

National Rural Employment Guarantee Scheme

Bihar



Management Consultants



Development Alternatives – PricewaterhouseCoopers (P) Ltd.



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NREGS - Bihar

Management Consultants

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The views expressed in this document are not necessarily of DA-PWC or DFID

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Introductory

NREGS or National Rural Employment Guarantee Scheme, is one of the most ambitious schemes of the Indian government; not only because it guarantees 100 days employment for poor at a minimum fixed rate, but more importantly because it has introduced the concept of “right to employment” for them. The act has well defined roles and responsibilities for the central & state government, district & block administration and the panchayats. The onus of guaranteeing 100 days of employment rests with the government and the applicant can demand for unemployment allowance in case he/she does not get work. The act provides basic facilities at the work site viz. crèche, safe drinking water, Medical aid, etc. The scheme not only focuses on providing employment but also on building village assets through the employment. These assets would further help in development of the village. The scheme’s aim and vision is simply revolutionary at least for the poorest of the poor in India.



The central government has implemented it in 200 districts across India. In Bihar all the districts are covered through the NREGS, which is also called SREGS in the state. 23 districts have been chosen through the central government while the remaining 15 has been selected by the state government. NREGS in Bihar becomes all the more important as almost half the rural population lives below the poverty line (46.7%). Most of the poor get into the debt trap of the Mahjans and work for the landlords at extremely low wages. There are reports of suicides due to hunger. NREGS provides them an option; an option to get out

of the debt-traps and at least avail the basic minimum wage of 68 rupees. It is also thought that the savings of the SHGs, which would in turn, enhance livelihood promotion activities among the poor. Many poor labourers migrate to the towns due to lack of employment opportunities in their village. It is supposed that NREGS would stop this outflow that generally happens among the poor due to compulsion.

Apart from guaranteeing employment the scheme would help in building developmental assets in the villages. The drought problems in Nawada-Gaya belt can be solved by proper water management through this scheme, similarly water management and other methods through this scheme can reduce the impact of floods in the districts that lie in Kosi river belt. Building of the assets through the villagers would also imbue a sense of belonging thus would also infuse a sense of responsibility among them for maintaining the assets.

NREGS in Bihar was launched in February 2006. After 6 months, the status of NREGS in the state is satisfactory in some aspects but completely appalling in others. As of till August 21st 2006, about 10.71 lakh job cards have been issued while about 5 lakh individuals have got employment (in centrally selected 23 districts, data of other districts are unavailable). Figures aside, awareness among the villagers and the knowledge of roles & responsibilities among the local level administration is extremely low. The planning for the activities undertaken through this project is not designed properly. One of the reasons for this slow and unplanned start sought by some government officials is the Panchayat election held in May 2006. Whatever might be the reason but at present no strategic planning for this scheme seems to operational at the state or local level.

The **NREGS week** launched in the 1st week of July 2006 gave us the chance to get a picture of PACS covered - 1000 villages spread across the poorest districts in Bihar. It also provided an impetus to the awareness drive on NREGS in the villages. Besides, the CSOs were successful in filing 50,000 application forms, mostly of the Dalits and landless, during this week.

The planning of this event was made in May 2006 in Delhi where all the state based communication agencies mulled over the way to intensify the ongoing NREGS campaign in

their respective states. It was decided to launch awareness week of such a magnitude that it would make all stakeholders at all level know the potential of NREGS and help in intensifying the awareness drive among the poor. The week was also to show the status of the villages so that further strategy could be made over it.

In Bihar the **NREGS week** was launched at three levels; Village, District and State level. The CSOs were responsible for the awareness at the village level and for finding the status of NREGS in their areas. They were also entrusted to present the NREGS status of their areas to the district administration. At the state level, all the stakeholders were to be roped in to support this awareness drive. We were grateful to the Rural Development Department, Bihar to give us a letter of support. The state level IEC material production including the PACS radio program “**Jan Vichar**” helped the CSOs in their awareness drive.

