



### RURAL DEVELOPMENT

3.0



# RURAL DEVELOPMENT 3.0

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#### Acknowledgement

## A message from Conrad K. Sangma

As Meghalaya completes its 50th year of statehood, it is increasingly imperative to make our state prosperous and resilient. A large majority of Meghalaya resides in rural areas. As such, Meghalaya's prosperity hinges on the development of our rural economy.

The youth account for a significant portion of our rural population, and we must harness their potential to build a resilient economy. There are now increasing aspirations and expectations of our youth and it is imperative that Rural Development 3.0 nurture and support these aspirations.



Over the past few years, we have made significant progress on several development indicators. We have created an extensive SHG network to bring financial services to rural areas. Our MGNREGA spending has grown more than four times over the past decade. The women's reservation policy has leveraged our matrilineal traditions by placing women in leadership arenas. Moreover, we have been implementing initiatives such as PRIME, FOCUS+ and Lakadong Mission to transform Meghalaya's economy. We must now capitalise on this momentum and take Meghalaya to the next phase of rural development.

Rural Development 3.0 should aspire to build a vibrant and sustainable rural economy that works for everyone, particularly the most vulnerable sections of our society. This would require strategically investing in sectors and markets to support local enterprises, continuing to improve the health and education levels of our citizens, and leveraging technology and innovation to address development challenges in new ways. And as we build our rural economy, we must also ensure that we preserve our natural and cultural heritage for the generations to come.

I believe that the goals and approach outlined in this RD 3.0 vision document will help us build a prosperous and resilient Meghalaya.

(Conrad K. Sangma)
Chief Minister
Government Meghalaya

## A message from Hamletson Dohling

This year is a special year on account of the state reaching 50 years of statehood. To mark this occasion it is critical that while looking back at the footsteps that we have made, we also look at those we left on nature and the environment.

Our State is blessed with rich biodiversity and it is incumbent on all of us to reverse any trend which threatens the uniqueness of the State by adopting a sustainable science-based approach to Natural Resource Management, even as we ensure that our rural population achieves the economic and social development outcomes to which we all aspire.



In this regard, the Meghalaya Government under the Community and Rural Development Department amended the Mahatma Gandhi National Rural Employment Guarantee Scheme to include the formation of the Natural Resource Management Committees (NRMCs) in each and every VEC in the State, on the 14th December 2021, with final notification on 18th January 2022.

While we acknowledge that there has been significant degradation of our natural resources over many decades, we have also seen a number of initiatives taken up by the different Departments that have shown positive results. More promising still, our state has a long history of effective community-led natural resource management, as evidenced by our remaining high percentage of forest cover relative to other states.

While the state has seen its share of ups and downs, I have confidence that Rural Development 3.0 will pave the way for Government Departments and Communities to work together towards a sustainable economy, a greener environment, and prosperity for this generation and the generations to come.

#### **HAMLETSON DOHLING**

Cabinet Minister
Community & Rural Development
Department

## A message from Sampath Kumar

Meghalaya is predominantly a rural state with a high percentage of youth population. The state has a unique topography with a large number of highly dispersed villages. While we have worked to address some of these shortcomings through institution building, a women's reservation policy and strengthening community led initiatives, we must now integrate these initiatives to truly transform the rural ecosystem.



Launching an integrated effort begins with first articulating a vision for what we want to achieve in this next phase of rural development. This vision document for RD 3.0 lays out core goals across 4 core dimensions of the economy, human development, the environment, and local governance. In doing so, it is a call to action all stakeholders, within and outside government, to view these dimensions as part of a whole that must be jointly and collectively achieved.

With a clear purpose in mind, we must next identify the key areas that must be strengthened. With the active participation of Village Employment Councils (VECs) under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and formation of women's economic collective (SHGs) under National Rural Livelihood Mission (NRLM), rural unemployment has come down but more is to be done on this front, such as making agriculture and allied activities more remunerative through value addition. Additionally, with the induction of the newly recruited Junior Rural Development Officers (JRDOs), an augmented active facilitation will be initiated between the community, entrepreneurship ecosystems and cross department initiatives to ensure more cohesive efforts from the block to community level.

While we develop new initiatives we must also consolidate the progress made so far through extension and saturation, ensuring that our field officers are ever-present to facilitate community-level decision-making, planning and implementation.

Finally, at state level, the practice of co-facilitation, whereby state and district officials visit in-person at block and community level, has shown tremendous potential to identify and address problems, while simultaneously unlocking a new sense of agency at local levels.

I look forward to working with all relevant stakeholders to unleash Meghalaya's true potential to develop a holistic interlinked rural ecosystem.

#### Sampath Kumar, IAS

Principal Secretary
Community & Rural Development
Department
Government of Meghalaya

#### **EXECUTIVE SUMMARY**

A large majority of Meghalaya's inhabitants - eighty percent - still reside in rural areas. Of this population, 70% are involved in agricultural and allied activities for their livelihood. However, the primary sector (agriculture, mining, extraction of raw materials, forestry, fisheries, etc.) accounts for just 22% of the state's GSDP. Accounting for this disparity and taking the right measures to strengthen the economy of the rural areas is thus a high priority for the state.

Rural development in the state has transitioned from the early phase (2006-07 to 2014-15), wherein the foundation pillars were being set up by the institution building measures and creation of specialists. With the initiation of Rural Development 2.0 (2015-16 to 2021-22), a more focused approach on expanding and shaping the rural setup was in place. Here, sections of the rural society who did not fare well in the initial phase were given emphasis from measures like the Bottom 20 Approach to the Women Reservation Policy in the VECs and significant changes in these sections were witnessed. The state is now planning to build on this momentum under the next phase of Rural Development 3.0.

#### Vision of Rural Development

Under, Rural Development 3.0, our objective is to go beyond our initiatives under Rural Development 2.0 and extend our efforts in shaping our rural economy to be self sufficient, resilient and future oriented. Rural Development 3.0, has in essence focused on 4 key dimensions:

- 1. **Rural Economy:** Strengthening access to opportunity and raising incomes through access to finance, rural infrastructure, enterprise development, investment in new markets, and renewable energy.
- 2. **Human Development:** Ensuring access to basic health and education, employment access, and social security measures for every individual in the rural ecosystem.
- 3. **Climate Adaptation & Resilience:** Ensuring that Meghalaya is well prepared to meet citizens basic needs despite climate change, through strengthening disaster preparedness, agricultural productivity and food security, and water security.
- 4. **Local Governance:** Building on Meghalaya's traditional strengths in local governance through strengthening capacity of local leaders, and strengthening the links between community institutions and the other levels of governance from block, to district, to state.

