

Document:	<u>EB 2009/96/R.22/Rev.1</u>
Agenda:	<u>10(c) (iii)</u>
Date:	<u>30 April 2009</u>
Distribution:	<u>Public</u>
Original:	<u>English</u>

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Enabling poor rural people  
to overcome poverty

## **President's report**

### **Proposed loan and grant to the Republic of India for the**

### **Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme**

Executive Board — Ninety-sixth Session  
Rome, 29–30 April 2009

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For: **Approval**

## **Note to Executive Board Directors**

This document is submitted for approval by the Executive Board.

Directors are invited to contact the following focal point with any technical questions about this document:

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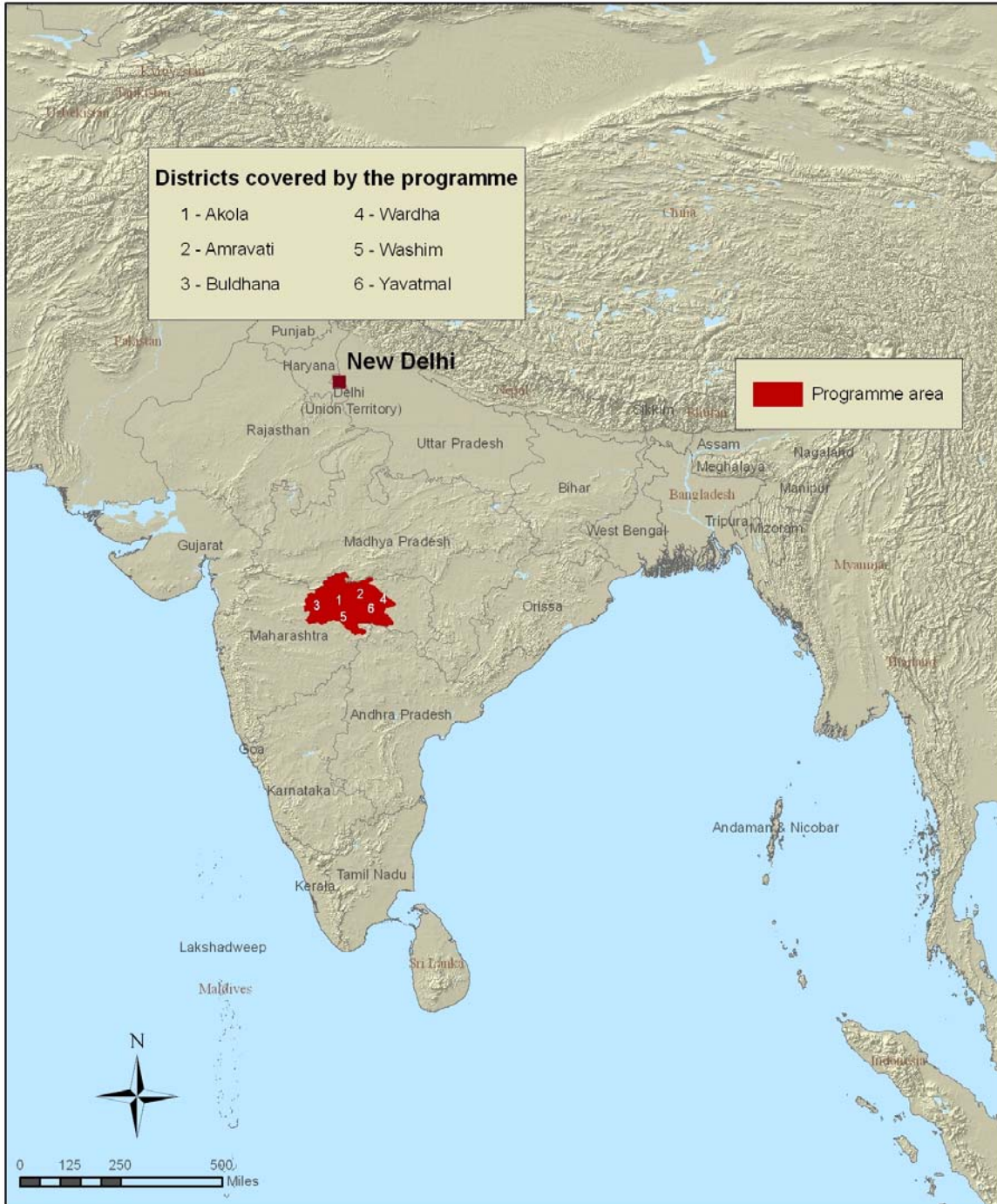
## **Recommendation for approval**

The Executive Board is invited to approve the recommendation for the proposed loan and grant to the Republic of India for the Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme, as contained in paragraph 35.

