

**GOVERNMENT OF ORISSA
ST & SC DEVELOPMENT DEPARTMENT**

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No. TD-I(LG)-10/06 44375/SSD. Dated Bhubaneswar the 18th December 2006

From

Dr. Taradatt, IAS,
Commissioner-cum-Secretary to Govt.

To

All Collectors
All P.A., ITDAs
All DFOs (Territorial)

Sub: Communicating guidelines for utilization of Special Central Assistance (SCA) to Tribal Sub-Plan (TSP).

Madam/Sir,

You are aware; funds out of Special Central Assistance are released to the I.T.D.As, Micro Projects and MADA/ Cluster Blocks/Forest Villages from time to time for implementation of beneficiary oriented income generating schemes and infrastructure development incidental to such schemes. Although specific instructions and guidelines have been laid down for selection of beneficiaries and implementation of schemes as per approved cost norms, it has come to the notice of Government that serious deviations and irregularities are committed in the implementation. Such deviations and irregularities can not be justified on the strength of resolutions passed by Project Level Committees/ Governing Bodies of ITDA, Micro Project, MADA etc. Some of the important points to be kept in view while formulating, approving, and implementing action plans are reiterated briefly in the following paragraphs to avoid recurrence of deviations and irregularities.

Guidelines

- (i) The tribal population living below the poverty line should alone be covered under SCA-financed activities, with a special emphasis on raising their socio-economic status to that of the rest of the population in the Block/District/State.
- (ii) SCA to TSP should be utilized for filling up of critical gaps in both the primary schemes supporting Family/ SHG/ Community-based employment-cum-income generation activities and the infrastructure incidental thereto. However, not more than 30% of SCA received can be permitted for the purpose of developing infrastructure. In case of development of infrastructure requires greater investment, funds from other ongoing programmes like NREGS, SGRY, RSVY, Untied grants etc. should be dovetailed and village communities persuaded to contribute labour to complete the project. Works to be taken up should be of durable nature and should meet technical standards. The projects should be cost effective. The technical sanction would be accorded as per rules of the Government and Administrative Approval given by the

competent authority. Records have to be maintained for the Assets created giving details of cost, date of start, date of completion etc.

- (iii) While planning for Family/SHG/Community-based employment-cum-income generation activities, every effort should be made to converge the services/resources, manpower and infrastructure already available under tribal related sectors.
- (iv) While formulating SCA-funded TSP activities, priority should be given to the development of the most neglected tribals living in the Forest Villages.
- (v) Innovative projects for creating employment-cum-income generation activities based on the felt needs of the local tribals should be given priority. To this effect, the ground level functionaries should also be geared up effectively so as to attract optimal institutional finance.
- (vi) Long-term Area-specific micro planning by taking into consideration ITDAs and the Blocks/Clusters therein as geographical units should be taken up under SCA to TSP. Multi-disciplinary agencies could be entrusted with the task of preparing such long term plans indicating estimates of the flow of funds from the State Plan (TSP), the Central Plan (SCA to TSP) and through the Grant-in-aid under Article 275(1) of the Constitution.
- (vii) Since SCA to TSP is an additive to the State Plan, and has to be utilised as a gap filler to implement the schemes being taken up out of the TSP funds earmarked under the Annual State Plan, it has to be ensured that the Schemes funded out of SCA to TSP are actually supplementary to the schemes being taken up out of TSP funds earmarked in the Annual State Plan. In other words, the SCA is not an open ended stand alone programme under which funds can be utilized in violation of the guidelines prescribed for implementation of income generating schemes and infrastructure development projects under the State Plan including Central Sector and Centrally Sponsored similar ongoing schemes.
- (viii) Wherever a conjunctional flow of funds can be ensured from the other ongoing development programmes of District and State Plan activities, every effort should be made to dovetail all the ongoing programmes so as to have a better spatial and demographic coverage. The Government encourages a more focused approach leading to perceptible change in the tribal areas rather than resources being spread too thin under various sectors, in a disintegrated fashion.
- (ix) Projects/Schemes should be so drawn up that issues affecting tribal women should be brought centrestage and their participation, right from the stage of formulation to implementation of various developmental projects needs to be ensured. To this effect at least 30% of funds should be kept apart and shown under the 'Women's Component' and spent for Income Generating activities of women beneficiaries.

