ 1.25 per day. Over half of the pre-school children in India's villages are underweight. Benefits of growth have not adequately reached the rural poor due to ineffective implementation of pro-poor programmes, lack of participation of local communities in planning and implementation of social and economic development programmes, traditional social hierarchies that institutionalise exclusion and inequalities in physical assets and power, and lack of physical and institutional infrastructure.

4. Rural poverty in India has sharp social and occupational etchings and a distinct regional and ecological signature. The Scheduled Tribes (STs) are among the poorest, followed by the Scheduled Castes (SCs). Occupationally, farm workers, marginal and small farmers and artisans are poorest. Rural poverty is highest in the central and eastern plateau States and in the rain-fed undulating, hilly and mountainous parts of the country. Given a patriarchal social structure, women and girls across these categories bear a disproportionate burden of poverty as they are most likely to go hungry when there is not enough food to go around.

5. About one third of Indian districts are affected by left-wing extremism, which the government acknowledges as the main national security threat. There is now a genuine and widespread recognition that, without inclusive growth, the social and political consequences of rising inequalities could be very adverse: 'inclusive growth' was the theme of the 11<sup>th</sup> Five Year Plan and 'Faster, Sustainable and More Inclusive Growth' is the title of the Approach Paper to the 12<sup>th</sup> Plan.

6. Among national poverty reduction initiatives, the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is most relevant for this project. MGNREGS entitles 100 days' guaranteed wage labour on demand to every rural household, has an implementation architecture that calls for planning at the village level and implementation by the elected Panchayats, privileges development of land and water resources and permits development of land and water resources owned by families below the poverty line, ST and SC communities and smallholder farmers. Resources from the Special Central Assistance (SCA) to Tribal Sub-Plan (TSP) available for tribal development and grants under Article 275(1) of the Indian Constitution. The Rashtriya Krishi Vikas Yojana (RKVY), the National Horticulture Mission (NHM), the Integrated Watershed Management

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<sup>1</sup> Integrated Livelihood Support Project Design Report – Appraisal, Main Report, p.1.

<sup>2</sup> The Global Gender Gap Report 2011. World Economic Forum, Geneva, Switzerland, p.10-11.

Programme (IWMP), the Accelerated Irrigation Benefit Programme (AIBP), the Repair Renovation and Restoration of Water Bodies and the National Rural Livelihood Mission (NRLM) are other relevant programmes.

7. The new project, JTELP, will be fully aligned with IFAD's country strategy for India (COSOP) and with its strategic objectives of increased access to agricultural technologies and natural resources. The proposed project directly responds to COSOP's emphasis on tribal people, women, youth and smallholders. A table showing this alignment and the contribution of JTELP to COSOP targets and milestones is in Working Paper 7, Monitoring and Evaluation.

### 3. Poverty in Jharkhand

8. A leafy, rolling landscape gives Jharkhand its unique tribal name. Known as 'the land of forests', the state is rich in natural resources and native history. About three quarters of the state's 27 million people live in rural areas, many in traditional tribal groups, planting crops and foraging from nature like their ancestors, who were likely among the earliest inhabitants of India. Lying beneath the forests of one of the poorest states in India, with one of the country's highest child mortality and malnourishment rates, is some of the greatest mineral wealth in the country. Sophisticated steel and power plants also flourish here.

9. Jharkhand, with an area of 79,714 sq. km, 24 districts and 32,620 revenue villages, accounts for 2.4 per cent of the total geographical area of the country. With a population of 32.97 million, the state accounts for 2.6 per cent of India's population. The rural and urban population of the state accounts for 77.7 per cent and 22.3 per cent, respectively of the total population. In spite of rich mineral and natural resources as well as many government schemes and programmes including the on-going Tribal Sub-Plan and Watershed Mission, the challenges remain and thus, the large proportion of the population are still poor, particularly the STs. The poverty ratio among STs and SCs in rural areas is, in fact 54% and 57.5% respectively, and is higher than all India level.<sup>3</sup>

10. STs are among the poorest in Jharkhand, a State carved out in response to the popular demand from the tribal communities. On a number of development indicators such as poverty reduction, literacy, nutrition and health and vulnerability to climate shock, the STs fare poorly. For example, incidence of poverty was 53% among the ST compared to 25% among others (non-ST, non-SC), 85% of ST women were reported anaemic in 2005-6 compared to 57.6% others, 80.5% ST children were anaemic compared to 56.7% others, Infant Mortality Rate among ST was 93 compared to 75.5 among others and the under-five mortality among ST was 138.5 compared to 92.7 among others<sup>4</sup>. STs are increasingly migrating as seasonal labour. The Particularly vulnerable Tribal Groups (PTGs)<sup>5</sup> with a population of about 0.193 million (Census 2001) living in 2,648 villages in relatively small settlements are the poorest even among the STs.

11. Tribal communities are highly dependent on the natural resource base for their survival and their livelihood systems revolve around forests, agriculture, livestock and wage labour. The contribution of these activities to the overall food basket varies depending upon the location of tribal settlement. The majority of agricultural production, however, is rain-fed, rudimentary and predominantly centred on rice cultivation. Depending on the location between 20% and 60% of food requirements are met from their own production while the rest is met through food rations distributed by the government and purchases from income generated through NTFPs and labour. Food shortfall is generally less in the lowlands than the uplands. Declining fertility of soils, increasing incidences of drought and seasonal shifts in rainfall patterns are affecting traditional cropping patterns and limiting harvests. Degradation of forestlands due to uncontrolled grazing, illegal logging and misapplication of forest policies are reducing the availability of NTFPs to the tribal communities.

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<sup>3</sup> Source: [http://unicef.org/india/state\\_profiles\\_4362.htm](http://unicef.org/india/state_profiles_4362.htm); Jharkhand State Livelihood Promotion Society, <http://www.jslps.in/about.htm>

<sup>4</sup> Also see India's Undernourished Children: A Call for Reform and Action, World Bank, Washington DC, 2006.

<sup>5</sup> The term originally used by GoI was Primitive Tribal Groups and has now been replaced by Particularly Vulnerable Tribal Groups, with the same abbreviation. So notified by GoI, PTGs have low rate of population growth or declining population, pre-agricultural level of technology and extremely low literacy rates. There are 75 PTGs across 17 States and UTs. There are approximately 0.2 million PTGs in Jharkhand.

12. Although a number of specific State and National Acts, Policies and Programmes<sup>6</sup> have been in place for some time, these are yet to make any perceptible impact on the conditions of tribal people in Jharkhand. The Panchayat Raj (Extension to Scheduled Area) Act (PESA) was approved in 1996 but implementation modalities to establish and empower the necessary institutions have been rather slow. It was only in 2010 that the Government of Jharkhand (GoJ) conducted Panchayat elections. Empowerment of these institutions by devolving finances and executive powers is yet to begin in the right earnest. The barriers to development can be partly explained due to the paternalistic approach adopted by many of the programmes, where little effort is made to contextualize the programmes with tribal customs and norms, strengthen self-reliance and support local decision-making capacity, which will enable tribal people to advocate effectively for government support that is more responsive to their needs and priorities.

13. Furthermore, issues relating to a deficit in governance, leakage and malpractices, hindrance to productively develop forests and enjoy traditional usufruct rights with control and supervision by the Gram Sabha as against the current system of overriding powers of the Forest Department, high tribal youth dropout rates prior to completing 10-12 years of schooling and lack of meaningful labour opportunities are feeding the discontent of tribal people. This situation is exacerbated by left wing extremism which, on the one hand, mobilizes the discontent amongst tribal people to its cause, and on the other hand, prevents the government to deliver services to improve their quality of life and living conditions.

14. With shallow and poor soils crop yields are often low. There is little use of better varieties of seed, mineral fertilisers and other inputs. No more than 10% of net sown area is only irrigated. To a large extent livestock rely on grazing or fodder from the forests. Land use data shows that there is almost 40% land classified as cultivatable wastes and fallow. Agriculture is highly dependent on weather, with most rainfall occurring in a three to four month monsoon season. While crops often suffer from moisture stress, monsoon storms cause much damage, including soil erosion, water-logging etc. In addition, limited use of manure and shortage of labour are also the factors responsible for low crop yields.

15. Although almost all crops and livestock products are consumed at home, and little is sold, very few households are able to produce enough to last for more than three or four months in a year. Tribal communities rely on non-farm earnings, and using the Public Distribution System shops to purchase food at subsidised prices.

16. In Jharkhand, half the people live below the poverty line, and about half the children younger than three are considered malnourished<sup>7</sup>. The state also has one of India's highest mortality rates for children under five. Child mortality rate of 69 per 1,000 is much higher than the national average. Infant mortality rate is 67 as against all India average of 57. Percentage of child immunisation is 34.2% as against India's average of 49.7%. Four out of every 10 women in Jharkhand are undernourished. Half of children under age of 5 are stunted and one-third of children are wasted or too thin for their height. About 57% are underweight due to both chronic under nutrition, worse nutritional status than children in most other states in India.

17. Migration of tribal population is a historical phenomenon. There exists distress migration of rural people from many pockets of Jharkhand. Lack of productive employment, low agricultural productivity, erosion of natural resource base together with improper functioning of government welfare schemes and programmes have forced the tribal men and women to migrate to other areas in search of wage employment. Common occupations are seasonal agricultural labour and works in brick kilns and industrial areas.

18. PTGs remain the most isolated and disadvantaged indigenous tribal groups with noticeable reduction in their population. Malnutrition, Malaria and dysentery are rampant in PTGs villages and the access of these communities to the social welfare programmes remains limited. In addition,

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<sup>6</sup> For example, Birsa Munda Awas Yojna for PTGs (provision of homes to the families of PTGs); Ayurvedic Health Centre Scheme for Schedule Tribes (provision of free Ayurvedic medical facilities to STs); Health Centres for Pahariya PTGs; Ashram/Eklavya schools for ST students; Chief Ministers Special Food Security Scheme for PTGs; Vocational training scheme for Paharia PTGs; Lac Development Scheme for STs; Mid-day Meal Scheme for students of Paharia PTG; Pre-Matric Scholarship for Students of SC, ST and Other Backward Classes category; and Janshree Bima Yojna of special life insurance scheme for the member of PTGs.

<sup>7</sup> UNICEF India – State Profile – Jharkhand ([http://www.unicef.org/india/state\\_profiles\\_4362.htm](http://www.unicef.org/india/state_profiles_4362.htm) accessed on 11/06/2012)

indebtedness is also high due their proneness to enter into exploitative relationships with middle men. This situation is mainly on account of the inaccessibility, reluctance on the part of the government machinery to reach out to these villages, lack of knowledge of their entitlements, inability to demand their rightful entitlements and chronic household budget deficit due to limited livelihood options.

19. The major drivers of rural poverty are the low level of literacy along with low level of knowledge about their rights and entitlements; political marginalisation, disempowerment and social discrimination; indebtedness leading to land alienation and forced labour etc. Although vast majority of the tribal households have land, their landholdings are very small, averaging 0.8 ha and fragmented into over 15 parcels. With considerable male-out migration, most agricultural work, other than ploughing is performed by women.

20. GoJ is committed to extend the outreach of poverty alleviation programs to the poorest of the poor. In its pursuit to pass benefits of the programme by enhancing the quality of implementation a definite intervention in the shape of capacity building, monitoring, evaluation of poverty alleviation schemes is envisaged. In line with the policies of GoJ, the JTELP will emphasise on empowering tribal communities to implement relevant government policies, access government programmes and realize the development benefits due to them. Concurrently, interventions to reduce food insecurity and migration will be pursued by promoting an integrated natural resource management which is essential for improving the overall productive capacity of the land and for reducing the vulnerability of the communities to climate shocks.

21. Other than the UNDP and World Food Programme (WFP) there are no international development cooperation partners working in the JTELP target districts. IFAD will thus be playing a vital role in addressing the development needs of marginalized groups. The project area districts have a fair number of Non-governmental Organizations (NGOs) who have demonstrated successful examples of empowerment, livelihood improvement and natural resource management. The newly elected Panchayati Raj functionaries are beginning to show good promise with relation to undertaking Panchayat level development activities.

22. The project goal and objective is in alignment with India's 12th Five-Year Plan (20012-2017), which *inter alia* aims to achieve faster, equitable and more sustainable growth, reduce poverty, increase food production through higher land productivity, achieve agricultural growth of at least 4%, rejuvenate soil and restore soil health, pay particular attention to the needs of the SC, ST and Other Backward Class (OBC) population, ensure involvement of PRIs in MGNREGA, involve NGOs to support Gram Panchayats in planning and implementing MGNREGA and dovetail MGNREGA with land and water conservation<sup>8</sup>.

## **B. Rationale**

### **1. Constraints and opportunities**

23. About 92% of the STs of Jharkhand inhabit rural areas. The STs in general and the PTGs<sup>9</sup> in particular, remain the most disadvantaged. They fare poorly on all development indicators such as food and nutrition security, literacy and health. Focused engagement to promote and nurture community-based institutions of Tribal communities is necessary to enhance their self-confidence and reduce their vulnerability.

24. The livelihoods of STs are overwhelmingly dependent on natural resources. STs derive their livelihood from rain-fed agriculture and NTFP. With rain-fed paddy being the main crop, settled farming is relatively new to them and their farming practices are poor. Declining resource base drives the STs to migrate in search of wage labour, often to the neglect of their own farming systems. Urgent efforts are therefore needed to reverse this downward spiral of low productivity and declining resource base.

25. Though several government programmes have been initiated in the past, their impact on the livelihoods of the tribal communities has not been proportionate to the investments made for want of

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<sup>8</sup> *Faster, Sustainable and More Inclusive Growth: An Approach to the Twelfth Five Year Plan*. Planning Commission, Gol, New Delhi, October 2011.

<sup>9</sup> These Particularly Vulnerable Tribal Groups live in the hills of Jharkhand. There are nine groups amongst PTGs. They include: Asur, Birhor, Birjia, Khorwa, Hill Kharia, Sauria Pahariya, Mal Pahariya, Kumarbhag Paharia and Savar/Sabar. Most of these groups live on the ridges and on the top of the hills undertaking shifting cultivation and pursuing forest based livelihoods. The Mal Paharis live mostly in the plains and their socio-economic condition is similar to that of other tribal.

investments in capacity building. There are therefore opportunities of enhancing investments in capacity building, engaging the tribal communities in planning and implementation and ensuring better prices for their produce and supply of quality inputs.

26. Tribal communities inhabit the ecologically complex terrains. They lack the resources and know-how to develop sustainable natural resource management systems suited to their habitat. There are thus opportunities of enhancing their livelihoods, apart from enhancing their farm productivity through: (i) production activities to tap demand in local village *haats*; (ii) up-scaling market oriented farm production activities; and (iii) introducing skill-based rural and urban vocations, especially for the youth. Scaling up of livelihood options requires a cluster approach to achieve economies of scale and handholding for the entire development cycle covering input – production – output marketing.

27. The ongoing, IFAD-funded Jharkhand Tribal Development Programme (JTDP) has successfully demonstrated the feasibility of planning and implementation of various development initiatives, especially the development of natural resources, by Gram Sabhas. This experience can now be scaled up to other areas in the Tribal Sub-Plan (TSP) districts. The design of this project is based on the successful interventions in natural resources management, agriculture productivity enhancement and livelihoods that have been implemented by NGOs and JTDP with financial support provided by GoJ, IFAD and other donors.

## 2. Priorities of Tribal Communities

28. In the focused group discussions held during project design, tribal communities from 14 sample villages put forward their priority needs. These are summarised and presented in Table 1. Overall, lack of employment opportunities and job requirements are listed as a priority both by tribal and PTG households. This was followed by health facilities in 7 villages out of 10, irrigation in 6 villages, electricity, then drinking water and primary schools. One of 10 villages also listed need for extension services. Lack of job and employment opportunities is a key factor for their poverty. Although health services are not an area in which IFAD undertakes investments, JTELP plans to support grassroots level health initiatives such as health camps.