Aside increasing awareness and filing nomination forms, the NREGS week made several grass-root revelations, and most of them put all the stakeholders on the back-foot. To start with none of the stakeholders, be it media, NGOs staffs, government staffs are very clear on their roles and responsibilities. The awareness level of the villagers is abysmally low. Added to that there are strange misconceptions. There are opinions that the scheme is only for the BPL, while many others think that work would include setting up of small business. There is a constant confusion on the unemployment allowance rate and procedure of getting it among the NGO workers and local media. Some women in Rahim Pur Rrakhsa village, Muzaffarpur refused to fill the form saying they might fall in trouble if they fill the form and do not go for work. There is no strategy followed by the government for proper awareness among the mass. At some places incomplete job cards have been issued while in some places employment has been provided without following the NREGA guidelines. The social audit system is not operational neither any grievance addressal cell has been made by the district administration.

This document simply portrays the picture of NREGS in the state in six months since it was launched in February 2006. It gives a trend where the NREGS is moving and what could be the action points to guide and expedite its progress. The analysis is made on the basis of the

data provided by the Rural Development Department, Government of Bihar and also on the figures and experiences that came up during **PACS-NREGS Week**.

State Scenario

The Rural Employment Guarantee Scheme is being implemented in all the 38 districts of Bihar; 23 through the central government while 15 through the state. The central government calls it NREGS (National Rural Employment Guarantee Scheme) while the state government calls it SREGS (State Rural Employment Guarantee Scheme) or sometimes B(Bihar)REGS. Though there is a difference in terminology, there is no difference in the state and the central NREGS guidelines.

Excerpts from the BREGA guidelines:

- Central government would meet the total wage expenses for unskilled manual labour, technical and managerial assistance. It will also bear 3/4th amount for skilled and semi skilled labour and same fraction of the total material cost. The state government would bear 1/4th of the total wages of skilled and semi skilled workers and 1/4th of the material cost of the scheme
- Minimum wage is 68 rupees for BREGS. The unemployment allowance is 17 rupees for the first 30 days and for the rest of the financial year it is 35 rupees
- At the work site there should be provision of medical aid, drinking water, and a crèche in case there are more than five children below the age of six
- The gram panchayat is responsible for distribution of job cards, provision of employment, and to get the schemes (work plan) passed by gram sabha and submit to the block program officer
- The block program officer is to prepare block level work plan on the basis of plans passed by the panchayats and prepare muster roll. He is also to ensure proper

payment of wages & unemployment allowance, social audit and also redress grievances

- The district program coordinator would prepare the district work plan on the basis of the block plans, monitor and ensure proper progress of the work and also the functioning of program officers, develop mechanism for grievances redressal, etc

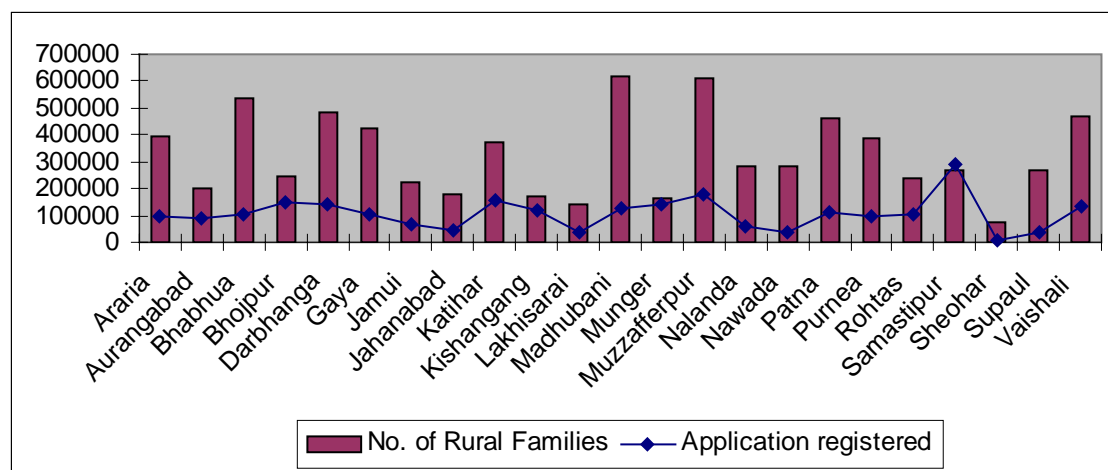
Data on NREGS being implemented in the 23 districts are available however, detail data of state sponsored SREGS in the 15 districts are not available yet. In the subsequent discussions we would refer to the data from the central government selected districts only.