- (x) It is a pre-requisite to formulate specific schemes/programmes that have a direct bearing on the economic development of tribals as suitable to their social, economic and ecological situation. The schemes/programmes thus formulated should be discussed in detail by the Project Level Committee(PLC) before their approval. It is to be noted that approval to the projects and schemes to be accorded by the PLC is in accordance with the SCA guidelines.
- (xi) The special programmes/ schemes thus formulated / proposed should necessarily reflect physical and financial targets with a specific time frame, to facilitate monitoring in implementation of the same, from time to time.
- (xii) In view of the diverse and varied physical and socio-economic conditions of the tribals, the SCA funds directed especially to the poverty alleviation programmes should necessarily support such innovative income generating and employment activities/ programmes with sustainable relevance/ utility to the tribal beneficiaries.
- (xiii) While utilizing the SCA funds for the development of Forest Villages and the tribals living therein, it is essential not only to identify their specific problems but also to propose specific package for their development by specially formulating specific schemes that are not only suitable to the prevailing conditions but also ensuring their effective synchronization with the programmes of the Forest Department viz. JFM. Similar special attention should also be accorded to the shifting cultivators by devising suitable/ alternative income generating and self-employment activities to be supported with SCA funds.
- (xiv) Detailed information about all the projects sanctioned/funded under SCA to TSP along with the progress for their implementation needs to be kept up-to-date at the Center, from time to time to facilitating effective monitoring.
- (xv) People's participation is a thread that runs across the tribal fabric and the approach towards tribal development should, therefore, ensure that their strength is harnessed.
- (xvi) The ground-level mechanism should be effectively geared up so as to attract optimal institutional finance for enhanced income-generating activities.
- (xvii) Adherence to the provisions of the Panchayati Raj Act of 1992 and the provisions of the Panchayats (Extension to the Scheduled Areas) Act of 1996 in planning and implementation of TSP, including the SCA funds, should be ensured in letter and in spirit.

2. It is noticed that the Income Generating Schemes (IGS) are being implemented in many places without institutional loan linkage or involvement of beneficiaries in terms of their equal matching contribution. There are no provisions under the State Plan including the TSP to provide for subsidy assistance under Income Generating Schemes to the families below the poverty line in cash or in shape of income generating assets without institutional loan linkage. Distribution of assets like sprinkler sets, tractors, pump sets, power tillers, milch cows etc. under the Income Generating Schemes of SCA among the beneficiaries without the corresponding bank loan, therefore, would not be permissible. Similarly, the release of entire SCA incentives to the accounts of self-help groups pre-supposes matching

contribution of beneficiaries or institutional loan for undertaking economic activities by the self-help groups. By and large, the guidelines of SGSY and other beneficiary oriented schemes need to be followed to implement IGS components of SCA. The only major difference is that the component of subsidy in case of tribal families below the poverty line to be assisted through SCA grant is 50% subject to the ceiling of Rs. 10,000/- per beneficiary. The admissible unit cost or subsidy/assistance under the income generating scheme to be implemented under the SCA in no case shall be more than what is available under any other similar scheme being implemented in the State Plan including the central sector or the centrally sponsored programmes.

3. Under the IGS component of SCA, land based viable schemes and thrust areas should be identified keeping in view the aptitude and adaptability of beneficiaries and potential for development. Implementation of land based scheme may be undertaken through the beneficiaries even if the bank loan is not availed, if the beneficiary agrees to implement a particular land based scheme as per the NABARD approved unit cost by contributing labour equal to the value of loan amount. This arrangement may be extended to the schemes like land development (bench terracing), mulberry sericulture, cashew plantation, horticultural plantation including banana, sabai grass plantation and other agro forestry work. In case of land based schemes taken up under the IGS component without the bank loan, the scale of assistance should not exceed Rs. 12,000/- per acre. While there would be no such ceiling when the land based scheme is implemented through bank loan linkage.

4. The unit cost approved by NABARD for implementing Income Generating Schemes under SGSY and non-land based beneficiary oriented schemes should be followed while allowing subsidy assistance to the beneficiaries. In other words, 50% of the unit cost subject to the ceiling of Rs.10,000/- could be allowed to an individual (S.T.) family as subsidy. However, there is no upper limit of subsidy under minor irrigation sectors if the scheme is to be implemented with the bank loan linkage. For self-help groups, the subsidy would be 50% of the cost of scheme, or per capita subsidy of Rs.10,000/- or Rs.1.25 lakh for the whole group, whichever is less. Disbursement of loan and subsidy should be as per the guidelines of SGSY implemented by Panchayati Raj Department.

5. Implementation of income generating schemes should be done as far as possible with a cluster approach. The aptitude of beneficiary families, their felt need and viability of schemes should be taken into account in totality. The forward and backward linkages should not be lost sight of while implementing the scheme.

