

# CHAPTER 18

## SPECIAL AREA DEVELOPMENT

### *REGIONAL DISPARITY*

18.01 An over-view of the performance of various developmental efforts over the years in Orissa reveals that all regions of the State have not uniformly developed. Some regions are more developed than others. Despite sustained efforts to develop all parts of the State, regional disparities exist. For example, the region comprising the old Kalahandi, Bolangir and Koraput districts, popularly known as “KBK districts” and since 1992-93 re-organised into eight districts, i.e., Kalahandi, Nawapara, Bolangir, Sonapur, Koraput, Malkangiri, Nawrangpur and Rayagada, is considered as one of the poorest regions in the country with about 71.40% families living below poverty line (BPL). Similarly, the districts of Phulbani and Gajapati and several other parts of Western Orissa are also very backward and the socio-economic deprivation of these districts in terms of development indices is quite appalling. Therefore, in consultation with the Govt. of India, State Government have adopted a special area development approach for these region with a view to focusing attention on them for accelerated development.

18.02 The State Government are deeply committed to remove regional imbalances and inequities in keeping with the emphasis laid by Government of India for doing away with regional disparities. In order to achieve this objective, the State Government have formulated, in consultation with Government of India, a Long Term Action Plan (LTAP) / Revised Long Term Action Plan (RLTAP) for speedy development of the KBK districts. The State Government have also established the Western Orissa Development Council (WODC) to speed up development of districts in the western part of Orissa. Further, five districts, i.e., Ganjam, Mayurbhanj, Gajapati, Keonjhar and Sundergarh have been included under “Backward Districts Initiatives” of Rastriya Sam Vikas Yojana. Besides, action has been taken to bridge the critical infrastructure gaps in identified sectors in the TSP areas out of the grant-in-aid (SCA) received under Article 275(1) of the constitution.

### *SPECIAL AREA DEVELOPMENT PROGRAMME FOR THE KBK REGION*

18.03 Eight KBK districts comprise 14 Sub-divisions, 37 Tahsils, 80 Community Development Blocks, 1,437 Gram Panchayats and 12,104 villages. As per the 1997 Census of families below poverty line (BPL), conducted by the State Panchayati Raj Department, about 71.40% households in this region live below poverty line. Further, an analysis of NSSO 55<sup>th</sup> Round unit level data from Consumption Expenditure Survey, 1999-2000 indicates that about 78% of the rural people of these districts are poor. Table 18.1 summarises district-wise incidence of household below poverty line as per 1992 Census and 1997 Census conducted by the P.R. Department. This K.B.K. region, along with Gajapati and Kandhamal districts, is considered as one of the poorest regions in the country.

Table 18.1

*Census of Families Below Poverty Line (BPL): 1992 & 1997\**

Sl. No.	District	Blocks		1992 Census			1997 Census		
		(number)		Total	BPL	Percent	Total	BPL	Percent
		Total	TSP**	(lakh families)		(%)	(lakh families)		(%)
1	2	3	4	5	6	7	8	9	10
1	Kalahandi	13	2	2.41	2.07	85.77	3.08	1.93	62.71
2	Nawapara	5	-	0.94	0.79	83.64	1.27	0.99	78.31
3	Bolangir	14	-	2.39	1.81	75.82	3.30	2.01	61.06
4	Sonepur	6	-	0.92	0.57	62.29	1.10	0.80	73.02
5	Koraput	14	14	1.88	1.63	86.59	2.65	2.22	83.81
6	Malkangiri	7	7	0.80	0.68	84.81	1.09	0.89	81.88
7	Nawrangpur	10	10	1.52	1.38	90.56	2.15	1.59	73.66
8	Rayagada	11	11	1.42	1.22	86.04	1.88	1.36	72.03
<b>Total***</b>		<b>80</b>	<b>44</b>	<b>12.28</b>	<b>10.14</b>	<b>82.60</b>	<b>16.52</b>	<b>11.79</b>	<b>71.40</b>

Source : \* Panchayati Raj Department, Government of Orissa.  
 \*\* TSP - Tribal Sub Plan Blocks  
 \*\*\* Total figures and figures in percentage do not tally due to rounding off.

