

THE MYRADA EXPERIENCE

WORKING WITH THE GOVERNMENT
IN
MULTILATERAL AND BILATERAL
PROJECTS

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1. WORKING WITH GOVERNMENT IN THE CONTEXT OF MULTILATERAL/BILATERAL PROJECTS

Working with Government is not new. NGOs have been recognised for years as institutions that have a role to play in official programmes to eradicate poverty. Organisations like CAPART (Council for the Advancement of People's Action and Rural Technology) set up to manage Government funds for programmes implemented by NGOs have even made provision in their Governing Bodies for NGO representation and modified the various anti-poverty schemes to provide space for peoples participation. NGOs also collaborate with various Government Departments both at the Centre and the State and receive funds directly from them. The five case studies in this publication do not cover this pattern of relationship between Government and NGOs, where the NGO alone is operational. They relate primarily to projects in the social sector funded by Multilateral or Bilateral Agencies (related to Governments or the UN) in which the Government of India is the primary stakeholder, but in which increasingly NGOs are being involved in a formal way through agreements which spell out their functions. The NGOs in this pattern of intervention relate with two Government Agencies, where one at least (Local Government) is operational. Often the M/B Agency also has representatives that relate operationally. Multilateral/Bilateral Agencies and National Governments have been accustomed to work with each other; enter the NGO and it is no longer business as usual. For Myrada, these five experiences spread over ten years have provided a useful learning experience which this publication attempts to share. Viewed, as they are, through Myrada's eyes, some comments may be construed as biased; the intention, however, is primarily to support a pattern of intervention that provides potential for higher quality of impact, upscaling to cover a wider area, and renewal both within the NGO and Government systems. An analysis of this triangle of relationships (M/B-Govt-NGO) is vulnerable to criticisms from all quarters; it is said that fools rush in where angels fear to tread; if this analysis is considered to be an effort of a fool, so be it!

The major assumption on which Myrada's intervention in these five projects is based is that both the Government and the NGOs have

comparative advantages which, if recognised and respected by both intervenors, establishes a synergy in intervention which raises its effectiveness in terms of achieving the objective of equity and increases the potential of sustainability of the impact of the investment. The lessons learnt from these case studies indicate that this collaborative strategy is appropriate to achieve these objectives as well as to up-scale the programme, provided several supportive interventions are provided and budgeted for during planning; the nature of these supportive interventions have been described at the end of each case study.

A strategy based on comparative advantages of the intervenors requires that one does not cross the line to take the lead in the area where the other intervenor has proven expertise at the field level and adequate organisational back-up to intervene with confidence. It also requires that intervenors interact frequently and at different levels to share and resolve issues that arise during the project cycle; above all it requires leadership in all intervenors which recognises the value of such collaborative interventions and has the commitment required to make them a success.

Working with Governments as a strategy of intervention and upscaling is at times viewed critically as a strategy that makes the NGO vulnerable to be "co-opted" by Government. Myrada's experience indicates that it is the traditional pattern of NGO funding by Government that primarily fosters a development strategy driven by the pressure to deliver goods and services which, in fact, makes the NGOs more vulnerable to be co-opted. The strategy analysed here which is based on the comparative advantages of the NGO and the Government, provides each intervenor with the space to respect the others' strengths; the NGO here is not co-opted with the intention of neutralising its cutting edge; instead its strengths are used to improve the quality of the intervention.

The intervention of NGOs in Multilateral/Bilateral projects is largely based on the comparative advantage of NGOs to foster the growth of peoples' institutions which are appropriate to regenerate and manage the resource targeted, whether it be credit, milk, forests or lands under various forms of ownership and use. It is through these institutions that the poor participate in the process that promotes their

increasing access to and control of resources even after the project ends. This also implies that only those NGOs who have this comparative advantage or who have the potential to acquire it are equipped to play an effective role in any collaborative intervention. NGOs do not qualify because they are NGOs even though they may work in rural areas where most of these projects are located; they must also have the experience or potential to deliver the output required to achieve the objectives of the project and to sustain the impact.

There are other features that intervening organisations need to acquire to achieve a synergy throughout the project period, like the ability to absorb and institutionalise innovative and participatory strategies, organisational support for innovation and flexibility, the ability to work together, to be adequately transparent, to avoid hidden agendas and to be committed to handing over the lead to peoples institutions. These attributes do not come easily; they require leadership with a vision, constant review and analysis of experience, the ability and commitment to learn from and respect one another's strengths.

One of the words frequently used throughout this analysis is "participation"; since this analysis does not focus on this concept or aspect of intervention, a brief comment here will be in place. Like any new and powerful concept, participation of people in development strategy has exploded in development literature. Unfortunately like any popular concept it is also subject to a variety of interpretations. Each one tends to interpret participation in a way with which he or she feels comfortable. The demands of a participative strategy that influence all stages of the project cycle, however, are uncomfortable and disturbing. Unfortunately, in actual practice participation is often limited to the initial stages where the objective of intervention is to create awareness and, during the past 5 years, extended to the planning process. For implementing organisations, participation up to this level is an interesting, comfortable and at times a comforting experience; it does, however, present problems for planners who are accustomed to traditional tools and feel threatened by the use of new ones; they often try to lower the value of participatory tools by claiming that they do not stand up to "professional" standards. For participation to become an additional and effective dimension in a strategy that fosters the growth

on peoples institutions, however, it requires to be supported by organisational and attitudinal change in the intervening institutions and by change in the socio-economic relations in society. It is in these sectors that participation becomes disturbing. For Multilateral/Bilateral Agencies to foster participation up to a certain level, but to withdraw from meeting the challenges that it generates as it goes further, is to lose credibility.

The tools of participation in the initial stages, where the objectives are to create awareness and to plan, are available (PRA is one); the results are visible and can be photographed to good effect. These tools by themselves, however, are not appropriate to identify, bring out and change relations that support and legitimise a society where a small group holds economic, social and political power. It is these relations which have an impact on the process of participation in budgeting, implementation and on going management. The tools that are appropriate to make participation effective in these sectors are still inadequate and even these are not readily available. For participation to be effective in these sectors also requires intervention in the organisational culture and systems of intervenors; few projects have provided space and resources for this intervention. The Western Ghats project supported by ODA of the U.K. is an exception.

2. WHY DOES MYRADA GET INVOLVED IN M/B PROJECTS?

Why did Myrada choose to work with Government within a project supported by Multilateral or Bilateral Agencies? The major reasons were that it offered an opportunity to influence policy and practice in favour of the rural poor, and to upscale its intervention without a substantial increase in the scale of its staff and operations. From its field experience, Myrada realised that :

- * the service delivery approach that it had adopted in the early 80s had to be complemented by a strong thrust to build peoples institutions based on self help before substantial investments of funds. These institutions had to be of the poor for the objective of equity to be achieved. They would be encouraged to form Apex groups and to develop linkages with organisations providing inputs once their institutional strengths were established. These institutions and linkages would provide the basis

for sustainability, allowing Myrada to withdraw; experience proved that such institutions had the potential for sustainability, equity and spread. Therefore, as it gained experience in institution building, Myrada moved away from a strategy based almost entirely on service delivery to one that gave priority to fostering self help and a process that led to the emergence and growth of peoples institutions with the potential for equity, sustainability and spread.

- * if it worked together with Government staff in a pilot learning project, where Myrada contributed its comparative strengths relating to the building of institutions appropriate to the resource to be managed (be it credit, watersheds or forests), the Government staff working together with Myrada on the project could absorb these learnings and use them in its other projects of a similar nature. This spread and depth in experience would provide the basis for changes in policy required to support the emergence and growth of peoples institutions.
- * If it adopted this strategy it need not start projects in every area that required intervention or even from where requests from Government and people came in. In fact, Myrada would have expanded to at least 5 times its present size if it had responded to all requests it received between 1988 and 1992. The alternative was clear. Myrada had to influence Government policy and practice so that they would support both the growth and functioning of these peoples institutions and the initiatives of other NGOs fostering a similar intervention strategy.
- * (Myrada discovered that) Multilateral and Bilateral projects offered a wide scope to achieve these objectives. In all the five cases the initiative to involve an NGO(s) was taken by the external agency with active support from the Government of India. In none of the cases did MYRADA actively bid or lobby to get involved. The major reason that prompted the external agencies to involve NGOs was the expectation that they had a comparative advantage in mobilising peoples participation. How participation would be translated by the NGOs into a

development strategy that fostered equity, appropriate peoples' institutions and sustainable impact in the context of a particular project was not always clear at the beginning, as many of these initiatives were the first that they had undertaken in that particular sector, though they had experience of fostering participative development strategies in others. MVB agencies provided support to Myrada and NGOs throughout the project in varying degrees to create an environment that fostered the objectives of equity and sustainability; this support was also provided by NABARD in the programme to upscale the Self Help Group strategy.

in order to influence policy, mere discussion and even lobbying with policy makers was inadequate; Myrada had to show evidence that what it was suggesting as a result of its experience and interaction with people could be done successfully in the field. If peoples institutions could emerge out of the motivation to help themselves and continue to save, lend and repay, if they could manage to plan, budget implement and manage programmes to regenerate and sustain resources in the micro watersheds and degraded forest areas, then senior Government officers who were open to such alternative systems would be willing to accept them and in a position to convince their doubting colleagues of the validity of such strategies. The concept however has to be clear and the field experiment transparent and successful for the strategy to have potential for upscaling; it is because the self help group and watershed management experiences of Myrada acquired these features that their potential for upscaling is high.

once initiatives to change policy were taken based on ample evidence on the field of the success of these innovative strategies, a major training and exposure programme could be launched by senior officers for the middle level administrators; no doubt other conditions were required like incentives, recognition, reduced transaction costs and effort, a new organisational culture that motivated officers to be more interactive, transparent in operations, participative and in general "people friendly"; but these could be addressed once the two essential conditions mentioned above were in place.

namely - senior staff and new policies which were supportive of the initiative and a successful experiment in the field on a sufficiently large scale.

This strategy to upscale however, required that Myrada's strategic intervention had to be flexible enough to respond to the demands and needs that arose in each collaborative project. In some it intervened with a comparatively large number of staff who were operational, like in Gulbarga and Dharmapuri; in others it placed a few staff in the field to focus on training and on micro planning, as in the Western Ghats Project where there are just 4 staff in the District. In some cases it had to refuse to accept roles offered by the Government and the MVB in order to preserve its strategic options; for example in the Western Ghats Forestry Programme, Myrada did not accept the role of channelling funds to NGOs because it felt that this role would reduce the effectiveness of its intervention and even compromise its position.

The five projects in this study record Myrada's experience over 13 years in working with the Government in the context of MVB Programmes. There were two cases where Myrada was involved in changing policy and practice outside the context of a MVB Programme. The first was in the initiative to make credit accessible to the poor through self help groups, which could be linked directly to Banks. This innovation was initiated by NABARD and Myrada. Myrada approached NABARD in the mid 80's with a request to support its efforts to evolve an alternate credit system for the poor. NABARD not only supported this initiative but took ownership by providing a significant amount of money under its R & D programme. This model has now spread throughout the country. The second was in the Devadasi programme where, instead of initiating a project of its own in response to Government's request, Myrada deputed experienced staff to the Government who took leadership of the programme. This ensured that the programme would be led by experienced staff, that it would be firmly based on peoples perceptions and strategies that evolved from close interaction with people affected, that there would be continuity of staff and leadership in the Government programme and that there would be a greater chance for a synergy to emerge among the various intervenors namely the Government, Myrada (which started a small

project in the area to support the Government one) and other interested organisations. This project was innovative and provided a fertile ground for learning, but it did not include upscaling as an objective.

Myrada has faced criticism over its collaboration with Government on one hand, while on the other many Government officials have expressed their concern that NGOs are encroaching on what was hitherto considered Government territory, namely the eradication of poverty. Myrada's response is clear; to the critics of collaboration it points out that the comparative advantages of the Government and Myrada complement each other in particular situations; this can lay the basis for an impact that is productive, sustainable and equitable over a significantly large area. To claim that all that the Government does is anti-poor, is to succumb to ideological pride. To the officials who are sensitive about their territorial rights, Myrada points out that while the Government has the primary responsibility to eradicate poverty it does not have the monopoly.

MYRADA's Mission Statements :

To foster a process of ongoing change in favour of the rural poor in a way in which this process can be sustained by them through their efforts :

- * to build and manage appropriate and innovative local level institutions rooted in values of justice, equity, and mutual support, which can ensure their sustainable livelihoods.
- * to recreate a self-sustaining habitat based on a balanced perspective of the relationship between natural resources and the legitimate needs of people.

To influence public policies in favour of the poor and to build supportive institutional linkages between official institutions and peoples organisations.

To support small NGOs and foster the emergence of new NGOs working in rural areas.

To promote networking among peoples institutions and among NGOs."

WHY DOES GOVERNMENT INVOLVE MYRADA?

NGOs like MYRADA, are only one expression of the variety of civic groups that characterise a democracy. These civic groups in India have emerged largely through the Gandhian, religious and radical movements as well as in response to peoples needs for fellowship, for community or group integration, for protection and promotion of common interests and culture. Many in urban areas have emerged through local initiatives to manage civic services which Government departments or municipalities were unable to cope with; such initiatives have increased significantly during the past five years. Some are membership groups, others are not. Some of these groups include service to the poor as their sole objective while others consider it an additional and at times a marginal one, whether it be to the weaker sections of their own community or to the poor at large.

MYRADA is one of these civic groups; its mission is to support the poor in rural areas irrespective of caste or creed. This is generally clear to the public and is the popular image of MYRADA. What is not so clear, however, is that the strategy MYRADA adopts in its mission to support the poor does not focus on the delivery of goods and services but on the efforts of the poor to build their own civic institutions (appropriate to the resource to be managed) which can take the lead in the process of sustainable selfreliance. While it is true that a significant part of Myrada's resources are devoted to delivering services (and the general opinion, even among Senior Government officials, is that it delivers these services more effectively than the Government) the real comparative advantages MYRADA has acquired after several years of trials and incremental learning are:

- 1) its capacity to identify within a stratified society, affinity groups of the poor which are homogeneous and small and to support their growth into sustainable self-help institutions through the acquisition of skills, confidence, self reliance, linkages and resources. These groups not only manage physical capital like credit, watershed resources, forests, and drinking water, but also build up and sustain mutual trust and self-confidence among members and a network of new relationships within

and between groups. All these features provide a base for them to undertake new roles and to revive traditional initiatives; this network of relations, mutual trust and support can be described loosely as social Capital which serves as a guarantee for investment by intervenors in the groups. As the social capital increases, the groups potential to take on new roles also rises.

- 2) its ability to initiate and institutionalise linkages between these groups and official systems like Banks and Government Departments, supporting various development and anti-poverty programmes. This requires, at one end, initiatives to change official policy and to make Government systems more transparent and responsive to local diversity, to changing situations and ultimately to handover power to peoples institutions, and at the other end to build up responsible and appropriate peoples groups to take over roles, responsibilities and resources required for their sustained progress.

The structure of these groups and the patterns of networking that they select depends on the resource they manage like credit, milk or natural resources, and on the structure of society in which they operate. For example, Myrada's experience indicates that institutions managing watersheds are not appropriate to manage credit. Institutions that function effectively in a homogeneous society are not appropriate in a stratified one. For linkages with the official systems to be institutionalised, requires a change in official policy supported by adequate resources and commitment to operationalise and sustain policy change. MYRADA has increasing evidence that it is these groups with their linkages and networks that provide the basis for:

- 1) more effective and transparent utilisation of resources,
- 2) the sustainable impact of benefits that accrued through the project's investment;
- 3) the poor to acquire and sustain access to and control of resources.

Briefly put, therefore, Myrada's comparative advantage lies in

its ability to develop peoples institutions which have the potential to achieve the objectives of effectiveness, sustainability and equity.

While it is recognised that the poor need backward and forward linkages to progress, their need for sideways linkages through group support in order to break out of the relationships of dependence and to create adequate space to use the backward and forward linkages provided, to their advantage, is not adequately accepted or incorporated in development strategy. Backward and forward linkages like the provision of facilities for inputs and marketing, are of little use to the disadvantaged if traditional social and economic relationships continue to increase the dependence of the poor on those who have access to and control of resources as well as on the social structure which tends to perpetuate and legitimise inequity.

After years of working directly with individuals and extending grants and loans to them as well as opportunities to acquire new information and skills, Myrada learnt that very few of the poor were able to take off and become self reliant; the majority continued to depend on Myrada and in many cases the culture of dependence increased. The utilisation of loans and the repayment rate was poor, in spite of consistent efforts which were time consuming and distorted relationships between people and the organisation. Extension services directed to individuals did not have significant impact nor was there any spread locally. Myrada learnt that the poor require an institutional base on which to build their efforts towards self reliance.

In the mid 80's, Myrada adopted a strategy which led to the emergence of Self Help Groups (SHGs). After working for some months in the SHGs, members were asked why they had not broken out of the circle that had kept them dependent; their common response was: "How could we do it alone?". The strategic choice Myrada had to make, therefore, was between encouraging them to hitch on individually to an intermediary NGO like Myrada (which had resulted in the NGO delivering services to individuals and increasing their dependence on intermediaries) or supporting them to identify others in their village, whom they can trust and with whom they can work, and to build on their combined efforts which an NGO can then support. Myrada chose the latter. It is these groups which provide the poor, in programmes supported by Myrada's intervention, with the institutional framework.

required to harness and sustain their efforts towards self reliance and with the opportunity and motivation to acquire management skills as their group takes on several new roles and responsibilities. This experience helps them to gain confidence and to establish new relationships in society which together with their group, protect their space for manoeuvre and their interests. As a result they are able to establish and maintain a degree of independence from those relationships in society - social, cultural and economic - which have perpetuated their dependence. This situation does not come about only by identifying affinity groups - though this is the first and critical step - but by providing opportunities for group training and strategic support for group members to acquire the necessary skills, confidence, resources and linkages to initiate, manage and support each stage of their progress.

Myrada's mission statement focuses on building sustainable institutions (civic groups) of the poor which are appropriate to the task or resource to be managed, on supporting their efforts to network and on changing official policy which militates against institutions of the poor increasing ownership of investments that they and others have made in their progress. Myrada believes that it has the experience and a comparative advantage (relative to Government) in achieving this objective of building sustainable groups and linkages among these groups as well as with the official systems which are required to support the sustainability of benefits resulting from project investment; it also believes that it has a comparative advantage in motivating these groups to adopt mechanisms and regulations to ensure that resources are distributed equitably and remain in the control of the poor.

Though Myrada has acquired a comparative advantage in achieving the objectives of sustainability and equity in programmes focused on the poor, it did not acquire this advantage easily or by the mere fact of being an NGO. Besides all Myrada projects do not possess this advantage equally. There were organisational features that Myrada had to incorporate, and constraints, both within the organisation and without, that it had to remove, before it could acquire this advantage; maintaining it requires equal concern and investment in time and resources, success in maintenance has not been uniform through out Myrada's history; like every organisation there have been ups and downs. Internally, Myrada had to be constantly alive to the

demands and directions established by its Mission and to attain a degree of self reliance to allow it the freedom to select the time, place and nature of its intervention. Myrada learnt from its mistakes; for when it gave in to pressure to intervene in order to survive or in a degree beyond its resources, it quickly lost its comparative advantage.

Myrada's policy is to decrease the level of its intervention in the groups life and functioning, and to withdraw as the groups find other sources or create new institutions which can take over those roles which Myrada has performed. The civic groups which Myrada has supported the poor to establish are the SHGs managing credit, the micro watershed management groups and the wasteland and forestry management groups, together numbering over 3500. Myrada promotes several networks of operational NGOs notably in Andhra (Forestry network, involving 24 NGOs) in Tamil nadu (SHG network involving 12 NGOs) and an information network of 700 institutions which receive Myrada's Rural Management Systems and PRA papers to which several Govt. officials and NGOs have contributed. Myrada has also promoted linkages between SHGs and Banks, in collaboration with NABARD, throughout the country.

The pattern of collaborative intervention which the five case studies in this publication describe, is based on the comparative advantages that the NGOs and the Government have acquired. Since in the case studies the NGO involved is MYRADA, the analysis is based on the comparative advantages it has acquired over the past 14 years. The Government too has comparative advantages, particularly in the area of technical expertise. But the quality and consistency of this collaborative intervention is undermined by administrative systems which have failed to adapt to emerging situations, by organisational cultures that have been conditioned by the weight of bureaucracy, ideologies and halos (in the case of NGOs), by out dated concepts and skills and by issues that are throw up in implementation usually due to lack of adequate transparency. These obstacles can be broadly divided into the following categories. Those which border on the conceptual; those which arise due to organisational culture and systems and those which arise during implementation (many of which in turn are due to organisational systems and culture that do not foster

collaborative intervention). These five case studies focus on issues that are conceptual and on those which arose during implementation. Chapter VII however describes some of the causes which lie within the administrative systems and culture of intervening organisations - both Government and NGOs. This analysis also does not focus on the issue of organisational change, because among the five experiences analysed, it was only in the Western Ghats Project supported by ODA - UK where an effort has been made to influence organisational culture and systems to foster a higher degree of synergy in collaborative intervention. The other projects neglected to invest any resources in this area.

A few major issues bordering on the conceptual which did not foster synergy in collaborative intervention are indicated here.

One is the understanding of "ownership" of the Multilateral or Bilateral project on which Govt. bases its right to take a lead throughout the process. This claim of ownership is partly based on the "responsibility" of Govt. to repay the loan received for the project. The projects in which Myrada and other NGOs are involved, are all in the social sector (e.g. drinking water, forestry, credit), where loans are extended on very soft terms. Myrada agrees that Govt. is the owner, but adds that for effective intervention and sustainable impact of the investment in the social sector (which all intervenors agree are major objectives), the intervention strategy must provide space for people to participate effectively, and for their institutions to emerge and grow so that they can take over control. Govt., therefore, has to realise that ownership also includes the responsibility of "stewardship"; for the Govt. is managing these resources on behalf of the people. Besides, none of these projects in the social sector generate resources directly which are used to repay the loan. Repayments come from other sources representing a spectrum broader than the project area. This enhances the responsibility following from "stewardship". Finally the practice of mobilising peoples contribution in cash towards capital costs is gathering momentum particularly in areas where a significant segment can afford to contribute. However when people contribute to capital costs and realise that they will have to maintain the asset, they have a right to demand an effective role in the process of planning, budgeting and implementation as well as a degree of transparency in implementation; this is a claim to share "ownership".

Secondly Myrada's involvement in development programmes is sought for reasons which are related to its effectiveness within the delivery mode of intervention and does not take into account its major comparative advantages in development strategy related to the building of institutions, linkages and networks. The reasons Government officials give when approaching Myrada to intervene are: - a committed staff willing to stay in remote areas and to be with the people at times convenient to them, the organisations ability to respond quickly to problems and needs and to be flexible. Myrada's record of delivering services to the poor is also mentioned by a few senior officials who are committed to change and to the eradication of poverty. There were also several other reasons to involve Myrada mostly driven by the needs of Government or donors. In the Western Ghats Forestry Programme for example, Myrada was first approached to channel Government funds to local NGOs and to coordinate their programme, a role that Myrada refused to accept, and fortunately, had the freedom and space to redefine; but more about this later.

Thirdly the Government, in general still views Myrada and other civic groups as turnkey operators, a role that Myrada had to adopt, during the 80s in the Biogas programme. Besides, since the Government has no systems in place to work with NGOs, it characterises them as "contractors;" this further clouds the relationship. In the Drinking Water and Sanitation project, for example, Myrada was asked by the Government to provide a Bank guarantee even though the role envisioned for NGOs did not involve purchase of material or construction.

The five projects selected for study here where grants were provided or loans extended at very soft terms, have three categories of intervenors. The Government, the Multilateral or Bilateral Agency (M/B) and the NGO. This model creates a triangle of relationships which involves two Governments or Government related institutions and one NGO. it adds an extra dimension to the pattern in which Governments and external Agencies have been accustomed to work and where the roles of both parties have been well established over the years. Enter the NGO and it is no longer business as usual. In four of the five projects it was the first experience that the concerned Government Department had of working formally with an NGO in a bilateral or multilateral programme.

In all the five cases the initiative to involve an NGO (NGOs) was taken by the external agency with active support from the Government of India. In none of the cases did MYRADA actively bid or lobby to get involved. The major reason that prompted the external agencies to involve NGOs was the expectation that they had a comparative advantage in mobilising peoples participation. How participation would be translated by the NGOs into a development strategy that fostered equity, appropriate peoples' institutions and sustainable impact in the context of a particular project was not always clear at the beginning, as many of these initiatives were the first that they had undertaken in that particular sector. These projects, therefore provided an opportunity to experiment and to learn; in this lies their value which this study attempts to share.

THE AGRO-FORESTRY PROJECT SUPPORTED BY CIDA/HOPE[1]

CIDA had entered into an agreement with the Government of Andhra Pradesh in the early 80's to support a major social forestry project all over the state. CIDA also took the initiative to involve NGOs on the assumption that NGOs had the expertise in developing community woodlots (which other Forestry projects in the country had not succeeded in doing till then) and in supporting afforestation on arid lands, both private and common, in order to provide the basic needs of the family such as, fuel, fodder, fibre, flowers and fertiliser (the five Fs as Myrada described the output at that time). CIDA's strategy was to integrate the Government (Forest Department), and the NGOs in one programme. Funds to the NGOs were intended to flow through the Forest Department.

This pattern of collaboration however, did not materialise. The climate that was required to support a programme that called for adequate and appropriate mechanisms in which both intervenors (Government and NGOs) would be formally involved in a bilateral project did not exist at the State level. Even at the Centre, while senior officers were willing to support such pilot collaborative efforts, no one would take a decision since there was no clear message from political leaders supporting NGO collaboration. There was also no clear and handy precedent at State level of working with NGOs in a formal manner within a bilateral programme which this initiative proposed and no Senior official willing to innovate. Most of the NGOs who were involved in agro forestry in Andhra also did not respond constructively to this initiative. They had been accustomed to play a role critical of the Forest Department, especially in the late 70's; in their perception, the Forest Department was unlikely to play a constructive role in any collaborative initiative with NGOs. The approach of the Forest Department at that time did not help to change this perception.

None of the intervenors made a serious attempt to describe

[1] CIDA - Canadian International Development Agency
HOPE - Hope International Development Agency - Canada

what value the NGOs could add to the programme. Perhaps the Forestry Sector was one in which the NGOs in Andhra Pradesh had not yet developed a clear strategy of intervention based on their comparative advantage at that time; but there were significant experiments, perhaps not in the project area, but surely elsewhere in the country in which both NGOs and the Forest Department were involved, from which the intervenors in Andhra could have drawn several lessons. The NGOs on their part did not take this opportunity to work together and to present a clear and cohesive strategy to the Government, based on their experience or vision; instead ideology which affected their ability to innovate in development strategy and which undermined relations with other intervenors tended to dominate. Those who held that there was no good in the Forest Department often held sway; this made dialogue with the Department difficult; it strengthened the position of those officers in the Forest Department who thought that NGOs should be kept at a distance and weakened the position of those who held the opposite view. As a result, in spite of efforts by CIDA to integrate the two interventions, it was finally decided to have two separate projects: the major one with the Government and a small initiative with 12 (it grew to 24) NGOs.[2]

The project agreement with the Government did not identify any role for the NGOs. Interactions between NGOs in the network and the Forest Department were left to the initiative of individuals from the Forest Department and the NGOs working at the local level. Examples of such interactions and mutual support emerged in several Districts, but no institutional base was put in place at State Level that could build on and learn from these local initiatives. Occasional meetings were held between the Forest Department and NGOs particularly in the later 80's and early 90's, but this was towards the end of the final phase of the project.

