

**Project Title and ID: Technical support to Uttarakhand State  
Rural Livelihoods Mission**

**Annual Progress Report**  
January - December 2021

**PROJECT SNAPSHOT**

Date:	February 2022
Award ID:	00110393
Project ID:	00109333
Project Title:	Technical Support to Uttarakhand State Rural Livelihoods Mission
Project Start Date:	1 January 2019
Project End Date:	31 December 2021
Donor:	Department of Rural Development, Government of Uttarakhand
Implementing Partner:	UNDP
Total Project Budget (all years):	USD 3,122,941
Core Resources: Non-Core Resources: Government contribution:	Fully government funded

**Project Brief Description and Outputs:****The project objectives:**

- To successfully set up the NRLM – PMU within the Ministry of Rural Development.
- Transfer the technical know-how gained at the national and state level working across the country on this flagship scheme.
- Alignment of state priorities with those of the national programme for formulating the State specific poverty reduction action plans.

**UNSDF outcome** : By 2022, institutions are strengthened to progressively deliver universal access to basic services, employment, and sustainable livelihoods to the poor and excluded, in rural and urban areas.

**SP Outcome** : Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.

**Project Output** :Institutional and Capacity Development

- Project Results
- A PMU of 3 State Mission Managers, 13 District Thematic Experts and 78 Block Mission Managers at state/district/block level is mobilized and placed within Rural Development Department ,Govt. of Uttarakhand
- Strengthening planning and monitoring systems through UNDP support.

**List of focus States/districts**

95 blocks in all 13 Districts in the state		
Haridwar District	Dehradun	US Nagar
Chamoli	Uttarkashi	Champawat
Rudraprayag	Almora	Bageshwar
Tehri Garhwal	Nainital	

Pauri Garhwal	Pithoragarh			
<b>Overall Project Quality Rating</b> (mark on the scale of 1 to 5 as per the following criteria):				
Exemplary (5) *****	High (4) ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
All outputs are rated High or Exemplary	All outputs are rated Satisfactory or higher, and at least two criteria are rated High or Exemplary	One output may be rated Poor, and all other criteria are rated Satisfactory or higher	Two outputs are rated Poor, and all other criteria are rated Satisfactory or higher	One output is rated Inadequate, or more than two criteria are rated Poor
Budget 2021	USD 8,75,724			
Expenditure 2021	USD 8,04,365			
Delivery %	92			

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## ACRONYMS

## 1. Executive Summary

*The executive summary is a concise brief on the progress towards the project outputs during the reporting period. The section also includes key implementation challenges, lessons learned and way forward. It is also suggested to include key financial information, such as expenditure for the reporting period, cumulative expenditure and a delivery rate against budget. (Suggested length - 400 words maximum)*

The National Rural Livelihoods Mission agenda of inclusion of the poorest of the poor through transformation of the groups of rural women into empowered, self-reliant community organizations consists of four stages of development (i) social mobilization, community institution and capacity building; (ii) financial inclusion; (iii) livelihood promotion/skill building; and (iv) convergence as clearly defined in the NRLM scheme document. The State has a distinct and pivotal role to play within the development agenda of the NRLM. Based on the assessment of the prevalent poverty rates, poverty gap ratios, the levels of inequalities experienced by the poor and vulnerable groups, spatial and social disparities, the project will develop specific strategies and assist the SRLM to deploy adequate resources to achieve Annual Action Plan 2018 – 19 agreed with MORD, complementing the overarching goals of the NRLM.

UNDP aims to set up a state mission management unit within the SRLM which will bring the expertise in areas of rural livelihoods, institutional and capacity building and women's economic empowerment to help realize the state's poverty reduction agenda. It is expected that the State Mission Management Unit will support the implementation of the state action plan developed within the context of the DAY-NRLM – being responsible for the entire range of activities to support the intensive and extensive districts identified by the state.

The project is working on the following key areas National Rural Livelihoods Mission:

- Establishment of PMU for USRLM at state, district and Block Level
- Capacity Building and training of PMU staff
- Knowledge Management

The budget and expenditure for the project is USD 8,75,724 and 8,04,365 respectively, for 2021. The delivery rate against the budget for this project is 92%.

