



Environment

Water Community



Solution Exchange for the Water Community Consolidated Reply

For Comments: Draft Report of the Sub Group IV on NRM during XI Plan

Compiled by Pankaj Kumar S., Resource Person and Ramya Gopalan, Research Associate
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From N. K. Sanghi, Sub-Group IV on NRM for XI Plan, Planning Commission, Government of India
Posted 1 December 2006

As part of the formulation exercise for the Eleventh Five Year Plan, the Planning Commission, Government of India has set up a Working Group on Natural Resources Management under Prof. R.B. Singh, Member, National Commission on Farmers, New Delhi as the Chairpersonship. (Click on link below for TORs and details of the Working Group).

http://planningcommission.nic.in/aboutus/committee/wrkgrp11/wrk11_1f.htm

Of the seven sub-groups that have been formulated to look at various TORs of the above Working Group, Sub-Group IV will focus on the following four TORs:

- i. To examine the issue of user rights over common property resources and equitable use of such resources (including water). Also, to suggest measures for dovetailing water-use regulation as an important and integral part of the watershed programme
- ii. To suggest economic and financial incentives for sustainable land and water development programmes
- iii. To suggest modalities to enable Gram Panchayats to access funds, under National Rural Employment Guarantee Act for development of Rainfed agriculture
- iv. To suggest measures/ programmes for natural resources management for XI Five Year Plan and requirement of funds, and the area to be covered under programmes of various Ministries/Departments.

As Chairperson of the Sub group IV, I place the following documents before members of Solution Exchange for your inputs:

1. A short summary of the Draft Report of the Sub-Group IV, available at the following link: <http://www.solutionexchange-un.net.in/environment/cr/res22120601.doc> (Size: 109 KB)

2. The Sub-Group's complete Draft Report, available at the following link:

<http://www.solutionexchange-un.net.in/environment/cr/res22120602.doc> (Size: 749 KB)

3. Members may also like to refer to the following document as background reading:

"From Hariyali to Neeranchal - Report of the Technical Committee on Watershed Programmes in India," by S. Parthasarthy, January 2006 available at the following link:

http://www.wassan.org/Parthasarathy_Committee.htm

I look forward to active discussions and responses from Solution Exchange members in helping us formulate the strategy for the XI Plan on this most important issue.

Responses received with thanks from

1. [Pramel Gupta](#), Samavesh, Bhopal
2. [S. Ramesh Sakthivel](#), WES-Net India c/o Plan International, New Delhi
3. [Rahul Banerjee](#), Aarohini Trust, Indore
4. [Puran Singh Yadav](#), Department of Development and Panchayats, Haryana
5. [Jyotsna Bapat](#), Senior Consultant, New Delhi
6. [Viren Lobo](#), Society for Promotion of Wastelands Development (SPWD), Udaipur

Further contributions are welcome!

Summary of Responses

The Planning Commission's Sub-Group IV on Natural Resources Management (NRM) for the XI Five-Year Plan placed its Draft Report for discussion before members. Members appreciated the well-researched and argued document. The following is a summary of the few, but substantial responses.

Terms of Reference 1: User rights and equitable use of Common Property Resources (CPRs) and water-use regulations in Watershed Development (WSD)

Members stressed that the **poorest, landless and most excluded sections** of rural society have the maximum dependence on CPRs. Any changes in ownership and use of CPRs may drastically affect livelihoods of these vulnerable groups, whose needs must be a priority while designing CPR regeneration programmes. Consequently, respondents advised giving a preference to landless populations during interventions such as agriculture, horticulture, vegetable cultivation, organic farming, and animal husbandry during WSD. Additionally, they proposed that landless and poorest groups be organized into self-help groups (SHG) and User Groups (UG) for enhancing their livelihood options. Thus, while groups below poverty line may be linked to banks for loans, those above the poverty line could be supported through ongoing government income generating schemes such as Swarna-jayanti Gram Swaraj Yojana (SGSY). Respondents stressed the need to initiate vocational training of these SHGs and UGs and proposed giving unemployed youth access to vacant lands along roads and rails for income generation activities, such as horticulture, vegetable cultivation, etc.

