

**Planning Commission  
(MIP Division)**

**Subjects: Backward Districts Initiative- Rastriya Sam Vikas Yojana  
The Scheme and Guidelines for Preparation of District Plans**

**The Scheme**

The Backward Districts Initiative under the Rashtriya Sam Vikas Yojana has been initiated with the main objective of putting in place programmes and policies with the joint efforts of the Centre and the States which would remove barriers to growth, accelerate the development process and improve the quality of life of the people. The scheme aims at focused development programmes for backward areas which help reduce imbalances and speed up development.

This component will cover 100 districts. The identification of backward districts within a State has been made on the basis of an index of backwardness comprising three parameters with equal weights to each: (i) value of output per agriculture worker (ii) agriculture wage rate; and (iii) percentage of SC. ST population of the districts. The number of districts per State has been worked out on the basis of incidence of poverty (list of districts at Annex-I). In addition, thirty two-districts which are affected by Left Wing Extremism will also be covered (Annex-II). Fifty Backward Districts and 16 districts affected by Left Wing Extremism are being covered in Annual Plan 2003-04.

The main objectives of the scheme are to address the problems of low agricultural productivity, Unemployment and to fill critical gaps in physical and social infrastructure. The District Administration Panchayati Raj Institutions accordingly would be required to prepare a Three- Year Master Plan with nested Annual Action Plans. The Plan is to be based on a SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis, review of ongoing schemes and identification of a few lead sectors wherein state intervention would help the district overcome major bottlenecks in development.

The additionality is to be used to meet local needs through schemes in these lead sectors which would make a dent on the poverty of the district in a ;time bound manner.

### **Release of Funds**

A sum of Rs. 15.00 crore per year will be provided to each of the districts for a period of three years i.e. a total of Rs. 45.00 crore per district. funds will be released to the State Governments on 100% grant basis in suitable instalments linked with the satisfactory progress of the District Plan.

The State Government will release the funds received under the programme to a separate head created for the purpose under the District Rural Development Agency within 15 days of the receipt of the said funds. Failure to do so will lead to forfeiture of subsequent instalments and the funds release earlier being treated as a loan.

### **Delivery Mechanism**

- There is a High Level Committee at the Government of India (GOI) level chaired by Deputy Chairman, Planning Commission with Finance Minister, Minister of State for Planning, Chief Minister, Government of Bihar, Chief Minister, Government of Orissa and Secretary, Planning Commission as Members. This Committee will approve policies regarding initiatives of the Rashtriya Sam Vikas Yojana (RSVY), set the reform agenda for the State Governments and periodically conduct a review of the progress of the RSVY Programme.
- There is an Empowered Committee at the GOI level chaired by Secretary, Planning Commission which will approve the District Plans, monitor and review the programme, have evaluations and mid-term appraisals conducted and attend to all other matters relating to the operation of the RSVY.
- Each State Government has to set up a State Level Steering Committee under the Chairmanship of the State's Chief Secretary with about five other members.

The Secretaries of the Departments of Finance and Planning, Chief Executive of the District (Deputy Commissioner or Chief Executive Officer of the Zila Parishad), State Level representative of NABARD and in NGO could be members. In the case of districts affected by Left Wing Extremism, this Committee should also include the State's Home Secretary. The Committee would get detailed district plans prepared and recommend them to Planning Commission for concurrence of schemes. It would be also responsible for coordinating and ensuring synergy between departments and agencies as well as monitoring of the schemes.

- For each district the district plan should be prepared by a District Committee chaired by the District Magistrate CEO Zilla Parishad/ Chairperson of the District Planning Committee with the District Superintendent of Police (in case of Extremist-affected districts), District Forest Officer, local NGO's other stakeholders, etc. as members.

### **Guidelines for Preparation of District Plans**

For availing of assistance under the Scheme, a three-year Master Plan is to be prepared for each district with nested Annual Action Plan.

The main Principles which have to be taken into consideration are:

1. The flow of funds from all sources namely State Plan, Centrally sponsored schemes, Central Schemes, externally aided projects etc. are to be indicated along with the specific schemes for the additionality under the Rashtriya Sam Vikas Yojana.
2. Funds under the RSVY are to be used as an additionality only for those schemes for which funding from other sources including State Plan, Centrally Sponsored Schemes, Central Schemes, etc, is not available.