## 2. Project Background

*The background should be a short introductory of the project. The situation analysis and the objective sections of the Project Document can be referred to for this section. Also include an up-to-date overview of changes in the context and situations. (Suggested length - maximum half a page)*

Uttarakhand, in spite of being a small state, has certain key features that make it distinct from other states of the country and highlights its potential for development. However, development has predominantly been in the plains, and the hill districts have been left behind. All the hill districts have subsistence farming as their main economic activity. Due to subsistence livelihood, migration and a remittance economy operate in the hill districts. They are land-locked with huge distances between the markets and resources. Because of these constraints, traditional agriculture cannot be the lead sector for development. Thus, the state faces the challenge of promoting livelihoods to minimize migration through local employment and income generation, and to enhance the quality of life of people living in villages.

More than three-fourths of Uttarakhand's total population depends on agriculture for their livelihood and the economy is predominantly dependent on mountain agriculture. However, the land holdings are small and fragmented, and irrigation facilities limited. Soil and water conservation is another issue for inclusive development. For physical, geographical and environmental reasons, the scope for agricultural policies based on modern input-intensive agriculture is severely constrained in the hill regions. As a result, the majority of the rural population in the hills either survives on subsistence agriculture or migrates to other parts of the country for employment. The state faces the challenge of promoting livelihoods to retain people through local employment and income generation and to enhance their quality of life.

The NRL Mission agenda of inclusion of the poorest of the poor through transformation of the groups of rural women into empowered, self-reliant community organizations consists of four stages of development (i) social mobilization, community institution and capacity building; (ii) financial inclusion; (iii) livelihood promotion/skill building; and (iv) convergence as clearly defined in the NRLM scheme document. The State has a distinct and pivotal role to play within the development agenda of the NRLM. Based on the assessment of the prevalent poverty rates, poverty gap ratios, the levels of inequalities experienced by the poor and vulnerable groups, spatial and social disparities, the project will develop specific strategies and assist the SRLM to deploy adequate resources to achieve Annual Action Plan 2018 – 19 agreed with MORD, complementing the overarching goals of the NRLM.

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### 3. Project Performance and Results

#### 3.1. Contribution towards Country Programme Outcome

<b>CPD Outcome 3:</b> By 2022, institutions are strengthened to progressively deliver universal access to basic services, employment, and sustainable livelihoods to the poor and excluded, in rural and urban areas.			
Indicator(s): No. of self -help groups functional	Baseline: To be established	Target(s): 30,000 (year 2021)	<b>Achievement(s):</b>  36151
<b>CPD Output/s:</b> Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.			
Indicator: No. of poor HHS identified in each cluster of project blocks	Baseline: To be established	Target(s): 240000 (year 2021)	<b>Achievement(s):</b>  281238
<b>Description of output level/outcome level <u>results achieved</u> in 2021:</b> During the USRLM has been rolled out in all the 95 intensive blocks in all the 13 districts in the state.			
<b>Means of Verification :</b> Secondary database assessment through Government records and reports of National and State Government and UNDP. <b>Risk:</b> Delays in updation of Government records			

#### 3.2. Progress towards Project Results/Outputs

<b>Project Output 2.2:</b> Poor and vulnerable have the capacity, options and opportunities to move out of deprivation				
<b>Indicator(s)</b>	<b>Baseline</b>	<b>Target(s) (2021)</b>	<b>Achievement(s) (2021)</b>	
No. of self -help groups functional	<b>To be established (for 2019)</b>	<b>30000</b>	<b>36151</b>	
No. of poor HHs identified in each cluster of project blocks		240000	281238	
No. of micro-credit and livelihood plans developed for SHGs, VOs		10000	12342	
No. of SHGs/ Vos availed Credit amounting of Rs.1 lakh per group/ VOs in five years		10000	6540 (5070 lakh)	
<b>Description of project output level results achieved in 2021:</b>				
<p>The Uttarakhand State Rural Livelihood Mission, Started 2013, work in collaboration with MGNREGA of the MORD and primarily focuses on creating self employment and wage employment opportunities for the rural poor to enable them cross the threshold of poverty and become productive agents. The state govt. has set up dedicated Mission Management Units at the state, District and Block level in 13 Districts and 95 Blocks for the effective implementation of the NRLM scheme. The Mission Provide regular hand-holding support to the SHG and federation for 5-7 yr. until they are established. Presently the mission is operated which 36151 self help groups, 3760 Village organization and 214 CLF have been formed by 2.75 lakh poor families from 2013 to till now.</p>				
<b>Overall Output Status (mark the output on the scale of 1 to 5 as per the following criteria):</b>				
Exemplary (5) *****	High (4) ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
The project is expected to over-achieve targeted outputs and/or expected levels of quality, and there is evidence that outputs are contributing to targeted outcomes	The project is expected to over-achieve targeted outputs and/or expected levels of quality	The project is expected to achieve targeted outputs with expected levels of quality	The project is expected to partially achieve targeted outputs, with less than expected levels of quality	Project outputs will likely not be achieved and/or are not likely to be effective in supporting the achievement of targeted outcomes
Means of Verification: NRLM MIS Dashboard, MoRD				

## 4. Project Risks and Issues

*This section identifies and analyses project risks and issues that:*

*1) had an impact on project deliverables<sup>1</sup> (quality, schedule, etc.) During the reporting period, or*

<sup>1</sup> A deliverable is defined as the result of an activity or in other terms the product which contributes to the achievement of project outputs).

