

Overview

Rural Development is the main pillar of Nation's Development. The reasons for this are obvious. In spite of rapid urbanization, a large section of our population still lives in the villages. Secondly, rural India has lagged behind in development because of many historical factors. In order to correct the developmental imbalances and to accord due priority to development in rural areas Ministry of Rural Development is implementing a number of Programmes aimed at sustainable holistic development in rural areas. The thrust of these programmes is on all round economic and social transformation in rural areas, through a multi pronged strategy, aiming in the process, to reach out to most disadvantaged sections of the society. In order to catalyse development in rural areas, during the last three years, top priority has been accorded

to Rural Development, not only in terms of allocations of additional funds and resources but also through introduction of new Programmes and restructuring of existing ones.

To ensure adequate budgetary support for sustainable development in rural areas, the allocations for rural development have been increased substantially. This year, itself, the budgetary outlay for Rural Development Programme is Rs.13670 crore as against Rs.12265 crore during 2001-2002 and Rs.9760 crore in 2000-2001.

In the last few years, there has also been a paradigm shift in the strategy for Rural Development with focus on decentralization through speedy and effective devolution of financial and administrative powers to the Panchayati Raj Institutions. A strategic pro poor policy in terms of which the rural poor are treated as a resource rather than as a burden, whose ideas and experience are now an integral part



National Conference of State Ministers, Incharge of Rural Development, Panchayati Raj & Rural Roads

NEW INITIATIVES

- ★ *Paradigm shift in the strategy for Rural Development: Emphasis towards participation of people through Panchayati Raj Institutions (PRIs), Self Help Groups in the planning, formulation and execution of the Programmes.*
- ★ *Enhanced allocation of funds: To ensure adequate budgetary support, allocations for Rural Development Programmes enhanced to Rs.13670 crore in 2002 – 2003 from Rs.12265 crore in 2001-2002. Allocations further increased to Rs.14070 crore for the year 2003-2004.*
- ★ *Promoting decentralization to ensure participatory development: Ministry is striving to make Panchayati Raj Institutions an effective and vibrant forum for decentralized planning and implementation of rural development programmes in consonance with the people's hopes and aspirations.*
 - *On 25th December, 2002, a new initiative 'Swajal Dhara' launched to empower Panchayats to formulate, implement, operate and maintain Drinking Water Projects.*
 - *In order to further involve PRIs in development process, a new initiative 'Hariyali' launched on 27th January, 2003 to strengthen and involve Panchayati Raj Institutions in the implementation of Watershed Development Programmes*
- ★ *Capacity Building of Rural Poor through Strengthening of Infrastructure: The incidence of poverty is not only because of absence of requisite economic development, but also due to absence of opportunities to the poor for their capacity building such as lack of avenues for employment and access to basic amenities like drinking water, housing, education and roads. Various Programmes of the Ministry strive to address these issues.*
- ★ *Rejuvenating Wastelands/degraded lands: through Area Development Programmes such as Integrated Wastelands Development Programme, Drought Prone Areas Programme and Desert Development Programme being implemented on Watershed Development basis.*
- ★ *Facilitating participatory development through awareness generation: Communication Planning is an integral part of planning for development. Concerted efforts made to disseminate information to people in rural areas about nature and content of Rural Development Programmes.*



A view from SARAS Pavilion at India International Trade Fair, 2002, New Delhi

of the development strategy. As such, the emphasis has shifted towards participation of people through Panchayati Raj Institutions (PRIs) and Self Help Groups (SHGs) in the planning, formulation and execution of the Programmes.

