

# RKVY during 12<sup>th</sup> Five-Year Plan

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Agriculture sector is still the mainstay of Indian economy. It is contributing about 18 per cent of the national income and providing employment to more than half of the workforce in the country. One critical issue faced by the farm sector is the vulnerability of food security in terms of food grains. Present trends show that long term production and productivity increase are not matching with the rate of population increase. If necessary steps are not taken, it is estimated that by 2015 country may need import of 45 M ton per year. An important feature of Indian agriculture is that majority (80%) Farmers fall in the category of small and marginal farmers.

India has been targeting a growth rate of more than 4 per cent in agriculture since the Ninth Five-Year Plan (1996-07 to 2001-02), but with little success. Honorable Prime Minister in his welcome address at National Development Council (NDC) meeting on 29<sup>th</sup> May, 2007 pointed out, “less than two per cent per annum growth of the agriculture sector since mid 90s is a cause of concern”. This happened despite the fact that the potential for the growth of agriculture was high in most of the States. Decreased public investment in agriculture, poor investment efficiency, lack of people’s involvement in planning and development were important reasons for slow growth, low production, productivity and income of farmers.

## **NDC Resolution**

In its meeting held on 29.5.2007, the NDC resolved to introduce an additional Central Assistance Scheme (now RKVY) that incentivizes states to increase public investment in Agriculture and allied sectors. **Key end goal – achieve at least 4.1% growth in agriculture by the end of XI Plan.**

## **Objectives of the RKVY**

1. To incentivize the states to increase their investment in Agriculture and allied sectors
2. To adopt decentralized planning by involving people at the grassroots level
3. Improve production, productivity and maximize income of farmers and those involved in agriculture. Achieve a key end goal of 4% growth in agriculture and allied sector in integrated manner.
4. Provide flexibility and autonomy to states in planning and execution.....RKVY like state plan scheme

**In RKVY during 12TH Plan** It is proposed RKVY will have three channels/streams

- A. RKVY (Production Growth) – 40% of annual outlay.
- B. RKVY (Infrastructure & Assets) – 40% of annual outlay.
- C. RKVY (Special Schemes) – 20% of annual outlay.

## **A. RKVY (Production Growth)**

States can take up any projects under production growth channel to raise production and productivity in agriculture and allied sectors which are not included in the other two schemes. This may include all food crop activities, including distribution of agricultural inputs, extension activity, soil health, plant health & IPM activities, production & distribution of seeds, watershed developments, micro irrigation, animal husbandry, dairying, piggery, goatery, livestock activities, training and skill development of stakeholders etc. Projects proposed under RKVY (Production Growth) shall normally emanate from the District and State Agriculture Plans.

### **B. RKVY (Infrastructure & Assets)**

RKVY (Infrastructure and Assets) will include projects that will be selected on the basis of normative requirement of infrastructure, actual availability thereof and the gap in agriculture infrastructure in the State. State Governments will also determine sectorial classification for investment requirement for infrastructure in public, public-private and private sectors and accordingly work out financial support for funding gaps in infrastructure taking into account viability gap for private and public-private partnership projects.

Each State will be required to prepare its State Agriculture Infrastructure Development Programme (SAIDP). This stream will normally include projects like setting up of laboratories and testing facilities, storage including cold storages, mobile vans, agricultural marketing etc.

### **C. RKVY (Special Schemes)**

1. There will be a stream for reserving funds for special sub-schemes/interventions launched/ to be launched by the Government of India under RKVY umbrella. 20% of overall RKVY funds in a year would be available for such special schemes. Each of these sub-schemes will be made applicable to States considered appropriate for the same by Government of India and allocation criterion for the funds earmarked for each of such sub-schemes will be as specified in guidelines of respective sub-schemes.
2. In the event of any savings in the aggregate amount earmarked for such special sub-schemes the remaining amount will be allocated as additionality to RKVY.

### **State Level Project Screening Committee**

All States will constitute a State Level Project Screening Committee (SLPSC) headed by Agriculture Production Commissioner or any other officer nominated by Chief Secretary to screen all project proposals to ensure conformity with RKVY guidelines and that they flow from SAPs/DAPs besides being consistent with the cost norms prescribed by Central Government/State Government etc.

### **Eligibility criteria and formula for allocation of funds**

The eligibility criteria based on baseline level of expenditure and preparation of CDAPs and formula for allocation of funds will continued to be followed during 12<sup>th</sup> Five Year Plan also on the lines of the 11<sup>th</sup> Plan. However, any State which provides 7% or more of its plan expenditure to the agriculture and allied sector will be considered eligible for RKVY funding irrespective of the meeting of baseline level of expenditure in the previous year. Still all the States will have meet the c-DAP condition.

