

Best Practices in CMCs Mimeograph Series 2

Rural Development Best Practices in CIRDAP Member Countries 2012



**Centre on Integrated Rural Development for
Asia and the Pacific**

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**Centre on Integrated Rural Development for Asia and the Pacific
(CIRDAP)**

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Rural Development Best Practices in CIRDAP Member Countries

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Foreword

There are a number of issues adversely influencing directions of rural development in most of the CIRDAP Member Countries (CMCs), which includes, absence of appropriate structures; processes including globalisation are seen to be barriers; vulnerable to the effects of climate change; population pressure; access of information, markets, and credit facilities; proneness to natural calamities and land conversion, etc. Despite such constraints, a number of member countries have been able to demonstrate some good practices that led to the poor people survive in the face odd/vulnerable situation which could be good lessons for the nations.

Under this back drop, the EC-28 and GC-18 meeting held Iran in 2011 decided that the available best practices among member countries should be captured and shared with all member countries to link up and emulate these best practices in CIRDAP member countries. In commensurate with the mandates of CIRDAP such as (i) to assist national action, (ii) promote regional cooperation, and (iii) act as a servicing institution for its member countries for promotion of integrated rural development through research, action research, training and information, communication, dissemination and sharing of the best practices on rural development and poverty alleviation, CIRDAP since 2012 has been collecting the best practices and disseminating for the benefit of the Member Countries. This is the first of its kind in the series attempted to compile the best practices presented in the CIRDAP Technical Committee Meeting in Sri Lanka in June 2012.

I hope the Report will be useful to the policy makers and rural development practitioners as well as researchers and professionals interested in rural development in the region. I would like to take this opportunity to thank the head of the CIRDAP Link Institutions for providing relevant materials for the report.

Dhaka, September 2012

Dr. Cecep Effendi
Director General
CIRDAP

ACRONYMS

| | |
|--------|--|
| ANDS | : Afghanistan National Development Strategy |
| APIB | : Agro Climatic Planning and Information Bank |
| APMC | : Agriculture Product Marketing Committee |
| ARDSS | : Afghanistan Rural Development Sector Strategy |
| BAPARD | : Bangabandhu Academy for Poverty Alleviation & Rural Dev. |
| BARD | : Bangladesh Academy for Rural Development |
| BRDB | : Bangladesh Rural Development Board |
| LGED | : Local Government Engineering Department |
| BDT | : Bangladesh Taka (Currency) |
| CAPSA | : UN Centre for Alleviation of Poverty through Sustainable Agriculture |
| CARD | : CIRDAP Approach of Rural Development |
| CBOs | : Community Based Organisations |
| CDD | : Community Driven Development |
| CGARD | : Centre on Geoinformatics Application in Rural Development |
| CIRDAP | : Centre on Integrated Rural Development for Asia and the Pacific |
| CLI | : CIRDAP Linked Institute |
| CMCs | : CIRDAP Member Countries |
| CVDCS | : Comprehensive Village Development Cooperative Societies |
| CVDP | : Comprehensive Village Development Programme |
| DAP | : Department of Agriculture Planning |
| DDA | : District Development Strategy |
| DDC | : District Development Committee |
| DSS | : Decision Support System |
| EC | : Executive Committee |
| FRIEND | : Foundation for Rural Integrated Enterprise |
| FWP | : Food for Works Programme |
| GC | : Governing Council |
| GIS | : Geographic Information System |
| GoB | : Government of Bangladesh |
| GPS | : Global Positioning System |
| HDI | : Human Development Index |
| ICT | : Information Communication Technology |
| IDRC | : International Development Research Centre |
| IGAs | : Income Generating Activities |
| INDEP | : Integrated National Poverty Eradication Programme |
| INFRA | : Institute of Rural Advancement |
| INGOs | : International Non-Governmental Organisations |
| IRS | : Indian Remote Sensing |
| KDP | : Kecamatan Poverty Programme |
| LDCP | : Local Development Coordination Programme |
| LDTA | : Local Development Training Academy |

| | |
|----------|--|
| LGRD&C | : Local Government Rural Development & Cooperatives |
| LLPMS | : Local Level Poverty Monitoring System |
| MDGs | : Millennium Development Goals |
| MFIs | : Micro finance Institutes |
| MoLGRD&C | : Ministry of Local Government Rural Development & Cooperatives |
| MRRD | : Ministry of Rural and Regional Development |
| NABPD | : National Area Based Development Programme |
| NBPs | : Nation Building Departments |
| NGOs | : Non-Governmental Organisations |
| NILG | : National Institute of Local Government |
| NIRD | : National Institute of Rural Development |
| NTFPs | : Non-Timber Forest Products |
| OPOV | : One Product One Village |
| PCM | : Project Cycle Management |
| PDM | : Project Design Matrix |
| PIC | : Project Implementation Committee |
| PKSF | : Palli Karma Sahayak foundation |
| PNPM | : National Programme for Community Empowerment |
| POP | : Plan of Operation |
| PRDP | : Participatory Rural Development Project |
| PSC | : Project Steering Committee |
| RCF | : Regional Cooperation Fund |
| RDA | : Rural Development Academy |
| SDSS | : Spatial Decision Support System |
| SEARCA | : Southeast Regional Centre for Agril. Graduate Study & Research |
| SFDF | : Small Farmer Development Foundation |
| SLGDF | : Local Governance Development Fund Project |
| SSTC | : South-South Technical Cooperation |
| SSWRDSP | : Small Scale Water Resources Development Sector Project |
| TC | : Technical Committee |
| TTDC | : Thana Training and Development Centre |
| UCC | : Union Coordination Committee |
| UCCA | : Upazila Central Cooperative Association |
| UCCM | : Union Coordination Committee Meeting |
| UDO | : Union Development Officer |
| UNDP | : United Nations Development Programme |
| UP | : Union Parishad |
| UPCs | : Union Parishad Complexes |
| UPP | : Urban Poverty Programme |
| VC | : Village Committee |
| VDC | : Village Development Committee |
| VGD | : Vulnerable Group Development |

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Rural Development Best Practices in CIRDAP Member Countries 2012

Background

In commensurate with the mandates of CIRDAP such as (i) to assist national action, (ii) promote regional cooperation, and (iii) act as a servicing institution for its member countries for promotion of integrated rural development through research, action research, training and information, communication, dissemination and sharing of the best practices on rural development and poverty alleviation, **the EC-28 and GC-18 meeting held Iran in 2011 decided that the available best practices among member countries should be captured and shared with all member countries to link up and emulate these best practices in CIRDAP member countries.**

This is an un-denying reality that the countries in the South –South and South –East Asia which are members of CIRDAP, still rural development and poverty alleviation are one of the primary agenda in their development discourse, development plans and budget. Accordingly, each CMC has their set up and net work all across the country to address the gigantic task of rural development and poverty alleviation.

The Ministry like Rural Development /Agriculture which plays the dominant role in rural development and poverty alleviation plays an important role in formulating, designing rural development policy and implementing projects and programmes on rural development and poverty alleviation. CIRDAP Link Institutions are either research institute/academy or bureau/department act as the professional body of CIRDAP.

It is a fact that the Ministry and the link Institute of CIRDAP have several very successful project and research studies on agriculture and rural development which are not well known to other CMCs. Similarly in other CMCs especially under the auspices of the contact ministry and link institutions many success stories/model are being developed over the years which are not well known to all CMCs. Generally speaking, these best practices are not well documented and information about their success are not readily available to all CMCs. In this context the EC and GC felt that information on best practices on rural development and poverty alleviation should be captured and shared with all member countries to link up and emulate these best practices in CIRDAP member countries.

Accordingly CIRDAP suggested all CLI to prepare a brief paper on their best practices on rural development and poverty alleviation and present in the TC-27 meeting held in Sri Lanka in June 2012. It is nice to note that all 15 CLIs made presentation on their best practices except Myanmar and Fiji who made a general overview on rural development and poverty alleviation of their respective country.

Country Presentations on Best Practices

1. Community Driven Initiatives in Afghanistan: National Solidarity Programme (NSP)

After the Taliban were ousted from power in Afghanistan, the transitional power realised that for the people to support the state, the most crucial national development project had to be visible to the 80% of the population in the rural areas. In order to interact with these people, engage them in development, include them in the reconstruction process and provide a uniform approach across Afghanistan, the National Solidarity Programme (NSP) was launched.

In 2001, after gaining power, Ashraf Ghani had envisioned the creation of several national development projects which would create public trust in governance. These programmes included a National Emergency Employment Programme to provide jobs across the country, a National Health and Education Programme to get basic health packages to citizens and get children back in school, a National Transportation Programme to make Afghanistan a land bridge for South and Central Asia and the Gulf, a National Telecommunications Programme to set up a cell phone network across the country and attract private investment and a National Accountability Programme to build good financial management (Ghani and Lockart, 2008)

As one of the Afghan government's National Priority Programmes the NSP has been publicised as one of the most successful CDD programmes in the world to date. As a large scale rural reconstruction and development programme, the NSP had two primary goals: to strengthen local governance to foster rule of law and to lay the foundations of community managed sub-projects comprising reconstruction and development. The reconstruction efforts would be aimed at improving access of rural communities to social and productive infrastructure and services.

Launched in 2003, the programme was instrumental in generating employment and initiating the rehabilitation of rural infrastructure devastated by severe drought and two decades of conflict. The NSP is funded by the International Development Association at the World Bank and the Afghanistan Reconstruction Trust Fund. Implemented by the Ministry of Rural Rehabilitation and Development (MRRD) and funded by the World Bank, the UK Department for International Development (DFID), the Danish International Development and Assistance Agency (DANIDA), the Canadian International Development Agency (CIDA) and the US Agency for

International Development (USAID), the NSP is the Afghan government's flagship programme. Acting as the oversight consultants and responsible for strengthening local capacity and programme management at the ministry are the consulting firms GTZ and DAI.

NGOs act as facilitating partners contracted by the MRRD to initiate the NSP and provide technical and capacity building support to the communities. The MRRD has developed an operational manual and facilitating partners that are contracted utilise it for community implementation. The facilitating partners serve many different roles in NSP implementations including training social community organisers tasked with educating the community about NSP, engaging community facilitators, providing technical assistance in designing and building infrastructure, providing election experts to implement CDC elections and assisting with the monitoring and evaluation of projects.

An NSP project cycle for a community is broken down into 5 steps and usually takes 2 years to complete. First the NSP facilitating partner is assigned to the province by contracting through the MRRD. The facilitating partner then contacts the community to inform them of the NSP and commence the community mobilisation process. In the second step, the facilitating partner is responsible for initiating a fair and transparent election process to elect members of the locally governing community development council (CDC). The CDCs are elected through a process of identifying the eligible voters in a community, creating a cluster of approximately 25 families and ensuring at least 80% of the cluster votes for representatives. The elected CDC members then decide on the CDC president, deputy, secretary and treasurer. Thirdly, the newly elected CDCs consult directly with members of the community to reach a consensus list of subproject ideas. This list called the community development plan (CDP) comprises projects which can be carried out with funds from the NSP and independent of outside support. The subprojects which require NSP funding are then submitted by the CDC to the MRRD and the Oversight Consultant in a proposal. The facilitating partner is responsible for training the CDC members in project proposal writing, accounting and procurement. In the fourth step, if the proposal is approved, NSP block grants are disbursed to cover the purchase of materials. Arriving in installments the funds are also used for subproject implementation. The CDC continues to report to MRRD and to the community about the project's implementation process and budget. Lastly, the facilitating partners and CDCs undertake an evaluation of the technical quality of completed subprojects and documents the lessons learned.

Since there is no formal census data available about Afghanistan it is hard to accurately identify the number of villages. Previously, it was estimated that approximately 20000 rural settlements or villages existed, however this was markedly increased to 42000 villages. Since field coordinators have reported that several of the villages comprise of less than the minimum of 25 families required to initiate a CDC, it is estimated by the MRRD that around 28500 NSP communities would be a reasonable equivalent to rural settlements estimate. This approximation thus average 1 NSP community = 1.474 rural settlements. However the current average used is 1 NSP community = 1.583 rural settlements. (National Solidarity Programme Website, 2010).

Once fully implemented the MRRD expects to reach all the communities across Afghanistan through the NSP. The NSP community expansion across Afghanistan has been divided into several phases. In Phase 1 which commenced in May 2003, 3 districts in each province were targeted in the first year reaching 6000 communities. In the second year this target was expanded reaching 4500 more communities which translated into half of Afghanistan being included in the programme. In 2005 or the third year of the NSP an additional 6000 communities were targeted. The NSP Phase 1 concluded in March 2007 reaching approximately 17300 communities. In Phase 2 which ran from April 2007 until March 2010 the World Bank proposed covering an additional 4300 new communities bringing the total to 21600. This coverage meant that approximately 80-90% of Afghanistan had CDCs. On June 27, 2010 the World Bank announced that it had approved a \$40 million USD grant to support Phase 3 of the NSP. The third phase will build on the achievements of the first two phases of the NSP and complete the expansion of CDCs to all the rural communities in Afghanistan. In Phase 3, the Afghan government has introduced several innovations to institute the CDCs as lasting sustainable bodies of local governance. The expansion will also support the disbursement of block grants to the remaining 10320 communities for full NSP coverage across Afghanistan. In addition, to supporting the initial development needs, a second round of grants will be provided to 17,400 CDCs that have successfully used their initial grant. Most importantly, NSP III will focus on improving the institutional quality, sustainability and governance of CDCs and enhance their ability to engage with other institutions.

Blossoming Life Brings Hope for the Future

SHINTAPA SYED KAMALUDIN, Afghanistan – A few charred trees in a flowering apple orchard are the only sign of Abdullah Mohammad's dark days. But the blackened stumps are hard to find now between falling blossoms, ferns and budding potato plants.

Gazing around the small grove in Shintapa Syed Kamaludin village in Bamiyan province, Abdullah says the place is much like his people. "There are painful memories here," says the 42-year-old. "But now we must think about the future, and how we can all come together to make good things happen. Already we have come such a long way."

In the past eight years, Abdullah and his fellow villagers have worked hard to get on with their lives. And they say much of this wouldn't be possible without assistance from the National Solidarity Programme (NSP). The government of Afghanistan's flagship programme in the rural areas encourages small-scale reconstruction and development activities identified by each community.

The programme, supported by the World Bank, Afghanistan Reconstruction Trust Fund (ARTF), and Japan Social Development Fund (JSDF), aims at generating a strong sense of ownership and social stability through empowerment and development activities. Encouraging good local governance and equitable development, NSP helps villagers organise and elect their own community development councils (CDCs).

Abdullah heads a council of six men and six women, whose task is to jointly decide on projects most needed by their village.

About 80% of community projects involve infrastructure such as irrigation, rural roads, electrification, and drinking water supply, all critical for recovery of the rural economy and stability.

Potent Symbol of Hope

In Abdullah's village, the council sought NSP funding in 2004 to build an irrigation dam, six water wells, and a girls' school. Many people had recently returned from years of exile, having fled from Taliban forces in the 1990s as they stormed through Bamiyan, killing villagers and razing their homes, he says.

"We were attacked by the Taliban, and all the houses and orchards were burned. Those who escaped just ran into the mountains," he recalls.

This united resolve is what has helped to galvanise the community recently to work with two other villages and NSP funding to construct an irrigation dam and reservoir on a nearby river, notes Mohammad.

"We used to have no water for our fields, sometimes for three or four months, but now we get crops year-round." Fields filled with potatoes and wheat, market gardens brimming with vegetables, and orchards of apricots, almonds, and apples bring prosperity back to the valley. It's a potent symbol of hope, says Abdullah.

There are painful memories here. But now we must think about the future, and how we can all come together to make good things happen. Already we have come such a long way.

Time to Educate Girls

Recently, people also applied this positive outlook to build a girls' school. In the past, only boys were allowed to walk the seven kilometers to classes in a neighboring village.

Nijabao Hussaini, who is on the CDC, says parents unanimously agreed it was time to educate their girls. "Many of us didn't go to school and we regretted it, but now our girls will go somewhere. They can read and learn so many things, while we are just blind," Hussaini says. "It's really good for our daughters to study."

With NSP funds, parents first constructed the colourfully painted building with classrooms for about 350 girls. As the community grew, the government provided more funds for a second school building, constructed last year. Now 1,500 students attend classes in two shifts each day.

"There is a lot of interest in sending kids to school here," says Abdullah. "I don't know any family that won't send their children to classes."

In a bustling room full of grade two students, 8-year-old Shgofa says her favorite lessons come from the Holy Quran studies. "We are learning the morals of life, how to live and act with our parents and other people," says Shgofa, as her fellow students giggle in the background.

Asked how she would feel if she couldn't attend school, the girl replied: "I would be really sad. My mother didn't get to study and she's really proud of me. She tells me to come every day and don't miss any of it."

New Beginnings

The villagers also used NSP assistance to drill six new water wells. Shir Mohammad, a father of five, says his boyhood hours were often filled fetching water from neighboring villages or streams. "I remember the bad times. I would get really, really tired. I didn't even have a donkey. I had to carry water from a long, long way when I was 7 or 8 years old."

Frequently, the water was contaminated and made people sick. "Now this is healthy," he says, sipping freshly pumped water, "and it's much tastier."

Taking turns at the pump, Safar Mohammad, 13, and his friend Khan Agha, 16, said their chores are much easier. "We are happy with this water. It is closer to our home and cleaner," says Khan Agha.

Uniqueness of the National Solidarity Programme

In Afghanistan, foreign aid is associated with waste, corruption, and conflict. Where there is aid there is corruption and misuse and abuses. However there is one programme, NSP where continued success is manifested. Currently, foreign assistance supports all Afghan public services, from the police force to infrastructure to farming. Unintended consequences often limit the effectiveness of these programmes, but there is an alternative approach, NSP that diminished waste, corruption, and conflict. An idea on the success of the NSP can be drawn from a conversation among the stakeholders of the programme. In an interview Mr. Jared Nolan found how the National Solidarity Programme employs an alternative approach that consistently producing positive impact on the lives of the community poor people.

NOLAN: You may never have heard of it, but the National Solidarity Programme is the most successful development initiative in Afghanistan. And it's not new; the project started back in 2003. Since then it has received over \$1.5 billion in funding from international donors and reached all 34 of Afghanistan's provinces and 25,000 communities countrywide. All told, the programme has directly benefited over 18 million Afghans out of the country's population of 29 million. So what sets this programme apart?

ISMATI: I think the main reason is the design because compared to so many other development interventions in the country, NSP is totally different.

NOLAN: But how does that work in practice? For the NSP it involves a two year process where communities apply for block grants disbursed by the Afghan government. In the first step NGOs, what the programme refers to as “facilitating partners,” reach out to the individual villages to establish elections for Community Development Councils, or CDCs. Once elected, the CDC works with a facilitating partner and identifies a project to serve community needs and then applies for a grant. When the money arrives the CDC organises its development.

AYUBKHAN: The projects implemented are those which a common person needs. Paktika is located in a mountainous region, here in most of the area underground drinking water is not available for the people and bringing water from one area to other is also difficult due to lack of transportation facilities, So people request for Hand pump projects. And the most common types of projects in the province are Hand pumps, Solars, Protection wall, Karez cleaning and Human capital development projects.

NOLAN: So these councils get money from the government to implement basic projects in their communities. About a quarter of the block grants go to transportation infrastructure, another quarter to improving water supply, and the rest is split between irrigation, education, and power. That’s all there is to it. But behind this simple design there are untold advantages. The average value of the block grant that each community receives is \$33,000 and maxes out at \$60,000. According to Kilcullen, the limited amount of cash that can be allocated to any specific project has a number of positive effects.

KILCULLEN: NSP doesn’t create a big target for corrupt actors to come and try and win over a piece of the project.

NOLAN: Part of the project costs also come from the community members themselves. The village is required to contribute at least 10 percent of the costs, either in cash, labour, or in-kind. On average the communities provide 17 percent. This stipulation ensures buy-in from the community—they have a stake in the success of the initiative. So more often than not the projects proceed as planned. But that’s not even the most important thing.

KILCULLEN: Even though the project might be something to do with water or electricity the project is actually the community, not the thing itself.

NOLAN: Before this programme, there was no institution at the local level, managed by Afghans, to organise development projects. Ayubkhan says the Community development councils have even exceeded their mandate.

AYUBKHAN: Our CDC is the base for local governance in the villages. They act as a bridge between the people and the government. Now CDCs can share their problems and necessities with the government and NGO's at provincial and district levels. They are able to resolve their conflicts within the communities by arranging a meeting in the presence of Mullah imam and elder people.

NOLAN: The CDCs have fulfilled the role of interim village councils and will continue to do so until formal elections can take place in the coming years. Ismati explains what this means for development in rural areas.

ISMATI: the important step for the sustainability of the development process is in fact afghan ownership in the capacity building and that's why in order to have a sustainable change in the rural afghan communities we need to develop the capacity of afghans so in the future they can continue to work with those development processes in particular the local institutions at the village level.

NOLAN: So in order to ensure that development in Afghanistan continues, Afghans must be able to organise it themselves, and that is what this programme accomplishes. Benefits are not just at the local level, however; the improvement in governance extends to federal institutions. The NSP is administered by the Ministry of Rural Rehabilitation and Development, or MRRD, one of the few Afghan ministries that has the proven ability to handle a large amount of development funds.

One of the main reasons behind this capacity building that the NSP has resisted brain drain because it can offer salaries comparable to the traditionally better-paying NGOs and contractors. Ayubkhan says that the NSP pays more than a regular government job and if he couldn't find a position at NSP he would certainly work for an NGO. Ismati's story is similar. For 12 years he worked in Afghanistan for NGOs and the United Nations on development and humanitarian projects.

ISMATI: and then I became part of MRRD since five years so I proved to be able leading different important programmes in this ministry and as part of a competition process I was selected, been the director for two years.

NOLAN: Their career paths underlie an important trend. At its inception, the NSP's management consisted solely of internationals. Now the only non-Afghan is in the finance department. This is what the experts mean when they say capacity building: Afghans having the ability to carry out development in their own country.

The NSP is now entering its third phase and the focus is on reaching the remaining 30 percent of communities. The programme also plans to deliver a second round of block grants to a number of past recipients. The present concern, however, is that the remaining areas are the least secure in the country, and effectiveness of the programme will drop since the facilitating partners cannot provide the same oversight to these communities. Ismati has a response.

ISMATI: it's definitely a concern that insecurity will affect our programme sometimes. but what is important that the programme has been led and implemented by the local community in the past seven which we also had some areas that were insecure but the people were quite able to support and defend the programme so given that strong commitment for that programme encourages us that despite problems we might be able to deliver the programme in those remaining areas.

NOLAN: Development can succeed when the villagers invest. In fact, there are reported cases that the community members are defending their local projects from the Taliban, and as a result the Taliban are less likely to attack them. The programme takes small steps by implementing very small projects to ensure that they reach completion and actually contribute to relieving poverty. It will not organise big development projects like highways or railroads, but it's large-scale in the sense that it has improved the lives of so many people across Afghanistan. Overall, this programme strikes a crucial balance between ensuring aid money is spent wisely and making a major impact.

2. Best Practices of Rural Development and Poverty Alleviation in Bangladesh

2.1 Introduction

Bangladesh is a classic example and test case of developing innovative models for rural development. Despite a huge population with relatively low per capita income and low per capita land ownership, the people of Bangladesh are surviving sensibly well. Achievement in human development, specially outcome related to health and education sector in Bangladesh, is also reasonably satisfactory. Above seventy percent of population of this country lives in rural areas. Steady growth rate of agriculture, specially crop sector, plays a vital role for the development, particularly poverty reduction of Bangladesh. Many development programmes are being implemented by the government and non government organisations for wellbeing of the people in rural areas. The economy of Bangladesh mostly depends on the performance of rural economy. The contribution of agriculture in GDP is around 20 percent but it creates around one half of the total jobs. It is clear that contribution of GDP and employment generation do not match properly. For that reason non farm sector is given due priority in the rural areas.

In spite of various achievements such as a near self-sufficiency in food production, curbing population growth rate, increased enrolment rate, reduction of child malnutrition, reduction of maternal mortality, increased access to expanded programme on immunisation, promotion of gender equality in education, increased coverage of sanitary latrine, increased road and mobile connectivity etc., Bangladesh is facing new challenges in the areas of rural development and poverty reduction. These are related to inequality among the people, increased landlessness, arsenic contamination in tube well water, absolute number of poor people, arranging housing for the people etc. In 2010 it was found that around 31 percent of the population lives below the poverty line. For reducing poverty several strategies related to enhancing pro-poor growth, boosting critical sectors for pro-poor growth, ensuring human development and devising effective safety nets and targeted programmes are chalked out by the government.

Ministry of Local Government Rural Development and Cooperatives plays the sheet anchor role in the area of rural development and poverty alleviation. Several organisations GO and NGO are also working in the field of rural development and poverty reduction in Bangladesh. Some of the best practices under different projects and programmes are mentioned below:

2.2 PRDP Link Model for Optimum Utilisation of Scarce Resources through Ensuring Good Governance

Participatory Rural Development Project (PRDP) popularly known as link model was developed by JICA in collaboration with Bangladesh Rural Development Board (BRDB). The model has introduced some innovative components i.e. effective coordination, cooperation, collaboration and participation of different stakeholders in the field of rural development. The uniqueness of the programme is to strengthen existing capacity of local government at the grassroots level for utilisation of scarce resources through increased coordination, cooperation and collaboration. Three structures i.e. Union Coordination Committee, Village Committee and Union Development Officers play vital role for effective service delivery according to the needs of rural people. Generally, Village Committee is formed by the representatives of different *paras* of a village and a Chairperson is selected by consensus. Village Committee meets in a monthly meeting and chalks out the needs of the village. Chairperson or representatives of Village Committees are members of Union Coordination Committees. Besides the representatives of village committees, field workers of different nation building departments posted at the Union level, representatives of NGOs and elected functionaries of *Union Parishad* are the members of UCC. Generally, UCC meets every month to monitor and evaluate different development programmes at the Union level. In these meetings field functionaries of different nation building departments and NGOs provide information on activities of different nation building departments at different areas of respective Union. Chairmen of the Village Committees place the demand of respective villages to this meeting. Chairman of *Union Parishad* chairs the meeting and UDO acts as member secretary of that meeting. UDO coordinates the local activities of UCC and VC at the Union level. This mechanism is found fruitful for effective coordination of all development activities at the Union level and developing collaboration and partnership with similar type of development initiatives. At the same time, resources of different sectors of development i.e. crop, fisheries, livestock, education, health, physical infrastructure can be channelised according to the choice of rural people. As Union Parishad along with different development organisations is to describe the development activities of Union Parishad in this meeting, accountability and transparency of development activities of respective institutions are ensured. The government of Bangladesh has accepted one component of the project namely Union Central Coordination Meeting in the form of Union Development Coordination Committee Meeting (UDCCM) and promulgated a circular to organise monthly UDCCM in every union.