Panchayati Raj Institutions constitute the core of decentralized developmental planning and its implementation. Under most of the Rural Development Programmes a crucial role to PRIs in the Programme implementation has been assigned. The Ministry is also vigorously pursuing with the State Governments for expeditious devolution of requisite administrative and financial powers to PRIs as envisaged under 73rd Amendment Act. In All India Panchayat Adhyakshas Sammellan held in April, 2002, a 'National Declaration' resolving that the State Governments will ensure the implementation

ACHIEVEMENTS – AT A GLANCE

- ★ *Barring a few States Panchayat Elections have been held in most of the States during the last two years.*
- ★ *A 'National Declaration' resolving that the State Governments would ensure the implementation of Provisions of Constitution (73rd Amendment)Act, 1992 and the provisions of Panchayats (Extension to Scheduled Areas), Act,1996 was adopted by consensus in 'All India Panchayat Adhyakshas Sammelan' held in April, 2002.*
- ★ *'Swajal Dhara' in the Drinking Water Sector and 'Hariyali' initiative in the area of watershed development launched to strengthen role of Panchayati Raj Institutions in development process.*
- ★ *Implementation of SGRY is 100% through Panchayati Raj Institutions.*
- ★ *Under Sampoorna Grameen Rozgar Yojana (SGRY), at least Rs.25000 and foodgrains of equal value are to be provided to every Panchayat every year. For the first time so much of the resources have been put at the disposal of PRIs.*
- ★ *5% of resources under SGRY reserved for distress Areas. 199 drought affected districts released additional funds of Rs.13916.85 lakh and 1.13 lakh tonnes of foodgrains valued at Rs.11304.60 lakh from the reserve.*
- ★ *Under Pradhan Mantri Gram Sadak Yojana (PMGSY) in the last 24 months project proposals worth Rs.7553.77 crore pertaining to all 28 States and 6 Union Territories cleared. Over 37000 Habitations are likely to be benefited and over 56,000 km of roadworks constructed on completion of these road works.*
- ★ *Action Plan for Rural Housing envisages construction of 25 lakh houses annually in rural areas. Under IAY, the flagship rural housing programme, so far about 93 lakh houses with an expenditure of Rs.16000 crore (approx.) have been constructed.*
- ★ *Since inception of Swarn Jayanti Gram Swarozgar Yojana (SGSY) - a holistic programme for promoting self employment in rural areas, 11.45 lakh Self Help Groups (SHGs) formed till date and about 1.00 lakh Groups have taken up economic activity.*
- ★ *Ministry of Rural Development is mandated to provide safe drinking water to all rural habitations by 2004. Plan outlay for Department of Drinking Water Supply enhanced to Rs.14,200 crore for Tenth Plan from Rs.8454.57 crore released during 9th Plan. 12.80 lakh (90.03%) habitations fully covered. 1.26 lakh habitations (8.88%) partially covered. Only 15,444 rural habitations (1.09%) yet to be covered.*
- ★ *Under Central Rural Sanitation Programme (CRSP), 1,46,114 individual household toilets constructed during the last three years. So far, 10,55,365 household latrines; 15267 school toilets, 1117 Balwadi toilets and 597 sanitary complexes for women completed under Total Sanitation Campaign (TSC).*
- ★ *Three fold increase in budget provisions for Wastelands Development Programmes. 12219 Watershed projects sanctioned during the last three years under Desert Development Programme (DDP) and Drought Programme Areas Programme (DPAP). 304 Watershed Development Projects sanctioned under Integrated Wastelands Development Programme (IWDP). Total area taken up for treatment under the 3 programmes is 87.12 lakh hectare at a total cost of Rs.5,217 crores.*



Capacity building through women self-help group

of Provisions of Constitution (73rd Amendment) Act, 1992 and the Provisions of Panchayats (Extension to Scheduled Areas) Act, 1996 by December, 31, 2002 was adopted by consensus. As a result of the persistent efforts made by the Government significant gains in the area of devolution of administrative and financial powers by the States to PRIs have been noticed. Barring a few States Panchayat elections have also been held in most of the States during the last two years. On 25th December, 2002, under Drinking Water Sector, a new initiative 'Swajal Dhara' empowering the Panchayats to formulate, implement, operate and maintain Drinking Water Projects has been launched. In order to further involve PRIs in the development process, a new initiative 'Hariyali' has been launched by Hon'ble Prime Minister on 27th January, 2003. Hariyali has been launched to strengthen and involves Panchayati Raj Institutions in the implementation of Watershed Development Programmes namely IWDP, DPAP and DDP. Under this initiative, the Gram Panchayats would execute watershed projects with technical support from the

Block Panchayat/Zilla Panchayat who would act as Project Implementation Agency (PIA) for all watershed projects in a particular Block.

