

Insight Into Indian States (I3S)

Karnataka Inception Workshop

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Central Training Institute, KMF Complex, Bangalore



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Insight into Indian States – An Overview

Insight into Indian States (I3S) Project initiated on October 01, 2013 in four States (Assam, Odisha, Karnataka and Rajasthan), supported by United Nations Development Programme (UNDP), India. The Project focuses on Rural Non-farm Livelihood with the objective to generate an interactive, coherent and user friendly online portal at the national level. The main aim is to research, document and highlight the successful as well as not so successful practices in the selected States and areas to enable policy makers to identify and acquire new skills and developmental activities as well as implementing current policies and programmes effectively and to facilitate the States by stimulating them and learning from each other's experiences to enhance the overall growth rate of the State.

The Project will cover Centrally and State sponsored schemes related to Rural Non-farm Livelihood Sector, such as Mahatma Gandhi National Rural Employment Guarantee Scheme, National Bank for Agriculture and Rural Development (Non-farm Sector), State Institute for Rural Development (SIRD), State Rural Livelihood and Skill Development/Promotion Council/Corporation/Mission, Department of Industry, local or regional premier research institutes and specific initiatives taken by Non-governmental Organisations/Community based Organisations will also be explored. The Inception Workshop was one of the key activities, under the Project to formally launch the Project by State government officials and other stakeholders.

Launching I3S Project

The Inception Workshop was organised to formally launch the Project by State Government officials and other stakeholders to apprise about the objectives and activities of the Project and to acquire comprehensive information about the various programmes and schemes being implemented and the initiatives taken by the Karnataka State in this direction.

Eminent Speakers and Participation

Immanuel, Manager, NABARD; P. Shiva Shankar, Director, SIRD from Mysore, Karnataka; Prakash Kumar, Joint Director, Karnataka State Rural Livelihood Mission (KSRLM); Amit Anand, UNDP Programme Officer; Suresh, Director, Public Affairs Centre (PAC), Bangalore; George Cherian, Director, CUTS; Madhu Sudan Sharma, Programme Coordinator, CUTS

More than 35 participants comprising government representatives from NABARD; SIRD; KSRLM; representative from UNDP; research institutes; NGOs/CSOs and I3S project team attended the meeting



Activities Conducted in Livelihood Sector

Suresh, Director, Public Affairs Centre (PAC) welcomed the invitees and gave an overview of PACs activities in the sector of livelihoods.

RNFS Scenario in India

George Cherian, Director, CUTS International in his opening remarks said that the agricultural sector is declining in due course of time and Rural Non-Farm Sector (RNFS) is growing. Rural poverty has reduced significantly from 40 percent to 26 percent. This is mainly attributed to the significant shift to non-farm labour in rural areas.

Referring to the recently released India Rural Development Report 2012-13, he said income from farm livelihoods is no longer sufficient for a household, especially for smaller and marginal farmers. Hence, 43 percent of rural families rely on non-farm employment as their major source of income. Non-farm employment offers better wages and social mobility, especially for lower castes to move out of agricultural labour. There is also some

evidence that higher non-farm wages have helped increase agricultural wages. The important barriers to non-farm livelihoods are lack of skills, access to credit and marketing.



With one-third contribution to employment, which amounts to employing about 110 million people, and over 60 percent in gross domestic product (GDP), the non-farm sector is now an important segment of the rural economy of India.

He also shed light on a new flagship scheme called National Rural Livelihood Mission (NRLM) implemented in all states with a total budget of Rs 1,42,617 crores for 2012-13. He underlines the due importance given by the Central Government to the livelihood sector by initiating such flagship schemes in India.

Project Synopsis

Madhu Sudan Sharma, Programme Coordinator, CUTS provided a detailed overview of the project for better understanding. He discussed the 12th Five Year Plan approach paper, which underlines the importance of having a web portal for interstate cross learning from each other's experiences that can result into scalability of innovations and replicability as well as leading to the growth of States, which are lagging behind. He said that it is in this context, the I3S Project has been formulated.



He also mentioned about the importance of the RNFS in general and beneficiaries of the project in particular. He discussed various objectives of the Project in detail. He also stated that there are three major activities, which are related to action research, web portal and networking of the practitioners across four States.

He also elucidated a few key terms frequently used in the Project as they were necessary to be understood. Lastly, he also suggested useful links of few web portals similar to I3S initiative to be placed on the said web portal – Solution Exchange, India Urban Portal, Knowledge Governance Centre, and Dec-Watch etc.

Elements to fill the Knowledge Gap

Amit Anand, UNDP Programme Officer in his special address spoke about the knowledge gaps at various levels in the country. He also stated three elements that are needed to fill this gap:

- Generate Knowledge;
- Collate the generated Knowledge; and



- Disseminate the collated knowledge.

Moreover, he pointed out several initiatives started by individuals, communities, States that go unnoticed and undocumented, due to lack of leads and approaches. He spoke of creating a dynamic portal that caters to the audiences at multiple levels. He opined that web portals based on research and cross validation are mass source of knowledge where generation, collation and dissemination of the knowledge would be done. Further, web portals must generate some discussions and disseminate knowledge as well among masses and communities. He emphasised that documentation of successful and not so successful practices must be of inclusive approach.

Dissemination of the Information

P. Shiva Shankar, Director, SIRD, in his key note address spoke of his experience as the CEO of Dakshina Kannada district and how the water supply system of the region was documented as best practice by the World Bank and is now being followed all over the country.



He suggested that the team should focus on dissemination of the information to the target groups, being the rural population. He said that rolling of *beedi* though harmful to health, is an important activity and supplements as an alternate livelihood in the parts of the state. He extended all support to PAC in

disseminating the knowledge generated through the study.