**Table-1: Priority Needs of Tribal Communities and PTGs (# of villages reporting out of 14)**

| Tribal group               | Health | Drinking water | Electricity | jobs | Road access | Irrigation | Skill developme | Crop protection | Schools |
|----------------------------|--------|----------------|-------------|------|-------------|------------|-----------------|-----------------|---------|
| All Tribal groups villages | 7      | 2              | 3           | 8    | 2           | 7          |                 | 1               | 2       |
| PTG villages               | 3      | 4              | 2           | 2    | 2           | 1          | 1               | 1               | 1       |
| Total                      | 10     | 6              | 5           | 10   | 4           | 8          | 1               | 2               | 3       |

Source: IHD Report, 2011. Survey carried out between June and November 2011 covering some 14 villages including 4 PTG villages.

29. Following health, job and employment priorities next was irrigation infrastructure. JTELP will address this by providing development funds at village level. The communities will be able to manage the need for drinking water while investing in irrigation facilities. Road access will be partly addressed through integrating with MGNREGS.

30. In separate focus group discussion, women put forward their own opinions about the reasons for their vulnerability and also the priority issues to be addressed in order to improve their conditions (Table 2). Their suggested priorities are: (i) expand women's ownership and control; (ii) involve them in all decision-making processes both at household and community level; (iii) provide them equal opportunities in sharing benefits; (iv) provide more access to education and development of skills; (v) adopt gender-sensitive policies and implement programmes for reducing their drudgery; and finally (vi) form more number of SHGs for their social and economic empowerment.



**Table-2: Women's views on how to improve their situation (# of villages reporting out of 14)**

| Access              | Expand women's ownership & control | Involve in decision-making role | Provide equal opportunities in benefits | Access to education and skills dev. | Setting up of more SHGs | Reducing drudgery | Gender-sensitive policies |
|---------------------|------------------------------------|---------------------------------|---|-------------------------------------|-------------------------|-------------------|---------------------------|
| Accessible villages | 6                                  | 5                               | 2                                       | 6                                   | 5                       | 1                 | 1                         |
| Remote villages     | 4                                  | 4                               | 3                                       | 1                                   | 1                       | 1                 | 2                         |
| Total               | 10                                 | 9                               | 5                                       | 7                                   | 6                       | 2                 | 3                         |

Source: IHD Report, 2011. Note: there are 4 villages in PTG and 10 in other Tribal groups

### 3. Justification of the proposed approach

31. The project will upscale several of established approaches to poverty reduction. Grassroots institutional development of SHGs and GS-PECs in expanding the outreach and project implementation already tested and found successful under the ongoing JTDP; emphasising on empowering tribal communities to implement relevant government policies, access government programmes and realise the development benefits due to them. The project will decentralize activities related to both selection and prioritization of activities and implementation with requisite financial management powers to the grassroots institutions with a view to empower them as an answer to the left wing extremism propaganda of tribal neglect. The broad contours of these decentralization efforts are similar to the ones used in Peru during Sendero Luminoso years. Concurrently interventions to reduce food insecurity and migration are to be pursued by promoting integrated natural resource management and also to reduce the tribal households to cope with the vulnerability of the communities to climate shocks. The project also seeks to ensure both financial and physical convergence of national level programmes in augmenting the project's outreach but also in developing model and cost-effective implementation arrangements. IFAD will be playing a pivotal role in addressing needs of marginalised groups within India's context. Upscaling alternate implementation model as successfully tried and tested under JTDP will be an essential feature of the JTELP. The proposed project directly responds to the 2010-2015 COSOP's emphasis on tribal people, women, youth, and small and marginal farmers, as well as, the strategic objectives of IFAD related to increased access to agricultural technologies and natural resources, and increased access to financial services. JTELP will also draw lessons from the experiences of on-going JTDP, which will close by December 31, 2012. The GoJ has shown keen interest in the proposed project.

### 4. Convergence with other programme

32. Convergence with ongoing government programmes will be a key development strategy of JTELP for mobilising financial resources. The programmes that are to be drawn upon are Central Subventions under Article 275(1), SCA to TSP, MGNREGS and other schemes of the GoI for PTGs. Other programmes relevant to JTELP are the Rashtriya Krishi Vikas Yojana (RKVY), National Horticulture Mission (NHM), special schemes under Minor Irrigation and National Rural Livelihoods Mission (NRLM). NRLM is slated to be implemented in phases over the next three Five Year Plans and facilities and support available under NRLM will be appropriately integrated with JTELP.

33. Besides addressing food security through improved management of natural resources and introducing improved farming systems, JTELP will also promote market-oriented livelihood streams by up-scaling successful livelihood modules promoted by JTDP and various NGOs, such as vegetable cultivation, mango cluster cultivation, tasar cocoon rearing, horticulture, lac rearing, goat-rearing and backyard poultry. These will be supported through convergence with SCA to TSP.

34. Since each government scheme has a specified planning, approval and implementation mechanism, the project will set up appropriate modalities and coordination arrangements to ensure effective convergence. The JTELP proposes financial convergence with activities related to Article 275(1) and SCA to TSP. This means the utilisation of Article 275(1) and SCA to TSP funds will be through JTDS. This will require a Government Order approving transfer of Article 275(1) and SCA to TSP funds to JTDS in proportion to Tribal population targeted under JTELP. Similarly, the success of the project hinges on the ability to converge at the district level for implementation of activities using MGNREGS funds. This will also require a Government Order advising the Deputy Commissioners of the JTELP districts to ensure flow of funds to the project villages from MGNREGS as per the approved Gram Sabha Resource Management and Livelihoods Plans (GSRMLPs). These issues

were discussed with GoJ and agreements were reached on operational convergence with MGNREGS. Information on other programmes is in Key File Table 3.

## II. PROJECT DESCRIPTION

### A. Project Area and Target Groups

#### 1. Project Area and number of beneficiaries

35. The proposed Jharkhand Tribal Empowerment and Livelihoods Project (JTELP) will be implemented in Ranchi, Khunti, Gumla, Simdega and Lohardaga districts in Ranchi Division, West Singhbhum, East Singhbhum and Saraikela-Kharsawan districts in Kolhan Division, Latehar district in Palamau Division and Godda, Dumka, Pakur, Sahebganj and Jamtara districts in Santhal Pargana Division. All these are TSP districts. Within these districts the blocks (sub-districts) that have rural tribal population of more than 50% and population below poverty line (BPL) of at least 50% will be selected.

36. JTELP is expected to support 136,000 households (including 36,000 households covered under JTDP) in 1330 villages across 164 Panchayats, 30 blocks and 14 districts. See Table 3 below.

**Table-3: Number of Panchayats, Villages and Target Group Households**

| Details      | # of districts | # of Blocks | # of Panchayats | # of villages | # of Targeted Households |
|--------------|----------------|-------------|-----------------|---------------|--------------------------|
| JTDP project | 5              | 12          | 74              | 300           | 36,000                   |
| JTELP        | 9              | 18          | 90              | 1,000         | 100,000                  |
| Total        | 14             | 30          | 164             | 1,330         | 136,000                  |

#### 2. Targeting

37. The project target groups will include ST households and PTG households, women-headed households, rural youth and BPL households in the project area. In nine non-JTDP districts at least two Blocks where tribal population is more than 50% will be selected and within each Block at least 5 Panchayats having highest concentration of tribal communities will be selected. In 5 JTDP districts, all 330 JTDP villages will be included for project support<sup>10</sup> and in addition, 330 new villages adjacent to these villages but having high concentration of tribal communities and within the same Panchayat will be selected. PTG communities will be particularly targeted in 3 out of 14 districts, namely Godda, Pakur and Sahebganj with highest population of PTGs. Criteria for selection of Panchayats within the selected Blocks will be: (i) high concentration of ST population and in particular PTG population; (ii) high concentration of BPL households; (iii) Panchayats that are adjacent to each other and have access roads; and (iv) Panchayats with about 1000 households and geographical area of approximately 1500 ha.

38. The project will use saturation approach and ensure full participation of women in SHGs and Tola and Gram Sabhas. Careful selection of the Panchayats will ensure that a major proportion of benefits reaches the ST households. While all households are eligible to participate in MGNREGS and other schemes such as RKVY and NHM planned to be converged, SCA/TSP and Article 275(1) beneficiaries have to be ST households. All poor households will similarly be able to participate in SHGs, the basic unit of social mobilization. Details of targeting with a matrix providing tribal, gender and poverty criteria are provided in Section II of Annex 4.

### B. Project Development Objectives

39. The overall objective (goal) of JTELP is to improve living conditions of tribal people in general and PTGs in particular, covering select blocks and Panchayats in tribal majority blocks of all the TSP districts of Jharkhand. This is sought to be achieved via the development objective of “empowering

<sup>10</sup> This support includes training the village institutions in handling their VDF accounts, use of SHG seed capital, assisting them in developing plans and implementation of INRM and livelihood related activities.

and enabling the communities to adopt livelihood options based on sustainable and equitable use of natural resources". The project outcomes and indicators are provided in the log-frame in Page vii.

40. JTELP will adopt a three-pronged approach for improving livelihoods of the target group communities:

- i. Support the formation of community institutions and empower communities through mobilizing Self Help Groups (SHGs) as an entry point activity to empower poor women and their households and to ensure their effective participation in pan-village community institutions. This will be complemented by mobilization and capacity building of Tola Sabhas<sup>11</sup> at the habitation level, and Gram Sabhas<sup>12</sup> at the natural village level. The Gram Sabhas will converge with the Panchayats. This process of empowerment will facilitate increased engagement of village people, especially the women, in articulating their development needs and influencing decision making processes at the Panchayat level. Classical SHG activities related to financial service and formation of apex structures will be through convergence with NRLM;
- ii. Develop food production systems and diversify livelihood options for improving food and nutrition security in light of climate change impacts. This will focus on integrated natural resource management, adoption of improved technologies for increasing crop yields, diversification of land use to enhance productivity and reduce vulnerability to weather aberrations and climate change shocks and to provide services for input supply and marketing of surplus produce; and
- iii. Facilitate integrated production and marketing interventions that have the potential for expansion such as tasar cocoon rearing, vegetable cultivation, lac production, mango horticulture and goat-rearing and specific income generating activities like backyard poultry, goat-keeping, piggery, duck-farming, rural artisan etc are proposed for the PTG and poorest households.

41. **Potential for upscaling:** In order to ensure that the interventions proposed in the project components are technically feasible and financially viable, several successful interventions implemented in the State were investigated. These include: (i) community mobilization and Panchayat level land and water management activities implemented by a NGO in Kuira village of West Singhbhum district with funding support from MGNREGS; (ii) watershed development and agriculture productivity enhancement implemented by JTDP in Tiasara village of Saraikela-Kharsawan district; (iii) tasar rearing in new plantation implemented by a NGO in Dhaka village of Dumka district with financial support from GoJ and other donors; (iv) tasar rearing in non-forested areas with development of plantation implemented by a NGO in Dhaka village of Dumka district with financial support from GoJ and other donors; (v) IFAD-supported Goat rearing activities implemented by the International Livestock Research Institute (ILRI) in Jama block of Dumka and by an NGO in Amba Toli village of Gumla district with funding support from GoJ; (vi) Mango cluster plantation implemented by a NGO in Rajnagar block of Saraikela-Kharsawan District with support from NABARD and in Madho Toli of Gumla district with support from GoJ; and (vii) Vegetable cultivation (Tomato) and marketing support activities implemented by a NGO in Guwabera village of Saraikela Kharsawan district with support from Corporate Social Responsibility Initiative of Tata Steel Ltd and vegetable (cabbage, tomato and potato) cultivation at Madhotoli of Gumla district implemented by a NGO with support from GoJ. Upscaling of community institutions including the SHGs and alternate implementation mechanism is based on the models tried successfully under IFAD-supported JTDP.

42. The approach of this project is based on the successful JTDP experience of mobilizing Gram Sabhas (pan-village institutions) to implement watershed development activities. As in JTDP, SHGs will be the basic building blocks for women's empowerment and participation in Gram Sabhas. The modality of empowering Gram Sabhas has been further strengthened in this project by drawing on the positive experience of NGOs in enabling them to take up integrated natural resource management activities through convergence with MGNREGS. GS-PEC approach takes into consideration all cultural, ethnic and gender aspects and its performance has been found satisfactory under JTDP and

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<sup>11</sup> A Tola is a habitation or hamlet and a Tola Sabha is a habitation level community institution comprising all adult members of the community. Where the individual habitations are small the Tola Sabha may be co-terminus with the Gram Sabha.

<sup>12</sup> Gram Sabha is a community institution comprising all adult members of a village, defined under Panchayat (Extension to the Scheduled Areas) Act (PESA) 1996 as, "a village shall ordinarily consist of a habitation or a group of habitations or a hamlet or a group of hamlets comprising a community and managing its affairs in accordance with traditions and customs".

village panchayats welcomed this approach. Tasar, goat rearing and Lac cultivation are based on traditional tribal knowledge. Upscaling of all interventions under JTELP will be in response to the demands made by community and in consistent with their traditional knowledge and wisdom, farming practices and their absorptive capacity for new technologies and their food security issues. A study confirmed that the JTDP-promoted GS-PESs have been acting as strong institutions in retaining socio-cultural aspects of tribal society as well as presenting specific concerns over several developmental and environmental issues.<sup>13</sup>

### **C Components and Outcomes**

43. The JTELP will have four main components, namely: (i) Community Empowerment; (ii) Integrated Natural Resource Management; (iii) Livelihoods Support; and (iv) Project Management. More details are presented in Annex-4. The interventions proposed under this project are expected to build resilience of the households, community and the ecology to climate change. Several of them are explicitly designed as adaptation responses to climate change.

#### **Component 1: Community Empowerment**

44. The Community Empowerment component will have three sub-components: (i) Promotion of SHGs predominantly of women and promotion of Youth Groups and engaging the services of FNGOs; (ii) Building the capacity of community resource persons (CRPs), Gram Sabha-Project Execution Committees (GS-PECs) at each Gram Sabha and FNGO staff; and (iii) Special support to PTG households. The outcomes of this component are improved participation of women in local governance forums, improved access to entitlements and improved knowledge related to malnutrition and, health, hygiene and sanitation and legal rights. Details of SHG mobilization processes are provided in Annex 4 – Project Description and Working Paper 4 – Community Institutions Development.

##### **(a) Promotion of SHGs and Youth groups**

45. SHG mobilization in India is linked to microfinance, bank linkage and formation of SHG apex structures. However, the main intention of SHG mobilization in this project is to use them as building blocks for mobilization of the community into pan-village institutions for undertaking natural resource management and livelihood related activities. The project will build capacity of SHGs using NRLM procedures and facilitate them to access support from NRLM.

46. The project will promote about 5,500 SHGs, each with 10 to 15 like-minded members based on “affinity”. SHG membership will be mostly restricted to women. This also includes 500 SHGs to be promoted in PTG villages. Mixed SHGs will be promoted in PTG villages depending upon the preference of participating households. The project will also provide support<sup>14</sup> to about 1500 SHGs promoted under JTDP. SHGs will mobilize savings from members depending upon their capacity (INR 50-100 per month). Capacity of SHGs will be built and internal lending systems will be introduced.

47. The project will provide seed capital support of INR 10,000 to each SHG in two instalments. In case of SHGs comprising more than 70% PTG members the seed capital will be INR 20,000 per SHG paid in two instalments. Release of second instalment of seed capital will be dependent on achievement of minimum performance standards. Seed capital will facilitate capital accretion at the level of SHGs and the confidence of members on SHG will increase to travel to the nearby town to access banks or to meet the government officials to access their entitlements. The project will also provide SHG kits comprising ledgers and boxes with lock for safe keeping of money in addition to seed capital. Different options were explored to build an incentive mechanism to SHGs other than providing seed capital. Seed Capital provision is an accepted practice in India and provision of revolving loans and capital subsidy is an integral part of NRLM's SHG mobilization strategy. The project will establish a system of audit of SHG accounts to ensure financial transparency.