2.3 Comprehensive Village Development Cooperative Society (CVDCS): An Effective Institution at Village Level

Two-tier cooperative society as one of the vibrant components of *Comilla Approach to Rural Development* was evolved by BARD in the 60s to solve the problem of farmers having small holdings. It was felt that modern agricultural technology was not being used by the farmers due to their small holdings. Two tier cooperatives i.e. primary cooperative society at the grassroots level and a federation at the Thana level was developed to facilitate the process of accepting the modern agricultural technology and practices. The two-tier cooperative was found very effective for green revolution in the country. In 1974 it was observed that lot of development organisations were working in the field of rural development and multiplicity of development activities by different institutions created confusions among the service recipients. It was also found that members of a household were involved in different organisations. As a result, resources were split and neither any person or household nor any organisation was able to take remunerative income generating activities due to lack of capital. Under such prevailing situation BARD experimented an action research namely Total Village Development Programme (TVDP). The main theme of the project is 'One Village One Organisation'. The objective of CVDP is to alleviate rural poverty with the goal of comprehensive development of the villages of Bangladesh through income generation and improvement in the standard of living in a planned manner of all people including children and women of all households of all classes and professions through promoting their self initiative and self-reliance by organising them into a single multipurpose village based formal co-operative organisation. All people of catchment areas of society irrespective of age, sex, religion, profession and social status become the members of the society. Inhabitants below 18 years of age are entitled to be the associate members of the village organisation. They can save but they can't purchase share before the attaining of 18 years age. As they are not shareholders they are not entitled to practice adult franchise to cast vote in any decision making process of the society. Local level planning, savings, accumulation of own capital, credit from own resources, adoption of appropriate technology and training are the main components of the programme. Under this programme there are some trained component leaders in the fields of agriculture, fisheries, poultry, livestock, education, primary health care, women development etc. They maintain close relationship with the service providers of respective nation building departments and provide support services according to the need of rural people. It reduces the time and cost including bottlenecks in the process of service delivery by the respective agencies. In the mean time the government of Bangladesh has accepted the concept of CVDP, and

the model is being replicated nationwide through four organisations of the government.

2.4 Capacity Building of People's Organisation under MVRD: An Effort for Developing User Friendly Micro Credit System

Micro credit becomes a very popular strategy for addressing the poverty issue of rural poor. It has created an opportunity to solve the problem of capital scarcity for undertaking small initiatives. But success of micro credit interventions is hindered by high cost of capital and weekly installment procedure. In many cases it is found that the beneficiaries have to start their repayment before going to production. Moreover, due to flat rate calculation of interest the beneficiaries have to pay interest on the beginning amount of borrowed loan and cannot utilise the full amount of loan. As a result, the beneficiaries failed to get expected benefits from the micro credit interventions. From that perspective an initiative was undertaken by BARD in collaboration with CIRDAP to develop a user friendly micro credit system for the rural poor under the banner of Capacity Building of People's Organisation under MVRD. As conventional mechanism, the rural poor are encouraged to form their informal group at the grassroots level. Then they are motivated to form their own capital by weekly savings. Credit is channelised from the commercial bank. Some experimental components of the project are: flexible repayment schedule, reducing balance method for interest calculation and low administrative cost for providing micro credit. Under this project an MoU was signed to provide loan to the beneficiaries at 11 % rate of interest and 5 % service charge. An amount is kept as fixed deposit to the Bank. Usually, the commercial bank provides 150 % of the fixed deposit as credit to the beneficiaries. The beneficiaries are provided loan for one year and they can repay their loan along with interest once in a year. If they want to pay partial or full amount of loan before the end of the loan period the interest is calculated on the basis of period of using the loan. One field worker oversees the field activities. Salary and traveling cost are met from the service charge and interest of fixed deposit. This is a very small initiative, which is presently experimented in one village having 250 beneficiaries. The beneficiaries have found the system very user-friendly. But it needs to be experimented widely before taking any policy recommendations on this issue.

2.5 Small-Scale Water Resource Development Programme: A System for Participatory Rural Development

Bangladesh is enriched with natural water reserve by a wide network of rivers, canals and channels. But natural disasters like flood and drought create problem for

water management in agricultural development. Small Scale Water Resources Development Programme is limited within water resource management up to the command areas of 1000 hectares. The main objective of the project is to make a sustainable increase in agricultural production and incomes of marginal farm families through managing water resources, and to establish sustainable operation and maintenance (O&M) systems for small scale water resources projects through beneficiaries participation. The uniqueness of the project is to develop an interlink between the technological interventions and the community initiatives. Local Government Engineering Department (LGED) in collaboration with different stakeholders implements the project while Water Management Cooperative Association (WMCA) takes responsibilities for operation and maintenance of the programme. The hardware components of the project are: construction of flood protection embankment, conservation of water for irrigation and improvement of irrigation systems, construction of water control structures and rubber dams, excavation and re-excavation of canals and training to stakeholders and WMCA members. The main outcome of the programme is to increase productivity of crop through developing improved irrigation system, flood management, drainage improvement and developing water conservation system. The water management cooperative societies are encouraged to take fishery projects and tree plantation in their common areas. At least one member of each household of the command area of the project is encouraged to participate in the activities of WMCAs. The members of the society are encouraged to accumulate their own capital through share and savings. This amount is also used for common undertakings or providing production inputs to individual member of the society. Besides a certain percentage of total cost of the project needs to be collected from the beneficiaries of the project on the basis of their proportion of cultivable land for developing operation and maintenance fund before implementation of the project. This fund is kept as fixed deposit in a bank by joint signature of Executive Engineer and representative of WMCA. For providing benefits to the landless labourers of the project, Labour Contracting Society (LCS) is formed. 20-25 female labourers or mixture of male and female labourers constitute the LCS to carry out the earth works of the project areas. Payments of the landless labourers are made through the leader of LCS. A committee namely Operation & Maintenance (O&M) maintains proper operation and maintenance of the infrastructures on behalf of WMCAs. After handing over the structures of the project, LGED and WMCA jointly do the operation & maintenance work.

2.6 Vulnerable Group Development Programme (VGD): Blending of Social Safety Net Programme and Capacity Building of the Beneficiaries

Vulnerable Group Development Programme (VGD) is one of the food transfer safety net programmes of the government of Bangladesh. For ensuring food security of the labourer households and vulnerable women households, vulnerable women belonging to reproductive age group are provided a stipulated quantity of food stuff for two years cycle. Department of Women's Affair under the M/O Women and Child Affairs implements the programme nationwide. At least 50 vulnerable women of each union are entitled to be beneficiaries of the programme. Each beneficiary is provided 30 k.g of rice/wheat every month. Some NGOs are given responsibilities to impart training on awareness and skill development. Side by side, each beneficiary needs to save Tk. 40 per month with the respective NGO. After the completion of VGD cycle, the beneficiaries become the regular members of respective Non Government Organisation and enjoy all rights of a regular member of that NGO. It is observed that the system is very good for involving the beneficiaries in the existing poverty reduction programme of the government and non government organisations.

Conclusion

Rural development and poverty alleviation are two widely talked about issues in the third world countries like Bangladesh. Several programmes and projects are being implemented for addressing these issues. Most of the projects have some innovative components. Documentation of these innovative components and taking steps to institutionalise these best practices are the demand of time. From the best practices of above mentioned initiatives, it is clear that a strong institution at the grassroots level, coordinated efforts of local government, ensuring participation of local people and partnership development among government, non government and private organisations are essential for providing need based support services to the rural people. Unfortunately, sometimes it is observed that many projects and programmes bypass the existing institutional structure in providing services to the people. CIRDAP may take initiative to identify the best practices of rural development and poverty alleviation in CMCs and make advocacy to institutionalise these best practices through existing institutional framework of respective countries. Capacity of link institutions of CIRDAP may be utilised for this sort of initiatives.

3. Rural Development and Poverty Alleviation in Fiji

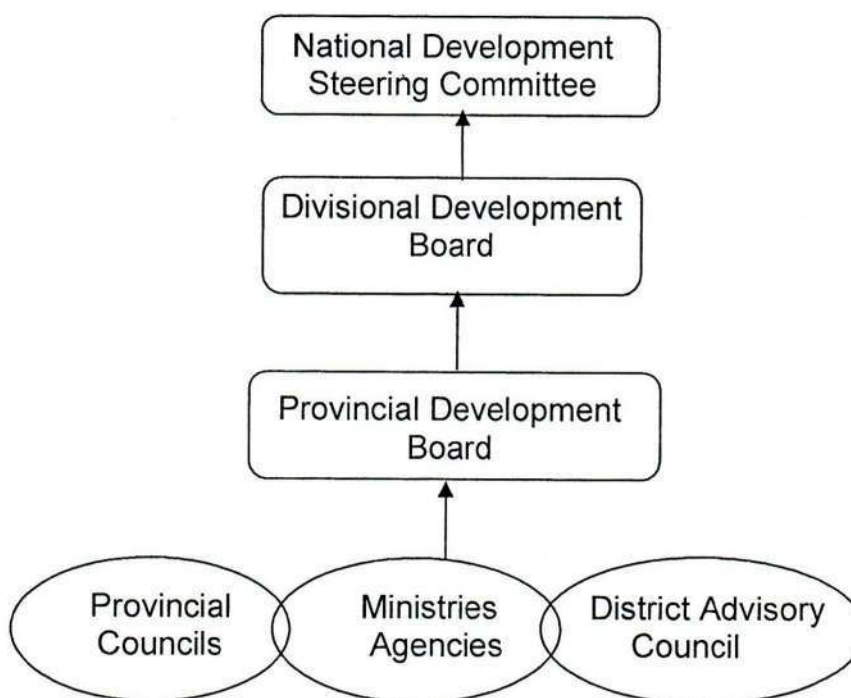
3.1 Introduction

Rural Development in Fiji has been the responsibility of the Ministry of Provincial Development and Disaster Management. Rural Development as structured under the Ministry of Provincial Development is administered at four offices in four regions Fiji wide. These regions namely, *Northern, Western, Central and Eastern Division* is headed by a designated Divisional Commissioner.

Prior to 2009, the introduction of the Integrated Rural Development Framework (IRD) ensures that co-ordination occurred at all levels of planning, implementation and evaluation activities within the Division. District officers have a similar role at district level. This responsibility has been added with the advent and implementation of the IRD framework introduced in 2009.

Fiji has, since 2009, embarked on an integrated approach towards rural development. Within the integrated framework for rural development, Divisional Commissioners have been empowered to devise development plans in their divisions analysing development needs of their regions. Commissioners coordinate and oversee development activities and are consulted on the deployment of civil servants to and from their divisions as well as Chairman of Development Boards.

Fiji's Rural Development Mechanism as of 2009



Source: MPD&NDMO IRD framework

3.2 Government's Poverty Reduction Initiatives

Poverty in Fiji derived from the 2008 to 2009 Household and Income Expenditure Survey based on the 2007 Census recorded a decline of four percent (4%) from the 2002 to 2003 figure of thirty five percent (35%). Rural poverty increased from forty percent (40%) to forty three percent (43%) between 2002 and 2008 with the Northern part of Fiji recording the highest of both rural and urban poverty but the most improved (a decline of 7% of rural poverty from its 2002 figure) in terms of rural poverty. Though declining, government intends to continue the good fight of eliminating poverty at all levels. Some of these strategies include programmes such as:

(i) Food Voucher Programme

Government continues with its social assistance programmes allocating an additional \$1.6 million to extend the Food Voucher Programme to the balance of the recipients of the Family Assistance, Care and Protection Programme.

(ii) Bus Fare Subsidy

To address issues of school dropouts and access to education, government has continued its support towards bus fare subsidy programme, free text books and the upgrading of school infrastructure and equipping of schools.

(iii) Rural Development Programmes

Government continues its infrastructural development programmes. In the Northern Division \$5 million has been allocated for the commencement of an international seaport and the upgrading of island jetties.

(iv) Rural Electrification Programme

The rural electrification programme has received a boost of \$10 million. Grid extension programmes continues to be implemented in parts of the Northern Division.

(v) Committee on the Better Utilisation of Land (CBUL)

CBUL was established by government in 2008. This programme has assisted in the better utilisation of land covered under the Agriculture Landlord and Tenants Act (ALTA) land. ALTA covers agreement between landlords and tenants and is governed and administered by a statutory body known as the I Taukei Land Trust Board (TLTB). At the end of a lease period, land is reverted back to landowners, and

for the most part resulted in land not used for productive purpose. For this reason, government initiated CBUL to oversee the better utilisation of land resulting from expired leases. TLTB expired leases from 1997 to April 2012 indicated a total of 7433 expired cane leases. At the end of April 2012 an increase of renewals from 4273 in 2009 to 5274 was recorded. Government with its stakeholders will continue to consult landowners to give up their reverted land for cane and other agricultural purposes.

(vi) Land Bank

Together with CBUL, government also initiated an opportunity for landowners to deposit land for use by potential investors with government's assistance. This resulted in an approved Land Use Decree in 2010. The law provides the legal framework for leasing ITaukei and state owned land at market rates. It allows for the establishment of a "Land Bank" from which potential investors and farmers can sub-lease or lease land from the State for a lease period of up to 99 years. It also provides the certainty of tenure, improved rental return to the ITaukei landowners and the State and the much needed trajectory to the economy. A number of investments in the rural areas have been done so through the Land Bank. One such example is the land used for Bauxite mining in the Northern Division.

3.3 Current Practices in Rural Development

Together with government programmes other non-government agencies have initiated rural programmes using best practices on rural development and poverty alleviation in Fiji. These practices range from cooperative groups, small and micro-enterprise initiatives including church affiliated rural development initiatives. Some of these best practices initiated to empower citizens, to develop rural communities and reduce poverty are:

(i) Lutu Cooperative

Cooperatives in Fiji, number three hundred and ninety eight (398) according to the Department of Cooperatives last count in 2008. A number of Cooperatives have stood out to be successful cooperatives. One of these success entities has been the Lutu Cooperative which was established in 1948. The Lutu Cooperative is a well-known 'success story' of farmer-to-market cash income generation in a group of three traditional Fijian villages: Nukuloa, Navunivaro and Lutu which together comprise of the District of Nuku in Naitasiri Province in the Central Division in Fiji. The cooperative has secured a contract with Turners and Growers of New Zealand to which they export one container of taro a month, netting NZD \$12,000 per month.

The cooperative has a disciplined weekly routine in which farmers must work on their farm from Mondays to Thursdays and must refrain from drinking *kava* (traditional drink) during the four days. With money earned through their various activities, the cooperative has investments in an Investment Company with term deposits and life insurance. A scholarship fund has also been established for their youths for studies both within Fiji and abroad.

The Cooperative uses a basic simple model where everyone works according to the weekly programme beginning with prayer meetings, scheduled planting and ending with study periods for the children and family prayers. Future plans for the cooperative include expansion into the exporting of cassava, fruits and vegetables, logging, eco-tourism, real estate, handicraft and youth group development.¹

(ii) Tutu Rural Training Centre

The Tutu Rural Training Centre was developed by the Society of Mary in 1969 and is located in Taveuni (Northern part of Fiji). The Centre has over the years developed a unique approach through encouraging young I Taukei (indigenous) communities in Taveuni and Southern Vanua Levu to take up agriculture as an occupation, and to realise the income gains (for themselves and their communities) of growing crops for market sale.

The Centre's core programme involves rotating students between fields allocated at the training centre and their own fields back in their home villages. The young farmers are offered realisable goals to achieve. The full programme takes four years to complete. The principle crop used is yaqona from which high levels of cash income can be realised. Graduates from the Centre are able to successfully operate commercial farms on their own land and are able to draw their own development plans.

(iii) Saraswati Bee Keepers

Saraswati is a beekeeping project with a civil society organisation called Saraswati, located some 19 kilometres from Suva City. Funded by the Australian Government under its AusAid Programme, the organisation is tendered assistance through the provision of small grant. The project has been very successful raking in income of between FJD \$1,000 to \$6,000 per year. Saraswati provides four (4) hives initially to prospective beekeepers in Ra province in VitiLevu as well as training and technical

¹ 'Country Presentation on Rural Development Innovations: Lutu Cooperative, Fiji.' Twelfth FAO Roundtable Meeting for Pacific Island Countries on WTO and Regional Trade Agreements and Provisions. Wellington, NZ Sept 2009.

support in how to keep bees. The project has provided a new source of income in cane growing areas where returns to sugarcane have fallen steeply in recent years. The project offers good prospects of expansion of beekeeping to other parts of Fiji, as well as using the same model for other forms of income diversification in rural areas.

(iv) Northern Development Programme

In 2007, Cabinet had approved the Northern Development Programme and approval by then Minister for Finance and National Planning for the implementation of the programmes by the National Centre for Small and Micro-Enterprise Development (NCSMED). The programme is aimed at enhancing the livelihoods of people of the Northern Division through the development of enterprises.

A number of success stories have been recorded since the inception of the NDP in the North. The programme ranges from pearl farming, to ownership of security business, tractors to improve farm productivity, and sugar yields and provision of outboard motor engines. The programme has seen a major improvement to the standard of living of the recipients.

(v) Small and Micro Enterprises

A considerable number of small and micro-enterprises have been proven to be successful through the provision of grants through NCSMED both in the Northern Development Programme and with projects outside the vicinity of the Northern Division.

Projects are mostly vegetable and cash cropping, floriculture, cocoa farming, bee farming and pearl farming. The projects have assisted in the alleviation of poverty in the various rural areas where they are located as they involve the participation of other farmers and women's groups.

3.4 Fiji's Needs and Interests in Rural Development

Information Technology:

One of Fiji's major interests in rural development is in the area of Information technology. Fiji's rural areas both in the two larger islands of VitiLevu and Vanua Levu and in the maritime zones largely suffer from lack of information on rural development services.

Rural dwellers have had to pay for higher transportation costs to access government services especially in the area of health care. Fiji could use CIRDP's experiments in the use of information technology through video conferencing between patients, counsellors and medical officers through the establishment of tele-centres in remote areas.

Community e-Centres (CeCs) could provide the space for video conferencing and other forms of technology that could enable easier access of information to rural dwellers. CeCs could also be used as training centres for local people to learn computer and ICT skills, for commercial transactions by small, medium and micro-enterprises by setting up e-business web sites. An initiative that has proven to be successful in Fiji is an initiative sponsored by Fiji's Ministry of Women and the Information Technology and Computing Services (ITCS) arm of Government to a group of rural women in Navua, outside of Suva, who were able to market their chutneys through the use of emails and internet provided through a telecentre.

The distance to urban centres to repair computers and other technological machines required for the establishment of CeCs, the lack of skills required to operate computers and other technologies within these rural areas are all factors contributing to the lack of usage of information technology. Mostly rural areas have to depend on the radio for information regarding government and other agencies services on rural development.

(ii) The Need for Geographical Information System: Agricultural and Marine Sectors

An area covering both land and marine resources in Fiji provides an opportunity for Geographic Information System (GIS) for mapping of arable areas and fishing zones.

The agricultural sector in Fiji, being one of Fiji's main economic mainstay crucially needs the dissemination of complete, accurate, relevant, timely and appropriately presented information such as on new varieties, planting techniques and disease prevention which can eventually result in cost reduction and increase in income of farmers.

Food security being one of the challenges of rural development can be maintained through knowledge of arable soil areas and through the advice from the Department of Agriculture on suitable crop yields.

GIS mapping and collation of data on resources available in the rural areas enables responsible government agencies to stock take resources available which could later assist rural dwellers in sectoral productivity in the areas of agriculture and the development of rural non-farm economy.

Access and exposure to updated information on agriculture and non-agriculture sector coupled with the required training from appropriate agencies increases the quality of rural population as productive agents.

The use of Global Positioning Systems (GPS) for fisherman, GPS can capture weather patterns and can assist fishermen on which waters to fish for higher fish yields.

(i) Strengthening Good Governance

Fiji's strength in rural development lies in its decentralised mechanism. The Ministry of Provincial Development and National Disaster Management's structure is extended into the four Divisions in Fiji i.e Central, Western, Northern and Eastern, incorporating the districts. The structure is the most widely decentralised system than any other government Ministry or Department in Fiji.

Similar to any form of bureaucracy, the decentralised mechanism also suffers from issues of accountability and transparency and proper mechanism in place to ascertain the kind of communication and information that must be trickled down from Headquarters to the Divisional and District level and vice versa. There is an overall need to strengthen the capacity of local level institutions and to enhance the participation of rural communities in rural development planning.

Rural development in Fiji requires and overall sustainable planning based on needs rather than irrational planning using technology, which for the most part does not alleviate poverty nor lessen health risks in the rural areas.

Thus, governance could be a key issue and CIRDAP's advice and technical expertise could be well utilised in this area where there could be a review of the Ministry's core programmes and activities and the need to strengthen good governance.

(ii) Overarching Approach on Rural Development

The engagement of consultants to assist the Ministry responsible for rural development and relevant line Ministries that also work in the area of rural development in areas of policy review in order to mainstream policies so as to avoid duplication of government policies is crucial for Fiji. Despite the introduction and implementation of the Integrated Development Framework in 2009 which requires a multi-dimensional and multi-sectoral approach to rural development, the challenge now is on how government can adapt this approach as opposed to the sectoral approach.

Currently, rural development is implemented through a multi-pronged approach by government agencies, NGOs and the private sector and there is an absence of a Government agency that coordinates all rural development policies, programmes and activities. Apart from the absence of a coordinating government agency, efforts by multiple actors, such as those of the NGOs, I/NGOS are not always coordinated with the programmes and activities of government agencies to ensure a more integrated and holistic approach based on strategic partnership and collaboration.

There is a need to build an effective coordination mechanism to coordinate and regulate rural development efforts which are carried out by several agencies of government, non-government and private sectors. Coordination of rural developments efforts by a government agency will enable the exchange of experience, knowledge and information to contribute to the improvement of planning and implementation.

(iii) Development of Non-Farm Rural Activities

With the high concentration of agricultural activities in Fiji's rural areas, and the high production of certain agricultural produce flooding the markets, rural areas can benefit from the expansion of agricultural produce to be processed through the development of agro-industries.

(iv) Infrastructural Support for Rural Development

Government is currently working towards the provision of better infrastructure that links the urban to the rural areas. Rural development cannot be lopsided and maintenance of the link between rural and urban areas is vital for rural development. Rural areas still lack the requisites of rural development such as roads, communication, power, etc. Much improvement is still required in the areas of health, education, housing and sanitation.

3.5 Conclusion

The Fiji Government is committed to developing rural areas through the improvements to its rural development practices and programmes. The development of viable economic activities through the opening up of industries such as bauxite mining, wood chips and the promotion of small and medium enterprises together with infrastructural improvement attest to this. The various government programmes such as the “Look North Policy” targeted at improving livelihood and education access in the Northern Division further demonstrates government’s strong commitments to improving its rural development strategies to enhance rural development and continue to reduce poverty level.

4. Rights Based Wage Employment in India

4.1 Background

The Census of 2011 estimates that 70% people continue to live in rural India. A very large proportion of them are either wholly or significantly dependant on their livelihoods on farm activity – be it crop agriculture, horticulture, animal husbandry or fisheries. The expansion of income opportunities in the farm sector and a progressive absorption into non-agricultural activity is the most potent weapon for reducing poverty. Expansion of non-farm income opportunity in rural areas also has enormous potential and a great deal of this is related to farm activity – such as post-harvest operations, maintenance of farm equipment etc. There is therefore a virtuous cycle inter-connecting the expansion of farm economic activity and that of rural non-farm income opportunities. The development and transformation of the rural economy requires rapid expansion of employment and income opportunities, both on-farm and off-farm.

This in background, a landmark legislation in Indian history of social security legislation had taken place in the year 2005. The National Rural Employment Guarantee Act, which was later christened as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), was the landmark legislation in the context of social security legislation after independence.

There were two important ideas behind MGNREGA. The first one was 'assured employment as a social security measure' and the other one was 'to keep employment schemes under rights framework'. The attention on social security emanated from the fact that Indian economy has been growing rapidly with increasing inequalities. The thinking behind in this regard was MGNREGA may take care of the re-distribution quite well.

In view of the reasons cited above, MGNREGA emerged not only as mere providing wage employment but also for addressing issues like creating productive assets, empowering women, reviving local economy, strengthening grass-root institutions, reducing distress migration and protecting environment etc.

4.2 Objectives of the MGNREGA:

- Providing wage employment opportunities;
- Creating sustainable rural livelihoods through regeneration of the natural resource base i.e. augmenting productivity, and supporting creation of durable assets; and

- Strengthening rural governance through decentralisation and processes of transparency and accountability.

4.3 Goals of MGNREGA

The main goals of Mahatma Gandhi NREGA stated as follows:

- i. Create strong social safety net for the vulnerable groups by providing a fall-back employment source, when other employment alternatives are scarce or inadequate.
- ii. Stimulate growth engine for sustainable development of agricultural economy through the process of providing employment on works that address causes of chronic poverty such as drought, deforestation and soil erosion. The Act seeks to strengthen the natural resource base of rural livelihoods and create durable assets in rural areas. Mahatma Gandhi NREGA has the potential to transform the geography of poverty if implemented properly and effectively.
- iii. Empowerment of rural poor through the processes of a rights-based law.
- iv. New ways of doing business, as a model of governance reform anchored on the principles of transparency and grass root democracy.

The Act ensures 100 days of guaranteed employment to every rural household in a year on demand by the wage seekers. Thus, it differs from other schemes because it guarantees the rural poor the right to demand for employment and in case their demand is unmet, they are eligible for unemployment allowance. The Act made supplementary livelihood in rural areas through unskilled manual work a legal right. Any rural household seeking unskilled manual work could register its family in the Gram Panchayat and obtain a job card. With the possession of a job card, the registered rural household could apply for work for at least 100 days in the Gram Panchayat. The regime of right to livelihood was to be financially supported by the Central (90 % share of funds) and State (10% share of funds) Governments. State Governments were made responsible for ensuring the guarantee of livelihood and timely payment of wages. State would provide the necessary technical and administrative support through the Districts and the Blocks to ensure proper implementation of the Act. The State Government is provided with six per cent of administrative expenditure from the total expenditure incurred towards implementation (administrative expenses) of the programme.

4.4 Salient Features of the MGNREG Act:

The programme's efficacy is based on the logic of using the productive capacity of ordinary rural folk to build and nurture assets, while simultaneously alleviating the problem of chronic unemployment and poverty. The major salient features of the programme is listed below:

- Wages to be paid every week not later than a fortnight.
- In case of any delay in the payment of wages, labourers entitled to compensation as per the Payment of Wages Act.
- No gender bias permitted. Equal wages for both men and women.
- Provisions made for compensation and treatment in case of injury
- Work-site facilities like on-site safe drinking water, crèche facility for small children below 6 years age, shade for rest and a first-aid box.
- Contractors and labour displacing machines are the two non-negotiable.
- At least 60 per cent of the project cost should be incurred towards wages.
- At least 50 per cent of the projects, in terms of value, to be implemented through the gram panchayats which must prepare a development plan.
- The Programme Officer is responsible for the implementation of the employment guarantee programme in the block.

4.5 Main Components of the MGNREGA:

As per the Schedule I of the Act, the programme focus on nine permissible works. They are:

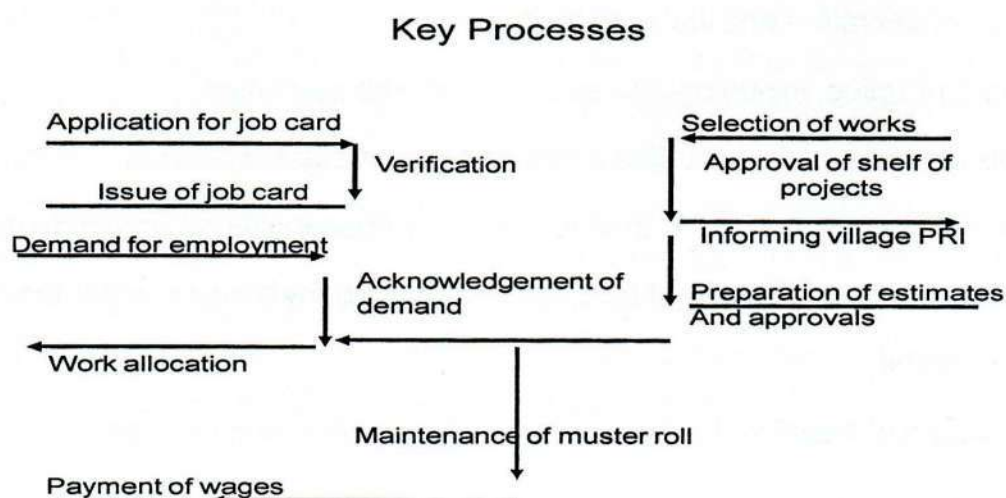
- Water conservation and water harvesting,
- Drought proofing, including afforestation and tree plantation,
- Irrigation from canals, including micro and minor irrigation works,
- Provision of irrigation facility to land owned by households belonging to the
- SC/ST or the beneficiaries of land reforms or the beneficiaries under the Indira
- Awas Yojana,
- Renovation of traditional water bodies, including de-silting of tanks,
- Land development,
- Flood-control and protection works, including drainage in waterlogged areas.