3. The cost effectiveness of all schemes should be carefully considered so that returns from the funds invested under the scheme are maximized.
4. Peoples participation and involvement of PRLs, NGOs and Self Help Groups should be ensured at every stage including plan formulation, implementation and monitoring.
5. PRLs, NGOs and Self Help Groups may also be involved in awareness and capacity building training etc. and about two per cent of the funds could be utilized for such schemes.
6. Employment related schemes and vocational training need special attention specially in the districts affected by Left Wing Extremism, However, schemes for self-employment may be based on credit rather than subsidy. Therefore, each project should be a bankable enterprise and subject to appraisal and banking discipline. The enterprises should be promoted through private/group initiatives and not through the government/ government sponsored Cooperative sector. Funds should not be provided to prop up ailing government/ government sponsored cooperative enterprises. The aim is to encourage self employment programmes for income generating activities through small assistance to Self-Help Groups towards revolving fund and provision of the required infrastructure and training imputes.
7. Subsidy linked schemes may be allowed only if absolutely essential as a ;supplemental measure for expanded coverage of a Central/State Plan ;scheme and subsidy should be kept at the same level as that provided in the case of similar Central Government Schemes. For schemes involving creation of community assets efforts should be made to ensure a beneficiary contribution wherever feasible.
8. Allocation under RSVY may be made only after exhausting in full the assistance available under various Centrally Sponsored/ Central Plan/ State Plan schemes including those under KVIC, PMRY, SGSY, SJSRY etc.

9. Funds under RSVY should not be used for acquisition of land for any project, construction or renovation of administrative buildings, establishment costs/staff costs, and other such schemes. Now new posts are to be created for this programme.
10. There should be complete transparency in the choice of schemes and their locations. The prioritized list of schemes and the reasons for taking up the schemes and the criteria for choice of locations must be made available on the web-site. Similarly all tenders should be on the web-site.
11. All schemes are to be completed within the prescribed three-year time frame. No cost over-run will be permitted.
12. It should be ensured that the schemes are sustainable and assets should be planned with care so that they are useful and maintained even after the scheme is over. Special attention is to be given to sustainability of each project. In the case of community assets, wherever possible future maintenance should be built into the programme, e.g. if a community hall is constructed, individuals who use the hall should be charged so that a corpus fund for maintenance can be set up.
13. Efforts should be made to concentrate on the poorer pockets and the disadvantaged communities within the district.
14. The Plan should be based on vision for the district and not be a mere collection of schemes for which funding from existing sources is insufficient.

### **Steps for the preparation of District Plan**

The first step would be to conduct a stock taking of the existing situation in the district namely: a resource inventory existing flow of funds for various schemes, strengths of the district, identification of critical gaps and drawing up a schemes to fill these gaps. In this exercise the PRIs and NGOs should be involved. The potential linked credit plan of the district prepared by NABARD may be used while preparing the

district plan to ensure higher flow of credit to the district. The Institution identified for undertaking benchmark surveys/ monitoring should be directed to undertake the benchmark survey for critical indicators.

The Plan should be drawn up as per the Chapter scheme given below and got approved by the State level Steering Committee in consultation with the Pr. Adviser/ Adviser from Planning Commission who has been assigned the district.

The Plan is to be sent to Planning Commission where it will be examined by the subject Divisions concerned and either sent back for modification or put up ;to the Empowered Committee for approval. After the approval of the Empowered Committee and receipt of summary record, the State may sign the MOA and send it to the Planning Commission for signatures. A copy of the signed MOA will be sent to the State Government and the first instalment of funds will be released for the district.

#### Chapter Scheme

Each district plan should contain an executive summary highlighting district specific problems and suggested strategy. Each Plan document should have the following Chapters:

1. Background.
2. Resource Inventory.
3. SWOT analysis and listing of critical gaps.
4. Summary of Objectives/ Benefits expected to be achieved after three years.
5. Schematic details including time and cost schedules quarter-wise.
6. Benchmark Surveys. Monitoring and Concurrent Evaluation.
7. Annexes.

## **Background**

This chapter should include the following information:

1. Location particularly in terms of access to capital city and other large consumption centers.
2. Administrative set up with special reference to the set-up for administering and implementing the backward district initiative.
3. Basic data on population, density and socio-economic indicators compared with State and national averages.

## **Resource Inventory**

1. Natural Resources e.g. Forests, minerals, rivers and streams, etc.
2. Human Resources e.g. Population in the working age group, level of unemployment, skills available.
3. Infrastructure e.g. roads, railways, telecommunication, irrigation, credit facilities, hospitals and health centers, schools and colleges etc.
4. Institutions including vocational training institutes, research institutions, ICAR institutions, polytechnics/ TTIs, engineering colleges, etc.
5. Effective NGOs, Self Help Groups, etc.
6. Special economic activities of the district.

## **Strengths. Weaknesses Opportunities and Threats (SWOT) Analysis and Identification Of Critical Gaps:**

1. Listing of Strengths and weaknesses and building on the strengths by overcoming the threats.
2. Listing of administrative structures/ rules/ laws which hamper development.

