



Regional **Consultations**

Livelihoods Security

State Policy, Private Initiatives and Civil Society Action

PACS

Madhya Pradesh & Chhatisgarh



Regional Consultations MP & Chhatisgarh

Consultations on Livelihoods Security

State Policy, Private Initiatives and Civil Society Action

Management Consultants:



Supported By:





1. Introduction

Introduction

The Poorest Areas Civil Society Programme (PACS), along with its strategic partners, works to enable poor communities to access resources, and to recognise and unlock their own potential to continuously improve the quality of their lives.

PACS, in Madhya Pradesh and Chhatisgarh, is involved in building the capacity of communities and CSOs to better deliver development programmes.

In Madhya Pradesh and Chhatisgarh, PACS CSOs are involved in programme management in all areas of the programme cycle, from programme design and financial management to policy analysis, development and support as well as monitoring, research and evaluation.

PACS focuses on development strategies that focus on building institutional capacity to address structural conditions associated with poverty. The programme focuses mainly on local economic development with the emphasis on income-generating (livelihoods) projects.

1.1 STATE CONFERENCE ON LIVELIHOOD SECURITY: State Policies, Private Action and Civil Society Participation

The Poorest Areas Civil Society (PACS) Programme, conceptualized and funded by the Department for International Development (DFID), Government of UK, is arguably the single largest anti-poverty programme being implemented in India.

The programme is operational in the 108 poorest districts of India in the states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra and Uttar Pradesh. PACS has been under implementation since last four years. The programme has a network of 353 CSOs in 79 districts covering 11268 villages in these six states. In Madhya Pradesh, PACS programme has 43 CSO partners working in 15 districts, 55 Blocks and 3186 villages

PACS has used the concepts and measures of poverty for geographically targeting its interventions. The approach for intervention has been within the framework of entitlements and rights that have stated as Development Goals and accepted by the government. The interventions have been multi-dimensional that range from organizing the poor (facilitating formation of CBOs), developing pressure groups, strengthening local governance (PRIs), and even direct livelihood interventions that affect the income earning opportunities of the poor.

The range and variety of these interventions need to be brought within a common framework to intensify the impact on the quality of life of the poor by synergizing experiences of the main actors in development, namely the government, private initiatives and civil society



action. The paradigm of Livelihood Security is proposed as the framework within which different strategies adopted by the main actors can be critically looked into to generate learning that can be used for policy advocacy and developing more meaningful programmatic interventions.

PACS proposes a Conference on Livelihood Security primarily as a learning opportunity for the Civil Society Organizations that forms its network within Madhya Pradesh and Chhattisgarh to:

- (a) develop a mutually shared perspective and identify developmental issues within the framework of Livelihood Security in the two states;
- (b) explore innovative approaches and successful examples that inspire models and processes for replication;
- (c) take a critical look at Government policies, private initiatives and strategies adopted by civil society organizations to address issues that affect Livelihood Security of the poor.

1.2 Rationale for Regional Consultations

PACS in Madhya Pradesh & Chhatisgarh, with the help of partner organizations, organized 3 regional consultations aiming to tap into a rich source of first-hand experience and knowledge about the factors driving and hindering livelihood security in PACS districts in the two states – success stories, lessons learned and recommended actions that will further livelihood security. With some two dozen CSOs and an equal number, if not more, individuals involved, the pre-Livelihoods Security Conference consultations were an extraordinary exercise in multistakeholder participation. Therefore, the value of the consultations must be judged not only by their results but also by the different processes that these consultations have helped to initiate.

Regional consultations also provided the opportunity for neighboring CSOs to discuss common issues related to livelihood security and related issues, to exchange experiences, and to explore possibilities for cooperation for more meaningful programmatic interventions.

1.3 Region-wise Clusters

To involve all PACS CSOs in the consultative process and to keep the spotlight on area-specific issues, the Regional Consultations were held in all smaller clusters in all four PACS



regions in Madhya Pradesh and one in the state of Chhatisgarh. These clusters were:

i. BHOPAL/RAISEN/HOSHANGABAD/BADWANI

- Samarthan
- AARAMBH,
- KSS
- Asha Niketan
- CAN

ii. CHHINDWARA/ BETUL/ AMRAVATI/ BALAGHAT

- IDYWC
- NIWCYD
- JAMAS
- Gramin Adivasi Vikas Samiti
- Gramin Kalyan Samiti
- Parath Samiti
- Ardha Adivasi Vikas Sangh
- Pararth Samiti
- YUVA
- SRUB
- Pradeepan
- ISSRD
- SIRDI
- Gramin Vikas Mandal