Myrada came into the picture when CIDA realised the need for a local institution to coordinate the programme with the NGOs and to provide support services to them when required. The NGO situation in Andhra was volatile during that period, with new NGOs emerging in their hundreds and with radical movements playing a significant

[2]

While this project was under preparation, the author was a fulltime consultant with CIDA and played a role in attempting to develop the institutional arrangements required for NGO involvement.

role; the need for close monitoring was stressed both by the Government and CIDA.

CIDA provided funds to a Canadian NGO, HOPE, which also invested funds of its own and took on the responsibility of managing the NGO programme on CIDA's behalf. HOPE entered into an agreement with Myrada as well as with each NGO in the network and transferred funds directly to each NGO. Myrada in 1983 had decided that it would not assume the role of transferring donor funds whether local or external, though it was prepared to provide all other support services when required.

The need to relate with 24 NGOs together with the changing situation on the ground required that mechanisms be created which would allow decisions to be taken quickly and with close interaction among all the parties concerned. Myrada, in 1985, requested HOPE to post a Programme Officer in India who would facilitate the process of decision making and give the NGOs in the network the confidence that their opinions were heard by CIDA and HOPE. A Programme Officer who was a representative of the NGO, HOPE (not of CIDA) was stationed in Bangalore from 1987 to 1993 and played a significant role in the success of the NGO project.

Myrada played a role that could be described as an extension of the donor's traditional roles of fund management, programme monitoring and technical support related to Forestry; but it added other dimensions, including support for capacity building of NGOs (ranging from management and organisational strengthening to maintenance of accounts and book keeping); it also gradually broadened the intervention towards a more integrated strategy based on micro watershed management and peoples institutions, that supported sustainable productivity increases in the livelihood resource base of dryland farmers.

Lessons Learnt:

The lessons Myrada drew from this experience were the following:

1. In order to involve NGOs in an effective and integrated

manner, the external agency (multilateral or bilateral) needs to be pro-active not only at the Centre but also at the State level. It needs to ensure at the State level, the continuous presence of a local institutions or of its representative to highlight the value added by adopting participatory development strategies[3] and the lead role that NGOs play in fostering them. This representative needs to be based in a local NGO who can support his/her efforts to identify and remove the organisational and attitudinal blocks to more constructive collaboration and effective impact, to support the capacity building of Government and NGOs where required, to facilitate the efforts of NGOs and the Government to cope with changing situations on the ground, to take the initiative in organising strategic interventions to strengthen collaboration of all the intervenors including peoples institutions during the project cycle, and briefly, to perform a catalytic role throughout. Myrada also realised that all these roles cannot be performed by a consultant. While private consultancies can monitor performance, collate reports and organise meetings with Govt. their personal long term interests and lack of continuous presence in the field do not allow them to play a critical or a proactive role to lead initiatives towards change in strategy, greater transparency and effective participation of peoples institutions.

2. The Government and the NGOs must enter into agreements which clearly identify not only what the NGOs' responsibilities are, but also the reasons why NGO intervention is required and what the output of the NGO intervention will be. The Government will have to take the lead in this initiative, but in many cases the Multilateral/Bilateral agency will need to play a role in creating an enabling climate. The terms of the agreement to which the Government agrees, will indicate the value it places on the comparative advantages of NGOs and the degree of commitment it has to ensure that these advantages are used in the best possible way.

[3] A distinction needs to be made between techniques that foster participation like PRA on one hand, and participatory development strategies on the other; these strategies are based on a process to foster which several strategic interventions (including PRA) are required.

3. Preparatory seminars and workshops are required for all intervenors to understand and accept the value of each other's role. Similar seminars and workshops should be held periodically during the project as people and perceptions change.
4. No collaborative programme will be effective unless adequate investment is made to build Government and NGO capacity and to influence organisational change.
5. The capacity of NGOs cannot be taken for granted; each one needs to be assessed in the context of the project in which it is to be involved, and on its potential to foster new initiatives in participatory development strategies leading to peoples' institutions (appropriate to the resource to be managed) which can increasingly take the lead in the process and assume control.
6. A significant feature of this project, and one that contributed greatly to its success, was the relationship between HOPE and Myrada. HOPE considered Myrada as a partner in its participatory development initiatives and the forestry project as only one expression of this partnership. This approach towards long term organisational partnership was encouraged by CIDA in the 70's. Consequently, both CIDA and HOPE invested in Myrada's efforts towards capacity building and in institutional support. This partnership developed into exchange of staff, collaboration in fund raising and deputation of Myrada staff to other HOPE supported projects in Asia, notably in Cambodia.

PARTICIPATORY INTEGRATED DEVELOPMENT OF MICRO WATERSHEDS (PIDOW Gulbarga)

PIDOW was projected as a partnership of three intervenors, namely - the Government, the Swiss Development Cooperation (SDC) and Myrada, with the primary objective of enabling the people involved to emerge as the fourth partner who would progressively exercise control and management of watershed resources. The Government operated during the first few years through the Line Departments and later through the DLDB; Myrada was the NGO involved throughout. Peoples institutions were gradually inducted into the project management system[4]

When preparations for this project began in the mid 1980's, support for collaboration with NGOs in the Central Government had increased considerably; but a similar enabling environment was still to be fostered within the state. This proposal - though not in the form of a watershed project - was initially drawn up by three IAS officers posted in Gulbarga, after visiting SDC officials had shown interest in the area. The process required to shift the focus of the project to watershed management and to involve an NGO to support a participatory development strategy however, was a long one; it took almost 2 years. At the State level, initially the official collaboration with NGOs in the context of a Bilateral programme was viewed with scepticism.

[4]

Phase	Period	Management Mechanisms included reps from
I	1986 - 87	SDC, DRDS & MYRADA
II	1988 - 91	Z.P., SDC, MYRADA, DLDB & SHGs
III	1992 -95	DLDB, SDC, MYRADA & SHGs & WICs
IV	1995 -98	DLDB, SDC, MYRADA & SHGs & WICs

DRDS - District Rural Development Society
DLDB - Dry Land Development Board
Z.P. - Zilla Parishad
SHGs - Self Help Groups
WICs - Watershed Implementation Committees

besides the project proposed was too small financially to merit a profile high enough to demand priority from senior officials who could take decisions which had no precedent and which were considered unorthodox at that time. As a consequence, no agreement was entered into between the Government and Myrada, spelling out their respective roles and - more importantly - the reasons for asking Myrada to collaborate. It was understood that SDC had long experience of working with Myrada and therefore, was confident that Myrada's involvement in the project would add an extra dimension. The Secretary, Department of Rural Development of the Government of Karnataka who took over just as the project started in the field was supportive of this collaboration with Myrada and took the initiative to ensure that the mechanisms for collaboration were put in place and functioned effectively. This was a fortunate coincidence which set the pattern. Since the Government support for collaborative initiatives with NGOs increased during the second half of the 1980's, both at the Centre and State, this climate was adequate to keep alive the collaboration with Myrada even though no formal agreement was entered into. One of the major objectives (as envisioned by SDC and Myrada) of this pilot project was that Government staff would absorb the culture and skills required to foster participatory development strategies and peoples institutions in all the watershed projects in the State. Myrada had to take the lead in providing this learning experience. The absence of an agreement between the Government and Myrada where Myrada's role would have been clearly stated, reduced the effectiveness of Myrada's interventions in PIDOW to achieve this objective.

While the general climate in the Government was supportive of involving NGO's in multi and bilateral programmes, the Government's reasons for involving NGOs, were focused on the NGOs capacity to deliver services to the poor with a degree of commitment not common in its own delivery systems. It was also assumed that NGOs had closer rapport with the people and therefore could identify the poor without succumbing to pressure from interested parties. Though Myrada did not agree that these were the major or only reasons, it went along. Myrada had interacted with several Government officials, both at higher and lower levels, who were committed to their work and aware of the situation in the field, but they were frustrated with the way their Departments functioned and with the lack of opportunities to upgrade their skills. Unfortunately, organisational reform which could have

changed their environment and provided the opportunities and incentives required had no priority in the Government.

The reason that prompted SDC to involve Myrada was the assumption based on its experience of working with Myrada and other NGOs elsewhere, that Myrada had certain comparative advantages as regards introducing participative development strategies and processes leading to peoples institutions which could regenerate and manage resources in a sustainable and equitable manner. Commitment was not the main reason; it was a bonus. The primary reason was Myrada's potential to foster capacity and institution building and not its capacity to deliver services. It was SDC's assumption that Myrada could develop a strategy to make peoples participation effective throughout the project cycle in an incremental manner, leading at the end of the project, to a situation where the peoples institutions took the decisions and controlled all interventions in their watershed. It was also assumed that this approach would lead to a higher level of sustainability of the investment, particularly in drylands of marginal and small farmers and an all-round increase in the natural resource base which broadened the spectrum of livelihood options for the poor, especially the landless. To support this group, investment was made in improving non-farm skills and in providing them with access to credit through the self-help credit management groups in the micro watersheds. SDC's assumption, which Myrada shared, was that PIDOW would provide the learning situation from which the DLDB and Myrada could draw lessons which would benefit projects in other parts of the state and the country managed by Govt. and NGOs.

PIDOW was therefore intended by SDC to be a pilot project with the main focus on its potential for being a learning situation. The Government Departments involved however, considered it as a pilot to the extent that it was a first phase of a potentially larger investment by SDC. The learning dimension had no priority during the period when the Line Departments were involved; their major objective and concern was to complete the physical works before the year end, which usually meant that the work was rushed through in the final days of the financial year; process, participation, institutional building and learning had little place in this pattern of operation. When the DLDB took over, respect for peoples involvement and attention to organise interventions according to the demands of the process, to design and

locate physical structures in collaboration with the people, increased significantly. However, it soon became obvious that most of the DLDB staff were not committed to PIDOW as a learning experience which could broaden their expertise beyond their ability to create an enabling physical environment (which DLDB had created successfully in its projects supported by the World Bank [5]), to include institution and capacity building. This broader strategy is not easily captured in workshops; absorbing the lessons derived from PIDOW and creating the supporting culture is a difficult exercise; it takes time, sustained commitment and the willingness to initiate change in strategy, procedures and in organisational systems and culture. It also requires regular exposure to and interaction with people and with other organisations who are involved in the process of change and institution building. This strategy though difficult to implement, fosters the social basis for empowerment and sustainability; briefly it helps to build up the "Social Capital" which is essential for grass roots democracy to survive and for the vulnerable sectors (women, tribals landless) to gain control of the development process and to share in the benefits. While it was true that Myrada could contribute very little to DLDB's expertise and experience in creating the physical environment for watershed management, it had the potential to contribute towards one of the objectives of PIDOW namely - to create a learning situation from which the intervenors would gain experience not only in the use of participatory techniques (like PRA) but of participatory development strategies leading to peoples institutions which can provide the social and institutional basis for self-reliance, empowerment and sustainable productivity.

Myrada had no watershed projects in the mid 80's which could have served as a demonstration. How the participative process would evolve

[5] DLDB gained the experience of creating a physical environment through its work in the World Bank assisted Watershed projects of the early '80's; incidentally, the World Bank took initial steps to introduce participation in its development strategy only in the early 1990's; its Participation Source Book was published in 1995 and launched in February 1996. The Watershed projects of the early 1980's had negligible input from the World Bank in terms of people's participation and less of participative development strategies; the objectives of building capacity and fostering peoples institutions were not even considered. Since 1996 however, the World Bank has made significant progress in this area and now provides the lead in several countries; Multilaterals like IFAD and several bilaterals have had a longer history of achievement in participatory development strategies.

in PIDOW and what types of peoples institutions and linkages would emerge to support sustainability and equity, could not be foreseen. A theoretical blueprint, up front, may have convinced the sceptics that the NGO had a contribution to offer, but it would also have stifled the process. It is precisely because a blueprint of the peoples institutions that will emerge cannot be drawn up at the beginning, that the need to ensure quality in participation during the process is so important. All that Myrada had, was the confidence that it would know when and how to intervene and at what depth during the process, and when to withdraw. PIDOW was a learning experience for Myrada as much as it was for the Government; the approach to the experience and the degree of absorption however, differed. The lessons from PIDOW were quickly absorbed by other Myrada projects notably Huthur, Kadiri and Kamasamudram where the topography was suitable for micro watershed management strategy.

Management Mechanisms :

Management mechanisms were established which involved the three partners (Government, SDC, Myrada) initially and which worked towards including representatives from peoples' watershed institutions as the fourth partner who would take the lead in sustaining the impact of the intervention. These mechanisms were set up at project, District and State levels. (For details refer Appendix I)

Lessons Learnt :

If lessons appropriate for upscaling through the Government were to be learnt, they had to emerge from a project in which both Government and NGOs were involved, utilising their comparative advantages. The following comments describe the features of this collaborative initiative and indicate the lessons that can be drawn out.

- i) While the Government and SDC entered into an agreement, this did not materialise between the Government and Myrada; but the involvement of Myrada was included in the agreement that the Government and SDC entered into.^[6] The lack of an agreement between the Government and Myrada clearly

[6] This did not happen in the first project with CIDA/HIDA.

stating not only MYRADA's responsibilities, but also the reasons for Myrada's involvement, was perhaps a major reason why the comparative advantages Myrada could bring to the strategy for micro-watershed management were not fully accepted by the DLDB and why the objective of using PIDOW as a learning experience was not adequately fulfilled. The Government generally assumed on the basis of its agreement with SDC that it owned the project and that its interventions in the physical environment formed the major pillar of the project. The social and institutional objectives were left to Myrada. This compartmentalisation did not foster a climate that could support the objective of learning from one another's strengths. For example the report on the performance of the SHGs (Self Help Groups) which played a major role in fostering the process that led to the management of the watershed's resources by people, did not figure on the agenda of meetings at State level till 1991; when it did figure on the agenda, it raised the profile of the interventions in the "social environment" at official meetings.^[7] In general it could be said that the objective to relate to the PIDOW project as a learning experience for all three partners succeeded to a certain extent only when those in charge took a personal interest in motivating staff to utilise this potential.

- ii) It must however be recorded that the process that evolved was complex and required regular analysis and reflection by all intervenors. It is for this reason that regular workshops and exposures involving all the partners at every level, are critical to build and sustain the effectiveness of the collaboration. There were periods when these interventions were inadequate. Further such opportunities are often provided for senior staff - some times as a "perk" - while staff at lower levels who need to interact more qualitatively are neglected.
- iii) The degree of complexity was enhanced by the different lead

[7] The "Physical Environment" covers all activities within a micro watershed which contribute to the management of soil and water and increase of biomass. The "Social Environment" consists of all peoples institutions which emerge in the watershed and the linkages they establish both among them selves as well as with outside institutions to support their programmes and plans.

roles of intervenors some of which were envisioned while others emerged. Myrada took the lead in creating awareness and in mobilising all people (even those who had left the area but held fallow lands in the micro watershed); DLDB took the lead in creating a physical environment for increased productivity; Myrada's role in this process was to identify and place a value on technologies which farmers had used for generations to manage soil and water, but which had deteriorated in recent times. Myrada took the lead in fostering the social environment required to support sustainable productivity and to promote equity; the credit or Self Help Groups (SHGs), Watershed Committees and Farmers Societies provided the basis of this social environment. DLDB, Myrada and the SHGs independently played a role in fostering the linkages required to support sustainability of institutions, inputs and markets; for example Myrada played a key role in changing official policy to allow Banks to relate directly with the SHGs; DLDB took the initiative to link peoples groups to various Government Departments and the SHGs took the lead in establishing linkages with private companies for the supply of inputs and marketing.

The expectation, however, that DLDB would also acquire the skills to foster the process through which peoples institutions would evolve, did not materialise. There was a significant difference between this project and the Western Ghats Forestry Project supported by Overseas Development Assistance (U.K.) described later where the Forest Department was involved; in this case, several foresters, after a period of training and field experience, took over the role played by Myrada staff in fostering participatory development techniques; ODA's decision, to initiate organisational support within the Forest Dept. for such "fringe" initiatives was critical. This allowed Myrada to scale down some of its interventions. In the PIDOW experience since this did not occur, the extension of the project to 4 other areas required the collaboration of NGOs to the same extent as in the pilot.

- iv) The objective of PIDOW, as a learning experience was not adequately reflected in meetings at State level which focused

on overall financial and administrative issues, and gave no space to assess learnings from the collaboration which was the first formal initiative with an NGO in the country in the context of bilateral projects. At the District level, while financial and administrative matters were also discussed, attention was given to solving problems that arose as a result of the participative development strategy which resulted in changing situations that unfolded in the field. The District also took the initiative to give representatives from the Watershed Committees a place on the District Committee but their role focused on the implementation of the "treatment" plan.

- v) The "controversial" issues that arose largely because both the Government and NGO were operational, served to raise the learning potential of the pilot project. The interaction between the Government and Myrada during operations and the different responses to the changes that occurred during the participatory process, brought to the surface several factors, largely arising from certain features of organisational culture and procedures which inhibited the participatory development approach. In many cases a working solution was found and accepted at higher levels. These issues could be divided into three categories.

- Those related to rules governing operations of Government Departments which conflicted with the project's focus on placing value on traditional practices. In such cases the NGOs support for these traditional practices did create tensions particularly at lower levels, because the Government was responsible for and took the lead in creating the physical environment. For example, the Soil and Water Conservation Department required that people should build mud bunds since the assessment of work done and hence of payment, was based on the area dug-out to acquire the mud. The people on the other hand preferred to construct boulder bunds which was their traditional practice; besides, boulders were strewn all over their fields, which would be cleared in the process. When the issue was discussed at the District

level, the Collector asked the people whether they could come up with a system that was accepted by all to assess work done on boulder bunds. They answered that they could, and returned in an hour with one. The importance of involving people in searching for solutions was highlighted through this experience.

- Those that arose from pressures to implement objectives extraneous to the project's objectives. The objective of developing a strategy that focused on fostering people's capacity and institutions to manage micro watersheds required a concentration of time, personnel and resources in the limited area of a micro watershed; besides the targetted impact was not immediate but long term. This went contrary to pressures from political sources to broadcast the project's investment over as wide an area as possible, and to focus it on immediate benefits to families. These pressures arose partly from local leaders and politicians who gave priority to short term benefits and partly because value placed on the projects potential to be a learning exercise varied among the three intervenors. There was also the concern expressed that the intensity of the intervention in a small area would increase costs per hectare, thus reducing the potential of this initiative as a replicable model. PIDOW demonstrated that there was no single management model. Each micro watershed evolved its own, though certain common patterns and guide lines were discernible; it also demonstrated that once experience of the process was acquired by intervenors, once necessary changes occurred in attitudes and procedures to support the strategy to hand over the lead in planning, budgeting and implementing to the watershed institutions, to accept peoples contributions and to place a monetary value on traditional technologies, both the cost per unit and the time required could be sharply reduced.

- Those that arose as a result of organisational culture,

attitudes and lack of leadership. The two main intervenors in operations, namely the Line Departments/ DLDB and Myrada brought with them the culture of their organizations, the weight of past experiences of working with one another (some good, others not), their perceptions of one another's intentions and agendas and the usual human frailties including strong egos. Relations of trust took time to build up. Leadership of a high quality was called for in all three intervenors both to create and strengthen trust. This type of leadership was not always provided by all the three; besides transfers within Government were frequent. The problems that arose, as a result, were many and will be dealt with elsewhere (chapter VII) since they were similar to those that arose in other collaborative initiatives between Government and NGOs. An agreement between the Government and Myrada which clarified their respective roles would have provided a stable guide and perhaps overcome some of these hurdles; but it would not have been adequate; strategic intervention within the organisations of intervenors to develop systems and a culture that support collaborative intervention is critical. Other instruments like regular seminars, work shops, retreats and informal sessions are also necessary; above all sustained leadership with a vision and willingness to learn, to share and innovate and to relate constructively with other organisations (whose comparative advantages are recognised and drawn upon) is a critical need throughout.

- vi) No major intervention was envisaged in the project with the objective of institutionalising in DLDB the lesson learnt; a parallel agreement between SDC and Myrada entered into in 1990-91, gave Myrada the resources to institutionalise the lessons learnt in its own organisation as well as to offer its services to support similar initiatives taken by Govt. and NGOs in other parts of the country.

- vii) A full time Swiss programme advisor was appointed to the project. Though his role as envisioned in the project proposal was mainly related to project management and monitoring on behalf of SDC, in reality he also played a critical (though largely unforeseen) role in Myrada's judgement, as a catalyst, which a pilot innovative and learning experience involving three partners needed. Though three intervenors were involved, two, namely the Government and Myrada played the major operational roles. This gave the SDC programme advisor a certain space which allowed him to play a catalytic role. The perceptions and attitudes of individuals representing the two major operational partners, (some carried over from the past, others resulting from the interaction during the project) which emerged during the process of planning, monitoring and implementation, and which at times threatened to reduce the effectiveness of the collaborative intervention required a third person or an organisation to play a catalytic role. In the absence of an independent party who perhaps could have performed this role more transparently, it was left to the Swiss Advisor and on several occasions to intervenors recruited at critical stages to fill this gap. The role of a catalyst (including support for the SDC programme advisor's catalytic role) was also played effectively by the SDC Resident Representative who was posted in Bangalore.
- viii) An operational mechanism was required at field level that integrated all sectoral interventions under one authority. This did not happen during the first 1-2 years when the Line Departments intervened; it also did not occur during the brief period when the Government introduced the decentralised system under the Panchayat Raj Act; it happened only when the DLDB took over and fielded its project Unit.
- ix) The absence of a policy framework which would support decentralised mechanisms for managing all lands, resources and programmes in the watershed in order to improve its physical environment in an integrated manner is a major obstacle to the strategy to empower peoples institutions to take the lead in regenerating and sustaining the watershed's resources. Myrada's vision is that someday the micro watershed

management committees[8] will become Watershed Panchayats with full control over all lands and resources in the Micro watershed. Meanwhile, an analysis of policies and procedures in all Departments which inhibit an integrated strategy in watershed management is required urgently if this approach is to take off and spread on the basis of peoples initiatives.

- x) Ownership of the Project by the Government as well as by the people is a critical factor for sustainability. The project's approach to increase ownership of the Project by the Government was to include 30% of project costs under the budget of the various intervening Line Departments. When the DLDB took over, this percentage was retained. This element of cost sharing together with an enabling policy and supportive organisational culture and systems provides the basis of the widely accepted approach in development intervention to encourage and assess commitment to the objectives of the project by Government. However, cost sharing is declining as an indicator of ownership and commitment at the State level as overall resources for development projects diminish in proportion to growing need and demand; as a result, the pressure on Government to invest in areas where externally aided projects do not operate is great [9] In such a scenario, the Government's ownership needs to be based on supportive policies and systems, on commitment and priority to medium and long term objectives like sustained productivity and equity and on the decision to retain personnel for a 3 year term with the project. MYRADA's experience in other projects has

[8] The Watershed Management Committees that emerged in PIDOW were composed of representatives from all the SHGs in the watershed and from the group of large farmers who obtained no direct benefit through the project. These Watershed Committees were active during implementation and are therefore more appropriately described as Watershed Implementation Committees. At the time of writing they had not fully reviewed their role in the context of management and maintenance of the physical and social environments that had been created during the project. Myrada's on-going role is to catalyse these groups to redefine their role as Watershed Management Committees.

[9] It is becoming increasingly evident in projects related primarily to institutional change and peoples participation that external sources do not add significantly to resources invested in the project area.

proved that the people are willing to contribute in cash and kind once they are convinced that their contribution will be controlled by them and not by the Government or any other agency. This builds the basis of ownership by the people and motivates them to take the lead in maintaining watershed structures and management mechanisms once the project is over. It is also becoming increasingly evident that Government resources can no longer meet maintenance needs. The self-help groups which Myrada fostered in PIDOW decided to convert all grants, given by the Government to their members for agricultural inputs, into loans to be returned to the common fund of each group. Over a period of a few years, the groups in the project have a total common fund of Rs. 6.3 million. This pattern of raising and managing resources is critical to sustainability of the projects impact.

MANAGEMENT OF THE ENVIRONMENT & DEVELOPMENT OF WOMEN (MEADOW)

IFAD [1] - DHARMAPURI PROJECT

The IFAD project started in Dharmapuri District, Tamilnadu in the late 80's where Myrada had already been working for three years; during this period over sixty Self Help Groups (SHGs) had been functioning of which the 24 womens groups were incorporated into the IFAD project. This was not a pilot or a learning project; it was just the first in a line. The project was based on the respective comparative advantages of the Government and the NGO; the former provided the technical inputs required for income generating programmes, while the latter fostered the participatory strategy leading to the formation and empowerment of womens self help groups. The project's objectives did not include the capacity building of Government staff to equip them to take over the role of the NGO; it envisioned a replication of the project in several districts where local NGOs would be engaged for the roles and functions that Myrada was performing in Dharmapuri District.

The TNCOW [2] approached Myrada to take responsibility for the entire programme covering 10,400 poor women in the District. Myrada proposed to include several small NGOs already working in the project area. The Corporation agreed but on the following terms:

- that it would be Myrada's responsibility to coordinate their work,
- that funds for their services would be channeled through Myrada,
- that Myrada would be held responsible if any of the NGOs in the network failed to fulfill its responsibilities.

[1] IFAD - International Fund for Agriculture Development

[2] TNCOW - Tamil Nadu Corporation for Development of Women

that Myrada would train their supervisors and animators.

Myrada agreed. Fortunately only one NGO defaulted and Myrada took over the villages allotted to it.

The initiative to involve NGOs in the IFAD sponsored project in collaboration with the TNCDW was based on the track record of NGOs in other parts of the world in delivering micro credit to the poor, especially through groups of women. How a group would be formed and what would be the basis for cohesion were not considered while the project was being formulated. This left the stage open for groups to be formed of 'eligible beneficiaries' (eligibility being assessed according to criteria adopted by the project like gender, or caste and the record with Banks of previous loan repayments). As the project envisioned 10,400 beneficiaries, it was assumed that the number of members in the groups formed would not exceed that number.

The concept of the group that emerged in Myrada went contrary to the above scenario. Myrada focused on identifying groups that already existed on the basis of trust, mutual support and common interests; this set of relationships which could be described as part of the 'social capital' of the groups originated from several factors like common occupation, ancestry, origin, caste, creed and other similar factors of affinity which had identified the membership even before Myrada's intervention. Myrada helped this group to develop into an institution which performed new roles, both internally, involving its own members as well as in forging new relationships and linkages with other groups in society and with other institutions. These groups had space for imposition of sanctions on members including expulsion from group membership. Myrada discovered that even within a village of 30 to 40 tribal families, there were sub groups which preferred to function independently. The immediate fall out of this approach was that Myrada had to organise groups with double the number of members in order to find the ten thousand four hundred eligible women who would qualify for loans under the IFAD project. The TNCDW at one stage considered this a waste of time and money and suggested that groups be formed only of 'eligible' members [3].

[3] It must however be recorded that the TNCDW supported Myrada's strategy during a large part of the project's duration.

Myrada's experience had indicated that the affinity groups survived even after all the intervenors withdrew, while those groups formed on the basis of external eligibility criteria tended to collapse even before the project ended and often immediately after the group received funds under the project.

One reason for the difference in strategy described above was that the major underlying assumption of Myrada and TNCDW differed. While Myrada focused on capacity and institution building as the basis for sustainability, equity and empowerment, TNCDW (often against the advice of some of its officials) under pressure to achieve targets continued to view the groups as "service delivery instruments" which were its "clients" within the context and period of the project.

The second difference in approach which undermined the participatory process leading to ownership of the programme by the groups was the administrative pattern adopted for advancing loans which was similar to the one in the IRDP [4] programme. The "loan papers" were drawn up in the name of the individual member of the group, transferred to the individuals account and from there to the group's account. The group was not allowed to add any service charge above the Bank interest (12%) to cover its responsibility for ensuring proper utilisation and repayment. As a result, the groups ownership of the "loan" was weak.

