



NORTH – EAST RURAL LIVELIHOOD PROJECT IN INDIA

Despite its rich natural resources and relatively good human development indicators, the North-Eastern (NE) region in India lagged in important parameters of growth, and there existed a big gap between the NE and the rest of India. The NE region suffered from three key impediments for development: (i) natural resources degradation; (ii) protracted insurgency in some areas; and (iii) lack of well-targeted and quality development efforts. The project helped to vitalize the local economy in a bottom - up approach so as to make the intervention responsive to the needs of the people in the NE region.



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The Government of India's Vision for the North Eastern Region (NER, 2020) and also India's Eleventh Five-Year Plan (2007- 2012) aimed to promote inclusive growth. The objectives were also in line with the World Bank's Country Assistance Strategy for India (CAS, FY 09-12) which featured three pillars: inclusive growth, sustainable development, and better access to services. The project aimed to provide investments to: Value chains, Self-Help Groups, Producer Organizations, Producer Groups and Community Development Groups. Critical infrastructures were built including: irrigation and marketing structures such as common service centres for post-harvest processing, establishment of nurseries and plantations. As a result of these activities, the following outcomes were achieved: Community institutions of the rural poor became operational and sustainable, improvement in the management of natural resources; upgradation of selected value chains; enhanced agricultural productivity; development of sustainable market linkages; enhanced youth employment; and supportive partnerships through Community institutions. The project also led to increased rural incomes, better quality of life, less social unrest, and a strengthened role of women in the rural economy of North-Eastern states. The overall impact of the North-East Rural Livelihoods project in India in terms of social empowerment, economic empowerment, generation of employment, enhanced productivity of households along with numerous beneficial outcomes was substantial, which made a significant difference to the betterment of lives of the people in North-Eastern India. The contributions of various stakeholders were immense which contributed to the success and robustness of the project.

Project Objectives and Components

The Project Development Objective was to: "Improve rural livelihoods, especially that of women, unemployed

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youth and the most disadvantaged, in the participating North Eastern states.”

The four components of the Project Development Objectives were as under:

Social Empowerment --- This component aimed to empower the rural communities and create sustainable institutions so that they could manage common activities around microfinance, livelihoods and Natural Resource Management (NRM). The project provided support to project facilitation teams (PFTs) to help social mobilization and beneficiary identification, and provide facilitation and hand-holding support to the Self-Help Groups (SHGs) throughout the course of the project. PFTs would help train the SHGs and SHG village federations on livelihood promotion, financial management, and participatory monitoring among others. The project also supported community mobilization and institution building.

Economic Empowerment --- This component aimed to provide funds to the community institutions to undertake various individual and common economic livelihood activities in a demand-driven manner, as well as to enable the unemployed youth in project areas so as to capture the new employment of self-entrepreneurship opportunities. This component provided the Self-Help Groups with (i) investment support; (ii) community development investment support; (iii) producer organizations investment support; (iv) skill development and placement support; and (v) innovation support.

Partnership Development --- This component aimed to develop and support effective partnerships with the private sector, public sector, and civil society so as to enhance the communities “major livelihood activities such as agriculture and livestock/dairy through strategic public- private partnerships”. The project leveraged various resources and support for the communities to facilitate access to finance, technology, procurement of inputs, establishing value chains and marketing for livelihoods development of the rural poor. The project aimed to create mutually beneficial relationships between the community organizations and service providers so as to ensure that the linkages were sustainable beyond the project. The component supported the technical assistance consultancies, training, and development of related training materials. The following linkages were also supported: financial, technical and market support linkages.

Project Management --- The aim of this component was to facilitate the implementation, coordination, monitoring, evaluation, learning and quality enhancement efforts of the project. This component financed the technical assistance consultancies, training and related material, office equipment, management information





system (MIS) development, and operational costs.

Value Chains and Livelihoods Models --- The aim of this component was to make strategic investments across livelihood value chains in selected sub- sectors that enhanced the productivity and incomes of households and developed sustainable linkages to mainstream markets. The new component thus provided focus in support of clusters in goatery, piggery, fishery, bamboo and horticulture segments. The new component also opened up an opportunity to support existing livelihood business models that were either successful or had the potential for scaling up, such as bamboo clusters in Tripura in partnership with the Tripura Bamboo Mission.

Rationale

To achieve the stated objective “to improve rural livelihoods, especially that of women, unemployed youth and the most disadvantaged, in the participating states”, the project provided technical assistance for the following activities: community mobilization, skill development and job creation for rural youth, development of partnerships with financial intermediaries, development of partnerships with value chains, and improving input and output market access. The project provided investments to: value chains, Self-Help Groups, Producer Organizations, Producer Groups and Community Development Groups. Critical infrastructures were built including: irrigation and marketing structures such as common service centres for post-harvest processing, establishment of nurseries and plantations. As a result of these activities, the following outcomes were achieved: Community institutions of the rural poor became operational and sustainable, improvement in management of natural resources; upgradation of selected value chains; enhancement in agricultural productivity; development of sustainable market linkages; enhancement in youth employment; and development of Community institutions through supportive partnerships. Collectively, the aforementioned outcomes contributed to achieving the stated PDO as well as to the higher level outcomes namely, increased rural incomes, better quality of life, less social unrest, and a strengthened role of women in the rural economy of NE states.

Outputs

- Empowering rural communities and sustainable institutions that can manage common activities around microfinance, livelihoods and natural resources management.
- Establishment of formal partnerships between community institutions and public, private and civil society organizations to enhance major livelihoods activities.
- Enhanced productivity of households and development of sustainable linkages to mainstream markets,



across the livelihoods value chains in selected sub-sectors.

- Generating youth employment.
- Creating sustainable community institutions.
- Increase in economic and livelihood opportunities.

Development Outcomes

- Sustained social and financial inclusion and household investment. The project established Self-Help Groups (SHGs) and federations with lending mechanisms and bank linkages.
- Sustained operation of community infrastructure. In order to address large scale maintenance of costly repairs, the process of long-term institutional set up and operation of Community Development Groups was put in place so as to decide on and guide future operations.
- Livelihoods and marketing activities. Production and livelihoods activities generated good returns, especially for livestock and fisheries.
- Supportive overall long-term institutional structure. The project coupled with the National Rural Livelihood Mission provided long term sustainability in terms of continued financial and technical support.

Conclusion

The transition of the North-East Rural Livelihood Project to the Government-supported National Rural Livelihood Mission served as a strong institutional set up with sustainable strategies. The project provided various opportunities in thematic areas of financial inclusion, federation strengthening, non-farm skills development and agricultural value chains mirrored by the National Rural Livelihood Mission. The overall impact of the North-East Rural Livelihoods project in India in terms of social empowerment, economic empowerment, generation of employment, enhanced productivity of households along with numerous beneficial outcomes were substantial, which made a significant difference to the betterment of lives of the people in North-Eastern India. The contributions of various stakeholders were immense which contributed to the success and robustness of the project.

Acknowledgement

Project Reports of the World Bank on North-East Rural Livelihood Project

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