



Project Number: 36042 (TA 3880)
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**India: Integrating Poverty Reduction in Programs and
Projects- Note on Poverty and Gender Component
Financed by the Government of United Kingdom**

**TA 3880-IND: INTEGRATING POVERTY REDUCTION IN PROGRAMS AND PROJECTS
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Note on poverty and gender component

A. Background

1. ADB approved TA 3880-IND for \$640,000 equivalent to the Government of India on 14 June 2002. The objective of the TA is to strengthen implementation and integration of poverty reduction approaches at the program and project levels. The TA provides \$640,000 equivalent to i) recruit required special expertise, including short term and long term consultants and ii) support selected small-scale poverty interventions. The TA is financed on a grant basis from the Government of the United Kingdom through its Department for International Development (DFID). The TA is delegated to the India Resident Mission (INRM) which is administering it till 30 June 2007.

2. The Poverty and Gender activities component of the TA provides for financing of 15-20 select poverty and gender organizations for implementing interventions related to poverty reduction, gender equality, child-related initiatives, including grassroots projects on food security, health, livelihoods and education. This component was designed to allow ADB to have limited discretionary funds to support such endeavors, which provide excellent value in terms of promoting ADB and Government of India's (GOI) poverty reduction strategies and mainstreaming of human development in India.

B. Implementation Status

3. Since July 2003, INRM has supported 22 NGOs, through 4 rounds of funding totaling \$210,000, to implement a range of poverty, livelihoods and gender-based interventions (Appendix 1). These NGO interventions have included supporting women's livelihoods, spreading HIV/AIDS awareness, expanding health services in geographically excluded and un-serviced areas, promoting water related advocacy activities, and supporting rehabilitation of disabled children. The small scale assistance to these NGOs is between \$3000-\$10,000. The implementation of the small grant projects would be completed by June 2007 following full disbursement of the ADB grant, satisfactory completion of the projects and liquidation of the advances provided by ADB.

4. The selection, engagement and monitoring of the NGO small grants is done by the TA Officer in accordance with the criteria and procedure, intimated to the DEA in April 2003. The short listing of NGO proposals involves initial screening of the NGO proposals in line with the basic organizational, thematic/sectoral and funding criteria. These criteria include legally registered agencies with Foreign Contribution Regulations Act (FCRA) number; focus on poverty, gender equality and livelihoods issues; and implementation of direct grassroots intervention. Proposals meeting these criteria are short listed and recommended to INRM's in-house Small Grants Committee for consideration and approval. This committee comprises the Country Director, the Principal Economist and the TA Officer. The committee reviews the short listed proposals on their merit and suitability, and recommends them for DEA's concurrence and approval. Upon DEA approval of the short listed projects, INRM signs letter of agreement with the selected NGOs and processes the payment of advances in 2-3 installments, as per the letter of agreement. The advances are liquidated on the basis of satisfactory review of the project progress/completion reports and submission of expenditure statements (with supporting evidence).

C. Outputs and Outcomes

5. Implementation of the small grants component continues to provide important insights and lessons to INRM. INRM recognizes three categories of outcomes and benefits in this regard.
- Beneficiary outcomes:** outcomes for the ultimate beneficiaries of the small grant support;
 - Grantee/NGO outcome:** outcomes related to the capacity, performance and partnerships of grant-implementing NGOs; and
 - Outcome for ADB:** benefits and lessons for ADB. A summary of the key outcomes is given in Table 1.

Table 1. Summary of Outcomes of the Small Grant Projects

	Key Outcomes/outputs
Beneficiary	<p>Social and economic inclusion of poor and vulnerable groups</p> <p>Improved beneficiary access to new skills, assets, livelihood options and community support services</p> <p>Improved access to education, health and livelihoods services and resources</p> <p>Mobilization and empowerment of women's groups</p> <p>Beneficiary participation and engagement in local development processes;</p> <p>Improved mobilization and organization of these community groups; enhanced awareness and confidence of the beneficiaries to reach out to government and non government agencies</p>
Grantee/NGO	<p>Improved NGO engagement with the disadvantaged communities.</p> <p>Improved NGO capacity to design and implement community based interventions</p> <p>Enhanced scope for leveraging small grant projects to expand and mobilize financial assistance</p> <p>Improved NGO understanding of ADB and GOI's poverty reduction programs.</p>
ADB	<p>Improved responsiveness of ADB to NGO requests for assistance</p> <p>Direct partnerships with NGOs and civil society</p> <p>Increased interaction and consultations with NGOs and beneficiary groups.</p> <p>Improved understanding of small grant operations.</p>

i) Beneficiary Outcomes

6. **Social and economic inclusion of poor and vulnerable groups.** The small grant funding has reached a diverse set of economically and geographically excluded social groups. Selection of broad ranging poverty, gender and livelihoods based interventions has meant that a diverse group of poor and vulnerable groups have been included in the mainstream development processes. These beneficiary groups include:

- Nearly 2000 women self help group (SHG) members from Andhra Pradesh, Tamil Nadu, Kerala and Delhi
- About 39 women's SHGs from poor per urban villages of Behror, Rajasthan
- Adolescents and young people from slums of Delhi
- Farmers and women's groups in selected village clusters of Haryana
- Deaf and blind children and their families in Rajasthan and Orissa.
- Disabled people from low-income groups, Haryana
- Autistic children and their mothers around Delhi
- Under privileged and vulnerable tribal communities in Assam
- Rural women and children living around the Ranthambore National Park, Rajasthan.
- Women handloom weavers of Maheshwar, Madhya Pradesh
- Women from low income urban areas of East Delhi

- Poor women and children from urban slums in Calcutta

7. Improved beneficiary access to new skills, assets, livelihood options and community support services. The NGO projects have enabled provision of direct assistance, by imparting new knowledge, skills, support services and assets to poor and marginalized groups in the areas of health and medical services, HIV/AIDS awareness, wide ranging income generation options, community mobilization processes etc. The key benefits that have accrued to these beneficiary groups include:

- More than 2000 women from Andhra Pradesh, Tamil Nadu, Kerala and Delhi have benefited through income generation, training and assistance in using solar dryers for preparing food products
- About 39 women's SHGs have been supported in accessing micro credit for domestic needs and income generation, and provided assistance in goat rearing, milk selling, new agricultural products and vocational training. They have improved their general awareness on issues related to health and hygiene, group mobilization and girl child's educational needs.
- Increased awareness and capacity among the adolescents and young people on HIV/AIDS and related health issues
- Introduction of organic farming techniques, seeds and supplies among farmers; and support for savings and credit and income generating activities among women in village clusters of Haryana
- Increased educational assistance and rehabilitation support for deaf blind children; disabled people from low-income groups have benefited by improved understanding and capacity of their families and communities on rights, facilities, provisions related to the disability
- Increased capacity of mothers of autistic children to effectively manage the progress of their children and support development of day-to-day skills in them.
- Improved access to urgently needed health and medical services by the tribals, migrant laborers, and minorities in inaccessible areas in Assam; improved health screening and rapid diagnosis of their health disorders
- Increased access to basic and emergency obstetric and neonatal care services by rural women and children living around Ranthambore national park; training and capacity building of extension workers;
- Imparting value added training to 120 handloom weavers, of which 90 are women weavers in Maheshwar, Madhya Pradesh
- Vocational or literacy training to 350 women, adult education and family planning counseling to 3600 women in low income settlements of East Delhi.
- Training women SHGs from low income areas to generate income from recycling solid waste and using the recycled and reprocessed material to produce finished goods.
- Provision of immunization and medical assistance to neo-natal children, young girls, expectant mothers, and educational assistance to girls in Calcutta

8. Mobilization and empowerment of women's groups. Most of the grant projects have been planned around women beneficiaries. The projects have gender outcomes by supporting the practical needs of women for income generation, reproductive health services, home based rehabilitation of disabled children, mobilizing self help groups, accessing credit for production and consumption needs etc. A significant aspect of these projects has been the women's experience in leading and participating in group based community development processes, shared planning and decision making and interacting with other development stakeholders. These interventions have not only provided them opportunity to mobilize themselves but also strengthened their confidence and self esteem to articulate themselves and actively engage in local development processes. Some of key examples of this are:

9. In Haryana, the SHG members have been able to access seed/working capital loans to start or strengthen income generation activities related to trading, dairying, farming equipment, vermicomposting etc. Internal lending has supported these women to meet small but important domestic health and educational expenses. Many SHG members have also taken loans from

local banks. Apart from gaining from access to loans for production and consumption, SHG members have reported that participatory functioning and decision-making in the SHGs have built their confidence, and encouraged them to actively participate in other local issues related women's health, education of girl child, gender equity, human rights, panchayati raj and HIV/AIDS issues.