As Myrada and the TNCDW gained experience they introduced significant changes in the way the loans were administered. For example : All the officials involved in the IFAD Project visited the village together to discuss the programme at the Self Help Group meeting; this was a positive improvement over the IRDP approach. The people did not have to make several trips to various offices. Financial transactions also became more transparent.

There were also other initiatives taken by the intervenors during the course of the project which were innovative and in turn fostered the growth of the SHG. For example, Myrada encouraged the groups to decide on taking loans according to their needs and their ability to manage the asset which turned out to be generally smaller amounts than the unit cost prescribed by the Banks. For example :

[4] IRDP - Integrated Rural Development programme

Though the project had budgeted a sum of Rs 10,000 per unit cost for assets, the Banks allowed the groups to decide on the loan required for each asset. As a result the loans were much smaller; except for a few loans for irrigation, sericulture and animal husbandry, the loans were on an average around Rs. 5000/-. People for instance decided to borrow Rs. 1000/- to repair their sericulture rearing sheds rather than take a loan of Rs. 5000/- to construct a new rearing shed; they opted for small sheep units (less than 5) rather than the prescribed unit of 20+1. This reduced the loan burden considerably and provided the people with the freedom they needed to work according to their management capacity. Myrada has observed that what is prescribed as an economically viable unit is not always considered by people to be manageable by them initially; they prefer to spread their risks by investing in several small enterprises on which their livelihood is based and build up gradually towards managing a single viable project from which their daily livelihood needs can be met.

Another innovation initiated by Myrada in consultation with NABARD and actively promoted by the TNCDW was to extend one loan for a package of options unlike the IRDP programme which focuses on one loan for a single asset. Small and marginal farmers in dryland areas have traditionally adopted a package of options, integrated into farming systems; this distributes their risks, increases the number of income sources and lengthens the period over which they harvest a diversified product which meets their livelihood needs. Myrada approached NABARD and the Banks to accept a package of options; this was agreed to in principle, but in practice it was implemented for a year only, though it responded to farmers management practices. The reasons why Banks withdrew were the following:

- it took time to discuss the package with each family; the pressures to achieve targets did not permit this.
- the planning procedure adopted by the TNCDW, clearly indicated the number of loans under each

sector like animal husbandry, sericulture etc.; adopting a system where a package of options was included under one loan made reporting according to the planning requirements a difficult exercise.

Myrada had no hand in the design of the project; as a result some of the initiatives in policy change which Myrada was involved with did not have a bearing on project design. For example, the project design started with mobilisation of group savings, but it then went straight to large income generating loans from the Banks. Myrada's experience indicated that people begin by taking a large number of loans for consumption and then move to trading and small business; it takes 2 1/2 - 3 years before some opt for larger loans of Rs. 10,000/-. Yet, the unit cost prescribed in the design was averaged at Rs. 10,000/ to be advanced within the first three to six months. The project design provided for a community development fund as a grant to each self help group at the end of the project. Strategically this fund would have been more effective in fostering the process of institution building if it had been used to match the savings at the end of the first year. Even here it would have been preferable to give it as a loan on very soft terms. To give it as a grant at the end of the project after the SHGs have begun to get accustomed to a "loan culture" surely goes contrary to the internal dynamics of the groups progress. Finally, by 1988-89 NABARD was leaning towards the pattern of extending a line of credit to groups, leaving the group to decide on the size of the loan, interest rate and schedule of repayments with reference to each loan. NABARD could have been persuaded to adopt the Dharmapuri project as a pilot if it (or Myrada) had been involved in the design.

A recent study by the World Bank [5] of several NGO experiments in rural credit, including the IFAD project in Dharmapuri District, indicates that those NGOs which have "concentrated on the delivery of financial services" have gone a lot further in achieving financial sustainability than those (including Myrada) which have placed equal emphasis and in some cases greater, on the social service aspects or on "social inter-mediation". Myrada has always opted for a wide range of support services. In fact, the IFAD project in Dharmapuri is called "MEADOW" (Management of the Environment and Development of Women) in order to draw attention to the need for a "credit plus"

[5] "Sustainable Banking with poor rural women. What the World Bank is learning from NGOs". Lynn Bennett, Gender & Poverty Team, Asia Technical Department.

strategy for sustainable increases in productivity. However, this strategy involving all round regeneration of natural resources took off only in the fourth year of the project. One of the learnings that prompted Myrada to adopt this strategy was the poor recovery rate from investments in the agriculture and animal husbandry related sectors which depend on investments in watershed management and natural resource generation for sustainable increases in productivity. Even more significant was the discovery that in a large number of cases repayment of loans taken in these sectors came from income earned through other activities; in a significant number of cases the major source of repayments of the loans was not the income from the asset. For example a Myrada study of 142 cases in which repayments were over 75% indicated the following:

Sericulture	:	Only in 12 out of 32 cases was the asset the major source of repayment.
Animal husbandry	:	In 43 out of 60 cases the asset was the major source of repayment.
Horticulture	:	In 5 out of 17 cases the asset was the major source of repayment.
Non Farm activities	:	In 15 out of 33 cases the asset was the major source of repayment.

In such a scenario the high rates of repayment in projects which focused on the delivery of financial services indicated in the World Bank study could have been sourced from borrowings under pressure to repay.

Discussions with the people concerned indicated that several considered the asset purchased through the loan as a long term investment; they were aware that the income from the asset could not meet the repayment schedule and had already decided that repayment would come from their other sources of livelihood. In fact, they opt for loans smaller than the unit cost because they assess their repayment capacity on income from other activities and not from the asset for which the Bank provides the loan. The World Bank study referred to did not analyse the source of repayment

The IFAD project proposal gave adequate importance to the role that peoples institutions will play in the programme particularly to monitor the allocation of funds and to ensure repayment. Transparency in transactions, monitoring of credit (use and repayment) and equity in loan disbursements were the three functions that these institutions were expected to perform. Transparency was indeed achieved; transaction costs to the Banks and the 'beneficiaries' were reduced [6]. The groups monitored the use and repayment of credit but this objective quickly became not only the major but the only one because the TNCDW set targets for the number of loans to be disbursed and the Banks major criterion for success was the performance on repayment. These indicators of success which were given priority by the TNCDW and the Banks undermined the objective of sustainability. For example, the pressure to achieve quarterly targets often forced the Line Departments to take up activities at a time when the climate was not favourable (this occurred in the sericulture component) or without adequate preparation to provide backup support required for the asset to survive or to be used productively (this happened frequently in the animal husbandry component). The indicators that were given priority in monitoring related to the achievement of targets in the number of beneficiaries supported on a quarterly basis. While setting targets helps in driving the project forward, unless efforts are made alongside to assess both the institutional strength of the self help group and the resources available to maintain the productivity of the asset before substantial funds are advanced, the target approach will and did undermine the growth of self reliance and the process of institutional building which are essential for sustainability.

Myrada made several efforts to reduce the subsidy culture which it considers a major drawback in the management of the IRDP and IFAD programme. A distinction, however is made between subsidising the asset (Myrada's position is that this should be avoided) and subsidising, through administered prices, the inputs required to manage and maintain the asset (including technical services) at high and sustainable levels of productivity; in this area, Myrada's position is that infrastructure which is necessary to support programmes

[6] A study by Dr. V.K. Puhazhendi from NABARD, commissioned by the Foundation for development Corporation, Australia arrived at reductions in transaction costs of approximately 40% to the Banks and 80% to the beneficiaries when compared to costs incurred under the IRDP programme.

for the poor still require these subsidies. In the IFAD programme Myrada motivated several groups to place the asset subsidy as a Fixed Deposit earning 13% interest and to take the entire amount required (which was usually smaller than the prescribed unit cost) as a loan at 12% interest. This fixed deposit provided those members who repaid the loan with a capital base on which they could raise further loans from the Bank.

For horticulture and agriculture in dryland to be productive, both the physical environment (required to manage and conserve soil, water and biomass) and the social environment (groups, networks and linkages) are required; this was a lesson learnt from Myrada's PIDOW project in Gulbarga. While the IFAD project provided for the social environment, the physical environment required to build the basis for productivity on drylands and to sustain it was not given importance. It was only in the mid 1990's that the Government initiated a watershed management programme in the area; meanwhile, Myrada has fostered a few microwatershed management initiatives, but they need to cover a much larger area for their impact to be significant; Myrada has given this programme priority only since 1994[7].

Training :

Myrada gave priority to foster self help and institution building as the basis for equity and sustainability. Essential to this strategy was a training component focused primarily on the group-not on individuals. Based on its experience in this area, Myrada allocated about 9 months for the group to stabilise before loans through the project were advanced. Unfortunately, the pressure to achieve targets resulted in the loans being advanced just three months after the group was identified in several cases. Myrada's objective of encouraging savings was to inculcate a "habit of savings" and to promote attitudes of self-reliance. Myrada encouraged groups to lend from their savings so that they would acquire the skills of credit management including

[7] The name given to a Myrada project indicates the main thrust of its project strategy. The Dharmapuri project sponsored by Foster Parents PLAN International was accordingly named "MEADOW" (Management of the Environment and Development of Women). However, investment in the environment was insignificant during the first 4-5 years of the project and picked up only in 1994-1994.

the ability to prioritise loan requests, to apply sanctions for default, to assess the profits and risks related to each activity and to fix a service charge accordingly. The rush to advance loans, however, gave people the impression that savings were a condition to receive loans; this reduced the educational impact of the exercise.

Training was an essential component of the project design. The importance of training for institution building, self help and empowerment was recognised by IFAD and adequate investment made. Training in the project design covered two major areas: one related to group stabilisation, institution building, self reliance and empowerment where Myrada took a lead role, and the other to the technical skills required to support asset productivity where the TNCDW through the PIU (Project Implementation unit set up by TNCDW at District level) and the Line Departments took the lead. The TNCDW however, realised that demands of the programme were far greater than the Line Departments could cope with; it therefore decided in 1994-95 to recruit young professionals on short term contracts and to build up mobile teams which would conduct trainings in the villages.

Training in off-farm skills which open up the potential for employment in industries is a component that has not been given adequate attention by the intervenors. Yet, in arid areas, this avenue must be explored if the landless and marginal farmers are to earn sustained incomes. The project area around Hosur offered many opportunities for contracts with industries to provide employment to women. Myrada has over the last two years focused on this area; contracts with industries have been entered into and several small enterprises initiated.

Management Mechanisms :

The TNCDW established a Project Implementation Unit (PIU) in each District. It was made up of officers on deputation from various Line Departments whose role was to provide technical training to the people and to mobilise support from the respective Line Departments. The general impression was that the PIU was not as effective in performing these roles as expected. The reason however had more to do with the general state of inefficiency and lack of resources which are growing features in the Line Departments and with the skills of staff

(which are either inappropriate to dryland and semi arid areas and outdated even in areas where water is available), than to the performance of the PIU. In fact, the PIU had several unintended positive effects. For example, the entire team of officers (including the local Bank Manager) visited the village and attended the SHG meeting to discuss the programme. This was a marked difference from the regular IRDP programme where the beneficiary has to spend considerable time and money before his/her loan comes through. These were significant achievements which the people pointed out when asked to compare the IFAD programme with IRDP. Yet Government and Bank officials were involved in both programmes; the organisational and social environments, however, were different. A further comparative analysis of the management systems operating in the IRDP and the IFAD projects would be a constructive exercise.

IFAD did not place any full time representative with the project unlike the two other bilateral projects. The Swiss Development Cooperation and HIDA both placed a full time staff with Myrada who played the important (though unintended) role of a catalyst. In the IFAD project it was the TNCDW that performed this catalytic role to a large extent at the State level. It had a major responsibility (which it performed successfully) to foster collaboration among the Banks, the Line Departments, the local District administration and the NGOs. The high profile of the Corporation, the decision of the Chief Secretary to Chair the State level Committee set up exclusively for this project and strong commitment of the Indian Bank (till 1995) and NABARD to support the credit line were all important factors that contributed to a high degree of collaboration among all the intervenors. (For further details regarding project organisation refer Appendix 2. When this project was upscaled to cover six states a new structure was developed; refer Appendix 3)

A significant difference between this project and those with which Myrada was involved in the early and mid 80s was that in the IFAD project the Government (TNCDW) entered into an agreement with Myrada; the roles of Myrada and the Government were clearly indicated in this agreement (for the Agreement refer Appendix 4). Though importance was given to form and train groups by both parties the reasons for working with groups differed - for TNCDW they were agents of service delivery, for Myrada they were the basis of

civic groups of the poor which would continue to function even after the project ended and to perform social functions beyond those envisioned in the project which were related to credit monitoring and repayment. It was this difference in perceptions regarding the reasons for group strategy that caused several tensions during implementation. The only role which was not foreseen for Myrada and which Myrada had to play, particularly at the Block level was that of a catalyst and coordinator of the various intervenors; this role was played by the TNCDW at the State and District levels and by Myrada at the Block. The agreement between TNCDW and Myrada however raised the level of the interaction to that of a contract which placed added pressure on both parties to respect one another's roles. The importance of this agreement as a basis of continuity was recognised when the PIU had to cope with frequent transfers of the Project Director - there were six within a period of six years.

Though multilateral and bilateral projects were increasingly including policy change and organisational reform as major objectives the IFAD project did not do so. The need for these objectives to make the credit delivery system more responsive to the needs of the poor had prompted NABARD in the mid 80's to support Myrada's initiative to form self help groups which if successful would be linked directly to the Banking system. Myrada adopted this strategy rather than set up a parallel credit system of its own. For this strategy to be effective, however, NABARD and the RBI had to be major players. This initiative was still being assessed and had not been accepted as a policy when the IFAD project started. This is why the IFAD project adopted administrative features of the IRDP Programme.

The macro policy change required to link Banks directly to SHGs was initiated by NABARD and Myrada in 1985-86 long before the IFAD project began; but since it was a major shift in the strategy of credit provision it took several studies and other experiences besides Myrada's for the RBI and NABARD to take a decision. The RBI introduced the policy only in 1990 with NABARD providing the guidelines in 1991, two years after the IFAD Dharmapuri project began.

LESSONS LEARNT :

1. Management mechanisms particularly for innovative and

collaborative programmes must be presided over by Senior Officers like the Chief Secretary (or Development Commissioner in some states).

2. The NGO will usually be drawn in to play a catalytic role at the field level; provision must be made for this role.
3. Macro policies related to natural resource regeneration and the creation of social capital that go beyond the provision and use of credit and assets related directly to generating incomes are essential for the sustainability of programmes where credit provision is the major investment. This credit plus strategy is critical where projects are situated in dry and degraded areas and targeted to the poor. Investments which support the social and physical environments, inputs and markets, and the farming systems required for sustainability and provision of livelihood needs is essential. Separate initiatives to put these policies in place must be fostered alongside the programme, or else this objective should be built into the project's goals and provision made to ensure that this objective is given adequate support and importance throughout the project period.
4. Monitoring indicators must be agreed to by all intervenors and priority established among these indicators at the beginning of the project and maintained throughout.
5. Though agreement between the Government and the NGO is essential, it must be drawn up after adequate discussion between both parties which clarifies their respective roles and comparative advantages which provides the reasons for their involvement and for adopting a particular strategy.
6. Group formation on the basis of affinity and group training are essential components; they lay the basis for sustainability. Group training must precede training to individual members.
7. The NGOs which will collaborate in operations should be involved during project design, especially if they have had experience in the participatory development strategy and infostering the institutions envisioned in the project.

8. Technical support cannot be left to the Line Departments. Private sources need to be mobilised and a strategy put in place to involve them in providing both technical and marketing support.
9. Government and Bank officials will respond with a high level of commitment and effectiveness if they are provided with a supportive administrative and organisational culture.
10. The 'Indian Model' of linking SHGs to Banks which was not followed in the IFAD Dharmapuri Project needs to be promoted; it ensures a high level of participation, provides an enabling environment for empowerment, builds up the group ownership of funds and of the programme as the group is free to decide on unit cost, interest rates, schedule of repayment and on sanctions; it also and allows the NGO involved to withdraw.

WESTERN GHATS FORESTRY AND ENVIRONMENTAL PROJECT:WITH THE FOREST DEPT. AND ODA - UK.

When this project began in the early 1990's, the support in Government for collaborative initiatives with NGOs was the highest; there are signs that it has since declined. While collaboration with NGOs has been significant in anti-poverty and social welfare projects and in wasteland development, relations between the Forest Department and NGOs, in Karnataka, were punctuated by periods of tension, and in other parts of the country by open conflicts which did not reflect the general climate of collaboration between Government and NGOs in other sectors. This project, which was supported by the ODA (Overseas Development Administration) of U.K., was the first bilateral project in Karnataka in which an NGO was formally involved with the Forest Department.

The time this project took to move from identification to approval was unusually long - around 8 to 10 years. One of the major reasons was the strong opposition from NGOs who held a position that the project would provide the Forest Department with additional support to introduce programmes which would make it more difficult for people, especially the landless and tribals, to meet their daily livelihood needs. The issue of biodiversity was not raised as a major objective in the mid-eighties by local NGOs. During this period, however, several popular movements led to major changes in forest policy which were reflected in the National Forestry Policy of 1988. Among other features, this policy recognised the customary rights of people who depended on the forests for their livelihoods and opened spaces for people to participate in the management of certain areas of the forests and to share in the produce. It also brought into sharp focus the importance of forests as a genetic resource base and the objective of biodiversity as a major one in forestry management. Though these policies were not as comprehensive as Myrada expected them to be, they did provide at least an opportunity, which if exploited strategically had the potential to open up even wider avenues where people could play an effective role in the management and use of forest resources in a sustainable manner.

Myrada on its part opted to support initiatives that sought to foster an innovative process leading to joint forestry management, instead of adopting an open stance which was sharply critical of the forest policy and Forest Department. This is not to deny the value of such criticism: it is often required to draw attention to policies and procedures which traditionally undermined the livelihoods and rights of people; it plays a critical role as a watchdog over interpretation and implementation of the Forest Policy. It can be claimed that this criticism played a significant role in persuading Government to experiment with new strategies of forestry management which involved the people. But what was required alongside was the effort to foster innovative strategies that could take the place of those which many had agreed were now irrelevant and even harmful to sustainable management of the forest's resources. Myrada realised that it was necessary for an NGO to be involved with the Forest Department early in the process in order to increase the chances for a participatory development strategy to emerge, which would foster the growth of peoples institutions that could gradually take the lead in managing the forests resources in a sustainable and equitable way. Myrada was not alone; several Forest officials, concerned with the rapid loss of forest cover and the failure of traditional management methods, openly supported this strategy as the "last resort". The support of senior Forest Officials for a change in management strategy was both critical for the project to take off as well as encouraging to other intervenors. The macro policy which provided the environment for this strategy was put in place by the circular of June 1, 1990 from the Government of India which was ratified by the Government of Karnataka in April 1993 and is known as the Joint Forest Management Resolution.[1]

Myrada realised that there were many obstacles (organisational and cultural) as well as conflicting interests that would continue to hinder the process leading to the formation and empowerment of peoples institutions, but with the change in macro policy and support from within the Forest Department, the time had come to risk formal collaboration. The ODA project which provided this opportunity in a way broadens the horizon further by accepting the causal link between peoples participation and bio-diversity conservation. The

[1] The ODA project commenced in April 1991; the Government of Karnataka ratified this resolution only in April 1993. This gap did have a negative impact on the planning process in the initial stage.

JFPM [2] order introduced by the Karnataka Government, however vests considerable power with forest officials in the composition and running of the Village Forestry Committees (VFC). Though these provisions add hurdles to the growth and empowerment of peoples institutions, the project provided a 'wedge of opportunity' which could be further widened provided an appropriate strategy was adopted and sustained.

When the Forest Department and ODA approached Myrada to collaborate, therefore, Myrada had a reasonably clear idea of the strategic nature of its intervention. Myrada was first approached to coordinate the initiatives of NGOs in Uttara Kannada District (the project area), and to channel funds to them for initiating and supporting income generating initiatives undertaken under the project. Myrada however refused to channel and monitor funds, as this role did not flow from its mission; in fact Myrada has consistently refused to perform this role since 1983 [3]. The roles that Myrada accepted were the following:-

- To organise participatory exercises at village level with people, forest staff and others to start a process leading to a joint forestry management plan at village level. (This role gradually developed space for Myrada's intervention in the exercise of micro-planning at village level)
- To set up village forestry groups [4]; and to train village animators. (This role expanded to include training for village groups, particularly of women, who were interested in forming self help groups)
- To build capacity of Forest staff and NGOs to conduct participatory techniques like PRA. (Myrada focused here on training

[2] JFPM Joint Forestry Planning and Management

[3] The only exception was in the IFAD project where MYRADA did not channel programme funds, but agreed to channel administrative costs to NGOs in the network, since this was the only way smaller NGOs could collaborate in the project.

[4] The 'groups' referred to became the Village Forestry Committees. The general body was composed of one member from each family in the village; the general body elected 15 members to an executive Committee.

of guards and foresters who provide the major interface with people; their re-orientation in terms of attitudes and skills was identified by Myrada as critical to the process of participatory planning and implementation. The inadequacy of PRA techniques alone to ensure effective participation during implementation has been realised as a problem but not adequately addressed as yet).

Myrada was aware that the roles described above were inadequate to achieve the objective of fostering participatory development strategies that would result in empowered peoples institutions. Further, the Forest Department had already taken certain initiatives in which peoples institutions should have participated but could not do so effectively, because only a few were formed and even these had not stabilised when these initiatives were undertaken. For example, the Forest Department decided on how the Village Forest Committees would be constituted and what their roles and powers would be. It was the Forest Department that took the lead in forming VFCs. At one time targets for registering VFCs were set and performance assessed primarily on the number of VFCs registered.

Forest plantations (which had been established under other schemes long before the project commenced) were handed over and proceeds from the sale of these plantations were shared with the Village Forest Committees even before they were capable of exercising their organisational functions effectively; this gave the expectation of immediate incentives a dominant role in group formation; groups based on these incentives do not last long, neither do they become effective peoples institutions. They may impose sanctions on outsiders encroaching on their territory, but they will not be strong enough to impose sanctions on their own members, or to achieve the objectives of effective and sustained management of their resources keeping in mind the interests of all groups including the poorer sectors.

The focus of participation also tended to become identified with the novelty of PRA (Participatory Rural Appraisal) techniques. Myrada expressed its concern here, since experience has provided adequate evidence that participatory techniques like PRA do not necessarily foster participatory strategies and the emergence of peoples institutions unless several other supportive decisions are taken, implemented

and sustained. Several strategic interventions both in the project's process as well as within institutions of intervenors (NGOs and Forest Department) are necessary for peoples institutions to emerge and acquire the confidence and skills to decide on their own constitution and functions, as well as for intervenors to provide the space necessary for these institutions to take over the lead role in certain programmes and areas. Myrada's experience has proved that peoples institutions, to be effective, must participate at all stages of the intervention, from project identification through planning, budgeting and implementation in order to lay the basis for sustained management. To form peoples institutions in a hurry to meet targets, undermines their effectiveness as they are not prepared to undertake these functions; as a result the lead in all areas and programmes continues to remain in the hands of the Forest Department.

Though Myrada was aware that the roles as described in the Agreement with the Forest Department were inadequate to foster the process that would help to achieve the objectives of equity and sustainability, it decided to go ahead; but at the same time it kept its options open to intervene further and perhaps more strategically if space was provided. Myrada was also aware that it would have to prove the effectiveness of its intervention, as well as raise the level of confidence of other intervenors (mainly the Forest Dept and NGOs) in its organisational strengths and strategy, before it would be given the space it sought to broaden the scope of its interventions.

As the intervention progressed, Myrada was approached by local NGOs to provide training in participatory techniques and micro planning. Myrada was also supported by the Forest Dept. in its initiative to expose people and forest officials to its other projects in Gulbarga, Holalkere and Kamasamudram. These visits focused on successful experiments of local people to manage common resources, microwatersheds, forests and credit. While initially these exposure visits were limited to members of the VFCs, they gradually began to include groups of women from a few villages. These women who joined together for the exposure visits have been motivated in 3 or 4 villages in the project area to start their self help groups (SHGs) on their return. These exposure visits have given people an insight into what peoples institutions managing natural resources can achieve if they are allowed space to develop their own institutions and not treated as extensions of the NGO or of any Government Department.

As a result of the initiative of these women to form self help groups, Myrada was able to present a case to extend the formation of these groups over a larger area in order to foster the objectives of equity and sustainability. Myrada's analysis indicates that a large number of people who depend for their livelihoods on collecting non forest timber produce have to borrow for food and social needs from contractors to whom they have to sell these products. Myrada expects that the SHGs will give them the independence required to find alternate marketing channels. The existing laws requiring that all produce should be sold only through contractors also needs to be changed.

Myrada's institutional strategy in the project area now has the following features:

- Identification of affinity groups particularly of the poor and formation of these groups into self help groups (SHGs). These groups are small (around 20 members) homogeneous (with similar interests and occupations as well as of similar social and economic status) and voluntary (they form their own rules and regulations; Myrada provides the broad framework). Examples of these SHGs are groups of headloaders and of non timber forest produce collectors - both have to cope with several traditional and official biases which makes them vulnerable to exploitation. These SHGs will not only save and extend credit to their members for trading and consumption needs for which there is no local source other than money lenders, but also provide an institutional base from which these groups can protect their interests. Myrada will train these groups in the skills of organisational management and growth.
- These SHGs representing different interests and occupations in each village will elect members from their SHGs to represent their interests on the VFCs. The better off and more powerful farmers do not come forward to form these SHGs; in most VFCs, however, they already hold all the official positions. In fact the VFCs, in several villages, have provided an opportunity for the new elite emerging to capture positions of power and status which are largely controlled by the traditional elite in the older village institutions.

Will this strategy regarding the institutional base go against the present structure of the VFCs? It need not. The headloaders, forest gatherers and graziers belong largely to the poorer sectors and lower castes; they are also generally homogeneous. These castes have to be represented on the VFC. The change that the Myrada pattern will introduce is that these members will be elected by their SHGs and not selected in the general assembly meeting. These representatives will also have a base to support their interests.

An analysis of the present pattern of VFC formation and management, indicates that the Forest Department plays a major and lead role. The Forest Department identifies the areas that fall into five Zones [5] and brings out the "Zonation Map". True, the training in participatory techniques provided by Myrada has added a participatory dimension to this exercise, but it is far from adequate as the people are not yet organised and have no clear idea of their roles. The selection of the villages to come under Joint Forestry Planning and Management (JFPM) and their prioritisation is also largely done by the Forest Department; criteria used include the degree of degradation (canopy cover less than 0.25), the proximity of the village to the forest, willingness of people to collaborate and potential for a joint forestry programme. The Forest officials play the lead role in meeting with the village to explain the JFPM concept, programme and objectives and the respective roles and obligations of the people and the Forest Department. PRA exercises to collect data and identify problems are also conducted by forest officials. The procedure to form the VFC is once again laid out and conducted by them; the Secretary of the VFC is a forester; it is his responsibility to set the agenda and to call for VFC meetings; finally the Range Forest Officer has the power to remove any member of the VFC on the recommendation of the member secretary. This scenario raises the question whether the VFCs are considered to be extensions of the Forest department? The present approach indicates that they are. If, however, the FD's intention is to foster their growth as institutions, with a separate identity, or as alternate institutions involved in forest management in their own right,

[5]	Zone I	-	Core Zone
	Zone II	-	Main Zone without dwellers
	Zone III	-	Main Zone with dwellers
	Zone IV	-	Boundary Zone
	Zone V	-	Common / Reserve Land

then several of the practices referred to above need to be reviewed and changed. The present top down approach to institution building in a way flows from the responsibilities which the Forest Department exercises over lands which lie in Zones I, II, III and IV. These responsibilities which resemble exclusive rights lie by statute with the Forest Department. While the Forest Department exercises complete control over Zones I and II, the JFPM programme opens up a space for Joint Planning and Management in Zones III and IV, which, however continue to remain the statutory responsibility of the Forest Department. Zone V covers non-forest Government lands and private lands excluding Betta lands [6]. This zone is managed entirely by private holders; but under the JFPM, the Forest Department seeks to introduce joint planning and management with the objective of promoting ecological and environmental objectives.

