





## Report

Role of Civil Society in Livelihoods Promotion: A Paradigm Shift

> November 29-30, 2012 Le Meridien, New Delhi



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### **Livelihoods India Conference 2012**

### Role of Civil Society in Livelihoods Promotion: A Paradigm Shift

ivelihoods India Conference is an initiative by ACCESS to provide a platform for various stakeholders in the sector to exchange and benefit from learning around challenges towards ensuring sustainable livelihoods of the poor. While doing so, the Livelihoods India Initiative also acts as a forum to bring in diverse stakeholders together to deliberate on these challenges and possible solutions.

This year, the Livelihoods India Conference was held on November 29-30 at Hotel Le Meridien, New Delhi. The theme for the 2012 Conference was Role of Civil Society in Livelihoods Promotion: A Paradigm Shift. In recent times, a significant shift has been seen in most development programmes of the government and donor agencies, particularly in the possible role of the Civil Society Organizations in the scheme of the things. While on the one hand the Government is increasingly relying on establishing new institutional forms for implementing its large national programmes; the role of the civil society is increasingly transitioning from being a partner to a sub contractor. In several cases, the traditional CSOs are being replaced by commercial management firms. CSOs too are exploring new avenues for themselves through taking up more advocacy and rights based issues. Pure grant based models are giving way to new emphasis on sustainable social enterprise model. In this context, the Conference sought to locate the current and potential role that civil society can play within the scheme of things in the development sector. Livelihoods challenges in difficult regions and skill development with socially excluded communities - each presenting their own challenges were discussed in separate sessions. The role of social enterprises in scaling up rural livelihoods interventions; value chain approach for reducing poverty in a sustainable manner; skill development and measures to support urban livelihoods, reduce risks and regulatory and policy challenges faced by urban poor were also discussed at the Conference. The Conference also looked at other sub-themes such as impact investment, adaptation to climate change in agriculture and collective action to benefit small holder producers among others.

The initiative, started in 2008, has evolved significantly over the years and has emerged as an important forum for all stakeholders to discuss and mull over critical issues that impede and afflict the sustainability of the livelihoods of poor. This year the Conference saw over 60 resource persons speaking across various sessions in the two day event. More than 450 delegates comprising policy makers, government representatives, practitioners, academia and representatives of multilateral/bilateral agencies, participated in the Conference.



Day 1: November 29, 2012

### **Inaugural Session**

#### INTRODUCTION TO THE CONFERENCE AND WELCOME

■ Vipin Sharma, CEO, ACCESS Development Services

#### SPECIAL ADDRESS

- Nisha Agrawal, CEO, Oxfam India
- Kavita Ramdas, Ford Foundation Representative for India, Nepal and Sri Lanka
- Caitlin Wiesen, Country Director, UNDP

#### PRESENTATION ON STATE OF INDIA'S LIVELIHOODS REPORT

■ Sankar Datta, Professor, Azim Premji University

Livelihoods are not just about being able to make ends meet but about living a life of dignity in a secure and just society and being able to withstand stresses of death, disease, natural disasters or economic slumps. With 60 per cent of its population

employed in the agriculture sector, which contributes only 15 per cent of the GDP, India's development models have to be robust enough to dignity of life and deliver sustainability of livelihoods at a scale and in a pluralistic context that cannot be compared to any other country in the world.

There has been disenchantment with the 'trickle down' approach to delivering development for a while now and it has become obvious that



Vipin Sharma, CEO, ACCESS Development Services delivering the welcome address

access to finance alone is not sufficient. There is a need for host of other services like building institutions of the poor. There is a need to organise the producers, streamline production, eliminate middlemen and link local producers with the markets. An ecosystem of partnerships with different players in the sector in different regions of operation needs to be created to enhance rural incomes and reduce human insecurity.

India is no longer at a stage in the national lifecycle where it can afford to limit its developmental interventions to small scale projects in a few pockets. Effective execution of large scale pan India programs to reach the last mile was long overdue. To enable impact at scale, the requirement is to work collaboratively through large scale



programmes of the government like National Rural Livelihoods Mission (NRLM) that are being implemented in a time bound manner.

For programs of such depth and width, there is a need for agencies which can spread awareness, disseminate information while ensuring the standards of performance are met. Civil Society Organizations have been partnering with government agencies to implement state welfare programs for several decades now. In the recent past, however, to carry the impact of large scale pan India programs to the people, the government is looking for a delivery infrastructure that CSOs, with their limited resources and capacities, are hard pressed to live up to.

Some of the challenges before CSOs are to:

- reach out to the poor and translate the role of inclusive benefits to the community;
- work with the communities effected by unrest, persistently excluded groups and people living in remote districts;
- evolve strategies that integrate environmental sustainability and build resilience in response to external factors such as climate change, rapid change in the economic sphere and so forth.

"Firstly, economic welfare itself needs to be thought of in a bottom-up, trickle-up way rather than trickle down and also holistically beyond just income increases for rural livelihoods to grow" - Nisha Agrawal

The role of CSOs is to become the voice of those who have been left out of the development process. CSOs are trying to remain flexible, nimble and innovative in their response to the evolving circumstances. More and more NGOs are converting from not-for-profit to for-profit entities in order to accomplish the goals of scale and sustainability. In this way, the private sector is also showing interest in playing a

facilitating role in building sustainable livelihoods for the poor. Some NGOs are taking on the role of watch-dogs to monitor delivery outcomes of government initiatives and conduct social audits. For instance, OXFAM is working with ten of the largest food and beverage companies worldwide, analyzing their best practices and rating them based on seven parameters to make the information available on public domain for raising consumer awareness.



Caitlin Weisen, Country Director, UNDP



### Highlights of the State of India's Livelihoods (SOIL) Report 2012

- Income of the bottom 20 % has not changed.
- The poor however are spending more because of the rising prices of necessary food items.
- Relative inequality and regional disparity are increasing.
- Number of casual workers is going up substantially.
- There is increased feminization of work, especially in agriculture with a resultant increase in load on women.
- Crime against women has also risen at an alarming rate.
- In terms of growth of sectors, manufacturing has reached an all time low, stagnant agriculture is suffering from irregular rains, infrastructure has not yet recovered and mining sector is going through a crisis.



Prof. Sankar Datta

- The overall employment rate has also fallen resulting in migration of skilled/ unskilled labour force back to agriculture from urban areas.
- Due to inflation, the cost of everyday consumption goods has increased manifold but per capita calorie consumption has gone down.
- Relative inequality is increasing among rural and urban areas as well as rich and poor states. The notion of India shining is creating a crunch on the grants and funds allocation to India.
- NGOs have proliferated, many driven by self interest rather the pursuit of a good cause. Consequently, all NGOs are now looked upon with suspicion.
- Large funds are available, but utilization, especially in the current tax regime is constrained to few sectors such as education and health predominantly.
- Corporate social responsibility (CSR) funds are not being utilized for livelihoods support and promotion.



# Civil Society at Crossroads: Opportunities and Challenges

### Moderator

■ Nachiket Mor, Chairman, CARE India

#### **Panelists**

- **Rashid Kidwai,** Director, Grassroots Trading Network for Women
- Harsh Mander, Special Commissioner to the Supreme Court of India in the Right to Food case, and Director, Centre for Equity Studies
- Avinash Kumar, Director Policy and Research, Oxfam India
- Chandan Mitra, Member of Parliament (Rajya Sabha)

CSOs at present appear to comprise a residual category of all that is non-governmental and not for profit. This envelope gathers in its fold an entire gamut like activists, NGOs, Gram Panchayats, CBOs as well as SHGs.

"There is a role for an engaged, thoughtful, civil society that provides continuity and that debates issues. You need an engaged entity that has the expertise and neutrality to go forward." - Nachiket Mor

While spaces for non violent social dissent and "citizen organisation" are central to the idea of democracy, the role that CSOs can play is often ambiguous and misunderstood. Part of the problem lies in the way that the state frames its Societies Registration Act and therefore frames rules for not-profit work. While on the one hand the National Advisory Council and the Planning Commission actively seek inputs from CSOs, the legislature, on the other hand frames another set of rules clamping down on protests by civil society activists, impervious to the resultant dichotomy.

The role of the civil society is to hold accountable a strong state, and create a space for voices of marginalised people through non-violent forms of assertion. The poor need a strong yet balanced and responsible welfare state to deliver redistributable justice. Debates around big dams, right to healthcare, right to food, womens' rights, right to work with dignity as a legal right, and most significantly the Right to Information have all come into public life as a result of civil society action.

In the specific context of livelihoods, a distinction must be made between livelihoods protection and livelihoods creation. While the role of the state is important, for activities related to generation of employment or livelihoods creation, CSOs have a clear role to play in livelihoods protection. This is located not just in resistance to projects that are detrimental to the livelihoods security of the vulnerable but also in more proactive



monitoring of the performance and outcomes of livelihoods creation programs of the government.