- Rural connectivity to provide all-weather access. The construction of roads may include culverts where ever necessary and within the village area along with drains, and
- Any other work that may be notified by the Central Government in consultation with the State Government.

4.6 Rights of Beneficiaries/Target Group:

- Adult members of every rural household who are willing to do casual manual work at the statutory minimum wage may apply to the gram panchayat for registration.
- Registration valid for a period not less than five years, and renewable.
- Employment to be provided to every registered person within 15 days of receipt of an application.
- Wage seeker should demand for at least 10 days of continuous work.
- Gram panchayat to accept valid applications and issue a dated receipt to the applicant.
- Applicants provided with work to be notified in writing.
- Employment to be provided within a radius of 5 km. If work is provided beyond 5km, it is to be provided within the block, and the labourers paid 10 per cent of the daily minimum wages extra.

Key processes involved in implementation of MGNREGS is elucidated through the Figure given below.



4.7 Utilisation of Funds:

The Director, Mahatma Gandhi NREGS will consolidate the budget claimed by the districts and submit the proposal to Joint Secretary, MoRD, Government of India. The Centre releases the funds in two installments. The first tranche is released on 31 March of every financial year. Mahatma Gandhi NREGA started with an initial outlay of \$2.5bn (Rs 11300cr) in the year 2006–07. The performance and funding of Mahatma Gandhi NREGA has been captured and placed below:

Table: Performance and Funding Pattern of Mahatma Gandhi NREGA during 2006-07 to 2011-2012

| Year | Budget Outlay (Rs. in Crores) | Total available fund (including OB) (Rs. crore) | Expenditure (Rs. in Crore) (% against available funds) | Total Job Cards issued (in crore) | Households provided Employment (in Crore) | Total Employment days (in crore) mandays | Person days per household |
|---------|-------------------------------|---|--|-----------------------------------|---|--|---------------------------|
| 2006-07 | 11300 | 12073.55 | 8823.55 (73%) | 3.78 | 2.10 | 90.5 | 43 |
| 2007-08 | 12000 | 19305.81 | 15856.69 (82%) | 6.48 | 3.39 | 143.59 | 42 |
| 2008-09 | 30000 | 37397.06 | 27250.10 (73%) | 10.01 | 4.51 | 216.32 | 48 |
| 2009-10 | 39100 | 45682.46 | 37909.78 (83%) | 11.25 | 5.25 | 283.59 | 54 |
| 2010-11 | 40100 | 52648.89 | 39377.27 (74.8%) | 11.98 | 5.49 | 257.15 | 47 |
| 2011-12 | 40000 | 41563.51 | 37548.79 (90%) | 12.28 | 4.98 | 211.42 | 42 |

(Figures in brackets indicate the Percentage of expenditure)

HH: Households OB: Opening Balance

Source: www.nregs.nic.in as on May 28, 2012

The programme incurred an expenditure of about 80 per cent of the allocated funds per annum and however, generated only 48 days of employment per household on an average. Yet there is huge potential to achieve the desired objective).

4.8 Impact of the Programme:

i. Impact on Poverty

Employment opportunities and wage rates have gone up leading to significant decline in rural poverty. At the National Level, the average wages paid under

Mahatma Gandhi NREGA has increased from Rs.65 in 2006-07 to Rs.84 in 2008-09. The agricultural wages have increased by 1 to 2 folds depending on the awareness generated among the landless agriculture labourers through Mahatma Gandhi NREGS. On contrary, the farmers are witnessing decline in the net profit from agriculture due to increase in share of labour component in total cost of cultivation.

ii. Impact on Income and Purchasing Power

On an average, the rural households are earning an income of Rs. 8000 to Rs. 10,000 additional income from Mahatma Gandhi NREGS. The wage seekers are able to spend 50 percent of their additional income towards food consumption, 20 percent towards clothing, 10 per cent towards health, 10 per cent towards education of their children, 5 per cent on savings and another 5 percent on purchasing their household articles. The proportion keeps changing based on their immediate requirements.

iii. Impact on Natural Resources

Execution of soil and moisture works under water conservation and water harvesting category and works such as Continuous Contour Trenches (CCT), Staggered Trenches (ST), check dams, percolation tanks has resulted in raise in water table by 5- 10 feet in the down-stream depending on rainfall pattern in the given area. Greening of rural India is achieved through category – II works such as avenue plantation, block plantations, agro-forestry and social forestry systems under Mahatma Gandhi NREGA. In Financial year 2010-11, 61.62 lakh works have been undertaken, of which 48% relate to water conservation, provision of irrigation facility to individual beneficiaries, flood control, drought proofing; and renovation of traditional bodies constituted around 27%; rural connectivity 10%; land development 13% and remaining 2% of works related to other activities.

iv. Impact on Rural Governance Structure

Panchayati Raj Institutions and Gram Sabhas have been activated. The Gram Panchayat is empowered to identify the shelf of works which acts as growth engine to enhance agricultural productivity. The GP elected representatives and officials identify the works in a participatory approach involving all stakeholders of village community and line department officials. However, the works are still being identified in top-down approach, as the awareness levels among rural household are at low.

4.9 Convergence - Good/Best Practices:

Since the programme has been in operation for last 6 years across Indian states, the administrators i.e. the District Programme Coordinator (DPC) and Programme Officers (POs) at district and block level respectively initiated several innovative practices while implementing Mahatma Gandhi NREGA. The DPCs (District Collectors) are the nodal and pivotal anchors of the poverty alleviation as well as development programmes in the district and are addressing the challenges faced by the poor in rural areas. MGNREGS has been the main-stay while providing the wage employment and emphasis on natural resources management, the programme has significant contributions in terms of convergence with other poverty alleviation and area development programmes.

4.10 Convergence between Mahatma Gandhi NREGA and Watershed Programmes:

Under Mahatma Gandhi NREGA almost all the activities required for watershed development are permitted. Convergence between Mahatma Gandhi NREGA and Watershed Programmes of DoLR are mutually beneficial for rain-fed areas.

Parameters of Convergence:

Works identified under Mahatma Gandhi NREGA for convergence will be planned and executed within the parameters of Mahatma Gandhi NREGA, i.e.

1. The cost of material component of projects including the wages of the skilled and semi-skilled workers taken up under the scheme will not exceed forty percent of the total project costs.
2. As far as practicable, all activities funded under the scheme will be performed by using manual labour and not machines.
3. No Contractors shall be engaged in execution of the works.
4. Where convergence between Mahatma Gandhi NREGA and a watershed programme funded by DoLR is envisaged, the tasks/ structures/ activities to be undertaken by Mahatma Gandhi NREGA will be identified by the Programme Implementation Agency (PIA) preparing the DPR for the watershed programme. The following line departments can play a key role in making convergence a reality.

The following are the Line Departments engaged with Mahatma Gandhi NREGA activities:

- **Agriculture & Soil Conservation:** Land Development, Water Harvesting & Conservation and Farm Development
- **Fishery :** Creation of fishery tank for Pisciculture
- **KVK:** Creation of nursery, fodder cultivation, organising trainings
- **Forest Department :** Nursery & plantation; Water harvesting structure / Ponds
Forest Roads; Elephant proof trenches; Small irrigation; Flood protection
- **DRDA:** Assistance to SHGs for creation of nursery; Training
- **PMGSY :** Construction and development of village roads

Case 1: Development of Panchayat Land through Convergence

A total of 40 Hectares of Panchayat land in the village was given to four SHGs (10 Ha each) of 10 members each, for carrying out the various Mahatma Gandhi NREGS works. Each of the SHGs was provided with a well for irrigation of their respective land through the NREGS sub-scheme of Kapil Dhara. Along with this, an electric water pump was also provided through the SGSY scheme. On this land, the SHGs have carried out the plantation of various trees which include Mango, Jack Fruit, Cashew and Bamboo. The Mango trees (local variety) planted in the area have all been grafted with other high yielding varieties, with help from the Horticulture Department personnel. The area also has a natural watershed in the form of a pond. This pond was also leased to one of the SHGs for fishing activities. The group not only received technical assistance from the Fisheries Department for carrying out their activities in a better manner but they also received training in fishing net-weaving. The Fisheries Department has also provided the group with fishing nets, fish seeds, etc on loan. The groups have also received a loan of Rs 2 lakh (with Rs 1 lakh as subsidy) from SGSY, and also assistance from SGSY for Dairy Development. The manure obtained from the animals is being used for the agriculture fields and also developed a Nursery on this land and profited by selling of the plants. Some are growing vegetables such as Tomato, Brinjal, etc. as well as Wheat and Maize on their land.

Case 2: Construction of Toilets (Sanitation)

This case presents a convergence initiative between Mahatma Gandhi NREGS and the Total Sanitation Campaign (TSC) for the construction of toilets. Here, the brick work for the toilet was carried out under TSC, while the leach pits and plantation of five fruit plants was carried out under Mahatma Gandhi NREGS, under the sub-scheme Nirmal Vatika. The manure prepared in the leach pits was later utilised for the agricultural fields. The expenditure for the construction of toilets was borne by both the schemes together, with TSC's contribution towards the brick work, while NREGS contributed for digging two leach pits and five pits for plantation. The leach pits were lined by a porous brick lining for water permeability.

4.11 Sustainability:

As one of the largest job oriented wage employment programmes in history of India, Mahatma Gandhi NREGA often gets a bad rap from those who think it does not contribute to growth and suitability — that it amounts to giving people fish, rather than teaching them how to fish, to use the Chinese expression.

Mahatma Gandhi NREGA was felt to have unwittingly contributed to a de-skilling as many crafts people abandoned their work to shovel soil and build ditches, because it was a reliable source of income. Greater sustainability to Mahatma Gandhi NREGA employment is possible by investing in skill-formation. The National Council on Skill Development to make sure that the original intent of the scheme is not diluted, going to be rolled out in a calibrated way and meant for those who have already completed the required number of days of unskilled manual labour. Also, it will focus largely on artisanal skills.

Mahatma Gandhi NREGA has phenomenal scale and covers all the districts across India, and will help provide a real database so that the skill development programme can have greater range and depth. This will add greater heft to the programme, which aims to massively expand the skilled pool of workers in health, information technology, tourism and hospitality, with private sector cooperation. This plan would not only raise the Mahatma Gandhi NREGA profile and make it a productivity-enhancing scheme rather than simply welfare, it would also make a huge difference to the skilling project, so crucial if India is to make use of its demographic advantage. At a less abstract level, it could stop the free fall of Indian craftsmanship, the slump in self-belief among artisans who now feel that digging a well gives them greater returns and security.

5. Programme Nasional Pemberdayaan Masyarakat Mandiri Perdesaan Indonesia's National Community Empowerment Programme (RURAL)

5.1 Background

Indonesia's National Community Empowerment Programme was established in 2007 and continues to operate. PNPM Mandiri Perdesaan, the rural version of this programme, was based on an existing programme called the Kecamatan Development Programme, which was established in 1998. There are many versions of the National Community Empowerment Programme, including an urban version and many others from various sectoral agencies, but PNPM Mandiri Perdesaan is by far the largest and most successful programme for rural development and poverty alleviation in Indonesia. Over the years, KDP and PNPM Mandiri Perdesaan were revised and tried to improve the quality of results as well as the long-term benefits towards achieving community empowerment.

5.2 Objectives

The goals of PNPM Mandiri Perdesaan include all the following:

- * Improve the participation of all community members, especially the poor and women, in decision-making about planning, implementation, monitoring and maintenance of development activities.
- * Institutionalise participative planning, utilising local resources.
- * Increase the capacity of village government in facilitating the management of participative development.
- * Supply basic social and economic infrastructure based on community priorities.
- * Institutionalise revolving fund management.
- * Support the formation of intervillage cooperation.
- * Develop cooperation among the various stakeholders in rural poverty alleviation.

5.3 Major Activities

There are five major activities of PNPM Mandiri Perdesaan. As activities are selected using an open menu that allows villages to select what they give priority to, with just a few potential activities not allowed because of potential negative impacts or funding conflicts. The main activities include:

- Rural infrastructure, including roads, bridges, water supply, sanitary facilities, irrigation dams and canals, jetties, markets, electricity generation, schools, and health facilities

- Women's Savings and Loan groups, which can receive up to 25% of funding in each district, with funds loaned to established women's groups for a variety of purposes. Repaid loans enter into a revolving fund that continues indefinitely.
- Education activities besides the construction of schools and other facilities, including scholarships, teacher improvement, and libraries
- Health activities besides the construction of health facilities, including, among other things, immunisation, mother and child health care and supplemental nutrition, and medicines.
- Training activities for community groups

Other major activities that occur as part of PNPM Mandiri Perdesaan include participatory planning activities, including long-term planning, community training in various roles associated with programme management and supervision, and training of sub-district financial offices run by persons selected by the communities.

5.4 Beneficiaries and Target Groups

PNPM Mandiri Perdesaan is targeted at the poor and powerless in rural communities. Decision making is done by involving as many persons as possible in various village and intervillage level meetings. Work in the field is directed towards available village workers without the use of contractors. Management is performed at the village level by teams selected in village-wide meetings.

In selecting activities and assigning priorities, primary consideration is given to locations and activities aimed at the poor. During activity selection, an equal opportunity is given to women to propose activities, so that each village may propose one joint proposal and one women's proposal.

The microcredit component of PNPM Mandiri Perdesaan is targeted at existing women's groups.

5.5 Organisational Structure and Mechanisms

The organisational structure of PNPM Mandiri Perdesaan is complex because it involves so many participants, but it is essentially modular in design. The main programme budget is prepared nationally, but portions of the budget are assigned to deconcentrated activities based at the province level or to funding allocated to the district levels. The government offices, the consultant and facilitator teams, and the communities have their own structures.

The government's executing agency is the Directorate General for Community and Village Empowerment, a part of the Ministry of Home Affairs. Each province has an agency also connected with Community and Village Empowerment, reporting to its Governor. Each district also has a similar office reporting to the district head, called the Bupati. At the subdistrict office, there is an office head and a section chief involved in PNPM. At each level there are officially appointed programme managers who are responsible for management and funding delivery at that level.

There are more than 13,000 facilitators and consultants involved now in PNPM, with the large majority assigned to the subdistrict level in order to facilitate activities in the various villages. Each subdistrict has a single civil engineer and a single empowerment facilitator. The districts each have three senior facilitators: technical, financial, and empowerment. District and subdistrict facilitators are contracted by provincial governments, under the supervision of the national project manager. Provincial offices each have a small team of 8-14 persons who monitor and supervise activities in the field. The field is divided into seven regions, each of which is staffed by nine senior specialists. They are contracted by a regional firm and under the direct supervision of the national consulting team, which is contracted by the national government. The NMC team has fifty positions, who are responsible for various specific aspects of PNPM Mandiri Perdesaan.

Communities are involved individually and in intervillage activities. Each village selects a number of persons to be involved in managing, supervising, and monitoring activities, trained by the facilitators. At the intervillage level there is a financial unit that distributes funds according to the agreed upon budget, and there is a more general intervillage coordination board. The village institutions were established uniquely by PNPM.

PNPM has a standard cycle of activities, beginning with an intervillage socialisation meeting, followed by village meetings and generation of ideas that culminate in a pair of proposals per village. At an intervillage meeting priorities are determined by the community representatives (not officials). Designs and budgets are then produced and later ratified at an intervillage meeting. Implementation is done by each village, with funding channeled through a financial management unit at the subdistrict. Funding is normally received in three steps. There are three meetings at which the village implementation team reports back about their accountability and accomplishments. Maintenance is done by the villages once activities are completed.

Supervision is done by communities, by facilitators and consultants, and by local government. At the national level there are also supervisory activities joined by government officials, donor staff, and national level consultants.

5.6 Cost and Sources of Funding

PNPM now absorbs more than a billion dollars a year in funding. While at the beginning of KDP the programme was 100% based on loans from the World Bank, over time the largest portion of the funding has come from Government of Indonesia funding. Many activities have been funded by bilateral grant funding from other countries and funding institutions. The list of donors over the years has included Australia, the Netherlands, Canada, Denmark, the United States, Japan, Great Britain, IFAD, and the IDB.

When large-scale natural disasters have occurred, one mechanism of the Government of Indonesia has been to utilise the mechanisms and personnel from PNPM Mandiri Perdesaan to assist in rehabilitation and reconstruction. Many donors also contributed specifically for disaster funding, and all of these have been grant funded.

Funding to subdistricts is determined at the national level based on population, poverty levels, and difficulties. The largest amount per subdistrict is three billion rupiah per year, which is more than \$300,000. Some locations receive a smaller amount.

5.7 Coverage

PNPM Mandiri Perdesaan is currently active in 32 of Indonesia's 33 provinces (The capital region of Jakarta has no rural districts or subdistricts). It is active in 393 districts throughout the country, which is basically all the districts in Indonesia. Only a few cities contain rural subdistricts. In 2012, PNPM Mandiri Perdesaan is active in 5100 subdistricts, with every village in each subdistrict eligible to participate, with an average of about 14 villages per subdistrict. So in all, there are about 70,000 villages eligible to participate, although not every village receives funding every year.

5.8 Input, Output, and Impact

Input to PNPM Mandiri Perdesaan is from three sources: the enormous national budget, local government required contributions, and community contributions. Local government contributions have been standardised, and in addition to these portions of the budget, the local government also provides supervision through its teams.

Community contributions are not required, remembering that the poorest villages cannot afford to contribute much at all, but have averaged about 17% of the overall budgets in the field. Their contributions include materials, labour, land, and infrequently cash.

Besides these contributions to village grant activities, there are other activities funded through PNPM. A grant is given to each subdistrict to support participative planning, including long-term plans. A grant is also given to support community training of the various actors involved in PNPM at the village and subdistrict levels. Much support is also given to supporting the training of facilitators and the training of local government officials.

A large portion of the budget input are used for hiring consultants and facilitators, who are given preservice training and refresher training regularly. In addition they attend routine meetings at which they receive some in-service training.

Output of the programme has also been enormous:

- The amount of infrastructure built has been enormous, with the largest share of the budget spent on access roads. Thousands of bridges have been built to make roads function well.
- Water supply systems have been installed widely, and for the most part they have been quite successful and maintained well.
- Enormous numbers of other kinds of infrastructure have been built throughout Indonesia.
- Millions of persons are active in the construction of village infrastructure and other activities. They are paid for their work depending on the number of person-days of work accomplished. For the most part, local materials are collected and paid directly to the persons working on material collection, although villages may procure materials and equipment on their own.

The impact of PNPM has been highly significant. Returns on investment for infrastructure have been very high, averaging more than 30% per year. The vast majority are being maintained reasonably well, and in fact much of the infrastructure has been upgraded by communities or local government.

The impact of the microcredit activities is being explored now. While most funds are repaid on time, there is a question about the returns of their investments. This is one area that can be improved upon.

One outstanding fact about PNPM Mandiri Perdesaan is the very low level of corruption that has taken place. Implementation is completely in the hands of communities, assisted by facilitators and local government. Social control is very high. While some malfeasance has occurred. There are mechanisms in place to report problems and to act on those problems that have been verified.

5.9 Monitoring and Supervision

Rural PNPM operates in a high risk environment, so it is important to ensure that effective monitoring and control systems are in place to ensure that programme funds are used for the purpose that they were originally intended. The main components of Rural PNPM monitoring and supervision system are:

- a. Participatory monitoring by communities. The most effective kind of monitoring is conducted by the programme's beneficiaries themselves to scrutinise project implementation and financial management. KDP villages.
- b. Monitoring by local government. Rural PNPM funds are public funds. Therefore, local government has authority to ensure that all programme activities are implemented in accordance with the programme's principles and procedures. All levels of government involved with Rural PNPM (local legislatures, provincial and district coordinating teams, head of district, head of sub district and sub district administration officials) have a responsibility to help monitor programme implementation.
- c. Monitoring by consultants. Programme monitoring and supervision are also the responsibility of the programme's consultants and facilitators. Consultants at the national, provincial, district, sub district and village levels all have specific monitoring responsibilities within the programme. Consultants are constantly traveling between project field locations providing technical guidance and supervision to communities implementing sub projects.
- d. Complaints handling mechanism. Community member can ask questions or make complaints directly to programme facilitators, government staff, NGOs or they can send complaints directly to the programme's central office. Rural PNPM has special complaints handling units at the central and provincial levels to record and follow up questions and complaints received from community members.
- e. Independent monitoring by civil society organisations. Civil society groups like NGOs and journalists also act as independent monitoring agents for the programme.
- f. Financial supervision and programme audits.

5.10 Sustainability

One of the main concerns about PNPM Mandiri Perdesaan is how to ensure that its results will be sustainable. Regarding this, there are three main concerns:

- Infrastructure must be maintained by communities, normally without external funding from district, provincial, or national agencies. To achieve this, the communities receive training on maintenance needs and methods, and locations are monitored regularly.
- Revolving funds have grown over the years, to the point where now there is more than \$600 million dollars in revolving funds. Community organisations are trained to manage these sub-district-based activities, although improvements are still needed.
- The main impact of PNPM Mandiri Perdesaan might be on the mechanisms of planning and implementation that communities become familiar with. Some higher level agencies have adopted specific PNPM-based practices into their regular programmes. To promote this, many areas have integrated PNPM activities with regular government planning. Transparency, participation, and accountability have become more important in all activities due to their promotion in PNPM Mandiri Perdesaan.

5.11 Possibilities of Replication

It is quite feasible that PNPM activities can be replicated in other countries, although with modifications based on local needs, government structure, availability of facilitators, and funding mechanisms.

Many countries have visited Indonesia to witness PNPM activities in the field, and many of them have created programmes in their own countries including much of what was learned in Indonesia. Visitors have included groups from Afghanistan, the Philippines, Bangladesh, Timor Leste, Mongolia, Ghana, Nigeria, Guinea, Cambodia, Laos, Vietnam, and Sri Lanka,

The National Solidarity Programme in Afghanistan is a very successful programme that has been operational many years throughout the country, and it originally based on the Kecamatan Development Programme, modified to fit the local situation. Programmes in other countries have similarly utilised insights from PNPM or KDP at the time of programme design.

6. Nongovernmental Agriculture Technical and Engineering Consulting Services Network in Iran

6.1 Introduction

Rural development is a holistic approach, which involves changes in social, economic, cultural, infrastructure, environmental and management dimensions. Order and priorities with regard to these dimensions may differ according to time and place. Generally speaking, however, they need to be considered in a holistic manner. This can only be done through adopting a cross-sectoral approach to rural development and implementing appropriate policies and plans coordinated work of all of the concerned institutions.

In the Islamic Republic of Iran, rural development is expedited under the imperatives set by the upstream overriding documents such as the National Vision 2025, and the 4th and 5th Five Year National Development Plans. The following criteria guide the process for rural development in Iran:

- Sustainable and continuous development.
- Knowledge-based development.
- Active linkage with the global economy.
- Appropriate living standards.
- Local security
- Sustainable environment.
- Balanced development of different regions in the country.

As per legislation, the main task of policy making and planning for rural development is bestowed to the Ministry of Jihad-e-Agriculture. In the operational aspects of rural development, however, various agencies are involved and are implementing a wide range of activities and development interventions in the rural areas.

The Ministry of Jihad-e-Agriculture, true to its missions, has the most influential role in rural development. According to the 2011 figures, about 29 percent (21.7 million persons) of the total population (74.9 million) lives in the rural areas in totally 40,000 villages. The dispersion of the rural settlements across the country has made the rural population the main users of the natural resources.

6.2 Nongovernmental Agriculture Technical and Engineering Consulting Services Network

Establishment of the Nongovernmental Agriculture Technical and Engineering Consulting Services Network is one of the successful cases accomplished in the

Islamic Republic of Iran, which has been facilitated by the Ministry of Jihad-e-Agriculture as one of the pre-requisites for sustainable rural development. As a new approach to privatisation, the project was implemented with the cooperation of the Agricultural and Natural Resources Engineering Organisation since 2007. Now more than 1, 800 technical advisory companies have been activated in the rural areas. According to the development plans, the number of the companies will soon reach to 6,200 organising about 56,000 agricultural engineers.

The Nongovernmental Agriculture Technical and Engineering Consulting Services Network is a non-governmental technical engineering system created with the participation of agricultural educates. The aim of the network is to supply technical information needs of the farmers, improve farm management and extend new technologies in agriculture and rural development. With the development of this system, the weakness in limited expertise at the local level, slow flow of information between the down approaches are effectively resolved.

The following principles are served with the establishment of this network:

- Empowerment of the farmers and creation of demand for appropriate technology and technical services.
- Strengthening small and medium size production systems.
- Decentralisation of planning and decision making for agricultural services.
- Commercialisation for enhancing productivity.
- Assuring sustainable use of natural resources.
- Elimination of bureaucracy.
- Strengthening the linkage between, the farmers, and research and employment opportunities.

6.3 Goals and Objectives

The goal of this project was to enhance the linkage between the farmers and increasing the role of the non-governmental institutions in rural development. The objectives of the project are to:

- Address the farmers' need to information and technology.
- Supply technical services, specialised advice, and supply and distribute inputs needed by the farmers.
- Commercialise production through improving management practices and production process.
- Organise vocations related to agriculture.

- Assure the participation of farmers in the planning, decision making and policy making processes.
- Exert technical monitoring and control in production units for safe production.
- Create job opportunities for agricultural graduates.
- Enhance farm management and productivity of production sources.
- Assure the participation of subject-matter specialists.
- Develop and expand technical and engineering services by the private sector.

6.4 Income sources of the companies participating

In addition to a commitment by the Government to support them for five years (subject to their effective performance), the following sources are envisaged to assure a reasonable income flow to the participating companies.

- Outsourcing of activities that used to be performed by the Government in the area of agricultural technical services.
- Supply of bank facilities, credits and technical support by the Government.
- Income from paid technical services to the farmers.
- Support received from the private manufacturers of agricultural inputs.

6.5 Offices/venue of the companies

The companies are given offices in the venues of the existing governmental Agricultural Services Centers and Extension Houses for five years, subject to certain rules and regulations.

6.6 The constituting pillars of the network

The network has two main and secondary pillars:

Main organs of network are consisted of field consultants and consulting service companies in which a systematic process interact with the other related sub-entities.

The sub organs of the network include:

- Input services companies
- Agricultural Mechanisation and machinery
- Agricultural scientific associations
- Credit cooperatives and credit funds
- Information technology centers
- Private agricultural training institutes

- Producers and distributors of agricultural inputs Producers unions
- Members of agricultural trade associations
- Insurance companies

6.7 Functions of the network

The main function of the network is to provide consultancy, training, information and communication, execution and investment, social security insurance and agricultural crop insurance services and provision of participatory, cultural and sport activities for the farmers and rural population covered by the network. Following are details of functions anticipated for the network:

- (i) **Training services:** Provision of training courses, Internal and abroad training and visit programmes, preparing standards for professional training, training need assessment, establishing private agricultural training and centers, conducting extension courses.
- (ii) **Information and communication services.** Establishing local and regional information dissemination centers, setting up information banks for farmers and producers and agricultural input and services suppliers to the farmers. Provision of internet and ITC services to the farmers.
- (iii) **Implementing services:** It includes agricultural input, seed and sapling, fertiliser and chemicals, machinery production and distribution network, execution of projects and programmes related to land improvement, mechanisation and irrigation, preparing rural development projects, establishing agricultural machinery repair shops, provision of livestock services, execution of projects related to increasing production of agricultural crops and livestock products, marketing of agricultural crops.
- (iv) **Financial and investment services :** Establishing micro credit funds for attracting small rural credits, investing and participating in purchasing processing industries' preparing and execution of economical projects,
- (v) Social security insurance and agricultural crop insurance
- (vi) Participatory and trade services including training of agricultural farmers associations, encouraging farmers and producers to establish trade association.

