

**MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT
GOVERNMENT OF INDIA**

Concept Note – Convergence Project on MGNREGA-NRLM and CFT Strategy

The Ministry of Rural Development implements the two flagship programmes of Government — Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and the National Rural Livelihood Mission (NRLM) - both addressing the rural unemployment and poverty from different facets. This project is to synergize the functioning of the two so as to substantially enhance the quality of assets being created in the MGNREGS and thereby ensure better sustainability of rural livelihoods.

1. Convergence between MGNREGS and NRLM

- 1.1 The provision of livelihood security to the rural poor through the creation of quality and durable community and individual assets that provide sustainable incomes is one of the central objectives of the MGNREGA. This requires participation of communities in planning, implementation and monitoring of the works. Increasing the participation of women is also one of the objectives of the programme.
- 1.2 National Rural Livelihood Mission (NRLM) works towards creating robust institutional platforms of the rural poor, especially women, in the form of Self Help Groups (SHG) and their federations, to improve their access to financial services, and thereby build their sustainable livelihoods. The strength of NRLM has been its ability to energize the communities and involve them in building sustainable livelihoods, largely based on land. There is, therefore, a commonality of purpose and natural synergy between both NRLM and MGNREGA.
- 1.3 In order to use this synergy and improve the implementation of MGNREGS, it has been decided to achieve convergence between the two covering the following components:
 - a Creation of Awareness and Demand Generation
 - b Identification and planning for works that converge with the livelihood plans
 - c Worksite Execution and Measurement
 - d Advance Payment of Wages to NREGA workers through funds devolved to CBOs
 - e Provision of capacity building and training for all stakeholders involved including PRIs.

The mode of operationalising this convergence will be issued as separate guidelines.

2. Creation of Cluster Facilitation Teams (CFTs)

- 2.1 Based on the 12th Plan document, the Operational Guidelines 2013 provided for creation of Cluster Facilitation Teams (CFTs) that would address gaps in MNREGA and thereby result in creation of sustainable livelihoods. The members of the cluster facilitation team must have demonstrated expertise in the following areas:
 - Soil and moisture conservation,
 - Agriculture and allied/livelihood activities,
 - Community Mobilization,
 - Expertise in preparing estimates, doing measurements and assessing quality of assets.

- 2.2. These CFTs are supposed to help in mobilizing the communities in the programme; and therefore, there is again a commonality of purpose and natural convergence of the CFT strategy with the proposed convergence between MGNREGS and NRLM.
- 2.3. The convergence of MGNREGS, NRLM and CFT strategy is the cornerstone of achieving peoples' participation, improving the quality of assets, energizing the delivery system in a manner that would have a positive impact on elimination of poverty in rural areas.

3. Areas for the Pilot Project

- 3.1. This convergence is proposed to be pilot operationalised in 12 most backward blocks of Jharkhand.

The State Government has identified these blocks as per the following criteria:

- a. Poor Human Development Indicators
- b. Tribal areas
- c. High population of SCs
- d. Poor connectivity
- e. Having active presence of Civil Society Organizations (CSOs) or Community Based Organizations (CBOs)

Project proposal may be submitted for the blocks preferably listed below:

S.No.	District	Block
1	Simdega	Bano
2	West Singhbhum	Goilkera
3	East Singhbhum	Chakulia
4	East Singhbhum	Potka
5	Garhwa	Bhandaria
6	Garhwa	Nagarutari
7	Giridih	Bengabad
8	Hazaribag	Dadi
9	Khunti	Rania
10	Lohardaga	Bhandra
11	Palamau	Chainpur
12	Palamau	Daltonganj

4. Operationalizing through Civil Society Organisations (CSOs)/CBOs:

The Operational Guidelines of MGNREG 2013 have emphasized the need for involving CSOs in implementation of the programme so as to improve participation and thereby, overall effectiveness of the programme. Many CSOs/CBOs have built up social capital of women SHGs which can be immediately used for improving the quality of works and reducing delays in payments. The CSOs will also NOT have the constraints that State Governments have in selecting and placing the staff required in the pilot.