# Map of the programme area

## India

### Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD

## Republic of India

### Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme

#### Financing summary

<b>Initiating institution:</b>	IFAD
<b>Borrower:</b>	Republic of India
<b>Executing agency:</b>	Maharashtra State Agricultural Marketing Board
<b>Total programme cost:</b>	US\$118.64 million
<b>Amount of IFAD loan:</b>	SDR 26.82 million (equivalent to approximately US\$40.1 million)
<b>Amount of IFAD grant:</b>	SDR 0.67 million (equivalent to approximately US\$1.0 million)
<b>Terms of IFAD loan:</b>	40 years, including a grace period of 10 years, with a service charge of three fourths of one per cent (0.75 per cent) per annum
<b>Cofinancier(s):</b>	Sir Ratan Tata Trust Commercial banks Private sector
<b>Amount of cofinancing:</b>	Sir Ratan Tata Trust: US\$16.01 million Commercial banks: US\$14.54 million Private sector: US\$5.78 million
<b>Terms of cofinancing:</b>	Grant/loan/grant
<b>Contribution of borrower:</b>	Government of Maharashtra: US\$37.61 million
<b>Contribution of beneficiaries:</b>	US\$3.6 million
<b>Appraising institution:</b>	IFAD
<b>Cooperating institution:</b>	Directly supervised by IFAD

# Proposed loan and grant to the Republic of India for the Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme

## I. The programme

### A. Main development opportunity addressed by the programme

1. A combination of several factors has led to agrarian distress in the programme area. These factors include low water use efficiency, depleting soil fertility, dependence on rainfall, monocropping, indiscriminate use of fertilizers and hybrid seeds, and adverse market conditions. High input costs and uncertain returns have made agriculture a risky and largely unprofitable source of livelihood.

### B. Proposed financing

#### Terms and conditions

2. It is proposed that IFAD provide to the Republic of India a loan in the amount of SDR 26.82 million (equivalent to approximately US\$40.1 million), on highly concessional terms, and a grant in the amount of SDR 0.67 million (equivalent to approximately US\$1.0 million) to help finance the Convergence of Agricultural Interventions in Maharashtra's Distressed Districts Programme. The loan will have a term of 40 years, including a grace period of 10 years, with a service charge of three fourths of one per cent (0.75 per cent) per annum.

#### Relationship to the IFAD performance-based allocation system (PBAS)

3. The allocation defined for India under the PBAS is US\$92 million over the 2007-2009 allocation cycle. One more loan is scheduled to be approved in 2009 so as to fully utilize this allocation.

#### Country debt burden and absorptive capacity of the State

4. India's external debt stood at \$222.6 billion as of 30 September 2008. The ratio of foreign exchange reserves to total debt for 2008-2009 was 128.6 per cent, down from 137.8 per cent a year ago, but higher than previous years. India ranked fifth in 2006 among the world's most indebted developing countries, but its debt service ratio and the external debt to GNP ratio was the second lowest among the top twenty debtor countries. The debt situation is not of great concern as short-term debt accounts for only 22.5 per cent of the total external debt, and foreign exchange reserves provide a cover of 129 per cent of total external debt. India received 22 loans from IFAD between 1978 and 2007, with total annual disbursements from ongoing operations averaging SDR 11.5 million over the past 10 years. The average loan size was US\$26.9 million for the same period. The Government's repayment record for IFAD loans is excellent.

#### Flow of funds

5. Both the IFAD loan and the IFAD grant will be channelled through the Ministry of Finance on the basis of the negotiated IFAD/Government of India programme financing agreement. The proceeds will then be transferred to the Government of Maharashtra on a back-to-back basis, in accordance with current Government of India regulations. The Maharashtra State Agricultural Marketing Board, as executing agency of the programme, will channel the funds to the programme management unit and programme district teams. Implementing partners will receive funding in accordance with separate subcontracts.