The criterion that lands with less than 0.25 canopy cover only are eligible to come under JFPM raises two issues:

- what about forest lands with a higher canopy density? Are these not in need of joint management, particularly if they fall within Zone III and if they are used by forest gatherers or graziers and fall under Zone II? Are these areas excluded because of the division in responsibilities between the Territorial Forestry and the JFPM divisions?
- the focus on degraded lands tends to channel attention and resources to establish plantations only; the project document, however, provides a broader scope for JFPM including preservation and regeneration.

The Project document states that the keystone in the project strategy is to define more clearly Forest Land Management objectives. "A key stone in the strategy is to define more clearly forest land management objectives. At present there is uncertainty about the management

[6]	Betta Lands	-	(Soppina Betta) The land belongs to the Forest Department for the exclusive use of Arecanal farmers who need green manure for their plantations. This privilege continues from the time of the British. Since the ownership of the land rests with the Forest Department, the people using the land cannot legally transfer it to others.
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objectives of different categories of forest areas, whether it be in the short-medium or long term. This uncertainty is due to the conflicting demands being made upon the forest estate because of new awareness of environmental and ecological hazards and because of the increase in the numbers of those whose livelihood depends on forest produce of various kinds." (Project Document 3-1)

One of the issues which perhaps prompted this statement and which is not adequately addressed in the present strategy is that of complete exclusion of gatherers of non timber forest products from Zones 1 and 11. It is understood that multiple objectives are not admitted in Zones 1 and 11. The only objectives guiding forest management in these areas is the preservation and enhancement of forest cover and biodiversity. When PRA exercises were conducted at village level to assess the degree of penetration of the forest on the part of gatherers of non timber forest products, it became evident that they penetrated at least into Zone 11. If this Zone is closed, it follows that their livelihood base will be reduced making them more vulnerable. It is true that in many cases collection of these products is not their only source of income, but it is their main source during certain months. Exclusion from Zone 11 will in turn increase their dependency on local large farmers and weaken their bargaining power which, in many villages is strong, because of a labour contract system and the ability to survive if wages are not payed on their terms. While the Forest Department does have a case to close Zone 11, provision must be made to do it gradually and to ensure that those depending on this Zone for their livelihoods are able to cope with the transition to alternate sources of income and to a situation in which they obtain better prices for these products. At present, for example, they do not have the right to sell these products directly but are obliged to sell them to contractors; this reduces their earnings considerably. A similar situation will emerge if areas are closed to graziers particularly in those areas where the system works through engaging a village cowherd to look after the grazing needs of the village cattle over long periods. In such cases

the herds often enter areas now demarcated under Zone 11.[7]

The Forest Dept has recognised the need for a coping strategy, but has largely left it to NGOs to organise alternate markets for forest products or to existing Govt anti poverty programmes to provide alternate livelihood opportunities and to meet village priorities like drinking water which do not come within the purview of the project. These initiatives are inadequate. Any strategy which has the potential for success to achieve the objectives of equity needs to be based at least on the following interventions:

[7]

Site Characteristics	Main Management Objectives Environment and Sustainability
	Specific Management Objectives Ecological Ecological Commercial Immediate Needs
Ecologically Important	Zone I Core Zone
Main Forest with good potential	Zone II Main Zone Without Dwellers
Main forest with good potential but with pockets of dwelling	Zone III Main Zone with Dwellers
Edge of forest reserve near settlement	Zone IV Boundary Zone
Outside forest and near settlements	Zone V Common / Revenue Lands

(Source: Project Document)

a substantial input of resources (funds, training, peoples institutions and linkages) to provide the basis for alternate livelihoods; the resources available under the existing Government anti poverty programmes are far too inadequate to achieve this objective. It was for this reason that Myrada suggested as early as 1990, that attempts be made by Govt. to mobilise other donors who could provide these inputs. Some States like Gujarat have adopted this approach; and lessons could have been drawn from their experience.

the problems of each group have to be considered and a strategy worked out to cope with specific issues. The present approach is too general and fails to focus on specific issues of particular groups.

self help affinity groups must form the basis of this strategy if each group is to build up its own resources, its independence from contractors and moneylenders, its confidence and the linkages required to initiate and sustain an alternate livelihood system.

The project document continues: "Through a process of land-use planning, in conjunction (where their interests could be affected), with local groups of people, the project will help the Forest Department to define more closely the desirable and feasible objectives for each unit area. While multiple objectives will remain common, forest estates will be managed with a predominant type of objective in view. In all cases, environmental concerns and sustainability will be imperative." (Source: Project Document 3.1). Though equity is not mentioned specifically, it is implied in the statement that peoples interests need to be taken into account and that multiple objectives will remain common - at least in those areas where the poor depend for their livelihoods.

The project document further states: "This process will lead to a zonation of the forest according to these types of management objectives: ecological, economic and/or local needs. The zonation system will provide a basis for rational long-term management, as is required in forestry, and be expressed in the Joint Forest Plans and the Working Plans and thus justify the investments being put into rehabilitation and conservation." (Source: Project Document 3.1).

Does this not require that zonal boundaries are established only after people have found the means to cope with pressure on their livelihoods rather than imposed according to the demands of pre-determined schedules?

The basis of sustainable impact of the project lies ultimately on the organisational capacity of the peoples institutions set up and manage the resource and on its ability to foster the organisational features, values and conventions necessary for the survival and growth of any institution. Prominent among these are strong ownership (of the institution and resources), by its members ability of its members to apply and accept sanctions, regular meetings according to accepted procedures, mobilisation of self help, transparency in all operations, regular (yearly) change in leadership, linkages to institutions (both private and Government), provision of credit, technology and marketing and sound financial management, including audits. The process through which these institutions emerge has a major impact on the features and conventions of the institution; if the process is directive and preconditioned, the features required for sustainability will not emerge and flourish. The prevailing practice in establishing VFCS in Uttara Kannada district during the first 2 1/2 years of the project does not set the basis for sustainable long term rational management.

TRAINING:

Training is the major component of Myrada's intervention strategy. A summary of the training programme conducted between January 1995 and March 1996 will provide an insight into the overall thrust:

For Forest Officials:

Subject	Number of courses (av.3 days)
Attitudinal and Behavioural changes:	4
Gender sensitisation	2
Micro Planning (JFPM)	1
Conduct of meetings and documentation	8
Self Help Group concept and functions	1

For VFC Members:

Roles of VFCs members in JFPM	2
Self Help Group concept and functions	10
Organisation building	12
Communication skills	5
Common Property Resource management	2
Exposure visits to Gulbarga, Karnasamudram, Hollalakere projects (including Foresters)	17

For NGOs:

Gender sensitisation	1
Trainings in conducting Micro Planning exercises at village level	5

Note: Several trainings were also conducted for Forest and NGO staff to equip them to conduct PRA training on their own.

Regular feedback and evaluations of the training both from the participants and from people, helped Myrada to review the programme periodically and to respond to emerging needs. One area where Myrada could not intervene as intensively as the situation required was in the formation of self help groups at village level particularly of the poorer sectors who depend on the forests for their livelihoods. Both ODA and the Forest Dept. have now agreed that this need must be addressed even if it requires Myrada to place additional staff in the project area.

The procedure adopted to select people for training and exposure also needs to be reviewed. The selection is done by the Forest officials and/or by the VFC - of which a Forester is the Secretary. Participants are usually selected on the basis of representation from various groups. While this method of selection ensures representation, it does not help to support follow up action which has to be based on affinity groups with similar interests and concerns. Though the individuals who go through the training and exposure may return with new ideas and the confidence that they can work, they do not have the support of others in their affinity group who did not have a similar experience; it is difficult for those who benefitted from the experience to bring the others together and to lay the basis for an institution. In villages where people

decided to go out for an exposure to Myrada projects and grouped themselves according to their affinity relationships, the follow up was more evident. For example, in Talagadda, the VFC had been registered and launched with great fanfare but remained dormant for over a year till the DCFs (both territorial and JFPM) took interest in reviving it with the help of a committed village youth. Myrada suggested that the focus be on women from the village. Three groups of women visited Myrada's Holalkere project; many of them were headloaders who had a daily income. On their return they started savings and built up their self help groups which are still functioning. From this and other similar experiences, Myrada concludes that intervention will be more strategic and effective in terms of institution building if people, particularly women, are allowed to organise visits to other villages where local institutions and self help groups have developed. The selection of the members in each group should be left to the women and not to the village Forest Committee or the Foresters. This will require intervenors, NGOs and foresters to relate not only with the VFC members but more importantly to relate regularly with the entire village community. The present practice, is that once the VFC is established, intervenors deal only with this committee.

In general, though participatory techniques are being extensively used by the Forest Department and NGOs in the project, the initiative to form village institutions has been top down, hurried and structured. This approach undermines the process required for self help and confidence to develop and for peoples institutions, (appropriate to the resource to be managed,) to emerge and grow and to sustain the impact.

The other major objective with which Myrada is concerned is equity. The institutional pattern which Myrada has started to foster in the project area arises mainly from its concern that the objectives of equity (and sustainability) are not adequately addressed in the present strategy, conditioned as it is, by the structure of society and the existing rules and organisational limitations of intervenors. Myrada's concern is that the Village Forest Committees which consist of one member from each family in the village tends to focus on and to favour the interests of the upper strata and of men. The interests of this group and the traditional management practices of the Forest Department coincide to a large extent. For example, the upper strata do not depend on the forest for

their daily needs, hence they tend to opt for long term timber species in the plantations under JFPM rather than on a mix which also meets the needs of the poor. The Forest Department which is accustomed to this pattern usually goes along with this priority, except where individual forest officers take the initiative to foster effective participation from all groups including the poor to arrive at a pattern which meets the needs of all sections of the people. It is Myrada's experience that inequality in Village Society resulting largely from control of benefits and access to forest resources by richer families undermines the progress and growth of peoples institutions which have the potential in collaboration with the Forest Department to manage forests in a sustainable manner. Myrada's strategy in the Micro watershed management project in Gulbarga was faced with the same issue of equitable management and sharing of natural resources; the strategy it adopted helped to address the issue to a significant extent. Myrada formed Self Help affinity Groups of the poorer sectors in each watershed and supported their efforts towards self reliance before major initiatives were taken to regenerate the watershed and to manage and share resources. These Self Help Groups mobilised savings, met their consumption and small income generating needs and even came together to form apex groups which supported their interests. This provided them with the social and economic space necessary on which they could build their institutions and take on a wider role in the area. The Watershed Management Committees which are similar to the Village Forest Committees, were made up of two representatives from all the self help groups of the poor and women as well as from groups which represented the upper strata. This provides a mechanism for VFC members to discuss issues with their SMG members. At present the VFC members (particularly the poor) do not have a mechanism for discussion and feedback. As mentioned earlier Myrada has begun to introduce a similar strategy in the Forestry project, but it would require a larger number of field workers to identify and form these self help groups; the budget does not make provision for these workers. If the objective of equity is to be achieved, however, the intervenors will have to review the present institutional strategy at the village level; the VFCs as presently constituted are not an adequate or appropriate mechanism to foster equity.

The other concern of Myrada relates to gender. In the mid 80's, Myrada began to focus on forming self help groups (SHGs) of women when it

discovered that as the income of the poor families in its projects increased, the consumption pattern of men was the first to change. For example, men graduated from beedis to cigarettes. Myrada assumed that if separate SHGs of women were fostered, women would have greater access to credit. This assumption proved correct. However, the query whether this access increased their control over credit and in general over their lives, could not be answered till several years later. It is now clear that women's role in the family has been enhanced considerably after a few years as a member of a SHG that resulted from a genuine process based on self help, savings, group training and institutional growth. This is not the case with groups which were formed hurriedly and mainly with the objective of implementing programmes.

It was this experience that prompted Myrada to encourage women from villages under JFPM to join in an exposure visit to Myrada's Holalkere Project and to share the experience of women there who had been managing their SHGs for several years. They returned and started SHGs of their own. In one case a village (including women) decided not to divide the proceeds from the Forest harvest, but to start a common fund from which those in need could borrow.

The official institutional strategy of the JFPM project, however, effectively leaves out all the women in the village except the few (usually two) who are members of the management committee of the VFC. It has no place for womens' institutions like SHGs which would provide the base for support and feedback to the VFC women members on matters relating to women. The project in fact, makes several assumptions with regard to gender They are:

- that the Government order which states that a minimum of two women should be members of the management committee would encourage the VFC to induct a large number of women members.

In general only the minimum number (2) has been inducted. A further question raised is "should women not comprise 50% of the VFC?"

- that the women representatives on the VFC would guarantee

that the rights and interests of the women from all sections would be protected.

Without women's institutions to support them, experience indicates that this objective is difficult to achieve. Besides these 2 representatives on the VFC are usually from the upper strata.

- that a single representative (even if male) from each family ensures equitable distribution of forest harvest proceeds.

So far as distribution among families is concerned, this may be true, (though a case could still be made for a bias towards those who depend on access to the forests for their livelihood which the JFPM has now restricted), but it does not ensure access to forest harvest proceeds by women.

- that participatory exercises through which micro plans are formulated give adequate space and priority to women's interests and rights.

This does not happen unless the intervenor makes a special effort to meet with women's groups separately, and to offer additional training and exposure.

- that the impact of micro plans are beneficial equally to men and women.

Indications point to the contrary, unless biases in planning are corrected.

Management Mechanisms :

At the village level the Village Forest Committees are formed; their roles are described below : (they do not have the freedom to define their roles):

- to protect the forest from fire, smuggling, encroachment, illegal felling and grazing.

- to identify species useful to the community for plantations under JFPM areas.
- to regulate minor forest produce.
- to impose fines for violating the rules of the VFC.

It is clear that the VFCs have been viewed as a continuation of the Forest Department; the roles of both institutions are to protect, regulate and fine. The major change is the VFCs role in deciding the species to be planted on degraded forest lands; but as pointed out earlier, since the VFC includes both rich and poor, the interest of the former tended to dominate. Further, the secretary of the VFC is a forest official and the Range Forest Officer has the powers to disqualify any member; the DCF can supersede the VFC. This does not leave much space for peoples ownership of the programme and for responsible leadership to develop. Given the present scenario, however, where the VFCs are not really representative of all interests (surely not of the poor who do not have the confidence and independence to participate effectively in decisions taken in the VFC) the decision to exercise control over the VFC by the Forest Department may be appropriate as a short term measure. There are instances, for example, where committed Forest Officials on the VFC have taken the initiative to tilt the decisions of the VFC in favour of the poor. However, this level of commitment is by and large the exception and not the rule.

At the Circle level there is an Advisory Committee and at the State level a Steering Committee which is the final authority. NGOs are represented on both bodies, but no provision is made for representatives of peoples institutions on the steering committee [7] An Empowerment Committee was formed last year (1994-95) without any representation from the NGOs; this committee is now functioning as the final authority. The reasons for this change in the management pattern need to be studied; but there is a clear shift away from the direction that a participatory development strategy would foster if it is sustained with a degree of commitment.

[7] The Deputy Conservator of Forests (DCF) has the power to nominate one NGO to the Management Committee of the VFC.

Several NGOs are involved in the programme; they have not entered into a formal agreement with the Forest Department, but there is an understanding that they will assist in forming the VFCs. They are also involved in initiating income generating initiatives including support for training in skills and marketing. These NGOs have maintained adequate space in order to perform a critical role particularly with regard to the project's objectives of fostering bio-diversity, and equity. This role is important to improve the quality of peoples participation and to highlight certain issues which may otherwise be relegated to a lower level of priority.

The NGOs and VFCs have suggested modifications to the Government Order on the JFPM, but up to the time of writing (May 1996) no policy has emerged regarding whether and how the JFPM order can be modified. This raises the whole issue of the need for organisational reform within the Forest Department which is required to support programmes like JFPM. There is ample evidence that 25% - 30% of Forest staff in Uttara Karnataka Circle have absorbed the skills and the attitudes required to conduct participatory exercises, but unless this group is supported by changes within the organisation, they will not only remain marginalised but also hesitate to introduce participatory systems in budgeting and implementation. Though organisational reform has been identified as one of the objectives of the Western Ghats project, a serious initiative to achieve this objective began only in 1995. Myrada stressed the need to evolve a strategy for organisational reform as early as August 1993; in fact it needs to go hand in hand with the planning and implementation process. If the JFPM programme is not to become an extension of the Forest Department's programme but an alternate system of forestry management as envisioned by the project document, the Forest Department's role needs to be supportive, not dominant and leading. To fulfill this role however, internal organisational systems which are new and innovative are required; these relate to appraisal and performance indicators, ability to relate with other organisations, particularly with peoples institutions not just with individuals, respect for diversification and decentralised decision making, a shift from achieving targets to building institutions as well as other changes in attitudes, management skills and priorities regarding objectives.

As stated earlier, there is ample evidence that a significant number of

forest officials have acquired the skills of conducting PRA exercises during micro planning; but Myrada's experience also indicates that participatory skills in planning can be practised without any significant degree of institutionalisation of participatory attitudes, strategies and systems in the intervenors organisation. As a result, while participatory techniques are welcomed and adopted during planning, several problems that were latent but did not emerge during these exercises, surfaced later during implementation. Participation in implementation requires strong and sustained support from the intervening organisations particularly those in the lead, in this case the Forest Department. This is possible only if the intervenors' organisations and systems have institutionalised the attitudes and systems that foster participatory relationships both within and with other institutions. Key indicators of progress in this direction is the ability of intervenors to work together and with peoples institutions, respect for other institutions, willingness to relate with them on an equal basis, to establish a degree of transparency in operations with which they feel comfortable, to avoid hidden agendas and to be able to cope with criticism without becoming defensive.

LESSONS LEARNT:

1. In a heterogeneous society adequate time is required to consolidate groups representing various strata before the planning exercise at village level is undertaken; this helps to make participation by the poor and marginal effective. The Village Forest committees should be formed with representatives from these groups.
2. The roles and functions of peoples institutions should not be drawn up without their active participation.
3. Control of peoples institutions by Government Officials stifles the process of institutional growth and people's empowerment.
4. While training and exposure are useful instruments of change, they must be supported by management mechanisms which help to involve people increasingly in decision making for the intervention to become effective and sustainable.

5. There is a significant number of forest officers who can absorb participatory techniques and attitudes, provided adequate training and organisational support is provided.
6. The ability to use participatory techniques is important but inadequate; a participatory strategy is required to foster peoples institutions especially of the marginal and weaker sections in order to achieve the objectives of sustainability and equity.
7. NGOs can play an effective role if they combine criticism with the ability to foster processes that build peoples institutions which can take over the responsibility of regenerating and managing natural resources.
8. NGOs need to be open towards adopting an incremental strategy in intervention; demanding that priority be given to all NGO objectives at the beginning, may be counter productive; they need to prove their effectiveness and establish credibility.
9. Multilateral/Bilateral organisations need to invest in organisational change in intervening agencies at the start of the project. Unless adequate priority is given to this objective, initiatives that foster participation in planning at the field level will remain on the fringe and fail to promote the process that leads towards the growth of peoples institutions that have an effective role in implementation and on going management.
10. Adequate attention must be given to existing social and economic relationships based on the need for labour and credit from the poor. Unless these relationships are changed, several programmes envisioned by the project will not take off or achieve their objective. Attempts to foster independent marketing systems in control of gatherers of forest produce have failed largely because these gatherers depend on contractors for credit.
11. A dual system of management in one area resulting from the separation of the Territorial and JFPM Divisions must be

avoided. A single line of administration is essential for effective intervention and for the lessons drawn from the experience to influence organisational policy and culture that is required to provide support for upscaling the experience.

12. Distribution of produce to VFCs from previous forestry projects undermines the efforts required to build self reliance, particularly if this distribution occurs too early in the process and is not used to build up local capital.
13. The transition period required for those who depend on their livelihoods on the forest must be adequate to allow this sector to cope. Adequate investment is also required to provide this sector with investments to support their coping strategies. Resources available under existing government programmes are far too inadequate to meet this need.

**INTEGRATED RURAL WATER SUPPLY, ENVIRONMENTAL
SANITATION & HABITAT DEVELOPMENT
PROJECT.
MYRADA'S INVOLVEMENT IN MYSORE &
GULBARGA DISTRICTS [1]**

The Integrated Rural Water Supply, Environmental Sanitation and Habitat Development Project in Karnataka supported by the World Bank started in 1991. Preparation, however, started in the later half of the 80's. Myrada first established contact in 1989-90 and shared with the World Bank Team the experience in its H.D. Kote project where village groups had contributed towards capital costs of drinking water systems and had made efforts to manage the systems with varying degrees of success even though they had to pay commercial rates for electricity used by the pumpset [2]. In the Pilot Phase of the World Bank project which was implemented during 91-92 and covered 11 villages, no NGO was involved. OM Consultants, engaged by the Government and the World Bank, took the lead; its analysis of the project proposal prepared and presented by Government, indicated that peoples involvement was critical, if the objectives of transparency and flexibility required to respond to the micro situation were to be achieved. The Pilot project, however, did not attempt to provide perceptions regarding the nature and roles of peoples institutions required to implement and manage the drinking water and sanitation systems.

As a follow up of the study, OM Consultants conducted training and exposure sessions to introduce Government staff who would be involved in the Pilot villages to the experience of people's effective participation in planning and design of the systems. Myrada was asked by OM to provide opportunities for exposure to its experiments with community involvement in the management of drinking water systems and to participatory methodologies that were used in incorporating peoples involvement in its projects. Myrada's intervention in the pilot

[1] The contribution of Mr. Paul Joseph to this study is recognised and appreciated. He leads the Myrada Team in Mysore District.

[2] These rates were about three times higher than rates levied on Government bodies; one could say that peoples participation was being penalised.

phase was facilitated by OM consultants and the World Bank, not by the Government.

Myrada's experience in involving people in drinking water programmes in H.D. Kote Taluq, indicated that people were willing to contribute cash and labour to construct their drinking water systems provided they were involved in the planning and had control of their cash contribution during implementation. They were also willing to pay towards maintenance of these systems and were doing so in several villages. Pilot experiments in building up peoples institutions to manage these drinking water systems had progressed sufficiently for Myrada to draw a few initial lessons that could support replication on a larger scale. In the area of management of village sanitation, Myrada had limited experience of peoples involvement in planning and implementation which was spread all over its projects. These experiments were not 'old' enough to draw lessons regarding their management, but case studies related to issues that arose during planning and design were shared with those who were interested.

Peoples' contribution in cash for drinking water systems was supported by Myrada on the assumption that it would increase their sense of ownership leading to greater control over the process of planning and implementation; this in turn would lay the basis for sustainable management. It was not an end in itself; but a means - though a major one - to achieve an end. Experience indicated that this heightened sense of ownership resulted in most cases in a product of better quality and suitably adapted to the micro situation. In turn this level of satisfaction with the product led to a commitment to maintain these systems which in turn resulted in efforts to build local institutions and establish linkages for the management and maintenance of these systems. Myrada has not claimed that cash contribution towards capital costs is the only factor on which ownership is based. The involvement of every sector of the village, the degree of transparency and control over the process of planning, implementation and the management of finance and the willingness of various political and other factions to put the development of their village above their vested interests are equally critical as a basis for sustainable management. But its experience provided ample evidence that once the need for these systems was accepted by the majority and expressed in concrete terms by all sectors through contributions in cash, the people had a stake in the programme,

and it was easier for enlightened leadership in the village (and for intervenors) to mobilise people to give these programmes priority over other pulls and pressures.

Trust was a major factor that supported the mobilisation of cash contributions. It was clear that people responded more willingly to initiatives taken by NGOs to mobilise resources in all the Districts where the programme was planned. In one village visited by this author, people agreed to contribute towards capital costs for drinking water (not for sanitation) provided their contribution was placed in a separate account over which they had control. This demand did not elicit a positive response from middle level Government Officials who were present; Govt. however, later agreed to this.

The strategy that required peoples contribution towards capital costs for drinking water went against the prevailing ideology in Government that this essential service should be provided free. It was becoming increasingly clear both to the World Bank and to several NGOs, that Govt. could not continue to maintain drinking water systems since it was increasingly strapped for resources to perform this function which was as essential as providing a drinking water system. Further, people were dissatisfied with the response and effectiveness of Govt. Departments whose job it was to maintain the drinking water systems, and were prepared to take up the responsibility. The alternate strategy which shifted the responsibility to the people was based on their sense of ownership and an awareness of their rights which provided them with the basis of a claim to be involved in the design and layout of these systems. The process involved in mobilising cash and in planning also gave NGOs adequate space to ensure that drinking water systems would be planned and implemented taking into account the needs of the weaker sections of the village. These factors, as mentioned earlier provided critical support in Myrada's experiments to achieve the objectives of sustainability and equity in the drinking water programme. Several Officials in the Govt. also shared these perceptions and concern. Contribution from the people, however, was still too major a deviation from official government practice; the Govt. finally agreed to a 30% contribution, but for sanitation, not for drinking water. It must be recorded that experience over the past 3 years shows clearly that people have been motivated to contribute mainly and often solely because of the promise of drinking water. In a few

villages where drinking water was not a felt need (due to other sources nearby) contributions have not been forthcoming for the sanitation programme.

Myrada's vision of the dominant features of the interventions by Govt and the NGOs was that of:

- i) a partnership based on their respective comparative advantages which arose both from their skills and experience as well as from the perceptions that people had of them;
- ii) an integrated and sustained strategy to foster the growth of peoples institutions and
- iii) a deep commitment to hand over power to peoples institutions so that they could take the lead in the process of project planning, implementation and management.

This analysis focuses on the impact that the strategies to which intervenors are accustomed, their organisational culture and systems have had on the process of planning and implementation of the drinking water and sanitation programme. The analysis assumes that this impact will have an effect, whether positive or negative on the strength of peoples institutions and their potential for sustainable and effective management of the systems. As the Govt. has been the major and lead intervenor, the analysis focuses on the nature of its interventions. Myrada is one of the several NGOs involved in the process of implementation. Since its area of operation in the Drinking Water and Sanitation Programme covers two Districts, namely Mysore and Gulbarga, this analysis draws heavily from Myrada's experience in these two areas. It must be recorded, however, that though Myrada has programmes in these two districts, the operational area of the drinking water and sanitation programme lies outside its programme area; Myrada, therefore could not rely on any previous contact and rapport with people in order to get the drinking water and sanitation programme off the ground. Its rapport with the District administration, particularly in Mysore District, however, did contribute to close co-operation and support from the very start of the intervention.

PART - 1: AN ANALYSIS OF THE PROCESS

Agreements for Phase I which were entered into between Government and each NGO, gave the NGO ample space to intervene in all areas which were critical to participation at every stage of the project and to the emergence and stability of peoples institutions. The terms of reference which described the roles of the NGO included:

- creating awareness about the project and visits of technical teams,
- organising participatory exercises to identify peoples needs and design constraints,
- ensuring that Government and elected officials, including design consultants, participate in the planning exercise,
- involving people in planning, implementation and maintenance,
- providing feedback to technical and administrative staff,
- organising Gram Sabha meetings before, during the planning phase and after the plan incorporated peoples suggestions,
- forming Village water and Sanitation Committees,
- mobilising contributions and ensuring the participation of women and weaker sections.

This is a comprehensive list and includes all the major interventions required for participation and institution building. As the project progressed, however, several factors emerged which had an impact on the objectives of the NGO intervention. For example:

1. Objectives became prioritised under pressure arising from external factors like administrative demands of project management which were uniform for all projects and often inappropriate to a project based on participatory strategies and several intervenors; there were also pressures from politicians whose priorities differed from those of the project.