CSOs will also need to drop the lens through which all private sector players are viewed as exploitative. Private enterprise creates gateways for opportunities and markets. NGOs and CSOs will get far better immediate results as also long term gains if they are able to link primary producers directly to markets by eliminating middlemen and forging partnerships with the private sector. Instances may be drawn from the success of SEWA which partners with ITC and Fab India. Another pertinent example of a successful convergence between a corporate entity and a social enterprise is the endeavour by Hero Cycles to provide bicycles to rural women along with training on not just riding but also repairing and maintaining it. With a burgeoning market for second hand cycles, the trained women have been able to open repair shops to enhance earnings while Hero Cycles has sold more cycles creating a win-win situation for all.

NGOs in the older format could simply act as an aggregator of voices that may have been going unheard. With the advent of the technology revolution, complete disintermediation is now possible. Digitized forums have been created for people to present their case directly to decision making or policy implementing bodies without going through the NGO. While there is still sufficient opacity in the system for this role to be relevant, it will in the near future cease to be as pertinent.

In the future, CSOs will need to be increasingly self-accountable, proactive and forward looking. They will need to anticipate what the next step may be or next phase of activities they may be expected to undertake and prepare accordingly. This is only possible if the approach is less top down and more bottom up—where the state does not dictate the terms of engagement but local organisations are allowed to build their own leadership and take charge.



### **Role of CSOs in Flagship Poverty Programmes**

#### Moderator

■ Smita Premchandar, Founder - Director, Sampark

### **Panelists**

- Biswajeet Sen, Senior Rural Development Specialist, World Bank
- **D. Narendranath**, Programme Director, PRADAN

CSOs are already playing the role of providers, service activists, aggregators of voices for the people, or extended arms of government or private sector. In this context of livelihoods promotion of the poor, CSOs are also in the role of welfare organisation, income generation organisation, microfinance institutions, enterprise support etc. There is a need to evolve innovative business models and hybrid organisations to suit varied needs of



Smita Premchandar, Founder - Director, Sampark

the customers as there is immense competition in the CSO/NGO space.

Cooperatives well showcased in the success story of Amul can provide an effective alternative model for reaching the excluded primary producers to the market. Models devised by PRADAN or Amul are able neutralize the entrepreneurial risk for the primary producer and locate him/her higher up in the value chain, generating better incomes and improving prospects.

### Special Address

■ Jairam Ramesh, Hon'ble Union Minister for Rural Development, Government of India

In a special session, the Union Minister for Rural Development, Shri Jairam Ramesh informed the delegates on the broad areas of NRLM (National Rural Livelihoods Mission). Besides, he felt that there is a need for building the sustainability of the institutions especially after the support of the government has been withdrawn and CSOs need to engage in this. He also made a mention of Bharat Rural Livelihood Foundation that allows the government to partner with voluntary organisations in insurgency hit Central India. Under this the Ministry will raise 1000 crore with equal participation from the corporate bodies in the country.



The thrust areas of NRLM are:

- Creating federations of women self help groups and linking them with banks
- Focusing on skill based placements and help rural poor in getting entry level jobs
- NTFP value addition (Bamboo, Tendu, Tassar, Mahua etc.)
- Bal Bandhu Program relevant for Naxal affected areas which will focus on bringing the out of school children to schools



Shri Jairam Ramesh, Hon'ble Union Minister for Rural Development, Government of India delivering his special address

- Targeting the vulnerable women's groups, rehabilitation of manual scavengers and ensuring the livelihood security where trafficking of women is highest
- Up-scaling the Rural Self Employment Institutes
- Promoting sustainable agriculture through Mahila Sashaktikaran Pariyojna
- Improving governance through improving the quality of elected representatives

According to Shri Jairam Ramesh, CSOs can play a catalysing role in NRLM in the following ways:

- Vanilla SHG Mobilization Effort While CSOs cannot substitute the efforts of state, they can supplement it
- Value addition of non-timber forest products (NTFP) How to replicate the model of the National Dairy Development Board (NDDB) for promoting NTFP and linking rural producers with the urban consumers.
- An area where collaboration can be expanded is to provide support in skill based
  - placements for entry level employment This has already taken place in a big way; some good examples being Don Bosco, IL&FS and Cap Foundation
- Governance for livelihoods security
- Building linkages with the banks
- CSOs will have an important role in building the sustainability of institutions especially after the support from the government has been withdrawn.



Release of the State of India's Livelihoods (SOIL) Report



The State of India's Livelihoods (SOIL) Report 2012 was also released by Shri Jairam Ramesh during the session. ACCESS has been bringing out the State of India's Livelihoods (SOIL) Report since 2008. The endeavour, right from the beginning, was to bring together a document which helps in stocktaking of all the efforts and initiatives, policies and programmes, current trends and emerging potential for greater sustainable livelihoods options for the poor.

State of India's Livelihoods Report 2012 is divided into seven chapters, authored by some well-known names in the sector like Sankar Datta, Tara Nair, Ashok Sircar, Survamani Roul, Smita Premchander, Unmesh Brahme and Biswa Bandhu Mohanty.

### **Livelihoods Challenges in Difficult Regions**

### Chair

P.D. Rai, Member of Parliament (Lok Sabha)

### **Speakers**

- K S Gopal, Scholar at Residence, Tata Institute of Social Sciences
- Amar KJR Nayak, Professor, Xavier Institute of Management Bhubaneswar
- Sankar Datta, Professor, Azim Premji University
- N V Ramana, Sector Expert

Challenges of promoting livelihoods of the poor in hilly and forested and inaccessible regions of central, eastern and north-eastern India characterized by tribal populations and insurgency, are diverse and complex. Although rich in minerals and other natural resources, the areas are not able to exploit them fully for economic gains. Such

endeavours are fraught with issues of displacement, environment degradation and also of equitable distribution of gains between the local community and the investor organizations. CSOs in these areas usually have capacity deficit when it comes to handling the complex ramifications of running a livelihoods promotion program. While a number of government programs target livelihoods promotion in these regions, various constraints and barriers prevent access to sustainable options.



Session on Livelihoods Challenges in Difficult Regions in progress. From L to R - Sankar Datta, K S Gopal, P D Rai, Amar KJR Nayak, N V Ramana



"The difficult areas can be defined geographically, because of regional imbalances and difficulty of access like many parts of the North East; difficulty in relation to areas where there are extremist elements where the writ of the Government of India is absent" - P.D Rai

The two difficult geographies of Central and Eastern India are predominantly endowed with 1) dense forests 2) water and 3) minerals. As opposed to alluvial plains where the primary natural resource i.e. land is divisible, minerals, fresh water ecologies and forest wealth are not divisible; they are common property resources. Technologies for tapping common natural resources require huge investments. Where ever these investments have poured in, ownership has shifted from the community either to private enterprise or to the government both of which are in effect alien to the local populace. The locals have not been allowed to accumulate resources, with hardly any share of the returns on investment being pumped back into the local economies to deliver a better life to the indigenous populations.

Smallholder farmers in inaccessible or isolated habitations are dependent on monsoons, fragile and damaged ecosystems, and lack of access to markets. These are areas where cost of production is high and infrastructure poor because per capita cost of reaching power or road to the last mile is prohibitive. Primary producers from these areas are hence unable to compete on a level playing field with larger markets. Tradesmen who penetrate these markets make no attempt to integrate with the indigenous community. Moreover, what is locally produced does not sell in urban markets on a big scale any way.

While the mainstream economy is operating on the principles of globalization, competition, scale and private profits for businesses to generate viable income streams, tribal systems work on dimensions of biodiversity, product portfolio, integrated agriculture and economies of scope that are sustainable and environmentally neutral. Because of prevalence of two ideal market systems - perfect competition and perfect cooperation, delivering development in difficult regions using one paradigm is difficult. It is also very difficult to connect these two paradigms. Quite understandably then, CSOs from these areas are not able to negotiate with MNCs for livelihoods promotion of indigenous populations.

Even NRLM suffers a degree of myopia of program design when it comes to its applicability to difficult regions. For it to work in these areas, convergence of NRLM with NREGS and other food security related schemes will have to be prioritized with a focus on non-cash components such as improved water or fuel availability.



### **Skill Development of Excluded Communities**

#### Moderator

Albert Joseph, Executive Director, Functional Vocational Training and Research Society

### **Panelists**

- Ashok Bharti, Chairman, India's National Confederation of Dalit Organisations
- Meera Shenoy, CEO, Youth 4 Jobs
- Ranjan Choudhury, Principal, Programme Development, National Skill **Development Corporation**
- Vipul Rastogi, Head, Government Business, Indiacan

The labour market can act as a mechanism for both inclusion as well as exclusion. In the context of the vast population of excluded communities, the critical role of training in furnishing the badly needed skills to improve productivity, incomes and equitable access to employment opportunities is obvious. By and large economic development has been industry centric with a strong urban bias leaving large sections of the population excluded from opportunities in skilling, productivity improvement, income generation streams and equitable access to employment opportunities. These communities include not just the rural poor, the landless, and SC/STs but minorities and the disabled as well. As long as the paradigms of training remain focussed on urban trades rather than on strengthening of traditional skills this dissonance will continue as will the mismatch between attitude, aspirations, skills and aptitude. Given that agriculture is the predominant occupation of the rural poor, innovative livelihoods options must be created which increase productivity of agriculture and livestock, reduce risks, increase market access and foster stability. For the urban poor, easy access to vocational training can improve prospects not just in terms of job opportunities but in the route of self employment. This calls for new ideas on trades that can motivate the aspiring youth while tackling the task of ensuring quality and obtaining government certifications to these training courses so that the skills acquired are recognized in the market.

