

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. Despite sustained efforts to develop all parts of the State and to remove regional disparities the problem could not be fully addressed. For example, the region comprising the old Kalahandi, Balangir and Koraput districts, popularly known as “KBK districts” (and since 1992-93 re-organised into eight districts, i.e., Kalahandi, Nuapada, Balangir, Subarnapur, Koraput, Malkangiri, Nabarangpur and Rayagada) is considered as one of the backward regions in the country with about 71.40% families as per 1997 BPL Census living below poverty line (BPL). Similarly, the districts of Kandhamal and Gajapati and several other parts of Western Orissa are also quite backward and the socio-economic level of these districts in terms of development indices has remain lower. Therefore, in consultation with the Govt. of India, State Government have adopted a special area development approach for these region with a view to focus greater attention on them for accelerated development.

18.02 The State Government are sincerely 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 address severe problems of under development and regional disparities, 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. Though Government of India have retained funding of Rs.250 crore to KBK districts during the 11th Five Year Plan under Backward Regions Grant Fund (BRGF), the funding for RLTAP which is also called the special plan for KBK districts has been scaled down to Rs.130 crore from Rs.250 crore. The balance Rs.120 crore shall flow to these districts through Panchayati Raj department under BRGF district norm component from the year 2007-08 onwards. The State Government have also launched a new initiative called “Biju KBK Plan” with funding of Rs.120 crore per annum under State Plan with a view to augment funding for special plan towards KBK districts. This Plan is being implemented during 2006-07 on pilot basis with an out lay of Rs.20 crore for all the KBK

districts. The State Government have also established the Western Orissa Development Council (WODC) to speed up the development of districts in the western part of the State. Out of nineteen districts of Orissa, five districts namely; Ganjam, Mayurbhanj, Gajapati, Keonjhar and Sundargarh have been included under "Backward Districts Initiative (BDI) of Rashtriya Sam Vikas Yojana and remaining 14 districts under NFFWP / NREGA have been included under BRGF district norm with effect from 2006-07. Funds for the programme shall become available from Ministry of Panchayati Raj, Govt. of India. Besides, action has been taken to bridge the critical infrastructure gaps in identified sectors in the Tribal Sub Plan (TSP)

areas out of the grant in Aid received under Article 275(1) of the constitution.

SPECIAL AREA DEVELOPMENT PROGRAMME FOR THE KBK REGION

18.03 The eight reorganized KBK districts comprise of 14 Sub-divisions, 37 Tahasils, 80 Community Development Blocks, 1,437 Gram Panchayats and 12,293 Villages. As per the 1997 BPL Census conducted by the State Panchayati Raj Department, about 71.40% households in this region live below poverty line. Table 18.1 summarizes KBK district-wise incidence of poverty as per 1992 Census and 1997 Census conducted by the P.R. Department. This KBK region, along with Gajapati and Kandhamal districts, is considered as one of the poorest region 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	Nuapada	5	-	0.94	0.79	83.64	1.27	0.99	78.31
3	Balangir	14	-	2.39	1.81	75.82	3.3	2.01	61.06
4	Subarnapur	6	-	0.92	0.57	62.29	1.1	0.8	73.02
5	Koraput	14	14	1.88	1.63	86.59	2.65	2.22	83.81
6	Malkangiri	7	7	0.8	0.68	84.81	1.09	0.89	81.88
7	Nabarangpur	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
	Total	80	44	12.28	10.14	82.60	16.52	11.79	71.40

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 these districts belong to Scheduled Tribe (ST) communities including four primitive tribal communities, i.e., Bondas, Dadai, Langia Sauras and Dangaria Kandhas. 44 CD Blocks are included in Tribal Sub Plan (TSP). KBK region is perhaps the poorest region in the country with highest incidence of poverty. Several socio-economic indicators underline the backwardness of this region:

- ☞ *The literacy rate at 43.33% is much lower than the State average of 63.08% as per 2001 Census.*
- ☞ *The female literacy rate of 29.10% also compares unfavourably with the State average of 50.51% as per 2001 Census.*
- ☞ *The population suffers from high morbidity on account of under nutrition, endemic malaria and other local diseases.*
- ☞ *48.23% of all children born are the 3rd or higher birth order children in the family.*
- ☞ *As against the national average of 48.00% current users of family planning methods, this region has only 38.73% users.*
- ☞ *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 available 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 Subarnapur 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 reasons are, therefore responsible for continuous 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 covered with 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) are open forests. The old Koraput, Kalahandi districts and portions of Balangir district are mainly hilly. Severe droughts and floods often visit some areas of this region 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.