Achieving the vision outlined in RD 3.0 would require reorienting the existing line department towards this new holistic vision and facilitating collaboration between department at all levels to ensure that the state is able to solve problems that matter to citizens.

#### **RURAL DEVELOPMENT 1.0**

DESIGNING THE INSTITUTIONAL ARCHITECTURE

#### **DESIGNING THE INSTITUTIONAL ARCHITECTURE**

The Mahatma Gandhi Rural Employment Generation Scheme (MGNREGA) was launched in 2005 with the vision of providing a basic social security to rural populations in the form of a minimum 100 days of guaranteed employment, while also empowering rural communities to plan and execute their own development works. Initially, these works were concentrated on providing basic infrastructure (eg. roads and check dams). Livelihood support was extended through the advent of Pradhan Mantri Gram Sadak Yojana (PMGSY) and other schemes.

MGNREGA was initiated in Meghalaya as a Pilot program in South and West Garo Hills in 2006, eventually spreading to all the districts by 2010. This initial phase of rural development is characterised by designing of an institutional architecture that can provide a foundational support to rural development initiatives.

#### **KEY INSTITUTIONS SET UP RD 1.0**

#### 3. VILLAGE EMPLOYMENT COUNCILS

Being a Sixth Schedule state, Meghalaya lacks Panchayati Raj Institutions, the entity used by most states for community level implementation of MGNREGA and other schemes. The state does, however, has traditional institutions that have led local development. The state leveraged these traditional institutions by creating a new community institution of Village Employment Councils (VEC) that could implement MGN-REGA. Currently, number of VECs stands at 6369.

#### 1. STATE RURAL EMPLOYMENT SOCIETY

The State Rural Employment Society (SRES) was created in 2011 to strengthen the activities under MGNREGA and to further enhance the functioning of the VECs. The society provided an institutional structure to streamline the implementation of MGNREGA and other schemes.

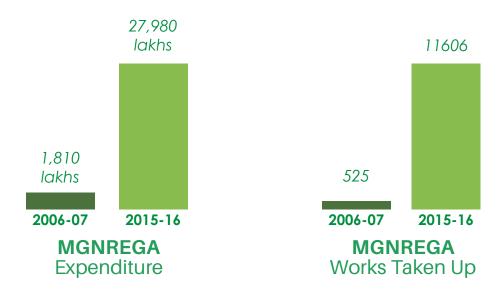
#### 2. MEGHALAYA STATE RURAL LIVELIHOODS SOCIETY (MSRLS)

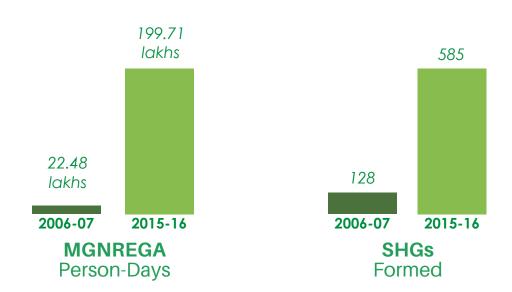
Meghalaya State Rural Livelihoods Society (MSRLS) was established in 2012 to lead the implementation of National Rural Livelihood Mission (NRLM). Similar to SRES, MSRLS provided better systems and more accountability for implementation of rural development programmes. Since its formation, the core function of MSRLS has been to develop women's self-help groups that can help aggregate and mobilise household savings to promote livelihoods.

#### 4. SELF-HELP GROUPS

National Rural Livelihood Mission (NRLM) attempts to alleviate poverty by promoting self-employment and organization of rural poor. The women in rural areas are mobilized into SHG (Self Help Groups) groups and their capacity is being built for taking up income generating activity. Over time, the SHG network has become an important source of social capital in the state and has been continually leveraged to mobilise communities for local action on important development challenges.

#### **PROGRESS DURING RD 1.0**





# URAL

**RURAL DEVELOPMENT 2.0** 

**DEEPENING & DIRECTING** 

# PAAENIT

RURAL DEVELOPMENT 2.0 represents a phase when several initiatives were implemented to accelerate rural development across multiple dimensions. The RD 2.0 story has two important aspects:

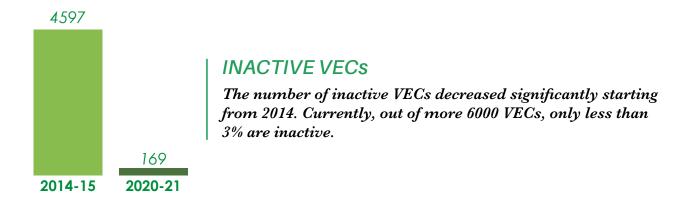


- 1. Activating Village Employment Councils
- 2. Expanding SHG Network
- 3. Building & Strengthening Institutions
- 4. Using MGNREGA for Environment & Economy
- 5. Promoting Women Leadership & Economic Empowerment
- 6. Developing Markets

#### 1. ACTIVATING VILLAGE EMPLOYMENT COUNCILS (VEC)

As mentioned earlier, establishment of VECs was an important institutional innovation to enable community-led implementation of rural development projects. However, many VECs remained somewhat dormant after they were formed and, as such, the take up MGNREGA remained at low levels. The state then implemented multiple initiatives to activate VECs.

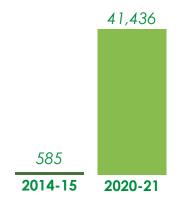
First, the state worked towards rebuilding a sense of purpose among community leadership. This was critical for communities to better explore ways to leveraging MGNREGA to address local challenges. Second, the implementation process were simplified and streamlined to make it easy for VECs to function. Third, the state invested in building capacity of VEC leaders and strengthening the link between state officials and VEC. This efforts helped activate VECs across the state, which in turn significantly increase the uptake of MGNREGA.



#### 2. EXPANDING SHG NETWORK

Since its inception, MSRLS has led the formation of SHGs in the state and the promotion of rural livelihoods. During RD 1.0, MSRLS was able to make some gains in initiating the process of SHG formation but SHG enrollment remained low.