#### Supervision arrangements

6. IFAD will be responsible for programme supervision and loan administration. Supervision (renamed in India "joint review") activities will be implemented through the India Country Office, based in Delhi, in line with current arrangements for all

other IFAD-supported projects in India. Loan administration will be carried out from IFAD headquarters.

### **Exceptions to IFAD General Conditions for Agricultural Development Financing and operational policies**

7. The programme will make use of retroactive financing not exceeding US\$300,000 for agreed eligible expenditures incurred before the date of the programme financing agreement, but after 30 January 2009.

### **Governance**

8. The following planned measures are intended to enhance the governance aspects of the IFAD financing: (i) a multistakeholder approach, entailing the participation of Sir Ratan Tata Trust, private sector agencies, NGOs and commercial banks, will ensure a check-and-balance mechanism; (ii) close supervision by the India Country Office; (iii) synergies in terms of follow-up with the IFAD-supported Tejaswini Rural Women's Empowerment Project; and (iv) contracting of a private audit firm if and when required.

## **C. Target group and participation**

### **Target group**

9. The total number of poor households supported by the programme is about 286,000, or roughly 1.43 million people, living in 1,200 villages in the districts of Akola, Amravati, Buldhana, Wardha, Washim and Yavatmal located in Vidharba, the eastern region in the State of Maharashtra.

### **Targeting approach**

10. In accordance with IFAD's Targeting Policy, targeting will be based on a dual approach: first, selection of the poorest villages using below-poverty-line (BPL) criteria. Second, within these villages, identification of the poorest households through a combination of BPL data and wealth ranking exercises carried out by the entire community. The list of households so identified will be then validated by the *Gram Sabha* (village assembly).

### **Participation**

11. The programme will be based on a multistakeholder approach. At the beginning of the design process, a number of workshops were held to allow concerned partners to gradually build programme ownership. During implementation, the programme will focus on the establishment and strengthening of inclusive grass-roots institutions. Any development activity supported by the programme will require consensus among the targeted communities.

## **D. Development objectives**

### **Key programme purposes**

12. The programme purposes are to: (i) improve household incomes from diversified farming and from off-farm activities; (ii) render farming systems resilient through the introduction of low external input and organic farming; (iii) facilitate the involvement of farmers' groups in primary processing, quality enhancement and marketing; (iv) empower women through microfinance and microenterprises; and (v) ensure convergence with ongoing government programmes.

### **Policy and institutional objectives**

13. The Government of India and Government of Maharashtra have requested IFAD to intervene in a region that is affected by the issue of farmers' suicides. This is a tragic aspect of the agricultural distress being experienced in the country. The Government of India/Government of Maharashtra have developed a policy framework aimed at reducing this distress. This will entail, first, the provision of emergency packages to the affected households, and second, a shift in focus within agricultural development towards low input production systems.



### **IFAD policy and strategy alignment**

14. Despite the presence of a number of adequately funded Government of India/Government of Maharashtra projects in support of soil and water conservation, diversification of cropping patterns and transition to organic farming, a lack of design and implementation capacity means that these resources are underutilized. At the request of the Government of India and based on the leadership of the Government of Maharashtra throughout programme design, the proposed programme aims to ensure that all projects are aligned with the common objective of restoring the conditions for agricultural profitability.

## **E. Harmonization and alignment**

### **Alignment with national priorities**

15. The programme is consistent with the objectives of the Eleventh Five-Year Plan (2007/2012), and it builds upon the policy set out in the National Policy for Farmers, the National Agricultural Development Project and Maharashtra State agricultural policy. In particular, it is concerned with the need to focus on the economic well-being of farmers, increase production and productivity, and support decentralized production of organic and biofertilizers at the village level.

### **Harmonization with development partners**

16. Programme design has factored in two major multistate projects: the agricultural competitiveness project funded by the World Bank and the Agribusiness Infrastructure Development Investment Program funded by the Asian Development Bank. These projects will provide a complementary contribution in terms of reform of the extension system, liberalization of state marketing policy and promotion of agribusiness practices.

## **F. Components and expenditure categories**

### **Main components**

17. The programme has three components: (i) institutional capacity-building and partnerships; (ii) market linkages and sustainable agriculture; and (iii) programme management.

### **Expenditure categories**

18. There are four investment expenditure categories and two recurrent expenditure categories, namely: (i) civil works (40 per cent of base costs); (ii) vehicles and equipment (2 per cent); (iii) capacity-building (20 per cent); (iv) enterprise support (30 per cent); (v) salaries and allowances (6 per cent) and; (vi) operations and maintenance (2 per cent).