STRATEGIES FOR DEVELOPMENT OF THE KBK DISTRICTS

18.07 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 have been adopted:

☞ **Building production oriented rural infrastructure** (e.g., roads, bridges, irrigation projects, markets, watershed development, tanks, storage godowns) and conserving natural resources (i.e; Forest, soil and water).

☞ **Developing programmes for income generation on sustainable basis** (e.g., Productive Rural Infrastructure, SGSY, SGRY, agriculture development and micro credit support).

☞ **Mobilising and energizing the rural poor** (e.g., SHGs, VSS, Pani Panchayat and Bhoomi Panchayats).

☞ **Restructuring and energizing social security system** (e.g., Emergency Feeding Programme, Mobile Health Units, and Promotion of Education among SC/ST girls).

REVISED LONG TERM ACTION PLAN (RLTAP): 1998-99 TO 2006-07.

18.08 A Revised Long Term Action Plan (RLTAP) for KBK districts with projected out lay of Rs.6,251.06 crore over a projected period of 9 years from 1998-99 to 2006-07 was submitted to Govt. of India in 1998. In this projected out-lay, an amount of Rs.723.65 crore (Central share – Rs.665.29 crore and State share: Rs.58.36 crore) has been included twice, i.e., firstly under rural employments sector and secondly under other sectors having wage employment component. Thus actual requirement of funds has been of the order of Rs.5,527.41 crore (Central share: Rs.4,787.11 crore and State share of Rs.740.30 crore). Projected outlay for RLTAAP for KBK districts from 1998-99 to 2006-07 is as follows.

Table 18.2
Projected Outlay for RLTAAP for KBK Districts (1998-99 to 2006-07)

Projected Outlay for 2011-12 to 2015-16 (Rs. in crore)						
Scheme	Projected Outlay					Grand Total)
	Central Plan (CP)	Centrally Sponsored Plan (CSP) Shares		Total Central Share	Total State Share	
		Central	State			
Agriculture	44.74	30.19	10.01	74.93	10.01	84.94
Horticulture	66.17	6.35	1.62	72.52	1.62	74.14
Watershed Development	601.9	194.96	81.42	796.86	81.42	878.28
Afforestation	347.83	14.11	14.11	361.94	14.11	376.05
Rural Employment	-	2,235.05	558.76	2,235.05	558.76	2,793.81
Irrigation	812.11	-	-	812.11	-	812.11
Health	150.95	-	-	150.95	-	150.95
Emergency Feeding	88.5	-	-	88.5	-	88.5
Drinking Water Supply	-	67.74	67.74	67.74	67.74	135.48
Rural Connectivity	-	534.7	65	534.7	65	599.7
Welfare of ST/SC	257.12	-	-	257.12	-	257.12
Total	2,369.32	3,083.10	798.66	5,452.42	798.66	6,251.06

NB: It is rounded up to 2 digits.
Source: Planning & Coordination Department, Govt. of Orissa.

18.09 A new initiative “Rastriya Sam Vikash Yojana (RSVY)” launched by the Planning Commission, Govt. of India in 2002-03 with a view to accelerate development of identified backward areas as well as to reduce regional imbalances through grants from Government of India during the 10th Plan period. Govt. of India sanctioned Special Central Assistance (SCA), amounting to Rs.200.00 crore in 2002-03 and Rs.250.00 crore per annum in subsequent years. An amount of Rs.250 crore has been received in shape of ACA/SCA from Govt. of India and Rs.244.43 crore has been utilized during 2005-06. Year wise receipt and utilization of SCA under RLTA is given below.