Over the past few years, however, recognizing the important of women's groups, the state has prioritized SHG enrollment. MSRLS has innovated with different SHG formation process to bring more women within the folds of NRLM.



#### **NUMBER OF SHGs**

The number of SHGs has increased by almost 80 times since 2014. Currently, an amount of  $\mathbb{Z}$  93.87 Crores (approx.) have accumulated in the saving accounts of SHGs all over the state.

#### 3. BUILDING & STRENGTHENING INSTITUTIONS

A key feature of RD 2.0 has been to build support an institutional architecture that can tackle all aspects of rural development in Meghalaya. The state has built institutions such as SRES that can implement key programmes and, at the same, the state has established technical resources agencies that can bring in new practices and build capability of implementing agencies. This combination has ensured that strengthening of technical capability has gone hand-in-hand with improving implementation. This section list some key institutions that have complemented the work of SRES, MSRLS and VECs that were highlighted in RD 1.0.

- **State Institute of Rural Development (SIRD)** of Meghalaya was established in the year 1986 to support capacity building in rural development. The core functions of SIRD are training and capacity building of state functionaries who are implementing rural development programmes. It is also the state nodal agency for the implementation of Deen Dayal Upadhyaya Gramin Kaushalya Yojana (DDU-GKY).
- Meghalaya Society for Social Audit & Transparency (MSSAT) is an independent society set up by
  the state to conduct social audits of its flagship programmes such as MGNREGA and Indira Awaas Yojana
  (IAY). Meghalaya brought a pioneering social audit act in 2017 to build accountability towards citizens and
  to increase awareness of rights and entitlements.

MSSAT has been instrumental in operationalizing this act through functionaries such as Village Resource Persons, who facilitate the social audit process at the community level.

• **Meghalaya Basin Development Authority & Meghalaya Basin Management Agency** were set up in 2012 with the mission to facilitate sustainable development of the state by protecting natural resources and by enabling sustainable livelihoods.

Since its inception, MBDA has implemented multiple externally aided projects such as Meghalaya Livelihoods and Access to Markets Project (Megha-LAMP) that aims to improve access to sustainable livelihoods through a combination of financial support and supply-chain development initiatives such as integrated Village Cooperative Societies (IVCS).

Another flagship programme of MBDA is Community-Led Landscape Management Project (CLLMP) that attempts to build a community institution to manage local natural resources. This project provided a working model that is now being expanded to all villages of the state.

• Meghalaya Institute of Natural Resources (MINR) and Centre of Excellence (CoE) are technical resource institutes that have been established to support implementing agencies like SRES and state departments. MINR and CoE have the mandate to develop and test new practices such as payment for ecosystem services (PES), which can then be scaled across the state. MINR has developed initiative such as Aroma Mission and Hydrogen Mission to introduce new practice. MINR and CoE also implement capacity building initiatives.





#### Number of Village Community Facilitators

CoE and Soil & Water Conservation Dept. can created a cadre of Village Community Facilitator (VCF) who are supporting NRM activities at the village level

• **Meghalayan Age:** is a State Govt company formed in 2020 to prepare projects, mobilize finance, facilitate procurement, and provide credit support service for construction, development, operation, maintenance, rehabilitation, and upgradation of bankable infrastructure projects in the State of Meghalaya.

Apart from promoting ecotourism, Meghalayan Age also supports and promotes local artists and handicrafts by developing value-chains, organizing events and connecting people to markets.



Meghalayan Age store in Delhi showcasing the state's crafts

#### 4. MGNREGA & NRLM FOR ENVIRONMENT & ECONOMY

The state has been actively identifying critical development gaps that can be addressed using MGN-REGA and NRLM. This prioritization and directing for MGNREGA and NRLM resources has helped Meghalaya make progress on certain complex challenges.

#### **Bottom 20**

In 2016-17, the SRES took the initiative to develop livelihood activities for the bottom 20% of poorest and most vulnerable households every year in convergence with MGNREGA.

Through this initiative, known as the Bottom-20 Strategy, the poorest households are identified and MGN-REGA is used to support thesevv households by creating livelihood assets or by implementing plantation-related works.



Poultry shed constructed under the Bottom 20 initiative

#### **NRLM-Supported Livelihoods**

Increasing enrollment of SHGs has presented the state an opportunity to mobilize funds towards supporting livelihoods. The state has disbursed ₹ 234.77 crores of Community Investment Funds (CIF) to Village Organizations' (VOs), which are federation of SHGs. This, combined with local savings, has helped support various farm and non-farm activities.

For instance, the state has trained more than 40 thousand Mahila Kisans on farm practices such as agro-ecological practices, livestock and agri-nutri gardens. Moreover, SHG savings have provided capital to non-farm activities such as restaurants, tailoring shop and food processing units.



Construction of Check Dam under MGNREGA and Plantation under CLLMP

#### **Natural Resource Management**

Given Meghalaya's vulnerability to climate change, the state has actively promoted effective local natural resource management.

Externally aided projects, such as World Bank-funded Community Led Landscape Management Project (CLL-MP), have provided prototypes for effective NRM. Moreover, the state has invested in building up technical capacity of communities and frontline workers to do NRM well.

These efforts has resulted in almost 40% of MGN-REGA budget being spent on NRM-related projects, which amounts to roughly ₹ 500 crores annually.

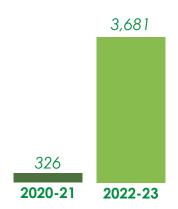
#### 5. PROMOTING WOMEN LEADERSHIP

Meghalaya is one of the few existing matrilineal societies in the world. Women, however, have a very limited say in local decision-making and governance. These inequities are also linked to poor human development outcomes of women such high maternal mortality.

In order to address the systemic gender issue, the state introduced a reservation for women in VECs. This initiative aims to increase political participation of women and, through increase women's agency, improve education, health and labor market outcomes of women.



VEC Women Leader from Mairang Block interacting with state leadership of C&RD



#### Number of Women VEC Leaders

The number women occupying leadership positions in VEC has increased by almost 10 times over the past three years. Most of the women leaders are part of SHGs.