The pilot will therefore leverage the strengths of Civil Society Organizations and the SHGs/federations (referred to Community Based Organizations (CBOs)) who will work as Resource Organizations along with the MGNREGS implementation machinery.

Minimum eligibility

For each of the Pilot Blocks, the State Governments will select resource organizations which should have fulfilled the following **criteria**:

- a In existence at least for the past 5 years.
- b Should have staff that can be quickly deployed; or having systems for placing staff for Operationalising the pilot project quickly.
- c Working on the Natural Resource Management (NRM) either under the MKSP or IWMP or other watershed programmes.
- d Working on the demand side of MGNREGS.

Suggested list

The State Governments may consider the CSOs/CBOs which are already working in the following fields for this purpose:

- a where CSOs are MKSP partners of NRLM
- b where DoLR's watershed project (IWMP) is being implemented in partnership with CSOs;
- c where the CSO has promoted a strong community based organization such as a SHG federation with NRLM support; or with support organizations like IFAD/ DFID/WB.
- d where CSOs have become partners with the state government to plan for and implement MGNREGA.

5. Coverage and Financial Support:

- a) One Cluster Facilitation Team (CFT) will cover roughly 1/3rd of the population of a Block, measured in terms of (whole number) GPs.
- b) The CSO may start with one or more of the three CFTs in the first year, but the whole Block has to be covered during the project period of three years.
- c) The financial support provided by MoRD will be Rs. 28 lakh per year per block for the three year period. The internal allocation of this budget across heads will be left to the CSO, subject to the proviso that 9 people are employed by the CSO in the block for the CFT project
- d) If the CSO covers only one (two) CFT (s) in the first year, it will be entitled to only one-third (two-thirds) of the financial support available for the block as a whole in the first year.

6. Role of NRLM

NRLM will facilitate operationalising this convergence through the SRLMs and the CSOs already working with them or under MKSP. They will handhold the State Governments, focusing on the more backward States in identification of the Blocks and the CSOs/CBOs.

7. Role of the Resource Organisations (CSOs/CBOs)

For each Block, there will be a CSO/CBO selected by the State Government as per the guidelines stated above. The RO will:

- a. Identify, train, place and operate the Cluster Facilitation Teams; and will be

- b. Responsible for their functioning and the final outcomes.
- c. Handhold and help the CBOs (SHGs and their federations) and train them so that they will be able to take over the project after the 3 year period.
- d. Assist and support the Gram Panchayats to effectively discharge their functions laid down under the MGNREG Act.

8. Deliverables:

- a. The deliverables are outputs that can be easily measured through MIS figures.
- b. Each CSO may fix the deliverables to be achieved during the project period, which shall necessarily contain the following:
 - i. Preparation of an integrated watershed plan for the whole GP through community participation. The State Government should incorporate the same in the shelf of projects of MGNREGA before October 2014, following the due process laid down under the Act.
 - ii. Capacity building of all MGNREGA and NRLM functionaries and PRIs through appropriate training programmes.
 - iii. State Government to ensure that 100% of the wages are paid within 15 days from the date of closure of the muster roll.
- c. Further, in view of the difficulty in measuring the additional incomes, the deliverable on income ('At least 25% additional incomes will accrue to the community or the worker households in 3 years due to the works implemented through MGNREGS') will be deleted.
- d. All active SC/ST job card holders will get at least 75 days work in a year by the third year
- e. Each CSO must list additional deliverables with clearly measurable targets that their performance will be monitored against.
- f. Each CFT may start the work in a few GPs in the first few months to establish a working model in consultation with block and GP personnel for executing the integrated watershed plan, which may be subsequently scaled up to cover the whole block in 3 years

9. Structure and composition of the CFTs:

- a. Each CFT will have at least 3 members. The total number of CFT members per Block shall not be less than 9.
- b. The composition of the CFTs will be decided by the CSO depending on the requirement at the field level. (e.g. if sufficient technical personnel are positioned by the State Govt, there is no need to have one more technical person in the CFT brought in by the CSO).
- c. The emoluments for each member of CFT shall be decided by the CSO, subject to the Government assistance being limited to the amount specified.
- d. All barefoot engineers/technical assistants appointed as part of the CFT must be trained by an institution recognized by the State Government. MoRD will help in standardizing the modules.