6.8 Mandates of Nongovernmental Agriculture Technical and Engineering Consulting Services Network

Ministry of Jihad – e Agriculture through granting credit and technical assistance and also Bank of Agriculture through allocation of low interest credit facilities and Ministry of Cooperative are obliged to assisting and creating grounds for establishing the

Nongovernmental Agriculture Technical and Engineering Consulting Services Network. The mandates of network are as following:

- Provision of technical consultancy to the farmers and producers in the areas of farming, horticulture, livestock, land and water, mechanisation, fisheries, natural resources, marketing, and processing industries.
- Provision of agricultural insurance services.
- Provision of technical consultancy to NGOs
- Preparing local and regional development plans
- Supporting agricultural economic planning.
- Provision of input, machinery, seed, fertiliser services.
- Implementing technical and engineering plans related to agriculture and livestock.
- Provision of professional training services to farmers and producers.
- Establishing farm pilot projects in rural areas.
- Conducting socio economical, need assessment studies.
- Establishing private agricultural training institutions and private research centers.
- Production and supply of improved seed and sapling.
- Creating new job opportunities.
- Preparing research programmes.
- Creating information dissemination systems in IT and ICT agricultural networks.
- Establishing credit funds and financial institutions affiliated to the network.
- Marketing and export of agricultural commodities.
- Undertaking technical and engineering contracts related to agricultural sector.

6.9 Composition of manpower of Nongovernmental Agriculture Technical and Engineering Consulting Services Network

The manpower and personnel of the network include, specialist companies, farm and horticultural experts, plant pathologists, extension advisors, soil and water, agricultural machinery, livestock and fisheries specialists.

7. Conservation Agriculture: Some Principles and Steps for CA Implementation in Lao PDR

Background:

Various approaches and technical practices have been undertaken in the rural area in order to improve RD and PA which are still at the top agenda of the Lao government. Nevertheless, the current unwise use of traditional and conventional agricultural practices viz. the slash and burn for planting upland rice, the mechanical tillage on the sloping land in the northern region of the country, leads to generate a tremendous amount of negative impacts. These practices cause critical soil erosion, reduce forest cover, destroy biodiversity, damage public infrastructure such as roads and so on. So it is imperative to search for an appropriate technology that can improve the situation in order to avoid or to break the vicious cycle of poverty in the rural area. After a decade of experiment and validation with poor farmers, conservation agriculture has been proven as one of the promising technology for RD and PA.

In Lao PDR conservation agricultural commenced since the year 2000 and gradually expanded to cover all agro-ecological zones of the country. CA consists of these main principles namely minimum soil disturbance, cover crop and crop rotation. The MAF has the policy to integrate these practices in various projects of related in RD and PA.

Proposed “Actions” to insert Conservation Agriculture within Existing and Future Rural Development Projects:

To be sustainable and permanent the proposed actions will have to: i) be undertaken with existing institutions and organisations at the level of Provincial and districts agricultural development structures; ii) link existing or future rural development projects with these 10 Provincial structures to support them; and iii) establish cooperation with private sector and Non Governmental Organisations (NGO).

The overall objective of proposed actions is to develop, adapt and disseminate Conservation Agriculture practices through networks of farmers' groups and Stakeholders' Innovation Platforms (SIP) to combat soil degradation, restore soil fertility, enhance and sustain agricultural and livestock productions and productivity, improve smallholders' livelihoods, and finally contribute to food security in poorest areas.

Target groups will be farmers' groups, extension services, private sectors involved in offering technical package to farmers against contract for purchasing farmers'

production, and researchers with other actors involved in a smallholder system innovation approach. Final beneficiaries of actions will be the smallholder farmers as well as private investors.

Organisation Setup of the Programme

At National level: Set up a Coordinating Unit within the Ministry of Agriculture & Forestry (MAF) for planification of CA development and dissemination;

At Provincial level: Strengthen the Provincial Agriculture & Forestry Office (PAFO) to create in cooperation with NAFRI-NCCA a centre of experimentation-demonstration of CA technologies & techniques as well to organise and integrate the Faculties and Colleges of agriculture in the process of CA development & dissemination at provincial level;

At district level (Kum Ban Pattana): Strengthen the District Agriculture & Forestry Office (DAFO) to create Farmer Field School.

Link Farmer Field school (FFs) with teaching in Secondary and/or primary school. Pupils have to be very early sensitised to ecological issues and CA technologies and techniques practices and impact on natural resources and environment. Teacher will have to be trained to Agro ecology principle and Conservation agricultures technologies & techniques.

At village level with Framers group: Facilitate the organisation of farmers' groups; Organise validation networks for CA cropping systems. Farmer Field School is a participatory way to educate farmers and transfer technological information and practices. FFS are oriented to providing basic agro ecological knowledge and skills in a participatory manner so that farmer experience is integrated into the FFS. FFS and season long training are based on crop phenology; seeding issue are studied during the seedling stage, fertiliser issues are discussed during nutrient demand stages, and so on. FFS allows to use crop as teacher, and to ensure that farmers can immediately use and practice what is being learned.

General approach and organisation of proposed "Actions"

Proposed "Actions" at the level of each concerned province, the implementation "proposed actions" will include the following:

Conduct innovative experimentations about CA.

One Centre for Agricultural Experimentations (CAE) of about 10-15 ha will be set up at the province level on a selected representative site. Experimentations include among other: development of new rotational crops systems integrating tropical legumes tolerant to acidity, crops diversification as well as seeds production, seed

conservation and other basic researches (fertilisation, Organic matter and carbon cycles...). The CAE will also be a training centre for Teachers, Students, agricultural technicians, farmers group' leaders, farmers, political authorities and decision makers.

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Develop Research-Education activities

Implemented jointly with the Faculties of Agriculture and the agricultural colleges to integrate Conservation agriculture in agricultural education and training programmes.

Establish Farmer Field Schools as Demonstration Site (DS) in each concerned districts.

Demonstration site is a 2-3 ha plot aiming to demonstrate the interest and feasibility of different crops rotations or crops associations, different fertility methods and levels, new direct seeding techniques and integrated pest management. In the "Farmers' field School – FFS" approach the DS is the first step of the learning process, where technicians and farmers can concretely observe the proposed innovations. If possible these DS and FFS will be established in Kum ban Pattana with objective to support CA development and provide local training.

In each of the concerned district the Demonstration Site and Farmers' Field School will be managed by a technician from the District structure in cooperation with farmers' groups leaders...

Establish "on farm" Validations Networks (VN) with and for farmers' groups.

Validation Networks is composed of different Validation Sites (VS) implemented with farmers' groups on their own lads. Validation is a participatory process. Proposed CA technologies will be validated at different landscape scales (farmer plots, farms, villages, and catchment areas) to alleviate biophysical constraints and meet farmers'

needs. CA in this context includes integrated land and water management practices and will require inputs from other relevant professional sectors: (i) reforestation of upstream parts of catchment basins; (ii) development of land conservation techniques; (iii) establishment of perennial hedge plantations; and (iv) definition of land management rules between farmers and livestock breeders harmonising cropping and livestock systems.

Dissemination strategy and plan

These are closely related both on farm-level determinants for CA adoption and socio-economic factors conditioning adoption and dissemination of CA technologies. Different studies based on quantitative data, statistical analysis, and qualitative interviews, identified the following as being significant farm-level determinants for the adoption of CA:

- The comparative advantage of CA-DMC systems over ploughing-based agriculture allows farmers to cultivate larger surface areas without increasing their financial and/or labour investments.
- Household engagement in CA appears to increase as we move from productive lands to erosion-prone and degraded areas; awareness of environmental threats linked to 12 ecological "fragility" is a key determinant for CA adoption. Environmental threats and poor soil fertility are significant determinants for CA adoption.
- Social cohesion and leadership are important determinants for adoption. Farmer groups and their leaders play an important role in determining the popularity to CA and in the associated adoption/rejection dynamic.
- The capacity of technicians to provide effective support to farmers.
- The involvement of service providers. Conventional systems presently are supported largely by private traders who provide farmers credit and a technology package based on ploughing and access to inputs against the guarantee to buy the grain harvest. Conservation Agriculture currently cannot compete with this "traders' system"; the technology package based on no tillage and direct sowing does not require the same level of mechanical equipment and consequently does not attract private service providers who find more business opportunities in conventional systems. **Alliance with the "Private Sector" is necessary to promote CA techniques & technologies.**
- The available human resources and, most importantly the number and competence of the technicians that can be involved in the dissemination effort.
- The financial resources available (demonstration sites, remuneration of technicians...) and, the support of decision-makers.

8. Rural Transformation Programme (RTP): Focus on Rural Transformation Centre (RTC) in Malaysia

8.1 Background:

Despite Malaysia's considerable achievements in the provision of rural basic infrastructure (RBI), more needs to be done to serve the rural population that constitute about 35% of Malaysians. In Sabah and Sarawak, there are many villages still not connected by roads and more than a quarter of households do not have access to electricity. Upwards of 40% of households in Sabah and Sarawak, and 12% of households in Peninsular Malaysia lack access to clean or treated water. Consequently, The Government of Malaysia has embarked on a major rural basic infrastructure development programme in Peninsular Malaysia, Sabah and Sarawak aiming to:

1. Build more than 7,000 km of new and upgraded roads by 2012, 1,900 km of these in Sabah and Sarawak. In peninsular Malaysia, this will result in 91.4% of the population living within five km of a paved road by 2010, rising to close to 100% in 2012 (currently 91%)
2. Provide 50,000 new and restored houses to the rural poor and hardcore poor by 2012, two-thirds of these in Sabah and Sarawak. Of the 50,000, more than 16,000 houses were provided in 2010.
3. Ensure access to clean or treated water to over 360, 000 additional households. For Sabah and Sarawak, the programme will raise the percentage of rural houses with access to clean or treated water to 59% and 62% respectively in 2010, rising to 90% for both in 2012 (currently 57% for both states).
4. Provide access to 24-hour electricity to over 140,000 additional households by 2012. This will increase the percentage of households with access to electricity in Peninsula Malaysia, Sabah and Sarawak to 99.6%, 81% and 73% respectively in 2010 (currently 99%, 77% and 67% respectively).

These aspirations show how the Malaysian Government is earnest in ensuring that the rural population is continuously looked after and never left out of the nation's mainstream development process. Apart from the basic physical infrastructure, the aspect of human capital development is also been looked at so that it comes in line with the overall rural development programme.

Towards this objective, the Rural Transformation Programme (RTP) has been developed to steer the rural populace into a higher income community in line with the aspiration of a high income nation by the year 2020. The RTP reviews and

improves various elements in the nation by the year 2020. The RTP reviews and improves various elements in the nation's rural development initiatives, integrating them into a comprehensive programme to steer the rural community in the bright path of success.

8.2 Objectives

The objectives of RTP are:

- 1) To ensure that the rural community has positive mindset and attitude, independent and willing to maximise opportunities and sources in order to transform the rural areas into a prosperous place to live in.
- 2) To create united rural community and live in a safe, beautiful and harmonious environment with high regards to the nature that can attract people from the urban areas and also tourists.
- 3) To encourage development and systematic settlement complete with basic infrastructure as those in the urban areas.
- 4) To create conducive economic environment to promote entrepreneurial activities and support other commercial activities.
- 5) To make the rural community as a medium to promote and make success rural development programmes.
- 6) To create a proactive synergy between relevant parties to plan, implement and evaluate rural development programme so that it meet its objectives and effective.

8.3 Major Components/Activities. There are 5 major components in RTP which are:

- 1) Comprehensive rural development which cover :
 - a. Creation of Rural Transformation Centers (RTC) as integrated services center for collection, processing and distribution of agriculture produce, banking and insurance, business consultation, skills training, health and commercial spaces.
 - b. Creation of Professional Services Fund for professionals such as lawyers, doctors, accountants to open up firms in small towns.
 - c. Development of commodity and cash crops plantations as well as aquaculture. This includes plantation of new rubber and palm oil trees.
- 2) Basic Rural Infrastructure which includes:
 - a. Strengthening the development of basic rural infrastructure comprehensively through the development of network of rural roads
 - b. Expansion of rural water and electric supplies
 - c. Maintaining existing public basic infrastructures.

- d. Speeding up the process of providing clean water supply using alternative methods.
 - e. Upgrading existing water supply infrastructure in the rural areas.
- 3) Development and welfare of Aborigines. The programme will address the issues of:
- o Provision of basic public amenities including expansion of treated water supply projects and income generating programmes.
 - o Resettlement of those affected by landside to a safer area.
- 4) Rural banking services
- Banking services will be enhanced by improving the access to banking services for rural communities through the appointment of banking agents in rural area.
- 5) Rural public transportation
- Rural public transportation will be improved with the creation of Public Transportation Development Fund that offers loans for bus companies to operate in the rural areas and provide quality and reliable services.

8.4 Focused Programme

i) Rural transformation center

To spearhead the RTP initiative, the Government has established Rural Transformation Center (RTC) to act as a one-stop center for local rural entrepreneurs to advance themselves in their respective business. The first RTC in Gopeng, Perak was launched by the Prime Minister on the 18th February 2012. through the RTC, numerous services were offered to the community in the area and the public at large, in particular those doing business. It is envisioned that the RTC will provide a dynamic platform for the people to gain access to the following services:

- a. Skills training programme to promote positive and dynamic up skilling for improved entrepreneurship and business. To date, various courses ranging from basic entrepreneurial to customise on specific industry such as rearing swift let, has been conducted at the 1st RTC. Other skills training such as on the **automotive and bakery industry** have also been given attention at RTC. This shows the diversity in the skills training that is being covered at the RTC to cater to the wide spectrum of need of entrepreneurs in the area.

- b. **Malaysia information kiosk** which kiosk which enable local entrepreneurs to access multiple source of information services, among others, readily available kiosks by the Ministry of Domestic Trade and Consumer Services; relaying updated information on current prices of fresh food, small and medium business, electronic government (MyEg) and jobs opportunities.
- c. High value added farming which promotes high technology farming for higher and better quality yield particularly **vegetable farming, dairy products and fish farming**.
- d. **Agro-processing** that promotes products in hypermarkets with the main component being in the food product industry.
- e. **Supply chain management (SCM)** which includes initiatives under contract farming involving private participation such as Mydin and KFCH. This is to ensure effective and efficient marketing chain from the source of plantation to users.
- f. Universities partnerships in the area of entrepreneurship and other related transfer of technology initiatives, creating awareness among university students and graduates on the socio-economic needs of the rural population.
- g. **Malaysia health services** providing food safety assurance, traditional medicine and health care services including **mobile clinic services**.
- h. Financial support for the rural people in setting up businesses. Banks together with other agencies providing financial facilities to businesses are also located in the RTC.

ii) Beneficiaries/target groups/clients

The beneficiaries will be rural community within 100km radius. The spill over will also benefit people in town and nearby urban areas.

8.5 Cost and sources of funding

Basic infrastructures will be provided by the government such as road access, water and electric supply among others. This will enable private sector to start their businesses and contribute to the growth of the area. Spillover effect will attract more investment and future nurture the economic growth.

Relevant ministries that are involved in the services to be offered in RTC include Ministry of Rural and Regional Development, Ministry of Agriculture and Agro Based Industry, Ministry of Higher Learning, Ministry of Health and Ministry of Finance.

8.6 Input, output and impact

The focus of RTC is on the up-skilling of the people in tandem with the objective of increasing their income through active economic participation. Towards this, the government hopes these centers will act as the catalyst to spearhead entrepreneurial development amongst the rural population.

All these initiatives by the government at the RTC will impact the people in various manners:

- a) Increasing their knowledge and upgrading their entrepreneurial skills resulting in stronger businesses.
- b) Increased sales volume and concurrently increase income and standard of living.
- c) Higher quality of products, impressive presentation and packaging creating strong branding and making it more marketable as well as creating excitement and building enthusiasm for the products.
- d) Through the promotion of modern agriculture, products will be increased, value added, and safety related issues are ensured.

8.7 Sustainability

Once the private sector sees the economic opportunities made available at these centers, they will bring in more investments and business. With the proper supply chain management, available human capital and other basic facilities in place, these centers can grow into new townships and sustain itself for a long time.

9. Decentralisation and of Rural Self-Help Groups in Myanmar: Poverty Alleviation and Food Security at the Community Level

For more than a quarter of a century, Myanmar had lived with a centrally planned economy when reform measures were initiated in late 1988 to facilitate a market-oriented economic system. During the transition period the economy was managed by formulating and implementing annual plans from 1989-1990 to 1991-1992 based on prevailing conditions and in response to policy changes and reform measures undertaken by the central government. The main objectives of the annual plans were to achieve economic recovery with stability in the short run and to lay down firm foundations for sustained long-run growth. One significant reform measure thus undertaken was decentralising control from central to local levels. The process of decentralisation is relatively new for the people of Myanmar. The practice, experience, knowledge and understanding of decentralisation is still limited. This essay reviews one human development initiative project supported by UNDP to support potential rural self help group regarding poverty alleviation and food security (particularly at the local level). A brief overview of Myanmar is given regarding the country and its people. This is followed by descriptions of the organisation of institutions at local levels; the UNDP Human Development Initiative (HDI); a brief description of community development of the Ayeyarwady Mangrove Project and issues regarding the role of self help groups. The essay concludes with implications for improving the role of self help groups in poverty alleviation and food security at community levels in the Myanmar context.

Overview of Myanmar

The Union of Myanmar is the largest country of mainland South East Asia with a total land area of 676 577 km². From north to south, three parallel chains of mountain ranges divide the country into three river systems and create various topographic regions. Population is estimated at just over 44 million and population growth is 1.8 percent. According to government publications, Myanmar is inhabited by many ethnic nationalities, as many as 135 national groups with *bamas* (ethnic Burmans) forming the largest group - comprising 70 percent of the population. Only 25 percent of the population reside in urban areas.

Britain annexed what was then called Burma in the course of three wars: the first in 1824 (when Rakhaine, Taninthayi, Assam and Manipur were taken), the second in 1852 (Lower Burma including Pegu and Yangon) and the last in 1886 (when all Burma became a province of British India). During World War II, Japan occupied Myanmar from 1941 until 1945. On 4 January 1948, Myanmar received

independence from Britain. In March 1962, a military-led Revolutionary Council led the country to the system of "the Burmese Way to Socialism". In 1991, the official name of the country was changed from Burma to the "Union of Myanmar".

Organisation of Local Level Institutions

Myanmar is divided into seven states and seven divisions based on the geography, administrative character and the density of ethnic minorities. Each of the 14 regions is controlled by a State Peace and Development Committee (SPDC) chaired by a military commander. There are 320 townships, administered by states and divisions. Some small towns (as subtownships) are placed under the administration of nearby townships. The village tract is the lowest government administrative structure in rural areas and three, four or more nearby villages are clustered to become a village tract. Villages are administered by Local Peace and Development Committees composed of three locally elected members, unpaid, and a clerk appointed and paid a salary by the township authorities.^[11]

Some other local institutions in sample villages with UNDP Human Development Initiative projects^[12] are: Myanmar Agricultural and Rural Development Bank (MMCWA); Village youth group; Women's group; Village fire brigade; Village pond committee; Contact farmer group; Village Resources Management Committee (VRMC); Village Credit Committee (VCC); Women's Credit Committee (WCC); Parent and Teacher Association (PTA); Union Solidarity and Development Association (USDA) (a political group); Others (cooperatives and religious groups)

UNDP Human Development Initiative

Citing critical humanitarian and development needs in Myanmar, UNDP in June 1993 approved \$25.6 million to continue assistance through 1994. It also acted to channel all future UNDP assistance to Myanmar via programmes with sustainable grass-roots impact in areas of primary health, environment, HIV/AIDS, training, education and food security. Within the framework of UNDP's Human Development Initiative (HDI) programme, 15 projects were approved and implemented. In 1994, UNDP extended all 15 projects until September 1996.

In January 1996, UNDP again considered assistance to Myanmar. It: 1) approved continued funding of activities previously outlined; and 2) authorised project-by-project approval of new projects not exceeding \$52 million from 1996 to 1997. Government was defined as the cooperating agency and inputs and support were provided through sectors of relevant ministries. Government provided the following

inputs: Salaries and all costs for government project personnel; accommodation, communication facilities and maintenance; Locally available equipment and materials; Plantation sites and infrastructure, including nurseries; Maintenance and operating costs for vehicles and machinery; Local costs of project operations including manual labour.

Community Development in the Ayeyarwady Mangrove Project

Project concept

The project was conceived and initiated based on the rapid degradation of the environment in the delta area due to the unsustainable overuse of forests to meet growing demand for firewood and charcoal, caused in turn by a severe shortage of kerosene and inadequate electricity and cooking gas[13]. Charcoal production is four times greater than the sustained capacity of the Ayeyarwaddy Delta forest (Lahiri, 1996), leading to a government-imposed ban on charcoal production in 1993.

The project focuses on the use and conservation of mangrove land and water resources of Bogalay and Laputta townships in the Ayeyarwady delta. Fifty villages were selected from 909 villages (125 village tracts) in two townships. Selection criteria depended on scarcity of firewood, availability of arable land, degree of landlessness, extent of land degradation and urban demand. An initial needs assessment was conducted in the project villages through a survey questionnaire to develop a plan of action. Later, Participatory Rural Appraisal (PRA) procedures were used to formulate project strategies and implementations. When doing training exercises it was found that the priorities the villagers set for themselves differed from those indicated in the village forestry plan[14], so integrated Village Development Plans were prepared by using PRA and rapid rural appraisal to develop income producing opportunities for villagers based on land, water and the skill of the people of the area.

On the other hand, township level officials, villagers in general and project villagers were mobilised to an awareness of the threat to the mangroves and the direct and indirect consequences on the quality of life of the local population.

Community organisation

The project formulated a model of varied local institutions at village levels as part of the community organisation activities as well as facilitated delivery of goods, services and initiated the process of participatory village development sub-projects.

Village groups were formed to facilitate: (a) income generation, (b) women's development, (c) extension activities and (d) forestry activities.

Income generation group

An income-generation group comprising representatives of fishermen, farmers, livestock farmers, etc. operate a revolving fund for income-generation. Inputs such as fertiliser, seed, twine, hooks and weaving looms supplied by the project to the villagers were distributed through the group. Some 1 150 villagers were trained in various income-generation opportunities in agriculture, fisheries, forestry and home industries. The group also plans to offer rental operation of agricultural implements (such as power tillers) to villagers to recover a service charge. The group provides each recipient villager with a card recording the supplies or implements advanced with the fee/price, and records the return in the group registers. A large number of income generation activities are now in operation in villages.

Women's development

In the project, the resource poor women are particularly involved in the field of fishnet weaving, tailoring, cloth weaving, fish drying, livestock rearing etc and is also engaged in popularising wood saving stoves. Women's group is facilitating access to appropriate technology, inputs for income generation for the resources poor women.

Forestry group

Forest group organises villagers for creation and maintenance of community nurseries and community plantations. The group mobilised villagers to plant 6.4 million seedlings/seed in village common lands to preventive bank erosion and create a wood reserve.

Extension and village development groups

Extension and village development groups are carrying out various extension activities in the village and act as contact group with the project. Some 490 members (324 men and 166 women) of villagers were trained in extension, communication and management training. The group makes available varied information about income generation opportunities, package of practices/available to villagers. Posters and leaflets, have been produced for the use of the groups.[15]

Village development committee

HDI project villages organised as Village Development Committees (VDCs) with a chairman, a secretary and two to five members from the voluntary self help group. The committee works closely with the extension group for village development. Village development committees and resource managers were quite advanced in the Ayeyarwady Delta as compared to Rakhine where participatory community development processes in the villages have been left to VDCs which are quite new (Kato, et al, 1996).

Project outputs

The following outputs are noted in UNDP's 1996 assessment report: Fifty villages in two townships plus adjoining project villages participated; Villagers raised 4 800 acres of forest plantation; Villagers planted 6.4 million mangrove and forest seedlings - equivalent to 6 400 acres of riverbank protective vegetation; Protection of 1 400 acres of natural mangrove regeneration area; Technical training of 1 150 villagers in income generation in agriculture, fisheries, forestry and home industries; Large numbers of poor women were involved in fish net weaving, tailoring, fish drying, livestock rearing and nursery operation and fruit tree propagation; Twenty women's groups now make fishnets, and another 62 women work in fisheries-related trades; Training 490 committee members (324 men and 166 women) in extension techniques, communication and management on an ongoing basis; One hundred eighty men and 12 women have been trained in aquaculture, and 11 men and 39 women trained in post-harvest handling of fish and prawn products.

In kind contributions of \$450 000 (25 percent of project funds) for income generating activities through revolving fund; Forty-eight Village Development Committees (VDC) have been formed in target villages to coordinate functions of village action groups; Thirty extension leaflets, posters, booklets, slide sets and videos were produced; Fourteen farmers and 10 township project staff studied mangrove development areas of Thailand, Viet Nam and Malaysia; A fuel-efficient cook stove and a locally-produced stove using paddy husks were promoted; and micro packages on cage culture of fish and crabs were developed for the landless and poor.

Issues affecting the role of self help groups

Some issues are hindering self help in community development.

Poor access and communication

Access and communication are generally considered as important factors in expediting socio-economic development opportunities for rural communities. Delta

townships are very large and villages are scattered throughout the islands, set between numerous creeks and rivers. The only means of movement is by boat, which is also constrained by tidal levels. There is essentially no telecommunication between villages, village tracts and townships. Accessibility affects every aspect of development in the Delta.

Compensation for project participation

Prior to the government ban on charcoal production in 1993, many villagers depended on the natural mangrove forest for their livelihood. The project was intended to achieve full local participation in needs assessment, planning, implementation and use of mangrove land and water resources - including participation in evaluation of the project benefits. However, in the end there was no proper measure to encourage people to participate in the project activities. There remained a need to identify the appropriate entry points, incentives and policies to encourage villager participation.

Conclusion and Implications

The project is considered as one of the most successful projects among HDI projects in Myanmar. It encouraged group formation for improved community participation and effective use of project resources. Some implications: Fewer villages should be used at project initiation and extending to wider areas should be based on lessons learned in the former; Work with existing village institutions and modify according to their needs and demands; Minimise sector divisions at local level; Encourage setting up rural financial institutions closer to the rural community; Strengthen decentralised planning by hands-on training (principles of cooperatives, credit union concepts, introduction of local value-added products, etc.) and exchange visits; Improve market information at local level.

10. Poverty Alleviation Fund Programme in Nepal

10.1 Introduction

Presently, the Government of Nepal (GoN) is carrying out several programmes with view to reduce poverty. The Poverty Alleviation Fund (PAF), which is signed by the GoN and International Fund for Agriculture Development (IFAD), in February, 2003, is one of the major programmes. It is 12-year project initiated under a flexible lending mechanism with the World Bank as major donor, Governed by Poverty Alleviation Fund Act 2063. The PAF since its inception in 2003 has been concentrating its efforts on bringing the excluded communities into the mainstream of development and in line with targeted programmes (i.e. Social Inclusion) of the Poverty Reduction Strategy Paper (PRSP) of the GoN, also known as the 10th Periodic Plan. Since then, PAF has been implementing targeted demand-driven community based programmes. Further, PAF has directly been supporting the third pillar of PRSP and the social inclusion- targeted programme of the subsequent Three Year Interim Plan and on-going Three Year Plan. It aims to improve access to income-generation and infrastructures for groups that historically were excluded by reasons of gender, ethnicity and caste, as well as for the poorest groups in communities.