Status of NREGS in Bihar (23 districts) (as on 21st August 2006)

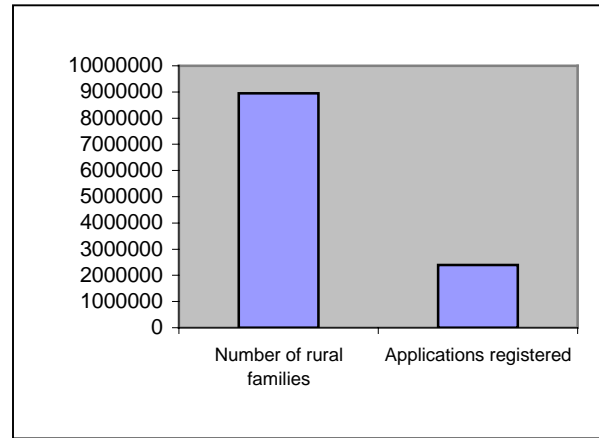
	Rural families	Application registered	Job card issued	Employment Demanded (individuals)	Employment provided (individuals)	Fund released (in Lakhs)	Expenditure (in Lakhs)
NREGS	89,43,456	24,01,836	10,71,522	5,33,009	5,05,281	40503.38	5171.194

Source of data: Rural Development Department, Govt. of Bihar.
(Available on the web: www.nrega.nic.in)

Rural families and Applications registered:



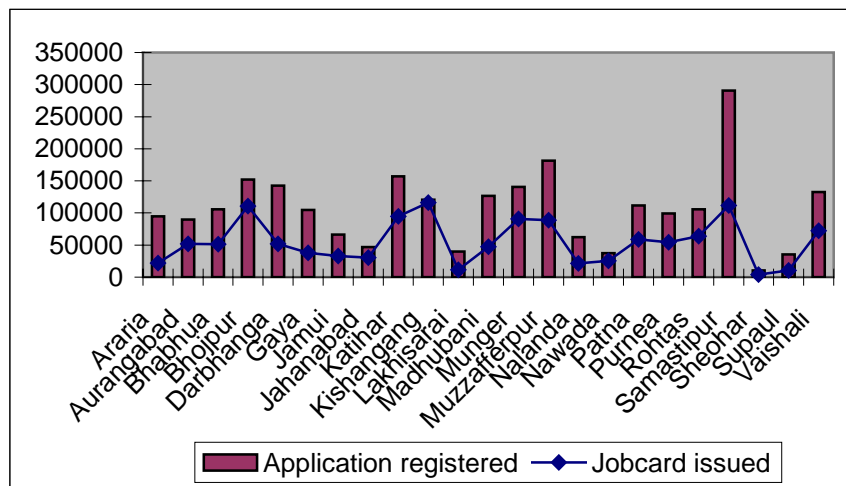
According to the trend shown in 23 districts, the number of application forms filled *vis- a- vis* the total rural households is quite unsatisfactory. It is an undeniable fact that the panchayat election held in May this year affected the implementation of NREGS in the state; nevertheless it is also a fact that Bihar state government has not developed any proper awareness strategy till yet for NREGS.



According to the **NREGS Week** findings the local administration is focusing exclusively on the official list of BPL in many villages for this scheme, which in a way deprives the destitute who want to work but are not officially enrolled in the list. This fact is required to be communicated at large scale within lower level government machinery.

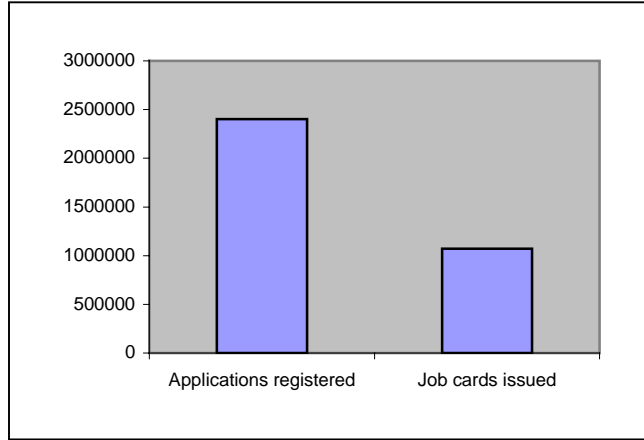
Application registered and Job Card issued:

This part totally reflects the initiatives taken by government where application has already been entertained, registered and job card has to be issued to applicants