Discussants also discussed the issue of **ownership rights over CPRs**; stressing ownership needs to remain within Gram Panchayats, but Panchayats could give UGs management rights. However, they urged that such rights should preferably be rotated among various UGs and not given permanently to one UGs. Similarly, usufructs of developed CPRs need to be restricted to stakeholders who have contributed actively to its development. Participatory planning and

effective dialogue with grassroots stakeholders could be a useful way to ensure sustainable and poor-targeted NRM development, recommended members. CPR regeneration could be further accelerated by an external inflow of fodder, which could protect CPRs from an immediate pressure. The [Kerala](#) experience identified indicates how watershed development can become the focus of all village development schemes.

The implications of the proposed **private sector involvement** in CPR management also came up for discussion, and respondents emphasized the need for a mechanism for resolving private sector demand on CPRs against demands from diverse stakeholders. In this context, they raised the issue of prime agricultural land being assigned to industry for setting up Special Economic Zones (SEZs) in various parts of the country. Moreover, respondents felt it is essential to strictly adhere to government guidelines specifying not more than 10% of agricultural land is included in SEZs.

Discussing **water use regulations**, members argued restricting extraction if groundwater levels are low and instead using rainwater harvesting until the level is recouped to a healthy level.

Terms of Reference 2: Suggest economic-financial incentives for Land-water development programmes

Respondents felt under the livelihood component, financial allocations need to be increased and suggested raising additional funds. One way of increasing funding mentioned was could through convergence with other programmes such as SGSY. Another idea was an example shared from the [United States](#) where private companies are given rights over watershed areas and paid local governments a fixed fee.

Terms of Reference 3: Modalities to enable Gram Panchayats access funds under National Rural Employment Guarantee Act (NREGA) for development of rainfed agriculture

Discussants recognized the crucial importance of afforestation and improving dry land agriculture in rural development and put forth a number of ideas on using NREGA in WSD. Firstly, they recognized that the budgets under NREGA are very high and these could be used very profitably for encouraging WSD activities, especially in the current scenario where NREGA funds are being used for many other things. Additionally, they noted that the section on the integration of NREGA with watershed development was a bit little weak. For example in [Madhya Pradesh](#), before the NREGA a watershed project used to spend about Rs. 180 crores a year. In contrast, the budget for NREGA in 2006-07 for the eighteen chosen districts of is Rs. 1,600 crores. Respondents suggested that once a district is covered under NREGA, the WSD work at district level could be merged and supported through NREGA funds to reduce duplication and enhance synergies of the two programmes. Members also stressed that the role of NGOs as envisaged in watershed guidelines could be expanded and that NGOs could have a similar role under NREGA.

Terms of Reference 4: Suggest measures for NRM for XI Plan

The group gave additional inputs for implementation of the NRM programme in the XI Plan. Firstly, they emphasized incorporating monitoring and evaluation (M & E) in a more professional manner in WSD programmes. Applauding the Working Group's suggestion about autonomous WSD agencies at national, state, district level, they cautioned that this mechanism could be adversely affected if the fund flow from relevant governments was irregular. Respondents therefore suggested that the accountability of state government could be enhanced by ensuring that central funds meant for WSD are sent to the relevant agency without any delay, in the absence of which these funds could be forced to return to the central government.

Respondents stressed that improved conservation measures in WSD be promoted, along with supporting scientific studies for effective WSD. The implementation programme needs to also

address area-specific NRM requirements, as per geographical areas and identify programmes for upgradation of the human and natural resources in the watersheds.

Members underlined the crucial role of providing long-term **resource commitment to NGOs** involved in the process of WSD to ensure adequate time for implementation of watershed programmes and for setting up systems for community based M&E. Moreover, long-term support will allow NGOs to retain specialists for supporting WSD process and to ensure proper documentation of learnings of the implementation process.