#### 6. DEVELOPING MARKETS

Rural development strategy has often been focused on raising the general wellbeing of people living in rural areas. There is, however, increasing recognition that rural development requires active intervention from the state to develop markets that can fuel economic growth. Over the past several years, Meghalaya has been several efforts to identify and develop markets for goods and services for which the state potential comparative advantage.

Commodity-specific initiatives such as Jackfruit Mission, Milk Mission, Aroma Mission and Apiculture Mission attempt to expand the scale of production and strengthen value chains. These initiatives target development all aspects of the market to ensure that producers and other stakeholders have access to all services they need to become profitable and resilient. The following page describes the case of Lakadong Turmeric Mission as a way to highlight the critical role of state in developing markets in strategic areas.

#### CASE STUDY | MISSION LAKADONG



The famous Lakadong turmeric comes from a tiny, nondescript village at the foothills in Laskein of the west Jaintia Hills in Meghalaya, now in essence is the heartland of a silent revolution. This is where the world's finest variety of turmeric grows, and is most favoured for its high curcumin content of more than 7%, as against 2 to 3% found in regular varieties available in the market. Mission Lakadong is bringing a transformation in Lakadong Turmeric's value chain.

#### COMPONENTS OF THE MISSION

- A. Capacity Building & Farmers' Mobilization D. Post Harvest Management & Processing through meetings, awareness programs, workshops, kisan melas, exposure visits and different forms of media
- **B. Area Expansion** from the current level of around 2577 ha to 15,000 ha through outreach of farmers. And increasing productivity from 6 to 8 MT per ha
- C. Planting Material Propagation & Multiplication by focusing on production of quality mother rhizomes and development of seed banks.
- through processing units and equipment such as steamers and polisher & access to testing and certification
- E. Ecosystem Building & Enterprise Promotion by supporting entrepreneurs to establish aggregation centres and increase trading capability
- F. **Marketing** by building brand equity of Lakadong turmeric through Geographical Identification Tag

#### **Achievements**

#### 1413 ha

Area of cultivation expanded under the Mission

#### 15

Collective Marketing Centres for aggregation and processing

#### 17.15 MT

Lakadong Turmeric exported since launch of Mission

# RURA

#### **RURAL DEVELOPMENT 3.0**

TOWARDS AN INTERLINKED RURAL ECOSYSTEM

#### **RURAL DEVELOPMENT 3.0**

While Rural Development 2.0 focused on deepening and directing, Rural Development 3.0 is focused on improving coordination and cohesion of the development approach, to ensure lasting and holistic transformation of the rural ecosystem.

For Rural Development 3.0, the following four dimensions have been identified as essential in their own right. Yet, the development approach must be coordinated and cohesive across all four, given that each is dependent upon the other.

#### COMPONENTS OF RD 3.0

#### 1. RURAL ECONOMY

Strengthening access to opportunity and raising incomes through access to finance, rural infrastructure, enterprise development, investment in new markets, and renewable energy.

#### 2. HUMAN DEVELOPMENT

Ensuring access to basic health and education, employment access, and social security measures for every individual in the rural ecosystem.

#### 3. CLIMATE ADAPTATION & RESILIENCE

Ensuring that Meghalaya is well prepared to meet citizens basic needs despite climate change, through strengthening disaster preparedness, agricultural productivity and food security, and water security.

#### 4. LOCAL GOVERNANCE

Building on Meghalaya's traditional strengths in local governance through strengthening capacity of local leaders, and strengthening the links between community institutions and the other levels of governance from block, to district, to state.

The following pages detail some of the issues to be addressed within each dimension, potential ways forward, and key outcomes that may be assessed to track progress.

#### 1. RURAL ECONOMY

#### 1.1 FINANCIAL SERVICES

#### -Issues-

Cooperative Funding: Absence of a structured cooperative funding mechanism

Basic Financial Knowledge: Lack of basic financial knowledge by the community

**Insufficient Savings:** Subsistence farming generates a meagre amount to the households leaving them with no sufficient savings.

#### -Way Forward -

- Policy support to ensure easy financial access (collateral free loans and minimum interest rates)
- Develop a robust cooperative fund by institutionalising a cooperative fund committee which would look at:
  - \* Arranging funds for the cooperatives through a systematic collection mechanism from amongst members and schemes
  - \* Choosing the sectors to invest in based on a given set of parameters (market potential, value addition, availability of workforce, etc.)

- Percent of rural households with at least 1 functioning bank account
- Percent of households in which average remuneration is above the minimum threshold specified for Below Poverty Line



Handing over of micro ATM at Katchi Garantai IVCS Ltd. in Baghmara, South Garo Hills

#### 1.2 RURAL CONNECTIVITY

#### Issues=

**Barrier to road connectivity:** The geographical terrain in the state makes intra village and inter village connectivity a major barrier to bridge the developmental gap.

**Network Barriers:** Rural connectivity poses two inter-related challenges for network operators. One is the cost of setting up network facilities, the other being the low average revenue per user. Both of these discourage private players from stepping into the rural ecosystem.

**Policy measures** failed to bring any considerable improvement in participation of private service providers improving rural connectivity. Efforts for increasing digital awareness have also been lacking.

#### -Way Forward

- Policy Measures: While the government alone cannot solve rural connectivity issues, it must focus on making its policy attractive enough for the private players to participate
- Identification of priority regions / communities for connectivity infrastructure development based on critical need or strategic importance for enterprise and new market development.
- Develop an all encompassing logistic support mechanism from the point of view as one ecosystem with intra and inter linkages as components.
  - \* Non-motorable roads PMGSY can focus on problematic villages and villages having enterprise development potential/new market establishment potential
  - \* Network & Internet Connectivity: Establishment of PPPs with the corporate sector, eg. through CSR projects, in high priority areas.