3. Identification of areas (spatial) which require specific attention.
4. Identification of communities/ groups which need specific interventions.
5. Identification of three-four lead sectors.
6. Identification of critical gaps in these sectors.

Note: The district plan should indicate whether schemes should be concentrated on the poorer pockets within the district or should flow to all parts of the district. Similarly, a decision should be taken whether certain groups/ communities deserve specific attention.

**Schematic Details:**

1. Special focus may be given to the following sectors:
  - Land and water management including check dams, revitalization of traditional water structures, small lift irrigation projects, mini diversion weirs, etc.
  - Health infrastructure particularly strengthening of ANM/ Anganwadi centers and provision of facilities for institutional deliveries.
  - Education infrastructure.
  - Augmentation of infrastructure for vocational training using the outreach mode in order to upgrade economically relevant skills such as repairs of electrical goods, plumbing, small fabrication, motor cycle/ pump repairs, etc. as per the emerging demands in the market as well as local artisan skills in handlooms, sericulture, bee keeping, pottery, woodwork, toy making and other traditional disciplines, etc.
  - Increase in income from agriculture and allied activities through intensification of agricultural and horticultural practices in compact areas particularly in all the command areas of irrigation sources, on farm



development of the command area for optimal use of water resources, introduction of high value crops suited to dry land farming/ local conditions; improving yields from dairying, small animals and pisciculture, etc. through back-up of veterinary facilities and marketing infrastructure.

- Filling in critical gaps in physical infrastructure such as vital road links, rural electrification, etc.
- Deficiencies identified in Potential Linked Credit Plan prepared by NABARD for the district should be taken care of.
- the district may also choose to use up to 15% of the funds on maintenance of assets in the health, education and veterinary sectors. However, visual documentation of the asset before and after the maintenance would have to be furnished.
- In the case of districts affected by Left Wing Extremism, 7.5% of the total outlay may be earmarked for security related projects e.g. Construction of bridges/ roads for providing connectivity to the police forces/ para-military organizations. Further, Police/ para-military organizations may also be involved in the implementation of schemes if found appropriate/ feasible.

### **Benchmark Surveys/ Monitoring**

An institution either within or in close proximity to the district, should be identified for the purpose and a sum of Rs. 4 to 5 lakh allocated on annual basis for carrying out benchmark surveys for taking up monitoring and midcourse evaluation of the programme. As a first step existing facilities/ resources should be surveyed which will provide a benchmark for future assessments. An MIS should be prepared which will indicate the progress of schemes for each quarter in physical and financial terms. The relevant output indicators for each project should be indicated on a quarterly basis against which progress can be monitored. Output indicators which have long gestation period may also be indicated for evaluation after the end of the scheme period. A strict

monitoring schedule should be a part of the implementation process itself. The Schemes should be monitored by the State Level Steering Committee/ NGOs and quarterly progress reports submitted to Planning Commission for review by the Empowered Committee and the High Level Committee.

A Web site has to be created for each district which will give the background information for the district, the district plan, results of the benchmark survey and the MIS which has been developed. This should be updated on a weekly basis to show the progress of the schemes.

The State Government may also provide relevant visual recordings (photographs/ videos) to show the position before the projects are undertaken and after completion of the projects and make an assessment of the impact of the RSVY in improving the economy of the district concerned.

### **Annexes**

1. Basic Statistics of the District e.g. Demography (Population, density, SC/ST , BPL families, literacy, etc.), land use (area under various types of uses, gross cropped area, cropping intensity, irrigated area, land holdings, etc.), physical infrastructure (roads, railways, electrification, water supply, irrigation, etc.), social infrastructure (schools, colleges, universities, ITIs, Polytechnics, health centers, hospitals etc.), economy (workers, agricultural production, animal resources, fisheries, handlooms, small scale industries, other industries, services, etc.) and administrative setup (Panchayati Raj bodies, municipality, administrative units, etc.).
2. Basic Statistics of Blocks: Number and type of Panchayati Raj Institutions (PRI), SC/ST population, BPL families, land holding pattern, electrification, drinking water supply, primary schools, CDs projects, etc.
3. Details of Projects not included in the main body of the report, particularly their financial viability.

4. Any other information pertaining to the district.

### **Illustration of Steps to Prepare the District Plan**

Instead of investing RSV funds thinly across all sectors, it would be desirable to identify a few sectors in the comparatively backward areas of the district for special intervention in order to have an impact during the three- year period.

The steps enumerated in the table below will be of help in conducting this exercise.