Conclusion

Members agreed with a number of the suggestions given by the Working Group, but were also cautious about involving the private sector in regeneration of CPRs, given the crucial role that these CPRs played in supporting livelihoods of poor and landless populations. Finally, they pointed out that the unorganized sections dependent on CPRs be formed into SHGs and UGs. This will ensure that long-term resource sustainability co-exists with sustainable livelihoods.

Responses in Full

[Pramel Gupta](#), Samavesh, Bhopal

The document needs to give more emphasis on the strategy to involve NGOs and elucidate outsourcing of key components of NRM programmes to resource agencies due to the following reasons:

- Small NGOs need long term resource commitment to ensure fair implementation of the program. My experience shows that in short term projects, NGOs are not able to deliver appropriate outputs. This can be preceded by an assessment of the capacity of the NGOs on critical criteria.
- A long-term commitment is also required to ensure that the requisite number of committed subject matter specialists and resource persons (from both private and government sectors) are available for the entire duration of the program. NGOs and management agencies also need a longer commitment for implementing and facilitating programs and for setting up and developing community based monitoring & evaluation systems.

Other areas that need to be further stressed in the document are:

- Phasing out of the NRM program as per geographical area
 - Emphasis on identification of natural and human resources and intensive capacity building
 - Documentation of learnings of the implementation process
 - Creation of models for NRM at various levels
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[S. Ramesh Sakthivel](#), WES-Net India c/o Plan International, New Delhi

The proposal for effective management of CPRs (including ground water) in the Sub Group's Report is commendable, in addition to several other aspects mentioned in the document. I would like to seek the sub group's attention in the following areas;

- The proposed policy envisages promoting effective community dialogue and participation, therefore adequate steps to incorporate this spirit in actual planning and implementation at grass roots level must be ensured. Also, the interests of poor farmers who do not have access to ground water must be protected, lest the access to groundwater be dominated by rich farmers.

- The recommendations must also address the issue of ground water exploitation by industries and private firms and suggest measures to ensure their accountability and suitable remedial actions, which these entities may take. This is most important in the light of upcoming SEZs and the major industrialisation process taking place in the country. Conservation plans without addressing these critical issues would not yield desirable results in the long run.
- Also, steps to promote sound conservation plans for every individual watershed based on ground water withdrawal and recharge patterns must be given priority. This exercise may be based on adequate scientific studies and planning conducted at the micro level, and sound conservation plans may be reinforced with sufficient incentives to motivate individuals to take up such works on their lands.

Rahul Banerjee, Aarohini Trust, Indore

I have gone through the draft report and it is indeed a well-researched and argued document.

However, I found the section on the integration of NREGA with watershed development a little weak. The NREGA has in its first year itself become a major channel for investing funds in rural development. For example in **Madhya Pradesh** the Rajeev Gandhi Watershed Development Mission, which used to pool together all the resources available from the centre for this purpose used to spend only about 180 crores a year. In contrast the budget for NREGA in 2006-07 for the eighteen chosen districts of Madhya Pradesh is 1600 crores.

In most dryland areas of the country, comprehensive watershed development inclusive of afforestation and improvement of dryland agriculture are the only means of sustainable rural development. Thus, NREGA funds should be used primarily for this purpose. However, in Madhya Pradesh most of the funds are being used for other purposes and what little is being used for watershed development is being done without any proper planning.

My suggestion is that all the excellent recommendations made in the report regarding the management of watershed development including the important role granted to the NGOs for software and technological outsourcing must be compulsorily included also in the NREGA guidelines. Without such clear-cut guidelines, these massive funds will be wasted in unproductive expenditure. In fact, there should be a planning authority at the district level, which will plan the allocation of all the resources - whether from NREGA, NABARD or any other source - in such a manner that there is no duplication and no wastage.