18.04 Demographically, tribal communities dominate this region. About 38.41% people of this region belong to Scheduled Tribes (ST) communities including four primitive tribal communities, i.e. *Bondas, Dadai, Langia Sauras* and *Dangaria Kandhas*. KBK region comprising undivided districts of Koraput, Bolangir and Kalahandi is perhaps the

poorest region in the country with highest incidence of poverty. Several socio-economic indicators underline the backwardness of this region :

- F        The literacy rate at 43.33% is much lower than the State average of 63.08% as per 2001 Census.
- F        The female literacy rate 29.10% also compares unfavourably with the State average of 50.51% as per 2001 Census.
- F        The population suffers from high morbidity on account of under nutrition, endemic malaria and other local diseases.
- F        48.23% of all children born are the 3<sup>rd</sup> or higher birth order children in the family.
- F        As against the national average of 48.00% current users of family planning methods, this is only 38.73% in KBK districts.
- F        Compared to the national average of 36.80% of girls marrying below the age of 18 years, this is as high as 60.60% in KBK districts.

18.05        Several other socio-economic indicators including population composition and density, net area irrigated, rate of fertiliser use and hospital beds are also far from satisfactory. According to the report of “the Committee on the Constitution of Separate Development Board in Orissa”, 96% of CD Blocks in these districts are either “very backward” or “backward”. To be specific, 49 CD Blocks of KBK districts are regarded as “very backward” and 28 CD Blocks are considered as “backward”. Only 3 CD Blocks, i.e., *Karlamunda* in Kalahandi, *Dungiripali* in Sonepur and *Podia* in Malkangiri are treated as “developing” blocks. No CD Block is considered as “developed” in these districts.

18.06        The KBK districts have been historically rich in forest resources. Though the people have been depending on forests for their livelihood support including their needs for timber, firewood, other non-timber forest products (NTFP) and fodder for cattle, forests of this region have been very intensively used. On the other hand, these forests have not received adequate investments and appropriate managerial inputs over time. These two processes are, thus, continuously leading to forest degradation. Although about one third (16,131 sq.km.) of the geographical area of this region is recorded as forests, only 11.3% (5,473 sq.km) is actually dense forest as per satellite imagery data. It has been further ascertained that 9% (4,332 sq.km.) forest area is completely devoid of vegetal cover. Another 13.5% (6,327 sq.km.) forests are open. The old Koraput and Kalahandi districts and

portions of Bolangir districts are mainly hilly. Severe droughts and floods also often visit this region and some areas in quick succession. Therefore, backwardness of this region is multi-faceted : (i) tribal backwardness, (ii) hill area backwardness, and (iii) backwardness due to severe natural calamities and (iv) backwardness due to depletion of natural resources.

### **REVISED LONG TERM ACTION PLAN (RLTAP): 1998-99 to 2006-07**

18.07 A Revised Long Term Action Plan (RLTAP) for the KBK districts was prepared and submitted to Government of India in 1998 which envisaged a total outlay of funds to the tune of Rs.6,251.06 crore over a period of 9 years from 1998-99 to 2006-07. It included eleven schemes that were to be implemented by eight line Departments. Major sources of funding broadly included : (i) normal flow of plan funds under Central Plan (CP) and Centrally Sponsored Plan (CSP) schemes, (ii) additional funds received from Central Government exclusively for programmes in KBK districts as agreed by Planning Commission, and (iii) Central assistance under programmes of Government of India to be implemented in the KBK districts with some relaxation in norms such as accelerated irrigation benefit programme (AIBP) for earmarked irrigation projects.

18.08 In the projected outlay an amount of Rs.723.65 crore (Rs.665.29 crore in Central Share and Rs.58.36 crore in State Share) has been included twice, i.e., under rural employment sector and in other sectors which have wage employment component. Thus, actual requirement of funds has been intended to be of the order of Rs.5,527.41 crore (Rs.4,787.11 crore Central Share and Rs.740.30 crore State Share) over the entire project period. The State Government have received funds only to the extent of Rs.693.95 crore under ACA / SCA during 1998-99 to 2003-04. A scheme wise abstract of projected outlay for RLTAP for KBK districts from 1998-99 to 2006-07 is given in Table-18.2.

**Table 18.2**

**Projected Outlay for RLTAP for KBK Districts  
( 1998-99 to 2006-07 )**

Sl. No.	Scheme	Projected Outlay (Rupees in crore)					Grand Total (Rupees in crore)
		Central Plan (CP)	Centrally Sponsored Plan (CSP)	Shares	Total Central Share	Total State Share	
1	2	3	4	5	6	7	8
1	Agriculture	44.74	30.19	10.01	74.93	10.01	84.94
2	Horticulture	66.17	6.35	1.62	72.52	1.62	74.14