6. Considering the potential for irrigational development and success under this sector in the tribal villages, execution of community irrigation projects should be taken up in a larger scale in tribal area following the norm of people's participation as prescribed in the Biju Krushak Yojana. Such projects where at least 90% beneficiaries, both in terms of families and area, are tribals in the BPL category, can be developed as Income Generation Schemes (IGS) for these category of beneficiaries.

7. Those of the micro-irrigation projects which do not conform to the criterion of projects under the Biju Krushak Yojana, but are exclusively for tribals can be taken up like a land development scheme under the IGS component as given in para-3.

8. Sprinkler Irrigation System can be taken up through I. T. D.A. depending upon the viability and with the participation of target group of beneficiaries. The tribal farmers should be organized in societies before execution of the Projects. In case, the execution is not possible through the society, the ITDA may do the work with the help of any expert organization following guidelines prescribed for execution of any other irrigation projects. The scale of assistance shall not exceed Rs 12,000/- per acre. If the community lift irrigation points are executed under the IGS component of SCA without the bank loan, equal involvement of beneficiaries in terms of voluntary labour contribution towards construction of field channels, land development etc. should be ensured.

9. No income generating schemes or infrastructure development should be imposed/implemented without participation of beneficiaries. A demand through awareness should be created for the implementation of individual as well as community projects, even if beneficiaries are found indifferent at first for some reasons or the other.

10. Individual families could be given a package of schemes, subject to the ceiling of subsidy. In other words, more than one member of a family can be assisted in more than one schemes following the approved cost norms. Land development and agricultural demonstration should be taken up in the ayacut area of community irrigation project, simultaneously. Inter-cropping should be encouraged wherever agro forestry work and horticultural plantations including cashew plantation, have been taken up.

11. In areas affected by shifting cultivation and degradation of forests, agro forestry work should be taken up in hill slopes involving tribal beneficiaries. The Slopes Agriculture Land Technology (SALT) being tried by OTELP should be followed by all the ITDAs and Micro Projects. Fruit bearing trees like mango, guava, jack fruit, tamarind, cashew should be the main agro forestry species to be planted in the slopes with vetiver bunding of fiber plants like sisal. Beneficiaries should be given necessary inputs like seeds, seedlings, fertilizer, pesticide, etc. for agro forestry work and they should be persuaded to take up the plantation. Government Agencies and NGOs should be engaged as facilitators and not as Executing Agencies.

12. Backyard plantation should be taken up on limited scale selectively considering the results achieved in the past. The tendency of releasing funds to the Horticulturists and DAO for backyard plantation, vegetable demonstration and agriculture mini-kits without getting the list of beneficiaries with necessary details should be avoided. Plantation and mini-kits cards should be handed over to the beneficiaries showing the prescribed components of inputs and their value, at the time of taking up the demonstration. Instead of taking up demonstration in large number of villages, limited number of villages with cluster approach should be covered. The unit cost prescribed by subject matter Department should be followed strictly for such demonstrations. Involvement of beneficiaries is a must.

13. Implementation of income generating schemes has given better results, wherever beneficiaries from the younger age groups and women are involved from the beginning. Construction of smaller infrastructure development projects may also be entrusted to the groups of such beneficiaries, wherever possible.

14. Wherever implementation of land based schemes without bank loan linkage is proposed, applications should be processed by ITDAs/Micro Projects/Blocks, instead of sponsoring them to the Banks. Records should be maintained clearly and undertaking should be obtained from the beneficiaries that in the event inputs/subsidy, being misused by them, the entire infructuous expenditure would be realized from them as arrears of land revenue.

15. Infrastructure development should create permanent assets and would include C.D. works on the tribal village link roads, construction/reconstruction of minor irrigation projects, development of tribal market yards etc.

It may please be noted that any expenditure in violation of guidelines shall be treated as mis-utilisation even if it is covered by resolutions of Project Level Committees. Annual action plans should therefore, be drawn up and approved conforming to the SCA guidelines.

Yours faithfully,

Naradatta 18.12.06

COMMISSIONER-CUM-SECRETARY TO GOVT.

Memo No. 44376/SSD. Dated Bhubaneswar the 18th December 2006

Copy to all Sub-Collectors/B.D.Os. of MADA/Cluster Blocks/Special Officer, Micro Projects for information and necessary action.

[Signature] 18/12/06

DIRECTOR (ST&SC)-CUM-ADDL. SECRETARY TO GOVT.

Memo No. 44377/SSD. Dated Bhubaneswar the 18th December 2006

Copy to the Managing Director, Orissa Scheduled Caste & Scheduled Tribe Finance Development Corporation (OSFDC), Bhubaneswar for information and necessary action.

[Signature] 18/12/06

DIRECTOR (ST&SC)-CUM-ADDL. SECRETARY TO GOVT.