- Percentage of high priority villages with motorable roads with access to healthcare facilities, markets, etc.
- Demonstrated interest of private providers in government partnerships, eg. number of competitive bids
- Percentage of rural population with access to an internet connection; eg. a hub within a village where internet connection is readily available

#### 1.3 ENTERPRISE DEVELOPMENT

#### -Issues-

- **Lack of community linkages** Produce Groups & SHGs are too few in number to scale at a pace where they are able to regularly supply to the market outside
- Lack of food processing and post harvest production units which play a major role in value addition
- Lack of basic business/financial knowledge and effective utilization of savings a barrier to

#### Way Forward

- Formation of production clusters from a group of 50-100 villages specializing in the same product. This would help leverage economies of scale and produce enough to create a viable market demand
- Focusing on post harvest processing units as they can amplify yield through value addition as well as reduce wastage (perishability)
- Process Improvement: Value chain analysis at each step of the enterprise process for negating the barriers faced by the enterprise
- Post harvest processing facilities to be supported by Custom Hiring Centres at each village for the producer groups to utilize as a plug and play system
- Linking SHGs with private sectors to accelerate creation of export demand markets and aid with every obstacle at each stage of the value chain

- Number of production clusters in operation and average turnover achieved.
- Number of households with at least one person employed in a production cluster of the village
- Number of operational post harvest processing units, and percentage operating at full capacity.
- Number of SHGs in active private sector partnerships, eg. transactions executed within the past year

#### CASE STUDY | PRIME MEGHALAYA



Promotion and Incubation of Market Driven Enterprises (PRIME) is making entrepreneurship a preferred career choice for the youth through creation of an ecosystem that enables easy availability of credit, technology, skilling and mentoring support and access to high leverage markets.

#### BENEFITS TO PRIME ENTREPRENEURS

- **A. Financial Support** of up to Rs. 1 lakh ito each entrepreneur to do smaller investments and kickstart operations.
- **B. Dedicated Mentoring** with seasoned industry experts and professionals.
- ing and workshops to build a sustainable and growth-oriented business.
- **D.** Access to Funding via large range of banks, foundations, impact and venture capital funds

- **E.** Access to Markets via its vast network of corporates and retailers in the state as well as outside Meghalaya
- **Free Co-working Space** in a vibrant environment among like-minded entrepreneurs
- C. Capacity Building through bootcamps, train- G. Free Marketing & Legal Services ranging from free logo and website making to advice on the establishment of a company
  - **H. Visibility & Networking** with affiliation to organisations like the Meghalaya Institute of Entrepreneurship and IIM Calcutta Innovation Park

**Achievements** 

150

Entrepreneurs incubated under PRIME

97 lakh

PRIME Kickstart Grant disbursed

133 lakhs

PRIME Scale Up Innovation Loan

#### 1.4 DEVELOPMENT OF NEW MARKETS

#### **Issues**

- Lack of product diversity & products with a Unique Selling Proposition (USP) to stand out from the competition
- Poor upstream and downstream market linkages hampers value chain development
- Lack of government support to tap entrepreneurs/producer groups which have export potential products which would not only create but accelerate brand equity for the product
- Few markets / industries have so far been identified and prioritized for investment.

#### *-Way Forward -*

- Developing a strategic rural economic growth plan based on analyses of Meghalaya's strengths, market positioning, and needs, eg. for job creation. Such a strategy can determine industries and markets that are "low-hanging fruit" for Meghalaya's rural development.
- Creating a demand driven market for niche products with a Unique Selling Proposition (USP) (Eg. Lakadong turmeric with a higher cucurmin content then any other variety) and develop production clusters around these products.
- Streamlining upstream and downstream market linkages for a smooth transition of process and products.

- New industries and markets identified, and establishment of required infrastructure and market linkages.
- Local employment generation through identified industries.
- Export demand and Return on Investment (ROI) of identified niche products.
- Cost and speed of production relative to competitors

#### CASE STUDY | FOCUS



FOCUS is Supporting Farmer Producer Groups

Farmers' Collectivization for Upscaling of Production and Marketing Systems (FOCUS) has been designed based on the learnings from Megha-LAMP. FOCUS is developing a holistic production and marketing system and supporting farmer producer groups (PG).

#### **Key Activities under FOCUS**

- **A. Identification of Value Chain** based thorough analysis of value chains of different products in different regions with eventual goal of creating higher income for producers by improving productivity, taking up value addition activities and reaching wider markets.
- **B. Setting Up Producer Groups (PG)** as an informal collective of 10-20 producers from the same village who are engaged in the same or similar types of agricultural/ allied activities that have a high potential for income generation
- **C. Funding Support** to PG (Rs 5000 per member) to support activities related to development of value chains of the farmers such as production, productivity, value addition and market linkages
- **D. Services Providers** who will provide technical and knowledge support to farmers. These services could include vaccination, crop advisory, supply of inputs, aggregation of outputs, etc.

**Achievements** 

15,528

Number of PGs supported under FOCUS 13

Average number of members in PG

37 crores

Funds disbursed under FOCUS

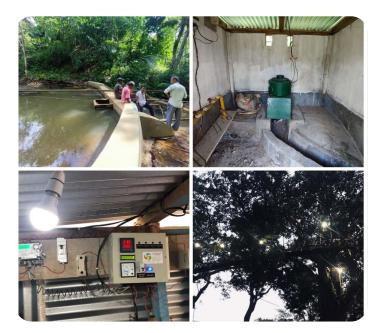
#### 1.5 RENEWABLE ENERGY

#### -Issues-

- Lack of awareness on renewable energy
- Lack of experience workforce in this sector
- Initial cost of setting up renewable energy is expensive and requires third party collaboration

#### Way Forward

- Conduct analysis of renewable energy options and potential across different regions of the state
- Establish multi stakeholder collaboration with the government, the private sector, and communities to come out with a specific goal for the block/village
- Development of a renewable energy strategy and pilots across each region, with aim of supporting both consumption activities and production capacities (eg. powering of mills, work stations of the rural enterprises)
- Prioritization of tourist establishments for renewable energy supply, creating brand equity for the state



Kudengrim Village in Amlarem Block installed Pico Turbine under Green Energy Mission MINR to light the tourist spot and the streets in the village.

- Percentage of households and tourist establishments accessing renewable energy.
- Number of production units relying on renewable energy

#### 2. HUMAN DEVELOPMENT

#### 2.1 SOCIAL SECURITY

#### **Issues**

- Need for welfare programs focused on upliftment of vulnerable populations, and not just ensuring sustenance.
- Absence of social safety net for the vulnerable sections with no bread earner in the family
- Low identification of the vulnerable sections due to low frequency of visits by frontline workers in rural areas
- Lack of monitoring on basic standard of living parameters for vulnerable sections, such as income, employment and livelihood opportunities.