Table 18.3
Year-wise Receipt and Utilisation
of SCA under RLTA
(Rs. in Crore)

Year	ACA/SCA received	ACA/SCA utilised
1998-99	46.00	10.51
1999-2000	57.60	55.91
2000-01	40.35	57.14
2001-02	100.00	61.37
2002-03	200.00	131.99
2003-04	250.00	318.54
2004-05	250.00	279.11
2005-06	250.00	244.43

ACTION PLAN FOR RLTA 2006-07

18.10 Government of India has emphasized on the need to reorient the plan under RLTA in an integrated mode for each of the KBK districts with a view to identify the obstacles constraining the growth of the district. It suggests for development of the districts by utilizing existing resources through

convergence of schemes /programmes under implementation in districts. As such the schemes / programmes for the Annual plan, 2006-07 under RLTA for KBK districts have been classified in two broad heads, i.e., District window and State window. The schemes/programmes under District window have been formulated and implemented at the district level with an out lay of Rs.140 crore, while the schemes / programmes under State window have been formulated by the concerned departments at the State level with an out lay of Rs.110 crore. It is estimated that Rs.27.13 crore and Rs.60.19 crore will be utilized for SCSP and TSP respectively out of District Window. Similarly Rs.18.36 crore and Rs.49.83 crore will be utilized for SCSP and TSP respectively out of State Window.

BETTER DELIVERY & GOVERNANCE

18.11 The State Government have taken special initiative to improve governance and to strengthen monitoring of implementation of RLTA programmes in the KBK districts. These initiatives are summarized below.

- 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 have conferred higher administrative and financial powers on these officers with a view to avoiding procedural delays and further improving programme implementation. The Chief Administrator KBK and Deputy Chief Administrators KBK have been delegated with higher financial powers to accord administrative approval for infrastructure*

projects under RLTAAP up to Rs.50.00 crore and Rs.10.00 crore respectively.

- ii. The KBK Collectors have been vested with higher financial powers to accord administrative approvals for projects up to Rs.2.00 crore in each case.
- iii. The KBK Collectors have also been made responsible for effective implementation of RLTAAP programmes by effective monitoring. Achieving financial and physical targets under RLTAAP has been made as one of the indicators to assess their performance.
- iv. For booking of receipt and expenditure under RLTAAP, a separate Head of Account has been put in place with specific stipulation that the Letter of Credit issued for RLTAAP programme shall not be diverted for other purposes.
- v. The Chief Administrator and the Deputy Chief Administrators, KBK shall visit and inspect or cause to be inspected any office in the division, district or subordinate levels under the jurisdiction in KBK districts relating to schemes / programmes and projects under RLTAAP.
- vi. For each KBK district, a District Level Committee (DLC) under the chairmanship of the Minister. Chairing the District Planning Committee of the districts has been put in place to formulate Action Plans for the district as well as to review and monitor the implementation of RLTAAP schemes at the district level.
- viii. An MIS format has been prescribed for better monitoring of RLTAAP 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.
- ix. All RLTAAP implementing departments, their field agencies, all KBK Collectors, and Deputy Chief Administrators KBK have been requested to ensure that wide publicity is given in regard to the projects implemented under RLTAAP. 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.

- x. The Chief Administrator, KBK, Deputy Chief Administrators, KBK and all senior officers have been requested to hold public hearings in the KBK districts, ascertain grievances of local people and help redress their grievances including irregularities, if any, committed in programme implementation.
- xi. 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 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 is being further strengthened.
- xii. The programme contents of RLTAAP are being very intensively monitored by the Chief Secretary, the Development Commissioner, the Chief Administrator, KBK and the Deputy Chief Administrators, KBK at regular intervals. Rigorous efforts are being made to ensure the quality implementation of various schemes / programmes under RLTAAP as well as to ensure proper utilization of funds.

SPECIAL CONNECTIVITY PROGRAMME FOR KBK DISTRICTS

18.12 There has been a growing realization within the Government of India as well as the State Government that the problem of rural connectivity in KBK districts must be adequately addressed as expeditiously as possible in order to bring people closure to administration. With this end in view, the State Government, in consultation with Government of India, have 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 to be sourced from SCA under RLTA, PMGSY grant and other programmes/schemes. In the first phase, it is proposed to provide all-weather connectivity to 607 unconnected habitations with population of more than 1,000 and 347 unconnected Gram Panchayats irrespective of their population status. Governments of India have 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 500 to 1,000 and restore all badly damaged arterial roads. The Phase-III proposal envisages providing all-weather connectivity to habitations with population between 250 and 500. The second and third phase proposals have already been submitted to Government of India for their consideration.

BIJU KBK PLAN

18.15 The State Government have launched a new initiative called "the Biju KBK Plan" for the 8 KBK districts under State Plan as a tribute to late Biju Pattanaik, former Chief Minister of Orissa with a view to maintaining and strengthening the momentum gathered by RLTA and to up-scaling the public investment in the KBK region. This plan is being implemented in a modest scale in the year 2006-07 and will be implemented in a

full-fledged manner from the year 2007-08 to 2011-12.