10.2 Scope of PAF

In its initial phase, PAF concentrated the programme in six pilot districts. By 2005 it expanded in another 19 districts. As a part of its strategy to address the social inclusion, PAF was addressing the spatial exclusion by focusing on the most deprived 25 programme districts and was also providing services in other poverty stricken areas of additional 19 districts.

The second phase of the project focused on community infrastructure, lease forestry, agriculture and animal development, micro-credit and marketing and institutional development.

The third phase of PAF which is planned to start in the second half of 2012 in some of the poorest regions of the country in a bid to improve the economic status of the people living there. Emphasis of the third phase will be uplifting the economic status of people in rural areas through offering training of income generating skills, introducing ways to save money and providing various job-oriented trainings. In addition, the programme will focus more support on improving food security in response to drought and price fluctuations, particularly for the most food insecure households who are most vulnerable to the spiraling cost of food.

10.3 Major PAF components/activities

Social Mobilisation

The social mobilisation process is one of the key programme components of PAF. The objective of the social mobilisation is to create awareness among the community people (poor women, Dalit and janajati), help them to organise, empower them for decision-making so that they can identify and prioritise their needs. It is also expected to build up capacity for preparation, implementation, operation and management of community sub-projects to enhance their livelihoods. Generally, the poor have very little capacity to access/exploit different resources, and also to work in a multi-sector programme.

Capacity Development

Capacity Building is an important instrument to uplift the poor and thus a major component of PAF. PAF helps to support 'Capacity Building' on community level, partner organisation level and PAF level as well. The capacity enhancement of community organisations (Cos) and partner organisations (Pos) makes the local level institutions self-reliant. It is envisaged that local level institutions shall be permanent institutions in the district even after the project is phased out.

Income Generation by self employment

Income generation by self-employment or through small business creates rural employment. PAF has been focusing on the pressing issues of rural unemployment and under-employment. Consequently, PAF has incorporated micro-enterprise development as one of its major programme components. From the identification of potential entrepreneur to the product sale, PAF provides longitudinal services in skill development, business literacy, technology, access to credit and sale. The process of micro-enterprise development also begins with social mobilisation.

For income generating activities, PAF provides 90 per cent grant to Cos to launch activities, exclusively for the target groups. The groups or CO members borrow money from CO's Revolving Fund in the form of loan to launch income Generating Activities (IGAs). Apart from this, group saving is also encouraged. To add value to their product and for market development, PAF also supports target communities to implement infrastructures related to create business linkages.

Rural Community infrastructure

Rural Community Infrastructure is the fourth major programme component of PAF. PAF promotes access to the target communities empowering and helping them to develop social and economic community infrastructures. Such infrastructures are

implemented, managed and maintained by the beneficiaries themselves. Community infrastructure are linked with target communities' livelihood improvement, and include rural roads, trails, mule tracks, culverts, suspension bridge, truss bridges, short distance gravity cable ways, river bed land reclamation, drinking water system including sanitation, water management – plastic tanks, sprinkler/drip systems, and farmer-managed small irrigation systems, collection centers and market including rural energy systems. Community themselves identify, demand, take part in planning, implementation, operation and maintenance of community infrastructures. Infrastructure sub-project has linkage with IG activities so that after intervention it may generate employment and income, increase productivity to secure sustainable livelihoods.

10.4 Approval Process and Funding Mechanism

PAF's funding process starts from settlement level project planning where the Cos are needed to develop project proposals with the support from Pos and submit it through the Pos to PAF. Technical Appraisal Committee appraises these proposals and if needed, the proposals are revised. The proposals are then discussed in the PAF Board. The Board makes decision on the project approval. The CCs enter into agreement with PAF for implementation of approved projects.

PAF directly funds to the Cos. After signing the agreement between PAF and COs, there are two types of accounts to be opened in bank by COs; one is non-operating and other operating. Firstly, PAF deposits the fund in COs' non-operating account after the contribution of COs (20 per cent for infrastructure development and 10 per cent for income generating activities), the requested fund by COs is transferred to the operating account. During this process of planning, budgeting and fund flow, the local bodies (DDC/VDC) are nowhere in the picture.

The fund disbursed for income generating activities needs to be repaid in certain installments within stipulated time frame as decided by the group. The income generating fund needs to be a revolving fund.

10.5 PAF Beneficiaries/target groups

PAF is focusing on socially excluded groups such as poor women, Dalit and Janajati. Participatory social assessments and community well – being ranking process are carried out to identify the poor community members as primary beneficiaries at the settlement level. In total, about 62% of the settlement households of the target area have been identified as poor households.

The beneficiaries are organised into community organisations to plan, implement and manage the subprojects. In total PAF covered over 470,000 poor HHs as CO member beneficiary. Among the beneficiary members in Community Organisations (COs); 65% members falls under the hardcore poor category (food sufficiency less than 3 months), 25.4% members fall under the medium poor category (food sufficiency more than 3 but less than 6 months), 8.6% members fall under the poor category (food sufficiency more than 6 months but less than a year) and only 0.2% members falls under marginally poor/non-poor category.

The core effort of PAF is to reverse the present trend by reaching to the poorest people with more resources and bring them into the center of development. PAF has taken the strategy to support the idea that poor people should themselves be organised to prepare, implement and manage their programme and they should be in the driving seat, with decision making authorities. Participatory community well-being ranking process identifies the poor community members as primary beneficiaries.

10.6 PAF Organisational Structure

Governing Board

PAF has a 12-members governing board which is chaired by the Prime Minister. The Vice Chairperson and five members are appointed by the government from amongst professional groups. The other five members of the board are ex-officio: Secretary, National Planning Commission; Chairperson, Association of District Development Committee Nepal; Chairperson, Association of Village Development Committee Nepal; Chairperson, Nepal Women Commission, and Chairperson, Nepal Dalit Commission.

Management Structure

The policies of the PAF Board are executed by the PAF Secretariat. The Vice-Chair of the PAF Board acts the Chief Executive while the Executive Director acts as Secretary of the PAF Board and oversees the day to day operation of the PAF Secretariat. The PAF Secretariat employs a total of 37 professionals including the Vice-Chairperson, an ED, 5 executive officers, 6 officers and 25 portfolio managers. Thirteen support staff support the functioning of the Secretariat in addition, PAF operates regional and sub-regional offices.

The PAF board governs PAF. The Prime Minister chair PAF Board. The other board members include Vice-Chairperson (nominated by the government); Secretary from

the NPC Secretariat; Chairpersons of ADDCN, Federation of VDCs, National women's Commission and National Dalit Commission as ex-officio members; a member of the NGO umbrella organisation and two prominent persons including a woman who have contributed to poverty alleviation in the country. The Executive Director of PAF works as the Secretary of the PAF Board.

Based on the eligibility criteria set by PAF, qualified and eligible Pos are selected from among COs, NGOs, private sector organisations (PSOs), and DDCs/VDCs for social mobilisation, technical assistance, and capacity building programmes.

The POs work for social mobilisation and capacity building of the community organisations as well as facilitate the COs in preparing proposals and implementing the sub-projects. Furthermore, the Pos are responsible for the smooth implementing and monitoring of the community sub-projects. Table 2.2 depicts PAF's social inclusion, project formulation and implementation framework for reaching the target beneficiaries.

10.7 Cost and sources of funding

The assistance package for PAF 3rd phase comprises US\$ 65 million in grant from the International Development Association (IDA) and US\$ 10 million in grant co-financing from the Global Food Price Response Programme multi-donor trust fund.

Additional financing approved by the World Bank in April 2011 will continue supporting PAF activities in more communities. It will also help improve food security in response to the drought and price fluctuations, particularly among the most vulnerable to the spiraling cost of food.

10.8 Coverage

Initiated by the Government of Nepal (GoN) in 2004, PAF now works in Nepal's 40 poorest districts, directly supporting over 14,500 Community Organisations (COs) and benefiting nearly 350,000 households, of whom 57 percent are from the disadvantaged Dalit and Janajati communities.

PAF has covered 40 poorest districts, supporting 14,831 Community Organisations and 405,000 poor households, and has benefited more than 513,000 households. Of the total number of poor households supported currently, 57 percent are Dalit and Janajati. The estimated net programme impact on per capita consumption has also been positive and in particular, growth has been higher for Dalit and Janajati and for

the poorer segments of the population, implying programme's ability to distribute growth towards targeted groups.

10.9 Input, output and impact

The Poverty Alleviation Fund (PAF) was designed to address the root causes of Nepal's conflict – poverty, inequality and lack of services. The programme began implementation at the height of the conflict in 2004. Central to the idea of the PAF is a conviction that the poor themselves are best suited to manage their own needs and resources. Community groups organise themselves and collectively identify, prioritise, plan, fund, and implement their development needs. They are free to choose from an open menu to correspond to local priorities.

According to World Bank sources, 2.65 million Nepali, or close to a tenth of the population, are directly benefiting from the programme.

Average incomes for households in areas supported by PAF have increased over 80 percent in real terms, adjusted for inflation. More than 15,600 households now have road access for the first time; 25,300 households have new irrigations systems and water supply; bridges and sanitation have been provided for more than 32,000 households. More than 6,800 households have benefited from alternative sources of energy, with significant preference for micro hydro plants and solar systems, and extension to electricity lines.

383 investments in new and rehabilitated irrigations systems are expected to be finalised by next year, which will benefit close to 4,4000 additional households. Nearly 3,800 community organisations are investing in vegetable farming, thereby increasing availability and quality of food in these communities and providing a valuable source of income.

An independent impact evaluation shows that the overall welfare of PAF assisted households have improved by 13-49 percent depending on how recently they have been assisted by PAF. Communities that have been assisted longer have a higher welfare gain. For example, the incidence of food insecurity for PAF assisted households has declined by 7 percent on average and 18 percent for households who have been assisted by the programme for a longer period of time. This impact is stronger for Dalit and Janagati households. By contrast, food insecurity for comparable households increased by 4 percent during this period. As a result of PAF, school enrolment rates among children aged 6-15 years increased by 11

percent on average and by 12-15 percent for households from older PAF assisted communities. The programme has also helped increase access to services such as agriculture centers, community forest groups and farmer groups, and is positively supporting women's empowerment.

Impact evaluation studies show that this programme has resulted in enhancing income and consumption levels. The evaluations indicate that 66 percent of households covered under PAF have obtained a minimum income increase of 15 percent (in real terms) and have achieved an average increase in income of 82.5 percent in real terms and 182 percent in nominal terms.

10.10 Lessons learnt, Sustainability and Future Strategies

There is a high demand for the PAF programme as the sub-projects originate at grass-root levels. Communities have demonstrated their keen interest carry out the programme and make necessary contributions.

The current challenge for PAF is to make a trade-off between rapid implementation and institution building enhancing the technical capability of the community organisations.

In view of the wide varieties of activities undertaken within the sub-generating activities at the same time focus on nutrition improvement of community.

- Linkage with market for sustaining income-generating activities at the same time focus on nutrition improvement of community.
- Providing appropriate technology support for different activities including linkages with existing service structure.
- Availing insurance safety-net particularly for livestock
- Exploring and alternative to livestock based activities for landless poor
- Adopting different strategy for poorest districts and districts with greater livelihood opportunities with better access and special support to the poorest, most vulnerable and marginalised community groups such as Mushahar, Dom, Chamar etc.
- Building community capacity to manage revolving fund and maintenance of the infra-structure sub-projects.
- Improving social mobilisation of Community Groups with integration of literacy and education; linkages with basic health, and youth vocational training.

- Analysing and supporting for appropriate community institutional development as
- Clustering of COs and evolving of networks, federations, producer associations/cooperatives 8.
- Strengthening coordination and integrated Planning at the community level to leverage available resources and services from government and other donor agency.

While working towards above challenges, it is inevitable to work with diversified groups of poor communities supporting each other and network for linkages and collaboration with other programmes and line agencies to support communities in different areas of strength of these programmes. Further, legal institutionalisation of Community Organisations through coalition or formation and functional co-operatives and establishment of strong linkages with VDC/DDC are also important for sustainability and long-term support to these community groups. PAF is also initiating dialogue to formulate separate Act of Parliament to facilitate community organisations and self-help groups.

PAF is working with its exit strategy focusing on its strategic thrust to enable community to go to sustained path to get out of poverty within a stipulated 5-6 years of time. In this line, PAF need to work on activity based pocket area development approach as well building on the potential strength of the area. At the same time, emphasis will be given for nutrition improvement and up-lifting of vulnerable marginalised community through special focus. Policy on activity based pocket area development and special focus strategy for vulnerable marginalised community have been introduced.

PAF is strengthening on systematic Grievance Handling Process with stakeholder views on its effectiveness and introduce effective Performance Management System (CO/PO and PAF).

Further, Monitoring, Research and Development needs to be strengthened further to support the implementation including capacity building of main actors i.e. CO, PO, Local Bodies and PAF.

10.11 Way foreword

Based on lessons learned, PAF will take following future strategies:

- Expansion of PAF programme in new VDCs and districts
- Activity-based pocket area development and special focus programme for vulnerable.
- Marginalised communities.
- Institutionalisation of Community Organisations as co-operative or other forms of
- Institution as per their decision and link with financial institution and markets where.
- Programme is already in implementation.
- Capacity Building of community organisation, partner organisation and PAF.
- Co-ordination and collaboration with other agencies to bring discernible impact in
- Considerably less time
- Strengthen monitoring evaluation based feedback and learning9.

11. Benazir Income Support Programme (BISP) in Pakistan

11.1 Background

While poverty and vulnerability have immense costs for individuals and households in terms of acute deprivation, poor health, undernourished children and shortened lives, they also have larger bearing on society in terms of slowdown in economic and social development. Economic growth generates opportunities for poor and vulnerable households to overcome their hardships in the long run, but policy based interventions are needed to make sure that the less fortunate segments of the society are able to participate in the growth and development process and partake its fruits along with society at large. Such policy interventions are essential for sustaining and deepening the growth and development process for a developing country like Pakistan. The global economic slowdown of 2008 and rise in fuel and food prices severely impacted Pakistan's economy resulting into lower economic growth and spiraling inflation. The macro-economic crisis in the country necessitated making "social protection" an urgent priority for provision of a "lifeline" to the poor and vulnerable segments of society.

Recognising the need to expand the existing social safety net, the Government of Pakistan launched the Benazir Income Support Programme (BISP) in July 2008 with an immediate objective to cushion the negative effects of the food crisis and inflation on the poor, particularly women, through the provision of cash transfers of Rs. 1,000/month (approx. US\$ 12) to eligible families.

Benazir Income Support Programme is the Marshall Plan and the flagship Programme of the Government for Women Empowerment and Poverty Alleviation. BISP has been established as an independent institution. BISP bill was unanimously passed by the National Assembly and the Senate – thus giving it a constitutional protection.

BISP has developed over the past few years into country's main social safety net. It is fully in line with Pakistan's Medium Term Budgetary Framework (MTBF) that envisages ending the multifaceted exclusions and discriminations of women through provision of an enabling environment to develop their full potential and share the benefits of economic growth, prosperity and social development. The Framework prioritises increased productivity for economic growth to address concerns with women's rights, security, social protection and empowering them as active citizens.

11.2 Objectives of the programme

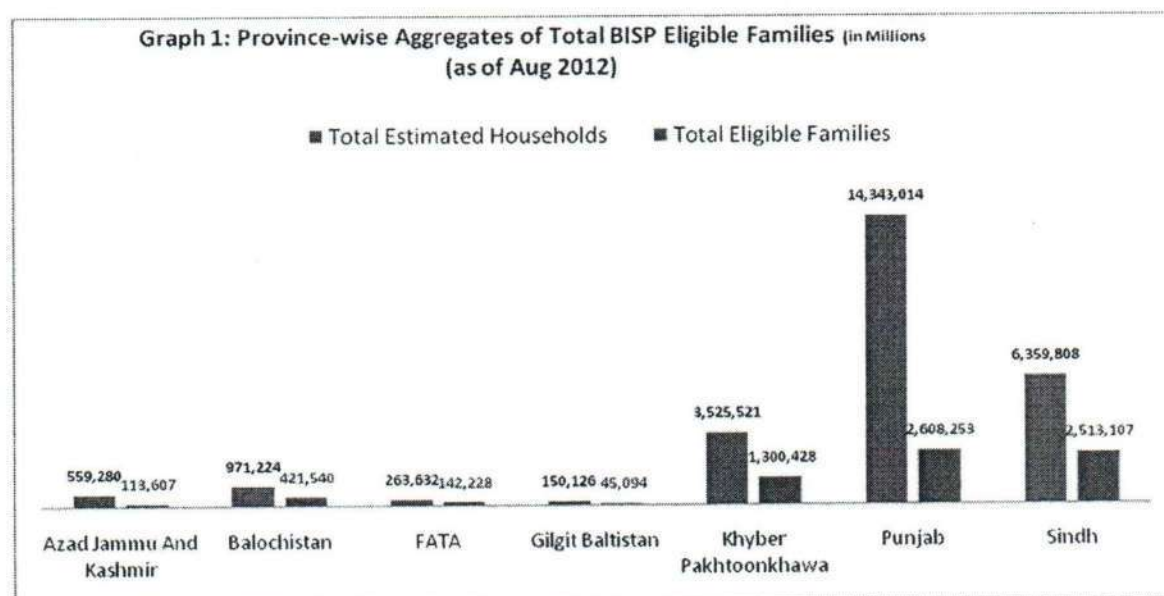
- (a) establish a nationwide safety net programme, marked by effective and transparent targeting and delivery mechanisms; and
- (b) meet the Millennium Development Goals (MDGs) related to eradication of extreme and chronic poverty and empowerment of women.

11.3 Targeting the Poor by Proxy Means Test Formula (PMT)

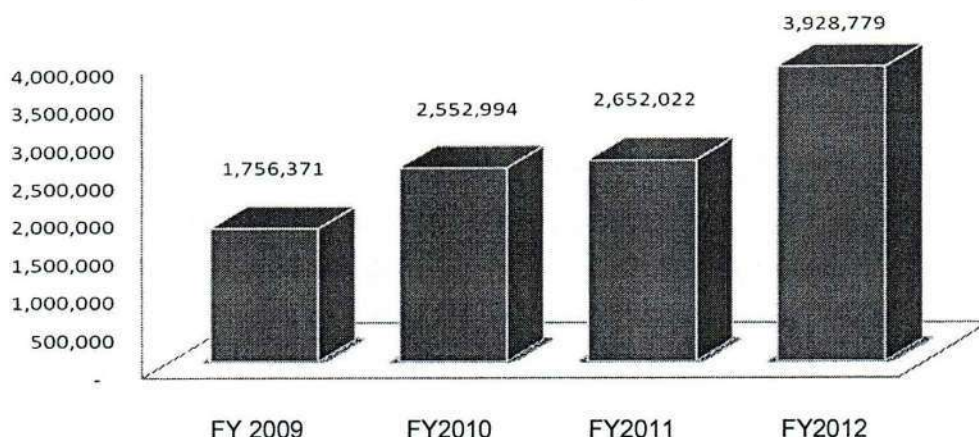
BISP used a detailed targeting process to identify eligible households through application of a Proxy Means Test Formula (PMT) that determines welfare status of the household on a scale between 0-100. Nationwide Poverty Scorecard Survey was undertaken in October 2010 with the following features:

- Results in creation of a large and reliable national registry of socio-economic status of all the households in the country
- First ever census of its kind in South Asia
- Covered almost 27 million households
- Use of GPS devices to map the data of the entire country for informed decision making (to cope with natural disasters and other emergencies)

Survey has been completed in the entire country except few agencies of FATA (federally administered tribal area) and three districts in Baluchistan. However, survey in these locations is expected to be completed by December 31, 2012. Over 27 million households will be covered nationwide once the entire survey is completed. The task for data entry was entrusted to NADRA (National Database & registration Authority) and data entry of 97% survey forms has been completed. Over 7.03 million eligible families have been identified to date through the poverty scorecard survey. Graph 1 below presents province wise details of total estimated number of households and households declared “eligible” for BISP benefits.



Graph 2 presents year-wise increase in number of BISP beneficiaries who are receiving Cash Grants from BISP.



Graph 2: Year-wise Increase in Number of BISP Beneficiaries Receiving Cash Grants²

11.4 Payment to Beneficiaries:

During the fiscal year 2011-12 Rs 42 billion has been distributed among over 3.7 million beneficiaries. This includes payment of over Rs. 2 billion through Smart Cards to 173,973 beneficiaries and over Rs. 1 billion through Mobile Phone Banking to around 143,000 beneficiaries. More than Rs. 38 billion was disbursed through Pakistan Post money orders. This brings the total amount disbursed among beneficiaries since the inception of BISP to over Rs. 128 billion. BISP also promotes and is rapidly adopting use of technology based innovative mechanisms for payments to its beneficiaries (see Box 2 below for details).

BISP has spent over Rs. 130 billion till August 2012 on various activities including cash transfers, graduation programme and emergency relief along with nationwide poverty scorecard survey. Out of the total spending, BISP has disbursed an amount of over Rs. 110 billion to its beneficiaries in direct cash transfers. The number of beneficiaries will reach over 7 million once the on-going processing of data collected during the nation-wide poverty scorecard targeting survey is completed.

² The data for FY 2012 is based on data of 3 quarters only.

Box 2: Innovative Payment Mechanisms used by BISP

There is growing body of research on the use of innovative financial mechanisms to deliver Government to Person (G2P) Payments including social safety nets in the form of cash transfers. These payments have the potential to become a vehicle for extending financial inclusion and improving the welfare of poor people. Researchers argue that electronic payments are likely to reduce the cost of payment for government and make delivery more convenient and transparent for beneficiaries, compared to the prevalent mechanisms such as money orders. On the other hand, a bank account was seen as the portal into the wider world of formal financial services, such as savings, insurance, and credit and can play a critical role in helping poor people manage and preserve the few resources they have and work towards their economic empowerment. BISP is using alternate payment mechanisms (including Benazir Debit Card, Smart Card and Mobile banking) to efficiently make payments of the cash grants to its beneficiaries.

1. **Benazir Debit Cards:** In order to improve the efficiency of the payment delivery mechanisms to provide multiple payment mechanism to its beneficiaries for more timely and efficient services, BISP has signed agreements with several commercial banks during the current fiscal year to launch Benazir Debit Cards in 124 districts of Pakistan by June 30, 2012. So far more than 1.6 million Debit Cards have been distributed and more than Rs. 4 billion has been transferred to the beneficiaries. BISP plans to distribute Benazir Debit Cards to over 4.0 million beneficiaries by December 31st, 2012. Beneficiaries would now be able to collect their cash benefits from ATM as well as bank-designated franchises.
2. **Smart Card:** Previously, BISP had signed a contract in early 2010 with United Bank Ltd. (UBL) for making payments to beneficiaries through smart cards in four of the test phase districts (Mianwali, Mirpurkhas, Multan and Sanghar). The beneficiaries were issued Smart Cards and they collected their cash through bank-designated franchises. Over 173,000 beneficiaries are benefiting from this payment mechanism.
3. **Phone-to-Phone Banking:** Another Alternate Payment Mechanism already in place is the Phone-to-Phone Banking (P-to-P Banking). It has been implemented in 7 districts. Beneficiaries are provided free mobile phones and SIM's. An amount of Rs. 2.2 billion has been disbursed under this payment mode to around 143,000 beneficiaries in the pilot districts.

11.5 Graduation Initiatives:

Realizing that BISP beneficiaries are being developed economically and their capacity are enhanced to under take bigger income generating activities by means of utilisation of cash received under cash transfers programme, BISP has also launched various "graduation" programmes for its beneficiaries to enable them to exit from the poverty trap. BISP has both a Short Term and Long Term Strategy to cope with the poverty in the country: In short term strategy so far more than Rs 124 Billion have been disbursed to its recipient families as cash grants. For Long Term Strategy, BISP has simultaneously launched an "Exit or Graduation Strategy" to help its recipients "graduate" out of extreme poverty. This includes the launch of programmes such as the following:

(a) Waseela-e-Haq (Micro-finance)

Under this programme, microfinance in the form of returnable soft loans up to Rs. 300,000 are provided to beneficiaries, selected through a monthly computerised random draw, for setting up of small businesses. So far, 29 draws have been held

and a total of 34,807 beneficiaries were pre-qualified. An amount of Rs. 1.502 billion was disbursed to 8739 beneficiaries while 4315 new beneficiaries started their own businesses.

Box 3: BISP's Waseela-e-Taleem

(for the Primary Education of the Children of Beneficiaries)

Government of Pakistan is making every effort to achieve Universal Primary Education as part of its commitment to the Millennium Development Goals (MDGs). National data shows that while primary education enrollment rates have gone up for most of the population, majority children from families in the bottom 20% of the social pyramid remain out of school. BISP's data – based on the recently concluded poverty scorecard survey – shows that over 71% children (of ages between 5-12 years) of its beneficiaries have never been to school. The fact is also corroborated by research which shows that vulnerable families usually manage short term shocks by reducing food intake and increasing labour supply by withdrawing children from school or not sending them to school at all.

Therefore, BISP believes that it is essential to facilitate these families by linking cash transfers with human capital development. BISP designed a co-responsibility cash transfer programme titled "Waseela-e-Taleem" through which children of the beneficiary families aged 5-12 year will be supported for primary education and a cash transfer of Rs. 200 per child (up to a maximum of three children) will be transferred to the beneficiaries subject to their compliance with the required school attendance per family.

(b) Waseela-e-Rozgar (Technical & Vocational Training)

Under this programme, BISP provides technical and vocational training to one member per beneficiary family to help them secure better livelihood. BISP signed MOUs with several public and private sector training organisations and initiated training for the beneficiaries and their nominees. Private sector training institutions were also selected all across Pakistan through a competitive process. Training has commenced in the first quarter of 2012 and so far 1895 persons have been trained while 18,186 persons are currently enrolled. It is expected that by June 30, 2013 the total number of trained persons would be approximately 150,000. In addition, BISP organised vocational trainings for a batch of 173 beneficiaries from Rawalpindi division during the 1st quarter of 2012 through the funds provided by a Chinese civil society organisation.

(c) Waseela-e-Sehat (Life & Health Insurance)

Life insurance cover of Rs. 100,000 for the bread winners of recipient families was launched from January 1, 2011. Over 3.78 million beneficiary families now have their bread earners covered under the life insurance scheme launched by BISP in collaboration with State Life Insurance Corporation of Pakistan (SLIC). Over 1764 death claims have already been processed by SLIC during FY 2011-12. A comprehensive Health Insurance Scheme covering all members of BISP beneficiary

family has also been piloted in District Faisalabad in April 2012. The same is planned to be extended in other districts of Pakistan in coming years.

Box 4: Donor's Support to BISP

BISP has also received support from the World Bank, ADB, USAID and DFID as summarised below:

1. **World Bank:** The International Development Association (IDA) provided a credit of US\$ 60 million to BISP for the "Pakistan Social Safety Net Technical Assistance Project" for the period August 4, 2009 to July 31, 2013. The TA project has supported the design of the poverty scorecard, survey of all households in Pakistan, data entry and processing and associated activities. Currently BISP has successfully negotiated additional financing of US\$ 150 million for the TA project to launch a Co-responsibility cash transfer (Waseela-e-Taleem) programme for the primary education of the children of BISP beneficiaries.
2. **USAID:** BISP was provided a grant of US\$ 85 million by the USAID as budgetary support for payment of cash benefits to the beneficiaries identified under the new poverty scorecard system. This amount was fully consumed by March 9, 2011. Subsequently, USAID has also provided an additional amount of US\$ 75 million to the Government of Pakistan and BISP is in the process of seeking this amount. USAID also commissioned a 3rd party assessment of BISP beneficiaries. The report shows that 98.7% beneficiaries of BISP received their monthly cash transfers.
3. **Asian Development Bank** In June 2009, an amount of US\$150 million was provided by the ADB to the Ministry of Finance under the ADB-funded "Accelerating Economic Transformation Programme" (AETP), specifically for use by BISP to make cash transfers to beneficiaries identified through the new targeting system. BISP has fully disbursed Pak Rupee equivalent of the entire amount to its beneficiaries.
4. **DFID** supported BISP's initial activities (test phase targeting survey, process evaluation and spot checks etc.) through the Trust Fund managed by the World Bank. Now DFID has indicated its interest in providing a grant of US\$ 100 million to BISP for the co-responsibility cash transfer (CCT) programme for primary education of the children of BISP beneficiaries.