Providing connectivity to rural areas has always been the prime concern of the Government. As such, in December, 2000, a 100% Centrally Sponsored Scheme namely Pradhan Mantri Gram Sadak Yojana was launched with the objective of providing connectivity by all weather roads to about 1.60 lakh Unconnected Habitations with population of 500 persons (or more) in the rural areas by the end of Tenth Plan Period (2007) at an estimated cost of about Rs.60,000 crore. In the last 24 months, the Ministry have cleared project proposals to the tune of Rs.7553.77 crore pertaining to all 28 States and 6 Union Territories. Over 37,000 Habitations are likely to be benefited and over 56,000 km of roads will be constructed upon completion of the road works already cleared under the PMGSY.

85% of the road works cleared in the year 2000-2001 have been completed and 82.50% of the funds released have been spent upto December, 2002. Based on the experience gathered during the last two years

of the implementation of PMGSY and the feedback received from the Field Engineers, States and Public Representatives, the Guidelines on PMGSY have recently been revised and issued on 7th January, 2003. Keeping in view the resource gap for the Programme, the Government have been taking steps to arrange additional funds for the Programme. The World Bank and Asian Development Bank (ADB) have agreed to fund the Programme. It is expected that funding by ADB for a project of \$ 500 million (approx. Rs.2500 crore) will commence from the next financial year. World Bank is also likely to begin funding projects in selected States from the next financial year. In the implementation of the Programme some of the States are lagging behind. These States are being urged to take steps to improve their absorption capacity and also to critically scrutinize administrative procedure, delegate financial and administrative powers, strengthen the Programme Implementation Units at the District level, improve quality consciousness and put in place an effective monitoring mechanism.

To tackle the problem of unemployment and scarcity of foodgrains in rural areas, a new scheme

Sampoorna Grameen Rozgar Yojana was launched in September, 2001 to provide gainful wage employment and food security to the rural poor and in the process develop rural infrastructure in line with the people's aspiration. With an Annual Outlay of Rs.10,000 crore, the scheme envisages employment generation of 100 crore mandays annually. Under the scheme, 50 lakh tonnes of foodgrains amounting to about Rs.5000 crore (at economic cost) is being provided every year, free of cost, to the State Government and Union Territory Administrations. Rs.5000 crore has been kept to meet cash component of wages and material cost. Every worker seeking employment under the SGRY is provided minimum 5 kg, of foodgrains (in kind) as part of the wages. The balance of the wages is paid in cash.

SGRY is the one scheme whose implementation is 100% through the three tiers of Panchayati Raj Institutions, Each level of the Panchayats is independently responsible for the implementation of the Programme. It has been ensured that at least a minimum of Rs.25,000 and foodgrains of an equal value goes to every Gram Panchayat every year under



Generating wage employment under SGRY



A view of the houses constructed under IAY

SGRY. For the first time so much of the resources have been put at the disposal of PRIs. 5% of the resources under SGRY have been reserved for distress areas. In the current year 199 drought affected districts have already been released additional funds of Rs.13916.85 lakh and 1.13 lakh tonnes of foodgrains of the value of Rs.11304.60 lakh so far from the reserve. A Special component of SGRY has been created which is a relief measure for calamity affected areas for ensuring food security. 10% of the foodgrains have been reserved under the Special component of the SGRY to meet emergency arising out of natural calamities. In the current year, 378 drought affected districts have already been released 43.63 lakh tonnes of foodgrains of the value of Rs.4760.86 crore so far against the allocations of the Special component.

Shelter is one of the basic human requirement for human survival. To meet the shortage of Housing in rural areas, the Government of India have launched a comprehensive Action Plan for Rural Housing envisaging construction of 25 lakh houses annually in rural areas as also upgradation of unserviceable Kutcha houses. Under Indira Awas Yojana (IAY), the flagship rural housing programme

of the Ministry, so far about 93 lakh houses have been constructed spending approximately an amount of Rs.16,000 crore. During the last year around 12 lakh houses were constructed/upgraded. It is estimated that around 126 lakh more houses are required to be constructed/upgraded in the rural areas for the rural poor. During the last year, apart from the normal allocation an additional amount of Rs.412.50 crore was also released to the State of Orissa for construction of houses for the victims of super cyclone and flood. Additional assistance was also extended to the States of Gujarat, Andhra Pradesh, Himachal Pradesh and Jammu and Kashmir to help the victims of natural calamities and other eventualities. Until now there was no provision for reconstruction of a house due to one or other natural calamity. From the current financial year, it has been decided to provide assistance in cases of natural calamities.