"Since the current and projected capacity for formal education is limited, quick and easy outcome based solutions to connect youth to acquire skills and competencies are needed." - Ranjan Choudhury

In either case, rural or urban, it must be kept in mind that India has a complex heterogeneous population structure and one size will not fit all. A localized approach to livelihoods promotion will have to be developed for it to bring in the desired outcomes.



Some of the common strands to bring scale in skilling of excluded communities could be:

- Bringing all stakeholders on board in intervention, i.e.
  - The government: The private sector cannot reach the unreached the way government can
  - 0 The SHG federations who can act as partners
  - The private sector: Where ever appropriate skilling is possible, the private sector must be incentivized to pitch in with the training process and hire the workforce they are training.
  - The community: The community members should have voice. They should have a forum to explain what will work or won't for them. For instance, the disabled may need training centers that are residential in format.
- Focusing on program for the most vulnerable like poor women, minority populations and people with disabilities (PWDs)
- Setting up model training centers.
- Considering a Learn Now, Pay Later Model for training which will ensure that aspirants with meager means are not daunted by the upfront training costs and can come forth.
- Undertaking attrition analysis to address needs and problems of drop outs, organizing alumni centres and also engaging with the parents of the trainees.
- Transparency with good MIS

### IndiaCan - Vipul Rastogi

IndiaCan combines Educomp, India's pioneering education company and Pearson, the world's largest education service provider in a joint venture. It is India's largest vocational education company catering to the country's biggest opportunity educating and employing the youth.

IndiaCan is a pioneering initiative with a view to bridging the gap between employment opportunities, skills and knowledge base of the unemployed youth in the country and therefore, helps them get suitable placements. The programme is highly sensitive to market demand and takes up only those employable trades that are in demand in the local market. It focuses strongly on providing employability to young aspirants.

It is a socially conscious, outcome driven business which is run by an experienced team. It is process driven with measurable outcomes. It focuses on aligning skills to both the market as well as aspirations. IndiaCan actively encourages the involvement and participation of excluded communities and marginalized populations within a bottom up rather than a top down model.



### Scaling-up Rural Livelihoods: Role of Social **Enterprises**

### **Moderator**

■ Parmesh Shah, Lead Rural Development Specialist, World Bank

#### **Panelists**

- Paul Basil, Founder and CEO, Villgro
- Arvind Kumar Chaudhary, CEO, Bihar Rural Livelihoods Promotion Society
- Vanita Viswanath, CEO, Udyogini
- Madhav Chavan, Co-founder and CE-President, PRATHAM
- Crispino Lobo, Co-founder, WOTR

Market-based solutions to poverty are transforming the face of development and spurring inclusive growth in India and the world over. They are connecting dairy farmers in Orissa to urban markets in Mumbai, bringing clean toilets to urban slums and reliable power to off-grid villages. In other words, the social enterprise based institutions work on a range of issues including food, health and nutrition, water and sanitation, education, financial services, livelihoods development, ICT, energy and public service delivery including rights and entitlements. Nearly three-quarters of these enterprises target the bottom of the pyramid as consumers of critical goods and services. A few social enterprises incorporate small-scale producers into their supply chain and work to improve their productivity, quality of outputs and market linkages. It is apparent from this that social entrepreneurs constitute a majority of the livelihoods innovators in our country. The problem lies in identification of these livelihoods innovators/ social entrepreneurs and providing them with an enabling and conducive business environment to grow.

One of the key focus areas of NRLM is 'Promotion and Support for Innovations and Partnership Development' which aims to create institutional mechanisms to identify, nurture and support innovative ideas from across the country to address the livelihood needs of the rural poor. In addition, NRLM also aims to promote social entrepreneurs and social enterprises that have potential for replication and scaling up.

"PRADAN has impacted small producers in a big way by promoting Systematic Rice Intensification (SRI) techniques and by building a community platform managed by the community members themselves". - Arvind Kumar Chaudhary

Even when NRLM provides the funds, utilizing them wisely is a challenge. If scale and sustainability is to be achieved, the social enterprise idea will have to work around a



hybrid model where social objectives can be met with corporate efficiency and business acumen. In this context, many CSOs are seen to be transforming to social enterprises. However, even where there is localized or limited success, issues of replicability, scalability and spreadability endure.

The prevailing models pose challenges on many fronts. First, they are not always robust or sustainable. Wherever there is a shift from a not-for-profit format to a for-profit one in the interest of sustainability, principles of equity are inevitably transgressed. Second, the ultra-poor remain outside the spectrum of most social enterprises. Pure social enterprises which are for-profit cannot support development in the interior, hard to access areas; government support remains indispensible.

It is important to build appropriate community institutions, not only SHGs but also producer groups/organisations around communities to link with social enterprises. Principles for social enterprises need to be developed with standardisation of modules, training programmes and development initiatives. Some areas of intervention for NRLM could be risk funding of projects for entrepreneurs; supporting the interest portion for those taking loans and providing backend training support. This will encourage small entrepreneurs to explore opportunities that they would otherwise not risk.

### Watershed Development Initiatives in Rural India

Watershed development initiatives in rural India both in rain fed areas and dry lands have laid emphasis on rainwater harvesting and community mobilization. Key ingredients of success in these endeavours lie in:

- Demystification of technology
- Transparent accounting and financial systems
- Roadmap and pedagogy for raising standards of efficiency and operations
- Simple to build, manage and own business models
- Pooling of stakeholder risk
- Government involvement
- Indigenization of effort
- Autonomy at micro level to prioritize local needs.



### Day 2: November 30, 2012

The Book on Modern Food Value Chains in India: Emerging Potential for the Poor was released by Pierre Hedel, Managing Director, Rabobank Foundation. He expressed his happiness and enthusiasm to work as a knowledge partner to design a pro-poor publication and that he looked forward to more such books in the coming years. The book has been authored by Prof. Sukhpal Singh, Professor, Centre for Management in Agriculture, IIM-A.

### Making Value Chains Work Better for the Poor

### **Moderator**

Malcolm Harper, Professor Emeritus, Cranfield School of Management

### **Panelists**

- Ayan Banerjee, CEO, Chetna Organic Agriculture Producer Company Ltd. (COAPCL)
- Iris van der Velden, Regional Manager, Asia, Rabobank Foundation
- Prof. Sukhpal Singh, Professor, Centre for Management in Agriculture, IIM-A
- Sanjeev Asthana, Chairman, CII Food Security Taskforce and Managing Partner, I-Farms Venture Advisors Pvt. Ltd.

Value chains encompass the full range of activities and services required to bring a product or service from its conception to sale in the final markets supported by a range of technical, business and financial service providers. From a development perspective, value chains are one of the instruments through which market forces can be harnessed to benefit the poor - not just producers, but wage earners, service providers and others. Effective participation in value chains is also attracting attention as a way of achieving broad development outcomes such as poverty reduction.

For smallholder inclusion in the value chain, certain prerequisites that need to be met are reliable and affordable inputs, training to improve his or her production, access to finance, and scope for equal engagement with organisations or buyers that can process his produce and market it. While these needs can be met in various ways, cooperatives can be an interesting institutional form to organise the farmers and make



Session on Making Value Chain Work for the Poor in progress. L to R - Brij Mohan, Pierre Hedel, Sukhpal Singh & Vipin Sharma



available these needs. Agribusiness SMEs are also offering these services to farmers to manage the supply chain better.

"Collectivisation of Producers to have a voice to contribute in policy making and capacity to negotiate on equal terms with the buyers in the value chain will lead to terms of trade getting better for small holder producers." - Sanjeev Asthana

Public policy and institution building for the poor should aim at leveraging the value chain of the emerging agri-business sector to capture gains for small and landless farmers. This can be done through:

- better handling of agricultural produce,
- credit to traders on storage of produce in warehouses,
- promotion of low-cost, labour intensive, low maintenance, perennial crops, and
- transfer of responsibility of operations to local institutions.

There is a need to take value chain mapping seriously and assess where surplus can be captured and then accordingly plan interventions. Moreover, the markets should be selected wisely keeping in mind dynamic marketing strategies.