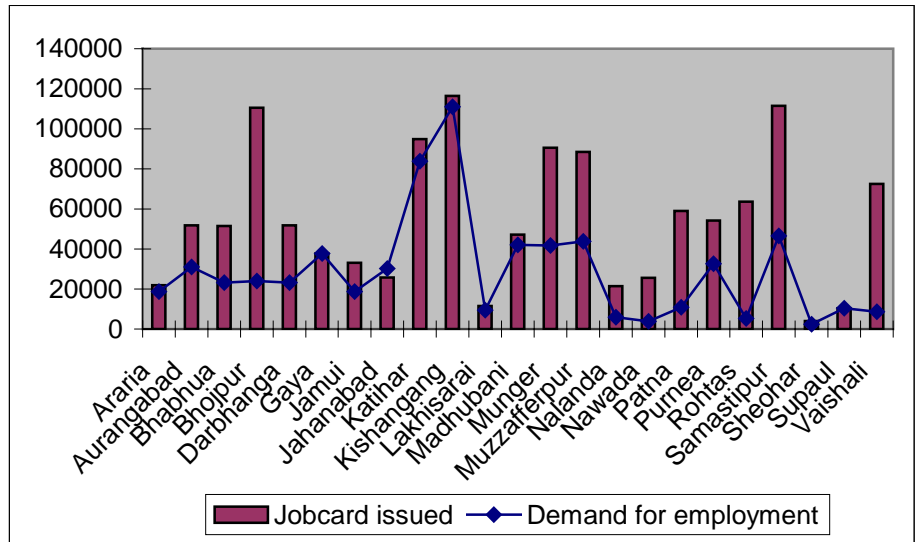
It shows that almost half of the applicants got the job cards. Two major challenges come up in making and issuing job cards; one is taking of photographs and the other is its delivery to the right person. The NREGA spells out clearly that the administration is responsible for the photographs but there are many instances where villagers have paid 60 to 80 rupees for the photographs. The lower level machinery needs to be oriented regarding this, as many poor

villagers prefer not to spend their one-day income on getting a photograph. Corruption is prevalent at panchayat level around photographs and job cards, which needs to be monitored. At some places, delays are made in issuing the job card due to the lack of work design while at others the inadequate number of panchayat level staffs hinders this process.



Job card issued and Demand for Employment:

In few districts almost all the villagers who have the job cards have demanded for employment but in many the ratio is almost half. One of the important reasons is the confusion regarding the nature of work, place of work, payment and facilities at job sites among the villagers.



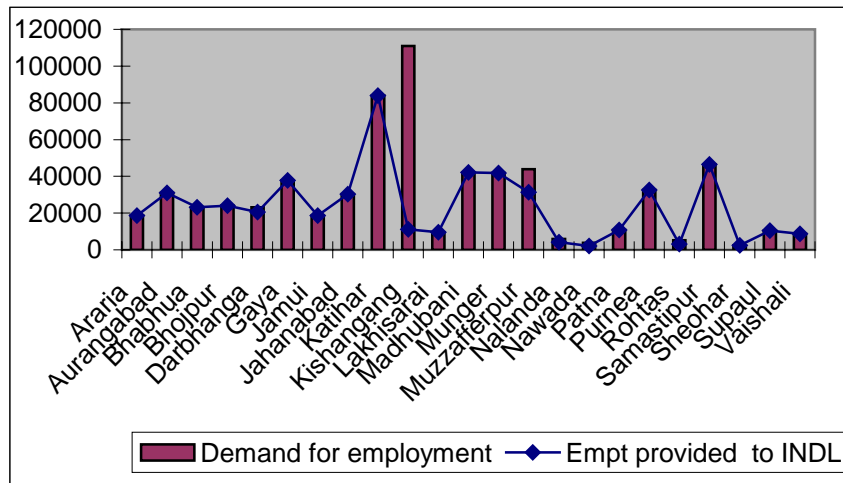
Hopefully functional *gram sabha* may change the scenario at panchayat level. Even transparency at panchayat level about funds available for their village schemes may attract more people to come forward for employment under this scheme.

Demand for employment and employment provided to individual:

This point of reference is a touchstone of the scheme and is boasted by the state government as a great achievement. According to the data available it can be said that government has

performed its duty very well as almost all those who have demanded got employment.