48. Mobilization of Youth Group will be an important element of community institution development with the Left Wing Extremist Organizations trying to lure the younger generation into

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<sup>13</sup> Source: A Report of Datamation Consultants Pvt Ltd, New Delhi

<sup>14</sup> These SHGs will not receive initial training support and seed capital support. However, other support relating to capacity building will be provided.

violence and related activities The project will provide a financial support of INR 40,000 to each of these Youth Groups in two instalments. Release of the second instalment will be subject to social audit by the GS-PEC. The members of Youth Groups will be facilitated to take activities relating to promotion of sports, music and drama and also to take up activities relating to road maintenance, cleaning of water sources; social development issues; etc. Youth Groups will use the seed capital to purchase sports and music equipments. In addition, Youth Groups will be facilitated to become book writers for SHGs and also to take up voluntary work for the benefit of the community, marketing and supply of inputs etc. Youth Group accounts will be audited annually by external auditors. The project will also introduce a system of competitions which will revolve around: (i) cleanliness of villages; (ii) participation of all children under five years of age in Anganwadi; (iii) 100% access to Public Distribution System; (iv) enrolment of children in school; (v) widow pension to all eligible persons; and (vi) old age pension to all eligible persons. The project will allocate INR 2,500 to the winner of the contest. This allocation will be made for each Panchayat for six years.

### **(b) Capacity building**

49. The project will engage the services of some 30 or more FNGOs to provide technical, managerial and organisational support to SHGs, Youth Groups and GS-PECs in addition to providing implementation support including planning, M&E, supervision during the entire project period. The project will support staff training and capacity building. The project will build the capacity of FNGO staff. The project will allocate funds for a part-time CRP for each Gram Sabha. The capacity building will take into account the need for harmonization of processes and procedures with that of NRLM. "Learning by Conversation" methodology developed by Reach India for their grassroots level training will be adopted. The project will organise a number of street-plays (*kala jathas*) focusing on community mobilisation and their partnership in development and management. The Youth Groups promoted under the project will be encouraged to participate in such events. The project will build capacity of the SHG members to develop leadership capacity and to undertake savings and credit activity. In addition, the project will prepare learning aids covering: (i) Laws pertaining to ST Welfare and specifically women's welfare (ii) Malnutrition and its impact on Child Development; (iii) Health, Hygiene and Sanitation; (iv) Entitlements; and (v) Gender issues. The project will conduct learning events covering the above topics to build capacity of the SHGs and Youth Groups.

### **(c) Special support to PTGs and poor households**

50. The project will support about 10,000 PTG households (about 3,500 households in 68 PTG villages and remaining in other project villages). PTGs require longer duration of handholding before taking up livelihood up-scaling activities. Accordingly, the project will implement a step-wise approach to involve PTG communities in project activities. These involve: (i) developing a part time Community Resource Person (CRP) preferably the ASHA worker conversant with local dialect of PTGs for each PTG village/tola to support the community to access entitlements such as Public Distribution System, Integrated Child Development Services (ICDS) food rations and midday meals to all eligible children, Birsa Munda Awas Yojana (Birsa Munda Housing Scheme), widow pension, old age pension and other entitlements; (ii) undertaking interface activity to gain confidence of the community; (iii) developing critical infrastructure of the PTG villages such as drinking water, water harvesting, repair and maintenance of well/water source, etc. using Village Development Fund (VDF) funds<sup>15</sup>; (iv) providing solar lantern and two large mosquito nets to each PTG household coupled with related learning events on their use and maintenance; (v) conducting health camps in the PTG villages for which the project will allocate INR 10,000 per PTG village per year; (vi) SHG and YG mobilization and training; and (vii) training Village Health Workers in each PTG with adequate linkages to the referral focal points.

## **Component 2: Integrated Natural Resource Management (INRM)**

51. The INRM component will have three subcomponents: (i) community mobilisation; (ii) land and water resources development; and (iii) productivity enhancement and crop diversification. The outcome of the component is rainwater harvested and land and water resources developed and used sustainably for the benefit of some 122,400 tribal households in 1,330 villages.

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<sup>15</sup> Details in Component 2

**(a) Community Mobilisation**

52. Members and leaders of SHGs promoted by the project will ensure participation of women and facilitate effective mobilization of the community. Intensive consultations with the community leaders will be held by mobilizing Tola Sabha<sup>16</sup>/Gram Sabha<sup>17</sup> meetings. The traditional leaders of Gram Sabha and Tola Sabha and the elected representatives of Panchayati Raj Institutions will be taken on exposure visits to locations that have implemented land and water resource development interventions with funding from MGNREGS and also to locations with agriculture related interventions. Each Tola Sabha will elect two members (a female and a male member) to the GS-PEC of the Gram Sabha. GS-PEC will have elected management committee comprising a Chairperson, a Secretary and a Treasurer and this committee will assume overall charge of managing bank accounts and implementing project activities at the community level. Leadership Rotation in GS-PECs will be ensured by compulsory retirement of two members every year. Traditional village leader will chair the Gram Sabha meetings and the elected Mukhiya (Head of Panchayat) will be the ex-officio member of GS-PEC. GS-PEC will establish two sub-committees: (i) Land and Water Resource Development Sub-Committee; and (ii) Livelihoods and VDF Sub-committee. Each sub-committee managed by a team of four persons (men and women in equal number) elected by the GS-PEC will be responsible for implementation of village level activities.

53. Each GS-PEC will develop a comprehensive Gram Sabha Natural Resource Management and Livelihoods Plan (GSRMLP) for its village using participatory processes. The GSRMLP may contain four sub-plans, namely: (i) Land and Water Resource Development sub-plan; (ii) Productivity Enhancement and Crop Diversification including irrigation sub-plan; and (iii) Income Generating Activity sub-plan and (iv) Livelihood sub-plan. The GSRMLP after approval by the Gram Sabha will be submitted to the concerned District Project Management Unit (DPMU) for approval.

54. The GS-PECs will have two bank accounts; one for receiving funds for implementing project interventions related to Productivity Enhancement and Crop Diversification including irrigation and the other for the VDF. The project will make an allocation of INR 125,000 per VDF for all project villages excluding PTGs villages and INR 250,000 for all PTG villages. VDF will be released in instalments and subject to social audit before release of the next instalment and also annual audit by external auditors.

55. VDF will be managed by the GS-PEC under the overall guidance of the Gram Sabha. VDF will be used to cover operating costs of GS-PEC, engagement of part-time CRPs as required, expenditure to complete land and water resource development activity for which MGNREGS funding is not available, and costs related to maintenance of community-based irrigation systems. In case of VDF for the PTGs villages, the funds can also be used for (i) protecting drinking water sources and construction of water tanks near springs; (ii) construction of water harvesting structures and seepage tanks near existing tube wells to recharge groundwater; and (iii) micro-irrigation facilities with a tank and drip system for vegetable cultivation.

**(b) Land and Water Resources Development**

56. MGNREGS convergence to implement land and water resources development will be one the most important activities. Panchayat will be taken as the unit for land and water resources development sub-component as funds under MGNREGS flow through them. GS-PECs with support from FNGOs will prepare annual work plans and budgets based on the approved Land and Water Resource Development sub-plan of GSRMLP. Activities that are likely to be implemented under land and water resource development sub-plan include: (i) in-situ rainwater harvesting systems, such as contour trenches, 5% model<sup>18</sup>, 30'x40' model<sup>19</sup>, field bunds, etc; (ii) discrete rainwater harvesting structures such as farm ponds of varying sizes; (iii) large diameter irrigation wells and seepage tanks in lowlands; (iv) land husbandry activities such as land levelling, terracing, gully plugging, small check dams, lowland drainage systems; (v) access roads and pathways; and (vi) forestry related activities such as afforestation, grazing land management, etc. The annual work plans and budgets of the Gram Sabhas with detailed cost estimates will be aggregated at Panchayat level and funding from

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<sup>16</sup> An assembly of all adult members of a hamlet or settlement within a natural village.

<sup>17</sup> An assembly of all adult members of a natural village.

<sup>18</sup> Digging a pit of 2-3 meter depth over 5% area of the plot in a terraced landscape.

<sup>19</sup> Construction of water harvesting structures by dividing a landscape with 5-7% slope into plots of 30'x40' with a pit at the lower end of the plot to collect rain water; the soil excavated from the pit is used to make shallow bund around the plot.

MGNREGS will be sought. The project will engage Junior Engineers through FNGOs and also provide facilities for training of master CRPs to help GS-PECs to facilitate preparation of detailed plans, measurement and muster roll maintenance and also to facilitate administrative and technical sanction. The project will provide support for engaging a Data Entry Operator for each district to facilitate compilation of MIS forms at district levels and thereby fast-tracking funds flow for MGNREGS.

### (c) Productivity Enhancement and Crop Diversification

57. As a part of the GSRMLP, a Productivity Enhancement and Crop Diversification sub-plan will be prepared, linked to activities proposed under the land and water resource development sub-plan. The activities that are likely to emerge from this planning exercise include: (i) crop demonstrations; (ii) small-scale irrigation development; and (iii) establishment of farmer service centres.

58. **Crop demonstrations:** The project will allocate funds for crop demonstrations in each village with learning events covering quality of seeds, seed treatment, crop production practices, and adaptation of cropping patterns to suit climate change related events such as delayed rainfall. In each village six crop demonstrations will be supported for a two year period. Results of crop demonstrations and the packages of practices used in these demonstrations will be shared among other farmers through exposure visits and training. Key demonstrations will include: (i) introduction of improved techniques of paddy cultivation, including introduction of short and medium duration varieties, better seeds, seed treatment, transplanting, line sowing, etc. (ii) introduction of best practices for cereal crop production; (iii) cultivation of crops such as wheat, maize and millets to enhance nutrition security of the households; (iv) cultivation of oilseeds and pulses, especially in uplands and mid-lands and as cash crops; (v) cultivation of tuber crops; and (vi) soil fertility enhancement through green manuring, liquid organic manuring and vermi-compost; etc.

59. **Irrigation development:** The project will make an allocation of INR 275,000 for each village to implement activities related to irrigation as prioritized by the community. GS-PEC with assistance from FNGOs will prepare cost estimates for irrigation activities and in the event estimated cost exceeds the allocation made under the project, funding from other sources will be sourced. Interventions will include: (i) constructing lift and diversion-based irrigation systems to utilize water from rivers and streams; (ii) installing irrigation systems from wells, tanks and farm ponds; and (iii) establishing micro-irrigation systems with water tanks and drip irrigation tubes in homesteads and near water bodies for vegetable cultivation in case of PTGs and poorest households.<sup>20</sup>

60. **Farmer Service Centre:** Attempts to improve productivity of small farmers have not yielded desired results due to the limited uptake of agricultural inputs by farmers. The reasons are high transaction costs to procure small quantities of inputs, prevailing subsistence farming practices, lack of draft animals to plough lands on time and the younger generation is less inclined to participate in land preparation activities. Inadequate labour and feminisation of agriculture due to seasonal male migration puts considerable pressure on women to undertake land preparation work. With a view to addressing these constraints, the JTELP will facilitate establishment of Farmer Service Centres (FSCs) one in each Panchayat. The FSC will be one-stop-shop for selling agricultural input (seeds, fertilisers and pesticides) and for renting equipments required for cultivation such as power tiller, weeders, sprayers, etc. The overall management of the FSC will be with the GS-PEC in the largest village. The power tiller will be leased out by the GS-PEC to trained operators to be run as a business unit regulated by it. Other equipment and inputs will be managed by GS-PECs in each village as sub-centres. FSCs will serve all farmers in a Panchayat, principally for production of food crops.

### Component 3: Livelihoods Support

61. The Livelihoods Support component will have four subcomponents namely: (i) Support for IGA, (ii) Integrated Production and Marketing Support; (iii) Vocational Training; and (iv) Innovative Interventions. The outcome of this component is enhanced incomes of participating households from IGA and market oriented production of some 43,070 households.

#### (a) Support for Income Generating Activities

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<sup>20</sup> Lessons and Best Practices generated by SCAMPIS (Scaling up Micro-irrigation Systems) funded by COOPERNIC, managed by IFAD and implemented by IDE in Orissa in collaboration with Orissa Tribal Development Program to address water scarcity and low soil fertility which negatively impact productivity in India will be adopted .

62. Some of the typical activities that will be supported under the project include: (i) 5,000 units of 10 birds (layers) backyard poultry; (ii) 1,000 pig rearing units (5 piglets plus one boar); (iii) 5,500 units of goat rearing (5 does plus one buck, each buck shared by 5 households); (iv) 6,000 artisan units; and (v) training the participating members. All these activities will be targeted at the PTGs, poorest households, traditional village artisans and landless households in villages that do not offer potential for development of integrated farm-based production systems. The beneficiaries and activities will be identified by SHGs and finalised by the Gram Sabha. Livelihoods and VDF Sub-committee with the approval from Gram Sabha will channelize finances and facilitate implementation. FNGOs promoted under the project will provide required training and handholding support to the target beneficiaries.

#### **(b) Integrated Production and Marketing Support**

63. The project will support up-scaling of market-oriented production enterprises by promoting viable market-linked production clusters in successfully tested sub-sectors by FNGOs and TSPs. The enterprise sub-sectors identified on the basis of demonstrated success in the project area are vegetable cultivation, goat rearing, lac rearing, tasar cocoon rearing and mango orchards. These interventions will be implemented on cluster basis to generate economies of scale and also ensure input supply and market linkages. Proposed interventions are: (i) Pre-cocoon Tasar Module comprising either a Tasar cluster in forested areas with adequate tasar host trees population to support about 150 rearers and 30 ha of land to raise plantations of *arjuna* and *asana* for rearing worms in early stages, or a Tasar cluster in non-forested areas with 150 tasar rearers and 65 ha of *arjuna* and *asana* plantation; (ii) Vegetable Cultivation module as a cluster comprising a minimum of 60 ha of vegetable gardens covering about 600 farmers; (iii) Goat Rearing module as a cluster comprising a minimum of 100 households, each with a goat unit of five does and one buck shared between five households; (iv) Mango orchard module as a cluster comprising a minimum of 75 ha of fruit tree plantation covering 300 households; and (v) Lac rearing module as a cluster comprising a minimum of 50 households each possessing adequate number of *Ber* or *Kusum* trees.

64. These modules will be replicated in the project area taking into account the interest of farmers, availability of land and other prerequisites for establishment of these interventions. FNGOs will be facilitated to prepare and submit proposals for implementing these activities. The proposals will be appraised and funding will be provided separately for implementation. Producers will be organised into groups to share services and common facilities and for aggregation to procure inputs and market the produce. The project will support 4 tasar cocoon-rearing units in forest areas, 3 tasar rearing units in new plantations, 14 vegetable clusters (one per district), 60 goat rearing clusters (two per block), 14 mango orchard clusters (one per district) and 110 lac clusters.

#### **(c) Vocational Training**

65. Drop-out rate is high amongst tribal children in general and girls in particular before passing secondary school. Often these children neither have the interest to assimilate into agriculture based livelihoods nor have the options to learn new skills to take up other livelihoods. Agencies such as Divyayan Krishi Vigyan Kendra (DKVK) and Pan-IIT Alumni Reach for India (PARFI) have the capacity to implement vocational training with post-training placement/handholding. DKVK has the capacity to train youth in rural vocations and handhold them to establish rural service enterprises. PARFI has developed a model of organizing vocational training coupled with assured placement in the urban organized sector. PARFI partners with NGOs to identify school dropouts from poor households as trainees. In addition to these agencies, the project will advertise Expression of Interest to shortlist agencies that have the capacity to implement vocation training related activity with post-training placement /handholding. The project will sign MOUs specifying the operational modalities with selected agencies. The project will make a provision to provide scholarship to the trainees and this amount can be used for selection and counselling of trainees, training and handholding/placement.

#### **(d) Innovative Interventions**

66. The project will identify and implement innovations during project implementation that are likely to have substantial impact on the livelihoods of tribal communities. Three innovations so far identified



are: (i) setting up community forestry interventions for providing Community Pattas; (ii) lac rearing on *Flemingia semialata*; and (iii) habitat planning for PTGs. These innovations, if proven successful, have the potential for scaling up.

67. **Community Forestry:** In collaboration with the Forest Department, the project will identify forest fringe villages eligible for grant of Community *Pattas* (Title deed) under Section 3(1) (i) of Forest Rights Act (FRA) and assist the Gram Sabhas obtain such *Pattas*. The FNGOs engaged by the project in collaboration with the Forest Department will assist the Gram Sabhas to prepare and implement management plans for development of such forests for which Patta has been given to the community as community forests to meet fodder, firewood and NTFP needs of the community. The project will facilitate exposure visit for Forest Officials, provision of *Pattas* and preparation and implementation of management plans in about 50 villages. In addition, the project will also facilitate the community to obtain individual *Pattas* under FRA.