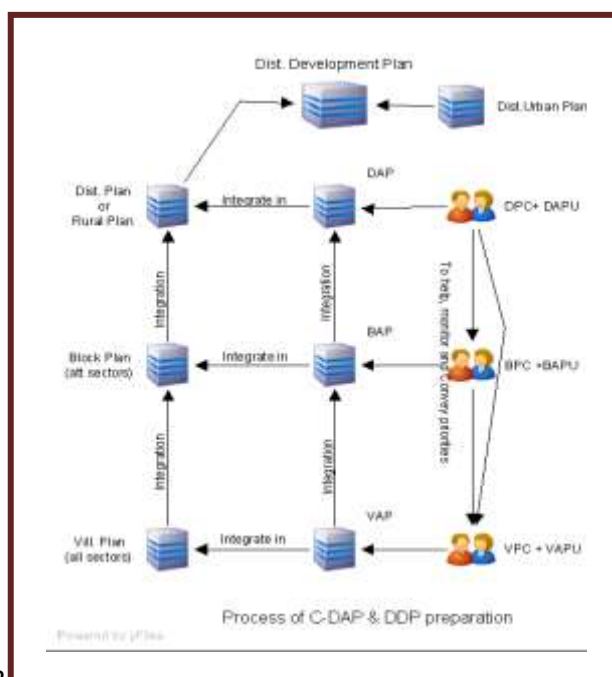
Formulation of C-DAPs is major conditionality for states to access funds from RKVY during 12<sup>th</sup> Five Year Plan, as it was during 11<sup>th</sup> FYP period. C-DAP formulation is a bottom up approach of planning involving people at the grassroots level. Through this process people have been brought at the centre stage. This is not merely involving people but also entails using collective wisdom and tapping people’s potential for planning and development efforts of the country. This provides an innovative way of empowering people and develops in them a sense of belonging, which goes long way in boosting people’s morale to contribute to the area development. *Earlier state use to plan for the people, now people will plan what state should do for them.* This entails a major shift in governance in the country.

Since 1960, the bottom-up approach gained recognition among policy makers, academicians, administrators and research scholars. In 1992, bottom up approach got the constitutional recognition with the enactment of the 73rd Constitutional Amendment Act. As per the Article 243 G of the Constitution of India, *“Panchayats have power and authority.....to prepare plans and implement for economic and development and social justice.”* To give this initiative a practical shape MOPR has been brought into existence.

### Preparing Comprehensive District Agricultural Plan (C-DAP)

Comprehensive District Agricultural Plan refers to the process of preparing an integrated agricultural plan for a local government (LG) in a district, through participatory bottom up, approach, taking into account the resources (natural, human and financial) available and covering the sectoral agricultural programmes and schemes assigned to the district level and below. The document containing statement to this effect is known as the *Comprehensive District Agricultural Plan*. Planning Commission has provided guidelines to all the states. These are also available on website of Planning Commission and Ministry of Agriculture.

In guidelines of RKVY it is clearly stated that C-DAPs of all the districts in a state are to be prepared as per the guidelines of Planning Commission. States are to prepare DPRs for undertaking projects consistent with State Agriculture Plan (SAP). SAP is essentially an aggregation of C-DAPs of all the districts of the state. Nodal agency for RKVY i.e. agriculture department is responsible for preparing C-DAPs and SAP and submitting the same to the state planning department to integrate with overall state plan. State Level Steering Committee (SLSC) of the state is overall incharge for implementation



and monitoring & evaluation of the RKVY and conditions there in.

### State initiatives

For formulation of C-DAPs states are required to initiate:

- Formation of Planning Committees (PCs) at all LB levels particularly District Planning Committees (DPCs). DPC as envisaged in the constitution, that is, with 80% members being elected from the elected members of the Panchayat and urban local governments in each district and the remaining 20% being nominated by the state governments; preferably with experts.
- Formation of agricultural planning units (APUs)
- Complete exercise of activity mapping i.e what works each LB will handle.
- Planning schedule for formulation of C-DAPs
- Fund allocation