## **G. Management, implementation responsibilities and partnerships**

### **Key implementing partners**

19. The key partners in implementation will be: (i) the Maharashtra State Agricultural Marketing Board, Government of Maharashtra; (ii) corporate sector agencies, such as ITC Limited, Arvind Mills Limited and Tata Chemicals Limited; (iii) commercial banks; (iv) national and local NGOs; (v) Mahila Arthik Vikas Mahamandal (MAVIM); and (vi) grass-roots institutions.

### **Implementation responsibilities**

20. Through the Maharashtra State Agricultural Marketing Board, the Government of Maharashtra will be responsible for programme oversight. At the regional level, the programme management unit will have overall responsibility for implementation, monitoring and evaluation, financial management, etc. In each district, a programme management team will be responsible for programme implementation in partnership with private-sector agencies and NGOs. The programme will be coordinated by state- and district-level coordinating committees.

### **Role of technical assistance**

21. The programme will draw exclusively on national expertise, funded from the proceeds of the IFAD loan and grant and from the cofinancing provided on a grant basis by the Sir Ratan Tata Trust. In addition, IFAD will provide the required technical assistance within the framework of its implementation support activities.

### **Status of key implementation agreements**

22. Programme implementation will require the following agreements: (i) a programme financing agreement between IFAD and the Republic of India; (ii) a programme agreement between IFAD and the State of Maharashtra; (iii) a programme implementation manual, completed before financing negotiations; and (iv) partnership agreements between the programme and, inter alia, private-sector agencies, national and local NGOs, and commercial banks.

### **Key financing partners and amounts committed**

23. The total programme cost is US\$118.64 million over eight years. The sources of financing are IFAD (34.6 per cent), the Government of Maharashtra (31.7 per cent), Sir Ratan Tata Trust (13.5 per cent), commercial banks (12.3 per cent), the private sector (4.9 per cent) and local communities (3 per cent).

## **H. Benefits and economic and financial justification**

### **Main categories of benefits generated**

24. The immediate benefits will be increased productivity through the introduction of in situ water conservation and organic farming practices, and low external input sustainable agriculture. Combined with the reduction in production costs, this will result in increased household incomes and improved food security. Diversification into fruit, vegetable and livestock products will have a positive impact on nutrition. Increased carbon content will enhance soil fertility and increase moisture retention, which will allow higher cropping intensity.

### **Economic and financial viability**

25. The overall economic internal rate of return (EIRR) is about 20 per cent. Sensitivity analysis indicates that the EIRR remains robust both to decreases in benefits and to increases in costs. Household incomes are predicted to increase by between 43 and 50 per cent over the without-programme scenario.

## **I. Knowledge management, innovation and scaling up**

### **Knowledge management arrangements**

26. The innovative nature of the programme requires continuous feedback and sharing of the experience and knowledge gained. The monitoring and evaluation (M&E) system will feed into a knowledge management system so as to generate several learning tools. Success stories and lessons learned will be regularly shared through workshops and seminars. The programme management unit will have a full-time staff member specialized in knowledge management functions. He/she will be supported by the knowledge management specialist of the India Country Office. The IFAD-funded regional programme Knowledge Networking for Rural Development in Asia/Pacific Region (ENRAP) will provide financial support for training, studies and exposure visits.

### **Development innovations that the programme will promote**

27. The programme's innovative features are: (i) ensuring convergence of ongoing projects; (ii) fostering pro-poor partnership arrangements with the private sector; (iii) using the instrument of contract farming for organic cottons and other crops; and (iv) introducing the end-to-end subproject approach.

### **Scaling-up approach**

28. Through this programme, the Government of Maharashtra aims to achieve a model of convergence that is replicable in other districts, both in Maharashtra and elsewhere in the country. The current difficulty faced by the Government of India/Government of Maharashtra in ensuring effective utilization of the financial resources associated with the existing schemes makes this objective particularly interesting.