68. **Lac rearing on Semialata:** Lac rearing is one of the traditional livelihoods of tribal people. Tribal communities rear lac on *Ber*, *Kusum* and *Palas* trees in forests and homesteads. Due to their long gestation period, it is not profitable to raise plantations with these traditional host trees. Further, these trees are tall and require more labour for inoculation and management of lac insects. On pilot basis, the project will support farmers to establish plantations of *Flemingia semialata*, a bushy plant with a short gestation period that can be raised either as a plantation or as hedge rows as an alternative host plant to rear lac.

69. **Habitat Planning for the PTGs:** PTG habitats continue to be in a state of abject neglect despite substantial investment through Birsa Munda Awaas Yojana and other PTG housing schemes. These interventions have neglected habitat improvement. The project will engage a group of Community Architects to undertake habitat planning for 10 PTG villages as a model and also provide support for improving homestead, sanitation, drinking water, tree planting, etc. in these habitats. These activities will be implemented by suitable organizations under the guidance of the Community Architects.

#### **Component 4: Project Management**

70. The JTELP will support establishment of a SPMU in Ranchi headed by a State Project Director (SPD). He/she will be supported by an Additional Project Director, a Finance and Administration Manager (FAM), a Convergence Manager, a Planning and M&E Manager, a NRM Manager, a Livelihoods and Knowledge Management Manager, a Community Institution and Gender Manager, two Project Executives and other support staff<sup>21</sup>. There will be a District Project Management Unit (DPMU) in each project district with District Project Manager (DPM), a Finance and Administrative Officer, a Planning, M&E and Convergence Officer and a Project Executive<sup>22</sup>. The project will support staff costs, provision of vehicles for SPMU, computers and office equipment and operating costs for both SPMU and DPMUs. The DPMUs will be housed within the Office of the respective Deputy Commissioners and provision will be made for need-based hiring of vehicles for use in the field.

71. The project will support capacity building of SPMU and DPMU staff, development of a computerised accounting system and a Management Information System. The project will allocate funds for engaging Specialist Organizations or Experts to help the project management in conceptualising various project interventions and to provide expert technical advice and support contracting specialist agencies for conducting Impact Evaluation baseline survey, RIMS baseline, Annual Outcome Surveys, Mid-term Impact Assessment Survey, Final Impact Assessment Survey and Final RIMS survey and preparation of Project Completion Report.

72. The project will establish a three tier project coordination mechanism: (i) Project Steering Committee at the State level chaired by the Chief Secretary; (ii) District Project Coordination Committees chaired by the respective Deputy Commissioners; and (iii) Block Coordination Committees chaired by the respective Block Development Officers. Details related to project management and project coordination are provided in Annex 5 – Implementation Arrangements.

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<sup>21</sup> Refer Appendix 1, Annex-5 showing the SPMU staff structure;

<sup>22</sup> Refer Appendix 2, Annex 5 showing the DPMU staff structure.

#### **D. Lessons learned and reflected in Project Design**

73. A number of lessons have also been learned from past and current projects regarding what has worked well, and what could be done better in future. Details of relevant lessons are in Annex 3. These lessons include:

- Poverty can be effectively reduced through an empowerment process, which in turn requires investment in people's institutions and in intangible assets. Each intervention should have an adequate implementation period, allowing sufficient time to establish and strengthen strong and sustainable grass-roots institutions.
- The selection of qualified NGOs and RNGOs is critical. The process of selection needs to be completed promptly and without political interference.
- Developing livelihood opportunities for smallholder farmers and tribal communities in rainfed and marginal areas requires broader partnerships that combine the competencies and resources of government, civil society and people's organizations, and the corporate private sector.
- India allocates very large resources to agriculture and rural development through state and centrally sponsored schemes. Ensuring convergence with such efforts will multiply the impact of project interventions.
- Undertaking fewer, focused projects with larger average loan size can contribute to lowering transaction and administrative costs for both the Government and IFAD, and will permit greater attention to implementation support, learning and impact achievement.
- Enterprise promotion among SHG members has been challenging since not all SHG members are interested in the same enterprise, and integrating livelihood activities in federations requires adequate staff capacity and financial resources.
- Most farm work, other than ploughing, is done by women. A number of programmes have distributed tools and other support to women with the aim of reducing women's work burden and the drudgery of women's work. However, these are often not taken up in a sustainable way, or spread to other households, unless women are also engaged in economically remunerative activities that increase the opportunity cost of their time.

74. Key lessons learned from the IFAD-supported JTDP<sup>23</sup> are that empowerment of the tribal communities is a prerequisite for poverty alleviation, that the development programmes should be implemented in contiguous areas with decentralised planning and approval processes for effective results, that there was a need for more focus on supporting livelihoods interventions along with better training, demonstrations and facilities for transfer of technology, that convergence with other programmes is better achieved at district level and therefore there is a need for greater involvement of district administration in plan implementation, that there is a need for building alliances of gram sabha and Panchayats to make tribal laws work in particular Section 3 (1) of FRA of GoI.

75. Experience from JTDP and the work of NGOs in Jharkhand and also from other parts of the country shows that formation of SHGs has given women confidence and recognition of their potential to play community leadership roles. This has also facilitated election of women to the local Panchayats as members as well as Mukhiyas (head of the Panchayat) even in constituencies not reserved for women. Leadership of and presence in the elected statutory Panchayats enables women to influence village development processes and plans since major government schemes such as MGNREGS are now planned and implemented by these elected bodies. There was effective participation of women in the village level planning process during implementation of JTDP. This was possible because women had been organised in SHGs and had in the process gained confidence and the experience of conducting and participating in community forums/meetings. See Annex 3 for more details.

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<sup>23</sup> Refer para 9-22, Annex 3

### III. PROJECT IMPLEMENTATION

#### A. Approach

76. The IFAD-funded JTDP had established a State Project Management Unit (SPMU) within JTDS at the State level and two District Project Management Units (DPMUs), one each in Ranchi and Chaibasa. The Secretary, Welfare Department is the Chairperson of the Board of Directors (BoD) of JTDS. SPD is its Member-Secretary and the Deputy Commissioners of the project districts are members on the board of JTDS. Each DPMU supervised activities in 2 or 3 districts. The existing project coordination structure at the State level needs to be reconstituted with Chief Secretary as the Chairperson. The district coordination structures will be strengthened and block level coordination arrangements will be created to ensure convergence with MGNREGS and other government programmes.

77. GOJ has also established Integrated Tribal Development Agencies (ITDAs) in each of the Tribal sub-plan districts and their capacity in terms of human resource is being strengthened. ITDAs are still in a formative stage and do not have adequate experience of working with NGOs. This apart, the staff of ITDAs are on secondment from the government departments and it is difficult to build in flexibility with regard to engagement of professionals required for the implementation of projects like JTELP.

78. JTELP is a considerably larger project than JTDP, with a total investment of about USD 115 million compared with USD 25 million for JTDP. Given the limitations on the capacity of JTDS and its current staff, it will be necessary to strengthen both its human resources and also expand its outreach from the existing 5 districts to all 14 districts. To support new districts that are included under JTELP and enhance their technical and oversight capabilities, it will be necessary to associate FNGOs at district level and TSAs at regional level.

#### B. Organisational Framework

##### 1. Management Structure of JTELP

79. The Department of Economic Affairs (DEA) in the Ministry of Finance will be the nodal agency at the GoI level to review and monitor project progress. The Welfare Department of the Jharkhand State will be the State level nodal agency for the proposed project. The project will be managed by JTDS with the support from TSAs, FNGOs, District Administration, relevant line agencies, Panchayats and Gram Sabhas.

80. **State Project Steering Committee:** GoJ will set up a State level Project Steering Committee (SPSC) chaired by the Chief Secretary, with the Secretary Welfare Department as its Member-Secretary. The SPSC will meet once every six months to review progress, provide overall guidance and policy support and facilitate inter-departmental coordination. The members of the SPSC will include: (i) Development Commissioner; (ii) Secretary, Finance; (iii) Secretary, Rural Development; (iv) Secretary, Forests; (v) Principal Chief Conservator of Forests; (vi) Secretary, Agriculture; (vii) Secretary, Animal Husbandry and Livestock, (viii) Secretary, Horticulture, (ix) Secretary, Industry; (x) Special Secretary, Welfare Department; and (xi) SPD. In addition, SPSC will invite representatives from National Bank for Agriculture and Rural Development (NABARD) and Civil Society and Technical Experts of repute to participate in SPSC meetings.

81. **Jharkhand Tribal Development Society (JTDS):** The project will use JTDS, an autonomous agency, for the implementation of JTELP. JTDS is outside the government line agency structure, registered under the Societies Registration Act and has its own bye-laws and financial rules. JTDS has adequate authority to enter into partnership agreements/contracts with TSAs, FNGOs and other Specialist Agencies and to provide grants and financial assistance to Gram Sabhas.

82. JTDS is accountable to its General Council and Board of Directors. Both the General Council and the BoD of JTDS will be reconstituted to permit expansion of its roles and functions in the context of JTELP. The reconstituted General Council and the BoD of JTDS will comprise: (i) Secretary, Welfare Department-Chairperson; (ii) Special Secretary, Welfare department – Vice Chair (iii) SPD, JTDS-Member Secretary; (iv) Commissioner, MGNREGS-Member; (v) Deputy Commissioners of all 14 Tribal Sub-Plan Districts-Members; (vi) Mission Director, National Rural Health Mission-Member; (vii) Mission Director, National Horticulture Mission -Member; (viii) Mission Director, Jharkhand State Watershed Mission-Member; (ix) Mission Director, National Rural Livelihoods Mission-Member; (x)

Director, Agriculture Department-Member; (xi) Director, Livestock and Animal Husbandry Department-Member; (xii) Director, Fisheries Department-Member; (xiii) Chief Engineer, Rural Works Department-Member and (xiv) Director, Cooperation Department-Member.

83. The BoD will be responsible for: (i) providing direction and guidance for project implementation; (ii) reviewing and approving overall Annual Work Plan and Budget (AWP&B) of the project; (iii) formulating and revising bye-laws, financial regulations and personnel policies of JTDS; (iv) approving engagement of TSAs, FNGOs and other partner organizations; and (v) reviewing implementation performance of the project. The project management responsibility will be vested with SPMU to be established within JTDS. The SPMU will be headed by a full time SPD from All India Services with about 15 years of experience. SPD will be assisted by an Additional Project Director (APD) and other technical and support staff.

84. **Role and functions of SPMU:** The SPMU will be responsible for: (i) supervising and monitoring project activities and their progress towards achieving physical, financial and outcome related targets; (ii) organizing project coordination meetings and meetings of the BoD of JTDS; (iii) preparing and submitting AWP&B and 18 month procurement plan for review by IFAD and approval by the BoD of JTDS; (iv) ensuring release of funds from SCA to TSP and Article 275(1) for implementing project activities; (v) evaluating bids, and finalizing and executing partnership agreements/ contracts with TSAs/FNGOs, service providers and suppliers of goods and services for implementing various project activities; (vi) operating Project Accounts for timely release of funds to the districts, TSAs/FNGOs and suppliers of goods and services; (vii) preparing and submitting withdrawal applications to GoI/DEA for onward transmission to IFAD; (viii) preparing and submitting progress reports to IFAD and GoJ; (ix) establishing an MIS and M&E system to track project progress and undertaking knowledge management activities; (x) preparing RIMS data for submission to IFAD; (xi) ensuring preparation and submission of annual audit reports and ensuring compliance to the audit observations; and (xii) liaising with the State administration and line agencies to ensure coordination and convergence to facilitate project implementation.

85. Staff appointments, except those on secondment, will be on fixed term contracts of at least three years and the candidates will be recruited from the open-market based on professional competence, experience in implementing natural resource management and livelihoods interventions and familiarity with the development needs of the tribal people. Persons of tribal origin and women will be given preference subject to other things being equal. JTDS will implement the affirmative action policy of GoJ which has reserved 26% of positions for ST candidates. JTDS will revise its personnel policies to attract competent staff.

86. **District level Coordination:** The project will also establish District Project Coordination Committees (DPCC) in each of the project districts. The DPCC will be chaired by the Deputy Commissioner of the respective project districts and the District Project Manager (DPM) will be its Member-Secretary. The DPCC will meet quarterly to discuss the project implementation progress, constraints and remedies. Key functions of DPCC will be to ensure flow of MGNREGS funds to the Panchayats for implementing Land and Water Resource Development Sub-plans.

87. **Block level Coordination:** A Block Project Coordination Committee (BPCC) will be established in each Block of the project area. The BPCC will meet bi-monthly to discuss approval and review of Land and Water Resource Development activities under GSRMLP with MGNREGS funding. This committee will be chaired by the respective Block Development Officers and the DPM/NRM Officer will be its Member-Secretary.

88. The details related to composition, and functions of state, district and block level coordination structures, and functions and staffing of SPMU and DPMU are provided in Annex 5-Implementation Arrangements. Detailed ToRs of staff are provided in Annex 4.6, Section 4, Part Two of PIM.

## 2. Project Implementing Agencies

### (a) FNGOs

89. The project will engage the services of FNGOs for field level implementation. It is estimated that 1-2 FNGOs will be recruited per district. Each selected FNGO will have implementation

responsibility covering about 40 villages falling under 5 or more contiguous Panchayats in a Block/Cluster. Each FNGO will establish a field office at the block level. Staffing of an FNGO will include a core team of one FNGO Coordinator with Natural Resource Management background, one Junior Engineer and one Community Institution and Gender Officer supported by a Panchayat team of one Community Facilitator and a part-time Community Resource Person for each Gram Sabha. FNGOs will be recruited using fixed price and quality based selection. FNGOs that are engaged in natural resource management or livelihood activities in the project block or district for no less than three years will be given preference in selection. Experience of working with tribal households in Jharkhand will be a pre-requisite.

90. FNGOs will be responsible for SHG mobilization, training of SHG members, facilitating SHGs to implement social sector activities, reviewing progress of SHGs in savings and credit, facilitating grading of SHGs and delivery of seed capital, mobilization of Youth Groups and planning for their activities, implementing PTG specific activities, sensitising Tola/Gram Sabha, establishing GS-PECs and their sub-committees, facilitating GS-PECs to prepare GSRMLPs, facilitating approval of GSRMLPs, preparing AWP&B and budget of GS-PECs and detailed design for Land and Water Resource Development sub-plan, Productivity Enhancement and Crop Diversification sub-plan and Income Generating Activity sub-plan and facilitating implementation of Land and Water Resource Development sub-plan through convergence with MGNREGS and other sub-plans with project funding. FNGOs will also be responsible for facilitating social audit at the Gram Sabha/Panchayat level. FNGOs will be facilitated to prepare and submit proposals for implementation of integrated production and marketing support activities. These proposals will be separately appraised and funded.

**(b) Technical Support Agencies (TSAs)**

91. TSAs are required to handhold and provide implementation support to FNGOs. The project will engage three TSAs, one each for Northern Region comprising Godda, Sahebganj, Pakur, Dumka and Jamtara districts; Western Region comprising Simdega, Gumla, Lohardaga and Latehar districts and the Southern Region covering West Singhbhum, East Singhbhum, Khunti, Ranchi, and Saraikela Kharsawan districts. TSAs will establish a technical team of four Subject Matter Specialists in the areas of Agriculture, Agriculture Engineering, Civil Engineering, Water Harvesting Technology and Small-scale Irrigation. TSAs will be responsible for building capacity of the FNGO staff and for providing implementation support for activities related to community institutions development, GSRMLPs, and implementation of Land and Water Resources Development, Productivity Enhancement and Crop Diversification, Income Generating Activities, Integrated Production and Marketing Activities and Innovative activities. In areas where FNGO has no capacity to implement Integrated Production and Marketing Activities, TSAs will be entrusted with the responsibility of implementing Integrated Production and Marketing Activities.

**(c) Community-based organisations**

92. **Self Help Groups:** The project will support formation of SHGs to empower women and also to help them come out of exploitative financial relationships. In this project, SHG mobilization will be an interface activity to mobilise the community and to form next level community institutions required for land and water resource development and livelihood related activities. SHG mobilization will follow the procedures of NRLM so that these SHGs will be able to seamlessly access support from NRLM related to financial intermediation and formation of apex structures as when the same are rolled out.