### Planning Process

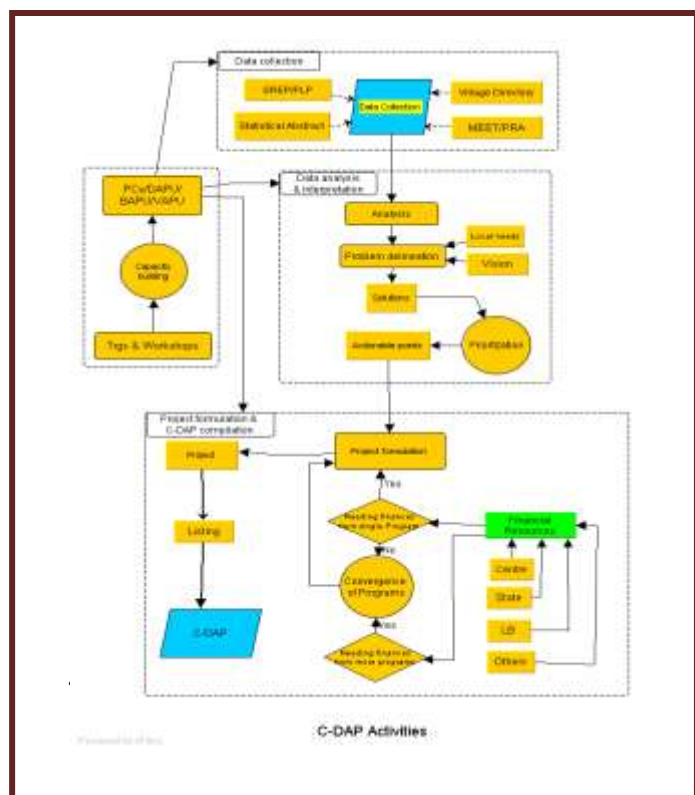
It involves:-

- Formulation of C-DAPs by adopting bottom up participatory approach, and
- Integration of plans.....as indicated in Fig 1&2
- Recommendations & approval of Plan
- The plan prepared of the village will be recommended and forwarded by the village panchayat for inclusion in the Block/Taluka Plan. Similarly, Block Plan will be recommended by the Block Planning Committee for inclusion in the District Plan. District Planning Committee after consolidating these Block plans into the District Plans will recommend and forward to State Planning Department.

### Activities in C-DAP preparation

Activities can be grouped into four groups as shown in Fig.

**i) Capacity Building** of Agricultural Units and Planning Committees at different LB government levels: Planning involves innovative processes and approaches and require training and time to time help during the process of all the units involved in planning. For this capacity building and handholding process, different institutes/organizations like SAUs/SIRD/Training institutes are to be associated for the purpose. These institutes are to work as facilitators in



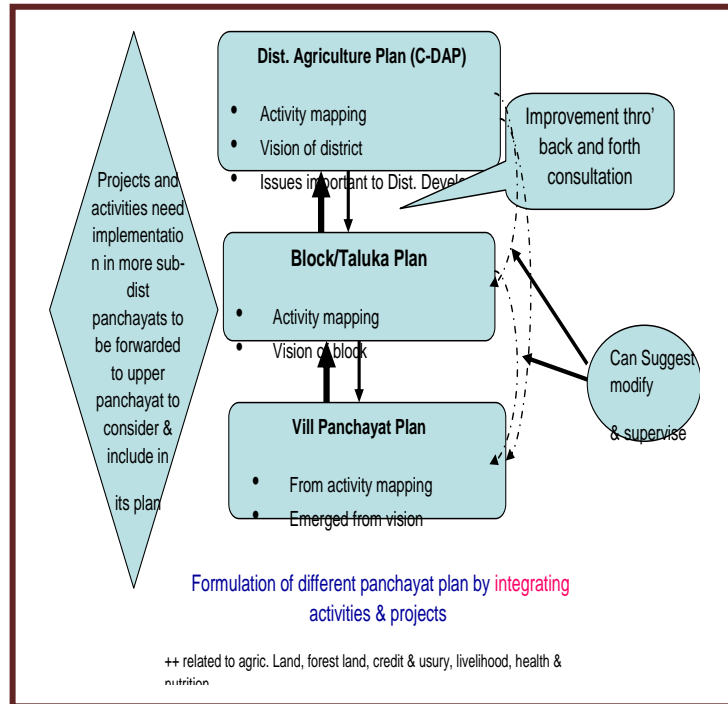
the process of planning and will provide all type of help to the planning units.

**ii) Data collection:** Identify sources of data. These can be SREP, PLP, Statistical abstracts, village directories, meetings/PRA's and reports of KVK, ARSs, departmental and others.

**iii) Data analysis for gaps, problems, needed interventions, and their prioritization:**

Analyze data to identify gaps, problems and needs for the development of the LB area. Gaps can be worked out by comparing average productivity figures with chosen targets like the average of national/State/ best in the country etc. Problems and needs of Local Body (LB) area should emerge from participatory discussions based on data, vision, issues important to LB area. These can be grouped as:

- Inputs and input-market related problems/interventions needed.
- Outputs (Produce its quantity and quality) and output-market related problems and interventions.
- Storage, Value addition, Price and policy related problems and interventions
- Trainings needs for Capacity building of farmers and facilitators
- Problems and interventions needed for socio-economic & livelihood options
- Problems and interventions related to resource conservation strategies



As needs may be numerous and need money more than the needed resources available at that time. Therefore prioritization of needs will be needed on the basis of urgency of activity, fund availability, gender consideration and national or state priority or that conveyed by the upper level government. Issues/needs/activities thus prioritized, should make an action point list to be taken up for formulation of programme/schemes to be executed.