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| <ol style="list-style-type: none"><li>1. Identify three- five lead sectors keeping in view the felt needs of the backward regions of the district.</li><li>2. identification of critical gaps in each sector.</li><li>3. Requirement (physical and financial).</li><li>4. Existing schemes in the sector.</li><li>5. If yes, then assessment of existing flows, existing targets.</li><li>6. Expanded targets to be achieved with RSV funding (along with phasing).</li><li>7. Identify links required to other sectors and critical gaps in those e.g. if agriculture is identified as the lead sector and crop diversification scheme is introduced, efforts have to be made to ensure that the entire chain from supply of planting material to development of a competitive market is tied up. Besides, gaps in infrastructure relating to connectivity and assured supply of electricity have to be filled up.</li></ol> |
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The entire chain of selection of schemes and inter-sectional linkages may be undertaken.

The following table gives a few illustrations:-

Identification of schemes in lead sectors and building of backward and forward linkages Example 1: Sector Livelihood Support: Identification of level of unemployment; identification of self-help groups which are credit worthy; identification of skills for which there is a demand, training in skills thus specified, formulation of a pragmatic training programme, etc. Steps to establish credit linkage of SHGs with the Banks. The availability of funds from existing schemes should be assessed and gaps filled through RSVY; The guidelines for SGSY should be followed. However, all schemes should be made bankable. No subsidy will be provided under RSVY and support would be limited to revolving fund assistance, training skill development and infrastructural support.

Example 2: Irrigation; current sources, potential in the district requirements, current sources of funding, status of ground water, gaps to be met from RSVY. Scheme details e.g. Water harvesting structures/ Check Dam/ Lift points/ Dug wells with pumps- area to be covered, cost involved, cost-benefit ratio, funding pattern (ratio of subsidy/ credit beneficiary contribution), phasing, process of handing over operation and maintenance to the beneficiaries/ user groups. Sustainability, particularly, benefits likely to accrue in terms of increase in income so that O & M costs can be paid by the beneficiaries, etc, Further concerned efforts need to be made to ensure that the potential created is utilised properly by providing for on farm development programmes such as field channels, installation of water regulation and a agricultural extension facilities and package of inputs in compact areas which give impetus to crop diversification and adoption of high value crops wherever suitable. Further forward linkages to markets may also be provided. If road links are planned in the district, the area to be served by the check dam should be given priority. This will ensure that the income enhancing benefits of the projects are maximized. If shallow tube-wells or energisation of pumpsets is contemplated, the need for strengthening the electricity distribution infrastructure of the area should be looked into.

Example 3: Sector Education: Existing facilities should be mapped. Locations with absence of facilities should be identified. Fund available under schemes such as Serva Shikshya Abhiyan and facilities created/ being created thereunder should be identified. Existing gaps should be identified such as class rooms, laboratories, libraries, sports

facilities, play fields etc. RSVY funds may be used for such schemes. If level of female education is poor, facilities such as hostels may be considered. However, occupancy position of existing hostels should be considered first. Further, funds for salary of hostel staff, teachers and stipends should be tied up.

Example 4: Roads: Identification of uncovered habitations upgradation required missing culverts, etc. Setting of targets, e.g. cover all 1000- settlements and Gram Panchayat HQs and important marketing/ growth centers. Identify funds available under PMGSY, CRF, etc. as well as funds which could be made available under RSVY. Cost norms should be checked and should not exceed PMGSY norms. Efforts should be made to take up roads with maximum benefits first, e.g. roads which connect schools, health centers and mandis. All roads must be completed within three years.

The programme-wise proposed outlay under RSVY in the identified key sectors can be worked out along with projected availability of resources from other schemes for similar activity in order to achieve convergence of resources and expanded coverage of the programme. The following tables give illustrations in respect of connectivity and education sectors:

Financial Outlay						
Centrally Sponsored/ Central State Plan Schemes for rural connectivity	Past Year		Current Year (Year-1) New & Continuing Schemes	Year-2 New & Continuing Schemes	Year-3 New & Continuing Schemes	Total Outlay
	Appd. Outlay	Actual Expd.	Proposed Outlay	Proposed Outlay	Proposed Outlay	Proposed Outlay
PMGSY						
State Plan road bridge schemes						
SGRY						
EAP						
Any other road bridge scheme						
RSVY						

Note: Outlays may be assumed at current year's level with 10 percent annual increase.

Sector: Roads & Bridges  
 Programme: Rural Connectivity

Physical Targets					
Centrally Sponsored/ Central/State Plan Schemes for rural connectivity	Past Year	Current Year (Year-1) New & Continuing Schemes	Year-2 New & continuing Schemes	Year-3 New & Continuing Schemes	Total targets
	Targets	Achievement	Targets	Targets	Targets
PMGSY					
State Plan road-bridge schemes					
SGRY					
EAP					
Any other road-bridge scheme					
RSVY	X	X			