While FDI in retail is being championed as an opportunity for small producers to latch on to a high worth value chain, this enthusiasm needs to be tempered by the fact that international investors will make demands on their suppliers with respect to traceability, residue in crop, quality, consistency and availability of supplies. India's small producers are not geared to handle this. They do not fully understand the associated risks of price, quality and the demand impulse in the market. In the absence of an organised machinery to inform the producers on the demand, what to produce, and the best time to harvest, information dissemination will be left to private intermediaries again.

Collectivization of producers is absolutely critical to inform policy making and create market infrastructures wherein the small producer groups can negotiate on equal terms with the buyers in the value chain. Effort towards capacity building and setting uр institutional framework which is run by well qualified management team with good negotiating ability could be an important first step.

Small farmers do not have sufficient bargaining power to negotiate the



Release of the book on Agro-processing titled "Making Value Chains work for the Poor"



complex cotton value chain. In an unorganised sector like cotton there is a large role for the economic agent or trader both as an investor of capital as well as of a bulk buyer. This diverts a significant part of profit away from the smallholders. There is a need for producer organisations that allow for 100% farmer-owned institutional structures wherein farmers not only play a direct role in governance but also participate in profits. Such innovative models can help plough back profits to the primary producer and reduce systemic exploitation.

Developing inclusive value chains can lead to enhanced distributive justice, transparency and greater accrual of benefits to the primary producer. The role of CSOs in value chains should be that of a facilitator in the short term and eventually unnecessary. For small producers, to benefit from the value chain, it has to make long term business sense and without a permanent role for CSOs. Only then will it be scalable and replicable countrywide.

### Impact Investing: Challenges and Opportunities

### Moderator

■ Lokendra Chauhan, Director, nDimensions

#### **Panelists**

- Shrikrishna Ramamoorthy, Partner, Unitus Seed Fund
- Manas Ratha, Director, DASRA Social Impact and Portfolio
- Anu Gupta, Deputy Head, Private Sector Team, DFID India
- Ankur Shah, Interim India Director, Acumen Fund

Today, several investors, HNIs and Private Foundations are proactively investing their capital in social enterprises designed to generate a positive social or environmental

impact, while also having the potential for a moderate financial return. With more than a dozen domestic and international funds operating in this space in India, the segment has grown steadily over the past five years. The interest in impact investment stems from the importance of social enterprises as institutional arrangements that are able to tackle economic and social concerns and challenges that neither public agencies nor for-profit enterprises can address effectively; market driven solutions to intractable



Session on Impact Investing: Challenges & Opportunities L to R - Ankur Shah, Anu Gupta, Lokendra Chauhan, S Ramamoorthy & Manas Ratha



problems. In the initial years, most of the impact investors concentrated on the microfinance sector, the last couple of years have seen the funds moving to areas such as education, healthcare, water, energy, etc. though investments in the livelihoods space are still limited. Currently, despite the impact investor interest, quality and scalable models of investable social enterprises are few in number. Moreover, the concept is relatively new and therefore there is no historical documentation of successes and failures from which lessons can be drawn to inform current investment decisions.

When an investor contemplates putting its money behind a social entrepreneur it needs to see a certain proof of concept which demonstrates the viability of that enterprise. Where social enterprise value chain is generally crimped by limited seed capital, supply chain challenges with untrained or poorly trained producers at one end, demanding customers at the other end and many intermediaries in between creating a viable business model is in itself a major task. There are challenges both in the number and readiness of investible enterprises; scalability and replicability; flow of capital; exits and impact. Investors need to understand that there are few ready-made viable and scalable social enterprises out there to throw their money into. These concepts need nurturing and support before they can be up and running and generate returns on investment. For instance, IDE produces low cost drip mechanisms that can increase farmers' returns by 30%. Initially they were not being able to ensure off take till a grant from Gates Foundation allowed them to research and understand their target consumers better and hence improve the chances of converting the orders.

"DFID focuses on new geographies, high risk businesses and recyclable investment at direct household level. DFID currently has invested in a community run dairy in UP, chain of warehouses in Madhya Pradesh and vegetable and food producer companies. While choosing projects for investment DFID lays emphasis on creation of jobs, access to basic services and infrastructure in backward areas." - Anu Gupta

### Impact investment by Unitus

Unitus Seed Fund is a poverty impact seed stage investment fund based in Seattle and Bangalore. For Unitus, livelihoods is viewed as a means of ensuring economic self reliance either through income enhancement or cost saving. Unitus is investing in rural and urban distribution, training and placement, collective action, job-matching services and agri-based livelihoods opportunities. Villgro Stores promoted by Unitus provide a format for small farmers to sell specialised agri and dairy inputs. Bodhicrew, also supported by Unitus is active in the training and employability space.



### Adaptation to Climate Change in Agriculture

#### Moderator

**D. Raghunandan,** Delhi Science Forum

### **Panelists**

- Suman Sahai, Convener, Gene Campaign
- Priti Kumar, Senior Environmental Specialist, World Bank
- Shailesh Nagar, Vice President, NR Management Consultants India Pvt. Ltd.
- **C. Suvarna, IFS, Special Commissioner, RD (Watershed), Government of Andhra** Pradesh

"South Asia is among worst affected in terms of agricultural productivity with its rain-fed areas being the worst hit. Warming of even 2 degrees is going to impact wheat production to such an extent that in a few years there will be no wheat production in Northern India at all. Climate change will cause large scale destabilisation not only for crops but also for livestock and fisheries." - Dr. Suman Sahai

Recent research across the world has clearly established climate change as the most serious global challenge today. Climate change will affect agriculture because of increase in temperatures, greater irrigation demand, more variable rainfall and extreme climate events such as heat waves, floods and droughts. The impact of climate change will be felt disproportionately on developing countries like India and the poor within all countries. At the SAARC level, the problem of all the countries are interconnected, so coordinated action to cope with climate change is the need of the hour. It has become imperative to adapt to the 2 degree rise in temperature and develop a two pronged strategy towards both mitigation and adaptation to climate change.

India needs to move away from mono-cropping practices, by bringing bio diversity into crops and broadening the genetic base. The research philosophy has to move from maximising output to minimising risk and increasing resilience in systems of production so that the small farmer can cope. While adaptation can cope with some of these impacts till 2020, after that new strategies will be needed because the changes will be more serious and dramatic in their impact. These would include:

- Development of climate responsive crops, species, varieties, cropping/farming/ land and use systems specific to situation
- Increasing water productivity, improvement of water quality and quality seeds/ planting material
- Site specific and situation specific integrated approaches
- Credit security and insurance cover
- Awareness building among the vulnerable.



Minimising risks for the most vulnerable: Since already vulnerable communities will be rendered further vulnerable to climate change, capacity building at all levels i.e. systemic, national, regional, state, local, village and household levels will be needed. Given the trend of feminisation in agriculture, steps are needed to facilitate better adaptation by women farmers:

- Empowerment
  - Ownership and control rights to land, credit, and livestock (FAO State of Food and Agriculture 2010-11)
- Extension and information provision
  - Establishing a system of information dissemination which should be accessible to women
  - Information should be tailored to the decision-making needs of women farmers and must be provided timely
- Research
  - Which adaptive practices are women smart? And how it can be ensured that women farmers employ these?
- Technology
  - Labour saving tools and techniques
- Policy
  - Bringing Climate Change Adaptation element in policies for women farmers

World Bank's approach: A package of interventions towards climate change adaptation has been developed by World Bank which includes:

- Climate information systems: systems to enhance climate predictability, climate risk maps, providing agro-climate information and increasing its accessibility to farmers
- Water management technologies: improvements in water harvesting systems, drainage, irrigation distribution systems
- Improvement in integrated management of natural resources and production systems including water and watershed management, conservation agriculture, crop and pasture rotation, sheltering techniques, adjustment of planting dates, different varieties, diversification of cropping systems
- **Technological innovation to minimize climate risk** including plant breeding and biotechnology innovations to improve drought and pest/disease resistance, new crop options, irrigation infrastructure
- Economic instruments including weather index insurance and access to markets
- Institutional innovations including community based institutions, community adaptation fund mechanisms
- **Diversification of employment opportunities** including non-farm livelihoods
- Migration including support to seasonal and circular wage labour migration



### **Enabling Conditions and Challenges for Collective** Action to Benefit Small Holder Producers

#### Moderator

■ Pravesh Sharma, Managing Director, Small Farmers' Agribusiness Consortium

### **Panelists**

- Anshu Bhartia, CEO, FWWB
- PVS Suryakumar, CGM, NABARD
- Anish Kumar, Programme Director, PRADAN
- Arindom Datta, Senior Director and Head of Rural and Development Bank/ Advisory for Rabobank in India
- Trilochan Sastry, Professor and Dean (Academic), IIM-B

There is increasing evidence from both practice and research that one way for smallholders to effectively participate in the market perhaps lies in organizing themselves into producer collectives. Acting collectively, smallholders may be in a better position to reduce transaction costs for their market exchanges, generate economies

of scale, better harness the necessary market information, secure access to new technologies, and get better access to inputs and or tap into the high value markets. Producer organisations have the feel of a co-operative and flexibility of commercial organisations and therein lies their advantage. Some of the key lessons that have emerged through the work of SFAC to promote farmer producer organisations (FPOs) are:

- Getting together farmers as collective groups is easier for perishable goods like fruits and vegetables rather than durables like pulses etc.
- In terms of geographic areas it is easier to get together farmers in hilly, undeveloped and neglected areas.
- Farmers who receive a high level of subsidy are resistant to collectivism
- Tenant farmers are keenest to form collective groups



Pravesh Sharma, Managing Director, Small Farmers Agribusiness Consortium

Affinity based on socio-economic status, caste, is not recommended as heterogeneous groups are more successful



"We need to have faith in the farmers of the country. We need to invest in the capacity building of farmers in business. Individual centric examples are excellent but don't really work at the sectoral level and cannot be replicated by all." - Trilochan Sastry

However, producer collectives do not usually form spontaneously, but require enabling conditions and are often catalyzed by certain interventions that must take place to make collective action effective. The greatest challenge in promoting farmer producer organizations (FPOs) is absence of viable robust ideas that add value at the individual level, and simultaneously build at the collective level as a competitive differentiator. Absence of an ecosystem that supports the idea to move to real business on ground is another serious challenge to promoting FPOs. Therefore the primary challenges are:

- Business ideas do not get converted to business plans
- Existing equity of the organization does not match the business requirements.
- Finance is a big issue, particularly in the absence of collateral; where the FPO should get an equity investor, it generally only gets access to loan funds; credit history needs to be created for organizations so that they can acquire loans from banks
- Producer organizations are expected to market their produce which is not easy for them. Assuming that farmers can take up the role of business managers and leverage the market is too ambitious.

An FPO is generally seen as an extension of a governmental agency or an NGO but not as an SME. Professional managers who are needed to run the companies are not available. In the agriculture sector, there are few such institutions that can talk to bankers confidently. There are sixteen different Acts that the producer company needs to

conform. This is extremely difficult to comprehend. Many clearances are also needed. There is also the need to address the issues of deficit in governance and management leadership. Generally CSOs lack managerial capability to drive the business. Therefore greater capacity building is needed of CSOs and also of the farmers. Else the Producer Company model will continue to be illustrated by only a few individual centric success stories that are resistant to pan India replication.



Anshu Bhartia, CEO, FWWB



### Urban Livelihoods and Urban-Rural Linkages

#### Moderator

Madhukar Shukla, Professor, XLRI Jamshedpur

### **Panelists**

- Prema Gera, Assistant Country Director, UNDP
- Arbind Singh. Executive Director. NIDAN
- Anil Shukla, Assistant Commissioner of Police, Delhi Police
- Usha P. Raghupathi, Officiating Director and Professor, National Institute of Urban Affairs

India is urbanizing rapidly and by 2022 the percentage of urban poor is likely to exceed the poor in rural areas. Urbanisation in India is migration-led which puts pressure on the cities to provide legitimate livelihoods to the migrants, access to housing, electricity, water as well as safety and security. While cities are growing, economic opportunities are not necessarily growing in the same proportion. Cities are crippled by infrastructural constraints and overburdened civic amenities.

"There is a need for shaping rural-urban interactions in years to come and also documenting and analysing such interactions. Such interactions would also lead to better infrastructure. Such positive interactions can address the rural-urban divide."- Prema Gera

The urban poor may be divided into four groups so that livelihoods strategy for each may be customised to its specific needs.

- The first group is the selfemployed constituting 40% of urban workforce who work from home or in open public spaces. suffer from employment opportunities, lack of access to credit and regulatory issues.
- The second group comprises the urban informal workers, at the bottom of the economic pyramid including domestic workers, home based workers, street vendors and waste pickers.



Prema Gera, Assistant Country Director, UNDP



- Third group comprises those who are engaged in labour, have low education, and lack saleable assets. This group includes the farmers who live in peri- urban areas, female headed households, petty traders and unskilled labourers.
- Across all these segments are the migrants who come for long periods to towns and cities, and need migrant services.

The livelihoods of the poor are intricately linked with their housing. Poor who are selfemployed often operate out of their homes. Housing, thus, becomes very important for them. Those who are employed, stay near their workplace, or where ever they find housing which is affordable. They also encroach on public or private land which makes them vulnerable to being uprooted. In the relocation process they either lose their livelihoods or have to adjust to new ways of lives and spend more time and money in commuting. There is a need for safety nets, food security and entitlements for all these groups of urban poor. With greater access to information technology, better roads, and improved education, it may be possible to strengthen 'rural-urban linkages'. Collaboration between rural and urban livelihoods missions would also be useful.

There is lack of convergence across the multiplicity of agencies for urban development, with insensitive urban policing. Vigorous implementation of social legislation where there is a strong focus on developing relationships, stakeholder integration, generating social capital, social inclusion and right service delivery is needed.

### **Valedictory Session**

### Special Address

■ Brij Mohan, Chairman, ACCESS Development Services

In his special address Mr. Brij Mohan mentioned that since we need to create a large number of livelihoods, a regular approach will not work. The creating and sustenance of livelihoods is not within the capability of one organisation. Rather it takes collective long term efforts as there are a number of grave issues to tackle eq. The numbers of poor are large; poverty levels are high; services available to the poor are inadequate or rather non-existent. Mr. Brij Mohan expressed his satisfaction that the deliberations at the Conference would help ACCESS in formulation of its strategies and creation of sustainable models which can be scaled up and replicated. ACCESS is keen to collaborate with livelihoods promotion institution to play an influencing role. ACCESS' constant endeavour is to set up collectives of farmers;



Valedictory Session - Brij Mohan

link them to markets, universities and introduce them to technologies over a period of time.



### Sitaram Rao Livelihoods India Case Study Award Presentation

Dedicated to Late Shri Sitaram Rao, mentor and guru of the Indian microfinance and livelihoods movement, the case study competition aims to bring together the collective intellect in the country and assimilates innovative solutions, breakthroughs, good experiences and best practices that can help change the poverty status in India. The

2012 case study competition was supported by Oxfam India and Ford Foundation. ACCESS also partnered with XLRI to make the initiative more robust. The theme for the 2011 "Enhancing competition was Livelihoods of Poorest of the Poor." In all, 118 entries were received. After undergoing a rigorous evaluation process, 11 cases were shortlisted for presenting before the expert Jury for adjudging the three best cases. The final result from the collective decision of the Jury is as follows:



Release of Sitaram Rao Livelihoods India Case Study Compendium

	Case Name	Author Name
First Position	Sustainable Livelihood intervention with Kotwalia (PTG) Tribe in south Gujarat Region (AKRSP)	Charu Chandra, Yogesh Chandra Bhatt
Second Position	AAGAAS: A community endeavour for Bio-Conservation & Employment Generation	Shailendra Singh Bisht, Surajit Ghosh Dastidar
Third Position	Leveraging Traditional Rural Practices And Existing Capabilities To Enhance Livelihoods (Keggfarms)	Anisha Singh, Vinod S Kapur
Special Mention	BARIPADA MUDHI - A case study of Unnayan's Intervention at Tambakhuri	Binayak Acharya, Vinayak V
Special Mention	From Nomads to Artisans: A case of Sabala's experience of promoting sustainable livelihoods for Lambanis in Karnataka	Brajesh Pandey and Poorvaja Kumar







Sitaram Rao Livelihoods India Case Study Award presentation

### Summary of Deliberations of the two day Conference and **Delegate Response**

Malcolm Harper, Professor Emeritus, Cranfield School of Management

The key points made by Prof. Malcolm Harper during his summary of deliberations are as follows:

- We should accept the fact that we can't always include the ultra-poor in development initiatives
- The poor are getting poorer
- India is becoming urban and the urban poor will soon out-number the rural poor
- There is a need to have faith in small producers and build on their strengths
- There is a need to bridge the gap between those in difficult areas and others
- Collectives are businesses and they must plan and be managed as such
- Collectives must offer specific benefits to their members and their customers
- Climate Change is here to stay and to adapt to it farmers must retain traditional breeds and diversity
- Skill starts at school (primary level)
- Skill Development can be a very profitable business
- In context of social enterprises, in case things fail we shouldn't stop. Rather we should recognize failure and not carry it on



Malcolm Harper, Professor Emeritus, Cranfield School of Management



### **Core Sponsors**

#### Ford Foundation



ऑक्सफैम इंडिया

The Ford Foundation works with visionary leaders and organizations worldwide to change social structures and institutions so that all people have the opportunity to reach their full potential, contribute to society, have a voice in decisions that affect them, and live and work in dignity. This commitment to social justice is carried out through programs that strengthen democratic values, reduce poverty and injustice, and advance human knowledge, creativity, and achievement.