18.16 The objectives of the Biju KBK Plan are as follows:

- i) *Creating opportunities for economic, social and human development for the people in the region, especially the socially and economically disadvantaged,*
- ii) *Accelerating poverty reduction and achieving millennium development goals,*
- iii) *Improving the quality of life of the local people and bringing the region at par with other developed regions.*

18.17 The funds under Biju KBK Plan will be used as an additionality to fill critical gaps for which funds are either not available or are inadequate. The Biju KBK Plan will also fill up the critical gaps left uncovered under the Background Regions Grant Fund (BRGF) and will specifically take up construction of 10,000 buildings / community halls for Women Self Help Groups at a cost of Rs.3 lakh per building. Priority will also be accorded to hostel buildings for girl children and critical gaps in connectivity such as cross drainage works including culverts and bridges, and building for Anganwadi Centres etc.

Implementation of Biju KBK Plan during 2006-07.

18.18 The Biju KBK Plan envisages an annual outlay of Rs.120 crore during 11th Five Year Plan over an above normal plan

allocations and the Special Central Assistance that may be available to the region for Special KBK Plan. But the Plan is implemented under District Window on a pilot basis during 2006-07. As such, Rs.20 crore has been provided to all the KBK districts during the year 2006-07. Out of Rs.20.00 crore, Rs.3.00 crore each has been allocated to Koraput, Balangir and Kalahandi districts, Rs.2.50 crore each has been allocated to Nabarangpur and Rayagada districts and Rs.2.00 crore each has been allocated to Malkangiri, Subranapur and Nuapada districts.

BACKWARD DISTRICTS INITIATIVE UNDER RSVY

18.19 Planning Commission, Government of India have launched "Backward District Initiative" (BDI) under Rashtriya Sam Vikas Yojana (RSVY) during 2003-04 to accelerate overall development of identified backward districts and districts affected by Naxalite activities /left-wing extremism. The objectives of this component are to address the problems of low agricultural productivity, unemployment and available critical gaps in physical and social infrastructure. By the end of 2005-06, five districts of Orissa have been included under BDI of RSVY, out of which Ganjam and Mayurbhanj districts were included in 2003-04 and Gajapati, Keonjhar and Sundargarh districts in 2004-05. The State Government have received SCA of Rs.135 crore under this programme till end of December,2006. 14 districts namely Boudh,

Bolangir, Deogarh, Dhenkanal, Jharsuguda, Kalahandi, Koraput, Malkangiri, Nawarangpur, Nuapara, Kandhamal, Rayagada, Sambalpur and Sonepur have also been included in the BRGF districts norm component from the year 2006-07 except SLBC districts will switch over to BRGF districts norm from the year 2007-08. These districts shall switch over to BRGF district norm component from the year 2007-08. District-wise SCA released, amount utilised and percentage of utilization by the end of December 2006 is given in Table 18.4.

Table – 18.4

District-wise SCA received & utilized under BDI of RSVY till December,2006.

(Rs. in crore)

District	SCA released	SCA utilized	% of utilisation
Ganjam	37.50	28.86	77
Gajapati	22.50	15.57	69
Keonjhar	22.50	12.87	57
Mayurbhanj	30.00	25.78	86
Sundargarh	22.50	19.11	85
Total	135.00	102.19	76

Source: P & C Department, Govt. of Orissa.

THE WESTERN ORISSA DEVELOPMENT COUNCIL (WODC)

18.20 The State Government have constituted WODC with the aim of accelerating the pace of development in ten districts viz- Bargarh, Bolangir, Boudh, Deogarh, Jharsuguda, Kalahandi, Nuapada, Sambalpur, Sonepur, Sundargarh and Athamallick sub-division of Angul district. A sum of Rs.50.00 crore has been provided during 2006-07 to support the activities of the council. The council will implement projects by giving priority to the backward areas so as

to remove the regional imbalances between various regions of the districts.

GRANTS UNDER ARTICLE 275(1) OF THE CONSTITUTION

18.21 Ministry of Tribal Affairs, Government of India is giving stress for utilization of grant-in-aid (SCA) under 1st proviso of Article 275 of

the constitution for creation of infrastructure in TSP area as well as setting up of model schools. So far ten model schools have already been established in the TSP areas of the State and an amount of Rs.43.10 crore has been proposed for 2006-07 for the purpose.