11.6 Success of the Programme/Highlights of the Programme

Launched 4 years ago, BISP was the first step of the Government towards a Welfare State. It is a flagship Programme of the Government for Women Empowerment and Poverty Alleviation through the provision of a national social safety net to the most deserving and marginalised segments of society. BISP will succeed at the micro level by helping families and individuals to *permanently graduate* from poverty by building human, financial and physical capital and at the macro level by making economic growth more inclusive. BISP has significantly and positively impacted the livelihoods of millions and directly improved human development. Some of them are as follows:

- **Women Empowerment:** Benazir Income Support Programme, through its innovative approaches and products, has contributed to women's social and economic empowerment. The women has been given primary focus in BISP's monthly cash transfers as well as other benefits such as life and health insurance, technical and vocational training and micro-finance.

- **Giving identity to the Marginalised Women**
 - More than 15 million women have got their Computerised National Identity Card (CNIC) because of BISP, including around half million women of FATA
- **National Socio-economic Registry:** The unique and most comprehensive data collected through the poverty scorecard survey is now being made available to all interested organisations, including public sector, civil society organisations, academia, donors etc. The “National Socio-economic Registry” which houses this unique database was made operational during 2011 and a Data Sharing Protocol was developed whereby a number of organisations are being provided data based on individual requirements.
- **International Recognition and Honor:** BISP has achieved international recognition due to its technology based and transparent systems. The UN Secretary General, World Bank, US government, British government through DFID and Asian Development Bank have all appreciated BISP’s performance and have provided financial and technical support to BISP.
Ms. Farzana Raja, Chairperson of the Programme in recognition of her services for BISP, was awarded Hilal-i-Imtiaz, a high Civil Award of Pakistan.
- **Grievance Redresser System**
 - Introduction of technology based Grievance Redressal System for facilitation of poor people of Pakistan.
 - State of the art system launched to address the issues/problems/complaints of the poor people
- **Nation-wide Targeting Survey:** Poverty Scorecard Survey (Poverty Census) was undertaken by BISP in the entire country with the following features:
 - Establishment of a large and reliable data bank of socio-economic conditions of the country for planning social, health and education policies and strategies;
 - First ever census of its kind in South Asia;
 - Covered almost 27 million households within a record time of one year; and
 - Use of GPS devices to map the data of the entire country for informed decision making (especially to cope with natural disasters and other emergencies).
- **Comprehensive Graduation Strategy:**
BISP has simultaneously launched an “exit strategy” to help its recipients “graduate” out of extreme poverty. This includes the launch of programmes such as the following:

- i. **Waseela-e-Haq:** for provision of interest free loans to help the recipients set up small businesses
 - ii. **Waseela-e-Rozgar:** for provision of technical and vocational education to the recipients; and
 - iii. **Waseela-e-Sehet:** for the provision of life and health insurance cover.
- **Life and Health Insurance**
 - The poorest of the poor for the first time in Pakistan provided life insurance
 - Health Insurance will also be provided very shortly to these poorest people for the first time
 - **Waseela-e-Taleem**
 - Millions of poor children never attend any school due to financial limitations. Under this initiative 3 million out-of-school children of ages 5-12 years from the recipient families will be sent to school.
 - BISP has signed contracts with all the provinces to help them sending these 3 million children to school through cash incentives of Rs. 200 per child.
 - BISP has received additional financing from the World Bank of \$ 150 Million for the launch of this initiative and soon DFID will also be providing \$ 100 million.
 - **Emergency Relief Package**
 - Internally Displaced Persons (IDPs) of FATA/Bajur/Malakand, Flood affectees of 2009-10 and 2010-11 and Earthquake affectees of Balochistan have been supported by BISP through its Emergency Relief Package
 - To reduce the agony of the families of civilian bomb blast victims Government decided to help these families through BISP by providing them full package of BISP (Cash Grants, Waseela-e-Haq, Waseela-e-Rozgar, Waseela-e-Sehet, Waseela-e-Taleem). This step is to share their pain and to give them the feeling that Government has not left them alone.
 - An amount of Rs. 6,400,589,390 has been disbursed under this relief package upto June 30, 2012.
 - **Innovative Payment Mechanisms:** Following electronic modes of payments have been introduced by BISP to further improve the efficiency and transparency of payments to the recipients:
 - *Benazir Smart Cards;*
 - *Benazir Debit Cards;* and
 - *Mobile Phone Banking.*

- **High levels of Transparency:** There is complete separation of functions within BISP to ensure the highest degree of transparency and objectivity. The following functions have been outsourced for this purpose while BISP retains the overall function of policy formulation and programme management:
 - Targeting (identification of beneficiaries): through partner organisations employing the "Poverty Scorecard";
 - Beneficiary data verification: through National Database and Registration Authority (NADRA) ; and
 - Payments to beneficiaries: through payment agencies i.e. Pakistan Post (money orders), Banks (smart cards) and Banks and Telecom Companies (mobile phone banking).
 - Implementation including counseling, training and monitoring of Waseela-Haq programme by Pakistan Poverty Alleviation Fund (PPAF).
- **Monitoring and Evaluation:** In addition, every process is independently monitored by external consultants to ensure compliance with laid down procedures and greater transparency. These include the following:
 - *Targeting:* Process Evaluation and Spot checks
 - *Payments:* Spot Checks Third Party Validation (by USAID) (reported 98.7% delivery)
 - *Impact Evaluation:* Baseline survey and on-going impact evaluation rounds
- **Ownership of the Programme:** According to Law passed by the National Assembly and Senate of Pakistan the President of Pakistan is the Chief Patron and Prime Minister of Pakistan is the Executive Patron of the Programme. BISP has Constitutional Guarantees.

12. Kapit-Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAH! CIDSS)³ in the Philippines

12.1 Background

Three-fourths of poor people in the Philippines live in rural areas. Despite considerable resources being allocated for local service delivery, many poor *barangays* (villages) have few opportunities to participate in deciding how and where resources are spent. Often people do not even know what money is being spent on. Empowering marginalised communities through community driven development approaches enable villagers to make their own decisions in identifying, developing, implementing, and monitoring development initiatives based on their priorities.

The Kapit-Bisig Laban sa Kahirapan⁴-Comprehensive & Integrated Delivery of Social Services is the Philippine government's flagship poverty-alleviation project implemented by the Department of Social Welfare & Development (DSWD) with funding support from the World Bank aiming to empower communities through enhanced participation in community projects that reduce poverty.

Within 6 years, the project aims to cover 25 percent of the poorest municipalities in the poorest 42 (out of 79) provinces of the Philippines, equivalent to more than 4,000 villages in 182 municipalities. It targeted disadvantaged groups such as the indigenous peoples, urban poor, marginal fisher folk, upland farmers and other groups in areas where poverty incidence is high. It strengthens community participation in local governance and develops local capacity to design, implement, and manage development activities. Community grants are used to support the building of low-cost, productive infrastructure such as roads, water systems, clinics, and schools.

Using a competitive process, villagers select projects from an open menu and prioritise them for funding. Good local-resource mobilisation is demonstrated by the high contribution of villagers and their local governments. KALAH!-CIDSS has trained thousands of villagers in project planning, technical design, and financial management and procurement, thus building a cadre of future leaders at the local level. Most important, the project provides villagers with structured opportunities for accessing information, expressing their opinions, and influencing local governance.

³ A country paper presented by Susana Evangelista-Leones, Director IV, Bureau of Agrarian Reform Beneficiaries Development, Department of Agrarian Reform, Philippines during the CIRDAP Technical Committee (TC-27) Meeting, held in June 13-16, 2012 at Colombo, Sri Lanka.

⁴ "Linking Arm against poverty" is the English translation of Kapit Bisig Laban sa Kahirapan.

Programme Assessment reveals that the Project was effective in relation to its goal of empowering the target groups to enable them to access basic services. Its strength lie in the manner of selection of sites and target groups, the employment of participatory methods as well as in multi-stakeholders' participation. The impact of CIDSS however, has been clouded by problems on limited coverage in terms of project areas, limited scope in terms of services offered and in the degree of community and LGU participation. As such, its potential to influence macro-economic trends is also minimised.

The CIDSS Project's areas of strength as an effective poverty-reduction programme are: decentralised decision- making and giving importance to what the people wants; a competitive project selection process; a greater emphasis on social preparation by allocating a significant portion of project resources to capacity-building processes; a comprehensive area coverage; a wider selection of services; village-based monitoring and evaluation that ensure transparency and accountability; total approach to empowerment by giving funds directly to the people and a simplified fund disbursement system to avoid problems associated with funding delays.

Building on a number of favorable conditions, the KALAH-CIDSS implementation experience confirms that the most important risk management strategies are strong supervision, structured learning, and the flexibility to adjust actions to fit experience. Despite its explosive success, the project achievements need to be strengthened and sustained over time. This is being done through strict adherence to project rules, strengthening of stakeholder networks, ongoing constituency-building efforts, and continuous impact assessment.

12.2 Project Objectives

The Kalahi-CIDSS Project hopes to develop self-propelling communities where people actively participate in activities that will improve their lives. Community members are involved in designing, implementing, and managing development activities that reduce poverty. In support of this vision, the Project will provide opportunities to:

1. Empower local communities

This involves capacity-building inputs and the institutionalisation of mechanisms that will allow the people to freely exercise their right to decide on issues affecting them through participatory planning, implementation, and management of local development activities. Emphasis is given to vulnerable groups like the Indigenous

peoples, farmers, fisherfolk, by ensuring their inclusion in the decision-making process especially on matters pertaining to resource allocation and use.

2. Improve local governance

Both at the barangay and municipal levels, this objective requires the revitalisation of structures that will encourage community consultation and ensure transparency and accountability. Through capacity-building sessions, the communities and their local governments are prepared to undertake relevant community development activities.

3. Reduce poverty

This covers the provision of funds for basic community infrastructure or common service facilities and other relevant projects that will help reduce poverty. It is assumed that with empowered communities and improved local governance, sub-projects of communities will be relevant, successful and sustainable.

12.3 Project Principles

As a community-driven development Project, the implementation of KALAHI-CIDSS is anchored on the following principles (acronym LET-CIDSS):

1. Localised decision-making

This principle gives life to the importance of having the community discuss and decide on important issues that affect them including the formulation and implementation of projects and other interventions that will address problems they themselves identified. The Project guarantees that communities prepare and prioritise sub-projects for funding.

2. Empowering

The Project invests heavily on capacity-building activities. The journey through the 16-step community planning and sub-project cycle exposes the people to a learning process where they can realise their individual and collective strength, acquire and develop community project management skills, and increase their confidence in engaging local governments in periodic dialogues for better basic services delivery.

3. Transparency

Community participation encouraged in all the steps of the Project and the barangay assemblies where the people are informed on the physical and financial status of the sub-projects and consulted on community issues or problems promotes responsibility and accountability. The multi-level monitoring system including that of

the NGO and media as independent monitors and the Grievance Monitoring and Resolution Mechanism are features that support the transparency objective.

4. Community prioritisation

Project intervention in terms of sub-projects and capacity-building activities is a product of a collective decision-making process. The Project engages the participating communities in a tedious task of problem analysis, project identification, development, implementation and monitoring. Decision on what projects are to be prioritised for funding is made by an inter-barangay forum whose members are elected by the barangay assemblies.

5. Inclusive and multi-stakeholder

The whole community, with its formal and traditional leaders, the different sectors and other individuals, groups or organisations is encouraged to participate in the Project. By broadening the base of participation, elite capture of the Project is prevented.

6. Demand-driven

Support is given to enable the communities to prioritise their own needs and problems, design their own projects and make decisions on how resources will be used. Projects that are developed and implemented by the community have better outcomes and are sustainable.

7. Simple

For better understanding and appreciation of the Project and to enable all the stakeholders to get involved, procedures and other requirements are kept simple.

8. Sustainable

The Project ensures that sub-projects have viable plans for sustainability. With reference to Kalahi-CIDSS, viability and sustainability reflect the capacity of sub-projects to continue to deliver intended benefits over a long period.

12.4 Project Components

The three components of the Project are:

1. Social preparation, capacity building and implementation support

Given in all stages of the project cycle, this includes training on the different areas of competency required by the sub-project and support for community mobilisation activities. The KALAH I uses technical assistance to mobilise local communities to

participate. It also utilises training sessions and workshops to strengthen the capacity of local communities and local government units to initiate, plan, implement, manage, and supervise projects.

Community mobilisation is the responsibility of area coordination teams, one of which is fielded in every KALAH I target municipality. Area coordination teams include:

- Area Coordinators, preferably with expertise in community mobilisation, to supervise the field teams
- Deputy Area Coordinators who are also engineers
- Roving Bookkeepers to provide financial management services to the villages, and community facilitators to mobilise communities, build capacity for collective action, ensure adequate representation, and provide technical assistance. One community facilitator is provided for every five villages.

2. Provision of seed fund for community development projects

Municipalities are allotted specific amounts, which will be used for development projects identified by the Barangay Assemblies. The KALAH I provides grants to villages for community development projects and audits records, accounts, and financial statements of expenditure relating to implementation. The KALAH I has allocated a specific amount of grant assistance per community. This sum is calculated based on the number of villages in a municipality multiplied by PhP300,000 (approximately US\$6,000). The amount was calculated by DSWD as the average for past community projects.

The villages within a KALAH I municipality compete for funds by presenting proposals at an inter-village forum whose voting members are democratically selected village representatives. The forum determines which projects receive KALAH I funding by using a voting process that the members themselves formulate.

3. Conduct of Monitoring and Evaluation

This involves studies or researches as well as regular data generation in order to digest learning and make corresponding adjustments in the Project. The monitoring and evaluation are designed to provide for continuous learning and adjustment of the project approach. This component of KALAH I involves:

- Participatory monitoring by communities based on self-defined indicators
- Internal monitoring of inputs, process, and outputs by the project management
- External monitoring and evaluation by consultants, civil society, and media.

Community monitoring

Community monitoring includes transparency measures, such as publishing minutes of community meetings and progress reports of funded projects in public places and community bulletin boards. This allows local people to exact accountability by comparing proposed achievements with actual ones.

The KALAHl provides a grievance mechanism for villagers who feel bypassed or marginalised in the planning and selection process. The grievance mechanism examines complaints regarding the selection of proposals, project implementation, and the conduct of project staff. It ensures appropriate sanctions against violations of project principles or previously agreed covenants.

Internal monitoring

Project staff members undertake monthly progress reports with quantitative and qualitative data about project progress, outputs, and deliverables. Project management requires this kind of information—collected and stored through computerised management information systems (MIS)—for real-time feedback on progress.

Independent monitoring

Complementing the grievance mechanism is independent monitoring of community-level activities. Civil society groups, consultants, and members of the media are invited to assess the degree and quality of participation in the planning and decision-making processes, as well as KALAHl's performance in terms of transparency and information-sharing.

12.5 Implementing the Projects: the 16 Steps

KALAHl-CIDSS projects are implemented in target communities in four (4) stages of the Kalahi-CIDSS Planning and sub-project cycle:

Social Preparation

Cutting across the three other stages, this stage provides the inputs needed to enable the community to participate effectively in the different aspects of the sub-project. Inputs cover orientation and training activities, community planning workshops, barangay assemblies and other skills enhancement activities.

Step 1. Municipal Orientation. The KALAH! is launched in the municipality. A memorandum of understanding is signed between the DSWD and the municipality. A municipal interagency committee (MIAC) is created that serves as a mechanism for inter-department collaboration. The area coordination team, which serves as the KALAH! field team in each municipality, is deployed two months prior to the municipal launch.

Step 2. Village Orientation. The first village assembly is held in every village within the municipality. Villagers are briefed on the KALAH!. Volunteers for conducting a participatory situation analysis (PSA) are selected by their peers.

Step 3. Participatory Situation Analysis. Volunteers discuss development issues affecting the community and prioritise them. The final output is the village action plan, including the top priority problem to be submitted for the KALAH! funding.

Step 4. Validation of PSA Results. A second village assembly is held. The entire village validates the PSA results. The villagers elect the project preparation team (PPT) and village representative team (VRT).

Project Development (project identification and conceptualisation)

This stage engages the beneficiary-communities in an empowering process of identifying, from among the many options, the projects that will be conceptualised and undertaken to solve the problems in the community.

Step 5. Criteria-Setting for Ranking of Subprojects. VRTs attend a workshop where they decide the rules and subproject ranking criteria for the municipal inter-village forum (MIVF). Criteria include poverty focus, sustainability, and local contributions.

Step 6. Preparation of Subproject Concepts. PPTs, VRTs, MIAC members, municipal technical staff, and local non-government organisations attend a workshop on subproject concept preparation. As a result, the subproject concept forms are prepared for each village through stakeholder consultations. A local resource mobilisation strategy is formulated to generate contributions from villagers, local government, and line agencies.

Step 7. Validation of Subproject Concepts. A third village assembly is held. Each PPT publicly presents the subproject concept form for validation by the entire village.

Step 8. Finalisation of Subproject Concepts. A workshop for all PPTs is held for refining the subproject concept based on inputs from the third village assembly. Presentation materials to be used in the first MIVF are prepared.

Project Selection and Prioritisation

This stage is concerned with the process where the communities, through their elected representatives, meet to rank or prioritise project proposals endorsed for funding. The institutionalisation of a system for the ranking of proposals is a special feature of the Kalahi- CIDSS Project.

Step 9. Ranking of Subproject Concepts by the Municipal Inter-village Forum.

The first MIVF is held. PPTs present the subproject concepts and VRTs rank them. All the VRTs sign a resolution from the MIVF indicating the ranking as well as indicative funds allocated to prioritised subprojects. The mayor chairs the MIVF but does not vote.

Step 10. Feedback on the Results of Municipal Inter-village Forum Ranking.

A fourth village assembly is held. The results from the first MIVF are presented to the village. The prioritised villages elect the members of the village subproject management committee.

Step 11. Formulation of Detailed Subproject Proposals.

Village teams, assisted by the ACT and local government staff, prepare the draft detailed subproject proposal, which includes technical specifications and detailed cost estimates. Non-prioritised villages are also encouraged to undertake technical preparation.

Step 12. Validation of Detailed Subproject Proposals.

A fifth village assembly is held. The draft detailed subproject proposal is presented to the entire village for validation.

Step 13. Approval of Detailed Subproject Proposals by the Municipal Inter-village Forum.

A second MIVF is held. The detailed proposals are presented and assessed by the MIVF. After verification of the required supporting documents, the subprojects are approved for funding. Verification requires a commitment letter from the MIAC, signed by the mayor, for supply of software aspects such as staff.

Project Implementation, Monitoring and Evaluation

Implementation of sub-projects, the finalisation of Operations and Maintenance Plans to ensure sustainability, and the conduct of periodic monitoring and field validation activities constitute the core of this stage. Volunteer teams organised to attend to the different concerns of project implementation are activated for this purpose.

Step 14. Pre-implementation Workshop. Village teams, which are attached to the village development council, are trained in construction techniques, reporting, procurement, financial management, and operation and maintenance (O&M). Concerned local government staff members also receive training.

Step 15. Subproject Implementation. Village volunteer teams implement the subproject. During implementation, a detailed O&M plan is required for the release of the second installment of funds.

Step 16. Subproject Operation and Maintenance. The village implements the O&M plan. An O&M monitoring team comprising municipal officers and the ACT tracks progress.

Each village undergoes this process three times, and is eligible to receive community grants on each occasion. Each cycle consists of six to eight months of preparation (steps 1-13) and four to six months of implementation (steps 14-16).

12.6 Types of Sub-Projects

Kalahi-CIDSS offers an “open menu” of projects to the communities so long as these projects have sustainable and poverty alleviating benefits for the larger segment of the community. However, a negative list has also been drawn up.

Among the projects that can be funded by KALAH-CIDSS are:

- Economic Support Infrastructure (e.g. communal irrigation system rehabilitation/construction, production and post harvest facilities, etc.);
- Physical Infrastructure (e.g. Road rehabilitation, road re-graveling, solar drier);
- Basic Service Infrastructure (e.g. water system, barangay health stations, basic education facilities, etc);
- Capability Building Activities (e.g. training for enterprise development such as fishing techniques, technology demonstration on farming cooperatives)

The project negative list includes:

- Weapons, chainsaws explosives, pesticides, insecticides, herbicides, asbestos and other potentially dangerous materials and equipment, fishing boats and nets above the prescribed size and weight of the Fisheries and Aquatic Resources Bureau;
- Road construction into protected areas;
- Use of funds for purchase or compensation of land;
- Micro-credit and livelihood activities which involve on-lending of project funds;
- Maintenance and operation of facilities provided with project funding;
- Activities that have alternative prior sources of committed funding;
- Recurrent government expenditures (e.g. salaries for government and LGU staff);
- Construction or repair of government offices meeting halls, and places of religious worship;
- Construction or repair of government offices meeting halls, and places of religious worship;
- Political and religious activities, rallies and materials,
- Salaried activities that employ children below the age of 16 years;
- Activities that exploit women or men at any age;
- Travel;
- Consumption items or events

12.7 Scope of the Project

This six-year project was implemented in 200 municipalities in 42 provinces with poverty incidence above the national average of 33.7 %. There are some 5,000 barangays in these municipalities and all these barangays are eligible to participate. In addition, some urban poor communities from urban centers in each region were selected.

The selection of project sites undergoes a multi-stage process and conducted by a multi-sectoral committee composed of representatives from government, NGOs, and local government units. They were guided by a set of criteria, which consider the levels of deprivation, presence or absence of partners, presence or absence of similar government programmes, and the willingness and capacity of the municipal LGU to contribute to the project.

12.8 Project Implementation Arrangement

National steering committee

At the helm is the National Steering Committee, which provides policy direction. It is chaired by the Secretary of the Department of Social Welfare and Development or DSWD. The co-chair is the Convener of the National Anti-Poverty Commission. Board members include the Secretaries for Local Government, Economic Planning, Finance, Budget and Management. There are three representatives from civil society, drawn from the largest and most prominent NGO alliances in the Philippines.

National and regional project management teams

The DSWD serves as the KALAHIs executing agency, and the department's National Programmes and Operations Bureau has overall management responsibility. Employees of the department, as well as a few technical consultants, staff the national project management team. The national project manager, who handles the KALAHIs operations on a day-to-day basis, reports to the KALAHIs national project director, who is the Secretary of DSWD.

The regional offices of the DSWD are responsible for implementing the KALAHIs at the local level. A full-time regional project manager has been designated in each regional office to assume responsibility for implementation. The regional manager, with assistance from other regional staff, supervises the municipal-level area coordination teams.

Municipal inter-village forum

The municipal inter-village forum is convened by the municipal mayor and facilitated by the KALAHIs area coordinator. This forum gathers a panel of representatives from each village to vote on which project should win the funding. The inter-village forum has regular and associate members, but only regular members are entitled to vote during forum deliberations.

Regular members are the three representatives from each village in the municipality who prioritise the proposals at the inter-village forum. Associate members include local government unit department heads, nongovernmental organisations operating in the municipality, local media groups, and universities. Associate members can advise voting members on technical and other aspects of projects but they cannot decide which subprojects will be funded.

Village assembly structure

The village assembly—composed of all village residents and chaired by the village captain—is the key structure for implementation. The village assembly is the ultimate decision maker in the KALAH I. It also selects the members of the various village teams who are responsible for implementing specific phases of the KALAH I within the village. The quorum for a village assembly is 50 percent + 1 household living in the municipality.

The village assembly holds discussions on priorities and builds consensus on broad policies. But village representatives (or community volunteers) assume responsibility for day-to-day project development and implementation. The larger village assembly is convened at least five times during the project cycle to ensure that ordinary villagers—not just their representatives—are in control of decision-making.

The village assembly selects 20 volunteers, or representatives, to actively participate in designing and implementing projects. Key criteria include:

- Ability to communicate effectively
- Strong community standing (considered responsible by peers)
- Willingness to serve without monetary compensation

The volunteers selected are normally villagers motivated by an interest in the public good and peer recognition. Some are farmers, others are former government employees, and a few are professionals with technical backgrounds. Homemakers and women comprise a majority of the volunteers.

12.9 Fund Disbursement and Management

Funds for community projects are released in tranches (usually in percentages of 50-40-10). Funds are transferred from the DS WD to a village account at the nearest branch of the Land Bank of the Philippines. There are three signatories for this village account:

- The chair of the village project implementation team (usually an ordinary villager)
- The village treasurer (a staff member from the local government unit), and
- The DS WD's area coordinator (a member of the KALAH I staff).

The chair of the village implementation team does not have sole authority to disburse funds. Disbursement requests must also be approved by a village finance team, which meets weekly. The approval, disbursement, and recording functions are segregated according to sound financial management.

An audit committee conducts a periodic review of all transactions and fund balances. Financial and physical accomplishment reports—the main requirements for more funds to be released—are presented to a village assembly for approval, in an accountability meeting, before being submitted to the DSWD's regional office.

These progress reports may be submitted to the DSWD's regional office only after the area coordinator and the local poverty reduction officer of the municipal government have verified their accuracy.

12.10 Project Impact

The project has invested a total of PhP5.24 billion (US\$127 million) in 5,716 community sub-projects in 5,543 *barangays*, benefiting about 1.26 million households. As of December 2010, approximately 98% of all sub-projects had been completed. Basic social services facilities (e.g., water systems, school buildings, day care center, and health stations) represent 69% of all sub-projects, followed by access infrastructure such as roads and bridges (28%). Below are concrete impact of the project:

1. Participation rate in project activities are relatively high suggesting that households and local elected officials in targeted municipalities see value in KALAH-CIDSS approach. About 80 percent of households in covered municipalities indicated being aware of the project, and three in every five expressed satisfaction with the project. Local elected officials also view the project in a positive light, with 75 percent of officials from local government units (LGU) expressing their satisfaction with the project. Project beneficiaries identified infrastructure improvement, better access to service and community empowerment as key project benefits.
2. KALAH-CIDSS was designed to minimise the risk of elite capture and it has been successful in doing so. At the national level, the programme was successful in directing resources to some of the poorest municipalities in the country. At the local level, the project processes were not subject to the elite capture. First, barangay captains do not appear to be a driving force behind proposals put forward in the municipal-inter barangay forum. Their preferences and those in community members are equally represented in community proposals. Second,

the evaluation reveals that, within municipalities, KALAH-CIDSS targeted the poorest and best-organised villages, suggesting that better-off and connected individuals and villages did not receive a disproportionate share of project benefits.

3. The project has a positive impact on household consumption. The initial results of the impact evaluation revealed that household incomes of beneficiaries, as measured by consumption, rose significantly. The increase in per capita consumption in beneficiary households was on average 6-14% higher than in households outside the project, depending largely on the number of sub-projects in each village.

Specifically, per capita consumption increased by about 5 percent as a result of the project. Those impacts are stronger in households classified as poor in 2003 and for households living in barangays that received a subproject. This is consistent with the view that long-term impacts will require sustained efforts and both social and physical investment.