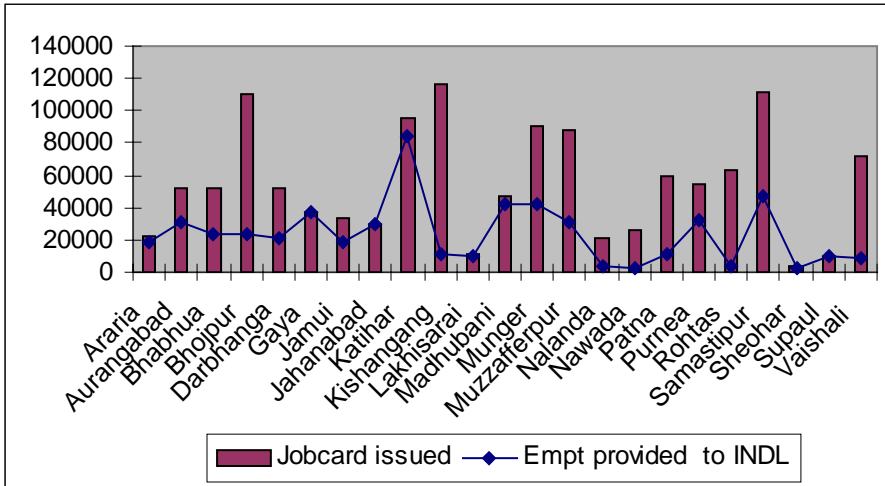
However many questions remain unanswered; for instance whether these people have



got 100 days of employment or not, what has been the actual payment to them, have they been paid timely, are the working conditions on the guidelines of NREGA, whether women and disabled have got employment opportunities on proportionate basis, whether those who had really demanded for employment were given the job, and whether only that many applications for employment were registered as many employment could be provided.

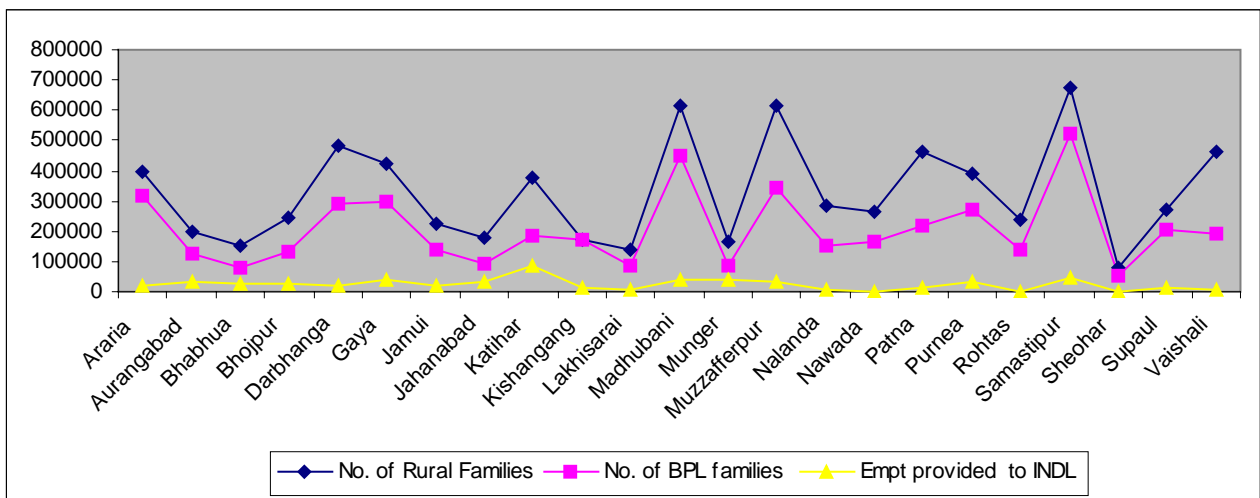
Job card issued and employment provided to individual:

Referring to the district wise data relating to job card issued and those lucky enough in getting employment it can be concluded that out of 23 districts only seven districts have provided job to almost every job card holders. It seems that the rest have hastily issued the job cards not taking care of the proper work design that includes proper holding of gram sabha meetings, selection of schemes, use of PRA techniques, preparing proper muster roll and providing jobs, etc



It also shows that large portion of the mass is still unaware about this scheme and thinks that after getting job card their part is over and now it is the responsibility of government to provide them employment. They are not aware about the second application form filled for employment. At some places it is speculated that the lower level government machinery do not entertain application for employment as they lack the work opportunities. There is a need to make the villagers aware of the unemployment allowance so that the demand for employment increases.