93. **Gram Sabha Project Execution Committees (GS-PECs):** These committees will be responsible for all village level activities including opening and managing bank accounts. Rotation in the leadership of GS-PECs will be ensured. The GS-PECs, with the support of FNGOs will be responsible for implementing all activities relating to (i) MGNREGS, (ii) productivity enhancement and crop diversification, (iii) small-scale irrigation, (iv) management of VDF accounts and (v) implementation of IGA and livelihood upscaling activities.

94. **Producer Groups:** Target group households will be facilitated to form groups for taking up income generating activities. Households with cultivable land will be facilitated to form groups for productivity enhancement and crop diversification and also for livelihood upscaling. The group size and composition will depend on the geographical proximity of the households, affinity amongst group

members to work together, and common interest by all members to take up similar activities. In case of livelihood upscaling the group size will be large enough to achieve economies of scale. The Producer Groups will become the vehicle for delivery of services. User groups will also be formed for the operations and maintenance of infrastructure facilities that are created under the project.

95. **Livelihood Collectives:** Livelihood upscaling activities with a large number of Producer Groups will ultimately establish specialized Livelihood Collectives or get integrated with the existing collectives. Mutually Aided Cooperative Societies Act provides the required legal framework in Jharkhand for establishing such collectives. Growth trajectory of each of these collectives includes provision of entire gamut of services to producer groups and at the same time becoming self-reliant.

### **C. Planning, Monitoring and Evaluation and Knowledge Management**

#### **1. Planning process**

96. The planning process will start with the community at the level of the Tola Sabha with the support of GS-PEC and FNGO. Using participatory assessment of community resources, they will develop a perspective plan for the Gram Sabha called GSRMLP for the village. This plan after review by the Gram Sabha and the Panchayat will be sent to DPMU for approval. On the basis of the perspective plan, AWP&B will be prepared each year during the month of October by the GS-PECs starting with the preparation of detail project plans. The SPMU will compile the AWP&Bs in the third quarter (December/ January) of each year. JTDS will request Welfare Department, GoJ to make budgetary provisions for the project based on the estimates. Thereafter, it will prepare the AWP&B and submit to IFAD along with the procurement plan for review. Based on the observations made by IFAD, JTDS will finalise the AWP&B and submit to their BoD for approval. A copy of the approved AWP&B along with the annual procurement plan will be sent to IFAD for the purpose of monitoring. Refer to Annex 6 for more details.

#### **2 Monitoring and evaluation system**

97. The Monitoring and Evaluation system of the JTELP will collect data and information to measure performance and progress towards objectives, and be a learning tool to provide information for critical reflection on project strategies and operations. It will support decision-making at various levels and be a basis for results-based management. Each agency will draw up its own M&E plan within the overall JTELP M&E framework. The M&E unit in the SPMU will support this output and activity monitoring. In addition it will implement a programme of outcome and impact monitoring, as well as producing consolidated reports on project progress and results, and coordinating overall learning and knowledge management. Details of the M&E and knowledge management system are in Annex 6.

#### **3. Project M&E Framework**

98. **Output monitoring** will measure the progress of activities and achievement of outputs against annual targets in the AWP&B for each project component. The output indicators in the project operational logical framework will form the basis for monitoring. Physical and financial progress reports will be recorded via each FNGO's MIS. Wherever necessary, data will be collected disaggregated by gender and social groups, particularly those relating to training, exposure and access to services.

99. **Participatory Monitoring and Evaluation (PME)** at the community level will involve the CRPs, members of the GS-PEC and JTDS and NGO staff. PME forums will be set up in villages/Tolas, with simple activity sequencing charts and other tools to help the communities monitor their progress, evaluate performance, assess relevance, effectiveness, efficiency, benefits accrued and identify implementation issues related to ongoing and completed interventions. The AWP&B of the Gram Sabha will be the basis for participatory M&E. These forums will be also used for social audits of activities and associated expenditure involving community members and service providers.

100. **Process monitoring** involves monitoring the processes leading to outputs and outcomes. Specific areas where process monitoring will be useful in JTELP include: effectiveness of SHG

savings and lending, provision of technical and other support services, and the functioning of community organisations. Information on these may be gathered via PME, as well as from the records of community organisations. Videos will be made to describe project processes and results in a village—these can be shown in other villages to disseminate key information and messages. Training effectiveness will be assessed via KAP (Knowledge, Attitude and Practice) surveys carried out each year.

101. **Outcome monitoring** measures the changes coming about as a result of project interventions. This will entail annually measuring and assessing whether the project is moving towards achieving the objective of empowering and enabling tribal communities to take up livelihood opportunities based on sustainable and equitable use of natural resources. The surveys will also collect data for 2nd level RIMS indicators. To allow comparisons to be made, the surveys will gather data from three separate sub-samples: project PTG households, other project households, and a control group of non-project households. To help measure project outcomes more precisely, it is proposed that the two project sub-samples are based on cohorts defined by the year of joining the project. If project groups are formed over a three year period, then a total of seven sub-samples, each of about 200 households will eventually be covered. The first rounds of the surveys will act as a rolling baseline. This survey will be outsourced to an M&E organisation.

102. **Impact evaluation** will assess the contribution of JTELP in achieving the overall goal of the project. It will consist of baseline, mid-term and endline surveys. These surveys will be coordinated by the M&E Unit, and contracted to an external agency. Information to be collected will include the impact level indicators of IFAD's Results and Impact Monitoring System (RIMS). These include mandatory 'anchor indicators' relating to household assets, food security and child malnutrition (anthropometric data of children under five years of age) and also other social indicators.

#### **4. RIMS indicators**

103. The Results and Impact Monitoring System of IFAD requires reporting annually on a number of first and second level results indicators that correspond to the output and outcome indicators of a project. IFAD has produced a standard list of these indicators, but only some of these will apply to an individual project. Prior to mid-term review, the project will report on only the first level results, but after the mid-term report it reports on second level indicators. These second level indicators are used as evidence to support ratings of the effectiveness and likely sustainability of each component. The third level RIMS results are the anchor indicators used for impact assessment.

#### **5. Special studies**

104. Special Studies will be undertaken before mid-term review related to the following: (i) livelihoods development and market linkages; (ii) agricultural production and productivity; (iii) environment and NRM; and (iv) education and employment. Cost effectiveness studies will be also undertaken to assess delivery systems and implementation methodology and approaches.

#### **6. Management Information System (MIS)**

105. MIS systems will be established in the first year of project implementation by the SPMU. This will include information on physical and financial progress, impact evaluation analysis and reports, RIMS first and second level indicator tracking, and other pertinent information.

#### **7. Reporting and Communication**

106. Timely reporting and communication is important to take corrective actions, learn from implementation experience and improve project management efficiency. Monthly, quarterly and annual reports will be produced by project implementation agencies and the M&E unit will generate half-yearly, annual and RIMS progress reports for IFAD.

#### **8. Learning System**

107. The project learning system comprises monthly, quarterly and annual review meetings, capturing information on progress, lessons and finding solutions for implementation constraints. IFAD

in cooperation with the Government will undertake a Mid Term Review (MTR) by the fourth year of the project to review achievements and implementation constraints. A mutually agreed action plan will be prepared based on the MTR findings. If needed, IFAD may appoint, in consultation with the Government, an external agency to evaluate the impact of the project. As the project reaches completion point, the SPMU will prepare a draft Project Completion Report in agreement with IFAD and GoJ. IFAD and the Government will then carry out a Project Completion Review based on the information in the Project Completion Report and other data.

## **9. Knowledge Management**

108. In the first year the project will prepare a project level KM strategy in line with the IFAD India and IFAD policy on KM. The project website will be completed within the first year of implementation and used as a knowledge sharing tool, and also linked to the IFAD Asia website. Key information from M&E studies, reviews and exposure visits, lessons and best practices will be disseminated through knowledge products such as newsletters, publications, case studies and reports.

## **D. Financial Management, Procurement and Governance**

### **1. Financial Management**

109. The existing system of financial management and also the financial regulations of JTDS were reviewed. The amendments required to the financial regulations, are provided in Appendix 1 of Annex 7. The revised financial regulations of JTDS are provided as a part of PIM. Financial Management Risk Assessment of JTDS was conducted and recommendations made as a part of this assessment were incorporated into the project design. Compliance to these recommendations is provided in Annex 7.

110. **Books of Accounts:** The project will maintain accounts and records in accordance with internationally accepted accounting standards to the extent they are compliant to the accounting standards prescribed by the Institute of Chartered Accountants of India and the requirements of GoI and GoJ to reflect the operations, resources and expenditures related to the project until the Financing Closing Date, and shall retain such accounts and records for at least ten (10) years thereafter. "Tally" software will be used for recording receipts by financiers and expenditure by components and categories. At the SPMU, the accounts should be consolidated through the software itself. This will require preparing a uniform structure and chart of accounts at all the DPMUs and the SPMU. The monthly reports from the DPMUs to the SPMU shall be in prescribed formats. Draft financial regulations and accounting manual are provided in PIM. Details on use of accounting software and related training are provided in Annex 7.

111. **Finance Personnel:** FAM will be responsible for book keeping of the SPMU, financial reporting to IFAD and other stakeholders, coordination with auditors and internal auditors, payments, bank operation, funds flow, and coordination with finance staff of implementing agencies. S/he will be assisted by two Accounts/Administration Officers. Each DPMU will have a District Finance and Administration Officer (DFAO). All financial staff will be adequately trained in accounting (including use of software) financial management and reporting requirements of the project. Detailed ToR for finance staff is provided as a part of PIM and other details of engagement of finance staff are provided in Annex 7.

112. **Funds flow:** The project will be funded from four sources: IFAD, GoJ contribution to JTELP, GoJ funds from Article 275(1) and SCA to TSP budget and contributions from beneficiaries. The SPMU will be responsible for preparing the AWP&B for the project and submitting the same to the Finance Department of the State through the Welfare Department. This AWP&B (net of beneficiary contribution) will be included as a line item in the budget of the Welfare Department of GoJ and will be presented for legislative sanction from the State assembly. IFAD's share will be disbursed to GoJ through the conventional national procedures. The DPMUs will receive funds from the SPMU and in turn provide funds to the GS-PECs for the project activities at the village level. The FNGOs will receive funds from the SPMU. The DPMUs and the SPMU shall have reporting and monitoring systems to track use of the project funds. Details of funds flow are provided in Annex 7.



113. The DPMUs will evolve a system to collect information in respect of beneficiary contribution to the project on a regular and ongoing basis. This could form part of the reporting system by FNGOs to the DPMUs. The utilization certificates of funds disbursed, which involve beneficiary contribution could be used as a basis for accounting for beneficiary contribution.

114. **Designated Accounts:** IFAD loan funds will be delivered to a Designated Account at the Reserve Bank of India operated by the authorized representative(s) of the Ministry of Finance. IFAD will pay an initial advance into the Designated Account equivalent to 10% of the IFAD loan amount and then replenish the Designated Account on the basis of Withdrawal Applications submitted by the project through the State Government to the CAA&A, Gol. On receipt of legislative sanction from the Jharkhand State Assembly, the budgetary allocation for the project (including counterpart funds) will be released to the project in one or two tranches. The funds will be transferred from the State Treasury to the Project Bank Account opened and operated by the SPMU. From this account, funds will flow to the sub-project accounts maintained by the DPMUs. Funds from DPMUs will flow to GS-PECs, SHGs, Youth Groups, other user groups, collectives, village development funds etc.

115. **IFAD Support:** IFAD will provide financial management support to the project by deputing a Financial Management Specialist to the project at periodic intervals in the first year of implementation.

116. **Audit:** Each Fiscal Year, JTDS will have the project accounts audited in accordance with auditing standards acceptable to IFAD and the Government, submitting an audit report within six months of the end of each Fiscal Year. The Auditor shall visit the SPMU and selected DPMUs or based on request from JTDS or IFAD. Details on engagement of Auditor and audit procedures are provided in paragraphs 17 to 19 of Annex 7.

117. **Internal Audit:** The project will appoint independent Chartered Accountants to undertake internal audit at all implementing levels from the first year of its operations. The Internal Auditors will, besides the financial audit, will review the systems of internal control and suggest improvements, if required, thereto. The internal audit should also include statutory compliances. The TOR will include key aspects of financial management and procurement contained in IFAD's fiduciary aspects checklist. The Internal Auditor will submit quarterly reports simultaneously to SPD and IFAD. Corrective follow up action will be decided jointly by a committee which includes the SPD, IFAD and the Internal Auditor. The details on engagement of Internal Auditor and procedures are provided in Annex 7.

118. **Withdrawals from the Loan Account** will be made according to the terms in the Financing Agreement between IFAD and Gol. Funds from the Loan Account will be used exclusively to finance eligible expenditures. More information on withdrawals provided in Annex 7.

## **2. Procurement**

### **(a) Introduction**

119. Procurement of goods, works and services financed by funds from IFAD will follow the IFAD Procurement Guidelines. Each Annual Procurement Plan will identify procedures which must be implemented by the Borrower/ Lead Project Agency in order to ensure consistency with the IFAD Procurement Guidelines. Further details on procurement are in Annex 8.

120. As all the proposed implementation agencies for JTELP do not have adequate experience in the area of procurement, a capacity building exercise in this area, will be necessary. To further strengthen procurement processes, it is proposed that an IFAD Financial Management and Procurement Specialist will support the project with a number of short inputs, especially at the start-up phase.

### **(b) Prior Review Thresholds**

121. For all procurement of civil works, supply of goods, vehicles and equipment exceeding equivalent USD 200,000 and services exceeding USD 100,000 prior approval of IFAD should be obtained including approval of RFPs, NOC for shortlist, NOC for final selection of firms based on

evaluation and draft contract approval. The threshold for prior review will be prescribed in the Financing Agreement between IFAD and GoI or as prescribed in the management letter.

**(c) Procurement Methods and selection procedures**

122. The most important procurement methods to be followed by the project include: (i) Direct Shopping– for all procurement up to USD 1,000; (ii) Local Shopping-for all procurement exceeding USD 1,000 and not exceeding USD 25,000; (iii) Local Competitive Bidding- for all procurement exceeding USD 25,000; and (iv) Direct Contracting or Single Source Selection – no financial limit but subject to IFAD prior approval. The selection procedures include: (i) quality and cost based selection; (ii) fixed cost selection; (iii) quality based selection; and (iv) least cost selection. The procedures related to Community Participation in Procurement will be used by the Community Institutions implementing project activities.

**(d) Procurement of Civil Works**

123. The activities related to civil works such as irrigation systems, farmer service centres, grainages, storage and aggregating centres, sorting and grading centres for cocoon etc, the procurement method will be local shopping and through the Community Participation in Procurement. These activities will be implemented directly by the GS-PECs of the Gram Sabhas.

**(e) Community Level Procurement**

124. Construction of watershed conservation works and land and water development works using MGNREGS fund will be carried out using appropriate procurement procedures as given in MGNREGS Guidelines. But any procurement complimentary to MGNREGS using IFAD funds will follow Community Participation in Procurement method.

**(g) Procurement of vehicles and equipment**

125. Vehicles and office equipment for the project will be procured through Local Shopping or LCB.

**(h) Procurement of equipment and materials**

126. Vehicle operating costs and office running expenses will be procured using Direct shopping or Local shopping.

**(i) Procurement of Vocational Training and Training Resource Agencies**

127. Vocational training agencies and Training Resource Agencies will be procured using Local Shopping or LCB procedures. Local shopping (contracts exceeding USD 1,000 and not exceeding USD 25,000) will involve preparation of a list of agencies through formal and informal inquiries, preparing a shortlist of a minimum of three agencies for each task after evaluation of their capabilities and awarding work to the highest ranked agency. The LCB procedures (contracts exceeding USD 25,000) will involve advertising Expression of Interest and short-listing competent agencies. Thereafter, the agencies will be requested to submit proposals for conducting vocational training/other training. These proposals will be appraised by a team of experts engaged by JTDS and contracts will be signed with selected agencies to conduct vocational training/other training. Where there is only a single qualified supplier or the supplier is a specialized government agency (such as an agricultural research institute), direct contracting or single source selection is possible subject to IFAD approval.