iii. MAHAKAUSHAL

- Tarun Sanskar
- Sohsit Sewa Sansthan
- Kamyab Yuva Kendra
- SOPAN
- CARD

iv. CHHATISGARH

- Samarthan
- Vardhan
- JSS
- RIDE
- Sarguja Samaj Seva Sangathan



- MPVHA
- PRABHAS
- Margdarshan Sansthan
- Lok Shakti Samaj Sevi Santhan

v. BUNDLEKHAND

- Sarathak
- Sambhav
- Samarthan
- Mahila Samiti
- Udyogini

1.4 Key Expected Outcomes from Regional Consultations

- o A groundswell of action that addresses issues and concerns on livelihood security in the region
- o The development of a cohesive network, which catalyses existing efforts in advocating and taking coordinated action on identified issues in respective areas
- o Collate current information about programmes and interventions in each setting within the broader context of the region, and analysing across key "elements" of (i) Legal Frameworks; (ii) Institutional Frameworks and Resources; (iii) The role of Civil Society; (iv) Stakeholders as Actors, (v) Policies and Programmes; (vi) Data collection Analysis and Research; (vii) Awareness, Advocacy and Training.
- o Highlight key issues in the region including important changes or lack of change. Related processes might include review of existing commitments and programmes.
- o Key recommendations relevant to the settings. Also consider cross-cutting issues (gender, HIV/AIDS, etc.) and key groups (children with disabilities, tribal and Dalit women, etc.)

Not all settings or "elements" described above will have the same prominence or importance in all regions. The regional consultations will help to identify what is most important locally, and what makes most sense in terms of responses, and needs, locally.



2.

Consultations GROUP A: Issue of Natural Resources



As a build up to the Conference on Livelihood Security: State Policies, Private Action and Civil Society Participation, 4 regional consultations were held between July - August, 2005, in four different clusters. These clusters were selected according to geographical location, commonality of issues and concerns, and programmatic interventions.

Participants included PACS CSOs, representatives of donor agencies, Government functionaries and representatives of financial institutions (NABARD, etc.). The objective was to tap into first-hand experiences and knowledge about factors driving and hindering livelihood security in PACS districts in Madhya Pradesh & Chhatisgarh and recommend actions that will further livelihood security.



The workshops were conducted on the following thematic areas:

- Issues related to Natural Resources- LAND, WATER, FOREST
- Issues related to Quality of Human Capital
- Issues related to Financing Livelihoods
- Issues related to Information and Livelihoods

The themes were also discussed in the context of:

- VULNERABILITY CONTEXT
- STATUS AND TRENDS
- EXPERIENCES AND LEARNING
- CONSTRAINTS AND CHALLENGES
- OPPORTUNITIES AND OPTIONS



A summary of the findings is given below:

A. Issues related to Natural Resources- LAND, WATER, FOREST

Issues discussed here included:

- i. Vulnerability Context- these are issues that adversely affects ability to use natural resources. These are more in terms of natural endowments than factors that are related to policy or social issues. For example, drought proneness will be a vulnerability context. Similarly poor soil quality is a vulnerability context. These contexts may be different for different social and economic groups.
- ii. Question of Rights - Access to, ownership of and the ability to use these resources
- iii. Question of Productivity- trends in quality and income earning capacity, payments need to be made for the use of resources
- iv. Policy- What is the state policy, laws, programmes of the government to address the vulnerability context of natural resources, to address the issue of rights and entitlements to use the resources and to arrest and improve the falling productivity levels of the resource.
- v. Coping Strategies- how do people in different social and economic level cope with the vulnerability and the state of natural resources. Coping strategies can also include examples of conflict, movements and establishing networks to deal with the issue.



vi. Status- given the vulnerability context, the lack of rights/entitlements, levels of productivity are people able to address their concern for food security. The term food security here refers to the ability of the households to get gainful employment for a number of days in the year that ensures that they will be able to generate (or buy) food grains for the family.

Vulnerability Context

Various projects have ousted tribals and other forest communities from their land, and the problem has been exacerbated in part by lack of secure tenure over land. The government, along with the forest department, has dispossessed forest-based communities under the pretext of forest conservation and wildlife protection. They are not recognised as the original inhabitants and owners of land. Many projects have resulted in mass displacement and migration. This, coupled with factors like water stressed communities, low productivity of land, recurrent drought, soil erosion and loss of vegetative cover and the problem of debt has impacted on the established economy and quality of life of these communities.