### Oxfam India

Oxfam is marking its 60th year in India this year. It is fitting that in this historic year for the Oxfam family, Oxfam India has been inducted as a fully independent, Indian organization (with Indian staff and an Indian Board) into the Oxfam International Confederation. Oxfam India is the newest and 15th member of this Confederation.

The Oxfams are rights-based organizations that fight poverty and injustice by linking grassroots programming (through partner NGOs) to local, national and global advocacy and policy-making. All of Oxfam's work is framed by our commitment to five broad rightsbased aims: the right to a sustainable livelihood, the right to basic social services, the right to life and security, the right to be heard and the right to equality: gender and diversity.

Oxfam India's vision is to create a more equal, just, and sustainable world. The overarching vision of Oxfam India is "right to life with dignity for all". Oxfam India will fulfill its vision by empowering the poor and marginalized to demand their rights, engaging the non poor to become active and supportive citizens, advocating for an effective and accountable state and making markets work for poor and marginalized people.

Oxfam India works in partnership with 200 grassroots NGOs to address root causes of absolute poverty and inequality in the four areas of 1) Economic Justice, 2) Essential Services, 3) Gender Justice and 4), Humanitarian Response and Disaster Risk Reduction (DRR). Oxfam India's program is focused on seven States - Assam, Bihar, Chattisgarh, Jharkhand, Orissa, Uttar Pradesh and Uttarakhand - and four social groups - Dalits, tribals, Muslims, and women.

#### **UNDP**

UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone.



With offices in more than 170 countries and territories, we offer global perspective and local insight to help empower lives and build resilient nations.

In India, UNDP works in five core areas:

- Poverty Reduction: Improve effectiveness of poverty reduction and livelihood promotion programmes; enable disadvantaged communities to enhance skills and diversify to non-farm activities; address challenge of financial inclusion.
- Democratic Governance: Promotes social, economic and political inclusion of the most disadvantaged, particularly women and girls and supports efforts to ensure accountable and responsive local government systems.
- Energy and Environment: Promotes low carbon, climate resilient and inclusive development; partners with Government to fulfill multilateral environment agreements; climate change; sustainable natural resource management and environmentally-sound chemical management.
- Crisis Prevention and Recovery: Supports the 11th Five-Year Plan vision to ensure that the "most vulnerable, including women and girls, and government at all levels have enhanced abilities to prepare, respond, adapt to and recover from sudden and slow-on-set disasters and environmental changes."
- HIV and Development: Works to halt spread of HIV/AIDS amongst vulnerable groups and put HIV/AIDS at the centre of national development strategies and protect rights of the affected.

### **Co Sponsors**

#### **ICCO**



ICCO is a Dutch organization for international development cooperation. ICCO's passion is to end poverty and injustice in service of a full and dignified life for all. In a spirit of equality, co-responsibility and respect for diversity, ICCO seeks to cooperate on the basis of shared values and principles. Our core values are justice, compassion and stewardship.

ICCO facilitates financial advice, lobby and brokerage services to local non-governmental organizations, the private sector, churches and networks that work for sustainable economic development, enhancing democracy and peace, food security and climate mitigation. ICCO brings together enterprising people in more than 40 countries in Africa, Asia and Latin America, in partnerships with civil society organizations, including development organizations, companies and knowledge institutions. In this way we seek to help people to be (come) economically independent.

ICCO has seven regional offices and several country offices spread around the world. The Global Office is based The Netherlands. We collaborate in alliances with several partners in The Netherlands (ICCO Alliantie), Europe and worldwide (ACT Alliance).



Inspired by the spirit ICCO, The Netherlands ICCo, India based in New Delhi was registered as a not for profit Trust in 2008. ICCo stands for "Innovative Change Collaborative" in its vision and operational principles as it believes that "Innovative" strategic thinking and "Collaborative" effort is the key to bringing about the desired change in our society and systems.

ICCO offers services in the field of program and financial development and management, monitoring and evaluation and bridges the gaps between donors and NGO partners ensuring accountability, integrity and desired outcomes. The organisation brings with itself decades of experience of working in India and South Asia and has strong networks both at the regional and global level.

#### NABARD

National Bank for Agriculture and Rural Development (NABARD) since its establishment in 1982 by an Act of Parliament has been nurturing rural India, particularly the agriculture sector in the rural hinterlands of the country.

NABARD combines the role of a supervisor and a development facilitator. The multi - pronged strategy involves interventions in credit planning, resource support to banks, funding rural infrastructure development, strengthening of credit delivery system all aimed at inclusive growth. The SHG movement conceived, researched and piloted by NABARD is considered as the fastest growing and the largest micro-finance movement in the world. Today, more than 80 lakh SHGs, involving more than 103 million rural households are linked with banking system. Besides promoting SHGs, NABARD has been actively engaged in Natural Resource Management through integrated watershed development initiatives covering over 17.80 lakh hectares. NABARD's development efforts also cover socially & financially excluded groups (Tribals) with 415 projects in helping them establishment of tree based livelihood initiative covering over 3 lakh tribal households with financial commitment of Rs. 12,000 million.

NABARD has been able to make a difference in the lives of people of rural India and emerged as a reliable, transparent, innovative and financially strong organisation working towards its mandate encapsulated in four simple works - TAKING RURAL INDIA >> FORWARD.

#### **PACS**



The Poorest Areas Civil Society Programme (PACS) is an initiative of the UK government's Department for International Development (DFID). PACS works towards addressing the most pressing constraints faced by socially excluded groups in India and creates access opportunities and rights to improve their lives. The focus groups in PACS are Scheduled Castes, Scheduled Tribes, Muslims, Women and People with Disabilities.



PACS believes that discrimination on the basis of social identity is a key cause of persistent poverty in India. It explains how social exclusion relates to poverty, and outlines the change process that the PACS programme is aiming to bring about.

PACS partners with civil society organizations (CSOs) to promote inclusive policies, programs and institutions at local, district and state levels in the areas of livelihoods and service delivery. They cover 90 of the poorest districts across the seven Indian states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Uttar Pradesh and West Bengal - each of which has a high proportion of excluded people.

PACS Programme promotes non-discriminatory access to livelihood opportunities and our sustainable livelihoods theme focuses on: Non-discriminatory access to work under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS); Building capacities of Scheduled Tribe groups and traditional forest dwellers to claim land under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006; Overcoming barriers to lease or ownership of revenue land faced by socially excluded groups; Ensuring equal access to resources and skills for socially excluded groups to diversify their livelihood options.

### **SFAC**

Indian agriculture today is essentially smallholder agriculture; as much as 83% of all cultivators are either marginal or small (which means that they till less than 2 hectares, or 5 acres, of land). The average landholding size has shrunk to 1.2 hectares. Yet across a range of parameters, from intensity of cultivation to per capita use of irrigation and fertilizer, small and marginal farmers are more productive and efficient than large landholders. The challenges that these small producers face can be summed up in three words:

- Investments
- Technology
- Markets

SFAC has set before itself the goal of addressing these three challenges in a meaningful and effective manner. It aims to work with a network of partners in the financial sector to find innovative solutions to the financing needs of small and marginal farmers, using the concept of pooled risk as the basis of its product experimentation.

Delivery of technology in agriculture today is possible across several platforms, including electronic and ICT channels. This in turn requires institutional anchoring within the farming community, as farmers themselves become the repository and messengers of new ideas and techniques. SFAC aims to proactively work towards the creation of member based farmer institutions for the rapid transmission of agriculture technology.



Agriculture marketing is the third area of focus for SFAC. Aggregating farm produce and its efficient passage through the value chain to consumers requires a grand coalition of partners, beginning with farmers and involving both public and private actors. SFAC commits itself to facilitating such coalitions across the country and spanning the agriculture product range, contributing with risk capital, knowledge generation and policy advocacy at the State and Central level.

#### World Bank

The World Bank Group is a key development partner of countries across the world including India. Its strategy comprises of three key pillars:

- Maintaining rapid and inclusive growth
- Making development sustainable and
- Increasing the effectiveness of service delivery

The World Bank is working closely with the Government of India to sustainably fight poverty for lasting results. Its \$23 billion portfolio in India covers 76 active investment projects. The World Bank Group's Strategy for India for FY 2009-2012 is closely aligned with the country's objectives as outlined in its 11th Five Year Plan. The Bank uses lending and analytical work to help India achieve its goals.

The Bank is increasingly engaged in agriculture and rural development. In fact, with \$2 billion in new lending in FY12 for seven operations, the World Bank's agriculture and rural development portfolio in India is by far the largest such Bank program worldwide in absolute dollar terms. It includes the Bank's support for India's newly launched National Rural Livelihoods Mission, one of the world's largest community-based rural poverty reduction programs that aims to reach almost a quarter of India's population. Other key areas of support in agriculture include helping boost productivity and farmer incomes through agricultural research and technology dissemination, improving agricultural water management, strengthening marketing and value chains, as well as developing the dairy sector. A total of 24 operations are under implementation in India, with total commitments of \$5.8 billion.