**(j) Procurement of M&E studies**

128. The procurement of consultants to carry out M&E studies will follow LCB with Request for Proposals (RFP) and QCBS (Quality and Cost Based Selection). IFAD's prior review will be required for the selection of firms to undertake Consultancy work if the contract value exceeds the prior review threshold.

**(k) Procurement of the services of FNGOs and TSAs**

129. JTELP proposes to outsource all field level implementation of the project activities to well qualified and experienced FNGOs and TSAs. FNGOs will be selected and contracted using LCB and fixed cost selection method. TSAs will be selected using LCB and quality and cost based selection. IFAD prior review is necessary for both these procurements.

**3. Governance**

130. A framework for good governance has been drafted and is included in Section D of Annex 12. This framework aims to ensure: (i) transparency, with information in the public domain; (ii) accountability in the use of resources; and (iii) participation with the people having a voice in decisions that may affect them. The involvement of affected communities in all stages of project implementation can simultaneously improve development outcomes and reduce the scope for fraud and corruption. Key features of this framework are:

- (a) Targeting of women and disadvantaged households.
- (b) Local level participation in planning with participation from Gram Panchayat (GP) representatives.
- (c) Community and participatory monitoring of project activities using participatory M&E and process monitoring to obtain feedback from community members.
- (d) Rotation of project group leaders and audit of project group accounts.
- (e) Audits of project accounts – both internal and external.
- (f) IFAD supervision and support, including spot checks by regular supervision missions, implementation support for financial management and procurement, and technical audits if needed.
- (g) Regular outcome and KAP surveys will provide information on how well project outputs are being delivered – both in terms of coverage and quality.
- (h) Reporting of results to SPSC, DPCC, IFAD, and to local government institutions, with key information published on a project website.
- (i) Complaints and remedies mechanism including circulation of phone numbers of Senior Management of JTDS.

**E. Implementation Supervision**

131. The project will be directly supervised by IFAD. During the start-up phase of the project, IFAD will attend in the national start-up workshop and participate in discussions on the project approach and strategy. This is likely to involve members of project design missions and a financial management specialist. The latter specialist will also provide implementation support to train project financial staff. Other implementation support in the first year of the project may include assistance in setting up the M&E system and drawing up training plans for the various components of the project. It is envisaged that the first supervision mission will take place towards the end of the first year of operations. It will include specialists in livelihoods and financial management. Once physical infrastructure works have started, supervision missions may include production and marketing specialists.

**F. Mid Term Review and Project Completion**

132. Mid Term Review: IFAD in cooperation with the Government will undertake a mid-term review by the fourth year of the project lifecycle to review project achievements and implementation constraints. In particular it will review the following: (i) achievement and improvements in the production systems, improvement in food security, and increase in income; (ii) improvement in natural resource management; (iii) performance of community institutions; (iv) impact of other project activities; (v) financial and procurement management; and (vi) human resources management. A mutually agreed action plan will be prepared based on the MTR findings.

28. Project Completion Review: As the project reaches completion point, the SPMU will be required to prepare a draft Project Completion Report. IFAD and the Government will then carry out a Project Completion Review based on the information in the Project Completion Report and other data.

## G. Risk Identification and Mitigation

133. There are a number of risks associated with the project. Key risks and assumptions are identified in the logframe. These relate to farm technology, reluctance on the part of the farmers to accept new packages of practices, inadequate extension support, inadequate market linkages and poor price margins to farmers, inadequate flow of funds from the convergence programmes, lack of service providers and poor response from the private sector, and poor coordination and institutional support.

134. A risk at the development objective level is that employment opportunities in other parts of India expand to the extent that a large proportion of the workforce migrates out of the TSP districts resulting in insufficient labour left for farming. JTELP will address this by seeking to increase productivity in farming so that returns to labour become competitive with other jobs – in particular by developing high value cash crops and market-linked production. The project will also promote tree crops which, once established, require lower labour requirements and will appeal to households with limited labour.

135. The risks at outcome and output levels are addressed in the project design as described below.

| Risk level   | Risk before mitigation | Risk reduction Approach   | Residual Risks |
|--|------------------------|---|----------------|
| Goal level:<br>Relative instability in food prices in general, unfavourable economic conditions not conducive to poverty reduction.  | Medium                 | Improved methods for enhancing food production and improved food security   | Medium to low  |
| Development Objective level risk: Security situation not allowing communities access to economic opportunities and natural resources   | High to medium         | The project will be implemented through FNGOs who were able to work despite current security situation under JTDP   | Medium to low  |
| Community empowerment component level risks:<br>(i) Inadequate policies on microfinance not allowing space for project to operate;<br>(ii) Project is unable to coordinate and converge with other programmes for community development to avoid duplication   | High to medium         | (i) Formation of SHGs and provision of seed capital funds for internal lending and hand-holding support and convergence with NRLM<br>(ii) Coordination at State level and appropriate Government Order to ensure convergence and flow of funds to JTELP   | Medium to low  |
| Integrated Natural Resources Management component level risks:<br>i) Major natural disasters (droughts, floods) may negate land and water development works.<br>(ii) Inability to identify suitable locations by GS-PEC.<br>(iii) Communities unable to reach agreement on land and water development works.<br>(iv) Adequate resources not available from MGNREGS for implementation<br>(v) Reduction in funding for social sector programmes due to lower than expected economic performance | High                   | (i) Technologies suitable for climate adaptation put into practice and farmers provided training on various coping mechanisms.<br>(ii) GS-PEC provided handholding support by FNGOs and comprehensive village resource management plans prepared for each of the selected villages.<br>(iii) Comprehensive village plans are prepared in consultation with the GS-PECs and communities and sites agreed.<br>(iv) There is a strong government support for convergence of MGNREGS.<br>(v) Inherent coping mechanisms to converge with other programmes built | Medium to low  |
| Livelihoods support component level risks:<br>(i) Inputs needed for agricultural technologies unavailable. Markets for cash crops are not accessible via local roads, and not profitable.<br>(ii) Tribal communities unable to respond to opportunities to improve food security, produce products for sale, and take up training opportunities  | High                   | (i) Procurement and supply of inputs are organised at respective community level and facilitated by FNGOs. Cash crops cultivated in response to markets and market access.<br>(ii) Handholding support and training provided by FNGOs in improving the productivity, diversification, producing for sale  | Medium to low  |

## IV. PROJECT COSTS, FINANCING AND BENEFITS

### A. Project Costs

#### 1. Assumptions

136. Following are the key assumptions: (i) The project will be financed over an eight-year period starting in January 2013 (start of FY 2012-13); (ii) Price contingencies have been applied at a rate of 6.5% per year. Although domestic inflation is currently higher (about 7.1%), the international inflation rate is 2.1% and it can be assumed that the Indian Rupee will lose some of its value against the dollar, and higher domestic inflation will, to some extent, be offset by this devaluation; (iii) The base rate of exchange has been set at INR (Indian Rupee) 55 to USD 1.00, the prevailing in May-June 2012; (iv) Taxes and Duties: Almost all items procured under the project will be purchased locally. A tax rate of 15% has been assumed for vehicles, 10% for staff salaries and all operations and maintenance, 15% for office equipment, 5% for civil work, 10% for annual maintenance contracts of

office equipment, 12.5% for service tax, 4.5% for petty purchases such as office stationery and so on; and (v) No physical contingencies have been added as only a very small proportion of project funds will be used for construction.

## 2. Project costs

137. Based on May-June 2012 prices, total project costs are estimated at USD 115.59 million (INR 6,357.5 million) including the price contingencies of USD 16.48 million (INR 906.57 million). INRM component accounts for 59% of base costs. This includes MGNREGS support for the land and water resource development sub-component. Livelihoods support component accounts for 16% of base cost, Community Empowerment component accounts for 12% of base cost while the project management and M&E unit accounts for 13% of the project base costs. A summary is in Table 5, with further details in Annex 9 and also in WP 9.

**Table-5: Project Costs by Project Component**

| Jharkhand Tribal Empowerment & Livelihoods Project |                                    |               |                   |                |
|--|------------------------------------|---------------|-------------------|----------------|
| Project Cost Summary<br>(US\$ '000)                |                                    |               |                   |                |
|  | Cost<br>Including<br>Contingencies | % of<br>Total | IFAD<br>Financing | %<br>Financing |
| <b>A. Community Empowerment</b>                    | 15,308                             | 13.2          | 13,417            | 87.6           |
| <b>B. Integrated Natural Resources Management</b>  | 62,354                             | 53.9          | 12,973            | 20.8           |
| <b>C. Livelihoods support</b>                      | 20,739                             | 17.9          | 12,472            | 60.1           |
| <b>D. Project Management</b>                       | 17,190                             | 14.9          | 12,138            | 70.6           |
| <b>Total PROJECT COSTS</b>                         | 115,591                            | 100.0         | 51,001            | 44.1           |

## B. Financing

138. The project will be financed by IFAD, the GoJ, SCA-TSP, and MGNREGS and also contributions from beneficiaries. The IFAD loan will be USD 51.0 million (44% of total project costs), the Government funding is estimated at USD 7.9 million (6.9% of the total), MGNREGS USD 44.18 million (38% of total), while the beneficiaries contribution is USD 0.93 million (0.8% of total project costs). Taxes (funded out of the Government contribution) amount of USD 3.65 million. Table 6 provides a summary by expenditure categories of the proposed financing arrangement. Other summary financing tables are in Working Paper 9.

**Table 6: Financing Plan by Expenditure Accounts**

| Jharkhand Tribal Empowerment & Livelihoods Project |                |      |        |      |        |       |        |       |               |     |         |       |                |
|--|----------------|------|--------|------|--------|-------|--------|-------|---------------|-----|---------|-------|----------------|
| (US\$ '000)  |                |      |        |      |        |       |        |       |               |     |         |       |                |
| Expenditure Accounts by Financiers                 |                |      |        |      |        |       |        |       |               |     |         |       |                |
|  | The Government |      | TSP    |      | NREGA  |       | IFAD   |       | Beneficiaries |     | Total   |       | Duties & Taxes |
|  | Amount         | %    | Amount | %    | Amount | %     | Amount | %     | Amount        | %   | Amount  | %     |                |
| <b>I. Investment Costs</b>                         |                |      |        |      |        |       |        |       |               |     |         |       |                |
| A. Civil work                                      | 535            | 5.0  | 5,035  | 47.0 | -      | -     | 5,139  | 48.0  | -             | -   | 10,710  | 9.3   | 535            |
| B. Land treatment                                  | -              | -    | -      | -    | 44,182 | 100.0 | -      | -     | -             | -   | 44,182  | 38.2  | -              |
| C. Vehicles  | 6              | 15.0 | -      | -    | -      | -     | 32     | 85.0  | -             | -   | 38      | -     | 6              |
| D. Equipment and materials                         | 363            | 15.0 | 48     | 2.0  | -      | -     | 2,010  | 83.0  | -             | -   | 2,422   | 2.1   | 363            |
| E. Training & workshop                             | -              | -    | -      | -    | -      | -     | 1,034  | 100.0 | -             | -   | 1,034   | 0.9   | -              |
| F. Survey & studies                                | 19             | 5.0  | -      | -    | -      | -     | 367    | 95.0  | -             | -   | 386     | 0.3   | 19             |
| G. Technical Assistance                            | 40             | 5.0  | -      | -    | -      | -     | 765    | 95.0  | -             | -   | 805     | 0.7   | 40             |
| H. Capacity building                               | -              | -    | -      | -    | -      | -     | 4,002  | 100.0 | -             | -   | 4,002   | 3.5   | -              |
| I. Fund support                                    | -              | -    | -      | -    | -      | -     | 5,428  | 100.0 | -             | -   | 5,428   | 4.7   | -              |
| J. Livelihoods support                             | -              | -0.0 | 6,473  | 35.0 | -      | -     | 11,097 | 60.0  | 925           | 5.0 | 18,494  | 16.0  | -              |
| K. Service Providers Contract                      | 2,048          | 15.0 | -      | -    | -      | -     | 11,604 | 85.0  | -             | -   | 13,651  | 11.8  | 1,638          |
| <b>Total Investment Costs</b>                      | 3,012          | 3.0  | 11,556 | 11.4 | 44,182 | 43.7  | 41,478 | 41.0  | 925           | 0.9 | 101,152 | 87.5  | 2,602          |
| <b>II. Recurrent Costs</b>                         |                |      |        |      |        |       |        |       |               |     |         |       |                |
| A. Salary and allowances                           | 2,508          | 39.1 | -      | -    | -      | -     | 3,905  | 60.9  | -             | -   | 6,413   | 5.5   | 641            |
| B. Operations and maintenance                      | 2,408          | 30.0 | -      | -    | -      | -     | 5,618  | 70.0  | -             | -   | 8,026   | 6.9   | 401            |
| <b>Total Recurrent Costs</b>                       | 4,916          | 34.0 | -      | -    | -      | -     | 9,523  | 66.0  | -             | -   | 14,439  | 12.5  | 1,043          |
| <b>Total PROJECT COSTS</b>                         | 7,928          | 6.9  | 11,556 | 10.0 | 44,182 | 38.2  | 51,001 | 44.1  | 925           | 0.8 | 115,591 | 100.0 | 3,645          |

139. **Retro-active financing:** The on-going IFAD-assisted JTDP will be closed by June 2012. With a view to ensuring continuity and carrying out the preparatory activities for JTELP between July and December 2012, facilities for retro-active financing will be provided. These proposed expenditures will fall under four different expenditure categories, namely (i) vehicles and equipment comprising purchase of office equipment and vehicles following established procurement procedures; (ii) capacity building and the expenditures to be incurred include advertisements for recruitment of staff, FNGOs and TSAs and recruitment expenses etc; (iii) Technical assistance in particular for the revision of JTDS bye-laws, revision of its HR rules and regulations, revision of its financing regulations in consistence with new procurement guidelines to be used; and (iv) staff salaries for critical staff such as Additional Project Director, FAM and one or two support staff. The estimated total expenditure is

USD 342,000 and eligible IFAD financing will be of about USD 278,100 as detailed in Annex-9 and also Working Paper 9 and summarised in Table-7 below

| Disbursement category | Total Amount (000) |              |              |
|-----------------------|--------------------|--------------|--------------|
|                       | Total (INR)        | Total (USD)  | IFAD Loan    |
| Vehicles & equipment  | 14,750             | 276.9        | 235.4        |
| Capacity building     | 1,630              | 30.2         | 30.2         |
| Staff salaries        | 1,850              | 34.9         | 12.4         |
| <b>Total</b>          | <b>18,234</b>      | <b>342.0</b> | <b>278.1</b> |

### C. Summary of Benefits Analysis

#### 1. Financial analysis

140. In the project, there are nine subprojects and results of financial analysis of these subprojects are presented in Table-8 below and details in Annex 10 and also in WP 10.

**Table-8: Summary results of Subproject Models-INR per household (Financial) 1/**

| Subproject                            | # of hh covered | Gross income |        | Inputs |        | Net income |        |
|---------------------------------------|-----------------|--------------|--------|--------|--------|------------|--------|
|                                       |                 | WOP          | WP     | WOP    | WP     | WOP        | WP     |
| 1 Rainfed agriculture                 | 122,400         | 741          | 2,545  | 258    | 510    | 483        | 2,035  |
| 2 Irrigated agriculture               | 26,640          | 23,876       | 50,511 | 9,921  | 14,420 | 13,955     | 36,091 |
| 3 Vegetable clusters                  | 8,400           | 21,693       | 35,063 | 1,715  | 3,169  | 19,979     | 31,895 |
| 4 Mango orchard clusters              | 4,200           | 0            | 88,714 | 0      | 2,945  | 0          | 85,769 |
| 5 Tasar-cocoon cluster-forest based   | 600             | 0            | 24,667 | 0      | 2,978  | 0          | 21,688 |
| 6 Tasar-cocoon cluster-new plantation | 450             | 0            | 24,444 | 0      | 3,233  | 0          | 21,211 |
| 7 Lac production clusters             | 5,500           | 0            | 16,500 | 0      | 5,534  | 0          | 10,966 |
| 8 Goat-rearing clusters               | 6,000           | 0            | 43,325 | 0      | 2,200  | 0          | 41,125 |
| 9 IGA interventions                   | 17,500          | 0            | 17,207 | 0      | 3,458  | 0          | 13,749 |

1/ at full development stage; Net income including returns from family labour.