Rural families, BPL families and Employment provided to individual:



As shown in the graph a large portion of BPL families are still deprived of the NREGS benefits. This is an area, which is the crux of the National Rural Employment Guarantee Scheme and should be focused by the government and the non-government agencies alike.

Ground Realities

The status of NREGS in PACS covered villages is quite varied. At some places villagers have got job cards and also have been employed while in other villages NREGS is yet to pick up. In many villages the poor are filled with misconceptions and have just started filling the application forms. There is hardly any strategy for awareness generation or program designs for providing employment at the local level. The **NREGS week** campaign was extremely productive in initiating a right approach in putting & propelling NREGS on the right track.



- In many villages the poor are hardly aware of the scheme. Alongside lack of awareness they have several misconception about this scheme. Many think that NREGS is for BPL only. There are incidents where the womenfolk walked out of the village meeting saying that their husband's signature is necessary for NREGS application, some even think that they would be penalized if they file nomination and do not go for work. There is a constant confusion on the unemployment allowance among the villagers. When asked who gave them the wrong information they either pointed towards the schoolteachers, their husbands who work in towns or the village elders. Alongside the poor villagers, the village schoolteachers and village elders should also be targeted for awareness generation as they play a crucial role in information dissemination.

- In most of the places application forms for getting the job cards are not available in the Panchayat or Block office. Though the application can be given in a white paper but the lack of performa also provides a hindrance in filling the forms. The CSOs' staffs took the help of PACS-Bihar printed NREGS booklet in guiding the villagers fill application form.
- A sense of callousness in the local administration was perceived regarding the photographs for the job cards. It is clearly written in the NREGA guidelines that the administration would be responsible for taking the photographs but at most of the places either the villagers pay for their photographs or the CSOs do it.
- The applications are accepted but job cards are not issued on prescribed time. In some places incomplete job cards have been issued. They do not have the registration number neither photographs of the applicants. In Pirri panchayat of Darbhanga district 1750 such job cards were issued that did not have registration number or photographs of the applicants. Interestingly these job cardholders, mostly women, were provided employment in the name of NREGS but the date of employment or any other detail was not registered in the job card. These cases actually weaken the claim of the government on their NREGS achievements. It was during the week that these anomalies were highlighted through demonstrations and media. The learning was that the CSOs should keep a regular watch on the NREGS progress in their villages. The government should facilitate in the conduction of social audit under this scheme. The local administration should also form a cell for grievance redressal as mentioned in the NREGA guidelines.





Incomplete Job Cards

Soon after the launch of NREGS by the **Central & State government** the PACS – CSO MSVS (Mithilanchal Samgra Vikas Sanstha) (Lead GVP) started the awareness campaign in the villages. They organized SHG meetings and through them they also mobilized other villagers. In April 2006 1750 job cards were distributed in the village through their initiatives. “We brought the form from the Block head quarter and filled it without submitting the photographs. The BDO assured us that the photographs would be taken later, a total of 1750 job cards were distributed”. Says MSVS coordinator Shatrughan Paswan,

With this assurance the villagers accepted the card. Surprisingly the card did not have the registration number either. The villagers complained about it with the block administration and again got the assurance that it would be done soon. Interestingly, according to the chief functionary of MSVS, the cardholders were employed in making a barrage along the branches of rivers that criss-cross that area. However, their payment and number of days were not registered in the job card.

The NREGS week gave them the opportunity to demonstrate this confusion at the district level. Media also highlighted this story. The DM after listening to this story assured that the job cards would be corrected.

“Currently, all the job cards are being given registration number and photographs are being attached.” Says Mahendra Mahto, Chief functionary of MSVS.

- In most of the villages the work design at the local level is missing. So far we could not come across any PACS village where work had been provided through a proper work plan designed for NREGS. In one of the villages called Barah in Harnaut Panchayat of Nalanda district, 127 persons were employed in making a small bridge. They were not paid the amount prescribed in the NREGS, neither the work site had any facility such as safe drinking water, crèche, etc even though 45 of them were women. It seems that at many places villagers are employed in

the ongoing government projects without abiding by the NREGA guidelines. This is stemming from the fact that there is no proper NREGS work design and job cardholders are employed in any ongoing project to enrich the NREGS government data. Added to that there are incidents where villagers have been dissuaded from filling the form for employment demand by the Panchayat Sewaks, this again seems to results from the lack of work design.