Additional survey findings on household employment and marketing suggest how these positive impacts on consumption came about. First, the project led to a 4 percentage-point increase in labour force participation compared to what would have happened otherwise. Second, the survey found that households in KALAH-CIDSS diversified their sources of income: they are now slightly more likely to be working in more than one sector. Third, the positive impacts might come from improved production practices. While farmers are less likely to engage in multi-cropping as a result of the project, they appear more likely to sell their produce.

4. Access to basic services has also improved significantly in beneficiary barangays. On average, there are 6% more households in the beneficiary *barangays* with year-round accessibility than in the non-beneficiary *barangays*. Year-round accessibility has improved even more in the beneficiary *barangays* with more sub-projects. In *barangays* that have implemented two sub-projects, the increase in accessibility to basic services is 22% higher than the increase in the non-beneficiary *barangays*.
5. The project led to improved service delivery. First, the proportion of households visiting a health facility when sick increased. This change seems to be driven by an increase in the use of public barangay health stations versus private hospitals and clinics. Second, the project had a positive impact on accessibility.

Specifically, a 6 percent point increase in the proportion of households whose house is accessible yearlong can be attributed to the project.

Third, the project had a small positive impact on access to level 2 and 3 water systems. However, given the relatively large amount of investment for water subprojects in the sample municipalities, this impact appears limited, apparently due to maintenance problems. The impacts on access to safe drinking water are slightly larger but still limited. Fourth, programme implementation appears to have led to an increase in secondary school and college enrollment, but, surprisingly, to a small decline in elementary school enrollment. However, given the relatively small amount of investments in school buildings in the barangays sampled for the impact evaluation, this correlation might not be the result of the project.

6. Consistent with the project development objective, KALAH-CIDSS led to an increase in participation in barangay assemblies associated with greater knowledge about the barangay's income and expenses. This increase in participation in barangay assemblies seems to be associated with a qualitative change in how they are perceived. Prior to project implementation, they were, at best, considered avenues for reporting, while now they tend to be seen as mechanisms for participation, transparency, and accountability. This change seems to be partly driven by a new breed of barangay leaders. Especially in barangays that received a subproject, some of the community volunteers were empowered. This new pool of leaders can engage effectively barangay officials. They are considered to be more service-oriented and committed than previous barangay leaders and, in some cases, they have been elected to the barangay office. Ensuring the sustainability of those impacts once project implementation has ended appears more challenging.
7. The project has also positive impact on a number of social capital outcomes, which have been shown to be positive determinants of household welfare. For example, the project led to increased group membership as well as improved trust levels. Surprisingly, the project has negative impact on the proxy used for collective action, but a positive impact on households' willingness to contribute money to community projects. It is unclear whether this last result is driven by a decrease in households' willingness to contribute to such activities or by a decrease in the need for collective action. It could also capture a shift in the nature of participation in collective action activities. Those impacts are less dependent on the barangay-receiving sub-project financing,

suggesting greater role for social preparation in determining impacts on local dynamics.

8. Finally, findings from the evaluation suggest areas for improvement. First, some of the observed impacts – for example, access to level 2 and 3 water systems—are relatively small. In the case of water systems, this appears to be due to the fact that some of the subprojects were unable to reach all community members and some barangays did not manage to adequately maintain the investment. This, in turn, may be the result of project resources being allocated on a per barangay, rather than on a per capita, basis, which in some cases led to limited per capita allocations. The evaluation also showed that the key impact on increased consumption levels is stronger on poorer households, suggesting that it might make sense to vary municipal allocation by poverty levels.

Second, there are challenges in sustaining empowerment and barangay level governance impact and in affecting improvements in the municipal-level governance. This could require greater LGU involvement and better integration of project processes with the local planning cycle, along the lines currently being followed by the LGU (Makamasang Tugon) initiative. Further findings from the qualitative study suggest that the project was relatively successful at empowering project volunteers, but that the broader citizenry was not as positively affected.

Third, while a large proportion of barangays in targeted municipalities received at least one subproject during the three cycles, some did not. Project volunteers who engaged in the relatively time-consuming KALAH-CIDSS processes and did not manage to get a project for their barangay might be reluctant to engage in similar empowerment and barangay-level governance processes in the future.

12.11 Way Forward

The Community-driven Development (CDD), an approach implemented by the KALAH-CIDSS project of DSWD, is featured prominently in the efforts of Government to address poverty. These are reflected in the following plans and initiatives of the government: Philippine Development Plan 2011-2016, the National Anti-Poverty Framework, and the proposed Empowerment and Local Poverty Reduction Fund of the Human Development and Poverty Reduction Cluster (HDPRC). CDD promotes equitable access to quality basic social services and inclusive growth, especially by the poor and vulnerable – helping fulfill the good governance policy and Social Contract of the Aquino Administration to the Filipino people.

The proposed National Community Driven Development Programme (NCDDP) will support implementation of the national government current thrust to accelerate achievement of the MDG goals and to halve poverty by 2015. NCDDP shall be able to use the following advantages of the CDD approach in poverty reduction: (i) ability of the CDD approach to deliver social, economic and good governance outcomes, proven by the experience and external impact evaluation results of the KALAH-CIDSS project of DSWD, (ii) positive economic costs and benefits analysis of CDD-supported KALAH-CIDSS community projects, showing high overall and sub-project-level economic rates of return, (iii) acknowledges in the Philippine Development Plan 2011-2016 CDD approach as an effective approach in social development delivery; iv) endorsement of LGU local chief executives of the CDD approach based on their experience in the KALAH-CIDSS project, and (v) ability of the CDD process to coordinate and expedite channelling of local and national government resources into poor municipalities, considering size of poverty and population.

The NCDDP will support KALAH-CIDSS CDD operation and expansion, as well as integration of CDD with the HDPRC Bottom Up Planning and Budgeting process in selected KALAH-CIDSS municipalities. Specifically, NCDDP will implement the following:

- Institutionalise performance-based CDD support for municipalities that have finished at least 4 cycles of KALAH-CIDSS⁵
- Continue CDD operation in existing KALAH-CIDSS municipalities and expand into new targeted poor municipalities
- Integrate KALAH-CIDSS CDD and LPRAP-BUP process in common municipalities of the NCDDP and HDPRC, for more systematised community participation in local poverty reduction action
- Institutionalise capacity building and learning on CDD for community volunteers, partner national government agencies, LGUs, CSOs and other partners
- Support integration of the role of provincial LGUs in Bottom Up Planning and Budgeting and CDD, particularly in provinces with high concentrations of NCDDP municipalities
- Continue support for the government's DSWD convergence of CCT-CDD-Livelihood Conditional Cash Transfer (CCT) Programme by providing needed health and education social infrastructure facilities in target CCT areas, thereby

⁵ Old and existing KALAH-CIDSS municipalities which have participated in 4 or more KC funding cycles

enabling the Programme's beneficiaries to comply with the requirements of the conditional cash transfer programme

NCDDP will cover around 5 million households in 19,400 barangays of 851 municipalities located in 68 provinces, 15 regions.

Even as the CDD approach of NCDDP supports community projects that provide services to raise community welfare and lead to poverty reduction, CDD is also addressing the non-income dimensions of poverty. Its other key objective is to strengthen community social capital – i.e., community organisation and genuine participation, community empowerment, and strengthening accountability mechanisms at the local level in the delivery of basic services to the poor. Apart from their direct poverty reduction goals, CDD-supported community sub-projects serve as an important means to strengthen community social capital.

13. New Model for Rural Development in Sri Lanka

Introduction:

The poverty level of Sri Lanka shows a continuous decline since 1990s. For instance, the poverty Head Count Ratio in 1990 was 26.1% and it had come down to 8.9% in 2010. Many rural development programmes such as free education, health, water and sanitation, housing, food and nutrition, agriculture, infrastructure implemented by the governments of Sri Lanka have resulted in this improvement. The present government too is launching such massive rural development programmes namely *Divi Neguma* for livelihood development, *Gama Neguma* for village development and *Maga Negume* for road development.

However there are still some remote villages which are less developed and need to be intervened for the development process. Hence HARTI selected such a village to undertake development initiatives in collaboration with “*Dayata Kirula*” national development programme which is a government programme conducted annually.

“*Dayata Kirula*” a new attempt of Sri Lankan government was launched during the recent past. The main objective of the programme is to celebrate national Independence Day by completing development work covering infrastructure, agriculture, livelihood development, housing, financial services, Health services, education and vocational training. The programme aims to undertake development activities in a selected District. Billions of rupees are pumped in to a particular area under this programme. In short a big push is given to the selected location. The district is selected by the government and the programme undertakes development activities by public and private institutions. Most of the ministries, departments and other government institutions are involved in the programme. For instance Rs. 10 bn. were invested for *dayata Kirula* programme in 2011 involving 400 public and private institutions. Investment incurred in different development areas in 2011 programme is shown below:

| Sl. No. | Description | Investment (Rs.Mn.) |
|---------|--|------------------------|
| 01 | Agriculture | 750 |
| 02 | Road Development | 4000 |
| 03 | Urban Development and Housing | 800 |
| 04 | Financial and Banking Sector | 550 |
| 05 | Education, Sports, and vocational Training | 660 |
| 06 | Health Services | 650 |

| Sl. No. | Description | Investment (Rs.Mn.) |
|---------|--|------------------------|
| 07 | Social Benefits | 400 |
| 08 | Industrial and Commercial Activities | 500 |
| 09 | Electricity, Water supply Irrigation & power and Energy | 1200 |
| 10 | Information and communication Technology | 250 |
| 11 | Mobile services, Religious Programme Workshop and Shramadana | 250 |
| 12 | Others | 700 |

Source: <http://www.deyatakirula.lk>

Methodology

Selection of the village was mainly based on two criteria. The first was that it has to be an agricultural village with abandoned resources. The second was that it had less development intervention of government and other institutions previously. Based on these criteria, The “*Konakumbukwewa*” village in Rambewa Divisional secretariat in Anuradhapura District was selected. Participatory Rural Appraisal (PRA) was employed to identify the development needs. PRA method is the best way of identifying the needs at grass root level. Hence, in this action research, development needs were identified through PRA. Development plans and projects implementation also were done through the participation of people in the village. A Baseline Survey was carried out covering Education levels, Infrastructure, Income levels, Conditions of the housing, Structure of family, social information etc to identify the changes made after intervention.

The Development Approach

Integrated holistic development Approach was used. The aim is both physical and spiritual development. Figure 1 show the development model employed. The main argument is that one or two development activity is not sufficient to improve the living standards of the rural society. A set of development activities together helps to improve living standard than one or two development activities. Physical development is determined by a collection of activities such as infrastructure, farm and nonfarm activities. Therefore many development programmes should be integrated. For instance, if it is needed to increase the agricultural production, many programmes like irrigation, seeds, fertiliser, cultural practices, processing, storage, marketing, credit etc should be implemented together. The main problem in developing countries is lack of resources for implementing such a development

package in a particular place. Therefore one or two development activities implemented in a particular area may not achieve the expected target.

As shown in figure 1, there are two components in the development model, i.e. physical and spiritual development. People will not think of spiritual development until the physical development is achieved. After the physical development, people may think about spiritual development. Hence the model pays first attention to physical development of the people. Income is the main factor which determines the physical development. Therefore increasing income is more important. In an agricultural village, farm income is the major source of revenue. During off seasons there are very limited livelihood opportunities too. So the model acknowledges the importance of both farm and off farm income of the people. Fisheries, livestock, industry and services in the model are the four areas to increase off farm income of the people. In an interior farming village, people may not be able to engage in sea fishing but they can resort to inland fishing. Livestock gives income throughout the year. On the other hand it reduces the cost of cultivation if they could produce organic fertiliser for their cultivations. Industries such as food processing, garments & textiles and handicraft industries available locally are income generating opportunities particularly during the off cultivation season. Services like trading, operating a salon etc are easily available off farm income generating opportunities at rural level. If a villager can access to at least one or two of these four activities, it will help to increase the income.

To obtain the maximum benefits from agriculture, all the processes from inputs to marketing of agricultural produce should be with the farmers' participation. Unfortunately this chain does not work properly. Agricultural inputs are more important for farmers. Lands and labour are available in a village but other resources such as quality seeds, water and fertiliser are lacking. Supportive services i.e. credit and extension services make it easy to utilise agricultural inputs. Both inputs and supportive services will lead the cultivation and the production thereafter. The models discuss the importance of processing the agricultural produces because it creates an additional value to the product and brings extra income for the farmer. In the initial stage the attention is paid to primary processing i.e. cleaning, grading, packing and processing. Marketing of agricultural products are crucial points. Marketing cost, market information, supply chain and consumption patterns are major areas to be paid attention. Calculation of marketing cost correctly is most important in agriculture marketing and farmers need help in calculating marketing cost to prevent losses. Market information such as prices, cultivated/harvested

Integrated Development Model

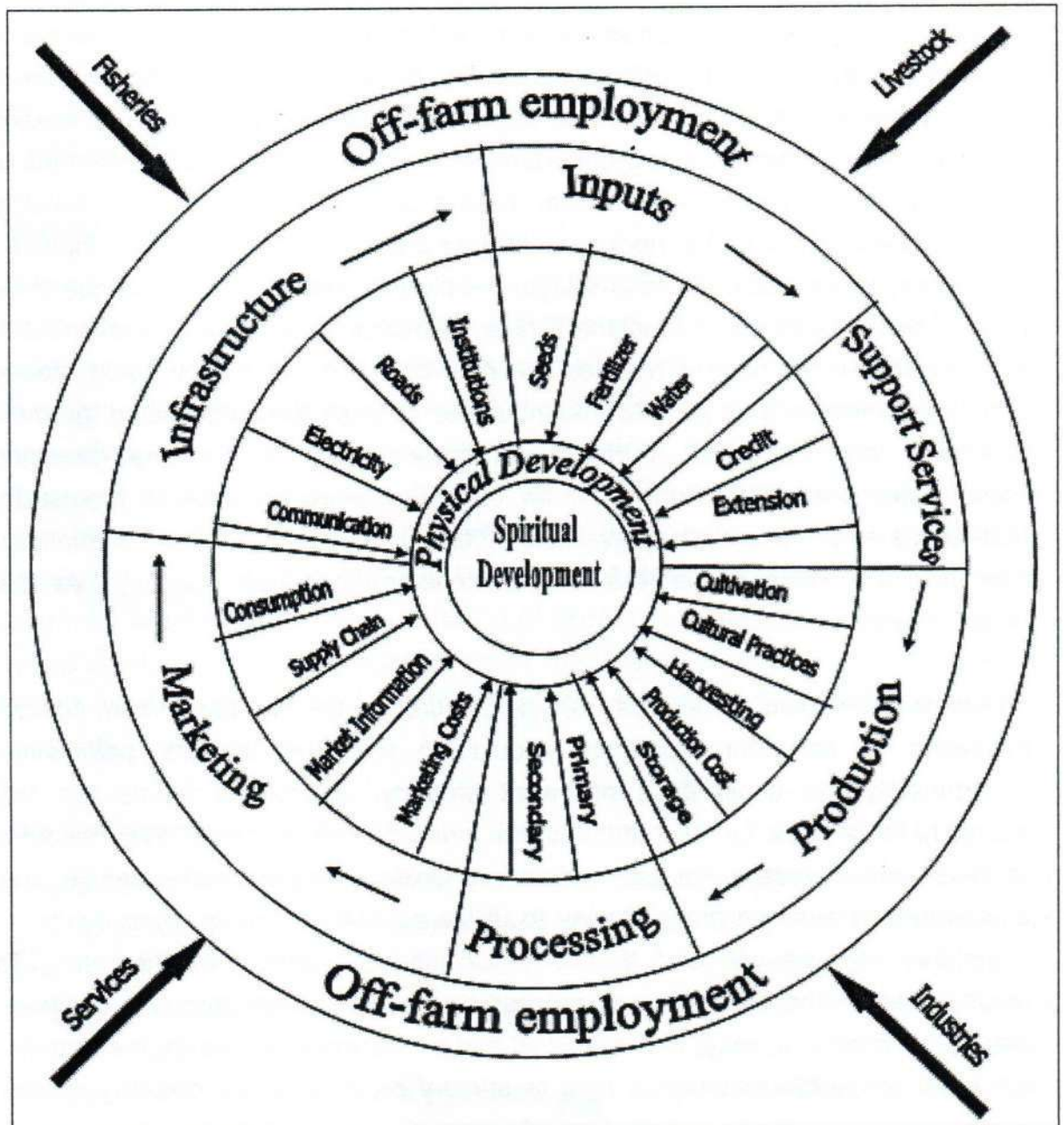


Figure 1

extent, production and cost of production, transaction cost, marketing channels, and consumption patterns should be given to the farmers to make sound decisions regarding when to produce, where to sell and to whom. Supply chain shows the direction from where agricultural produces flow. That also will help in deciding market to sell and to purchase. Consumption patterns reveal trends in consumption which shows the demand for a commodity.

Strategies Adopted Identification of development needs was done through PRA. Development plan & time schedules were prepared with villagers participation. Financial contribution was made by the government of Sri Lanka and the community also contributed at least 20% for each development activity. Since almost all the ministries, departments and other government institutions are working on rural development, most of the development activities were conducted with the coordination of relevant line agencies. Rapport building was the major challenge to continue development activities of the village. The development team had to complete a few development activities quickly to fulfill the promises given to the villagers. Strong monitoring system launched by the HARTI as the executing agency was a major factor for the successful completion of the project. Strengthening of Farmer Organisations (FO) and project implementation through FO were other factors for the success of the project. Although there were four FOs, they were not linked with outside and no work had been done by them other than conducting water distribution meeting at the beginning of cultivation season.

Major Areas of Intervention Project period is 3 years from August 2011. The first stage was from August 2011 to February 2012. In the first stage, development activities relevant to major two components i.e. farm and off farm activities depicted in the model plus social development activities have been completed. For agricultural development, agricultural infrastructure (minor tanks, canals, farm road), agricultural inputs (seeds, plants, compost making, soil conservation and catchments development, home garden development) have been completed. Inland fisheries, self employment and women empowerment have been done to increase off farm income. Drinking water, education, awareness on food and nutrition, elephant problem and health camp were the activities undertaken for social development. Details of above development activities which were completed are given below.

Agriculture Development

01. Agricultural Infrastructure

According to the PRA findings, Agricultural infrastructure was the major problem to be addressed in the village. Hence one farm road and five tanks were rehabilitated.

Farm Road

In Konakumbukwewa, there was only one small footpath as the main path to enter the paddy field. Farmers had to carry inputs and harvest on their shoulders about 1km. In addition, farmers at the entrance of the road had to wait for the transplanting/broadcasting until the farmers at the end of the paddy field finish their transplanting/broadcasting and the reverse has happened when the harvest was collected. By solving these problems it was able to rehabilitate the farm road which benefitted 65 farm families.

Tanks

Villagers suggested rehabilitating their five tanks which provide water for paddy fields. The required repairing activities were the sluice, gate, main channels, lateral channels and the bridge. The problems were water leakage and wastage when they transferred water to paddy fields and their paddy cultivations faced water risk. Addressing the above problem, five tanks were rehabilitated. Hence risk of water scarcity was mitigated and it increased the paddy production from 900mt to 1200mt by 33% compared to the last *Maha* season.

02. Inputs for Agriculture

Agricultural inputs are main factors which determine the quantity of production. Less awareness about quality inputs and use of poor quality inputs (particularly seeds) had caused low agricultural productivity in the village. Hence the villagers were made aware of quality input and provided vegetable & cereals seeds and seedlings for fruits plantation. As a result of this intervention the cultivated extent has increased for maize from 120ac to 200ac, for black gram from 25ac to 40ac, for green gram from 5ac to 15ac, for cowpea from 10ac to 20ac and for finger millet from 6ac to 10ac.

Home Garden Development

Present government also has identified the home garden development as a priority area. Through home garden the fruits and vegetable can be easily produced for home consumption. Hence development of home garden directly increases the food security of a household. Before the programme started the majority of the

households did not have a home garden as they had practiced commercial farming. Therefore two training and awareness programmes were conducted with the participation of 148 households. These programmes included discussion on importance of Compost, Crop rotation, Mixed cropping, Mulching, Liquid fertiliser, Pest control by bio diversity, Alley cropping and nursery management. After training and creating awareness nine varieties of vegetable seeds and five varieties of fruits seedlings were provided. After developing home garden, they were able to fulfill their vegetable requirements for home consumption from their own home garden. Few of them sold the excess to the market. In addition one mango garden and two coconut gardens were established for demonstration about scientific cultivation.

Soil Conservation and Catchments Development

The village consists of many tanks, but there are very limited catchments surrounding. Therefore soil conservation and development of catchment are more important. This village has *Madhuca longifolia* trees which are of herbal value. Seedling nurseries for 680 seedlings collecting seeds were established to transplant the catchment. Awareness was created among the villagers about the importance of the *Madhuca longifolia*. One person was trained to maintain the nursery.

Off farm activities

01. Inland fisheries

After rehabilitation of tanks, storage capacities have increased. Taking this as an advantage villages were encouraged to start inland fisheries in rehabilitated tanks. National Aquatic Development Authority of Sri Lanka (NADA) coordinated their activities. It was able to form five fishing committees attached to each farm organisation. The amount of fingerlings released was 89,820 under the guidance of NADA. Expected fish yield is 67,365 kg and expected income is SLR.10, 104,750 assuming market price as SLR.150.00/kg, 50% of the income should be contributed to the farm organisation as a revolving fund.

02. Self employment

Next an attempt was made to encourage the self employers of the village. Self employers in different fields such as cycle repairing, working as barber, snack producing, homemade food delivery were identified. They were provided tools and consultation to increase their income. For instance, main mode of transportation of the village is cycle and motor bike although there are public and private bus services. The cycle repairing centre of the village was giving a very poor service because the owner is very poor and he could not purchase tools required. Most of

the time, villagers had to travel about 9 km for any repair of their cycles and motor bikes. Hence the cycle repairing centre was equipped with shelter and tools which gives benefits to the owner as well as to about 200 families in the village.

03. Women empowerment

There was a women society in the village but it was inactive. Therefore a society with 15 members was formed with the coordination of Ministry of Women and Child Affairs Development. The society was provided with training on different fields such as Book binding, Tailoring, Making of snack packets, Beauty culture, making of sweets and handicraft. The society was granted 50, 000.00 SLR for a revolving fund. As a result of this intervention, off farm income of women has increased. They organised an exhibition with their products after two months.

Social Development

01. Drinking water

As the village is located in a drought prone area, non availability of safe drinking water was a huge issue in the village. There is no tap water supply in the village. They used wells to take drinking water. But fluoride concentration of water is very high. This caused kidney diseases. On the other hand water availability in dry season is very low. The aim of the programme was to minimise the problem. Awareness on importance of rain water harvesting was created with collaboration of Lanka Rain Water Harvesting Forum. Further, 38 existing rain water tanks were repaired in the village. In addition, new 10 rain water harvesting tanks were constructed with funding by the Ministry of Water supply and Drainage. The capacity of one rain water harvesting tank is 5000 liters which is sufficient for a 6 months period for a household. Worth of water collecting in one tank is around Rs. 200,000.00 assuming the price of one liter as SLR 40. In addition, common drinking water well which benefitted 13 families was rehabilitated. This well has been constructed 25 years ago and it had not been repaired earlier.

02. Education

Education is a most important component in rural development. In PRA villagers emphasised the necessity of renovation of school buildings, cleaning of school drinking water well, and repair of computer lab. With the HARTI intervention, four buildings of the school were colour washed and cleaned and the drinking water well was repaired with parents' participation. Awareness programmes on home gardening were conducted with about 450 students. Through the awareness,

students were provided with knowledge on natural farming, control of soil erosion, soil fertility improvement, micro- climate improvement, advantages of indigenous varieties, making of compost, nursery bed making & management, mulching and mixed cropping.

03. Awareness on Food and Nutrition

Awareness programmes were conducted on healthy food habits with collaboration of a food and nutrition specialist. And, also villagers were provided set of kitchen instruments for the entire household with National Food Promotion Board's financial assistance.

04. Wild Elephant Threat

Chena cultivation is widely spread in this village. It is threatened by wild elephants. The main solution for this problem is to construct an electric fence. But the initial investment and maintenance costs are high and it is not a long term solution. With the HARTI intervention, Practical Action institute which is an NGO coordinated and established a Palmyra fence of 4km along the village boundary. 15000 of Palmyra seeds were provided free of charge and the establishment was done through *shramadana Campaign*. Benefits of this fence will be seen after 4 years of establishment.

05. Health Camp

Health camps such as eye clinic, Blood pressure checking clinic etc were conducted with collaboration of Lions Club.

Sustainability

The trust has been placed on FOs. Before the intervention, the major activity of the FO was the "*kanna*" meeting to make decision on cultivation and distribution of water particularly for paddy farming. After the project, FOs are capable of undertaking other works such as construction and or rehabilitation of agricultural infrastructures. While working with the project FOs linked with the public and private organisations, financial institutions and NGOs and practiced how to work with them. Currently the major source of funding of FOs is 5% of project cost undertaken by the FOs. After intervention, source of fund has increased by contributing the 50% of the income from fisheries subcommittee. The fund is to be revolved for further development of the village.

Conclusion

There are many rural development theories and practices in rural development literature. In many countries, most of the rural development practices are implemented in different ways and means. The realities of these practices are associated with the particular condition of the specific location. Therefore same theories or practices are completely successful, more or less successful or failures depending on location. Thus, the selection of appropriate process of implementing rural development practice is the major challenge for RD practitioners.

Lessons Learnt

1. Participation of both poor and non-poor communities is needed.

Both poor and non-poor are living together in a village. Perhaps leadership of the village is with non-poor persons. In such a situation development workers have to work with existing leadership atleast until the leadership among the poor is built. On the other hand if a project is targeted on development of agricultural infrastructure, all the beneficiaries may not be poor. For instance, if a project is to construct a farm road the beneficiaries may not only poor but also non-poor. In a situation like that it is important of take the participation of both poor and non poor.

2. Strong and continuous monitoring system is required and implementing agencies need to be encouraged.

Working with Community Based Organisations (CBOs) at the initial stage poor decision making and coordinating and lack of linkages with outside world can be problems. Perhaps broken promises given by various peoples and institutions discourage the villages' participation on the concerned project. Through strong and continuous monitoring system, rapport and trust can be built with the target group easily.

3. *Convergence of programme is the most vital factor for Implementing rural development project and programmes that enhance the social and economic transformation.*

Perhaps, almost all the public organisations are related to rural development directly or indirectly. Most of the time those organisations are working in a particular area. But maximum result of one organisation's development activity may be yielded with related works of other organisations.

14a. The Success Story on One Product One Village (OPOV) Project in Thailand

Thailand has several success stories to offer on sustainable rural development programmes. The Government of Thailand has laid down her national policies; among them “war on poverty” is one of the priority policies.

Further to the “Debt Restructuring Scheme for Small-scale Farmers” and the “One Million Baht Village Fund”, the Thai Government launched two more initiatives aimed at increasing the income of the rural poor. The first initiative is - the “One Village – One Product” and the second is “People’s Bank”.

The “One Product – One Village” programme is based on the wisdom and guidance of His Majesty the King Bhumibol Adulyadej. His Majesty simply suggests that family sufficiency will be followed by community sufficiency and, finally, by national sufficiency. The programme aims to assist every village to develop and to market their own local products based on traditional expertise and local knowhow.

The initiative has helped to foster innovation, creativity and trading skills, which will in turn improve productivity in the domestic market and eventually the global market place. In present situation, the programme has been implemented widely with extraordinary success. The implementation of these programmes has proved successful at the grassroots level.

Initially, it was the government under Prime Minister that officially launched the OPOV Development Policy in 2001 as a measure to revitalise and diversify the rural economy as a part of national economic restructuring. The central government played an active role in providing funds, awards and trainings, conducting OPOV product championship for brand-making, and in building websites for OPOV groups.