Swaranjayanti Gram Swarojgar Yojana is an integrated scheme for providing opportunities of self employment to the rural poor. The assisted families (Swarojgaris) may be individuals or Groups (Self Help Groups). However, the emphasis is on Group approach. The objective of the scheme is to bring

the assisted poor families (Swarojgaris) above the poverty line by providing them with income generating assets through a mix of bank credit and subsidy. It has been conceived as a holistic programme of self employment and some of its salient features are

- ★ *Organising the rural poor into Self Help Groups (SHGs) through social mobilization.*
- ★ *Key activity and development of activity clusters.*
- ★ *Training and marketing support to the Swarojaris.*
- ★ *Involvement of NGOs/CBOs/Animators in social mobilization and training and capacity building of Self Help Groups.*

Since inception of SGSY Scheme (1.4.99) so far, 11.45 lakh SHGs have been formed till date and about 1.00 lakh Groups have taken up economic activities. A total of 31.69 lakh Swarojaris have been assisted so far with the total investment of Rs.6373.51 crore, which includes Rs.2122.75 crore as subsidy and Rs.4250.76 crore credit from the banks. During the current year 2002-2003, the total Central

allocation under the Scheme is Rs.710 crore. Based on the feedback received from the States/UTs certain amendments have been carried out in the Scheme Guideline to emphasise on the process approach and give flexibility to the States/UTs in utilization of funds based on the stage of implementation of the scheme.

The Ministry of Rural Development is mandated to provide safe drinking water in all rural habitations by 2004. To achieve this objective, Department of Drinking Water Supply, Ministry of Rural Development is implementing a number of Programmes like Accelerated Rural Water Supply Programme to resolve drinking water crisis in rural areas. The Programmes for Drinking Water also give importance to rain water harvesting, sustainability of resources and community participation. Considerable success has been achieved in meeting drinking water needs of the rural population over the years. Out of total number of 14.22 lakh rural habitations in the country during the last three years, 1.65 lakh habitations were fully covered with 40 litres of drinking water per capita per day. As on



Central Level Co-ordination Committee under SGSY holding discussions



Women mechanics repairing a handpump in a community maintenance project

1.10.2002, 12.80 lakh (90.03%) habitations are fully covered. 1.26 lakh habitations (8.88%) are partially covered and only 15,444 rural habitations (1.09%) are not covered. These villages will also be covered by 01.04.2004. In addition, a nation – wide survey is being launched to reassess rural drinking water status.

Under Accelerated Rural Water Supply Programme (ARWSP), the budgetary support has been increased from Rs. 1741.41 crore in 1999-2000 to Rs. 2,235 crore in the year 2002-03. So far Rs. 6529.87 crore have been released to States during the last three years.

Plan outlay for the Department of Drinking Water Supply : Compared to 9th Plan release of Rs. 8454.57 crore, the Tenth Plan (2002-2007) has been fixed at Rs. 14,200 crore – a step up of Rs. 5745.43 crore (68%).

A new initiative based on demand responsive strategy and community participatory approach in rural drinking water sector was launched in 1999.

So far, Sector Reform Projects for 67 districts of 26 States have been sanctioned with total cost of Rs. 2060 crore and Rs. 580.31 crore have been released, out of which Rs. 156 crore have been utilized. Rs. 30.82 crore has been the community contribution from 18.65 lakh households. Out of 25,686 water supply schemes taken up, 8116 have been completed and 6661 have been taken over by the community for operation and maintenance. Encouraged by the success of Sector Reforms Projects, a new initiative 'Swajal Dhara' has been launched on December, 25, 2002. Under this initiative, as against the Districts under Sector Reforms, Panchayats, Blocks and other beneficiary groups have been empowered to formulate, implement, operate and maintain Drinking Water Projects. 90% of funds towards the project cost is provided by the Government and the beneficiary group has to contribute 10% of the cost.