3	Watershed Development	601.90	194.96	81.42	796.86	81.42	878.28
4	Afforestation	347.83	14.11	14.11	361.94	14.11	376.05
5	Rural Employment	-	2,235.05	558.76	2,235.05	558.76	2,793.81
6	Irrigation	812.11	-	-	812.11	-	812.11
7	Health	150.95	-	-	150.95	-	150.95
8	Emergency Feeding	88.50	-	-	88.50	-	88.50
9	Drinking Water Supply	-	67.74	67.74	67.74	67.74	135.48
10	Rural Connectivity	-	534.70	65.00	534.70	65.00	599.70
11	Welfare of ST/SC	257.12	-	-	257.12	-	257.12
<b>Total</b>		<b>2,369.32</b>	<b>3,083.10</b>	<b>798.66</b>	<b>5,452.42</b>	<b>798.66</b>	<b>6,251.06</b>

*NB : Total figures do not tally due to rounding off.*

### ***STRATEGIES FOR DEVELOPMENT OF THE KBK DISTRICTS***

18.09 RLTAAP aims at (i) drought proofing, (ii) poverty alleviation and (iii) improved quality of life in KBK districts. In order to achieve these objectives the following strategies seem appropriate.

- F **Building rural productive infrastructure** (e.g., Road, Bridges, Tank, Storage, Godown etc.) and conserving natural resources.
- F Developing programmes for **income generation on sustainable basis** ( e.g., Productive Rural Infrastructure, SGSY, EAS etc.)
- F **Mobilising and energizing the rural poor** (e.g., SHGs, V.S.S., Pani Panchayat and Bhoomi Panchayats)
- F **Restructuring and energizing social security system** (e.g., Emergency Feeding Programme, Mobile Health Units, Promotion of Education among SC / ST girls)

18.10 The RLTAAP has been made an integral part of Rastriya Sam Vikas Yojana (Development and Reforms Facility), an initiative taken by the Government of India effective from 2002-03. The State Government has received Rs.250.00 crore as Special Central Assistance (SCA) under RSVY during 2003-04. Similarly, an outlay of Rs.250.00 crore has been projected for the year 2004-05. Scheme-wise details of allocation and

expenditure of SCA and AIBP funds for the year 2003-04 and projected outlay for 2004-05 are given in Table 18.3.

**Table 18.3**

***Scheme-wise Allocation and Reported Expenditure  
of SCA funds for the year 2003-04 and Projected Outlay for 2004-05  
under RLTA in KBK Districts***

(Rs. in Crore)

Sl. No.	Programme / Scheme	2003-04		2004-05
		SCA sanctioned	Reported Expenditure	Projected Outlay
1	2	3	4	5
<b>A. Additional Central Assistance/ Spl. Central Assistance</b>				
1.	Watershed Development Project including coffee plantation	14.00	21.38	21.50
2	Diversification of Horticulture Crop and Development of Kitchen garden to ensure food security	2.52	2.51	1.70
3	Diversification of Agricultural Crop	0.75	0.73	0.80
4	Construction of Warehouses	1.50	1.50	-
5	Infrastructure Development under Agriculture business	2.00	2.00	-
6	Rural Electrification	8.20	0.00	4.50
7	Forest Development Programme including Aromatic Medicinal Plants	23.70	23.26	23.32
8	Construction of office building for Vigilance Wing	-	-	0.39

(Contd.)

**Table 18.3(Concl.)**

Sl. No.	Programme / Scheme	2003-04		2004-05
		SCA sanctioned	Reported Expenditure	Projected Outlay
1	2	3	4	5
9	Mobile Health Unit	4.12	4.39	5.06
10	RCH/ Panchabyadhi /Awareness / infrastructure	3.92	4.59	3.44
11	Water supply for urban poor	12.00	10.03	10.50
12	Rural Water Supply Scheme	12.07	19.48	9.00
13	Rural Connectivity Programme ( R. D. Department)	12.13	15.12	6.85
14	Welfare of SC & ST	7.07	29.60	8.81