The basic motivation of Government was two-fold: to get support from the farmers and to foster coordination among government programmes. In addition, since there are many government agencies and programmes aiming at cottage-industry promotion, close intra-governmental coordination was needed for a successful mobilisation of local human and material resources. As the knowledge about local conditions is only available at the local level, the role of OPOV subcommittees that was formed under the auspices of the Ministry of Interior in the process of decentralisation has been crucial.

The OPOV subcommittees have elaborated and implemented innovative policies to promote cottage industries. Two prominent measures for marketing OPOV products: OPOV brand making by a common logo and Internet marketing.

The OPOV movement encourages the mobilisation of local human, material, and cultural resources to create value-added products/services for the rural people. It aims at encouraging the development of rural economy through the use of local resources with community participation. Indeed, existing producer groups of traditional crafts (such as Mudmee silk in Northeast district and processed foods like fish sausage and peanuts cracker) were recognised as producers of OPOV five-star products and encouraged to take advantage of the OPOV policy to improve their marketing.

Thai OPOV is also characterised by the positive use of ICT (information and communication technology) for sales strategies. The Thai government has promoted to develop and use websites for administrative and economic activities since early 2000. For the purpose of promoting OPOV, "Thai Tambon dot com" has been developed jointly by Ministry of Interior, Ministry of Commerce, Ministry of Agriculture and Cooperatives, Bangkok Metropolitan Authority, and Internet Thailand, Ltd. This website (<http://www.thaitambon.com/English/AboutTTB.htm>) is a non-profit venture which offers information on Tambon which is based on a large and comprehensive. The information covers location maps, features of local occupation groups, OPOV products, and links to thousands of export companies. It has introduced e-commerce for OTOP products.

Thailand adopted the OPOV approach but with more emphasis on economic development. Instead of waiting for local initiatives, the central government intervened from the beginning to finance and brand OPOV products. Since OPOV has been so successful, many developing countries including some in Sub-Saharan Africa have adopted the Thai model.

It will provide an opportunity to examine the hidden point of success story, like: creation of globally acceptable products by using local knowledge and resources. Also delegates can observe the endeavor of the Thai government on nurturing the spirit of self reliance among the local resident's domestic and external markets, it is highly approachable technique for successful implementation of rural development activities.

14b. Sufficiency Economy of Thailand

"The Sufficiency Economy is a sophisticated model for managing growth that is born out of Thailand's many decades of experience with development," said Merlin-Scholtes. "This thinking is a gift of Thailand to the world; something Thailand should be proud of."

"Sufficiency Economy" holds the key for reducing poverty, combating corruption, and buffering the country against financial crises. The Sufficiency Economy philosophy – based on the principles of moderation, reasonableness and self-immunity – was formulated by His Majesty King Bhumibol Adulyadej of Thailand. The Sufficiency Economy is a set of tools and principles that help communities, corporations and governments manage globalisation – maximising its benefits and minimising its costs – by making wise decisions that promote sustainable development, equity, and resilience against shocks. As such, the Sufficiency Economy is a much needed 'survival strategy' in a world of economic uncertainty and environmental threats.

"We believe that Sufficiency Economy principles are applicable around the world, especially for rapidly-developing countries that are experiencing some of the same pressures as Thailand," said Joana Merlin-Scholtes, UNDP Resident Representative and UN Resident Coordinator in Thailand. "This is a set of tools that can be used by governments, civil society and individuals to work towards sustainable growth, environmental protection and a better quality of life for all."

For communities, Sufficiency Economy principles are fundamental to empowerment and building resilience. The report cites a number of cases of communities developing long-term self-help schemes such as savings groups, revolving credit lines, and local safety nets, organising with other communities and moving towards sustainable economic activity to build immunity to outside shocks. The report cites the Inpaeng Network in Thailand's Northeast as an example of wide-scale organisation that has allowed these communities to diversify their economic base, weather shocks like the 1997 crisis, and develop a pride in local organisation and culture that is passed down to the next generation.

For private businesses, Sufficiency Economy "takes corporate responsibility to the next level". Several firms, both large and small, have adopted the Sufficiency Economy approach as a guide to management and planning. "This approach encourages them to focus on sustainable profit, to adhere to an ethical approach to

business, to pay special attention to their employees, to respect nature, to have careful risk management, and to grow where possible from internal resources," explains the report. Firms which have adopted this approach have enjoyed success over the long term. The report cites a number of examples, including Siam Cement, which was able to rebound from the devastating crisis of 1997 by developing a high-quality workforce in which each individual is valued, and by managing from core principles, such as a code of ethics that includes concern for social responsibility and fairness in business relationships.

For governments, the Sufficiency Economy is central to alleviating poverty, promoting good governance, and guiding macroeconomic policies to immunise against shocks. The report argues that rather than invest in large-scale top-down initiatives to combat poverty, governments should support communities in their own self-help schemes, conserve the environment, promote sustainable development, and maintain a stable macroeconomic course that minimises risks. The report points out that corruption is the enemy of all these efforts, and that the poor and vulnerable are often the first victims of poor governance.

Sufficiency Economy is a philosophy bestowed by His Majesty King Bhumibol Adulyadej to the Thai people through royal statements and words of advice made on various occasions, including giving concrete example on how we can apply of the philosophy into real practice, for almost four decades before the Asian Economic Crisis in 1997.

It is His Majesty's remarks that improper development of the country to become modernisation can cause both favourable and unfavourable impacts to the country's impacts, even after the Asian Economic Crisis in 1997, by means of the so-called "Philosophy of Sufficiency economy."

Definition of Sufficiency Economy

Sufficiency Economy is a philosophy developed by His Majesty King Bhumibol Adulyadej that stresses the middle path as a guiding principle for people at all levels in pursuing their livelihood. It is applicable to the individual, families, communities, as well as at the national level.

Sufficiency Economy comprises of three elements and two conditions

The three elements of Sufficiency are moderation, reasonableness, and self-immunity

The two conditions are knowledge, and morality or virtue:

Moderation means sufficiency at a level of not doing something too little or too much at the expense of oneself or others (e.g. to produce or consume at a moderate level)

Reasonableness refers to the process in which the decision concerning the level of sufficiency must be made rationally with consideration of the factors involved and careful anticipation of the outcomes that may be expected from such implementation (e.g. to produce or consume within the limitation of their own existing income or resources).

Self-immunity or Risk management implies the preparation to cope with the impact and changes in various aspects by considering the possibility of future situation, or creating immunity for oneself and society (e.g. to deposit some amount of income for unexpected expenses in the future).

Knowledge is the relevant fields and prudence in applying the knowledge especially in the planning and to ensure carefulness in the operation

Morality or virtue is the awareness of honesty, patience, perseverance and intelligence in leading one's life.

There, sufficient economy could protect us from impact arising both internal and external changes. To achieve this, an application of knowledge with due theories and methodologies for planning and implementation in very step. At the same time, it is essential to strengthen the moral fibre of the nation, so that everyone, particularly public officials, academics, businessmen at all levels, adheres first and foremost to the principles of honesty and integrity. In addition, a way of life based on patience, perseverance, diligence, wisdom and prudence is indispensable to create balance and be able to cope appropriately with critical challenges arising from extensive and rapid socioeconomic, environmental, and cultural changes in the world."

Thailand has adopted the sufficiency economy philosophy as a guidance approach to enhance its ability to withstand external economy turbulence and promote sustainable development. It must be stressed that the sufficiency economy approach does not aspire towards autarky. Nor does it advocate protectionism or going back to a subsistence economy. The sufficiency economy approach will allow Thailand to continue pursuing closer integration into the global economy with greater mindfulness.

The sufficiency economy concept can be applied to all economic sectors of the country, in urban as well as rural areas. The approach is fully compatible with ideas such as risk management, corporate social responsibility and good governance.

In summary, the sufficiency economy philosophy is a set of moral, ethical and practical guidelines intended to help the Thai people more effectively navigate globalisation through adherence to 3 principles – moderation, reasonableness, and self-immunity – and 2 conditions; knowledge and virtue.

Application of “Sufficiency Economy” to the Thai Economy

Thailand views “Sufficiency Economy” as an important tool to manage capitalism in such a way that economic progress can go hand-in-hand with sustainable social development. Our approach will focus on promoting interdependence and building networks among people at all levels, for instance by encouraging the formation of clusters and cooperatives, to immunise them from both external and internal social and economic shocks.

It is also our firm belief that “Sufficiency Economy” will bring about good governance, foster accountability, enhance transparency, and empower our people and their communities. This will help prepare our country to face emerging challenges in the more globalised world.

Philosophy of Sufficiency Economy and its application

For those who are interested in applying the Philosophy of Sufficiency Economy, you are simply requested to ask yourself by three questions before you are going to make any decision, which are included:

First, whether it is useful or reasonable enough to do so, which is an element of “moderation.”

Second, whether it is useful or reasonable enough to do so, which is an element of “reasonableness.”

Third, whether it will leave yourself vulnerable to the adverse effects from doing so in the future, this is an element of “self-immunity.”

Then, if we make proper response to each question, we will likely find our lives have been improved and gain better self-immunity.

His Majesty the King also provides a concrete practice in applying the sufficiency economy which is generally known as the "New Theory." It was named as "New component of the New Theory is divided into three consecutive stages comprising with (1) production for self-sufficient (2) grouping themselves for improving their capability, and (3) launching their production into business.

First stage: Production stage refers to a management of land and water, suggested that, of which it could be adjusted for its appropriateness in each situation, the land should be divided into a proportion of 30:30:30:10 as follows:

| | | |
|--|---|-----|
| 1 st portion: Farm pond | = | 30% |
| 2 nd portion: Main production/Paddy field | = | 30% |
| 3 rd portion: Other production | = | 30% |
| 4 th portion: Housing & others | = | 10% |

In this connection, a pond will be used to store rainwater during the rainy season for supporting producing activities and household consumption, particularly during dry seasons, including raising aquatic animals and growing plants around them pond. The main production area shall be used for producing of staple food crops such as rice, which will allow the farmer to be self-reliant and cutting down expenses on food. Additionally, the other production area can be used for growing plants such as fruits and perennial trees, vegetables and herbs. Lastly, the fourth portion shall be devoted for housing, animal husbandry, warehouse, and others.

Second state: Grouping stage is suggested for farmers who are firmly self-sufficient ones. At this stage, farmers can organise themselves into group or organisation farmer. Scope of cooperation can comprise with production, marketing, living conditions, welfare, education, society and so on.

Third stage: Business stage is considered as the last stage when farmers surpass self-sufficiency stage and having production surplus with an improved capability. However, the farmers should carefully handle their business, such as making contracts with financial institutions and buyers or processors for obtaining opening fund and ensuring of farm product sale.

For the past four decades, the New Theory has been witnessed as one of the right models that could help rural people, particularly the small-scale farmers, to survive even during the most severe crisis as going to be encountered with the food crisis in

the near future. However, successful operation of the New Theory, especially for those of small-scale farmers, is subjected to the following factors:

- (1) Farmers have to own their land;
- (2) Land area is not so big, the proper size might be around 2.5 ha;
- (3) Land is under rainfed area or closed to water supply;
- (4) Soil has good water-holding capacity;
- (5) Farmers have moderate family size, about 4-6 persons;
- (6) Farmers have low income; and
- (7) Farmers grow rice as a main crop, or produce staple food items.

Application of “Sufficiency Economy” in the world

There is nothing in the sufficiency economy philosophy that is inconsistent with mainstream economic theory. In fact, now that corporate scandals have brought down some of the world's top companies and drawn attention to the excesses of capitalism, the philosophy is a timely reminder of the roots of economics as a moral science.

The sufficiency economy philosophy can be applied by people from all walks of life and at all levels – individuals, families, communities, societies and even countries. Each person or unit would require slight adaptation to suit their needs. Despite different applications, they share the same goal of balanced and sustainable development.

15. Nong Thon Moi: New Model of Rural Development in Vietnam

15.1 Background

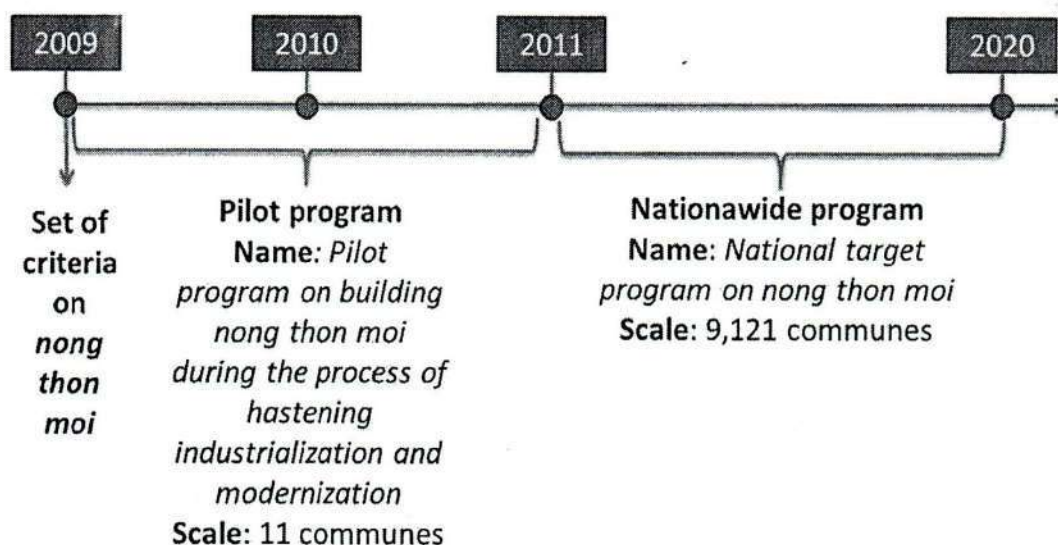
Vietnam is a success story of the development process, particularly in rural development and poverty reduction. Doi Moi - the political - economic reform initiated in 1986 has promoted Vietnam from one of the poorest countries in the world with per capita incomes less than 100 USD a year to a MIC with per capita income up to 1,130 USD per year (by late 2010) over the last 25 years. The poverty rate dramatically decreased from 58% in 1993 to 14.5% in 2008, while the social security indicators also improved significantly. Vietnam has achieved five out of ten National Millennium Development Goals initially and is progressing very well to meet other two goals before 2015 (World Bank, 2011).

Vietnam, home for 70% of the country's population, in rural areas, still have faced a great deal of emerging challenges. Assessing the achievements and problems facing rural areas, the Party's Central Committee issued Resolution No. 26-NQ/TW dated August 5, 2008 on agriculture, farmers and areas (known as *Tam Nong*). The Resolution also set a target of comprehensive rural development through the construction of new model of rural development (*nong thon moi*). In order to achieve the objective of building *nong thon moi* under Tam nong Resolution, the Government of Vietnam had developed and issued the national criteria for *nong thon moi* on 16 April 2009, including 19 specific criteria which refer to different aspects of rural development. This set of criteria serves as a tool to launch the National Target Programme (NTP) on *nong thon moi* (2010 - 2020).

15.2 The Programme of *nong thon moi* in Vietnam

The programme of building *nong thon moi* in Vietnam is implemented via two stages: (i) the pilot phase, (ii) the implementation phase over the country (the NTP on *nong thon moi*). Before developing and implementing these programmes, the Government has issued the national set of criteria as a basis for implementation (Figure 1).

Figure 1: The process of building *nong thon moi* in Vietnam

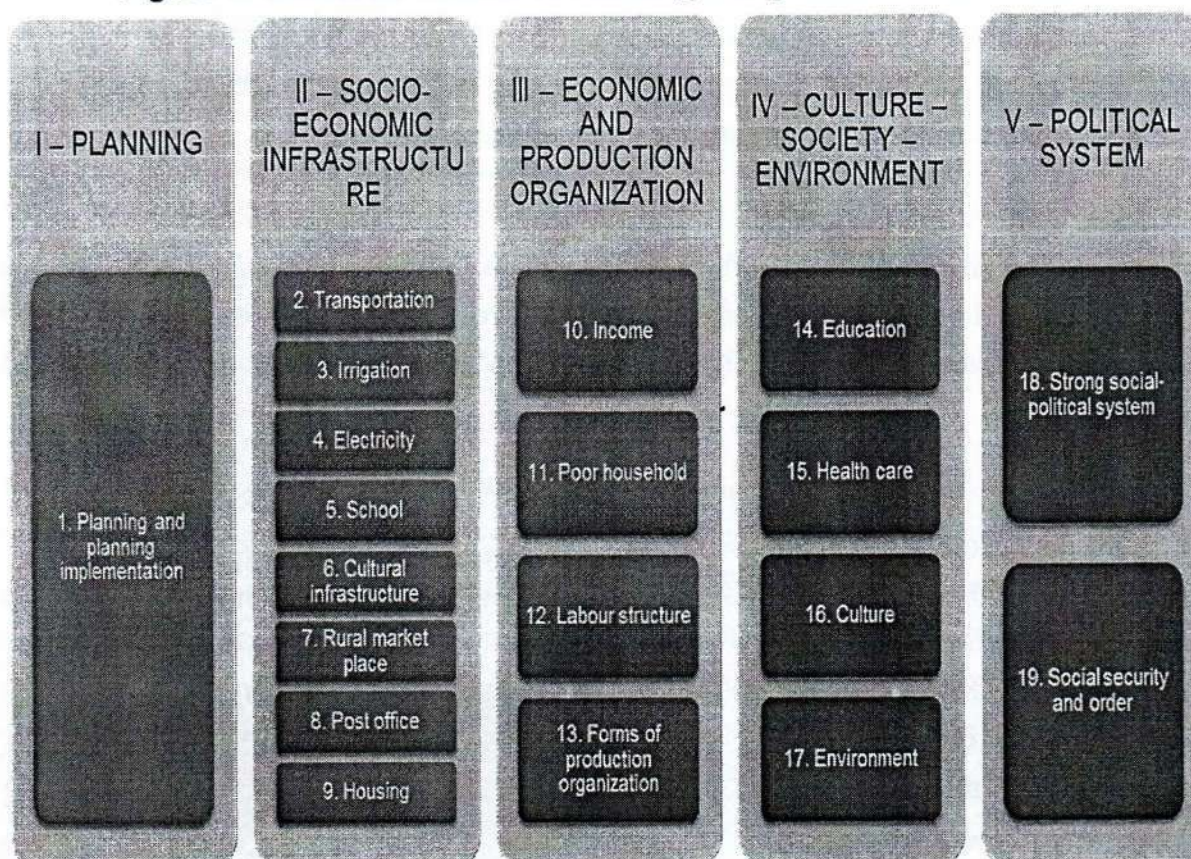


1.1. The set of criteria on building *nong thon moi*

The model of *nong thon moi* in Vietnam is a comprehensive development model. Based on the recommendations of the ministries, agencies, provinces and scientists... the Prime Minister has issued the set of national criteria on *nong thon moi* which includes specific targets and covers most of the rural socio-economic and environmental issues. The set of criteria is applied at commune level, including 5 main groups, 19 criteria and 39 specific targets with attached indicators.

Five main groups to be covered include: (i) Planning, (ii) Socio-economic infrastructure, (iii) Economy and production organisation, (iv) Culture - society - environment, (v) Political system. Each group gathers some criteria, a total of 19 criteria. Each criterion was concretised by some evaluative criteria, a total of 39 targets. The evaluative targets are differentiated by seven regions and areas based on specific ecological, socio-economic, cultural characteristics (Figure 2 and Appendix - The set of national criteria on *nong thon moi*). District that has 75% of communes meeting 19 criteria are recognised as a *nong thon moi* district; province that has 80% of districts are *nong thon moi* districts is recognised as a *nong thon moi* province.

Figure 2: Nineteen criteria of building *nong thon moi* in Vietnam



1.2. The pilot programme on *nong thon moi*

Before the official implementation of the NTP on building *nong thon moi*, Vietnam has test-built several pilot models to draw the lessons learned as well as identify suitable mechanisms and policies to different regions, areas. A pilot programme was implemented in 11 communes (out of 9,121 communes over the country), under the direction of the Central Secretariat of Vietnamese Communist Party, known as "Pilot programme to build *nong thon moi* in the period of accelerated industrialisation - modernisation". Eleven pilot communes of 11 provinces and cities had been selected as representatives for different ecological and economic characteristics (peri-urban, pure agricultural, etc.) (Figure 3). These pilot communes are rather average or slightly better off than other communes in the same regions so that they are able to strive to reach the set of criteria on *nong thon moi* and becoming a pilot model for replication to other villages in the same area.

Specific objectives:

- Build up 11 pilot communes to become the practical model of *nong thon moi* in the period of accelerated industrialisation - modernisation.

- Test some innovations in terms of policies and institutional arrangements to empower community.
- Consolidate lessons learned regarding the content, methods, policies, mechanism, responsibilities and relationships between different levels and sectors to facilitate and ensure the replicability of the model.

The key implementing principle of the programme is that internal resources of local communities are mobilised whereas the State provide partial supports to local stakeholders. In each pilot model, specific development activities are decided by local people via a transparent information, publicly communication and community-based actions.

A vertical management system is created from the central level, provincial level to commune level.

After reviewing and assessing its current socio-economic situation by the five contents of the Set of national criteria on *nong thon moi*, communal government designs its development plans including activities to be carried out in an aim to satisfy requirements of the 19 criteria of *nong thon moi*.

In the pilot programme, the central budget supports 300 billion dong (appox. 15 million USD) for the 11 communes.

Each commune are equivalently allocated around 1.37 million USD within 3 years to implement its development plans. Additional resources from local budgets (province, district and commune) and private sectors (banks, enterprises, local residents, etc.) are also mobilised.

Figure 3: Eleven contents of the National Target Programme on *nong thon moi*



1.3. The national target programme on *nong thon moi*

During the implementation the pilot programme in 11 selected communes, the National Target Programme (NTP) on building *nong thon moi* has been launched by

the Government (6/2010) throughout the country's rural areas. It is a timely action to raise awareness for rural people and local officers about the objectives, principles and contents of building *nong thon moi* via propaganda and trainings during circle of the pilot programme.

The NTP on building *nong thon moi* identifies two targets as follows:

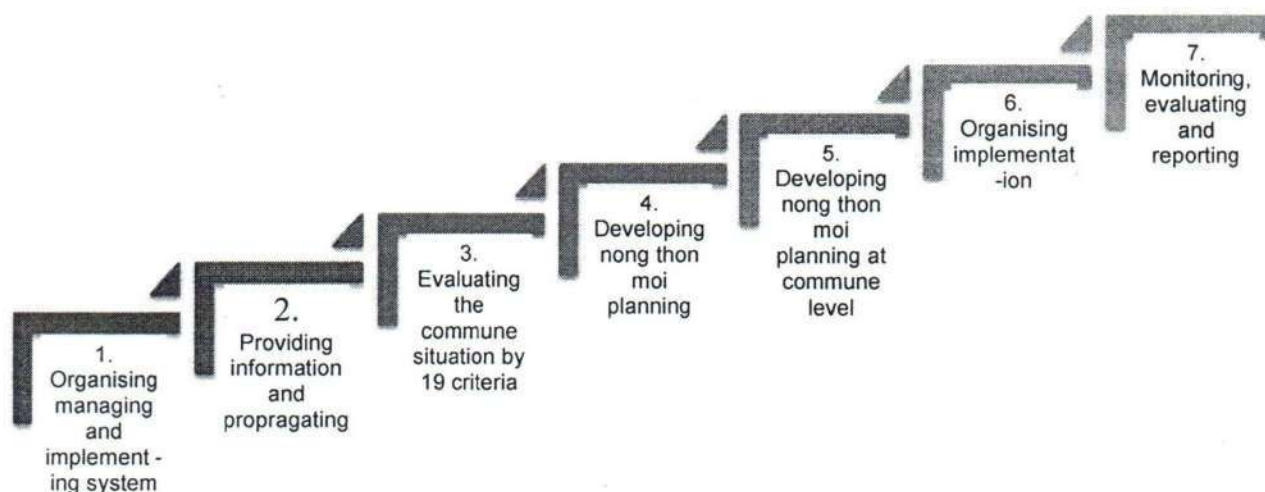
- By 2015: 20% of communes meet *nong thon moi* standard
- By 2020: 50% of communes meet *nong thon moi* standard

The programme covers 11 specific contents which are developed based on the set of national criteria on *nong thon moi* (Figure 4).

Similar to the pilot programme, the NTP's implementation principle is promoting the active role of local people and communities; the state plays the role of facilitator and coordinators (issue norms and regulations, create the legal environment, etc.). The contents and activities of building *nong thon moi* in the locality shall focus on reaching the 19 criteria of the Set of national criteria on *nong thon moi*.

At local level, building *nong thon moi* shall comply with the following seven steps (Figure 5):

Figure 4: Seven steps of building *nong thon moi*



15.2 Implementation

In order to assist localities to implement the activities to build *nong thon moi*, Ministry of Agriculture and Rural Development issued Circular No. 54 dated 21/08/2009 on guiding the implementation of the Set of national criteria on *nong thon moi* with detailed explanation of 19 criteria and the norms and standards as required.

For example, criterion No. 2 on transportation defines standards for communal and village roads in terms of length, width, thickness and minimum quality requirement; Criterion No. 9 on rural housing requires minimum residential housing space of 14 m²/person, concrete structure with life circle of at least 20 years, complex of kitchen, water closet, yard, and access to electricity, safe water, etc.; architectural style suitable to local custom and practices, ; Criterion No. 10 determines annual income per capita by division of total household income source by the number of family members. Household income includes income from wages, salaries, revenue of agriculture, forestry and aquaculture production as well as non-agricultural production and other sources.

Through the pilot process as well as the first year implementation of the NTP, the Set of national criteria on *nong thon moi* also revealed several limitations and inappropriateness that confuse many localities. In 2012, the Central Steering Committee will conduct a review to adjust some targets accordingly.

15.3 Sustainability

The Set of national criteria on *nong thon moi* is an useful tool for the activities of building *nong thon moi*. This is a comprehensive programme, which involves many different sectors from central to local levels. Each sector, each level has its role and responsibility in enabling communes to achieve *nong thon moi* criteria. Therefore, the coordination among different sectors, departments, unions, authorities at different levels plays a crucial role in ensuring that policies supporting the building of *nong thon moi* reach the beneficiaries at commune level (commune, village, people, cooperatives, enterprises...).

Along with the demands of the external interventions (top-down approach), empowerment of rural people and communities is the main approach in building *nong thon moi* in Vietnam (community-based approach). Rural people are empowered with ownership, participatory monitoring and evaluation, discussion and selection of priorities in the local building of *nong thon moi* in their village. Moreover, they are encouraged to be actively involvement in the building houses, roads and bridges construction, production development, environmental protection, etc. The communities' participation is not only limited to contributions of labour, money, in-kind support but also the consensus of their opinion them in activities of building *nong thon moi*.

The Steering Committee of building *nong thon moi* at commune level seems to be most interested in the Set of national criteria on *nong thon moi*. This committee gathers local, civil unions and heads the villages in the commune. This team is responsible for community organisation, mobilising local people to participate in developing the commune's *nong thon moi* development plan based on 19 criteria. In order to conduct such duties, the Steering Committee shall be competent to understand the requirements, calculation and assessment method of each criterion. In addition, they also shall be equipped with general knowledge of *nong thon moi*, fully understanding of the principles of building *nong thon moi*. Besides, they should be passionate, enthusiastic and good at communication skills to motivate people's participation throughout the development process of *nong thon moi*.

Combination of the three above mentioned factors will ensure the building of *nong thon moi* with good results and high sustainability. Conversely, weak coordination will lead to the failure in fulfilling set targets (for exemple, rural road of bad quality and insufficient maintenance may result to the degradation of road after two years).

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