2. Delays in finalising agreements with intervenors which in turn reduced the time required to nurture the emergence of peoples institutions and encouraged decisions which reduced transparency.
3. Inadequate understanding of and appreciation for the comparative advantages that NGOs brought to the intervention resulting at times in intervenors attempting roles assigned to others.
4. Gaps emerged which were not envisaged, but which had to be filled up for the process to move forward; these gaps were filled up mainly by non-government intervenors. These were not budgeted for.
5. Organisational practice and culture resulted in roles for the Village Committees being designed and finalised without allowing time for the Committees to grasp the nature of the programme to enable them to contribute effectively. This left room for conflicting interpretations of the role of the Village Water and Sanitation Committees (hereinafter Village Committees), particularly with reference to the drinking water programme.
6. The underlying perceptions of Govt. vis-a-vis NGOs and vice versa were not positive enough at all levels to forge an effective synergy in intervention over a long period. The quality of the synergy depended on the perceptions that Senior officials had of NGOs; some were positive, others not; and they were transferred periodically. The understanding of and the commitment to this partnership was not institutionalised adequately to overcome personal perceptions and biases. To achieve this, planners have to go beyond making provision for Coordination of NGO intervention and liaison with Govt to include intervention for organisational change in all the intervenors whether Govt. or NGOs. This objective was not included in project design.
7. Procurement procedures of the World Bank did not always achieve the objectives for they were designed, namely

transparency and accountability; they allowed room for sub-letting.

8. The agreements entered into by Government with various institutions including the Village Water and Sanitation Committees did not include any clause which made Govt. accountable for delays and failure to comply with schedules.

The following analysis based on the eight developments described above refers particularly to the Districts where Myrada is involved, namely Mysore and Gulbarga. There were, however, similar experiences in other Districts.

1. The Government decided to involve NGOs in mobilising peoples contribution because it accepted that NGOs had a comparative advantage in achieving this objective. Initially Government approached OM Consultants to accept this responsibility in all the 29 Districts in which Phase I of the project was planned. OM suggested that NGOs working in these Districts be involved as they had a base, were aware of local realities and had a rapport with the people. The Government agreed. Myrada's experience over three years indicated that though the NGO took the lead in mobilising contribution, the presence of the Chief Executive Officer of the District and the BDO especially in 'difficult' villages was often very useful in mobilising support.

This objective however became prioritised due to external factors because it provided an easy and acceptable monitor of the project's progress. The pressure to achieve targets in this area, before the Village Committees that spearheaded the contribution programme could establish their position and educate people about the reason behind this strategy resulted in commendable progress towards achieving the target set for the size of contribution, but failed to raise among the people a sense of ownership that is required to raise the level of their commitment to the sustainability of the programme. Peoples contribution became an end in itself, not a means, as it was intended to be.

It is Myrada's experience that for a participatory process to be effective and to lead to ownership the manner in which the objective is achieved is as much or more important than the objective itself. In the matter of mobilising peoples contribution for instance, the degree of ownership each family has of the project will be based partly on the amount it has contributed and partly on the effort it has made to be involved at various stages of the project cycle. Because of the pressure to achieve targets, in several villages peoples contribution has been mobilised not from individual family donations, but from schemes which the Village Committee introduced eg: taxing purchasers of house plots in new layouts, local industrialists and travelling cinemas etc. When this strategy is coupled with a diminishing degree of involvement as the project cycle progresses (this is far more pronounced in the drinking water programme) there are adequate grounds for the assumption that peoples sense of ownership is reduced and that their commitment to maintenance will be undermined.

The causes for a diminishing degree of participation lies also with the manner in which the payments are made. The prevailing practice has had a negative impact on the sanitation programme, though it is not as pronounced as in the drinking water programme. The present practice in Mysore District requires the Village Committee to transfer the funds collected for sanitation to the World Bank Cell. The Committee has an account in three names (President and Secretary of the VWSC, and one more of their choice). The World Bank Cell, after verifying the work done, issues cheques for payment in the name of the President of the Village Committee; the cheque is then cashed and payments made for sanitation works. The members of the Village Committee who were involved in the collection of funds are not brought into the process of verification and payments. Several members have reported that they are not satisfied with the way in which payments are managed and have asked for greater transparency. Regular meetings of the Committee and of the village are required where progress of the work and payments are discussed, if this problem is to be addressed.

At present these meetings are rarely held. The suggestion from people that the World Bank Cell should transfer funds to the Village Committee's account rather than vice versa would also help to increase peoples control.

Intervention on the part of politicians also undermined the process. For example even up to mid 1996, politicians assured people that they need not contribute towards capital costs and that they would obtain a clearance to this effect from their leaders. Pressure from powerful politicians to start implementation even where the contribution was below 10% of the target undermined the efforts of the NGO and the commitment of surrounding areas [2]. The elections to the Milk Cooperatives Producers Society broke up at least one Village Water and Sanitation Committee in Mysore District. Though pressures arising from local political processes cannot be avoided, they can be contained if the Village Water and Sanitation Committee is given time and training and if every member is involved in the programme.

2. Delays in entering into agreements with NGOs were mainly responsible for the limited degree to which people were involved in the planning of the drinking water systems in Phase 1. In fact, only after the NGOs intervened, were the participatory planning exercises conducted, but the modifications suggested in the design arrived too late for incorporation in the original design. An analysis of the modifications suggested during the participatory planning exercise conducted during Phase 1 indicates that the people focused on location and capacity of the overhead water tank, on small habitations which were left out of the design, on the engineering design itself and on the existing drinking water systems and distribution network which were not taken into account in the design and estimates produced under the World Bank sponsored project. These are factors that are critical to management and sustainability of the systems. During Phase 2, however, there was significant improvement; participatory planning exercises

[2] For example work started in Hira Kolachi village of Bellary District where contribution was only 8.52% of the agreed amount.

were conducted in time for modifications to be incorporated. However, the assumption made here is that the lack of peoples participation in several villages during Phase 1 which left several issues unresolved that emerged and caused tensions and delays as implementation progressed, will have a negative impact on their sense of ownership and on the management and maintenance of the drinking water systems.

Delays in starting implementation, even where the major part of peoples contribution was mobilised, resulted in a negative though unintended impact on transparency. On one hand people began to exert pressure on Government to start work, on the other government was concerned that if the implementation of the programme continued to be delayed, the people would dissolve the Village Committees and return the funds that were mobilised. As a result, in one District at least, the World Bank Cell insisted that the peoples contribution which had been held by the Committee in a separate account, should be transferred to the World Bank Cell. This in turn reduced the transparency in the management of the fund, in the payments for the drinking water and sanitation systems. In turn this reduced the level of peoples trust in the intervenors and their sense of ownership of the programme. It must be recalled here that when people were approached by Myrada, OM Consultants and the Government in 1991-92 during the pilot project, they had agreed to contribute, provided their funds were maintained in a separate account over which they had control.

3. Because of the lack of appreciation for the comparative advantages which NGOs brought to the intervention, there were cases where Government officials attempted to take on the roles assigned to the NGO in order to achieve targets. Attempts by officials to form Village Committees is one example. These efforts drew lukewarm response from the people; officials involved, with the best of intentions, did not appreciate the need for several and strategic interventions before a relationship of trust developed among the various sections of the village community and people felt confident to

form a committee over which they had a sense of ownership.

The objective of equity was listed among the objectives set for the NGO. NGOs are aware that equity cannot be achieved by appointing women and the poor on committees. NGOs have been able to establish a relationship of trust with these marginalised sectors and have convoked separate meetings with them where they have felt free to talk. The issue of the dependency of the poor for labour and credit and the impact this has on their effective participation in common meetings, was not addressed and could not be within the limiting framework of this programme. Myrada's experience shows that the poor need to achieve some degree of self reliance and confidence before they are able to project and protect their interests effectively as regards sustained access to community resources. Though the NGOs intervened to bring the interests of the weaker sections into focus, their participation throughout the process was not as effective as required for their interests to be protected in a sustained manner. For example, the water needs of the hamlets attached to villages where the poorer sectors of the population lived had not been incorporated in the design in several cases until the NGO intervened; it is also doubtful, at this point of time, whether the weaker sections will have a voice in the management and maintenance of these systems. These issues together added to the lead time required for the basis of sustainability and equity to be established; they also bring into sharp focus the need to involve those NGOs who have a clear and sustained commitment to equity.

An analysis of the debate that the issues mentioned above gave rise to, indicated that while Government's policy to provide drinking water free could be justified, the hesitation to admit peoples contribution in cash for drinking water had more to do with the perception that this would give people a right to control the process of planning and implementation as well as throw open issues like equity which Government officials are not equipped to handle. The need for training of Govt. and NGO staff to manage these issues together, is a priority and should be included in any strategy for organisational reform

which is increasingly becoming a critical input in the strategy based on comparative advantages of Govt. and NGOs. The need for training of the Village Committee to foster the effective participation of all and to help the members of establish norms for institutional functioning and growth also emerges in this context; but, as will be pointed out later, no provision has been made in the role of any intervenor to cope with this need.

4. Several gaps emerged which were not envisaged in the agreements. As a result, NGOs and other non-government intervenors had to take on roles in order to remove hurdles and to facilitate the progress of the project. These roles helped to fill in the gaps created by delays or by the lack of flexibility in the systems governing the intervention strategy. In the initial period, for example, the World Bank Cells whose primary role was to coordinate with the District Administration during the planning phase, were not established; some in fact took over a year to become functional. During this period NGOs played a role in mobilising support from Line Departments. Though the Chief Executive Officers of the Zilla Parishads played an important role in mobilising the officials in the planning exercises at village level, many of these officials considered this obligation an additionality (and perhaps rightly so), which they could well do without. Where the NGOs did not have sufficient rapport with the Govt at the highest level, the participation of these officials was limited and took a major effort on the part of the NGO to sustain.

Another gap that emerged after the initial thrust to mobilise peoples contribution succeeded, was the need to support the village committees to set up appropriate mechanisms for managing their organisational needs and planning to achieve their objectives. These needs have to be addressed in time by adequate training and exposure for all the members of the Village Committees, if the basis of sustainability both institutional and financial of these institutions is to be established. No clear provision has been made for this role in the terms of reference of the NGO (or of any other intervenor) and consequently no time has been allotted or costs provided

for in the budget. Myrada's experience indicates that the process of institution building at village level is a process that requires strategic interventions by the NGO during the first 1 to 2 years; this is the time required for these institutions to decide on their composition, structure and constitution and to acquire the habit and culture required for stability, as well as to focus in a sustained manner on the objectives of the project. For example the committee members that take the lead in the participatory planning exercise are often not the same as those chosen by the people to supervise the implementation. Further the Government and the NGOs appear to assume that the committee that implemented the project will also be the appropriate one to manage and maintain the system. In other projects where Myrada is involved with natural resource management, the implementation committees had to go through a long process before they were able to define their role in terms of management and sustainability. In the process several of the committees changed their membership. The present practice referred to above where the President collects the cheque from the World Bank Cell, cashes it and pays the contractors engaged in the sanitation programme without any reference to the members, could have been avoided if the Village Committees had been trained to follow the basic norms and procedures required for any institution to function transparently and effectively. The introduction of the Panchayat Raj system during the implementation of Phase I and the Govt.'s decision to induct the elected members on the Village Water and Sanitation Committees adds a further dimension to the composition and functioning of these committees which needs to be discussed by the members. Elections to local bodies will continue to be held and these Village Water and Sanitation Committees must be able to cope with the pressures that these elections bring with them. The recent (mid 1996) elections to the Milk Producers Cooperative Societies in Mysore District resulted in at least one Village Water and Sanitation Committee breaking up because it was unable to cope with these pressures.

All these factors have to be addressed in the training

programme in the context of the overall objectives of the project for the objective of sustainability to be achieved. The training offered should equip the village institutions to manage change both within their organisation and in society which will occur periodically. If the village institutions managing the drinking water and sanitation systems are unable to cope with these changes, their potential for sustainability will be reduced. However, no clear budgetary provision has been made in the project and in the terms of reference of the NGO to incorporate this role of training.

Besides NGOs, OM Consultants is the other major non-Govt. intervenor. As a Consultancy Firm, its role is to coordinate the NGO programme, to experiment with pilot and innovative interventions, to report regularly on progress and to liaise with the Govt. OM Consultants also had the experience of having to take up roles that had not been envisaged. As the programme developed, for example, they had to take on the function of screening all claims and bills from NGOs before Govt. released funds. This was understandable, since the flow of funds was managed by the Well Boring Unit of the Public Health Department which had no experience with the type of work in which NGOs were involved. (In fact the initial approach to NGOs was to treat them like any other contractor applying for a well drilling contract.) The NGOs are happy with this arrangement, but it raises the basic question about the project's strategy to use the comparative advantages of both Govt and NGOs for maximum effectiveness in achieving the objectives of equity and sustainability. This strategy requires that intervenors while bringing in their comparative advantage, break out of the habit of working in a compartmentalised fashion and interact with each other. Both the Government Departments involved and the NGOs need to work in this fashion for maximum effectiveness; it also builds the potential for upscaling.

If the importance of building village institutions is accepted as an objective which is critical to achieve the objective of sustainability, both the Government and the NGOs should give priority to these institutions. Unfortunately it has become

almost exclusively the responsibility of the NGO. Myrada's experience in this and other project indicates that unless both the Government and the NGOs consider the support for building appropriate peoples institutions as a major objective of community participation, it is not given adequate priority. Other pressures (resulting from delays in setting up the administrative infrastructure and processing the project which finally lead to pressure to disburse funds) tend to get priority. Interventions primarily intended to deliver goods and services and driven by short term objectives of project administration, tend to undermine the process required for the growth of peoples institutions. Forming and establishing peoples institutions is often a threatening activity for administrative systems which are accustomed to delivery of services; this applies not only to Government systems but also to NGOs which focus on service delivery. The process that supports the growth of peoples institutions must be driven by transparency in all operations, honesty, concern for people and the willingness to hand over power. These are qualities which have become eroded during the past 20 years. If these qualities are absent, the "job" may be done, but the basis of ownership by the people and the potential for sustainability will be limited. Myrada's experience indicates that both Government and NGOs must give this objective of building peoples institutions priority; to leave it to the NGO distorts the process as it reduces the degree of interaction required between interventions that focus on the physical (like construction) with those that focus on people's involvement; this in turn weakens the potential for institutional growth. The impression that Government agreed to NGO participation mainly because it recognised that NGOs have a comparative advantage in mobilising peoples contribution (and not because of the importance of people institutions in whose formation and growth, while the NGO plays the lead role, the Government needs to be equally involved) also became stronger as pressures to mobilise peoples contribution increased significantly, leaving other objectives far behind.

It must be pointed out however, that it is not evident at this point of time (mid 1996) whether the institution appropriate to plan and implement these systems will be the same as the

institution appropriate to manage them in the long term. It is also not evident whether the same institution can and should manage the drinking water as well as the sanitation systems. The NGOs will have to invest far more time in meetings with the people and the Village Committees and in regular and systematic analysis of the emerging process before perceptions in these areas begin to become clearer.

5. The rules and roles of the Village Water and Sanitation Committees were drafted in 1992 even before the NGO's intervention began; there were no peoples institutions at that time which could effectively intervene in formulating the rules and roles which would govern their functioning. Myrada's experience clearly indicates that for peoples institutions to grow and become stabilised they must be involved in formulating their rules and roles and have the power to change them to suit emerging situations.

As a result, some agreements are not comprehensive enough to provide adequate space for people institutions to participate effectively in implementation. One example is the agreement that the World Bank Project cells, which were established in every project District, entered into with the Village Water and Sanitation Committees. Leadership in drawing up agreements with these Committees was taken by Government. The question arises whether the Govt. considers this leadership role as its own by right, or whether it considers its role as a facilitator to enable the Committees to evolve the terms of the agreement as they become established? Leadership to a certain extent by Government is inevitable in the initial stages, given the present limitations of project promotion by Government's operative systems which have little space for organised participation by people, as well as because peoples institutions are not adequately stabilised and often do not reflect the interests of all sectors of the village population in the initial period. It is important therefore for the Government to present the initial agreements not as finalised documents but more as tentative guidelines which will be adapted as peoples institutions become involved and have an increased sense of ownership. Though the present agreement with the

Village Committees states that they have a role in the programme, the terms of the agreement tend to focus on peoples role in the sanitation component and on the amount of peoples contribution for sanitation and the time frame within which it should be mobilised. There is no specific reference to the role of the Committees in the drinking water component. As a result, the attitudes of officials in the Engineering Department are ambivalent towards peoples participation in the drinking water component. Most of them at the field level are reluctant to allow participation in implementation, claiming that the role of the Committees in implementation has to be decided at State level. Some officials express the opinion that since according to the agreement people have not contributed to the drinking water component, they have no right to monitor the implementation. Other officials are more open to peoples involvement in implementation and several, at the senior level, actively promote it. There is urgent need for clear and agreed perceptions on this crucial issue, as it has undermined the sense of ownership of the drinking water system on the part of the people and will probably hinder the process towards sustainable management.

There are a few anomalies which underlie this mixed set of perceptions. While the main reason that motivated people to contribute was their expectation of a better water supply system (this is why in villages where they had adequate water supply or perennial alternate sources like rivers, contribution was not forthcoming), Govt's policy and practice are driven by the understanding that people contributed for sanitation. Later Govt. considered a change in its official position to consider the contribution at 10% of the entire investment in the village, but peoples perceptions and even those of officials in the field remain unchanged as no policy statement was issued till mid-1996. Though the Agreement with the Committees encourage peoples participation in both the drinking water and sanitation systems, the level of participation differs significantly in the process of implementation. Myrada's perception is that the major reason why peoples participation is of a higher quality in the implementation of the sanitation system is because the

very nature of the programme demands a high level of participation. In fact Govt. officials realise that the several decisions required at the micro level to install the sanitation system cannot be taken without the people playing a lead role in implementation. Hence Govt's role is restricted to providing the initial design and to provide technical back up. In most villages, people have even selected the contractors for implementing the sanitation system. The situation with the drinking water system, however, allows Govt to install it without handing over leadership to the peoples institutions. The World Bank's systems are credited for this development. Yet people are keen to be involved in the implementation of the drinking water system. In their perception they have contributed to it and have a degree of ownership; hence they have a claim to monitor progress and quality and to decide on the local level contractor. Yet, while Government officials in most areas are of the opinion that the Village Committees have no role in supervising the implementation of the drinking water system, these Committees have repeatedly demanded such a role; they have also requested that information regarding payment to the contractors be shared with them; in many cases they have insisted that payment to contractors should be made only after they had certified that the work has been done according to the required quality. This has not been accepted by the Government. It must be recorded, however, that in several villages, local politics does obstruct the work without adequate reason.

There is another gap that needs to be filled in when future programmes involving NGOs are designed. No agreements were envisaged between OM Consultants and the NGOs. OM's major role as the lead organisation in the community participation initiative requires that it interacts closely with NGOs. This relationship, based on mutual understanding, has proved adequate so far, but it may not stand the stress that will originate from any NGO taking initiatives that OM may not be able to support or from any NGO that may fail to live up to its role in spite of OM's consistent persuasion. On the other hand the absence of an agreement may provide OM with space

in case an NGO decides to take any initiative that may be difficult for a consultancy like OM to support, but which is required for the major objectives of the programme to be achieved.

6. An intervention strategy that is driven by peoples participation in planning, implementation and on-going management, has to flow from and be supported by the organisational and operational culture of intervenors, both the Government and NGO. Myrada's experience indicates that while a strategy to mobilise peoples participation in planning can go along with a minimum degree of support from the intervening organisation, peoples participation in implementation requires a major shift in the organisational culture of the intervenors towards flexibility, transparency in operations in which the partners are involved (particularly if people have contributed towards costs), willingness to hand over leadership to peoples institutions, consistent and sustained priority to foster the participatory process over other administrative objectives like achievements of targets and the ability to relate with and respect institutions which are non-governmental and even informal provided they operate according to norms that govern well run institutions. After a period of community organisation during the 60's, systems and procedures have been largely drawn up by the Government for the people whose involvement in the project has been minimal and even at times resented as undue encroachment. People involved with the drinking water programme have pointed out that their sense of involvement and ownership will be raised if the officials of the World Bank cell would introduce the selected contractor to the people before work starts; others have suggested that people should be involved in the choice of sub-contractors; this is feasible, given the prevailing practice of sub-contracting to local contractors. People have also asked that they have a role in supervising the implementation of the drinking water programme. These suggestions which would not raise objections in an organisation accustomed to work with people, tend to raise defensive reactions from concerned Government Departments. The only project among the five where Myrada is working with the Government which has made provision for organisational change

is the Western Ghats Forestry project (supported by ODA U.K.); but even here this initiative started a few years after the project was launched.

7. Though this study does not discuss the procurement procedures stipulated by the World Bank, attention needs to be drawn to the impact on the participatory process caused by some of these procedures and/or by the manner of their implementation. The impact was particularly significant in Phase I where some of these procedures undermined the quality of peoples involvement. Whether this will lead to problems related to management and maintenance is not evident at this time, since none of the systems are completed; however the assumption, based on Myrada's experience, is that it will, unless other exceptional factors, like high quality leadership emerges. For example, the World Bank's stipulation that contractors need to have previous experience of working with Multilateral agencies as well as the breakdown of the work into comparatively large slices, made it impossible for local contractors to enter the bidding. Large firms, bagged the contracts; in turn however, they sub-contracted and in many cases sub-sub-contracted, ending up with the small local contractors undertaking the job [3]. The question being asked is: what objectives do the World Bank's procedures regulating contractors intend to achieve? If they are quality and transparency, actual practice has made both vulnerable and suspect. The hiring of design and quality control consultants also from a long distance has left local Government Officials puzzled. They point to the fact that these Consultants have recruited fresh engineering graduates who have far less experience than their own officers. It is becoming increasingly clear that unless the comparative advantages of intervenors are clearly identified and established, the reason for recruiting outside consultants will not be clear to Government Officials, resulting in frustration and resentment.

[3]

The procedures governing contracts have been adapted under Phase II to respond to local situations.

8. The agreements did not cover the responsibility of the Government. For example one aspect that the agreements did not cover was the possible delay in starting implementation after people had mobilised their contribution or atleast a major part of it. Delays did occur resulting in people holding back the remaining part, until implementation began and in some cases in withdrawal of their contribution. Though perhaps 'un-thinkable' in a society where the Government has been the provider, a penalty clause could be considered in future. The need for accountability on the part of Government as a crucial factor that builds democratic conventions is not yet adequately recognised. Rural people generally do not pay direct taxes and hence do not have any sense of ownership over funds managed by the Government. When this author asked a member of the Village Committee why he was concerned about how peoples contribution of 30% was managed but did not evince any concern over the Government's share of 70% he replied, "that is the Government's money, not ours". But I insisted, "Government raises its funds from taxes". "I do not pay taxes", he replied.

The need to spell out Government's responsibility and ensure that it is fulfilled on time, is imperative; delays in implementation have resulted in an increase in costs and consequently in the amount people are required to contribute. Delays have also resulted in decisions which have affected transparency. For example, apprehension that people will withdraw their contribution due to delay in implementation has prompted Government in some Districts (Mysore is one) to stipulate that peoples contribution in cash should be transferred to the account with the World Bank Cell of the District. People are understandably agitated over this transaction.

PART 2 . MANAGEMENT AND MAINTENANCE:

On June 20, 1996 and August 23, 1996, the Committee members from nine Village Water and Sanitation Committees (VWSC) were invited by Myrada to start discussion on three topics:

- How to raise resources to maintain the two systems?
- What are the features of a "good" VWSC? ("good", as understood by the group)
- What is the role of the VWSC during implementation?

The people decided to divide into three groups, with each group discussing one topic.

The reports of their discussions are recorded below:

Group 1:

VWSCs from : B.C. Halli
(Drinking Water nearing completion: Sanitation 60% over)
Devanoor
(Drinking Water 20% completed, Sanitation 70% over)
Bherya
(Drinking water and Sanitation 10% completed)

Participants in all 3 Groups : Elected and Nominated members of the VWSC, Executive Engineer and Asst / Engineer of the World Bank Cell, Grama Panchayat Secretary, Zilla Panchayat officials (Chief Sec. and Deputy Secretary), Myrada staff.

Subject discussed: How to raise resources to maintain the systems?

The participants decided on the following income and expenditure pattern:

Sl. No.	PARTICULARS	B.C. HALLI	DEVANDOOR	BHERYA
	Income:			
1.	Deposit for water supply to house	Rs. 500x200 houses Rs. 1,00,000	Rs. 300x300 houses Rs. 90,000	Rs. 500x300 houses Rs. 1,50,000
2.	Interest on Deposit money for water supply @ 12%	Rs. 1,000	Rs. 900	Rs. 1,500
3.	Monthly bill from houses using street taps	Rs. 6 x 400 = Rs. 2,400	Rs. 2 x 400 = Rs. 800	-
4.	Bill for direct water supply to houses	Rs. 12 x 200 = Rs. 2,400	Rs. 10 x 300 = Rs. 3,000	Rs. 10 x 300 = Rs. 3,000
	Total Monthly Income	Rs. 5,800	Rs. 4,700	Rs. 4,500
	Expenditure:			
1.	Electricity Bill	Rs. 4,000	Rs. 3,200	Rs. 1,500
2.	Waterman	Rs. 3 x 400 = Rs. 1,200	Rs. 2 x 600 = Rs. 1,200	Rs. 2 x 600 = Rs. 1,200
3.	Others	Rs. 600	Rs. 300	Rs. 800
	Total Monthly Expenditure	Rs. 5,800	Rs. 4,700	Rs. 3,500
	Balance	Nil	Nil	Rs. 1,000

It is, however interesting to observe that the following items of expenditure were not brought up for discussion; they fall broadly into two categories:

- those related to the maintenance of the sanitation system: for example, the salary for drainage cleaners and the cost of bleaching powder; this does indicate the lower priority given to this programme when compared to drinking water
- those related to major repairs of the pumpset and even to regular minor maintenance requirements.

However, it is anticipated that the regular grant from the Zilla Panchayat towards maintenance of drinking water systems which amounts to approx. Rs. 1.25 lakhs will cover these costs. There is also the question of unpaid bills, which the Gram Panchayat plans to repay if the annual grants from the Z.P. are forthcoming.

One issue that triggered off discussions but is not recorded here as it was raised initially outside the meeting was the one that involved the existing (old) drinking water distribution system for which people had contributed deposits for private connections. People asked that these deposits should be returned by the Z.P. and credited to the maintenance account of the VWSC. The Secretary of the Gram Sabha indicated that these deposits had been utilised for development works. The Engineer from the World Bank cell however advised the VWSC to forward a resolution regarding refunding of these deposits which will be presented before the Govt.

Group 2:

VWSCs from : Kuderu
(Drinking water completed, sanitation 80% over)
Kyathanahalli
(Drinking Water & Sanitation 80% completed)
Kadakola
(Drinking water 50%, Sanitation 60% Completed)

Subject discussed : Features and Roles of a "good" VWSC

The group decided that the following roles and features were necessary for a VWSC to function effectively:

- All elected Gram Panchayat members, as well as village elders and members of all groups should be involved actively in electing the VWSC members, and work together in a spirit of unity and cooperation.
- VWSC members should represent all classes and groups, with priority to the membership of women.
- The elected President and members should have the backing and trust of the villagers
- The VWSC must meet at least once every month
- It must supervise the proper supply of water and the maintenance of the drinking water and sanitation systems.
- It must find lasting solutions to problems at the monthly meetings and ensure that decisions to solve them are taken at the meeting with the participation of all and enforced
- The members should visit regularly all the streets of the village to oversee the standard of maintenance of drainage and water and sanitary systems as well as to hear grievances.
- The members should motivate the villagers to construct and use bath/toilets and to maintain public sanitation
- The VWSC (which includes the elected members to the Grama Panchayat) should have the sole responsibility to collect the water fees

Group 3

VWSCs from	Chandakavadi (Drinking Water and Sanitation completed) Udigala (Drinking Water 70%, sanitation 60% completed) Yelawala (Drinking Water and Sanitation 90% completed)
Subject Discussed :	<u>Roles of the VWSCs during implementation:</u>

The group decided that the VWSC should undertake at least the following roles during implementation:

- To supervise the construction of the drinking water and sanitation systems and to inform the concerned officer if any defects in construction are observed.
(Note: Contracts for the Overhead Tank, main and connected works related to the drinking water system are tendered from Bangalore. In Mysore Dt. the contractor has sub-contracted to village and Taluk level contractors whose work is monitored by engineers of the principal contractor and supervised by engineers of the National Institute of Design whose services are hired for design and supervision. The VWSC does not have any defined role in the implementation of the drinking water system. Implementation of the sanitation system on the other hand is given directly to the VWSC by the World Bank Cell. In turn the VWSC engages contractors. The villagers supervise the quality of the work and redesign the plan to suit the micro situation. There have been instances where people have been dissatisfied with the quality of the work; in most cases the problem has been sorted out, in a few cases the contractor has abandoned the work).
- If the public is found to be hindering the implementation of the sanitation work because the people are not satisfied with the quality or design, the VWSC should take up the matter and sort out the issues instead of allowing the public to take matters into their hands.