Concept of Sanitation connotes a comprehensive definition, which includes liquid and solid waste disposal, food hygiene, personal,

domestic and environmental hygiene. Central Government supplements the efforts of the State in undertaking rural sanitation under Central Rural Sanitation Programme which was launched in 1986. CRSP aims at improving the quality of life of the rural poor and to provide privacy and dignity to women in rural areas. Under the Programme, 1,46,114 individual household toilets have been constructed during the last three years and Rs. 385.36 crore were released to States.

In 1999, Total Sanitation Campaign (TSC) was launched to improve quality of life, and promote sanitation in rural areas. TSC follows participatory demand responsive approach, educating the rural households about the benefits of proper sanitation and hygiene. TSC is being implemented in 185 districts with an outlay of Rs. 2,032 crore with GOI share of 1,225 crore, out of which Rs. 324.62 crore have been released and Rs. 67.29 crore have been utilized. Community contribution has so far been Rs. 12 crore.

Under TSC, projects envisage to have 1.69 crore household toilets, 20434 women sanitary complexes, 1.68 lakh school toilets, 13206 toilets for Balwadis, and 1616 Rural Sanitary Marts. So far, 10,55,365 household latrines; 15267 school toilets, 1117 Balwadi toilets, and 597 sanitary complexes for women have been completed.

During the last three years due to Central and State Government efforts more than 40 lakh households have access to improved sanitary facilities.

Land is a critically important national resource. Its efficient management is vital for economic growth and development of rural areas. Concerted efforts are being made through Area Development Programmes of Department of Land Resources such as Integrated Wastelands Development Programme, Drought Prone Areas Programme and Desert Development Programme to regenerate and rejuvenate wastelands and degraded lands. All the Area Development Programmes are being implemented through the Watershed Development approach. Some of the major achievements and initiatives in this regard are – three fold increase in budget provision for Wasteland Development Programme, stepping up budget provision of Department of Land Resources (DoLR) from around Rs. 324 crore in first 3 years of 9th Plan (1997-2000) to Rs. 900 crore in last 2 years (2000-2002) of 9th Plan. Budget further increased to Rs. 1000 crore during the current year (2002-2003). 12219 Watershed Projects were sanctioned during the 3 years under DDP and DPAP. 304 Watershed Projects were sanctioned under Integrated Wasteland Development Programme during the last three years.



Harvesting of water through a stop dam



Prime Minister inaugurating Project Directors' Conference in New Delhi on 4th October, 2002

in particular, are adequately aware of the nature and content of Rural Development Programmes. Moreover, in view of the magnitude of the task of bringing about socio economic transformation in rural areas, it is necessary that not only people in rural areas, but all segments of the society such as urban elites, NGOs, Corporate bodies are sensitized about issues relating to rural development in order to mobilize them towards participation in rural development efforts.

Realizing the importance of communication, in mobilizing people towards participatory development, concerted efforts are being made by the Ministry to disseminate information and message on Rural Development Programmes through most of the available modes of communication. The Information Education and Communication activities undertaken by the Ministry aim at:

Total area taken up for treatment under the 3 programmes is 87.12 lakh ha. at a total cost of Rs. 5,217 crore. Guidelines were revised in September, 2001 to provide for non-Governmental as well as Governmental participation in Watershed Project implementation and greater role for women and Panchayati Raj Institutions in implementation.