Constraints and Challenges

A relentlessly declining water table, rapid de-forestation, little scope for strengthening irrigation facilities, excessive dependence of majority of cropped area on rains, relentless exploitation of forests by the Forest Department largely either for its own purposes or those in collusion with it, rehabilitation of communities as a result of setting up buffer zones, sanctuaries or National Parks (although their presence is technically illegal, these populations have lived for generations and depend on extraction and marketing of forest resources for their survival.

The involuntary resettlement of such populations has often resulted in violent conflict and misery). The problems are exacerbated by dysfunctional Village Cooperative Societies, large-scale corruption, few - if any - technological developments, poor inter-departmental coordination and a lack of ownership and commitment from most administrative departments/agencies.

Experiences and Learning

There is a need to have a policy at the state level that allows greater local participation in forest management and in managing benefits accruing to local communities from the sale of forest produce. Also, local institutions like the Gram Sabha should have a right over forest produce, and experimentation with alternative interventions like seed/ grain banks have been encouraging. Regular employment opportunities have stemmed migration to some extent. Food insecurity is regularly triggered by seasonal fluctuations in food availability, food prices and/or incomes, which themselves result from seasonal fluctuations in produc-



tivity, availability of seeds and rainfall.

There is a need for seeking wholistic quality-of-life solutions to problems like availability of water, sanitation, health, gender concerns and social equity. Most governmental support provides little more than palliative care. Around 19.35 % of total work force is engaged in non farm activities; as such, providing employment opportunities to them on a regular basis should be a priority. Similarly, middlemen need to be weeded out from the system to make it more responsive, accountable and efficient.

Opportunities and Options

Issues like reforestation and waste land development, increased irrigation, support for small and cottage industries, financial support to sustainable and newer agricultural technologies, greater community ownership in collection and marketing of NTFP produce and the monetary benefits accruing from it will strengthen livelihood options for forest-based communities.

Similarly, greater awareness about rights and entitlements of local communities, strong and empowered federations, greater gender equity/empowerment of women in decision making and property rights, better and locally relevant forest management practices, and active involvement of civil society and socially excluded groups in the formulation of development priorities, policies and plans will not only empower communities but also make service delivery accountable and transparent in the use of public resources, thus aggressively fighting corruption and remaining open, inclusive and participatory.

2. Issues Related to Human Capital

This theme covered the following three groups:

- (i) Labour- skill levels, payment systems, ability to negotiate a fair wage, working conditions
- (ii) Migration- nature of migration, period and frequency of migration, work done as a migrant, impact of migration on quality of life (education, medical etc)
- (iii) Artisans and Craftsmen- these are traditional A&C group, how is their trade faring, forces of competition and how are they dealing with them, source of raw material and its status



Vulnerability Context

Unfortunately, lack of work security is pervasive in the agricultural sector. Both women and marginalised groups usually work on fields, households and farm steads not owned by them. Along with poor health, problem of migration and widespread poor quality employment, high levels of unemployment and lack of income security, most communities are stressed one way or the other for viable livelihood options. Women in rural areas suffer even greater poverty than men and are less able to earn their due, despite their high levels of labour force participation.

Status and Experience

Unavailability of agricultural labour, low wage due to illiteracy and lack of skills, gender bias in livelihood and income options, lack of - and access to - health care facilities, child labour, and loss of traditional livelihood options is driving more and more people to migrate for work and survival. There is little demand for local goods made by local artisans, nor are they supported in a significant manner by Government. or private sector initiatives. The labour market is exploitative and un-protected, and largely controlled by contractors, leading to an increase in the educated unemployed disillusioned lack of income opportunities from traditional family occupations.

Constraints and Challenges

Lack of skills, poor health, and inadequate access to capital often limit the poor to jobs that are insecure, temporary, and casual. The labour class is exploited by middle men mentally, physically and economically, seasonal swings in incomes and their rural-urban disparity, child labour, migration and bonded labour all add to people's woes.

Opportunities & Options

Affordable insurance for labourers, organising labour to increase their bargaining power, implementation of policies like the Women's Policy, Employment Guarantee Programme and Labour Policy will protect vulnerable groups/communities from exploitation and harassment.