- If there are flaws in the construction (for example people have pointed out defects in proportion of cement, in curing and in laying of pipes 3 feet under ground as stipulated), the VWSC should bring these faults to the notice of the concerned official immediately.
- The VWSC should be given first preference to carry out implementation work. (Note: this clause has been included in the sanitation programme but not in the drinking water programme)

The group also discussed the roles of the VWSC:

- The VWSC should meet once a month
- The VWSC should fix water rates and ensure collection
- The VWSC should operate a separate Bank account for this programme; books of accounts should be maintained properly
- Drains should be supervised regularly to ensure that they are clean
- Proper supply of drinking water should be ensured
- The VWSC will pay the electricity bills and salaries of operator, valveman and drainage cleaners on time.
- The VWSC will train the villagers on the need to preserve water and not to waste it
- The VWSC will ensure maintenance of pumps, pipes, water taps and drains and carry out repairs when required.

A case study of three villages follows; it highlights several issues that arose in the process of forming village institutions and provides another perspective on developments at field level.

A CASE STUDY OF THREE VILLAGES

(Drinking Water and Sanitation)

VIDYA RAMACHANDRAN

Programme Officer,

MYRADA

November 1995

Experiences in Implementation :

These experiences relate to Phase I only, since there have been differences in the implementation processes followed in the Pilot Phase, Phase I and Phase II. Two villages (Yelwala and B. Seehally) were interviewed in detail. A third (Kittur) was proposed for detailed interviewing but no person was available despite a confirmed appointment. Hebbal, a village enroute to Kittur, was briefly interviewed since several of the VWSC members were available by the roadside. Some interactions were also possible with the World Bank Cell.

- Village Selection:** It was difficult to get an exact idea of all the considerations that had influenced village selection. Technically, all the selected villages qualify since water availability is less than 40 L.P.C.D. (litre per capita). However, in some villages (eg. Kittur, Hebbal) this is not seen as a major problem since flow irrigation facilities exist and the canal water is made use of for washing, bathing and a variety of other purposes. Therefore, the dependence on potable water systems is reduced to that extent. Therefore, village co-operation (particularly with regard to making 30% contribution to the

The ES component, particularly drainage, is taken up only as an accompaniment to the OHT since increased water availability will result in increased water use and therefore, increased waste water that has to be drained. Where hamlets are large and also qualify for OHTs the ES component will extend to the hamlet. However, contributions to the ES component can come from any part of the operational unit (i.e. village + hamlets).

sanitation component) is not forthcoming. Hamlets may not be similarly well endowed, but it is the main village that has the 'deciding vote' since that is where the overhead tank (OHT) will be located and the major sanitation component taken up.

At the end of 2 years of efforts to mobilise village cooperation, Kittur and Hebbal have shown little progress. There are clear pointers that they are not interested in the programme. In Kittur, no one was available for comment despite a confirmed appointment. In Hebbal, a request was made to the people present to state their stand in writing. Response: "You did not ask for it in writing that we wanted to be involved. Now why should we give it to you in writing that we do not want the programme? We will still take it if it comes free not if we have to make contributions." This situation is anticipated in a few other villages also. In Somanathpur (not interviewed) the comment was, "You are offering food to people who have already eaten well. How can you expect them to pay for food which they are too full to eat?" Contributions were a problem here too, but it appears now to have become a prestige issue not to 'lose' the programme so cash contributions have started coming in. The following general observations can be made:-

- * If present water needs are fulfilled, projected water needs by 2011 A.D. do not appear to be a strong enough argument to mobilise peoples participation
- * The 40/70 LPCD argument does not make good sense to the people in villages where plentiful, though non-potable, water sources exist. Water availability *per se* rather than water potability is what matters to most people since where canals *revers* etc., exist, the water is regarded by them as adequate to meet most of their needs.
- * "Losing the programme that is knocking on your doors" appears to be a tool that has been used quite effectively to ensure that as many selected village as possible do indeed cooperate in the programme.

* The possibility of 'dropping' a non-cooperative village (or the possibility of non-cooperation itself) was not considered at the time of starting Phase I. It is now an issue under discussion. Under Phase I, even if cancellations are allowed is not likely that they will be replaced. In Phase II, the issue of replacements is also to be considered.

- b) **Role of PRA** : In Phase I the PRA exercise was undertaken long after the implementation plan was finalised. In Phase II PRA is being used more appropriately to assist in the planning process itself. The role of PRA has been significant in the following ways:

- It has helped people to understand the programme in totality.
- In Yelwala, the PRA took place after the implementation plan (Engineering Study Report) was already finalised. It was held on the 27th and 28th September 1993. The PRA findings had major repercussions on the programme. Population which was earlier put at 2642 (excluding hamlets) and projected as 3600 by the year 2011 was now found through PRA to be 6234 already. This called for the addition of one more OHT of 100,000 ltrs., capacity which was earlier not planned since the village already had 2 OHTs. Similarly, the design of drains, length of drains and disposal points at the end points of drains were all modified.

Similar examples can be cited from other villages also.

Nevertheless, in Phase I, PRA largely was a formality that had to be completed. In Phase II, it is planned to be used much more in the planning process itself. Between the drawing up of a draft plan (Conceptional Design Report or CDR) and making the final plan (Engineering Study Report or ESR) will be the PRA exercise which will influence the shape of the ESR.

- c) **VWSC Formation** : As mentioned earlier, a Grama Sabha is called in each village at which the VWSC members are chosen. The VWSC had already been formed in the Phase I villages before the Panchayat elections were held. Subsequently, all Panchayat members were automatically absorbed into the VWSCs. In Yelwala, (as in most other villages) the Panchayat President (a woman) demanded and secured the position of VWSC President. In B. Seehally, the President continues to be a non-elected person who enjoys a high status in the community because according to people:-

- He is a medical doctor,
- His father was the village chairman for many years.
- He provides employment to the local people.
- He has donated significantly to village Programmes.
- He is seen as a good and fair-minded individual.

The VWSCs are fairly large (31 members at Yelwala, 18 at B. Seehally) though all members do not share the same level of interest to participate actively.

Is there a need for a separate VWSC now that the Grama Panchayats are in position and all members are automatically in the VWSC? Responses at village level were mixed, but tended to distinguish between the planning and implementation phases where the VWSC was seen as being necessary and useful, and the follow up and maintenance phase, which needed a more or less permanent system and could best be left to the Panchayat.

This view point suggests that the VWSC is viewed as a temporary body until the works are completed. Nevertheless, it is necessary because:

- The Panchayat may not represent all castes, interest groups, colonies, hamlets, etc.

- There are motivated and able persons respected by the community who are not interested in contesting Panchayat elections, but are willing to serve on the VWSCs

- The VWSC is a non-political body. No doubt political interests are represented on it, but so are other interests.

Should all Panchayat members have ex-officio status on VWSCs? The view seems to be in favour, because the Panchayat has many powers the VWSC does not have and the presence of the full Panchayat on the VWSC can ensure the power of the Panchayat behind the VWSC.

d) **The Role of Women:**

- The grama sabhas are almost always all male. Therefore, most of the non-elected nominees to the VWSCs are men. The women most commonly represented on VWSCs are those who have been elected to the Panchayats and therefore have automatic representation on the VWSCs. The few non-elected women represented on the VWSCs are those co-opted in order to fulfill the mandatory obligation of providing 33% representation to women.

- The presence of women at PRAs is found to be minimal; they are more as non-participant observers rather than persons contributing to/influencing the planning process. This points to the need for a more concerted effort to involve women in active roles. Will this have a significantly more positive impact on the programme? Potentially, yes. In actual fact, there are no ready examples to quote from. It is being suggested that in atleast 2-3 villages of Phase II the VWSC should be composed entirely of Women (barring the men

elected to the Panchayat who therefore, are automatically on the VWSC). The Panchayat and VWSC President at Yelwala (a woman) expressed that women could possibly succeed where men had failed, particularly in mobilising contributions if they went on a door-to-door mobilisation ("begging for funds") campaign. This would also give them a greater edge in planning the programme to meet their needs better.

- a) **Community Contributions** : This has been the most interesting aspect of the programme from the point of view of how it has been variously managed. As earlier stated, drinking water systems are to be established free of cost but the environmental sanitation (ES) component (composed of drains washing platforms, bathing cubicles, dust bins and cattle troughs) requires 30% of the costs to be mobilised from the public. In addition, the usual Government rates apply for getting household water tap connections; lavatories are obtainable under a separately subsidised Government scheme.

There is apparently no ceiling on the amount that a revenue village can ask towards the ES component provided 30% of the amount is raised from the public.

As a matter of policy a revenue village selected under this IRWS and ES project cannot additionally be supported from other schemes of the Zilla Parishad that offer 100% grants for sanitation programmes.

The ES component appears to be low in the list of peoples priorities. Contributions are a problem but for the fact that the water supply works will not begin until the ES contributions are mobilised. Would it not have been better to stipulate the condition of contribution with the water supply component instead of the ES component? The Government said perhaps, but it was against the State's policy to do so. The interviewed villages said it made no difference whether they paid for one or the other; as far as they were concerned, the bottom line was that they had to part with some of their money. Even when they paid for the ES component, in their minds they were doing so only for the sake of water.

The 30% portion becomes larger with every increase in the cost of executing the ES component. Eg. in Yelwala the cost was originally estimated at Rs. 755,000/-. It was later revised to Rs. 1,100,000/- to incorporate some of the works that had been left out of the original plan. A second revision has now pegged it at Rs. 1,650,000/- and it is against the last mentioned figure that contributions are being collected.

How are contributions collected?

Yelwala : The Panchayat has used its authority to the utmost. No individual donations were coming in, not even from the Panchayat and VWSC members. The Panchayat had 180 sites to sell. It insisted that each person buying a site had to pay an additional amount Rs. 600/- towards the IRWS and ES programme. Receipts were issued for these donations. Families who wanted their names to be registered for individual tap connections had to pay Rs. 100/- over and above the Government rate as donation. Touring cinemas and locally operating factories had to pay Rs. 5,000/- and above as donations in order to get their licenses renewed. As on 31.01.1995, Rs. 350,000/- had been collected. At the time of this interview the committee members said that they were trying to explore a few more similar sources, but since most of their options had already been exhausted the women members of the Panchayat were considering going on a house-to-house campaign. They needed to raise a total of Rs. 500,000/- but were not very sure when this target would be reached. Yelwala has undertaken to raise its full contribution in cash only.

B. Seehally : The President of the VWSC set the ball rolling by making a personal contribution of Rs. 10,000/-. A political rival followed with a contribution of Rs. 5,000/-. A few more similar contributions followed. Thereafter, there was a discussion that each household should make a per capita contribution of a certain amount depending on the number of members in each household. This did not happen. Instead, the committee did an informal wealth ranking exercise and decided the amounts to be contributed by each household

depending on their economic status. This was accepted by the village and contributions have started coming in accordingly. Since the VWSC president's wife is an elected member of the Zilla Parishad, she managed to get a grant from the Zilla Parishad for a part of the drains (contrary to the existing official policy) thereby ensuring that the World Bank supported ES component budget remained within manageable limits. Since contributions from individuals were inadequate, donations from touring cinemas and local factories are also being collected. The local milk society has an of Rs. 100,000/- and it has been decided that Rs. 10,000/- of this will be a contribution to the programme. Of the total estimated cost of Rs. 1,030,000/- B. Seehally has to mobilize a local contribution of Rs. 300,000/- of which it has agreed that Rs. 46,000/- will be in material, Rs. 31,000/- in labour and Rs. 223,000/- in cash. As on 31.10.1995, a cash contribution of Rs. 140,000/- had been deposited in the bank. Labour and material contributions could not be ascertained at the time of the interview.

Kittur : At the time of the visit only Rs. 100/- had been collected out of the expected contribution of Rs. 180,000/- This was the amount contributed by one individual towards opening the bank account. The committee did undertake an informal wealth ranking exercise to fix the amount to be contributed by each family. The first prominent citizen to be contacted pointed to the tap in his yard and said he had no water problem, so he did not see any reason to contribute. With this, the committee gave up its attempt to seek contributions. The committee also made a suggestion that contributions could be mobilized from the hamlets and after the OHT was constructed in Kittur the hamlets could be given a pipeline connection. The ES works would include both Kittur and the hamlets. This suggestion was neither technically feasible or acceptable to the hamlets. The Kittur committee has informally expressed that it is better to drop the project unless the contribution condition is waived. Since no one from Kittur was available for discussion, the above information was obtained from the Project Staff.

Hebbal : Discussions were brief and held on the roadside. The committee members said that each of the 4 main caste groups in the village had a fund from which they had agreed to contribute to the programme since house-to house collections had been rejected by the people. However, they subsequently used up these funds towards some local (milk society) elections. Now they had nothing to give. They apologized to the Project Staff for the two years of motivation work put in and suggested that they remain friends but not to raise the subject of local contributions again. They were willing to do the programme if it came free, not otherwise. Hebbal has flow irrigation facilities and does not perceive any major drinking water need. The Project Staff, are not willing to give up Hebbal as a " bad job " and plan to persist in their efforts to mobilise contributions. This kind of persistence and refusal to give up has been characteristic of the project upto now. All the people interviewed were unanimously of the opinion that only the persistence of the NGO had secured their willingness to participate in the programme. " Nobody had ever approached us again and again to be subjected to our indifference or even our abuse. We couldn't understand how he (staff member) kept coming back "

Besides the above villages the situation in of other villages was also discussed with the project staff. The conclusions that can be drawn are :

1. Where drinking water is not a major problem contributions have been difficult to raise for the ES component.
2. Dynamic leadership and personal commitment to the programme by the VWSC members have played a major role in securing contributions.
3. The power of the Panchayath has been used imaginatively in such villages where leadership has been active.
4. In several villages the Panchayaths are seeing a political gain in pursuing this programme, since it is unlikely that so much money can be mobilised for their villages from any other sources. At the same time it has been possible to neutralize their political detractors by including them in the VWSC and making it a VWSC programme rather than a Panchayath Programme.
5. A major point of irritation has been the long delay between announcing the programme, preparing the estimates and its actual implementation. This demotivated people, raised doubts in their minds, resulted in cost escalations and consequently, an increase in the amount to be raised as contribution. Several committee members complained that they could not deal with these cost revisions if it meant going back again and again to the people for more contributions.
6. Where contributions are concerned innovation has been the buzzword. Suggestions have ranged from "Why don't you do 70% of the work and leave the remaining 30%?" to "why don't you estimate the value of the drains we already have and set it off against the contributions we have to make?" to a simple "why don't you do something and bring the cost down?"

7. In villages where contributions have been collected, it is not very apparent that the people feel a greater sense of ownership of the programme. It is (perhaps) even less so in villages like Yelwala where no house-to-house contributions have been raised as against B. Seehally and other villages where every family has (is expected to) contribute. The Project Staff feel that house-to-house contributions are the only real contributions; the committees agree in theory but opt for easier options wherever they are available.

- f. **Implementation:** As per the original plan, none of the works could begin until the cash contribution agreed to was actually collected and deposited in the bank. However, the expected levels of contribution did not flow in as anticipated. In order to deal with demotivation and doubts of the people who had already contributed, and to avoid cost escalations due to further delays in implementation, the Mysore District authorities modified their stand as follows:

If half the expected cash contributions were actually collected and deposited in the bank, then the ES works could begin.

The contract for water supply works is given directly by the Government to an agency of its choice (based on standard selection procedures for award of contracts for civil works). This agency has subcontracted others for the actual execution of works.

The VWSC is the contractor for the ES component, and it is within the power of the VWSC to allocate work to people of its choice. In Yelwala, where there is a good amount of work to be done, the VWSC has distributed the work to 8 agents. It did not appear that political considerations dictated this decision; rather the VWSC said it had worked to the advantage of the village since work was proceeding at a fast pace and each contractor competed with the other to do quality work.

In B. Seehally the work was given to a person from a neighboring area who has been executing civil works for the village for over a decade. He is acceptable to the whole community and despite the fact that he is a 'big man' ('he owns a road roller') he is present in the village regularly, deals with people sympathetically, helps to raise local contributions, and arbitrates in disputes that arise when drains have to reclaim and run through encroached or private lands.

The ES works are regularly supervised by the more active VWSC members and even by non members (eg. B. Seehally). The ES component is regularly reviewed by the VWSC at its meetings.

In B. Seehally (and several other villages) the path of the drains has sometimes been across private (encroached) property. The drains laid during the day have been destroyed at night by angry families, increasing the costs to the contractors who have to start again the next day. Sometimes walls have had to be knocked down. There is no set pattern for sorting those disputes. Each has been tackled on a case-by-case basis by the VWSC. No cash compensations have been paid, though some minor repair works to broken walls have been made.

The only (anticipated) Catch 22 situation with regard to implementation again relates to public contribution. No village has raised the full 30%, yet both sanitation and water supply works have started in several villages. What if the full 30%, never comes? The contingency plan is to stop the ES works at some point until more public funds are raised. However, the water supply works must go on since that is a separate contract awarded directly by the Government and any postponement will only result in further cost escalation. Nobody is sure if the people will retain an interest in the ES Programme once the water supply system is in place.

- f. **Management:** As per the plan responsibility for the ongoing maintenance and management of the water supply and

drainage systems is vested in the VWSCs. However, both Yelwal and B. Seehally pointed out that there were several problems with this. According to them, the Panchayath is best suited to do this job.

1. The VWSC is a private body and will be charged higher rates for electricity.
2. The VWSC is a private body and, therefore, the Government can easily cut off electric supply to the water system if electricity dues are not paid. Yelwala already has accumulated dues in unpaid electricity bills of over Rs. 400,000/-. If the system is managed by the Panchayath, electricity cannot be cut off so easily.
3. Water charges have to be collected each month from both standpost users and household tap connections. The Panchayath already employs a Bill Collector who can combine this work with his other collection responsibilities. The VWSC, on the other hand, has to employ a person to do this job, thereby incurring additional expense. Besides, people can dodge paying private bodies whereas it is not so easy to dodge the Panchayath whose power extends to a lot of other areas as well.
4. The Panchayath already employs sweepers to clean the village. Though the VWSC is also empowered to employ sweepers, it is an expense that can be avoided if the management is vested in the Panchayath since the existing sweepers can themselves clean the drains.
5. The Panchayath can more readily summon the concerned Government Departments to attend to repairs, etc. Though, in theory, the VWSC is also vested with the necessary authority to invoke the assistance of the Government, in practice, it is anticipated that it will be more difficult for the VWSC to get the needed response.

6. The VWSC has to depend on water revenues only in order to pay sweepers, collectors, and for other expenses that may arise from time to time. The Panchayath has other revenues that it may employ at its discretion to meet such expenses.

It is appropriate to point out that at this time the Project Staff believe there is little difference between the VWSC and the Panchayath. The VWSC is regarded as "an extended arm of the Panchayath". The people, on the other hand, perceive a clear difference between the two. "The VWSC is powerful only because the full Panchayath is represented on it. Take away the VWSC from the Panchayath and you still have a powerful Panchayath. Take away the Panchayath from the VWSC and what do you have?" All the above arguments are very valid and merit attention. The question of management has to be seriously and thoroughly discussed before the systems are handed over to either body to manage.

At the end of the day, the issues that offer food for thought are:

1. Contributions for water supply vs. contributions for sanitation, which has more motivational appeal? What accounts for motivation and how can it be enhanced in all cases?
2. Planning for projected water needs where current needs are close to being fulfilled vs. planning for current needs in water-scarce villages and including projected needs in the plan; a system of ranking that can establish priorities more clearly and objectively.
3. Planning based on water potability (even for other than drinking or cooking purposes) vs. planning based on water availability and actual potable water needs; the latter ignores the health implications of using unsafe water for washing, etc. but has implications for the success rate in mobilising public contributions.

4. Raising house-to-house contributions vs. accepting the use of any means to raise public contributions; does one have any special merit over the other in investing people with an actual sense of ownership of the programme?
5. Initiating works even before full contributions are collected vs. doing so even if a part is collected: cost escalations on a c-count of delays in implementation have to be averted and at the same time full contributions have to be secured.
6. Defining "co-operation" and specifying a time limit for villages to co-operate or be dropped from the programme in favour of other villages.
7. Management by the Panchayath vs. management by the VWSC.

The experiences in Mysore District have shown that the better decisions have been those that have been influenced by practical rather than ideological considerations.

THE PERCEPTIONS OF NGOS INVOLVED WITH MULTILATERAL/BILATERAL PROJECTS

This last chapter broadens the canvas to include the perceptions of several NGOs who have begun to work with the Government in the context of Multilateral/Bilateral Projects since 1991. These perceptions are related to 3 relationships:

1. The relationship between the Multilateral / Bilateral Agency and the Government
2. The relationship between the Government and the NGOs
3. The relationship between the Multilateral/ Bilateral Agency and the NGOs.

1. The relationship between Multilateral / Bilateral agencies and the Government:

The experience of MYRADA as well as of several other NGOs involved in Multilateral/Bilateral (M/B) projects indicates that the M/B agency and Government have far more features in common than NGOs have with them. As a result, the relationships between the M/B agency and the Government are subject to far less stress, than those between the NGOs and these two organisations. It may be useful to identify the features that NGOs find common between these two intervenors, especially the ones that are seen to be more significant, and to assess whether they inhibit or support the growth of relationships among all the intervenors and a synergy in the collaborative interventions. These features and their impact on the project are seen through NGOs' eyes and therefore reflect the NGOs' perceptions; they are incomplete, and will be considered biased, but need to be taken into account in initiatives to improve the effectiveness of this collaborative model of intervention in development strategy.

As perceived by NGOs, this relationship between M/B agencies and the Government is based on the influenced by the following major features:

In terms of Linkages :

- * there is a direct communication link between the two; (while the M/B agency is expected to communicate with the NGO only through the Government.)
- * there is a long tradition of working together; in many cases, personal relationships have developed which add an element of trust; (the NGO is a new entrant and does not usually enjoy these relationships);
- * important negotiations between them and documents are restricted and unavailable to the NGOs involved;
- * both work within the context of sovereign agreements; this places their relationship in a particular project within the broader context which could well include mutual overarching interests that tend to dominate the relationship in a particular project and, at times, even divert it from achieving its objective; (in none of the five projects analysed did MYRADA have agreements with both Government and the M/B agency; it was only in the late '80s that Governments began entering into agreements with the NGOs which enabled both parties to define their respective roles and to be accountable);
- * the Government is the client of the Multilateral/Bilateral agency; the client claims ownership of the project based partly on its obligation to repay the loan; ownership is often extended to the right to exclude or include other intervenors. (The official position, though often unexpressed, is that the NGO has no right to intervene since it has no obligation to repay.)

In terms of a stake :

- * both (Govt. and MB) have an indirect financial stake in the project; both are aware that recoveries will not be generated directly from the

project but from elsewhere. This often leads the borrowing Government to adopt an approach which is inspired more by the political capital which can be derived from investments in a particular constituency than by concern for productive and sustained impact. (The inclusion of several villages in the World Bank Drinking Water Project which already had an adequate supply, is an example; their refusal to contribute however provided an opening for these villages to be excluded; it also created problems for the NGO involved, since they were "political" choices in the first place);

- * the M/B agency usually works on the assumption that there will be incremental commitment to the objectives that involve sustainability and equity. The Government is comfortable with this approach. The reality is that this approach allows the level of commitment to these two objectives to diminish, once the agreement launching the project is signed. Thereafter, the pressure to disburse funds and to achieve targets drives the implementation process. (Since the NGOs give the objectives of sustainability and equity priority, conflicts arise).
- * neither the M/B agency or the Government has a major stake in the involvement of NGOs and peoples institutions throughout the project cycle from identification of the project to maintenance of the asset and impact. Yet this factor is critical for a collaborative intervention strategy to be effective in terms of sustainability.
- * both have staff who have no personal stake in the sustainability of the project impact; they move on long before impact can be assessed. This is particularly true of the borrowing Government; most of the five projects analysed here have had four to five directors within the project's life; as a result, it is quarterly targets achieved in terms of funds spent and beneficiaries targeted that become the major indicators of performance; (NGO staff usually stay on in the area for longer periods and have to live with the consequences of distortions resulting from decisions taken under political compulsions and short term interests).

In terms of operational strategies :

- * both M/B agencies and Government staff feel comfortable with a directive style of functioning; they are not accustomed to a consultative style which NGOs promote.
- * both have staff who are accustomed to identify, plan, budget and implement projects for the people; they are both accustomed to delivering goods and services and to hire or contract turnkey operators who continue to do the same; participatory processes involving peoples decisions in project budgeting and implementation are new approaches which do not fit well into their planning methods, procedures for operations, procurement and disbursement and with their perception of order;
- * both are uncomfortable with informal institutions or peoples' groups and view them as transitory institutions. As a result one of the major concerns of officials is to formalise these institutions and/or to absorb them into large recognised societies. (NGOs are aware that peoples institutions operate far more transparently even though they are not registered. Many refuse registration because it makes them vulnerable to harassment by petty officials. Even the RBI and NABARD have accepted the legitimacy of informal Self Help Groups which are not registered).
- * similarly, both the M/B agencies and Government tend to consider traditional technical skills and structures as backward, of low value and productivity and to be replaced. On the other hand NGOs recognise traditional institutions and skills, place a monetary value on them and build on them. [There is, however, a noticeable change in the approach of several M/B Agencies towards placing a value on traditional skills and structures.]
- * the relationship is sustained by the assurance that both parties are represented at all meetings prior to project approval and on all follow up committees; together they set the agenda and the pace. (The experience of NGOs is that they are

included in meetings where only narrow issues regarding NGO involvement are discussed and not in meetings where the project and sector policy matters are on the agenda; this severely diminishes the effectiveness of their intervention).

- * both operate according to established rules and procedures which are standardised across regions; but local conditions vary. Neither actively fosters change; both find it difficult to be flexible enough to respond readily to change and to cope with conflict which results from change without becoming defensive. There are, of course, exceptions, but these depend almost entirely on the leadership; it is "back to usual" when such leaders are transferred and replaced by others who do not measure up to the situation.
- * administrative systems in Government are geared to monitoring the delivery of goods and services and do not give value or priority to capacity and institution building. (Staff of some M/B agencies however are increasingly placing greater value on institution and capacity building, but their financial and administrative systems have not yet translated this value into indicators that carry weight at decision making levels).

2. The Relationship between Government and NGOs :

This side of the triangle is perhaps the weakest since the common features between Government and NGOs are few when compared to the number between Government and the Multilateral or Bilateral Agency.

The officials who represent Government work at three levels:

Level A includes officers of the IAS and IFS (1) cadres and senior representatives of the Government.