#### -Way Forward -

- Assessment of current welfare provisions and identification of gaps and strengths, in coordination
  with district and block level teams. Special attention to be given to "positive deviance" cases, eg.
  differently abled persons who have found employment suited to their capacities, locally developed
  social safety nets, etc.
- Development of a welfare policy and strategy, to be reviewed by Human Development Council.
- Incorporation of welfare indicators into regular district and block level reviews to assess progress towards improved welfare provision.

- Percentage of BPL households with access to minimum welfare provisions.
- Basic health and education indicators for BPL households, eg. average out-of-pocket health expenditure, school attendance
- Percentage of BPL households that "graduated" to above BPL status in the last year.

#### 2.2 EDUCATION

#### Issues

- Lack of basic school amenities (eg. private toilet for girls, running water, electricity)
- Low teacher to pupil ratio in some rural areas; poor allocation of teachers across schools relative to enrollment numbers.
- Low gross enrollment ratio in rural areas, (eg. low enrollment of students in secondary education and high dropout rate after secondary education)
- An outdated curriculum, delayed textbooks, and a weak training programme, resulting in poor learning outcomes for students in rural areas.

#### Way Forward

- Assessment of gaps and strengths in education provision by district, including performance on basic parameters (eg. presence of separate toilet for girls, running water, electricity, books and stationery, teacher to pupil ratio, pass percentage)
- Development of education strategy, to be reviewed by Human Development Council
- Incorporation of education targets into regular district and block reviews.
- Close monitoring of those villages/blocks with low education parameters, along with in-depth problem-solving.
- Dropout students to be monitored, counselled and enrolled in vocational courses, enterprises set up by the community

- Percentage of schools with adequate performance on the basic education parameters
- Literacy and numeracy rate by village, block, and district
- Student dropout rate

#### 2.3 SKILL DEVELOPMENT

#### **Issues**

- Low access to career counseling, especially in rural areas.
- No linkage between vocational courses and employers in the specified sector
- Low access to non-farm vocational training courses in rural areas
- Existing skill programmes in rural communities have limited and low-income employment options.
   Popular programs, eg. tailoring and masonry, have low income potential and risk trapping households in poverty.
- The existing skill system does not leverage the youth and culture of the state, which have an untapped potential.

#### Way Forward

- Ensure provision of career counseling in rural schools from an early age.
- Ensure training offerings in keeping with local industry and job opportunities, with special emphasis on technological/non-farm industries
- Development of training offerings in coordination with employers
- Map rural youth trained in specific enterprises and link them with employers from the specified field

- Percentage of schools offering career counseling
- Percentage of training graduates receiving internship and employment offers in the field of training
- Percentage of trainees who are first time participants in a training program
- Employment/entrepreneurship outcomes, including long-term retention, of trained youth
- Earnings of trained youth

#### 2.4 HEALTH

#### •Issues

- High rural risk for disease and illness, given factors such as poor nutrition, poor sanitation, low birth-spacing, high teenage pregnancy, low awareness of disease factors, ineffective or dangerous health-seeking practices, and low access to safe and effective care.
- Poor infrastructure and dispersed population
- Low trust of healthcare system and providers.
- Norms that delay seeking of healthcare.
- Acceptance of high disease burden as normal and unavoidable by community members and state officials alike.
- Lack of motorable road makes institutional care difficult and visits by ASHAs also becomes difficult
- Healthcare workforce to village population ratio is very low

#### -Way Forward -

- Continuation of regular cross-department reviews at district and block level, combined with regular field visits of state teams.
- Use of reviews to identify and solve problems at each level, and to identify and disseminate successful practices.
- Close monitoring of those areas with especially low health parameters, eg. IMR, MMR, Malnour-ishment, non-communicable diseases)
- Capacity building and hand-holding of Village Health Councils to ensure active engagement of communities in problem solving and demand generation.

- Key health outreach parameters, eg. frequency of home visits by frontline staff, frequency and attendance at Village Health & Nutrition Days
- Key community-driven health parameters, eg. percentage of active VHCs
- Key health access parameters, eg. institutional delivery, utilization of local health centers, out-of-pocket expenditure
- Key basic health parameters, eg. IMR, MMR, Malnourishment, prevalence of non-communicable & communicable diseases, etc.

#### CASE STUDY | SVM

The Smart Village Movement is a collaborative process with the University of California Berkeley-Haas Centre of Growth Markets to create a Smart Village ecosystem. The mission in Meghalaya aims to foster market access and take solutions closer to the people with the goal to set up shop at strategic locations at village level.

Helping establish enterprise led solutions is important to the state's context as it unleashes aspirations to build different pathways for boosting local economy and enable an ease of doing business climate in the region and promote entrepreneurship at large scale.



Hybrid e-Vtol drones for medicine delivery

#### COMPONENTS OF THE MISSION

#### A. Agriculture

- Farmer Development Centre
- Spatial Imagery
- Aggregation & Market Linkages

#### B. Education

- STEM Innovation Hub
- Salesforce Trailblazer Lab
- IBM Data Science Course

#### C. Healthcare

- Healthcare Polyclinics
- Virtual Health Assistants
- **Aerial Logistics**
- Telemedicine
- Last Mile Doorstep Services
- Positive Public Healthcare Management & AI

#### D. Household

- Water Testing
- **Smart Energy Solutions**
- Clean Drinking Water

#### **Initiatives**

Launch of India's first Hybrid e-Vtol drones for medicine delivery and enabling for country's first drone station setup in the public healthcare system (Tech Eagle Innovations)

Private enterprise collaboration with PHCs (26 Apollo Centres linked with Gramin Healthcare)

Provisioning alternative learning spaces for the children and youth in villages (22 Centers with project implementation partners like Project Defy, Sauramandala, Open Door, Curiosity Gym for different learning components etc)

Executing a pilot for a model from the Meghalaya State Health Policy 2021 called the Positive Public Healthcare Management in Bhoirymbong, Ri Bhoi (MAYA as AI screening partner and KRSNAA for Diagnostics, with pilot ready to scale in entire Ri Bhoi District)

#### 3. CLIMATE ADAPTATION & RESILIENCE

#### 3.1 NATURAL RESOURCE MANAGEMENT AND SUSTAINABLE DEVELOPMENT

#### •Issues

- Lack of alternative income generation options to replace harmful practices
- Lack of knowledge on how to practice sustainable farming and resource use.
- Acceptance of deterioration of natural resources as inevitable and unavoidable; low exposure to alternatives
- In Meghalaya, managing natural resources like soil, forest, fauna and water is a challenge without communities leading the efforts. Efforts are dependent on the awareness and co-operation of the communities.
- Lack of coordinated, holistic and community-led planning and engagement on natural resource management

#### =Way Forward =

- Identification of program and schemes already in place with the focus to strengthen existing resourc-
- Currently, there is strong focus and awareness on NRM at the community level and State level however there is a need for Holistic Planning between Departments to achieve effective Natural Resource Management.
- Incorporate NRM indicators into SAPCC, to be reviewed periodically by Climate Change Council.
- Regular review and problem-solving on NRM indicators in rural development reviews at state, district and block level
- Investing in the capacity building of field-level officials and community members, especially of Natural Resource Management Committees (NRMCs) and Village Community Facilitators (VCFs)
- Strengthen links between field and block through regular village visits by field staff, and periodic field visits by state and district.