10. Institutional linkages

- a. State Governments will ensure that implementation and monitoring committees would be formed at the District, Block and GP level with membership of CSO, MGNREGA functionaries and NRLM functionaries, clearly defining their role/responsibility.
- b. Every Block taken up under the CFT shall be taken up as NRLM intensive Block, so that the synergy of MGNREGA and NRLM can be clear. Each GP should have a Community Resource Person from NRLM for MGNREGA.
- c. The funds for capacity building shall be met from the NRLM funds or from funds provided by the DFID. If NRLM funds are being used, SRLM can fix certain deliverables from the project.

d. Payment of MGNREGA wages through SHGs will not be compulsory. It can be an option where there are no reliable institutional delivery systems available. Wherever SHGs are being used in paying wages, robust systems for maintaining the revolving funds shall be put in place.

11. Monitoring systems:

- a. The following monitoring indicators will be built into the MIS so that report is automatically generated and placed in the public view. This will help in easy monitoring of the project.
 1. SC/ST households: Total number as per census, number with job card, number participating in the programme and the average number of days work provided.
 2. Shelf of works: Category-wise classification of the works in the shelf, number of works taken up, completed and in progress.
 3. Demand and provision: Number of HHs demanded work (month-wise) and provided work; and number of HHs eligible for unemployment allowance.
- b. Concurrent evaluation: will be done by third parties which would focus on outcomes.
- c. Final evaluation: would be an in-depth evaluation by a third party pertaining to outcomes of the project.
- d. The progress of the CFT project will be reviewed at the PRC meeting as well as in the review of all SRLM Mission Directors.
- e. All documents related to the CFT project including project proposals, budgets, and monitoring and evaluation reports will be proactively disclosed through the official MNREGA website or a separate website created especially for the project.

12. Fund release system:

Funds would be released by MoRD to the State Government once a quarter. State Government will release the same directly to the CSO on a quarterly basis subject to fulfilment of the conditions which the States would specify.

Discharge the following in MGNREGS:

a. Creation of Awareness and Demand Generation:

- I. Every landless poor household will demand for work as and when needed.
- II. Organisation of the workers into labour groups.
- III. Organisation of Rozgar Divas and registration of demand in every Ward as per the guidelines issued from time to time.

b. Identification and planning for works that converge with the livelihood plans:

Ward level planning: CBOs will participate in the planning process to identify

- I. Works from the approved list (as per Schedule I of the Act) that could help them in their livelihoods.
- II. Community Assets: Preparing perspective plans for the development of community livelihoods based on fundamentals of watershed planning and natural resource management.
- III. Individual assets: There will be a household livelihood plan (HLP) for every member of the SHGs focusing on improving the land, water and trees.
- IV. Collation of these works and present to the Gram Sabha for approval.

- V. Assisting in preparing the estimates and getting their technical and administrative sanction.
- VI. All these will be done in close partnership with Gram Panchayats.

c. Worksite Execution and Measurement: The CSOs will deliver the following to ensure:

- i. Assist each CBO so that they will appoint a Mate at the worksite from among their members and will train the Mates as per the standards prescribed, so that they can take measurements and improve the work turn out at the worksite.
- ii. Place a technical assistant for every 5,000 active job cards equipped with skills to plan, measure engineering works taken up MGNREGS to ensure that the works are measured within 3 days from the date of closure of the muster.
- iii. The State Government should issue orders assigning the responsibilities of first measurements to such TA.