Level B covers all those who consider visits to the field as part of their supervisory role but where field tours (defined as actual interaction with villagers and not with officials) do not take up more than a fraction of their time; and

(1) IAS : Indian Administration Services
IFS : Indian Forestry Services

Level C includes all those who consider interaction with people as their main role.

NGO experience indicates that there are several Level A officers with certain skills, which could be described as entrepreneurial, such as the ability to listen and learn and to function in a situation that is continuously evolving; they are willing to take calculated risks and quick decisions; many have experience in working with NGOs. Where such officers led the Government intervention, the synergy grew between Government and NGOs and provided excellent support to the staff of both institutions as well as to the people; it also created a conducive working situation. Meetings chaired by such officers were not restricted to administrative and financial matters, but covered development strategies and searched for ways to forge all the intervenors into an effective team. Such officers were also willing to support the emergence of people's institutions and to give them representation in project meetings, as in the micro watershed project in Gulbarga. The Western Ghats Forestry and Dharmapuri Projects also had similar experiences. Officers at this level however, generally do not have tenures over two years. Unfortunately, the qualities described here were not shared equally by all incumbents which subjected the collaboration to a degree of uncertainty.

The willingness and ability to take risks and decisions at Level B diminish sharply. Officials at this level normally have longer tenures than their superiors and are reluctant to take innovative decisions that do not conform to rules and procedures since they may not be appreciated later by a new boss. By and large, officials at this level are uncomfortable with NGOs; this results in a lack of mutual trust. Some have had previous and limited experience with NGOs, where, as it often happens, only the negative features or a few failures have influenced their opinions. These impressions were strengthened by their experience of some NGOs who did not give adequate importance to regular reporting, to attendance at meetings called by the Government and to financial management. NGOs are even viewed in some projects as potential threats to their interests since NGOs often have direct access to their superiors;

besides, NGOs generally tend to be sympathetic to complaints from people about the lack of response and the style of functioning of these officials often without verifying their genuineness. The performance of officials at this level is also hindered by the distance of the project site from their homes and the lack of transport, which often is not a constraint with NGOs. In many cases they were not involved in the initial stages of the project cycle and were sometimes even expected to implement plans drawn up with people's participation while they themselves remained marginalised. They often resent their superiors' rapport with NGOs who are free to talk at meetings and whom, many feel enjoy a privileged position. Officials at this level have no major stake in achieving the objectives of the project. Their involvement is conditioned mainly by administrative demands to meet short term targets related to expenditure and beneficiaries. It is obvious that these features do not forge a sound basis for healthy and constructive relationships.

On some occasions, NGO staff (including MYRADA's) have contributed towards strengthening these negative images by their inexperience and enthusiasm. MYRADA on its part has taken several steps to change these perceptions, though not always successfully. To begin with MYRADA staff ensured that all officers at this level, who had some responsibility in the project, would be included in the participatory exercises that were initiated with the people during project identification and planning. In Gulbarga they were included even in the evaluation team that adopted a participatory evaluation methodology. Informal meetings were organised on MYRADA's premises and an "open house" policy was adopted where officials were welcome to drop in when ever they were around. Transport was provided to staff who had to visit areas where no public transport reached. Care was taken to question rumours. Officials were encouraged to talk at meetings, to express their opinions, and if they continued to be reluctant, to allow MYRADA staff to express them on their behalf. Differences in strategies were discussed at regular meetings and not left till a crisis developed.

Government staff at Level C whose major role is to interface with people normally relate well with NGO field staff. They are

often provided with some degree of support in terms of transport, stay and in achieving targets under various programmes. Staff of this level, however, have little opportunity to upgrade their skills; besides there is no space for them to even consider innovative strategies given the organisational culture that prevails in Government Departments. MYRADA has attempted to provide training and exposure to staff at this level, particularly in the Western Ghats Project; the response has been encouraging. For most of the participants, inservice training was a first and refreshing experience. Over 30% of the Foresters in the District covered by the Project changed their approach to people; they were able to conduct participatory planning exercises and foster the growth of peoples institutions, though to a limited extent. However, the support required from the organisation to carry forward participatory intervention strategies at field level is still inadequate. Decentralisation and empowerment off front line staff to enable them to respond to changing situations is still far away. The high levels of transparency and mutual trust required within the organisation to support such strategies in the field staff have still to be achieved. While many of the field staff who have participated in the training and exposure sessions have acquired the skills of communication and the ability to conduct participatory techniques and exercises mainly for planning village level programmes, they have not been able to move further to acquire the space and the skills to analyse relations between various groups in society which to a large extent condition the present status of people, and to initiate action that will change policy and practice that are biased against the poor and marginalised sectors.

In general, however, there are certain negative perceptions at all levels of Government that do not contribute towards strengthening the relationship with NGOs though the number of officials supporting this collaboration has increased significantly. For example, there are certain sections in Government who cannot understand why NGOs should receive funds, especially when they are scarce. Government officials, in general, are not accustomed to competition and questioning which emerge in their dealings with NGOs and people's groups. It was difficult, for example, for officials to accept that people's budgets for watershed structures

were lower than official ones. Many are unsure how to deal with people's groups and initiatives which they feel are best left to politicians. MYRADA did not have the experience initially to overcome these obstacles; besides, many of its staff in these projects were new recruits who had to be re-oriented to MYRADA's Mission and approach; they were also younger than most officials, and in a society where wisdom is associated with age, it is difficult for seniors to accept that the juniors can create a learning situation. Gradually, as participatory methods were developed and adapted to each situation, as the value of peoples' institutions was recognised, and as staff grew in experience, many of these obstacles were reduced. On its part, MYRADA did not anticipate many of the problems; it did not give adequate importance to systematic and regular analysis by all intervenors of the development process. Like many NGOs, MYRADA staff too made claims which were not rigorously confirmed and openly discussed. One irritant to NGO-Government relations, which officials find difficult to cope with, is the 'Halo' which NGOs tend to claim. MYRADA suffers from this 'Halo' too; and while proud to possess it, MYRADA did not always ensure that it was not used as an excuse to avoid the basic requirements of good administration like reports, accounts and attendance at meetings which an NGO needs to comply with, if it wants to establish a sound working relationship with Government.

The features of MYRADA which were recognised by Government officials with which they were comfortable and could relate with were the following:

- * MYRADA's Board is composed largely of senior retired Government officers who are widely respected for their integrity, capabilities, experience and dedication to duty, and of a politician with a reputation for integrity and service;
- * MYRADA adopts systems and procedures in finance and project management with which Government is familiar and comfortable;
- * MYRADA keeps at a distance from party politics and maintains a secular image; both features make it easier for Government officials to involve MYRADA;

- * Though it did not agree with Government on many occasions, MYRADA did not adopt a position that made dialogue difficult or Government defensive, but sought to work out solutions in the field to prove its point. This approach avoided a situation where one party had to lose face and strengthened the hands of those in Government who had agreed with MYRADA's position, but needed evidence to win support from others;
- * MYRADA's staff were able to relate with Government officials at all three levels; they were members of Committees at State and Central levels; this enabled MYRADA to cultivate a broad spectrum of relationships with Government and to relate with Government even outside the context of a particular project where operational pressures influenced the relationship and sometimes even distorted it; this network of contacts created an enabling environment for MYRADA's involvement in a particular project.
- * Government is aware that MYRADA can mobilise resources to fill in gaps in the programme.
- * MYRADA's Head Office is situated in Bangalore, the State Capital; Government can easily identify it and communication is easy.
- * MYRADA has a large field operation particularly in Karnataka where it has projects in 8 Districts. The 15 projects it manages cover over one million rural poor directly.
- * There is a degree of commonality of interests between the following:
 - local politicians and MYRADA; they often lobby for the project area to cover their constituency;
 - Senior Government officers and MYRADA who believed that MYRADA can implement anti-poverty programmes effectively than Government departments;
 - Government field level staff who often find support and encouragement from MYRADA project staff.

3 Relationship between the Multilateral/Bilateral Agency and the NGOs :

In terms of Linkages

- * In a few cases, experience of previous collaborations which were positive helped to build relations of trust in a particular project. NGOs who enter into this relationship for the first time have to make a special effort to understand the demands of a triangular collaborative intervention; many need support in this area; MYRADA (among others) is willing to provide this support.
- * A few of the M/B agencies have the space and the willingness to relate with NGOs not as contractors but as partners. For eg. SDC[1] and CIDA [2] worked in partnership with MYRADA; they supported its mission and strategy though they did not sign any formal MOU with the organisation. The individual projects they fund are expressions of this partnership with the organisation. They confirmed this partnership by supporting programmes that helped to build the organisation; their support, for example, for the corporate concerns of MYRADA like capacity building of staff, was crucial for the growth and sustainability of the organisation; it enabled MYRADA to respond to changing situations both outside and in the organisation, without compromising its mission and over stretching its resources. These two bilaterals also placed full time programme staff who worked together with MYRADA staff on the project with which they collaborated as well as at headquarters; this made feedback and decision making more transparent and timely, resulting in more effective intervention. Relationships are placed on a firm footing when the M/B and Government ensures that the NGO selected has the experience and / or the potential to work with government, is transparent in its operations and is committed to the output required to achieve the project's objectives.

[1] SDC : Swiss Development Cooperation.
[2] CIDA : Canadian International Development Agency

In terms of a stake

- * The M/B agency has a stake in the success of the NGO's intervention, since in most cases it takes the initiative to involve NGOs in the project, often against the prevailing opinion which does not welcome NGO participation or cannot identify what value it could add.
- * Some NGOs, on their part, have a stake in strengthening this relationship since it often finds that the M/B agency supports their concerns especially as regards sustainability of impact based on the participation of people throughout the project cycle and on the growth of peoples institutions. MYRADA's stake with reference to some M/B agencies is even larger, as the success or failure of the relationship in a particular project has an impact on the partnership which has broader implications.

- * Senior staff of both organisations (M/B Agencies and NGOs) have terms in office which are long enough for them to experience the impact of their decisions; this gives them a greater sense of accountability than Senior staff of Government whose terms are relatively short.
- * Performance appraisals are far more related to actual achievements in these two organisations than in the Government where annual increments and promotions have become matters of right, unrelated to performance at most levels.

In terms of Operational Strategies

- * All the M/B agencies support participative strategies, though commitment to participation throughout the project cycle among the M/B agencies varies; with some M/B agencies the interpretation of what participation means in the field becomes increasingly restricted as one moves from staff who relate with the field towards the centre and as the project cycle moves from planning to implementation. Where the M/B agency places full time staff in the field like SDC and CIDA they were able to cope with emerging situations which required that the people take the lead, with variety and innovation; as a result these M/B agencies tend to give value to traditional skills and to the growth of peoples' institutions; they do not treat these institutions as temporary aberrations that must be tolerated till formal institutions are established.
- * There is greater willingness among M/B agencies when compared to Government, to share information related to operations with NGOs.

These experiences suggest that those who take the initiative to involve NGOs in projects with Government whether they are senior staff of Government or of the Multilateral/Bilateral Agency need to realise that their objective is far from achieved by finalising an

agreement between Government and the NGOs. They need to take steps to change policy and practice atleast in the following areas so that the obstacles to this relationship functioning in a way that raises the quality of impact are reduced or removed:

- * apart from one or two documents which are sensitive, there should be an understanding that all others will be shared with the NGOs involved; trust begets trust. The Government should also agree to invite NGOs to participate in discussions related to the entire project as well as to policy covering the project in question and not to restrict NGOs to meetings where only NGO matters are discussed. This would add value to NGO involvement and give NGOs an opportunity to demonstrate new approaches at the higher levels of Government and to offer them as learning situations, which, if successful, contribute far more towards changing policy than hours of arguments and advocacy. The current practice in some departments of excluding NGOs from discussions between Government and the Multilateral/Bilateral Agency while ensuring that Government officials are present at meetings between the NGO and the Multilateral/Bilateral Agency needs to be changed.
- * indicators of performance should be established together with Government, NGOs and the people and agreed to by all staff involved before the project starts. This will give an opportunity to the NGO to include indicators that cover capacity building and the growth of peoples' institutions. Performance indicators should also include the opportunities and support provided to the people to include their indicators which relate to their priorities in terms of a strategy. The degree to the people to include their indicators which relate to their performance indicators should also include the opportunity ties and support provided. Priorities in terms of a strategy. The degree of peoples access to and control of resources and self propelled interventions in their area never figure as indicators of performance. Left to itself, Government (and even several NGOs as experienced in the Dharmapuri project) will focus, under pressure, on indicators that cover targets related to funds spent and beneficiaries and area covered.

the Government, Multilateral/Bilateral Agency and the NGO must agree that the major goal of their interventions is to make people the Fourth partner. This requires that the following objectives are expressed clearly, that the strategies to achieve them are accepted by all, that all intervenors have, or try to, acquire the skills, attitudes and organisational support necessary to implement or support these strategies and that agreements are entered into where possible to provide a firm basis for collaborative endeavour to achieve this goal. The objectives referred to are the following:

- that the people and staff at all levels among the intervenors are involved in identifying the need for the project and the nature of the investment from the beginning of the project cycle before planning begins;
- that the long term objective of the investment is sustained impact; increased productivity and higher levels of equity achieved in the short term are not adequate;
- that the intervention strategy fosters appropriate peoples institutions since they provide the necessary support systems to achieve these objectives. The strategy should also foster networking among these institutions, linkages with private and Government institutions and markets supported by policy changes (if required), as well as the necessary skills and confidence to use and maintain the impact of investment and to keep these institutions and linkages functioning. It should also foster a change in organisational culture and administrative practices which do not promote these objectives.
- that adequate funds are allocated for organisational change, capacity building for middle and lower level Government staff, for peoples' institutions and individuals and for NGOs;

- that the intervention strategy leads to peoples' institutions taking over control of all interventions in their area of influence and concern, and to the effective participation of all sectors in the management of those resources which affect their lives;

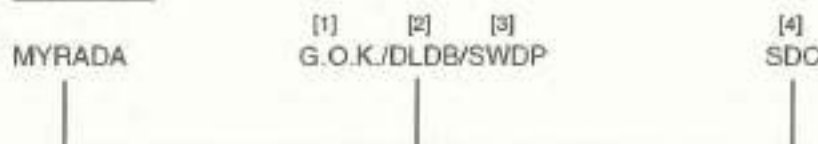
- that traditional institutions, structures and skills will be recognised and given value, and, if found relevant in supporting the project's objective, built upon and not replaced or formalised (and standardised) unless people think it necessary to do so.

Agreement in writing on the strategy to achieve these objectives is useful but not adequate. This agreement should take the shape of an MOU among the intervenors even before the Agreement to become involved with the project is entered into. There are also some dimensions of the strategy (for example, those that deal with organisational reform and attitudinal change) which do not lend themselves easily to written agreements; without adequate investment in this area, participatory initiatives will continue to remain marginal and sporadic.

* * * * *

APPENDIX I

State Level



Joint Project Committee (JPC)

- Chairman:** Secretary Agriculture and Horticulture
- Secretary:** Director, State Watershed Development Programme
- Members:**
- Divisional Commissioner, Gulbarga
 - Chief Conservator of Forest (Development)
 - Director of Agriculture
 - Representative of the Central Government
 - 2 representatives of the Government of Switzerland
 - Director of Horticulture
 - Executive Director, MYRADA.

Permanent Invitees:

- PIDOW Director of Project (SWDP/DLDB)
- MYRADA Programme Officer
- MYRADA Coordinator

Note: [1] Govt. of Karnataka
[2] Dryland Development Board
[3] SWDP: State Watershed Development Programme
[4] SWISS Development cooperation

Special Invitees:

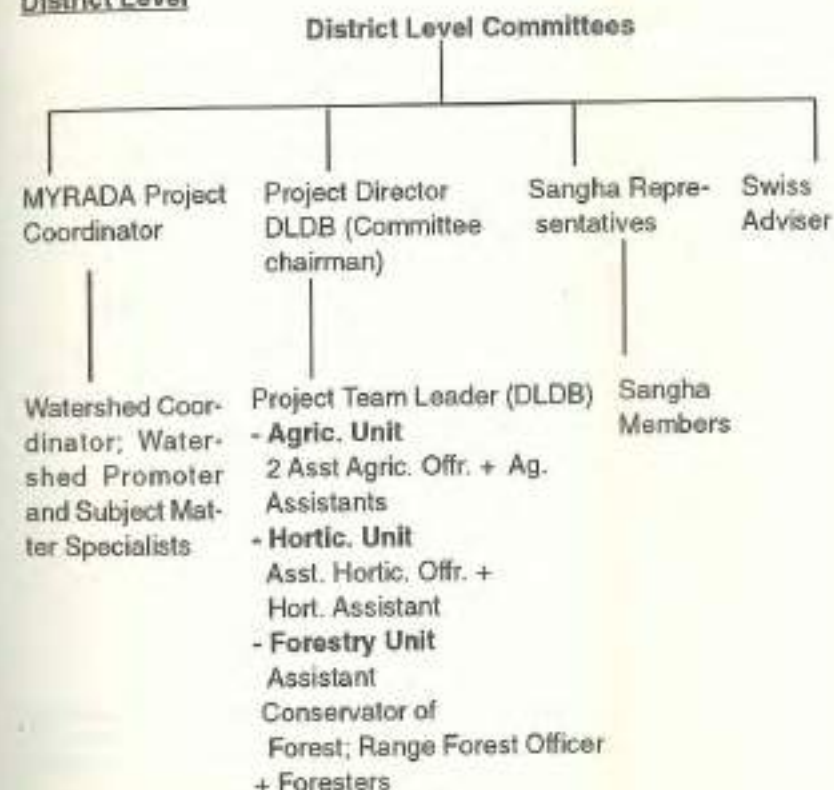
- The JPC may call upon special invitees to attend its meetings as and when required.

The joint Project Committee decides upon the general guide lines and policies of the Project. It approves the Project work programme and budget. The JPC meets at least once every 6 months.

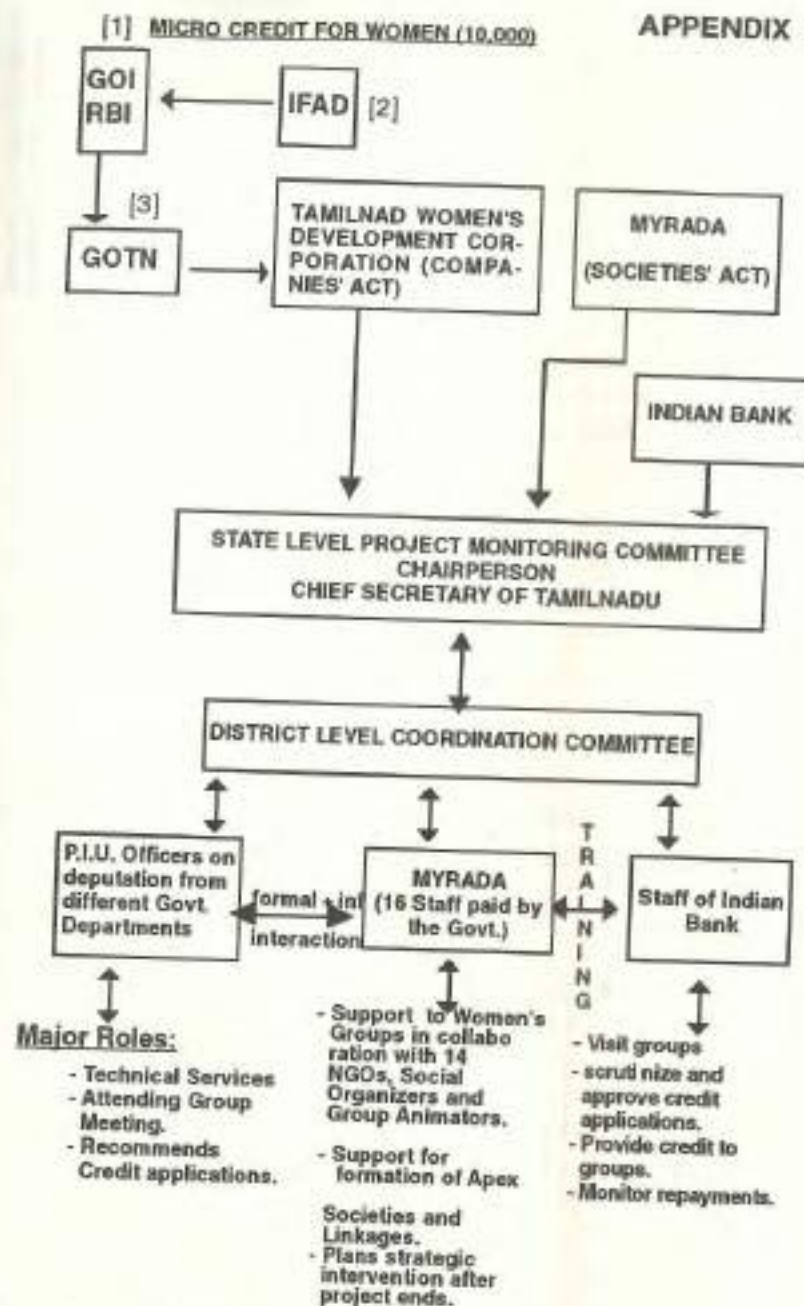
Divisional Level

MYRADA Programme Officer, MYRADA Project Coordinator and SDC Swiss Adviser have been adopted as permanent invitees of the Dryland Development Board (DLDB), Gulbarga Division and attend the monthly review meeting of the Board.

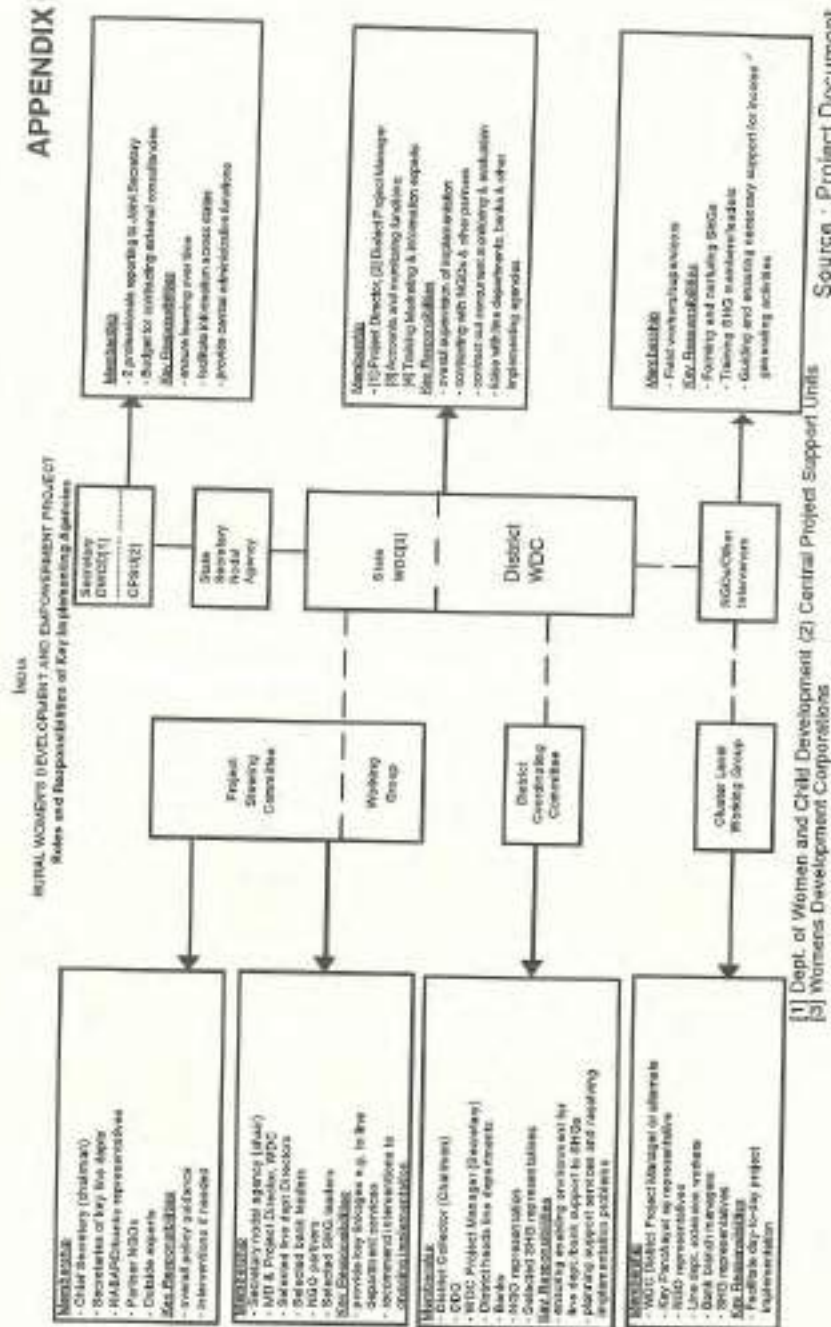
District Level



The District level committee is responsible for joint programme planning, implementation and monitoring at the Project field level. It reports to the JPC. The District level Committee meets once a month.



- (1) Government of India, Reserve Bank of India
 (2) International Fund for Agricultural Development
 (3) Government of Tamilnadu



DEED OF AGREEMENT BETWEEN TAMILNADU CORPORATION FOR DEVELOPMENT OF WOMEN AND MYRADA

THIS AGREEMENT made on the day of one thousand nine hundred and ninety between the TAMILNADU CORPORATION FOR DEVELOPMENT OF WOMEN LIMITED a Government of Tamilnadu Undertaking incorporated under the Companies Act, 1956 (Central Act I of 1956) and having its registered office at 17, Second Avenue, Shastri Nagar, Adayar, Madras-600 020 hereinafter referred to as Dew, the party of the first part which expression unless it is repugnant to the context shall include its Chair-person and Managing Director and MYSROE RESETTLEMENT AND DEVELOPMENT AGENCY registered under the Societies Registration Act 1960 (Central Act XXI of 1860), having its registered office at 2A, Service Road, Domlur Layout, Bangalore - 560 071 hereinafter referred to as MYRADA the party of the second part which expression unless it is repugnant to the context shall include its Executive Director and Administrators.

WHEREAS the party of the first part is a company incorporated under the Companies Act, 1956 (Central Act I of 1956) and fully owned by the Government of Tamil Nadu, it is engaged in the implementation of the Tamil Nadu Women's Development Project with financial assistance from the International Fund for Agricultural Development in Dharmapuri district aiming at the economic upliftment of about 10,500 women below the poverty line by forming them into groups and providing financial assistance for various income generating activities.

AND WHEREAS with this object in view the party of the first part desired to utilize the field level experience of a reputed Non-Governmental Organisation in the process of identification of potential beneficiaries as per the Project eligibility criteria, formation of women's groups, assisting internal group savings and consumption lending, assisting in the selection of animators and supervisors, training of animators and supervisors and providing other inputs in the socio-economic spectrum relevant to the project, which in effect the services of the party of the second part, namely MYRADA would be as

per the Project Appraisal Report, with the overall guidance and direction for the programme to be given by Dew.

AND WHEREAS the party of the second part come forward to provide all the services required to implement the above said project, the parties of both the parts following written correspondence and discussions mutually agreed to include the following functions.

AND WHEREAS in consideration of remuneration agreed to be paid as per the guidelines indicated in the Project Appraisal Report MYRADA shall discharge the following functions:

1. Initial group formation of women in the age group of 18-55 years, belonging to families 'with' a total annual income of Rs. 4,800/- and below and with reference to such other criteria laid down in the Project Report and the advice of Dew from time to time.
2. Assisting in the selection of animators at the rate of one animator per village who is a suitably qualified women resident of the same village, as per the directions of the Project Report and the advice of Dew from time to time.
3. Assisting in the selection of suitably qualified supervisors at the rate of one supervisor for every twelve animators.
4. Arranging cluster level women's group meetings to get the views and opinions of women beneficiaries in the implementation of the project or such other information as required by Dew from time to time.
5. Conducting training programmes to supervisors, animators and beneficiaries after getting the prior approval of Dew about the contents of the programme.
6. Designing of skill-oriented and attitude-oriented training courses to supervisors, animators and beneficiaries with emphasis on aspects like communication, gender issues, self reliance, group dynamics, importance of savings, banking procedures, simple accounting, programmes of the

Government, reporting requirements, functional literacy and other issues as required by Dew from time to time.