- Increase In NRM activities at the community
- Awareness and knowledge of NRM Practices



Training on A-frame method for NRM

#### 3. 2 AGRICULTURE PRODUCTIVITY AND FOOD SECURITY

#### •Issues=

- Floods and Droughts: Abrupt changes in the monsoon has triggered frequent cases of Flooding and Landslides across the state.
- Climate change accelerates nutrient mineralisation, hampers fertilizer use efficiency (FUE) and hastens the evapotranspiration in soil.
- Lack of Markets and connectivity.
- Lack of post- harvest management practices.

#### -Way Forward —

- Since farming in Meghalaya is organic by tradition, it provides ample scope for scaling up to allow farmers to take advantage of the new and growing market opportunities.
- Low cost organic farming methods such as ZBNF has brought organic farming within reach of small and marginal farmers and can be carried out at a larger Scale.
- Capacity building to train farmers in latest cropping techniques specially evolved to counter adverse effects of climate change
- Improving post- harvest management such as cold chain for perishable crops and winter cultivation practices
- Promotion of sustainable package of practices including crop and farm diversification for better
  protection from the impacts of adverse weather conditions and climate change A Sustainable farming mechanism with a communication pathway that can quickly change and adapt as per the need
  of the farmers.
- Leverage technology through the Precision Agriculture System
- Improving post- harvest management such as cold chain for perishable crops and winter cultivation practices

- Improvement in Post Harvest Management
- Increase in sustainable farming practices



#### 3.3 DISASTER RESILIENCE

#### Issues₌

- The state is also prone to floods and soil erosion making the agriculture sector much more vulnerable. Around 815,000 hectares in Meghalaya have been affected by soil erosion.
- Lack of Technology to counter Climate Change
- No proper Communication pathway between the communities and the administration.
- Abrupt changes in the monsoon has triggered frequent cases of Flooding and Landslides across the
- Climate change accelerates nutrient mineralisation, hampers fertilizer use efficiency (FUE) and hastens the evapotranspiration in soil.
- Wide spread implication on agriculture, water resources, forest, biodiversity human and animal health.

#### *-Way Forward -*

- Regular review and monitoring on the conditions of Dams, Reservoirs, Roads, etc and an Action Plan has to be in place for vulnerable areas to avoid damages and the loss of life.
- Encouragement to take up Natural Resource Management Activities to counter Flood and Soil Erosion. Even Traditional Methods to counter Landslides and Soil Erosion must be encouraged.
- Development of flood/drought forecasting models
- Provide oversight for formulation of action plans in the area of assessment, adaptation and mitigation of climate change.
- Regular emergency training exercises in which all relevant stakeholders would participate



Forest fire at Sadolpara, WGH

#### -Kev Indicator

Stronger review and monitoring system in place.

#### 3. 4 WATER SECURITY AND FOREST CONSERVATION

#### -Issues-

- Water and Forest resources have been managed with a myopic approach and in silos
- The degradation of catchment areas, unsustainable mining practices and lack of sufficient water storage capacity, with climate change multiplying the effects of Water Scarcity.
- Low public consciousness about judicious use of water and its economic value also results in its wastage and inefficient use
- Rampant Forest Fires
- The total forest area controlled and managed by the state government is 1112 km2 or 12% of recorded forest area. According to official records, the remaining 88% of forest in the state (8372 km2) is autonomous district council forest. In practice, the authority over and management of these forests rest with the concerned owners and the communities. While this may not be considered as an issue, however the progress of most development works depend on the co-operation and ownership of the communities.

#### Way Forward

- Restoration and creation of water bodies
- Emphasis to stress on rainwater harvesting and run-of-the-river projects
- River health monitoring
- Development of Forest/ Water Management System interventions can be taken up in private lands and where communities are empowered and responsible of the development initiative. The conservation of water resources and revitalizing the catchment areas through the Payment for Environmental Services (PES) model is a good example of empowering communities to care of their catchment Areas and Forest Cover.
- Innovative practices to Rejuvenate contaminated Rivers and Streams. The Phyco-remediation technology to rejuvenate the Kyrhuhkhla and Lunar Rivers in Jaintia Hills. Neutralizing Acid Mine Water through Open Limestone Channel at at Saipung Block of East Jaintia Hills District.



Use of Phyco-remediation technology in EJH under Forest Department

- Increase in Forest Cover
- Increase in Water Discharge
- Increase in Water and Land Rejuvenation Activities

#### 4. LOCAL GOVERNANCE

#### 4.1 BUILDING LOCAL LEADERSHIP

#### -Issues-

- Since establishing the Women's VEC reservation policy, Meghalaya has a new crop of women leaders, who face many challenges ahead. Many are first time-officer bearers. In addition, they face particular gender related challenges, such as managing child care while also attending to official duties at the block office.
- Several initiatives have launched new cadres at the community level, including Community Gender
  and Health Activists (CGHAs), and Village Community Facilitators (VCFs). These new cadres are
  provided basic training in areas such as health or natural resource management. Nevertheless, much
  of their work entails the facilitation of community meetings and decision-making, requiring leadership training and support.

#### *■Way Forward*

- Expand training programs for community level leaders in facilitated decision-making, planning and implementation of development works. Components may be added on leadership and community mobilization.
- Create facilitated support networks for community leaders to surface and address unique challenges.
- Ensure strong links between community level leaders and their field level and block level official counterparts, including regular in-person meetings.