d. Payment of Wages to MGNREGA workers can be done through a revolving fund to be created and maintained by the CBO. CSO will facilitate the creation, and standardize operation of this revolving fund so that CBOs will be able to do the following:

- i. Quantify the RF amount
- ii. Given from the NRLM funds as interest free advance
- iii. Eligible wages are estimated and recorded on the day muster is closed.
- iv. Bring transparency and accountability systems through group activities in arriving at the wages.
- v. Arrange sufficient cash and disburse wages after closure of work on the last day of the muster.
- vi. Cash payment

The wage list will have the account of CBO where the wage will be directly credited, so that the amount spent from RF is recouped.

e. Provision of capacity building and training for all stakeholders involved including

PRIs: The CFT will facilitate trainings and workshops to all stakeholders such as SHG members, frontline functionaries of MGNREGA, PRI representatives etc. especially at the Gram Panchayat level.

13. Role of State Governments: MGNREGS

1. Establish mechanisms for smooth interface and coordination between the CSOs, Gram Panchayats and the MGNREGS machinery at the Block and the GP level.
2. Ensure that works identified by CBOs and approved by the GPs are given expeditious administrative and technical sanctions, in any case, not later than 30 days from the date of convening of the Gram Sabha.
3. Empower the District Collector to lead the project and resolve difficulties if any faced in its implementation.
4. Empower the technical assistant of the CSO to record in the M-book by issuing special instructions.
5. Ensure conduct of the Rozgar Divas at ward level in which Gram Rozgar Sahayak (GRS) and the Ward member would collect demand for work at the Ward level.
6. Direct all the Programme Officers (POs) and all their functionaries to participate in the planning exercise alongside the CBOs/CSOs.

7. Convene special Gram Sabha meetings to consider the shelf of works prepared by the CBOs;
8. Issue e-musters and ensure that the GRSs open works as per the demand collected in the Rozgar Divas.
9. Recognise the 'Mate' appointed by the CBO and empower her to maintain the work site register by issuing suitable instructions.
10. Conduct check-measurement of the works recorded by the technical assistant through their Junior Engineer.
11. Make payment after due recording of measurements within 15 days from the date of closure of the muster.

14. Project period and the Funding

The project period will be from 1 st Jan 2014 to 31 st Dec 2016 — period of 3 years.

Each RO (CSO/CBO) will prepare a brief Project stating:

- a. The area they propose to cover under the project: full Block or part of a Block.
- b. Their strategy for achieving the outcomes.
- c. Period-wise deliverables.
- d. Additional grants needed (over and above what they are already getting under MKSP/NRLM for this purpose) to deliver the above stated deliverables, and discharge the above stated responsibilities.

The grants under this pilot will be routed through the State Governmnet/DPC and will be over and above the administrative costs allowed under the programme.

15. Monitoring Structure

- a. **State level:** At the State level, a State level Steering Committee will be set up with participation of Rural Development, SRLM, Secretaries of various connected departments and representatives from the CSO's. This committee should meet once in two months and minutes uploaded onto the NREGA website.
- b. **District and Sub-District level:** At the District level, the implementation of the Perspective Plan and derived Annual Action Plan will be monitored by the District level steering committee headed by the District Programme Coordinator (DPC) and Programme Officer (PO) respectively. This Committee may consist of the district and block officials of various line departments, representatives from CSOs. This committee must meet once a month and the minutes of the meeting uploaded onto the NREGA website.
- c. **Community Monitoring:** Existing provisions for community monitoring such as Social Audits, Wall Writings, Gram Sabhas, Village Monitoring Committees etc shall be rolled out and facilitated.
- d. **MoRD** will review progress once a quarter with the DPC and CSOs with support from the State Governments, which shall be duly linked to the NREGASoft portal. Monitoring formats will be developed by the MoRD mapping the roles of the respective stakeholders.