7. Conducting supervisors refresher training courses for a period of 7 days on an annual basis based on the needs felt by the field staff themselves.
8. Evaluating animators with relation to their existing attitudes and qualities and the functions expected of them in the discharge of their duties as animators and reporting the same to Dew.
9. Providing on going support to animators, supervisors and groups particularly in the management of the savings and the loans consumption societies through a quarterly review cum training workshop at the cluster level and in other areas if required by Dew.
10. Conducting cluster level workshop - Local level workshops for a period of 1 - 2 days covering 3 - 4 clusters which would provide an opportunity for the field level staff to bring forth their field problems for discussion and to find solutions.
11. Conducting district level workshop - An annual review and planning workshop in the district for a period of 3 days which would provide a forum for assimilating past experience and working towards improvements in the implementation process.
12. Participating in district level women's group meetings once in a quarter which would be used to share experiences on organisation building and management, set performance standards for the groups and to discuss savings, credits, and others.
13. Participating in D.P.C.C. (District Project Co-ordination Committee) meetings with necessary reports.
14. Participating in C.P.C.C. (Central Project Co-ordination Committee) meetings with necessary reports.

15. Co-operating and assisting the agencies appointed by Dew to conduct benchmark surveys and project evaluation studies at any and all stages.
16. All other functions including advisory that would be suggested by Dew from time to time for the successful implementation of the project.

AND WHEREAS in consideration of the services to be rendered, the party of the second part submitted a budgetary requirements for the entire duration of the project and whereas the party of the first part after consideration of relevant aspects, agreed to provide a total financial assistance to the extent of Rs. 16,25,150/- (Rupees Sixteen Lakhs twenty five thousand one hundred and fifty only) to enable the party of the second part to incur expenditure on the training expenses to the animators and supervisors amounting to Rs. 7,19,100/- (Rupees Seven Lakhs nineteen thousand and one hundred only) and the Non-Governmental Organisation's administrative costs amounting to Rs. 9,06,050/- (Rupees Nine Lakhs six thousand and fifty only) from out of the funds provided by the Government of Tamilnadu towards the implementation of the Tamil Nadu Women's Development project. However the exact amount of training expenses to be released to MYRADA by Dew will depend on the actual number of animators and supervisors to be trained by MYRADA every year which may be at a slight variance from the figures indicated here.

AND WHEREAS the MYRADA, party of the second part agreed to receive the above said financial assistance and to abide by the following terms and conditions:-

- 1) MYRADA shall undertake the responsibility of identification of 10,500 potential beneficiaries in Dharmapuri district who are eligible for financial assistance as per the project eligibility criteria and form them into groups of 15-20 women at the rate of 2 groups in a village in clusters of 6 contiguous villages and hamlets. The yearwise details are as follows:-

<u>Year</u>	<u>No. of beneficiaries</u>	<u>Cumulative Total</u>
1989-90	1080	1080
1990-91	2160	3240
1991-92	2160	5400
1992-93	2520	7920
1993-94	2520	10440 or 10500

- 2) MYRADA shall encourage and ensure that all the women in the groups would make internal savings and generate group fund from which consumption loans could be availed by the individuals as contemplated in the Project Appraisal Report.
- 3) MYRADA shall assist in the selection of animators and supervisors whose requirements would be as detailed below :-

<u>Year</u>	<u>Animators in position</u>	<u>Supervisors in position</u>
1989-90	36	3
1990-91	108	9
1991-92	180	15
1992-93	228	21
1993-94	240	25
1994-95	168	20
1995-96	84	14

- 4) MYRADA shall provide all other services indicated above and discharge their duties in letter and spirit as contemplated in the Project Appraisal Report.
- 5) In the event of any over-run of costs MYRADA shall meet the additional expenditure in respect of training costs and its own administrative costs for fulfilling this agreement.
- 6) The annual financial requirements shall be provided by Dew every year to MYRADA after taking into consideration the annual requirements for every year and after receiving the funds provided for the project from the Government of Tamil Nadu. The funds for the succeeding year shall be released after accounts are rendered for the funds received during the

preceding year. Under normal conditions accounts for the year concluded shall be rendered within a period of three months from the year-end by MYRADA. MYRADA shall furnish a certificate of utilization of funds duly certified by its auditors to Dew within three calendar months of the utilization of the amount or before the closing of the accounting year whichever is earlier in the following format:-

"Certified that the sum of Rs...../-
(Rupees) has been utilised out of the
grant of Rs...../- (Rupees.....
.....) provided by Dew, Madras.
It has also been duly certified that the said grant has
been utilised for the purpose for which it was granted
in their reference No.....
dated..... within the
period from.....
to"

- 7) On receipt of the above said financial assistance from Dew, MYRADA shall open a separate Bank Account and shall deposit all funds received from Dew only in the said Bank Account.
- 8) The proper books of account shall be maintained regarding utilization of the said funds and MYRADA shall cause the same to be audited by a firm of Chartered Accountants once a year.
- 9) The said account shall be open to special audit and inspections by Dew at any point of time during the currency and existence of this agreement. MYRADA shall prepare and submit to Dew item wise annual budgetary plan of expenditure for the first year of the project to facilitate release of funds in instalments. MYRADA shall continue this exercise for all the years.
- 10) MYRADA shall set up a local project monitoring Committee to monitor the progress made in the implementation of the project and cause such committee to meet periodically.

- 11) The Dew Madras hereby reserves the right to levy and recover any interest by way of penalty or otherwise on the amounts sanctioned and released to MYRADA in the event of their continued default or notations of the terms and conditions of the agreement by the recipient of the funds.
- 12) A progress report indicating the progress in the project relating to issues relevant to MYRADA shall be furnished to the Project Co-ordinator, Dew on a quarterly basis within 15 days of the close of each quarter.
- 13) Dew at its sole discretion reserves the right to recall the funds already released or stop/suspend release of further funds if it finds that the services are not rendered properly/satisfactorily or funds are not being utilised as envisaged in the original or subsequently modified project document with the interest earned on it by MYRADA.
- 14) Dew at its sole discretion reserves the right to engage another Non-Governmental Organisation/Non-Governmental Organisations in the place of MYRADA if the latter fails to discharge its duties satisfactorily or abandons the work in any part of a particular year so as to complete the unfinished work relating to that particular year and all the costs exceeding the allotment made for the particular year incurred to complete the unfinished/balance works relating to that year shall be recovered from MYRADA.
- 15) Dew also reserves the right to engage one or more Non-Governmental Organisations besides MYRADA or without MYRADA for implementing the Project for any particular year or years if in its considered opinion it could bring in better desired results.
- 16) Dew and MYRADA agree that all disputes relating to the scope, extent of interpretation and meaning of the agreement and any dispute arising thereof shall be decided by mutual discussions. All unsettled issues shall be referred to Government of Tamil Nadu represented by its Secretary, Backward Classes Welfare, nutritious Meal Programme &

Social Welfare Department, Madras-600 009 and all the decisions taken by him are final and no Civil Court shall have any jurisdiction over this agreement.

- 17) The duration of the project shall be seven years from the date of signing the deed of agreement.
- 18) MYRADA shall refund the unutilized portion of the amount released on expiry of project period or even earlier when funds are no longer required for the purpose for which they were released along with the interest earned out of these unutilized funds
- 19) Dew and MYRADA further agree to add, alter or amend any part of the terms and conditions set forth herein from time to time if such additions, alterations or amendments are thought necessary after mutual consultations.
- 20) Dew and MYRADA agree that both reserve the right to withdraw from the agreement after one month's notice/intimation in which case the agreement comes to an end immediately after completing the obligations of the respective parties due till the end of that particular year. For this purpose and for the purpose of condition 13 and 14 above a statement of allocation of funds year-wise and activity-wise is appended which forms part of this agreement.
- 21) The allocation of funds as shown in the appendix is interchangeable marginally among items 3 to 6 alone provided the total allocation made for that particular year does not exceed and further Dew agrees to this before hand in which case MYRADA gives written justification for such real location well in advance.

In witness thereof the aforesaid parties hereinto put their seals and signature on the day, month and year first written above.

WITNESS:

1.

Signature
Party of the first part
Dew

2.

Signature
Party of the second part
MYRADA

CONSULTING SERVICES AGREEMENT

Sub: Community Participation Activities under Integrated Rural Water Supply and Environmental Sanitation Project in Karnataka.

NAME OF CONSULTANT:

Set out below are terms and conditions under which the Consultant M/s. MYRADA will carry out the above mentioned assignment specified in the attached Terms of Reference.

For administrative purposes, the Rural Development and Panchayat Raj Department, Government of Karnataka has been assigned to administer the assignment and to provide the Consultant with all relevant information needed to carry out the assignment. The services will be required in Integrated Water Supply and Environmental Sanitation Project for about Twenty Four Months, during the period from August 1995 to July 1997. These dates are estimates and the Rural Development and Panchayat Raj Department, Government of Karnataka may find it necessary to postpone or cancel the assignment and/or shorten or extend its duration. However, every effort will be made to give the Consultant as early as possible, notice of any changes. In the event of termination, the Consultants shall be paid for the service rendered for carrying out the assignment to the date of termination Government of Karnataka with any reports or parts hereof, or any other information and documentation gathered under this Agreement prior to the date of termination.

Set out below are the terms and conditions under which the Consultants M/s. MYRADA have agreed to carry out the assignment for the Rural Development and Panchayat Raj Department, Government of Karnataka. The services to be performed, the estimated time to be spent, and the reports to be submitted will be in accordance with the attached.

This Agreement will become effective upon confirmation of this letter on behalf of the Consultants M/s. MYRADA and will terminate at the end of July 1997, or such other date as mutually agreed between the Rural Development and Panchayat Raj Department, Government of Karnataka and the Consultants M/s. MYRADA.

Payments for the services will not exceed a total amount of Rs. 590.313/- (Gulbarga phase I). Operation and Maintenance.

The Rural Development and Panchayat Raj Department, Government of Karnataka will pay the Consultants, payable within 30 days of receipt of invoice as follows:

Terms of payment	Amount as % of Contract Value	Schedule of payment
a> Mobilization Advance.	10%	Within 15 days of signing of contractor.
b> Eleven bi-monthly installements each of 8% of contract values subject to satisfactory proportionate progress and submission of reports as per the TOR.	88%	Within 15 days after the end of the 2nd, 4th, 6th, 8th, 10th, 12th, 14th, 16th, 18th, 20th and 22nd months.
c> Final payment on satisfactory completion of entire scope of work.	12%	Within 30 days of completion of work.

The mobilization advance will be recovered from the first 4 bi-monthly installments (2-5% of contract value from each bill).

The above fee includes all the costs related to carrying out the services, including overhead and any other taxes imposed on the Consultants.

The Consultants will be responsible for the appropriate insurance coverage. In this regard, the Consultants shall maintain workers' compensation, employment liability insurance for their staff on the assignment. The Consultants shall also maintain comprehensive general liability insurance, including contractual liability coverage adequate to cover the indemnity of obligation in an amount of not less than Rs. 5,00,000/- or equivalent, against all damages, costs, and charge and expenses for injury to any person or damage to any property arising out of, or in connection with, the services which result from the fault of the consultants or its staff. The Consultants shall provide the Rural Development and Panchayat Raj Department, Government of Karnataka with certification thereof upon request.

The Consultant shall indemnify and hold harmless the Rural Development and Panchayat Raj Department, Government of Karnataka against any and all claims, demand, and/or judgements of any nature brought against the Government of Karnataka arising out of the services by the Consultant under this Agreement. The obligation under this paragraph shall survive the termination of this Agreement.

The Consultants agree that any manufacturing or construction firm with which they might be associated with will not be eligible to participate in bidding for any goods or works resulting from or associated with the project of which this consulting assignment forms a part.

All materials produced or acquired under the terms of this Agreement written, graphic, film, magnetic tape or otherwise shall remain the property of the Rural Development and Panchayat Raj Department, Government of Karnataka. The Rural Development and Panchayat Raj Department, Government of Karnataka retains the exclusive right to publish or disseminate reports arising from such materials. The rights and duties approved for in this paragraph shall

continue notwithstanding the termination of this Agreement or the execution of its other provisions.

The Consultant undertakes to carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity, having due regard to the nature and purpose of the assignment, and to ensure that the staff assigned to perform the services under this Agreement will conduct themselves in a manner consistent herewith.

The Consultant also agrees that all knowledge and information not within public domain which may be acquired during the carrying of this Agreement, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the Rural Development and Panchayat Raj Department, Government of Karnataka's written permission.

Place: _____

(Signature of Authorized
Representative on behalf of
Consultant)

Date: _____

(Signature and Name of the
Client's Representative)
(Title)

Attachment: Terms of Reference

Appendix V

TERMS OF REFERENCE

FOR NGOs IN PLANNING STAGE OF COMMUNITY

PARTICIPATION ACTIVITY IN PHASE II VILLAGES OF KARNATAKA RURAL

WATER SUPPLY

AND

ENVIRONMENTAL SANITATION PROJECT

BACKGROUND

1. The Government of Karnataka is preparing an Integrated Rural Water Supply and Environmental Sanitation (IRWS & ES) Project for the World Bank financing in 12 districts. The project districts are Bangalore (Rural), Mandya, Mysore, Shimoga, Dakshina Kannada, Bidar, Gulbarga, Raichur, Bellary, Belgaum, Tumkur and Hassan. Experience with Community Participation and Involvement in Water Supply and Sanitation have shown a marked improvement in the sustainability of the investments. Therefore, one of the objectives of the proposed project is to involve the communities in the planning of the facilities and in their Operation and Maintenance (O&M) (especially the consumer awareness). Under the project, the communities would also share the capital costs of the environmental sanitation facilities (in the form of cash and kind) and would be expected to cover the O&M costs of both the rural water supply schemes and the environmental sanitation facilities (i.e., sullage drainage schemes).
2. The proposed project is expected to cover about 1,200 villages and would be implemented over a five year period. The rural water supply component would consist of piped water supply schemes, mini water supply schemes and hand pumps. Most of these water supply schemes will use Ground Water as source. A few schemes may have surface and or sub-surface water sources; most of the schemes will be single village schemes; and a few may be regional ... serving more than one village. The environmental sanitation component would include sullage drainage (and related minor road upgrading),

private household latrines, washing platforms and bathing cubicles, cattle troughs, and dust bins for solid waste disposal. In all villages (except where for reasons stated it is not required), a Dry Land Development Component for ground water recharging will also be implemented. The project also contemplates a comprehensive Health Education Programme, and an Integrated Training Programme specially designed for the implementing agencies, NGOs and the beneficiaries.

OBJECTIVES OF COMMUNITY PARTICIPATION ACTIVITIES (CPA) IN THE PLANNING STAGE

3. The objectives of CPA are to ensure involvement of local communities in planning of Water Supply, Environmental Sanitation and Habitat Development (ES & HD) facilities, to facilitate formation of local level institutions (village Water & Sanitation Committee) for taking up responsibility for Operation Maintenance of facilities created (including fixation and collection of Water Tariff), to motivate the communities to share 30 per cent of the capital cost of the ES & HD facilities, and create a sense of awareness, participation ownership among the consumers and users of the project facilities.

PRESENT STATUS

4. The project is being implemented in two phases. Phase I covers 257 villages and the remaining 950 villages would be covered under Phase II.
5. The implementation of Phase I has been preceded by a Community Participation exercise on a pilot scale in 11 villages, distributed over 10 project districts.
6. Active community participation in the project (with the assistance of NGOs) is envisaged in three stages of the project. These are:
 - (a) Participative Planning Stage;
 - (b) Implementation Stage; and
 - (c) Operation & Maintenance Stage.

7. The participative planning stage in the Phase I villages is already in progress and this is likely to be completed in various districts during the period February-March. Assistance of leading NGOs have been utilized for this work.

SCOPE OF WORK

8. In each project district, 70 to 100 villages would be taken up during this phase.
9. The strategy for CP Activities (planning phase) in 950 Phase II villages will be different from that adopted in phase I, in the sense:
- (i) that the community mobilization will precede the preparation of engineering designs;
 - (ii) the process of community consultations and formulation of schemes will be an interactive process till the designs fully reflect the community's needs and preferences and communities are willing to maintain, operate and finance these schemes; and
 - (iii) the communities will be free to opt out of the project if their priorities are different than Water Supply and Sanitation, or are not willing to accept their share of responsibilities and financing.
10. The CP (planning phase) will have four main steps viz:
- (i) Awareness Creation, Situation Analysis and Needs Assessment;
 - (ii) Participatory Planning Process;
 - (iii) Formation of VWSCs; and
 - (iv) Continued support to VWSCs in reaching agreement with ZP project Cell on final designs and in fulfilling their own responsibility including raising up front cash contributions.

AWARENESS CREATION, SITUATION, SITUATION ANALYSIS AND NEEDS ASSESSMENT

11. This would include following activities:
- (a) Create awareness about the project.
 - (b) Prepare a social map of the village.
 - (c) Collect basic data - demographic, socio-cultural, geographic (including all hamlets) to the extent possible.
 - (d) Assess community's perceptions regarding key development issues, their priorities and the relative ranking of WS & ES issues.
 - (e) Preliminary Situation Analysis and Needs Assessment for water supply and sanitation improvement needs.
 - (f) Inform the communities about the forthcoming visits by the technical consultancy team for designing of the facilities (water Supply, Environmental Sanitation).
 - (g) Ascertain the overall response of the community to the project and examples of their past cooperative actions.
 - (h) For each villages prepare a simple and brief report for ZP Cell covering the findings from (a) to (g) above. (A copy will be furnished to design consultant also.)

PARTICIPATORY PLANNING PROCESS

12. GOK is in the process of appointing technical design consultants for conduct of technical investigations, design of facilities, preparation of detailed engineering reports and other related documents. The consultants will initially prepare a "Preliminary Engineering Report" for both Water Supply and Sanitation improvements including preliminary cost estimated

and layout maps and submit these to the ZP Cell (and NGO) and PHCD for review. Only the least costs solutions will be proposed.

13. With the help of these "Preliminary Engineering Reports" prepared by the consultants, the NGOs will conduct detailed consultation with the communities regarding the level of service, scheme design and their willingness to share costs and responsibilities (for both water supply and environmental sanitation). The underlines principle would be that the schemes will be designed corresponding to the community's demand and which they are willing to maintain, operate and finance. The ZP Cells (and the consultants) will actively participate in these consultants) to assist the NGOs in explaining to the communities the technical details, justifications and costs and to respond to their queries. The proposed financing pattern is as follows:
 - (a) Investment Costs: Water Supply 100 per cent by GOK, Public Sullage Drainage: 70 percent by GOK and 30 per cent by the communities. Private/Group latrines: A GOK subsidy of Rs. 1650 per latrine for SC/ST/BPL and Rs. 1200 for others, entire balance cost by the owner.
 - (b) O&M Costs: Water Supply, Public Sullage Drains: 100 per cent by the communities, Latrines and other private facilities: 100 per cent by the owners.
14. The ZP Cell will (through PHED and technical consultants) then proceed with preparation of final designs based on agreed service levels and sharing costs and responsibilities.
15. Based on the final designs, the NGO and the ZP Cell (and consultant when needed) will have final round of consultation with community and assist it to reach an agreement with the ZP Cell regarding the scope of the scheme and sharing of cost and responsibilities.

FORMATION OF VILLAGE WATER AND SANITATION COMMITTEE (VWSC)

16. As per the Karnataka Zilla Parishads, Taluk Panchayat Samithis and Grama Panchayats and Nyaya Panchayats Act 1993 the Operations & Maintenance (O&M) responsibilities for Water Supply Systems rest with the Grama Panchayats. However, the act gives flexibility to the Grama Panchayats for forming their own byelaws. The Government of Karnataka has issued necessary guidelines to the Grama Panchayats along with the model byelaws. This would enable village level Water Supply and Sanitation Committees (VWSC) to play an active role by participation and involvement in planning the contemplated facilities, cost sharing and in O&M of the facilities created through the project.
17. The Government of Karnataka has issued necessary instructions to Grama Panchayats to enable the local level bodies participate effectively in the project. The draft Byelaws are enclosed in Annexure II.
 - (a) Enable the formation of local level institution (Village Water & Sanitation Committee).
 - (b) Negotiation with VWSC on cost sharing arrangements (cash/material/labor) for ES & HD component to the tune of 30 percent of the capital cost.
 - (c) Draw up agreement with VWSC for taking up responsibilities for Operations & Maintenance of the facilities created.
 - (d) Facilitate VWSC to mobilize the share of community contribution.
 - (e) Assist the VWSC in the process of collection of contribution and in depositing the accounts in Bank accounts in line with the guidelines provided under model byelaws of VWSCs.

AREA WORK

18. Each NGO can take up 30 or more villages based on their organization capacity. They can also take up more than one district based on their capacity and the area of their operation. They are also free to collaborate with the other local level NGOs.
19. In addition to the tasks mentioned above, (based on the experience from the Phase I), a tentative list of tasks to be performed has been compiled (Ref: Annexure I). This is only an indicative list. NGOs are welcome to develop other innovative approaches and incorporate the same.

SPECIFIC OUTPUTS EXPECTED

20. The specific outputs expected from CPs for each project village are:
- (a) Project awareness among the communities.
 - (b) Communities assisted in reaching an agreement with ZP Cell on scheme final design and sharing of costs and responsibilities.
 - (c) VWSCs are formed and are functional.
 - (d) Continued assistance to communities to mobilize up front cash contributions and preparing them for fulfilling their own responsibilities during construction and O&M of agreed schemes.

TIME PERIOD AND SCHEDULE

21. The implementation of CPA has to be completed with a period of 24 calendar months. The detailed schedule will have to be developed along with PPMU, ZP Cells and technical consultants, appointed for the district. The overall schedule would be as follows:

Preliminary awareness creation and need assessment:	8-10 months from start
Participatory Planning and feedback:	5th month-18th month.
Formation of VWSCs:	6th month-24th month.

REPORTING PROCEDURES

22. The NGOs will work with the Executive Engineer of the CP Project Cell. The ZP Cell will facilitate the NGOs work, participate in community consultation activities and monitor the NGOs work. The NGOs will furnish monthly progress report and other reports prepared as per the TOR to the ZP Cells with a copy to PPMU. ZP Cells will arrange to coordinate the work of NGOs and the technical consultants and also PHED's advice in technical matters when needed. PPMU (with assistance from the CP management consultants) will organize NGO training, compile comprehensive quarterly progress report on CP activities for all the project districts, and arrange selective review of NGOs work through field visits. Formats for progress reporting will be developed by the PPMU. A co-ordination meeting will be organized by PPMU every quarter (or earlier when necessary) with all the NGOs and other participating agencies to review progress, problems and take follow-up actions to resolve the problems. The meetings will also be useful for exchange of experiences amongst the NGOs.

MID-TERM ASSESSMENT

23. A mid-term assessment would be carried out by independent agency appointed by PPMU to review the quality and quantum of progress.

ANNEX I

COMMUNITY PARTICIPATION COMPONENT PARTICIPATORY PLANNING IN PHASE II VILLAGES

TASKS INVOLVED

Based on the learning from pilot projects and the experience gained from Phase I villages, the following tentative tasks have been identified for scaling up the community participation activities to cover all project villages. The enclosed list of tasks is indicative. NGOs are welcome to incorporate other innovative approaches or steps to suit location specific conditions.

A. PRELIMINARY AWARENESS CREATION AND NEED ASSESSMENT STEP

This step would involve:

- (1) Familiarization visits to project village.
- (2) Dissemination of information on the project and its features to the community.
- (3) Informing the community of the visit by technical consultants and other stages that would follow.
- (4) Preliminary dialogues with the community on their needs, problems and priorities in relation to Water and Sanitation.
- (5) Preparation of Social Map with/by the community.
- (6) Collection of basic information on demography and water and sanitation situation in prescribed formats.
- (7) Assessment of community response to the project and its features (including their willingness to share capital costs and take up O&M responsibilities).

- (8) Documentation
- (9) Providing feedback to technical consultants in prescribed formats.

B. PARTICIPATORY PLANNING:

- (1) Informing the Mandal Pradhans/Administrators/B.D.Os about the project and schedule of Grama Sabha.
- (2) Orienting the implementing Engineering officials on DRA and ensuring that they are briefed with the Designs and cost estimates before attending the planning exercise.
- (3) Village project launch (through Gram Sabha). Explanation of project objectives and components, people involved and their role, time frame, impact of community participation, community responsibilities and community contributions (approximate amount of contributions to be mobilized has to be informed).
- (4) Fixation of time schedule for planning exercise in Grama Sabha.
- (5) For villages where Dry Land Development Board (DLDB) component is involved, DLDB should be informed and involved in the planning exercise.
- (6) Ensure that Gram Panchayat Pradhans/Administrators/Engineers/Design Consultants participate in the planning exercise.
- (7) The span of PRA's exercise could be three days. During this period, the planning group and officials should stay in the village (including night halts) for good rapport building and to understand the local problems in details.

- (8) During the PHA exercise, the planning group should ensure that the total community participates. This can be achieved by establishing prior formal/informal contacts through village transect and using traditional village methods of communication like "Dangura" or "Thamato" (drum beating).
- (9) The project objectives and schedule of activities for the next three days should be explained in detail.
- (10) Planning group should have consultations with women's groups (like Mahila Mandal) and Youth Club.
- (11) The actual Daywise PRA exercise could follow the model given below:

VILLAGE LEVEL PLANNING ACTIVITY

PLAN OF ACTION	VILLAGE TRANSECT	MEASUREMENTS (ROADS/ DRAINS)	NIGHT/ EVENING	FINALIZATION OF NEGOTIATION ESTIMATES FOR ENVIRONMENTAL SANITATION
			DAY II	DAY III
		Women's Meeting	Meeting/ Triangulation (Cross Checking)	Formation of VWSCs
				Passing of Village Resolution

- (12) During the PRA exercise, designs, plans and cost estimates of all the components must be explained to the people. This should be presented on the first day itself. It should also be verified and modified, if needed, based on the people's felt needs and suggestions.
- (13) The "Social Maps" generated on the ground during the Participatory Planning exercise should be presented to the People for cross-checking (triangulation) and thereafter transferred onto paper, for permanent documentation.

- (14) Revised cost estimates have to be carried out after incorporating the people's felt needs. This has to be done by the technical members of the team.
- (15) The village Water and Sanitation Committee (VWSC) should be formed in consultation with all Social Groups and local organizations according to the byelaws formulated for the purpose. The formation of the VWSC should be the culmination of the planning efforts.
- (16) Negotiations for people's contributions based on revised cost estimates have to be done. Time required for the villagers to mobilize the contribution amount has to be agreed upon based on the project norms and the local situations.
- (17) The mode of people's contributions (cash, labor, material) has to be finalized and recorded during negotiations. The donations and contributions collected by the committee initially will be kept in a separate account in a local nationalized / cooperative regional rural bank branch. The amount so kept shall be drawn under the joint signature of the President / Vice-President and the Treasurer of the village Water Supply and Sanitation Committee. The amount shall be drawn for the purpose of remitting to the Grama Panchayat Fund in the Treasury towards the village share of the Village Water Supply, Sanitation and habitat development scheme as and when required.
- (18) A formal resolution detailing their commitments has to be passed by the committee.
- (19) To ensure that the feed back from the planning exercise is reflected in the modified design to suit the user requirements by effective coordination with a Design Consultant, ZP Engineering Staff, Executive Engineer (World Bank Cell) and PHED.

- (20) Regular follow-up visits by the planning group to ensure that community contributions are mobilized as per earlier agreements.