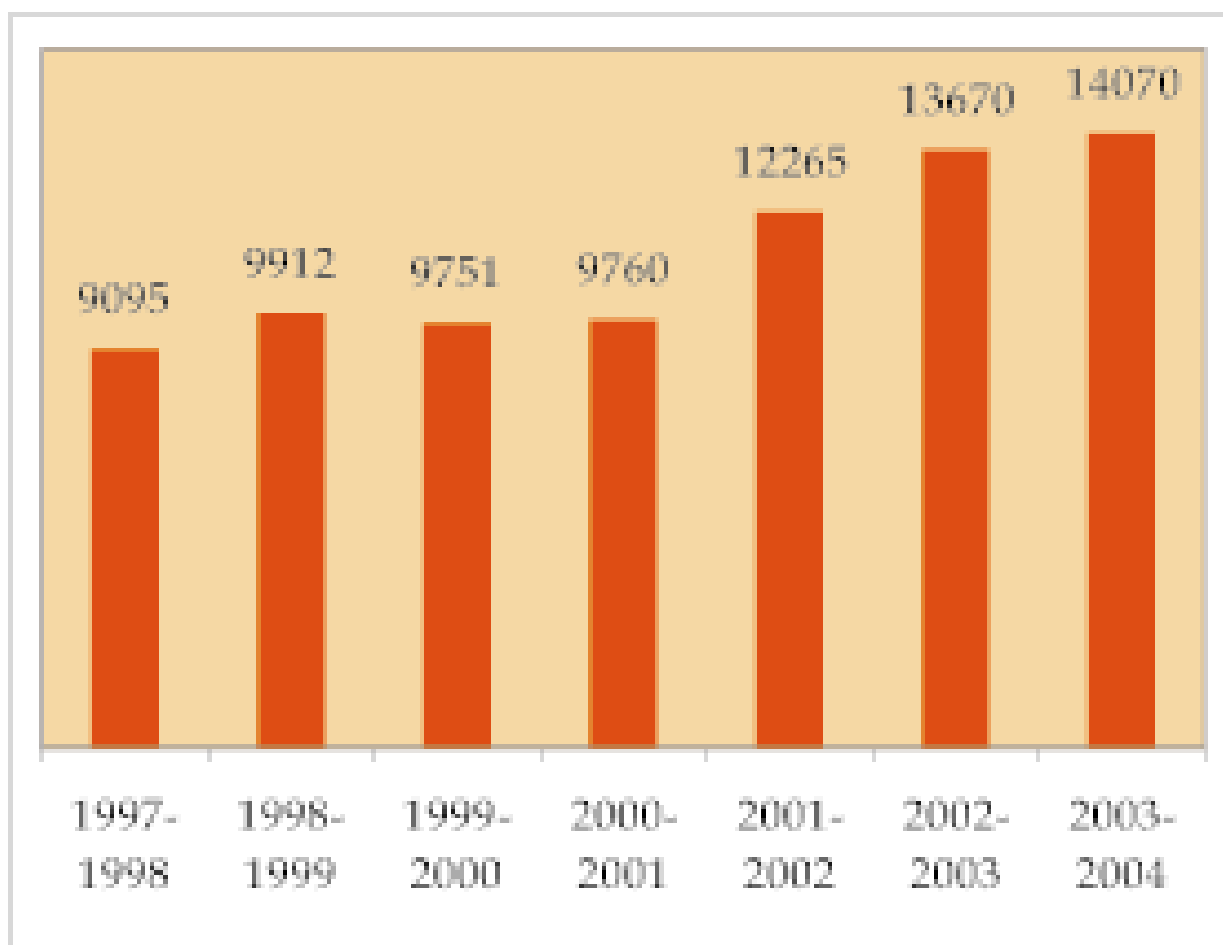
Communication Planning is an integral part of planning for sustainable development. To enable the Panchayats to handle the issues concerning the community for themselves, to formulate developmental plans taking advantage of assistance provided under various centrally sponsored schemes and execute these plans, it is necessary that the rural people in general and Panchayati Raj functionaries

- ★ *Primarily creating awareness amongst the target groups of the Programmes of the Ministry and mobilizing them towards participatory development.*
- ★ *Sensitizing opinion makers, urban elites about issues relating to rural development.*
- ★ *Creating awareness amongst the general public.*

Thus with the time-bound multi-pronged approach adopted by the Ministry through a wide range of Programmes and initiatives taken by the Ministry as also gearing up of monitoring mechanism during the year, it is hoped that it would lead to significant improvement in the overall quality of the life in rural areas.

Outlay for the Ministry of Rural Development

(Rs. in crore)



Approved outlay in respect of Plan Schemes of the Ministry of Rural Development of the year 2002-03 and 2003-04 are available at Annexures II, III & XXVII