3. Issues Related to Financing Livelihoods

This section is primarily to focus on the areas where financial resources are available that would promote livelihood activity- banks or through subsidies or grants received under programmes. Financing through private sources money lenders and relatives was also included during discussion. Some questions dealt here were:

- (i) Is financing available for the individual or through a group?
- (ii) Eligibility criteria for securing finance- caste, land, etc.
- (iii) Diversion of funds
- (iv) Cost of procuring funds (including bribes etc)
- (v) Documentation required to secure funds
- (vi) Feasibility assessments

Vulnerability Context

No easy availability of finance at time of need compels people to go to money-lenders, thereby compromising livelihood options with heavy debt repayments and resultant poverty.

Constraints and Challenges

Even today, most banks hesitate to make credit available to institutions or SHGs who are not able to produce a guaranty or a guarantor. Women and other marginalised groups are most vulnerable; thus there is a need to raise people's awareness about banks' and government schemes and to make them simpler to understand. Banks hesitate to lend to women and the vulnerable groups like the disabled.

Experience and Learning

Lack of information means that people depend more on money lenders and reject institutional financial support mechanisms in times of need. For their part, financial institutions need to make their appraisal and disbursement systems simpler and approachable. Program has to empower the communities to maintain and enhance their asset base and not undermine the natural resource base of villages.

Opportunities and Options

There is a need to identify and short list genuine beneficiaries based on cluster approach for credit services instead of a isolated area approach. Also, SHG formation and linkages are concentrated in only 3-4 districts, and CSOs should maximise outreach in other districts by



undertaking mapping. CSOs should also develop replicable models of successful SHGs and facilitate interaction of groups with external agencies such as banks & government departments.

Most banks and Micro Finance Institutions (MFI) rarely have in place an outreach mechanism which is adaptive and responsive to the needs of communities. For various reasons, women have little access to education. This lack of education and low literacy levels hampers their ability to acquire vocational skills for self-employment, earn an income and, thereby, engage in capital accumulation. Banks have different interest rates for different customers: higher interest is paid to urban customers as compared to rural customers. Most banks, irrespective of whether they are nationalised or cooperative sector banks, have a very tiresome and complicated system of loan renewal, which makes it difficult for people to renew loans.

In all fairness, banks also have genuine constraints like women often do not have any land registered in their names, making it difficult for the bank to lend. Banks are also wary of potential defaulters in loan repayments, and most communities are production driven and have little knowledge of local market trends. This makes it difficult for them to earn an income that will allow them to also repay interest. Most people also prefer to go to middlemen to sell their produce since have limited marketing acumen to sell their produce profitably at market prices.

4. Issues Related to Information and Livelihoods

This is related to how information can enhance livelihood options for the poor. The discussion can be on sources of information, ability to interpret information for their benefit, credibility of information, is IT playing any role.

Vulnerability

Communities are also less informed, and thus vulnerable to exploitation that severely impacts on livelihood options.

Constraints and Challenges

Increased use of skills, knowledge and ability of local people, improved community initiative, responsibility and adaptability, strengthened relationships and multiple community benefits are some positive aspects. There is a need to judiciously implement and involve



communities in Right to Information. There is a need to actively involve civil society and the poor, particularly socially excluded groups, in the formulation of financial priorities, policies and plans. More so since these marginalised groups have little or no voice or participation in deciding their developmental priorities, and often end up merely carrying the social and economic debt of policies and programmes which have nothing to do with their lives.

Opportunities and Options

Right to Information can be used for a variety of public interest issues. However, sensitising communities and disseminating information about the importance about Right to Information remains a challenge. There is a need to simplify credit application requirements and provide low interest loans for rural women, disseminate information about available credit facilities, increase loan amount available for women and provide training on entrepreneurship.

In Conclusion

The main causes of problems in forest-based communities in the two states of Madhya Pradesh & Chhatisgarh are related to agrarian conflicts between neighboring villages, impacts of a number of public policies, general weakening of local government structures, rampant corruption, and a lack of enforcement.

This can only be solved with public policies that strengthen governance of forest communities and their technical and organisational skills. Mere channeling of resources does not help. Rather, through good forest management practices, with greater community participation, transparency and addressing local needs and livelihood options, and the Government taking a leading role in the drawing up forest policies, the impunity and injustice that frequently arise from powerful political and economic groups at state and regional levels can be checked.