## **J. Main risks**

### **Main risks and mitigation measures**

29. The main risks faced by the programme are: (i) weak implementation capacity; (ii) poor response from the private sector and NGOs; (iii) benefits captured by the less poor; (iv) crop failure due to drought; and (v) poor market linkages. The planned mitigation measures include respectively: (i) programme staff will be recruited from the open market and be provided with adequate training; (ii) adequate time will be spent in the first two years to identify and/or strengthen local implementing partners; (iii) programme interventions will be targeted according to socially acceptable selection criteria; (iv) soil and water conservation measures and the low external input sustainable agriculture technology will minimize the climatic risks; and (v) market linkages will be identified up front, before any production investment is made.

### **Environmental classification**

30. Pursuant to IFAD's environmental assessment procedures, the programme has been classified as a Category B operation in that it is not likely to have any significant negative environmental impact.

## **K. Sustainability**

31. Programme's exit strategy will focus on the sustainability of grass-roots institutions and the viability of livelihood activities. Institutionally, self-help groups, community-managed resource centres and producer companies are expected to reach operational and financial sustainability, relying and managing their own resources.

## **II. Legal instruments and authority**

32. A programme financing agreement between the Republic of India and IFAD will constitute the legal instrument for extending the proposed financing to the borrower. Important assurances included in the negotiated agreement are included as an annex.
33. The Republic of India is empowered under its laws to borrow from IFAD.
34. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD.

### III. Recommendation

35. I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the Republic of India in various currencies in an amount equivalent to **twenty**-six million eight hundred and twenty thousand special drawing rights (SDR 26,820,000) to mature on or prior to 1 December 2048 and to bear a service charge of three fourths of one per cent (0.75 per cent) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall make a grant to the Republic of India in various currencies in an amount equivalent to six hundred and seventy thousand special drawing rights (SDR 670,000) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Kanayo F. Nwanze  
President

## **Important assurances included in the negotiated programme financing agreement**

(Negotiations concluded on 22 April 2009)

### **Gender**

1. The Government of the Republic of India (the Government) will ensure that gender concerns are integrated into all programme activities during programme implementation. The Government will ensure that the programme personnel engaged by non-governmental organisations (NGOs), the programme staff in the Programme Management Unit (PMU) and members of different committees are sensitised to issues relating to gender equity.

### **Pest management**

2. The Government will comply with the International Code of Conduct on the Distribution and Use of Pesticides and ensure that pesticides procured under the programme do not include any pesticides classified as extremely hazardous or highly hazardous by the World Health Organization (WHO).

### **Monitoring and evaluation**

3. M&E activities will include: activity reporting, by which all Programme Parties report on a monthly basis on the activities undertaken, and the information is stored in the Programme's Management Information System (MIS); progress monitoring, by which the M&E Officer makes regular visits to a sample of beneficiary groups to obtain feedback from participating communities on programme outputs, which data will be stored in the MIS; and impact monitoring, by which information on indicators of programme objectives, including those indicators required under IFAD's Results Impact Monitoring Systems (RIMS), are gathered. The Government will ensure that the RIMS indicators, required by IFAD, are incorporated in and form part of the programme monitoring system.

### **Concerns of scheduled castes (SC) and scheduled tribes (ST)**

4. The Government will ensure that the concerns of schedule castes and schedule tribes are given due consideration in implementing the programme and, to this end will ensure that:
  - (a) the programme is carried out in accordance with the applicable provisions of relevant SC and ST legislation;
  - (b) SC and ST are adequately and fairly represented in all local planning for programme activities;
  - (c) SC and ST rights are duly respected;
  - (d) SC and ST communities participate in policy dialogue and local governance;
  - (e) the terms of declarations, covenants and/or conventions ratified by IFAD on the subject are respected;
  - (f) the programme will not involve encroachment on traditional territories used or occupied by SC and ST communities.

### **Insurance of programme personnel**

5. The Lead Programme Agency will insure programme personnel against health and accident risks to the extent consistent with sound commercial practice and applicable rules

### **Use of programme t vehicles and other equipment**

6. The Government will ensure that:
  - (a) All vehicles and other equipment procured under the programme are allocated adequately for effective programme implementation;
  - (b) The types of vehicles and other equipment procured under the programme are appropriate to the needs of the programme;
  - (c) All vehicles and other equipment transferred to or procured under the programme are dedicated solely to programme use.

### **Fraud and corruption**

7. The Government will promptly bring to the attention of IFAD any allegations or concerns of fraud and/or corruption in relation to the implementation of the programme of which it has knowledge or becomes aware.