#### Key Outcome

- Community satisfaction with development works undertaken
- Increased range of development works undertaken and person-days on those works.
- Increase in women coming forward to contest for leadership positions



#### 4.2 CONNECTING COMMUNITY & STATE

#### Issues

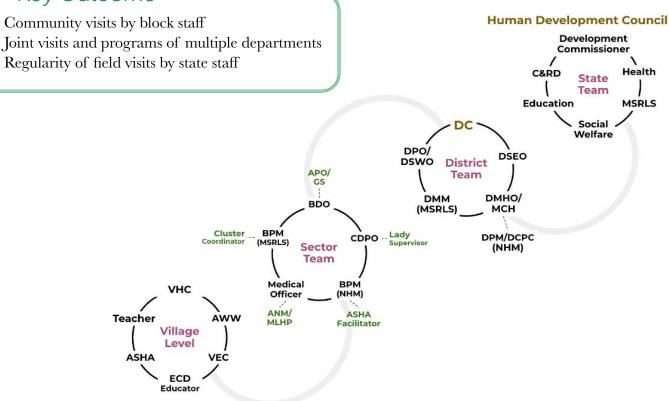
- Clarity of roles for new institutions (eg. Village Health Council, Natural Resource Management Committees, Village Organization), support and hand-holding by the block office.
- Need for streamlining and capacity building of roles at block office.
- Low level of facilitation support for communities and often weak links from community, to frontline and block officials, resulting in weaker implementation.

#### Way Forward

- Strengthen links between each level of state to the community level, as well as across departments, as illustrated below.
- Hold regular reviews through cross-department bodies, such as the Human Development Council. Initiate a Rural Economy Council, comprising stakeholders involved in livelihoods, agriculture, rural enterprises and natural resource management.
- Extend practice of field visits of state, district and block level officials to communities, to better understand local realities and needs.

#### Key Outcome

- Community visits by block staff
- Regularity of field visits by state staff



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#### **MAKING PROGRESS ON RD 3.0**

The points laid out in this White Paper represent an initial articulation of the challenges, opportunities and potential paths forward to ensure a vibrant rural ecosystem. Meghalaya is using the principles of State Capability Enhancement Project (SCEP) to operationalize the vision of RD 3.0.

A key guiding principle of SCEP is facilitating collaborative and local problem-solving, and, in the process, building systems that are more responsive to development needs and can support a long-term, sustained transformation of the state.



Following are some recommended next steps:

- 1. **RD 3.0 Strategy & Outcome Identification**, including aligning with all stakeholders on detailed strategy
- **2. Initiation of dynamic implementation process**, including regular reviews and problem-solving at state, district and block level
- **3. Extension and support of initiatives**, whereby implementing departments will engage in close hand-holding and facilitation at community level, supported by technical departments

NEXT STEP 3.0

#### 1. RD 3.0 STRATEGY & OUTCOME IDENTIFICATION

#### 1. STAKEHOLDER CONSULTATION

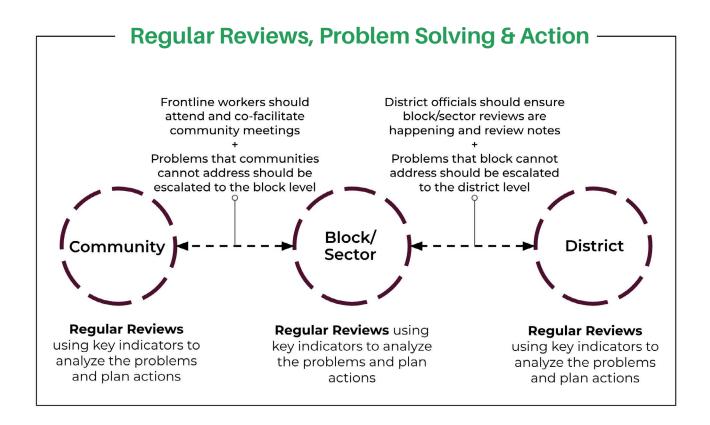
For each dimension, key stakeholders to be engaged in offering suggestions and amendments of the Way Forward, "Key Indicators, and Target Outcomes.

#### 2. REVIEW & CONFIRMATION OF OUTCOMES

Once target outcomes have been drafted, state leadership may be convened to review full strategy and confirm outcomes for each dimension.

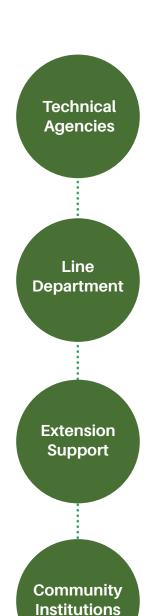
#### 2. DYNAMIC IMPLEMENTATION

To ensure effective implementation of the RD 3.0 Strategy, a dynamic implementation process may be adopted, involving regular problem-solving reviews and coordinated action at each level of the state.



#### 3. COLLABORATION, EXTENSION AND TECHNICAL SUPPORT

RD 3.0 will depend upon effective collaboration between departments at all levels. This, in turn, requires clear role distinction between implementers and technical support providers. Finally, a focus on extension is required



Technical resource agencies such as SIRD, State Health Resource Centre, Meghalaya Climate Change Centre and CoE should **support line departments by building their capacity and by co-designing and testing new ideas** that can be scaled up. They should, however, avoid creating parallel implementation structures that can undermine the effectiveness of line departments

Line Departments are the primary implementers of various schemes and programmes. Their oriented **purpose** should be achieving the vision of RD 3.0 by becoming **learning organizations**. Moreover, strong **collaboration** is needed across line departments to achieve holistic rural development.

RD 3.0 hinges on state's ability to develop a **strong relationship between citizens and implementing line departments**. Extension officers and frontline workers play a critical role in building this relationship. RD 3.0 envision renewed focus on extension support through **regular field visits** and shifting emphasis from implementing schemes to solving problems. These efforts are also needed to build strong accountability towards citizens.

The section on local governance has already highlighted the importance of community institutions. **RD 3.0 calls for engagement** and active participation of communities, particularly women and youth, to solve local problems. Community institutions are also critical to address demand-side challenges that often reduce the effectiveness of state programmes.

# RURA

#### **RURAL DEVELOPMENT 3.0**

TOWARDS AN INTERLINKED RURAL ECOSYSTEM

DEWELO