**iv) Formulation of Programmes in C-DAP and its `funding**

This is the final process of C-DAP preparation. This involves identification of financial resource pool, which may be available as state or centre programmes or schemes, funds generated by the LB itself, MLA/MP lads and other miscellaneous sources. Based on financial, physical and human resources programmes should be formulated to address action points identified in the third stage.

**A quality C-DAP has following distinctive features:**

- a) Constitutionally sound
- b) Comprehensive
- c) Exhibits convergence and
- d) Technically sound

**I. Constitutionally sound: Plan prepared through participatory bottom up approach**

- Gram Sabha is basic unit for planning where peoples felt needs are collected discussed and is the first stage of project identification and formulation of village plan. Village planning committee recommends and forward to the block planning committee.
- Prepared through involvement of PCs at all Local body (LB) as shown in fig 1&2.
- District Plan is approved by DPC

**II. Comprehensive**

- a) People's felt needs reflected
- b) Area priorities addressed in term of research and development
- c) State/National priority addressed
- d)** Emerging challenges, like global warming, resource depletion and pollution etc are addressed in term of research and development.

**III. Exhibits convergence of resources**

- i. Agriculture and allied disciplines are involved in preparing plan by formulating VAPU, BAPU/TAPU, DAPU at different levels of LBs.
- ii. All funding sources, central, state, LB, all MP & MLA lads converged in formulating projects in C-DAP
- iii. Projects of all programmes of Centre, State governments and of non-governmental organizations are taken into consideration and addressed in C-DAP.
- iv. Research and development and training needs all are indicated.
- v. Integrated project formulation encouraged in C-DAP.

**IV. Technically sound**

- a. Data given in C-DAP should only be relevant it should neither less nor more than needed, which is to be either used in planning or explaining the plan.
- b. Spatial spread of information i.e. Block data in district plan and village data block plan.
- c. Brings out potential of different sectors/activities/discipline in C-DAP and is supported by data and its analysis.
- d. Maps, figures and illustrations where so ever needed should be given.
- e. Prioritized list of interventions
- f. Gives important gaps in development and formulate projects to address them.
- g. Reflects researchable issues and formulate their projects.

- h. A shelf of projects with funding, total and annual, are given. The programmes from which to be addressed are indicated.
- i. Delivery mechanism indicated i.e. summary tables of projects department/activity/source of funding wise given.
- j. Monitoring and evaluation mechanism indicated in C-DAP.
- k. A simple and to the point write up adopted.

### **Role NGOs**

PPP mode has been generally accepted in all developmental efforts. In implementation of decentralized planning, NGOs were involved in capacity building and formulation of C-DAPs, as technical support institutes (TSIs) during 11<sup>th</sup> Five Yr Plan period. Their involvement is suggested in agriculture planning units (APUs) and planning committees. Their programmes, contributing to agriculture development of the area, can be addressed through C-DAPs, and provided support if required. Evaluation and monitoring of programmes implemented are other areas NGOs can play role.

### **Present Status**

- No of States(Including Delhi): 29
- States having Panchayati Raj: 26  
(Three states viz Nagaland, Meghalaya and Mizoram don't have PRI)
- Activity Mapping done in states: 29
- Act for DPCs in states: 24
- DPCs formulated in States: 24
- No of districts: States (615) + UT (11) = 626
- Districts reported C-DAPs prepared = 599

### **Peer Review conducted by involving AERCs**

Sample C-DAPs were studied by AERCs coordinated by AERUs

Review shows that C-DAPs of almost all the districts have been formulated but these are far from satisfactory in various aspects of a quality plan indicated below:

1. Constitutional aspect not adhered to while preparing C-DAPs. **Constitutionally 'Gram Sabha' is the basic unit for this process of planning for formulation of C-DAPs** so that each and every farmer is involved in the process.
2. Comprehensiveness and convergence aspects ill – attended
3. Technically weak
4. Write-up of C-DAPs require major improvement
5. Operationalization of C-DAPs is poor. States are generally addressing projects keeping C-DAPs aside

**Way forward**

To make it possible for small and marginal farmers including women to access RKVY and other development programmes / schemes, it is important to implement decentralized planning, with participatory bottom up approach, right earnestly. For this way forward is:

1. Change the mindset of implementers itself who resist implementation of this process.
2. Seek support of top political leadership,
3. A strong capacity building process be put in place for all those of those involved in the process of implementation.
4. Implement devolution of development funds to local bodieswith clear accountability.
5. Strengthen monitoring and evaluation