15	Improvement of Traditional Water Bodies (Tanks /Ponds)	5.00	5.00	3.00
16	Biju Krusak Vikas Yojana	20.00	17.44	18.50
17	Emergency Feeding	7.85	19.23	18.00
18	Micro Credit help to Women SHGs	2.00	3.50	1.85
19	Reduction of Malnutrition & Child mortality	1.15	1.15	2.30
20	Special Nutrition support	3.47	10.84	15.00
21	Construction of buildings for Anganwadi Centres	2.50	0.00	3.00
22	Construction of Residential Clusters	3.08	18.51	2.00
23	Gramsat Development Programme	2.00	2.00	1.00
24	Rural Connectivity Programme (Works Department)	17.00	19.82	10.00
25	Handloom Development	-	-	1.25
26	Sericulture Development	-	0.75	0.50
27	Development of Handicrafts	0.03	0.75	1.75
28	Animal Resources Development	3.50	5.92	1.39
29	Pisciculture / Acquaculture	2.50	3.09	1.71
30	Special connectivity for KBK – Master Plan	58.62	58.62	71.14
31	Special Connectivity for KBK – Naxal Area	17.32	17.32	0.00
32	Monitoring, Evaluation and IEC activities	-	-	1.74
	<b>Total – SCA</b>	<b>250.00</b>	<b>318.53</b>	<b>250.00</b>
B	Irrigation under AIBP funds	102.64	103.07	100.00
	<b>Grand Total</b>	<b>352.64</b>	<b>421.60</b>	<b>350.00</b>

*Note : Reported Expenditure in respect of some programmes exceeds corresponding allocation since expenditure includes a part of previous year allocation.*

## **BETTER DELIVERY AND GOVERNANCE**

18.11 The State Government has taken several initiatives to improve governance and to monitor the implementation of RLTA programmes in the KBK districts. Some such initiatives are summarized below.

- i. The Revenue Divisional Commissioners, Southern and Northern Divisions have been made ex-officio Deputy Chief Administrators, KBK to strengthen the office of the Chief Administrator, KBK. The State Government has conferred higher administrative and financial powers on these officers with a view to avoid procedural delays and further improve programme implementation.

- ii. The Chief Administrator and the Deputy Chief Administrators, KBK shall visit and inspect or cause to be inspected any office at the divisional district or subordinate level under the jurisdiction in KBK districts relating to schemes / programmes and projects under RLTA P.
- iii. The Chief Administrator (KBK) and Deputy Chief Administrators KBK have been authorized to act as Co-reporting Officers along with the existing Reporting Officers as regards recording the ACR of officers up to rank of Head of Department (HOD) and Divisional Level Officers respectively.
- iv. The Chief Administrator (KBK) and Deputy Chief Administrators KBK have been delegated with higher financial powers to accord administrative approval for infrastructure projects under RLTA P up to Rs.5.00 crore and Rs.1.00 crore respectively.
- v. For booking of receipt and expenditure under RLTA P, a separate Head of Account has been put in place with specific stipulation that the letter of Credit issued for RLTA P programme shall not be diverted otherwise.
- vi. The KBK Collectors have been vested with higher financial powers to accord administrative approvals for projects up to Rs.20.00 lakh in each case.
- vii. The KBK Collectors have also been made responsible for effective implementation of RLTA P programmes. Achieving financial and physical targets under RLTA P has been made as one of the indicators to assess their performance. As per the direction of NHRC, all KBK Collectors and field agencies shall be communicated quarterly physical and financial targets from April 2003-04 onwards.
- viii. For each KBK district, a District Level Committee (DLC) under the chairmanship of the concerned Revenue Divisional Commissioner and ex-officio Deputy Chief Administrators KBK have been constituted to formulate Action Plans for the districts as well to review and monitor the implementation of RLTA P schemes / programmes at the District level.
- ix. An MIS format has been prescribed for better monitoring of implementation of RLTA P schemes. The MIS format has been already communicated to the



concerned Departments. Chief Administrator and the Deputy Chief Administrators, (KBK) and all KBK Collectors. The MIS format has also been sent to the Planning Commission.

- x. All RLTA implementing Departments, their field agencies, all KBK Collectors, and Deputy Chief Administrators, KBK have been requested to ensure that wide publicity be given as regards projects implemented under RLTA. Key parameters of relevant projects including funds utilized shall be displayed at prominent places. This is expected to increase transparency and accountability in programme implementation.
- xi. The Chief Administrator KBK and the Deputy Chief Administrators, KBK and all senior officers have been requested to hold public hearings in the KBK districts, hear grievances of local people and help redress their grievances including irregularities, if any, committed in programme implementation.
- xii. With a view to increase direct interaction with local people at Gram Panchayat and Block levels, Gramsat pilot project has been launched in the KBK districts. This initiative has also helped video-conferencing with rural people of the region. The Hon'ble Prime Minister and Chief Minister have also participated in videoconferences. This Programme needs further strengthening. A sum of Rs.2.00 crore has been spent for this purpose during 2003-04. Further, an outlay of Rs.1.00 crore has been made for the same purpose in the Annual Plan, 2004-05.
- xiii. The Special Rapporteur, NHRC and representatives of the Planning Commission and Prime Minister's Office shall be periodically involved in appraising the performance of the RLTA.