### **Suspension**

8. (a) IFAD may suspend, in whole or in part, the right of the Government to request withdrawals from the Loan Account and Grant Account, upon the occurrence of any of the events set forth in the General Conditions or if:
  - (i) programme; The State has failed to ensure the continuity of tenure of the programme director, and, in the opinion of the Government and IFAD, this is likely to have a material adverse effect on the programme;
  - (ii) programme; The Co-financing Agreement has failed to enter into full force and effect within six months of the effective date, and substitute funds are not available on terms and conditions acceptable to IFAD;
  - (iii) ; The right to withdraw the proceeds of the Co-financing has been suspended, cancelled or terminated, in whole or in part, or any event has occurred which, with notice or the passage of time, could result in any of the foregoing;
  - (iv) ; IFAD, after consultation with the Government, has determined that the material benefits of the programme are not adequately reaching the target group, or are benefiting persons outside the target group to the detriment of target group members;
  - (v) The Programme Implementation Manual (PIM), or any provision thereof, has been waived, suspended terminated, amended or modified without the prior consent of IFAD, and IFAD has determined that such waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the Programme;
  - (vi) Any competent authority has taken any action for the dissolution of the PMU or the Lead Programme Agency, or the suspension of its operations, or any action or proceeding has been commenced for the distribution of any assets of the Lead Programme Agency among its creditors, and no alternative solution is proposed to the satisfaction of IFAD;
  - (vii) IFAD has given notice to the Government that credible allegations of corrupt or fraudulent practices in connection with the programme have come to the attention of IFAD, and the Government has failed to take timely and appropriate action to address the matters to the satisfaction of IFAD;
  - (viii) Procurement has not been or is not being carried out in accordance with the programme financing agreement.
- (b) Notwithstanding the above, if the audit required by the programme financing agreement has not been satisfactorily concluded within twelve months of the

financial reporting date set forth therein, IFAD will suspend the right of the Government to request withdrawals from the Loan and Grant Accounts.

**Conditions precedent to effectiveness**

9. The Programme Financing Agreement will become effective in accordance with the General Conditions subject to the fulfilment of the following conditions precedent:
  - (a) The programme financing agreement has been duly signed, and the signature and performance thereof by the Government has been duly authorised and ratified by all necessary administrative and governmental action;
  - (b) The Programme Agreement has been duly signed and a favourable legal opinion has been issued by a competent legal counsel for the State of Maharashtra (State) in respect of the Programme's Agreement's legally binding nature upon the State and delivered to IFAD; and the signature and performance thereof by the Programme State has been duly authorised or ratified by all necessary administrative and governmental action;
  - (c) The Government has delivered to IFAD a legal opinion issued by the Solicitor General of the Government in respect of the matters set forth in the programme financing agreement and in form and substance acceptable to IFAD.

**Conditions precedent to withdrawals**

10. (a) No withdrawal will be made in respect of expenditures under any Category under the Loan/Grant until:
  - (i) The Programme Steering Committee (PSC) has been duly established;
  - (ii) The PMU has been duly established;
  - (iii) The Government has duly opened Programme the special account and the grant bank account;
  - (iv) The Lead Programme Agency has duly opened the programme accounts;
  - (v) Programme. The first Annual Work Plan and Budget (AWPB), including the procurement plan for the initial 18 months of programme implementation, has been submitted to, and approved by IFAD.

No withdrawal will be made in respect of expenditures for Civil Works and Enterprise Support until the selection of the appropriate number of Government/State programmes has been completed to the satisfaction of IFAD.