Way Ahead

It is almost six months now and the awareness level of the villagers and the misconceptions among them show that there had been hardly any strategy of awareness generation followed by either the government, district or block administration and the NGOs alike. Nevertheless,



during the **NREGS Week campaign** launched in July 2006, we got immense support from the state government and the local administration. Media support was equally enthusiastic. These supports in fact demonstrated how joint and strategic execution of NREGS campaign could be extremely helpful in the implementation of this scheme across the state.

Following are some action points that were derived from the present state of NREGS in the villages of Bihar that may help in expediting and managing NREGS more effectively.

- The lack of awareness and also misconceptions among the villagers show the need for a comprehensive and collective mass awareness strategy at the state, district/block and Panchayat level. At the block and village level awareness building is required not only of the direct beneficiaries of this scheme but also of the teachers, village elders, panchayat members, media reporters, along with others who play important role in disseminating information and whom the villagers look for information.

- Appointments of the specified authorities at different level to carry out the responsibilities under this scheme should be immediate. Presently with no extra manpower such huge data flow relating to money transaction, wage payments, man-days calculations and other minor details are being maintained by the same manpower of the government, which is already overburdened. In some districts of Bihar many BDOs are in additional charge of more than two blocks, similarly there are many panchayat sewaks who are in charge of more than five panchayats.
- The unavailability of application forms, problems in taking photographs for this scheme are just some of the problems at the administrative level. The block and panchayat members & officials need to be oriented about their roles and responsibilities as they are the key to the success of NREGS.
- There are irregularities in issuing job cards. This should be strictly monitored by the non-government organizations and also the CBOs present in the village. They can use RTI (Right to Information) as a tool to regulate the irregularities. The NGOs should find ways to promote social audit and the local administration should set up grievance/monitoring cell. Moreover accountability of the roles & responsibilities should be established and some mechanism should be developed to penalize the officials responsible for any irregularities/delays.
- One of the problems in NREGS at the local level stems from the lack work design for the employment. The NGOs and the local administration should jointly come forward for proper work design. Moreover, wherever NREGS work is in progress the NREGA guidelines should be strictly enforced. Scope of public private partnership for the work design can also be explored at micro level.
- BPL persons getting job cards and employment are extremely less compared to their total population. The NGOs and the administration should target them in the villages, as they are the ones who would really benefit from this scheme. The

NGOs should ensure that all the persons who are living below the poverty line (who may/ may not be officially enrolled) should avail NREGS benefits.

- The Panchayat winners from the PACS-SHG's have provided a moral boost to the co-villagers and also a link between the government and the villagers. Training should be provided to them on their responsibilities for the effective implementation of this scheme.
 - At the state level a closer relationship is required with the rural development department, media, experts and policy makers so that consistent guidance is provided to the district and block level efforts.
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About PACS

Poorest Areas Civil Society (PACS) Programme, funded by the UK government's Department for International Development, and being implemented by Development Alternatives and Pricewaterhouse Coopers consortium with the help of state based resource organizations and the local Civil Society Organizations, aims to strengthen civil society organizations for addressing poverty concerns in the poorest regions of the country. PACS programme is aligned to the UK government's commitment to achieving the MDGs in India.



Spread across India's most backward region in six states, the PACS programme is probably the single largest anti-poverty programme being implemented in the country by CSOs.

PACS Bihar

In Bihar PACS covers 22 poorest of the 38 districts. For the convenience of the management, these districts are divided into four naturally emerging clusters: Nawadah, Gaya, Madhubani and Muzaffarpur. Each cluster is supported by a resource organization. The PACS communication agency provides technical inputs to the CSOs, helps PACS advocacy initiatives and increases the visibility of PACS achievements in Bihar. There are 103 CSOs networked with PACS and the total number of CBOs formed through them is 4,291 out of which 3,797 are SHGs. The programme till-date

has covered 2697 villages in 156 of 22 districts across Bihar (Source of data: PACS-Bihar PLW August 2006).

The thematic areas include:

- Strengthening local-self governance
- Women empowerment
- Policy advocacy
- Social cohesion and
- Self-help leading to realization of rights and entitlements

To run the programme effectively, there is a programme support team (PST) comprising PACS Bihar State-Manager, Meal Coordinator, Resource organizations and Communication agency, to provide guidance to the CSOs and promote PACS initiatives in the state.