10. Under the SNS foundation project, the SHGs have undertaken a range of income generation activities like candle making, making of natural colors, growing medicinal plants, making biofertilizer and green manure. Internal borrowing has also helped the members to procure income generating assets like cattle, vermicomposting materials etc. Women list several benefits from these projects. These are availability of a common platform to raise and resolve local issues, rise in household income, rise in entrepreneurial spirit among women, improved decision making capacity, greater physical mobility and greater confidence in transacting with banks etc. The women also report that their ability to borrow money, produce and trade in goods has empowered them.

11. Beneficiary participation and engagement in local development processes. The projects have promoted beneficiary participation in development interventions, and triggered grassroots mobilization and social inclusion among the beneficiaries around specific themes like SHG formation, organic farming, solid waste recycling, HIV/AIDS, textile printing, health and nutritional security etc. The projects have helped beneficiary groups to improve their linkages and association with *panchayats* and local government agencies dealing with health, education and income generating schemes and programs.

ii) Grantee/NGO Outcomes

12. Improved NGO engagement with the disadvantaged communities. Grant projects have supported select NGOs to mobilize and engage with poor and marginalized populations, and strengthened the position of the NGOs as locally based, community oriented intermediaries working for meeting the basic development needs of beneficiary groups in their regions and communities. This has improved their legitimacy and supported their relevance in the project areas.

13. Improved NGO capacity to design and implement community based interventions. Grants have supported the capacity of NGOs to design and implement poverty and gender focused community based interventions. Interactions and feedback on NGO proposals, and use of the recommended ADB format for submitting the grant proposals, has benefited the NGOs in strengthening the poverty, livelihoods and outcome dimensions of their proposals. Grants have also enabled NGO capacity to advance their areas of core competence and development interventions such as income generation in traditional textiles, solid waste recycling, slum improvement, disability etc.

14. Enhanced scope for leveraging small grant projects. Many of the NGOs are beginning to leverage the small grant funding by planning to scale up, and secure additional funding for similar or other related activities, for example the All India Women's Conference (AIWC) and the ILA Trust are leveraging their small grants project to scale up their activities to new areas. The ADB small grants have also been a source of recognition and legitimacy for many of the NGOs. These grants are expected to create access to new financial and knowledge resources for the NGOs. The Humana project in Haryana is nearing completion, and is exploring the sustainability of the livelihoods activities initiated under the project and build new linkages with other government schemes for rural income generation and even private sector. The AIWC project on

solar dryers is poised to expand to new areas with additional funding from government and non government sources.

15. Improved understanding of ADB and GOI's poverty reduction programs. Interactions with ADB have improved the NGO's understanding and appreciation ADB and GOI's policies, programs and operations. The NGOs have bridged their understanding of the way ADB works with the Government of India and its executing agencies, and about the role of DEA. They understand about ADB's country strategy and program pipeline in India and about other opportunities of NGO participation in ADB supported projects in India. Overall, the NGO perception about ADB's exclusive engagement with infrastructure development has also changed, and they have become more aware about ADB's involvement with slum up gradation, social and environmental safeguards, targeted poverty reduction interventions and engagement with local NGOs. NGOs have also improved their ability to access funding from multilateral and bilateral international agencies, and their project selection and implementation procedures.

iii) Outcomes for ADB operations

16. Improved responsiveness to NGO requests for funding. The small grants component has enabled ADB to respond to requests from NGOs for small scale poverty reduction activities. Grant support has also enabled INRM to directly support the NGOs, and the targeted beneficiary groups, in implementing community based interventions which make poverty outcomes at local level. The small grants have provided a more targeted, direct and flexible channel for promoting ADB and Government of India's poverty reduction and social development strategy. Broadly, this component has improved ADB's understanding of the needs and aspirations of the civil society.

17. Beyond the small grants partnership, the grantee NGOs, have actively contributed to ADB's consultations in India on country strategy formulation, poverty reduction, public communication, accountability mechanisms, governance and anticorruption etc. NGOs have made important contributions to these consultations and suggested ways and means to improve the functioning of ADB projects. The grantee NGOs represent an informal network of civil society agencies which is aware of ADB's framework for cooperation with NGOs and its policy of NGO engagement. This has enhanced positive image of the ADB and disseminated information about its commitment to working with civil society. Field visits and meetings with beneficiary groups have informed ADB about their development needs and priorities, and about the social and economic outcomes of poverty reduction projects.