2) were newly identified during the reporting period and are being addressed by the project (in the case of risks, "addressed" means to mitigate their effects or decrease the likelihood of impact, and in the case of issues, how to resolve them).

**Brief overall narrative of project risks and issues: 2021**

- The implementation of the project activity is dependent on the availability of timely budget which sometimes get delayed from the government
- Marketing component under USRLM needs reforms as the marketing of the SHG produce is very poor in the State.
- For all knowledge products, government approval must be timely to ensure achievement of deliverables.
- Delay in date of joining of the consultant by government level.

**a. Updated Project Risks and Actions**

- Project Risk 1: Operational and financial risks. Delayed funds from Government resulting in non payment of salaries

*Actions taken: Timely reminders are sent to the government for release of funds.*

**b. Updated Project Issues and Actions**

Project Issue 1: Proposal for extension of the project has been submitted by UNDP to the Government. However, no clear direction for extension has been received from the government.

*Actions taken: Awaiting government's approval for extension or any other indication.*

## 5. Lessons Learned

*This section should capture the lessons learned to ensure on-going learning, knowledge sharing and communication within the organisation and with the partners/donors. It should include analysis on the following contents:*

- 1) *Key project successes and factors which supported these successes;*
- 2) *Difficulties encountered and measures taken to overcome these difficulties;*
- 3) *Analysis on what could have been done differently / better to attain the project results;*
- 4) *Recommendations to improve future programming.*

*(Suggested length – half a page to 1 page)*

The Project aims at providing the USRLM institutional and technical strengthening for creating self-reliant community institutions and involving them in sustainable livelihoods activities.

- Community cadre plays a very vital role in implementation of the Mission at the grassroots level and capacity building of community cadre is crucial for project success
- For the development of a stronger marketing strategy, supply chain assessment is an essential exercise which must be done.



- Liaisoning with various government officials along with convergence with all the line department is imperative for achieving the goals
- 1500 (CRP) community resource persons were trained and evaluated, which provided new information for further implementation.
- The best Product made by the SHGs in Uttarakhand have to be selected in one district one product and brought to the state outlet.

## 6. The Way Forward/ Key Priorities for 2022

*This section should summarize the achievements, challenges and lessons learned as well as explain the way forward, including relevance of the project and necessary revisions that will be made to the project and plans of the upcoming reporting period. Any funding gaps, resource requirements as well as further partner engagement plans can be specified in this section. This should include any modifications that need to be made to indicators, baselines, targets as well data collection and monitoring to track progress*

*If this is a Final Report and if applicable, also mention on sustainability of the project and/or plans on future projects that may supplement / scale up the achievements of this project.  
(Suggested length – half a page to 1 page)*

Completion of project December 2021. All deliverables completed.

Till December 2021, USRLM has been able to institutionalize and strengthen 35342 Self Help Groups, 3760 Village organization and 214 Cluster Level Federations, formed by the participation of 2.75 lakh poor families. For livelihood promotion, 18245.70 lakh loan has been disbursed through strengthening bank linkages of 24,162 groups. Moreover, 18 Growth Centers, 13 Saras Center and 32 Nano Packaging unit have been established for Marketing. This initiative has ushered a new concept of self reliant and resilient rural areas. Empowered women have taken charge in rural areas and are now running small enterprises and earning a decent living.

The Mission is now in the second phase of it's implementation in Uttarakhand. While the social capital, established in the first stage, has been encouraging; the second phase focusses on building upon the infrastructural and institutional foundations built in the first phase.

While the proposal for an extension of the project has been pitched to the government, there is no certainty about the future of UNDPs role in managing the USRLM project. Regardless of this consideration, the way forward should entail- laying emphasis on creating and establishing marketing linkage for the SHG products and services, beyond local markets. Moreover, SARAS and network markets must be established in hilly areas due to poor transportation system. More SHGs should be brought under the HILANS brand (State merchandise) for selling their products. Sufficient capacity building of the stakeholders in branding, packaging, certification of product, quality improvement of existing products and developing new product must be facilitated.

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