ANNEXURES



FACILITATORS GUIDELINES FOR REGIONAL WORKSHOP

1. **Ensure that the following are represented at the workshop/are consulted separately:**
 - a. Zila Panchayat
 - b. NABARD, Lead Bank
 - c. Representatives of Major projects- DPIP, MPRLP
 - d. Forest
 - e. KVIC
 - f. Water Resources Department
 - g. Tribal Department (if there are Tribal Development blocks)

2. **Themes to be covered**
 - a. **Issues related to Natural Resources- LAND, WATER, FOREST**
 - i. Vulnerability Context- these are issues that adversely affects the ability to use natural resources. These are more in terms of natural endowments than factors that are related to policy or social issues. For example, drought proneness will be a vulnerability context. Similarly poor soil quality is a vulnerability context. Identify these vulnerability contexts. Do note that these contexts may be different for different social and economic groups.
 - ii. Question of Rights- Access to, ownership of and the ability to use these resources
 - iii. Question of Productivity- trends in quality and income earning capacity, payments need to be made for the use of resources
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 - v. Coping Strategies- how do people in different social and economic level cope with the vulnerability and the state of natural resources. Coping strategies can also include examples of conflict, movements and establishing networks to deal with the issue.



- vi. Status - given the vulnerability context, lack of rights/entitlements, levels of productivity are people able to address their concern for food security. The term food security here refers to ability of households to get gainful employment for a number of days in a year that ensures that they will be able to generate (or buy) food grains for the family.

Document the above discussion as follows:

- A. VULNERABILITY CONTEXT
- B. STATUS AND TRENDS
- C. EXPERIENCES AND LEARNING
- D. CONSTRAINTS AND CHALLENGES
- E. OPPORTUNITIES AND OPTIONS

b. Issues related to Quality of Human Capital

This theme should cover at least the following three groups:

- (i) Labour- skill levels, payment systems, ability to negotiate a fair wage, working conditions
- (ii) Migration- nature of migration, period and frequency of migration, work done as a migrant, impact of migration on quality of life (education, medical etc)
- (iii) Artisans and Craftsmen- these are traditional A&C group, how is their trade faring, forces of competition and how are they dealing with them, source of raw material and its status

The discussion should again be documented under the following heads:

- A. VULNERABILITY CONTEXT
- B. STATUS AND TRENDS
- C. EXPERIENCES AND LEARNING
- D. CONSTRAINTS AND CHALLENGES
- E. OPPORTUNITIES AND OPTIONS

c. Issues related to Financing Livelihoods

This section is primarily to focus on the areas where financial resources are available that would promote livelihood activity- it could be banks, or through subsidies or grants received under programmes. Financing through private sources money lenders and rela-



tives could also be included in the discussions. Some of the questions that can be dealt here are:

- (i) Is the financing available for the individual or through a group
- (ii) Eligibility criteria for securing finance- caste, land etc.
- (iii) Diversion of funds
- (iv) Cost of procuring funds (including bribes etc)
- (v) Documentation required to secure funds
- (vi) Feasibility assessments

The discussion again should be documented as follows:

- A. STATUS AND TRENDS
- B. EXPERIENCES AND LEARNING
- C. CONSTRAINTS AND CHALLENGES
- D. OPPORTUNITIES AND OPTIONS

d. Issues related to Information and Livelihoods

This is related to how information can enhance livelihood options for the poor. The discussion can be on sources of information, ability to interpret information for their benefit, credibility of information, is IT playing any role.

FAQs

1. What goes in EXPERIENCE and LEARNING

This could be an anecdotal incident, impact of a programme or intervention, corrective measures undertaken, role of project agency and/or institution like PRIs. The experience can also be supported by hard data related to the area or the region.

Learning is what needs to be discussed after the experience is narrated. The learning could be in various forms and all of these should be documented. This part has to be facilitated with extreme care and caution.

2. What is STATUS and TRENDS

This could be data related to the community, area, district or region. Both quantitative and qualitative data should be taken in to account.



3. What is CONSTRAINTS and CHALLENGES

Constraints are largely related to policy and institutions, laws and regulations. It also includes social and cultural aspects as well. The Challenges will be related to how to deal with these constraints.

4. What is OPPORTUNITIES and OPTIONS

Opportunities relate to opportunities that exist in enhancing livelihoods. These opportunities can be with respect to the context, changes in laws and policies, launching of a new project etc. Options are related to specific activities that are available to a particular group or community.

5. Are we taking in to account the C&C and O&O of the community or the CSO

One of the C and one of the O relate to CSO and the other to the community. Since it is the CSO that is assessing the C and O of the community it is their ability to identify the C and O.

6. CSOs ability, capacity and competence in dealing with livelihood issues

In all the above issues the CSO capacity should be addressed and their shortcomings ought to be documented with respect to the issue being discussed.