### ***SPECIAL CONNECTIVITY PROGRAMME FOR KBK DISTRICTS***

18.12 There has been a growing realization within both the Government of India as well as State Government that the problem of rural connectivity in KBK districts must be adequately addressed as expeditiously as possible. With this end in view, the State Government, in consultation with Government of India, has conceptualized a Special Connectivity Programme for the KBK districts. The Programme shall be implemented in three phases.

18.13 The first phase of the proposed programme envisages a total outlay of Rs.828.10 crore from various sources including SCA under RLTA and PMGSY grant. In the first phase, it is proposed to provide all-weather connectivity to 607 unconnected habitations with population of 1,000 + and 347 unconnected Gram Panchayats irrespective of their population status. Government of India has already approved the first phase proposal.

18.14 In the second phase, it is proposed to provide all-weather connectivity to all habitations with population less than 1,000 and up to 500 and restoration of badly damaged arterial roads (e.g. State Highway, MDR, ODR). The Phase-III proposal envisages to provide all weather connectivity to habitations with population between 250 and 500. The second and third phase proposal has already been submitted to Government of India for their consideration.

### ***BACKWARD DISTRICTS INITIATIVE UNDER RSVY***

18.15 The Planning Commission, Government of India have launched "Backward District Initiative" programme under Rastriya Sam Vikas Yojana (RSVP) during 2003-04 to accelerate overall development of identified backward districts. Ganjam and Mayurbhanj districts of Orissa have been included under "Backward Districts Initiative" of RSVY during 2003-04. As per the norm prescribed by the Planning Commission each of the identified district shall receive SCA @ Rs.5.00 crore per year for over a period of three years from the year of inclusion. In order to avail this assistance Ganjam and Mayurbhanja districts have prepared their Integrated Perspective Plans for three years. The Integrated Perspective Plan in respect of these two districts have already been approved by the Planning Commission. Government of India, have released SCA of Rs.15.00 crore for these two districts for 2003-04 for implementation of schemes / programmes contained in the approved Integrated Prospective Plans of those districts.

18.16 Moreover, Gajapati, Keonjhar and Sundargarh districts have been included under " Backward Districts Initiative " of RSVY from the year 2004-05 and accordingly the Integrated Perspective Plan for those districts is being prepared as per the guidelines prescribed by the Planning Commission. The State Government have also requested the Planning Commission to include Kandhamal, Koraput, Malkangiri, Nawrangapur and Rayagada districts under the Backward Districts Initiative of RSVY.

Besides, the Planning Commission has sanctioned a discretionary assistance in the form of ACA of Rs.10.00 crore for Kandhamal district for the year 2003-04.

### ***THE WESTERN ORISSA DEVELOPMENT COUNCIL (WODC)***

18.17 The State Government have constituted the Western Orissa Development Council (WODC), the jurisdiction of which extends over ten districts namely Bargarh, Bolangir, Boudh, Deogarh, Jharsuguda, Kalahandi, Nuapada, Sambalpur, Sonepur and Sundargarh in accordance with the Western Orissa Development Council Act, 2000. In the mean time, Athamallick Sub-Division of Anugul district has also been included in the council. WODC aims at accelerating the pace of development in these districts and mitigating regional disparities. The Council is mandated to develop appropriate long-term and short-term development plans and programmes for these districts. The State Government have already provided Rs.50.00 crore to WODC during 2003-04 to undertake conceived developmental programmes. An amount of Rs.30.00 crore has been initially provided in the Annual Plan, 2004-05 in favour of WODC to support activities of the Council.

### ***GRANTS UNDER ARTICLE 275(1) OF THE CONSTITUTION***

#### ***A. CREATION OF INFRASTRUCTURE IN TSP AREA***

18.18 Critical infrastructure gaps are being identified in various sectors like health, education, communication etc. which are essential for development of TSP area. The grant received under 1<sup>st</sup> provision to Art.275(1) of the Constitution are utilized to bridge these critical gap where required. An amount of Rs.25.70 crore has been proposed in the Annual Plan, 2004-05 for creation of infrastructure in the TSP area.

#### ***B. SETTING UP OF MODEL SCHOOL***

18.19 It has been decided to establish ten model schools in the State to provide quality education to meritorious tribal students. An amount of Rs.2.50 crore has been received under this programme, out of which Rs.1.10 crore is meant for construction of model schools and Rs.1.40 crore for recurring expenditure. A provision Rs.3.08 crore has been made in the Annual Plan, 2004-05 under this scheme.

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