## **Key reference documents**

### **Country reference documents**

Poverty reduction strategy paper

### **IFAD reference documents**

Project design document (PDD) and key files  
COSOP

Administrative Procedures on Environmental Assessment  
IFAD Strategic Framework

# Logical framework

Narrative Summary	Objectively Verifiable Indicators	Monitoring Mechanism & Information Sources	Assumptions/ Risks
<p><b>A. PROJECT GOAL</b></p>			
<p>Contribute to the development of resilient, sustainable and diversified household on-farm and off-farm livelihoods, enabling 286,800 rural households to face climatic and market risks without falling back into poverty and distress.</p>	<ul style="list-style-type: none"> <li>- <b>At least 75% of households with Improvement in household asset ownership index.</b></li> <li>- Reduction in the prevalence of child malnutrition by gender.</li> <li>- <b>At least 75% of households that have improved food security and incomes.</b></li> <li>- IMR and MMR in targeted areas.</li> </ul>	<ul style="list-style-type: none"> <li>- RIMS impact survey</li> <li>- Gov records on BPL</li> <li>- Secondary information on losses due to shock</li> </ul>	<p>Political stability; Selection of pro-active NGOs; Government poverty reduction projects continued.</p>
<p><b>B. PROJECT COMPONENTS, OUTCOME AND OUTPUTS</b></p>			
<p><b>COMPONENT 1: INSTITUTIONAL CAPACITY DEVELOPMENT &amp; PARTNERSHIPS</b></p>			
<p><b>Sub-component 1.1: Partnership Building and Capacity Development</b></p>			
<p><b>OUTCOME:</b> Partnership between private sector and the producers established and staff and producer capacity enhanced.</p>	<p>-Market opportunities assessed in 6 districts, 120 model subprojects designed -1,200 VDCs, 9,000 SHGs, 4,800 JLHs and staffs are capacitated.</p>	<p>Progress Reports, Annual Reports, M&amp;E Reports NGOs Reports, RIMS survey</p>	<p>Sufficient market demand exists; favourable response from the private sector, NGOs, farmers.</p>
<p><b>Sub-component 1. 2: SHG &amp; CMRC Development</b></p>			
<p><b>OUTCOME:</b> Poor and marginalised households mobilised into socially inclusive affinity groups and empowered to effectively articulate their interest.</p>	<p>-9,000 SHGs strengthened through 45 CMRCs, - Financial and social counselling provided to 158,400 households, and graduation of 5000 ultra-poor.</p>	<p>Progress Reports, Annual Reports, M&amp;E Reports NGOs Reports, RIMS survey</p>	<p>women willing to participate in the project; Pro-active NGOs exist.</p>
<p><b>COMPONENT 2: MARKET LINKAGE &amp; SUSTAINABLE AGRICULTURE</b></p>			
<p><b>Sub-component 2.1: Market Linkage</b></p>			
<p><b>OUTCOME:</b> Equitable and non-exploitative marketing facilities provided and value chains established for selected commodities involving producers</p>	<p>120 partnership negotiations completed and equal number of agri-business clusters developed, pro-poor market linkages established and vocational training provided to 3,600 rural youth.</p>	<p>Progress Reports Annual Reports M&amp;E Reports NGOs Reports</p>	<p>Favourable prices to motivate farmers;</p>
<p><b>SUB-Component 2.2: Sustainable Agriculture</b></p>			
<p><b>OUTCOME:</b> Expanding economic opportunities to transform smallholder farms in to profitable commercial enterprises through improvement of resources, technology transfer and linking production to market needs.</p>	<p>1,200 villages treated with in situ water conservation, provided with 1,200 FFS for technology extension and demonstrations through the Master Trainers and 4,800 JLGs and 60 cattle breeding centres established.</p>	<p>Progress Reports Annual Reports M&amp;E Reports NGOs Reports RIMS survey</p>	<p>Agricultural production is profitable; farmers have capacity to adapt to changing situations;</p>
<p><b>SUB-Component 2.3: Micro-enterprises and SMEs</b></p>			
<p><b>OUTCOME:</b> Household incomes improved, employment opportunities increased and access to markets enhanced for the target group households.</p>	<p>15,000 Agri-based and 5,000 livestock-based micro enterprises established, 45 milk collection centres established, 45 SME units set up and opportunities of training to 12,000 farmer producers.</p>	<p>Progress Reports, Annual Reports, M&amp;E Reports NGOs Reports, RIMS survey</p>	<p>Pro-poor market linkages established</p>
<p><b>COMPONENT 3: PROJECT MANAGEMENT</b></p>			
<p><b>OUTCOME:</b> staff expertise strengthened and their capacity to provide inclusive services to stakeholders enhanced and convergence of agricultural interventions established in public and private sector.</p>	<p>-PMU is set in Amravati and six PMTs, one in each district established; - Project Support Unit set up in Pune; - Coordination committees established in Mumbai, Amravati and in each district headquarters.</p>	<p>Progress Reports, Annual Reports, M&amp;E Reports NGOs Reports, RIMS survey.</p>	<p>Sufficient financial and human resources made available.</p>