18. Improved understanding of small grant operations. Grant activities have improved ADB's understanding and experience of managing small grants to NGOs. ADB is developing more streamlined procedures for grant selection process, facilitation of grant design and components, signing of letter of agreement, advance disbursement and liquidation schedule, physical and financial monitoring and reporting of projects. ADB has realized the need for providing technical and advisory inputs for NGOs to prepare and implement good grant proposals. It also recognizes the need to be flexible and supportive in dealing with NGOs and to support them in improving their project design to maximize local and gender outcome. Several NGOs have appreciated this assistance to them to improve their proposals. ADB will be revising the operations of the small grant component based on the ongoing experiences.

19. ADB has also recognized the massive demand-supply gap that exists for NGO small grants. Most NGOs continue to struggle to raise adequate funds to support their program. INRM has been advising the NGOs about other resources like the World Bank's small grant program, the

DFID supported poorest area civil society support program, and schemes of government ministries and departments.

E. Conclusions

20. The small grant component directly supports one of the three core strategic areas of ADB operations in India — inclusive social development. This component has supported ADB and GOI's poverty reduction and social development objectives by i) providing services, assets and opportunities to marginalized beneficiary groups and strengthening their mobilization and participation in social and economic development processes; ii) building and strengthening ADB's partnership with civil society and NGOs; iii) supporting NGO capacity to plan and implement poverty and gender focused grant proposals; iv) promoting consultations and interactions outside ADB's regular lending operations, and v) facilitating awareness and ownership of development initiatives by a broader civil society.

Appendix 1 List of Grantee Projects

NGO	PROJECT TITLE	GRANT
1. SEWA, Gujarat	Supporting SEWA's participation and preparatory activities in the Third World Water Forum held at Kyoto in March 2003.	\$10,000
2. All India Women's Conference (AIWC), New Delhi	Income Generation For Poor Women Through Solar Dryers.	\$10,000
3. Humana People to People India, New Delhi	Women's Empowerment and Socioeconomic Development program in poor peri-urban villages of Jaipur, Rajasthan.	\$10,000
4. Centre for Social Research	AIDS awareness and counseling in selected slums in Delhi.	\$10,000
5. SNS Foundation	Income generation and environmental protection through introduction of organic farming among women in selected village clusters of Haryana.	\$10,000
6. Sense International (India), Gujarat	Creating Educational Opportunities for deaf blind Children in Orissa and Rajasthan	\$10,000
7. Spastics Society of North India/AADI	Supporting disabled people from low-income groups through a rural community based program.	\$10,000
8. People for Animals	Strengthening Rural Livelihoods and Productivity by Increasing Economic Output from Draught and Pack Animals.	\$10,000
9. Action For Autism	Training Mothers through Outreach and Early Intervention	\$10,000
10. Ila Trust, New Delhi	Extending the outreach of medical services to under privileged and vulnerable communities in inaccessible areas in Assam.	\$10,000
11. Prakratik Society	Expanding the reproductive health facilities and services for high risk and emergency patients in Sawai Madhopur district	\$10,000
12. Rehwa Society, Madhya Pradesh	Women weavers empowerment through imparting value addition skills	\$10,000
13. Hope Foundation, New Delhi	Women's Empowerment through Vocational Training and Adult Education in East Delhi	\$10,000
14. Conserve, New Delhi	Slum Eco-entrepreneurship Development Project	\$5000

15. RK Sarada Mission, West Bengal	Child Development and Safe Mother Programme	\$5000
16. Aarohi	Strengthening Primary Health Care Services In Kumaon	\$10,000
17. VIDYA	Empowering poor women through Udyog Kendra	\$10,000
18. Azad Hind Foundation	Pahla Kadam (First Steps): Providing non formal educational services to boys and girls in Kishanganj, Bihar	\$10,000
19. Laxmi Mahila Evam Bal Kalyan Sansthan	Prayas: programme for capacity enhancement of female artisans in Lucknow	\$10,000
20. Swami Sivananda Memorial Institute (SSMI)	Entrepreneurship Development Program For Adolescent Girls From Low Income Families	\$10,000
21. Village Services Trust, Tamil Nadu	A pilot project for community based strategies for prevention of malnutrition in selected Panchayats of Dindigul District, Tamil Nadu	\$10,000
22. PARINATI	Empowering women's groups by establishing a SHG resource centre	\$10,000
		\$210,000