These rural livelihood programs have mobilized more than 13 million households in 90,000 villages to form community-managed institutions. These programs have enabled the poor to create a savings base of \$1 billion, and catalyzed and leveraged about \$6.5 billion in credit from commercial banks.

### **Knowledge Partner**

Rabobank

Rabobank Group is an international financial services provider operating on the basis of cooperative principles. It offers banking, asset management, leasing, insurance and real estate services. Focus is on broad financial services provision in the Netherlands and primarily



on the food and agribusiness internationally. Rabobank Group is comprised of independent local Rabobanks plus Rabobank Nederland, their umbrella organization, and a number of specialist subsidiaries. In terms of Tier I capital, Rabobank Group is among the world's 30 largest financial institutions. Rabobank is consistently awarded a high rating by all rating agencies.

The Rabobank Foundation was established in 1973 as an independent foundation. The organization is funded by local member Rabobanks and Rabobank Nederland, which donate a small percentage of their profits to the Rabobank Foundation. The Rabobank Foundation helps underprivileged and disadvantaged people to become economically active and independent. The support provided by the Rabobank Foundation reflects Rabobank's unique history and roots and is consequently focused first and foremost on enabling the development of small co-operatives located in rural regions. This support is provided through donations, loans, trade financing and technical assistance. In line with Rabobank's own cooperative background, the Rabobank Foundation especially focuses on establishing and promoting co-operative savings and loan systems.

### **Media Partner**

#### MINT



Mint is a business newspaper from HT Media Ltd, launched in collaboration with The Wall Street Journal on 1 February 2007. It is a premium business news publication aimed at decision makers and policy makers of the country and it is the first newspaper in India to be published in the Berliner format. It strives to deliver business and financial news in simple and compact format.

Readership of Mint is more than 210,000 across Delhi, Mumbai, Bangalore, Kolkata, Chennai, Chandigarh and Pune. Being one of the country's premium business news publication - 76% of Mint readers do not read another business paper, making Mint a critical reach vehicle for the top end audience. With 172,000 readers in Delhi and Mumbai make Mint the clear No.2 among business paper in these two cities.

Representative of an integrated newsroom, www.livemint.com is Mint's online portal and is among the fastest growing news website in India, receiving over 15 million page viewers per month. Live mint provides daily national, international and business news, tracks market movements and detailed coverage of significant events. The site has evolved multimedia features like videos, podcasts and slideshows. Mint comes out with a premium weekend magazine Lounge that focuses on the lifestyle, passions and other related interests of readers. Lounge is known to avoid run on the mill stories and is immensely popular. After a successful partnership with CNBC-TV18, Mint has recently partnered with Bloomberg UTV, which ensures the paper receives significant broadcast coverage.



### **Session Plan Livelihoods India Conference 2012**

Role of Civil Society in Livelihoods Promotion: A Paradigm Shift

Le Meridien, New Delhi November 29 - 30, 2012

November 29 - 30, 2012			
	November 29, 2012		
0930 to 1100 hrs	Inaugural Session		
	Introduction to the Conference and Welcome Vipin Sharma, CEO, ACCESS Development Services Special Address		
	Kavita N Ramdas, Ford Foundation Representative for India Nepal and Sri Lanka		
	Nisha Agrawal, CEO, Oxfam India		
	Caitlin Weisen, Country Director, UNDP		
	Presentation of State of India's Livelihoods (SOIL) Report Sankar Datta, Professor, Azim Premji University		
1100 to 1130 hrs	Networking Break		
1130 to 1300 hrs	Plenary Session I – Civil Society at Crossroads: Opportunities and Challenges In recent times, a significant shift has been seen in most development programmes of the government and donor agencies; particularly in the possible role of the Civil Society organizations in the scheme of things. While on the one hand, the Government is increasingly relying on establishing new institutional infrastructure for implementing its large national programmes; the role of the civil society is increasingly transitioning from being a partner to a sub contractor. In several cases, CSOs are being replaced by commercial management firms. To bring in greater transparency and for higher accountability, CSOs too are exploring new avenues for themselves by taking up more advocacy and rights based issues. Pure grant based models are giving way to new emphasis on sustainable social enterprise models. The session will examine the shift in Civil Society's role as a partner in development initiatives.		
	Moderator Nachiket Mor, Chairman, CARE India		
	Panelists		
	Rashid Kidwai, Director, Grassroots Trading Network for Women		
	<ul> <li>Harsh Mander, Special Commissioner to the Supreme Court of India in the Right to Food case, and Director, Centre for Equity Studies</li> </ul>		
	<ul> <li>Avinash Kumar, Director - Policy and Research, Oxfam India</li> <li>Chandan Mitra, Member of Parliament (Rajya Sabha)</li> </ul>		



1300 to 1345 hrs	Lunch
1345 to 1415 hrs	Special Address  Jairam Ramesh, Union Minister, Ministry of Rural Development, Government of India  Release of State of India's Livelihoods (SOIL) Report
1415 to 1530 hrs	Plenary Session 2 - Role of CSOs in Flagship Poverty Reduction Programmes  From a policy maker, the government is increasingly getting into direct implementation, particularly for its large flagship programmes. Typically, Governments will establish their own specialized affiliates to implement these programmes. Traditionally, this role was played by CSOs as partners to the Government in development initiatives. Has this paradigm shift brought in more professionalism in delivering programme outcomes or it will result in making the process more protracted and less transparent. With this new role of the government, is there a foreseeable new role for the CSOs. How does the government view CSO's role in supporting these flagship programmes will be discussed by the panel. What will be the challenge in HR deployment, within and outside the government to implement these programmes.  Moderator  Smita Premchander, Founder - Director, Sampark  Panelists  D. Narendranath, Programme Director, PRADAN
	Biswajit Sen, Senior Rural Development Specialist, South Asia Region, World Bank
1530 to 1540 hrs	Networking Break
1540 to 1650 hrs	Parallel Sessions
	Parallel Session 1 - Livelihoods Challenges in Difficult Regions The session aims at exploring the challenges of promoting livelihoods of the poor in hilly and forested and difficult to reach regions of central, eastern and north-eastern India characterized by a large concentration of tribal population and insurgency activity. Although rich in minerals and other natural resources, the exploitation of these resources is fraught with issues of displacement, environment degradation and also of equitable distribution of gains between the local community and the investor organizations. The CSO capacities in these areas are week to handle the task of livelihoods promotion professionally. Balancing between these different strains has made the task of livelihoods promotion difficult and arduous. While a number of Government programmes aim at livelihoods promotion especially targeting these regions, people in these areas suffer from constraints and barriers depriving them of sustainable livelihoods options. The session will also look at some of the alternative policy options and means for promoting livelihoods in difficult regions.



#### Chair

P.D. Rai, Member of Parliament (Lok Sabha)

- K S Gopal, Scholar at Residence, Tata Institute of Social Sciences
- Amar KJR Nayak, Professor, Xavier Institute of Management Bhubaneswar
- Sankar Datta, Professor, Azim Premji University
- N V Ramana, Sector Expert

#### Parallel Session 2 - Skill Development for Excluded Communities

The labour market is a critical mechanism for inclusion; and also exclusion. In the context of the vast population of excluded communities, the critical role of training in furnishing the badly needed skills to improve productivity, incomes and equitable access to employment opportunities is obvious. However, skill development that takes place today is by and large industry centric, with an urban bias, unmindful of the large sections that remain untouched and excluded even though we speak of their inclusion. This session will deliberate on aspects pertaining to skill development for underprivileged youth from excluded communities in an effort to mainstream them. It will highlight not only the emerging best practices and look at how they will be adapted for excluded communities, but will also help identify the elements for a skill development strategy with new ideas on trades with growth potential, tools and motivating rural youth. It will specifically look at what skills are relevant in specific context of excluded communities, what is the existing skill development provision in formal and non-formal settings for excluded communities within and outside the public sector, what training modalities work best in specific circumstances.

#### Moderator

Albert Joseph, Executive Director, Functional Vocational Training and Research Society

#### **Panelists**

- Ashok Bharti, Chairman, India's National Confederation of Dalit Organisations
- Meera Shenoy, CEO, Youth 4 Jobs
- Ranjan Choudhury, Principal, Programme Development, National Skill Development Corporation
- Vipul Rastogi, Head, Govt Business, Indiacan

#### 1650 to 1800

### Plenary Session 3 - Scaling-up Rural Livelihoods: Role of Social **Enterprises**

Market-based solutions to poverty are transforming the face of development and spurring inclusive growth in India and the world over. They are connecting dairy farmers in Orissa to urban markets in Mumbai, bringing clean toilets to urban slums and reliable power to off-grid villages. In other words, the social enterprise based institutions work on a range of issues including food, health and nutrition, water and sanitation, education, financial services,



livelihoods development, ICT, energy and public service delivery including rights and entitlements. Nearly three-quarters of these enterprises target the BoP as consumers of critical goods and services. A few social enterprises incorporate small-scale producers into their supply chain and work to improve their productivity, quality of outputs and market linkages. It is apparent from this that social entrepreneurs constitute a majority of the livelihoods innovators in our country. The problem lies in identification of these livelihoods innovators/ social entrepreneurs and providing them with an enabling and conducive business environment to grow. One of the key focus areas of the Government of India's National Rural Livelihoods Mission is 'Promotion and Support for Innovations and Partnership Development' which aims to create institutional mechanisms to identify, nurture and support innovative ideas from across the country to address the livelihood needs of the rural poor. In addition, NRLM also aims to promote social entrepreneurs and social enterprises that have potential for replication and scaling up. This session aims to demonstrate the role played by social enterprises/ entrepreneurs in livelihoods promotion of the rural poor and ways to identify such innovators. With views from entrepreneurs from across the board, the session will also discuss the role of NRLM as an incubator of livelihoods innovation.