#### 2. Economic analysis

141. The assumptions used in economic analysis include:

- A 25 year analysis period has been used, including an 8 year investment period.
- Border pricing of traded agricultural inputs and outputs.
- Economic costs are net of duties, taxes and price contingencies, office rent but inclusive of physical contingencies.
- All costs directly associated with the incremental production are included in full, including incremental farm inputs and family labour.
- A standard conversion factor (SCF) of 0.85 is applied to both traded and non-traded items for adjusting financial prices.
- Financial rural wage rate (INR 90) taken as economic value of labour.
- The analysis includes only on-farm benefits that attributable to project interventions.
- Full benefits assumed after 9 years;
- No significant changes or shifts in cropping patters are assumed;
- The analysis employs an Opportunity Cost of Capital (OCC) at 12%.

142. The overall project EIRR is 17%. The estimated NPV at a 12% discount rate is INR 919 million and a BCR is 1.16. Sensitivity analysis shows that project performance is sound, with a 10% increase in costs or 10% reduction in benefits lowers the EIRR to 13%. A combination of a 10% cost increase and 10% reduction in benefits, reduced the EIRR to 10%. Switching values<sup>24</sup> indicate that

<sup>24</sup> Switching values are yet another measure of sensitivity analysis They demonstrate by how much a variable will have to fall (if it is a benefit) or rise (if it is a cost) to make it not worth undertaking an option.

the investments are viable if costs increase by 16% or benefits decline by 12%. A two year delay in benefits results in an EIRR of 12% with an NPV of INR 90 million<sup>25</sup>. Further sensitivity analysis is presented in Annex 10 and also in WP 10.

### 3. Beneficiaries and benefits

143. The total number of households benefited by the project is about 136,000 or roughly 0.51 million people. This includes 36,000 households from JTDP. The rationale for including JTDP households as JTELP beneficiaries is that they will participate in all activities related to land and water resource development, crop diversification and productivity enhancement, income generating activities and livelihood up-scaling activities especially through convergence with MGNREGA and Article 275 (1) and SCA to TSP.

144. On an average, a household's food production benefits will increase from 657 kg/household to about 838 kg, excluding fruits, vegetables and spices such as chilli. Increased production of fruits and vegetables, along with livestock products such as goat, pigs, and poultry will help improve human nutrition and enhance household incomes. Farm incomes, including the value of family labour will increase from INR 4,730 to about INR 15,109. There are considerable increases in demand on family labour from the existing level of 45 person-days to some 86 person-days per annum. This is excluding labour-days under MGNREGS.

145. Enhanced soil moisture will result in increases in cropping intensities from 75% to 105% at full development. No major shifts in cropping patterns are envisaged but the focus is on improved farming and agronomic practices and production for market. Additional benefits will come from the project's capacity building interventions. There will also be benefits from improved market access, improving the volume of produce that can be sold and reducing the costs of marketing. The GS-PECs at the grassroots assume the oversight responsibility for operations and maintenance of the project facilities.

### 4. Production and marketing

146. Major production benefits are quantified in Working Paper 10. About 80% of 113.91 ton of food produced is consumed at farm. In addition to cereal food grains, the project will produce 30,336 ton of vegetables, 28,350 ton of fruits, 14.54 million tasar cocoon and 368,000 kg of lac for marketing. Non-timber forest produce such as medicinal herbs, lac, Mahua are also important sources of livelihoods for the tribal. They collect these produce and sell them in the local or village markets to middlemen. Cost of marketing the farm produce such as vegetables and other horticultural produce is very high because of (i) difficult terrain conditions; (ii) distance to markets is far; and (iii) limited quantities for marketing.

147. The project has three levels of livelihoods interventions. First is related to cereal and pulses production basically for household consumptions and most of the participating households may not have marketable surpluses. The IGA are targeted to the PTGs and poor households and the products or produce are sold at local markets. The third level of livelihoods is integrated production and marketing support and these are implemented in clusters. Inputs for these clusters and other enterprises will be purchased by the respective collectives using community participation procurement processes. The collectives and GS-PECs will also have a tie-up with established input supply agencies for seed, seedlings, feed etc. For marketing of fruits, dedicated arrangements will be required and these will be facilitated by the FNGOs which are working with the horticulture collectives.

148. In addition to regulated Agriculture produce Marketing Cooperative markets; there are several rural markets which play an important role in marketing of agricultural produce for the tribal households. There are also 35 rural *haats* within the project area districts; with Chaibasa has 8, Ranchi and Saraikela 5 each, Dumka and Simdega 4 each, Gumla and Jamtara 2 each, 3 in Pakur and 1 each in Latehar and Lohardaga. These *haat* or rural markets have 4 to 6 covered plat forms, open platforms, internal roads, community hall, water facilities etc. Commodities arrive throughout the year but specific trading seasons are January-June for Rice, April-May for wheat and pulses, June-December for onion and potato. Mahua is traded in Pakur and Simdega market yards between

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<sup>25</sup> Refer to Appendix 1 in Annex 10

February-May.

149. Market Prices and farm-gate prices: Market prices fluctuate and considerably vary between markets during the same period. The project-supported collectives will take advantage of these variations at the time of marketing their produce. Farm gate prices are much lower than the market prices to the detriment of the producers-farmers. The mission during its field work observed that in cereals and food grains, it is about 20% lower and in case of other perishable produce such as vegetables and fruits, it is over 40%.

#### **D. Sustainability**

150. The sustainability of benefits is based on the following assumptions:

- (a) The adoption of improved livelihoods including more productive technologies and new initiative and enterprises will be sustained provided they continue to be profitable for households in the TSP districts and linkages for inputs and outputs are maintained. These linkages should be sustainable provided they are, in themselves, also financially viable for private sector actors and/or Livelihood Collectives. JTELP is committing considerable resources into institution building of the producers groups, individual farmers, communities to ensure their sustainability, and the use of local NGOs to implement this capacity building will help ensure that there is still some back-up after the project ends.
- (b) Physical works such as on-farm land treatment, small-scale irrigation and production and market infrastructure will need to be maintained. At the time of construction, arrangements will be made for their continued operations and maintenance via user groups for irrigation, market infrastructure such as FSC, collection centres, grainages, livestock sheds, etc. The participation and the continued operations of GS-PECs will help ensure the sustainability of these works.
- (c) The project will carry out significant capacity building for rural producers, the members of producer organisations, and the staff of implementing agencies and FNGOs. Village youth will also get vocational training and financial support for setting up of their enterprises. Providing this training is relevant and effective, it will result in a sustained increase in the knowledge and skills of those receiving the training. The use of KAP surveys to evaluate the effectiveness of training will help ensure that training is relevant and effective.
- (d) All SHGs that are mobilised and capacitated under JTELP are seamlessly integrated with NRLM project for further development including the formation of SHG clusters at village levels, bank linkages, provision of large seed capital for internal lending etc. Households receiving IGA facilities are provided training, technical and handholding support including sourcing their inputs and output marketing. They thus become self-reliant. Market-oriented production will be carried forward by the respective cluster level collectives, which will manage inputs supply and organise output marketing. JTDS recognised the GS-PEC route as an effective channel for grassroots outreach and also for bringing several social changes and thus the JTDS will continue to provide its support to these grassroots organisation in the tribal area.

#### **V. ASSURANCES**

151. JTDS will amend the Byelaws of JTDS to reconstitute its Board of Directors and to become the Lead Project Agency for the JTELP and thereafter complete statutory requirements of registration with the Registrar of Societies by 15 August 2012.

152. JTDS will revise its personnel policies and financial regulations and obtain approval of BoD of JTDS by 31 August 2012.

153. GOJ will pre-finance INR 18.00 million to JTDS to cover expenditure identified under retroactive financing.



154. GOJ will release an amount equivalent to the initial authorised allocation of about USD 5.00 million received from IFAD through Gol to JTDS for pre-financing project activities. Thereafter, funds required for project implementation will be released to JTDS as a part of the yearly budgetary exercise. Initial authorised allocation will be adjusted in instalments during the last 2-3 years of project implementation. This will enable JTDS to provide required advances to the implementing agencies and to ensure project implementation without disruption due to budgetary constraints.

155. GOJ will issue an order/circular once the Financing Agreement has been signed between Gol/GoJ and IFAD to : (i) exclude the Panchayats and villages covered under JTELP from NRLM activities in Goikera and Khuntpani blocks of West Singhbhum district and Angara block of Ranchi district; (ii) allow JTELP to mobilise SHGs in these Panchayats using NRLM procedures and synchronise MIS and reporting systems with that of NRLM; (iii) handover SHGs mobilised under the JTELP to NRLM during the third year of the project for their next level of growth; and (iv) exclude other blocks proposed under JTELP from NRLM's work plan for the next three years.

156. The Welfare Department of GOJ will issue an order/circular to permit flow of funds as "grants in aid" from SCA to TSP and Article 275 (1) through JTDS once the Financing Agreement has been signed between Gol/GoJ and IFAD.

157. The Welfare Department of GOJ will issue an order/circular to permit flow of funds as "grants in aid" from IFAD and GoJ contribution to JTELP once the Financing Agreement has been signed between Gol/GoJ and IFAD.

158. GOJ has already appointed Dr. H.S. Gupta, an Indian Forest Service officer, as full-time SPD of existing JTDP will continue as the SPD for JTELP. Subject to administrative exigencies, the tenure of the SPD shall be no less than three years.

159. JTDS will appoint a qualified and experienced Chartered Accountant/Cost Accountant as the Finance and Administration Manager once the Financing Agreement has been signed between Gol/GoJ and IFAD.

160. JTDS will delegate powers to the DPMs and the district Finance Officers to operate the bank accounts and release funds to the GS-PECs based on approved AWP&B and in accordance with settlement of statement of expenditure procedures established for such payment. District level procurement will be made in accordance with the financial powers vested with the respective DPM. This will be implemented as soon as the project becomes effective.

161. GOJ will study the challenges faced by the community in implementing MGNREGS works and devise a system of speedy delivery of administrative and technical sanctions. As a part of this exercise, GoJ will explore the possibility of authorising the Engineers of JTDS or a panel of qualified engineers appointed by JTDS to provide technical sanction for MGNREGS works in the project area.

162. GoJ will issue a circular to all the Deputy Commissioners to facilitate convergence of MGNREGS and other government programmes with JTELP once the Financing Agreement has been signed between Gol/GoJ and IFAD.

**Key File Table 1: Rural Poverty and Rural Sector Issues**

| Priority areas   | Affected groups  | Main issues  | Actions needed  |
|--|--|--|---|
| Food security: Average household only produces enough food to last 4 to 8 months | ST households, being relatively new to farming; and women as they have to cope with food shortages as men migrate for wage labour. | Land and water resource management systems unsuited to the undulating and hilly terrain, with poor resource husbandry leading to low productivity and resource degradation.<br>Lack of irrigation leads to mono-cropping.<br>Low agriculture productivity due to traditional farming practices.<br>Paddy-centred agriculture leads to inappropriate land use and low productivity.<br>Underutilization of cultivable land.<br>Lack of modern farming know-how.<br>Lack of farm inputs and draft power. | Integrated Natural Resource Management comprising <i>in-situ</i> and <i>ex-situ</i> rainwater harvesting systems, land shaping and development, lowland wells.<br>Expanding irrigation from wells and streams.<br>Improved paddy cultivation, including System of Rice Intensification.<br>Introduction of improved seeds.<br>Land use and crop diversification to include pulses, oilseeds, millets, vegetables and tree crops on uplands.<br>Increasing cropping intensity by taking up winter crops.<br>Use of green manures and vermi-compost to improve soil fertility.<br>Micro-irrigation comprising drum-pipe kits in homesteads.<br>Farmer service centres to source farming inputs and equipment.<br>Effective use of MGNREGS |
| Income security: The poorest lack adequate income sources and economic buffers   | PTG households, women-headed households, old people with no support system, artisans   | Lack of adequate land resources.<br>Inability to engage in wage labour.<br>Inability to migrate.<br>Inability to absorb larger investments.<br>Lack of opportunities to take up urban market-oriented enterprises.   | Various income generating activities catering to village markets, such as backyard poultry, duck rearing, pig fattening.<br>Support for traditional village artisans.<br>Micro-irrigation comprising drum-pipe kits in homesteads.  |
| Diversifying rural livelihoods beyond subsistence agriculture.                   | Women, younger ST farmers, traditional gatherers/rearers of forest products  | Lack of exposure, skills and know-how.<br>Lack of capital.<br>Lack of access to inputs.<br>Lack of irrigation.<br>Lack of organisation.<br>Lack of access to markets.  | Scale-up successful models of farm and forest based market-oriented production in selected sub-sectors in clusters.<br>Foster producer collectives to source inputs and services and access fair markets.<br>Set up infrastructure for input supply and market linkage.   |
| Jobs in growth sectors   | Youth  | ST youth unable to finish secondary school cannot get jobs in modern urban and new rural sectors.<br>Government institutes do not impart marketable skills.<br>Poor ST youth unable to afford training in private institutions.<br>Inadequate market knowledge to design suitable programmes.  | Engage suitable consultant to identify suitable vocations, skill sets needed to enter such vocations, most suited training providers in Jharkhand and outside; develop suitable financing model, transparent selection procedure and quality parameters for training and placement by training providers.<br>Scholarships to ST youth to undergo vocational training.   |
| Innovation   |  | Need for models to transfer management of village fringe forests to ST communities under the Forest Rights Act.<br>Need for more remunerative and less risk-prone Lac rearing systems.<br>Need for models to create better habitats for PTGs.<br>Need for more effective methodologies for women's empowerment   | Pilot Community Forestry projects in collaboration with Forest Department in selected eligible villages under Section 3(1)9i) of FRA.<br>Pilot plantations of and Lac rearing on <i>Semialata</i> in selected villages.<br>Engage suitable Community Architects to develop habitat plans through participative processes for the PTGs; allocate funds to implement the plans.   |

**Key File Table 2: Organisation Capabilities Matrix**

| <b>Organisation</b>                        | <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>  |
|--|--|---|---|---|
| <b>Welfare Department</b>                  | <ul style="list-style-type: none"> <li>• Clear Line of Command</li> <li>• Continuity</li> <li>• Government funding support</li> <li>• Ability to foster convergence between various tribal programmes</li> <li>• Mechanisms such as Tribal Council to address policy issues related to tribal welfare</li> </ul>   | <ul style="list-style-type: none"> <li>•Lack of flexibility in management systems</li> <li>•High staff turnover and shortage of human resources</li> <li>•Inadequate focus on targeting marginalized</li> <li>•Complex procedures and bureaucratic delays</li> <li>•Top down and delivery oriented approach</li> <li>•Non-existence on partnership mode of working arrangement with NGOs</li> </ul>   | <ul style="list-style-type: none"> <li>•Ability to leverage with other projects/programmes/missions</li> <li>•Easier coordination within the government line departments.</li> </ul>  | <ul style="list-style-type: none"> <li>•Management staff tenure uncertainties</li> <li>•Political interference</li> </ul>   |
| <b>JTDS</b>                                | <ul style="list-style-type: none"> <li>• Main implementation agency for current JTDP so familiar with IFAD processes</li> <li>• Closely involved in planning of JTELP</li> <li>• Conversant with concepts related to watershed management</li> <li>• Ability to carry over unspent funds to the next financial year</li> </ul>   | <ul style="list-style-type: none"> <li>• Weak Technical competence</li> <li>• Inadequate focus on human resource development and personnel policies</li> <li>• Inadequate convergence with the Deputy Commissioner and other line departments</li> <li>• Centralised approval processes</li> </ul>  | <ul style="list-style-type: none"> <li>• Flexibility to engage competent staff from the open market</li> <li>• Possibility to build on the current experience of implementing IFAD funded JTDP</li> <li>• Flexibility to change the project management and coordination structures</li> </ul> | <ul style="list-style-type: none"> <li>• Uncertainties in the tenure of the top management of JTDS</li> <li>• Inability to attract competent staff</li> </ul>   |
| <b>District Development Administration</b> | <ul style="list-style-type: none"> <li>• Ability to coordinate work of the line departments at the district level</li> <li>• Power and accountability at the level of Deputy Commissioner leading to personal supervision</li> <li>• Ability to converge effectively with other government programme</li> </ul>  | <ul style="list-style-type: none"> <li>• High turnover of Deputy Commissioners limits ability to focus on long term development interventions</li> <li>• Depends on the quality and capability of person heading the district</li> <li>• Inability to devote adequate time to development related activities due to preoccupation with several other pressing engagements related to law and order, revenue, etc</li> </ul>   | <ul style="list-style-type: none"> <li>• Ability to ensure convergence with other projects/ programmes/missions</li> <li>• Easier coordination within the government line departments.</li> </ul>   | <ul style="list-style-type: none"> <li>• Political interference</li> <li>• Uncertain tenure of the Deputy Commissioner</li> </ul>   |
| <b>FNGOs</b>                               | <ul style="list-style-type: none"> <li>• Flexible management systems with scope for innovation and ability to respond to dynamic and evolving situations</li> <li>• Closer to people with ability to respond to the needs of the community in a participatory mode</li> <li>• Experience of working with women and SHGs.</li> <li>• Experience of working with Government schemes.</li> <li>• Presence of professional NGOs in project districts.</li> </ul> | <ul style="list-style-type: none"> <li>• Inadequate technical competency.</li> <li>• Funding largely depends on donor and government programmes - so periodically expand and contract.</li> <li>• Most NGOs are small, with limited number of staff, resources and area of operations.</li> <li>• Limited organizational and management capability</li> <li>• Limited exposure to good practices of promoting sustainable community based organisations.</li> </ul> | <ul style="list-style-type: none"> <li>• Fast expansion.</li> <li>• Willingness to explore new areas of intervention</li> <li>• Utilisation of existing staff resources to quick start of the project</li> </ul>  | <ul style="list-style-type: none"> <li>• Financial/Funding Uncertainty</li> <li>• Limited second line management capability in small NGOs</li> <li>• Good NGOs not inclined to participate in competitive bidding process.</li> </ul> |