4Ms in RNFS

Prakash Kumar, Joint Director, KSRLP in his inaugural address described the non-farm sector as 4Ms (Men, Machines, Materials and Markets). He opined that there was a need to focus on the following 4 sectors if one were to promote the non-farm sector:

- Assessment and use of locally available raw material
- Consider the local needs and consumption patterns
 - Promote locally available skills (indigenous skills and trades) and
 - Effective market strategies have to be developed



He gave a number of examples of non-farm livelihoods being followed in the State. He also suggested that the state is blessed to have the internationally acclaimed research institute like the Central

Food and Technological Research Institute, Mysore, which has developed innovative technologies that are not being properly utilised by the state. He recommended that they have to be considered as a potential partner and disseminate their technology through the web portal as well.

He also told the gathering that the state rural livelihood mission helps the people market their products and disseminate information, hence trying to resolve the issues at the doorstep. He opined that the state lacks resource people who can implement policies effectively. He applauded the creation of the website and expressed his concern that the website should be designed in such a way that it continues to operate after the completion of the project. In this matter, he proposed that the state rural livelihood mission would extend help if needed.

Round Table Discussions

Prof. Sriram, IIM faculty started by quoting a study by Prof. Anirudh Krishnan on the reasons why people slip back below the poverty line. The reasons why people move out of poverty are different from the reasons of why people fall into poverty. Diversification of livelihoods is the major cause for moving out of poverty as it reduces the vulnerability of the people, which would lead to reduction of poverty in the longer run. He also stated that Self Help Groups (SHGs) and Micro-finance when introduced appeared like solutions but in reality they were solutions in search of problems. He said that presently there is a cusp where agriculture cannot be fragmented further and there is a shift to the service or to the tertiary sector, hence the time is right to speak about non-farm livelihoods.

NABARD for Rural Development

Immanuel, Manager, NABARD spoke about various activities undertaken by NABARD for rural development, especially in the non-farm livelihoods. He classified the work into 4 categories:

- Skill Development – NABARD finances RUDSETIs for both skill development and entrepreneurship development, the employment guarantee is 75 percent
- Area Development – NABARD helps the formation of clusters for developing areas and conduct rural Haats
- Providing marketing opportunities – Immanuel told the gathering that the state of Karnataka has a huge potential in terms of crafts, which does not find its way to the mainstream. Hence, the bank helps organise rural marts which ensures that the people become self-sufficient.



- Miscellaneous activities – The Bank also helps in exchange programs for traditional craftsmen within the state and the country. They also help by providing exposures and helps understand the situations of the market

Setback in Rural Areas

Basavaraju, Deputy Director, GRAAM started by saying that the problem the rural areas are facing is not of unemployment but that of under employment. He mentioned that there is a need to focus on wealth creation at village level and how it can be retained in the villages. He informed that there are lots of programmes in place for the non-farm sector but the people do not participate in them and there is a movement of the economy from non-farm sector to the service sectors in the rural areas. He added that the major challenge in the sector is social mobilisation, though the States have huge amount of money but they are unable to utilise them and extend it to the people. He suggested that there is a need for a scientific study to map the skills present and develop region specific skills. Regarding the website, he specified that though required platforms are available but the content quality is not up to the mark. He also raised a question as to how the platform will be made accessible to the rural areas.

Inter-linkages of the Sectors

Dr. Indrajit Bairagya, Associate Professor, Institute for Social and Economic Change (ISEC) spoke about the inter-linkages between various sectors. He said that at the village level there is number of micro enterprises, but polices focus on macro enterprises. There is a need for developing the non-farm sector as a complimentary sector to the macro industries. He raised the issue of local and traditional technologies that are developed and added that due to lack of capacity the technologies are not patented.



Value Addition of Projects

Kumarswamy, Karnataka State Rural Livelihood Mission (KSRLM) spoke about the need for a behavioural change in the rural areas. He said that there is a need to understand

- Both the forward and backward linkages of the activity
- Demand in the labour markets
- Motivational challenges
- Suitability of applications

He opined that in the present situations the trainings that are being conducted in the rural areas are incomplete as they do not consider the best practices followed and available as

they are not easily available in local languages. There is a need for value addition of projects.

Importance of Training

Devarajan, Industree Foundation, spoke about the work done by the foundation by setting up markets for rural fibre products made out of banana, bamboo etc. and sales are made through SHGs and not through traders. They have 7500 rural artisans. He said that they have plans to train some two lakh people in Karnataka and the training modules are prepared in the local language.

Need of era

Sunanda, KSRLM said that it would always help if best practices within the state are to be presented rather than practices followed outside the state as there is a difference in policies and governance systems. She opined that there is a need for creating awareness, harnessing local skills and creating connectivity and networking in the rural areas. She expressed that I3S should include issues relating to marketing like RNS *melas* (fairs), exhibitions, events in the web portal. Further it was informed that SRLM has plans to bring out a product catalogue which is considered to be a good practice. She also spoke of branding of products developed by SHGs and some innovating ideas for entrepreneurship to be put up on the website.

The chair summarised the discussions and felt the need of following perspectives:

- Wage employment schemes and entrepreneurship opportunities
- Creating specialised markets
- Localisation i.e., context specific information/practices to be covered
- Designing a business plan in addition to the non-farm activities
- Skill up gradation and motivation among the people
- Study of Demand and
- Branding

Regarding the website the major concerns showed by the participants were:

- Managing the web content
- Dissemination of various activities, i.e. how can the portal be made accessible to rural areas
- Continuation and maintenance of the portal after the study

The programme ended with vote of thanks given by Amardeep Singh of CUTS International.