#### Moderator

Parmesh Shah, Lead Rural Development Specialist, World Bank **Panelists** 

- Paul Basil, Founder and CEO, Villgro
- Arvind Kumar Chaudhary, CEO, Bihar Rural Livelihoods **Promotion Society**
- Vanita Viswanath, CEO, Udyogini
- Madhav Chavan, Co-founder and CE-President, PRATHAM
- Crispino Lobo, Co-founder, WOTR Group

#### November 30, 2012

### 0930 to 1115 hrs

### Plenary Session 4: Making Value Chains Work Better for Poor

Value chains encompass the full range of activities and services required to bring a product or service from its conception to sale in the final markets supported by a range of technical, business and financial service providers. From a development perspective, value chains are one of the instruments through which market forces can be harnessed to benefit the poor - not just producers, but wage earners, service providers and others. Effective participation in value chains is also attracting attention as a way of achieving broad development outcomes such as poverty reduction. This session will focus on how inclusive value chains can be developed towards greater distributive justice, transparency and greater accrual of benefits to the primary producer. It will also highlight cases of adapting value chain principles in a few sub-sectors as well as some key challenges of working with specific value chains approach to enable the producers to benefit more.



	Release of Book on Modern Food Value Chains In India: Emerging Potential for the Poor by Pierre Hedel, Managing Director, Rabobank Foundation  Moderator  Malcolm Harper, Professor Emeritus, Cranfield School of Management Panelists  Ayan Banerjee, CEO, Chetna Organic Agriculture Producer Company Ltd. (COAPCL)  Iris van der Velden, Regional Manager, Asia, Rabobank Foundation  Prof. Sukhpal Singh, Professor, Centre for Management in Agriculture, IIM-A  Sanjeev Asthana, Chairman, CII Food Security Taskforce and Managing Partner, I-Farms Venture Advisors Pvt. Ltd.
1115 to 1130 hrs	Networking Break
1130 to 1300 hrs	Parallel Sessions
	Parallel Session 1 - Impact Investing: Challenges and Opportunities  Today, several investors, HNIs and Private Foundations are proactively investing their capital in social enterprises designed to generate a positive social or environmental impact, while also having the potential for a moderate financial return. With more than a dozen domestic and international funds operating in this space in India, the segment has grown steadily over the past five years. The interest in impact investment stems from the importance of social enterprises as institutional arrangements that are able to tackle economic and social concerns and challenges that neither public agencies nor for-profit enterprises can address effectively. In the initial years, most of the impact investors concentrated on the microfinance sector, the last couple of years have seen the funds moving to areas such as education, healthcare, water, energy, etc. though investments in the livelihoods space are still limited. Currently, despite the impact investor interest, quality and scalable models of investable Social Enterprises are few in number. Moreover, the concept is relatively new and therefore lack of a track record of successful investments is another critical challenge for growth for impact investing. The sector is still trying to find a balance between returns and social impact. The session intends to discuss some of these challenges to growth in impact investing in livelihoods opportunities and bring insights from some of the prominent impact investments cases.  Moderator  Lokendra Chauhan, Director, nDimensions  Panelists  Shrikrishna Ramamoorthy, Partner, Unitus Seed Fund  Manas Ratha, Director, DASRA Social Impact and Portfolio  Anu Gupta, Deputy Head, Private Sector Team, DFID India



Parallel Session 2: Adaptation to Climate Change in Agriculture Recent research across the world has clearly established climate change as the most serious global challenge today. Climate change will affect agriculture because of increase in temperatures, greater irrigation demand, more variable rainfall and extreme climate events such as heat waves, floods and droughts. The impact of climate change will be felt disproportionately on developing countries like India and the poor within all countries. Small and marginal farmers with poor coping mechanisms are more vulnerable in view of their dependence on agriculture and excessive pressure on natural resources. Therefore India, which is highly vulnerable to the effects of climate change due to its long coastline, dependence on agriculture and reliance on the annual monsoon, is in need of comprehensive climate change adaptation policy and planning. In view of the above, the session will examine the climate change impact and risks for Indian agriculture, options for adaptation and take stock of the policy response for adapting to climate change in agriculture

#### Moderator

D. Raghunandan, Delhi Science Forum

#### **Panelists**

- Suman Sahai, Convener, Gene Campaign
- Priti Kumar, Senior Environmental Specialist, World Bank
- Shailesh Nagar, Vice President, NR Management Consultants India Pvt. Ltd.
- C. Suvarna, IFS, Special Commissioner, RD (Watershed), Government of Andhra Pradesh

### Parallel Session 3: Enabling Conditions and Challenges for Collective Action to Benefit Small Holder Producers

There is increasing evidence from both practice and research that one way for smallholders to effectively participate in the market perhaps lies in organizing themselves into producer collectives. Acting collectively, smallholders may be in a better position to reduce transaction costs for their market exchanges, generate economies of scale, better harness the necessary market information, secure access to new technologies, and get better access to inputs and or tap into the high value markets. However, producer collectives do not usually form spontaneously, but require enabling conditions and are often catalyzed by certain interventions that must take place to make collective action effective. This session aims at identifying and understanding the underlying factors that enable smallholder farmers to form collectives, understand challenges and improve their access to markets. The session also aims at identifying policies that can facilitate collective action among smallholders as well as showcase interventions in this area by private sectors and civil society. The session will also take stock of who are the key stakeholders supporting the promotion of collectives and the nature of investments that need to made to make them financially stable besides the need for handholding them for professional management of their affairs.



Keynote Address on Key Challenges in Integrating Small Producers in the Value Chain: Lessons from SFAC's experience Pravesh Sharma, Managing Director, Small Farmers' Agribusiness Consortium  Moderator
<ul> <li>Anshu Bhartia, CEO, FWWB</li> <li>Panelists</li> <li>PVS Suryakumar, CGM, NABARD</li> <li>Anish Kumar, Programme Director, PRADAN</li> <li>Arindom Datta, Senior Director and Head of Rural and Development Bank/ Advisory for Rabobank in India</li> <li>Trilochan Sastry, Professor and Dean (Academic), IIM-B</li> </ul>
Lunch
Plenary Session 4: Urban Livelihoods and Urban-Rural Linkages Over the years, there has been a trend towards greater urbanisation and by 2022 the percentage of urban poor is likely to exceed the poor in rural areas. The livelihoods of the urban poor tend not to be considered, much less integrated, in urban plans or policies. In order to focus policy and programmatic attention on the issue of urban livelihoods in a structured way, the Ministry of Housing & Urban Poverty Alleviation has envisaged launching the National Urban Livelihoods Mission (NULM), whichwill replace the existing SJSRY. Moreover, greater access to information technology, better roads, and improved education, among other factors, is also helping to change and strengthen 'rural-urban linkages' and rural and urban lives and livelihood strategies increasingly span rural and urban geographies in integrated and interdependent ways. This session will focus on measures to support urban livelihoods, reduce risks, and address urban regulatory or policy challenges faced by the urban working poor. It will also look at the problems and opportunities offered by strengthening urban-rural linkages in terms of livelihoods of the poor.
Moderator
<ul> <li>Madhukar Shukla, Professor, XLRI, Jamshedpur</li> <li>Panelists</li> </ul>
<ul> <li>Prema Gera, Assistant Country Director, UNDP</li> </ul>
<ul> <li>Arbind Singh, Executive Director, NIDAN</li> </ul>
<ul> <li>Anil Shukla, Assistant Commissioner of Police, Delhi Police</li> <li>Usha P. Raghupathi, Officiating Director and Professor, National Institute of Urban Affairs</li> </ul>
Networking Break
Valedictory Session
<ul> <li>Special Address</li> <li>Brij Mohan, Chairman, ACCESS Development Services</li> <li>Sitaram Rao Livelihoods India Case Study Award Presentation</li> <li>Moutushi Sengupta, Director, Programs and Advocacy, Oxfam India</li> </ul>



### **ACCESS Development Services**

28, Hauz Khas Village New Delhi – 110016 www.accessdev.org, livelihoodsindia@accessdev.org Tel: +91-11-26510915 Fax: +91-11-26850821