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| Organisation                              | Strengths   | Weaknesses   | Opportunities  | Threats   |
|---|---|--|--|---|
|   |   | <ul style="list-style-type: none"> <li>• High dependency on government schemes</li> <li>• Lack of networking and coordination among NGOs at district level.</li> </ul>   |  |   |
| <b>Private sector</b>                     | <ul style="list-style-type: none"> <li>• Clear focus on financial viability and hence sustainability</li> <li>• Ability to connect to producers with large markets in the rest of India subject to availability to economies of scale</li> </ul>  | <ul style="list-style-type: none"> <li>• Unwilling to make long term investments</li> <li>• May not always be fair in dealing with small producers</li> </ul>  | <ul style="list-style-type: none"> <li>• Collectivization can give producers bargaining power and reduce transaction costs</li> <li>• Improved market linkage will increase competition between private sector buyers.</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate economies of scale to attract private sector</li> </ul>   |
| <b>SHGs</b>                               | <ul style="list-style-type: none"> <li>• Enhances capacity of the members to deal with the people, institutions and markets.</li> <li>• Internalised transaction costs and enhanced ability of members to access loans.</li> <li>• Easy accessibility to the poor for financial and social services.</li> </ul> | <ul style="list-style-type: none"> <li>• Strong handholding support required during initial stages.</li> <li>• Focus on financial intermediation and not on social development</li> <li>• Difficulty to establish credit linkage with banks</li> </ul> | <ul style="list-style-type: none"> <li>• Ability to mobilise the community for social sector issues</li> <li>• Ability to avoid the members getting into exploitative relationships</li> </ul>                                     | <ul style="list-style-type: none"> <li>• Most SHG unable to move above consumption smoothening loans</li> <li>• Large number SHG focussed government programmes</li> </ul>                        |
| <b>Gram Sabhas</b>                        | <ul style="list-style-type: none"> <li>• Firm roots in the local community.</li> </ul>  | <ul style="list-style-type: none"> <li>• Dominated by traditional leaders</li> <li>• Inadequate experience in handling funds and managing activities</li> </ul>  | <ul style="list-style-type: none"> <li>• Constitutionally mandated to recognise Gram Sabhas with promulgation of PESA</li> <li>• Possible to build capacity of Gram Sabha to manage interventions for community benefit</li> </ul> | <ul style="list-style-type: none"> <li>• Hijacking of the Gram Sabha's agenda by elites</li> <li>• Need for consensus may lead to marginalisation of poorest and minority stakeholders</li> </ul> |
| <b>Panchayati Raj institutions (PRIs)</b> | <ul style="list-style-type: none"> <li>• Constitutionally mandated bodies.</li> <li>• Elections held and efforts are afoot to devolve financial powers</li> <li>• Mandated to implement MGNREGS</li> </ul>  | <ul style="list-style-type: none"> <li>• Many instance of elite capture</li> <li>• Politicisation of these bodies</li> <li>• Lack of participation of the community in planning and implementation of interventions</li> </ul>                         | <ul style="list-style-type: none"> <li>• Pans for capacity building support from national and state governments visible</li> <li>• Instances of PRIs working with NGOs and Gram Sabhas.</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Politicisation of the PRIs.</li> <li>• Interference and capture by elite.</li> </ul>   |

**Key File Table 3: Complementary Donor Initiative/Partnership Potential**

| Donor/Agency                                 | Nature of Project/Programme  | Project/Programme Coverage   | Status            | Complementarity/ Synergy Potential  |
|--|--|--|-------------------|---|
| GoI-World Bank/ Rural Development Department | National Rural Livelihoods Mission: social mobilisation, micro-finance, complementary support  | States in northern India including Jharkhand   | Started June 2011 | State NRLM Society established in Jharkhand. Districts and blocks for initial roll out have been identified. NRLM focuses on financial intermediation and building support structures of SHGs. JTELP will mobilise SHGs only as a building block for building community institutions. NRLM will be able to support these SHGs with support for financial intermediation and by building support structures of SHGs. |
| GoI/Rural Development Department             | Mahatma Ghandi National Rural Employment Guarantee Scheme (MNREGS)   | National   | On-going          | JTELP intends to converge with MGNREGS. The Land and Water Resources Development activities of the project will be implemented using MGNREGS modality and funds. Involvement of the Deputy Commissioners and PRIs in JTELP implementation will ensure required convergence.   |
| GoI / Rural Development Department           | Integrated Watershed Management Programme (IWMP)   | Implementing 81 cluster projects covering 649 micro watersheds with 421,000 hectare treatable area during next 5-7 years | On-going          | JTELP focuses on Land and Water Resources Development within the revenue and private lands. IWMP will be able to compliment with watershed works in the higher reaches specifically in the protected and reserve forests.   |
| GOI/Agriculture Department                   | Rashtriya Krishi Vikas Yojana  | National including Jharkhand   | ongoing           | Ability to seek funds from this programme for implementing activities of GSRMLP of Gram Sabhas specifically for irrigation development in areas requiring higher levels of investment.  |
| GoI/Agriculture Department                   | National Horticulture Mission: support for horticultural development including subsidies on equipment (such as poly-houses and inputs. | State-wide (and in other states)   | On-going          | JTELP will aim to converge with this and other horticultural initiatives so group members can take advantage of the support provided.   |
| GoI/Tribal Welfare                           | Special Central Assistance to Tribal Sub-plan  | Schedule Areas   | On-going          | Implementation of Livelihood activities. Agreements have been reached for having financial convergence with this programme. Funds will flow through JTDS for co-financing JTELP in selected Panchayats  |
| Corporate Social Responsibility Projects     | Livelihood Interventions   | East Singhbhum and Saraikela-Kharsawan, Ranchi districts   | On-going          | A few livelihood models have been demonstrated that have the possibility of upscaling. Viable models have been selected for upscaling under JTELP.  |
| NGOs   | Livelihood Interventions   | Most of the tribal districts   | On-going          | Models related to Integrated Natural Resources Management and livelihood activities have been tested. Viable and scalable models selected for replication under JTELP. They have the ability to be engaged as FNGOs and TSAs.   |

**Key File Table 4: Target Group Priority Needs and Project Proposals**

| Typology                              | Poverty Level and Causes   | Coping Actions   | Priority Needs   | Support from Other Programmes   | Project Response   |
|---------------------------------------|--|--|--|---|--|
| Tribal households with land           | <ul style="list-style-type: none"> <li>• Food insecurity of 3-4 months.</li> <li>• Low land with deteriorating soil fertility, low levels of irrigation, little use of inputs and non-availability of support services. .</li> <li>• Midland and mid-uplands with steep hills, absence of irrigation and inadequate focus on plantation crops.</li> <li>• Low levels of education and inability to deal with the mainstream economy resulting in inadequate access to entitlements.</li> <li>• Proneness to enter into exploitative financial relationships</li> </ul> | <ul style="list-style-type: none"> <li>• Rely partly on non-farm earnings, especially seasonal migration and remittances.</li> <li>• Social safety nets</li> <li>• Dependence on money lenders and relatives</li> <li>• Raise small livestock</li> </ul>   | <ul style="list-style-type: none"> <li>• Improved technologies, irrigation and investment to raise productivity of land and labour</li> <li>• Access to growing market opportunities within and outside of the state.</li> </ul>   | <ul style="list-style-type: none"> <li>• Programmes under SCA to TSP funding</li> <li>• Programmes under Article 275(1) funding</li> <li>• MGNREGS</li> </ul> | <ul style="list-style-type: none"> <li>• Community Institution development to access entitlements, and to plan and implement activities related to land and water management and livelihood.</li> <li>• Improve irrigation, water harvesting and agriculture intensification.</li> <li>• Focus on horticulture</li> <li>• Focus on livelihoods in clusters to access market</li> </ul> |
| Tribal households landless            | <ul style="list-style-type: none"> <li>• Food insecurity of 6-7 months</li> <li>• Forest degradation and restrictions on management of reserve forests despite having usufruct rights and resultant reduction in forest based livelihoods.</li> <li>• Lack of skills and education to integrate into mainstream economy.</li> <li>• Continuous need for consumption smoothening loans from moneylenders at high rates of interest.</li> </ul>  | <ul style="list-style-type: none"> <li>• Rely on shifting cultivation</li> <li>• Rely on sale of fuel wood and resultant tag of forest law breakers</li> <li>• Migration of men</li> <li>• Rely on rations form PDS and other safety nets.</li> </ul>  | <ul style="list-style-type: none"> <li>• Wage employment</li> <li>• Opportunities to increase income from NTFP</li> <li>• Income generating activities requiring no culturable land</li> <li>• Skill training</li> </ul>   | <ul style="list-style-type: none"> <li>• MGNREGS</li> <li>• NRLM</li> <li>• Programmes under SCA to TSP funding</li> </ul>                                    | <ul style="list-style-type: none"> <li>• SHG mobilization with seed capital</li> <li>• MGNREGA works for land and water management</li> <li>• Income generating activities</li> <li>• Tasar in forest areas</li> <li>• Community forestry innovations</li> <li>• Skill training</li> </ul>   |
| Particularly Vulnerable Tribal Groups | <ul style="list-style-type: none"> <li>• Food insecurity of 6-7 months</li> <li>• Mostly landless families in scattered, isolated and remote locations. Many groups live in the uphill thus making accessibility a problem.</li> <li>• Lack of access to health, education and sanitation.</li> <li>• Lack of access to basic amenities such as safe drinking water, sanitation and permanent shelter and as a result vulnerable to water and mosquito borne diseases.</li> <li>• High spending on health related issues and resultant loss of workdays</li> </ul>     | <ul style="list-style-type: none"> <li>• Hunting, gathering in the forest and shifting cultivation</li> <li>• Sale of NTFP at local weekly markets</li> <li>• Dependence on money lenders who sometimes take away their entire produce</li> <li>• Rely on rations form PDS and other safety nets.</li> </ul> | <ul style="list-style-type: none"> <li>• Wage Employment</li> <li>• Opportunities to increase income from NTFP and shifting cultivation</li> <li>• Access to drinking water and other basic amenities</li> <li>• Income generating activities</li> <li>• Skill training</li> </ul> | <ul style="list-style-type: none"> <li>• MGNREGS</li> <li>• NRLM</li> <li>• Programmes under SCA to TSP funding</li> </ul>                                    | <ul style="list-style-type: none"> <li>• SHG mobilization with seed capital</li> <li>• MGNREGA works for land and water management</li> <li>• Support for drinking water and other amenities</li> <li>• Income generating activities</li> <li>• Tasar in forest areas</li> <li>• Community forestry innovations</li> <li>• Skill training and habitat improvement</li> </ul>           |
| Women                                 | <ul style="list-style-type: none"> <li>• Poverty levels of Women headed households similar to that of landless.</li> <li>• Low awareness of their rights and entitlements.</li> <li>• Feminization of agriculture due to migration of men.</li> <li>• Low access to health and education facilities and decision making and organizational capacity not harnessed.</li> <li>• Lack of access to financial resources</li> </ul>   | <ul style="list-style-type: none"> <li>• Rely on wage labour</li> <li>• Increasingly rely on earnings from migration and remittances.</li> <li>• Rely on rations form PDS and other safety nets.</li> </ul>  | <ul style="list-style-type: none"> <li>• Capacity building to access entitlement</li> </ul>  | <ul style="list-style-type: none"> <li>• MGNREGS</li> <li>• NRLM</li> <li>• Programmes under SCA to TSP funding</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Formation of SHGs and capacity building</li> <li>• Training and awareness generation on rights and entitlements</li> <li>• Income generating activities and Livelihood activities in clusters</li> </ul>  |
| Youth                                 | <ul style="list-style-type: none"> <li>• High unemployment rates among youth</li> <li>• High percentage of school drop-outs</li> <li>• High risk of becoming involved in illegal activities and alcohol abuse</li> <li>• Poor access to information</li> </ul>   | <ul style="list-style-type: none"> <li>• Poorly paid casual work</li> <li>• Depend on parents</li> </ul>   | <ul style="list-style-type: none"> <li>• Attractive rural vocations</li> <li>• Skill development</li> <li>• Alternate entertainment methods</li> </ul>   | <ul style="list-style-type: none"> <li>• NRLM</li> <li>• Programmes under SCA to TSP funding</li> </ul>   | <ul style="list-style-type: none"> <li>• Formation of Youth Groups and financial support for these groups</li> <li>• Engage them as Community Resource Persons</li> <li>• Vocational training</li> </ul>   |

**Key File Table 5: Stakeholder Matrix/Project Actors and Roles**

| Component                               | Activity   | Coverage  | Perennial Institution(s) Involved | Potential Contractors/ Periodic Inputs                 | Other Possible Partners in Execution  |
|---|--|---|-----------------------------------|--|---|
| Community Empowerment                   | Promotion of SHGs<br>Capacity building<br>Special Support to PTGs  | 30 blocks in 14 districts<br>164 Panchayats and 1330 villages<br>5500 new SHGs including<br>500 PTG SHGs<br>328 Youth Groups<br>66,000 households   | JTDS<br>District Administration   | Technical Support<br>Agencies<br>FNGOs                 |   |
| Integrated Natural Resources Management | Community Mobilization<br>Establishment of VDF<br>Land and Water Resources Development<br>Productivity Enhancement and Crop Diversification<br>Establishment of Farmer Service Centres(FSCs)                           | 122,400 Households from Land and Water Resource Development Activities<br>26,400 households from irrigation<br>13,600 households from crop demonstrations<br>164 persons directly involved in management of FSCs, | JTDS<br>District Administration   | Technical Support<br>Agencies<br>FNGOs                 | Agriculture Department<br>Block Development Officer<br>Private sector suppliers of farm equipment, seed , fertilizer and other inputs |
| Livelihood Support                      | Income generating activities<br>Tsar cultivation in clusters<br>Horticulture plantation in clusters<br>Goat rearing clusters<br>Poultry in clusters<br>Vegetable cultivation in clusters<br>Lac production in clusters | 17,500 households with Income generating activities;<br>25,570 households with market-linked production activities  | JTDS<br>District Administration   | Technical Support<br>Agencies<br>Partner Organizations | Private sector input suppliers<br>Private sector; agri-producer<br>Agriculture Department   |
| Project Management                      | Coordination<br>Consolidated financial statements and withdrawal applications<br>M&E and knowledge management  | Entire project area   | JTDS                              | Auditors<br>Specialized Organizations                  | Knowledge sharing networks  |