Puran Singh Yadav, Department of Development and Panchayats, Haryana

I have been through the whole report. The report is comprehensive, well prepared and documented. The recommendations made by the sub- group-IV, if considered, will go a long way in strengthening WSD programme and NRM in the country. My humble observations are as under:

1. Sustainable Development of Livelihoods

The recommendations made with respect to TOR 4 are very valuable particularly, Pt .13, where the strategy for sustainable development of livelihoods has been suggested. The most important issue in the watershed area pertains to the livelihoods of the resource poor, particularly the landless. Presently, watershed development has nothing to offer to this class of people. Hence, their participation in watershed activities is negligible. The recommended focus on development

of horticulture, vegetable cultivation, organic agriculture, fisheries and animal husbandry is a welcome step.

I feel that in order to create interest of the resource poor in watershed activities, the earmarked fund should be 25% as against the proposed 20% for development of livelihoods. These funds should be utilized in organizing the poor in Self Help Groups (SHGs) and User Groups (UGs), and for their vocational training for sustainable livelihoods and arranging backward and forward linkages for their produce. There should also be effective convergence between Swaranjayanti Gram Swarozgar Yojana (SGSY) and other schemes of MoRD and WSD in watershed areas. The funds available under SGSY should be made good use of for formation, nurturing and strengthening of SHGs. The Below Poverty Line SHGs should be linked to banks for credit through SGSY, while the remaining SHGs should be linked for credit to SHG -Bank linkage programme of NABARD. With the convergence of WSD and SGSY, the SHG movement can be taken to its logical conclusion by federating them at block and district levels.

2. NREGA and Watershed Development

Secondly, I would like to comment that permissible works under NREGA - except the rural connectivity components - are of similar nature. Therefore, once the District is covered under NREGA, the Watershed development should be merged into NREGA in order to avoid duplication of works.

3. Upward Revision of Cost norms

Enhancement of per hectare cost from present Rs. 6,000 per hectare to Rs. 12,000 per hectare is a welcome step as in TOR (2.2). However, I suggest that there is no need to enhance the administrative component from the present 10% to 15%, once the project cost is enhanced from present Rs. 30.00 lacs to Rs. 60.00 lacs. Earmarked funds for community mobilization should be kept at the current level of 5%. 60% of the funds should be earmarked for works component, i.e., for development and conservation of natural resources like land, water and vegetation. This is because if this component gets an allocation only of 50%, then the per hectare investment will come down to Rs. 6000/-, which will be quite less. The livelihood component should get 25% in place of proposed 20% and there is no need for separate funds for monitoring and evaluation, as sufficient funds will be available under administrative head once the per hectare cost is enhanced from Rs. 6000/- to Rs.12000/-. I have personnel experience of watershed implementation and feel that the more the funds are earmarked non-works component, more is the mis-utilization.

4. Organisational/Institutional Mechanism

The recommendation to constitute an autonomous Watershed authority at National level, a Watershed Development Mission at State level, and an autonomous Watershed Development Agency at District level comprising of subject matter specialists is a very valuable suggestion. The watershed development programme can only be run successfully, if there is scope of active involvement of specialists in the field. MoRD should sign a MoU with the states for laying down the proposed institutional mechanism as recommended. If the state government fails to put the mechanism in place within six months of the implementation of these guidelines, the grants should be recovered from the state and further releases should be stopped till the mechanism is put in place.

5. Project Period

The Sub- Group has recommended the enhancement of project period from present 5 years to 7 years. I would recommend instead that it should be 4 years. The project objectives lose focus with longer project periods. There should be a mechanism to further shorten the project period. In fact, some community based financial incentives should be announced for implementation of

project before schedule. This is the fundamental of modern management. The funds should also be released in four installments as against the present 7 or 5.

6. Release of Funds

It should be mandatory for the fund-receiving agency to further release the funds within 15 days or to pay a penal interest, as done under the recommendations of the 12th Finance commission regarding funds allocated to Panchayats and Urban Local Bodies.

7. User Rights

The provision of user rights for the resource poor over developed CPRs is an important recommendation. However, the ownership rights over the CPR must be retained with Gram Panchayats only, whatever the size of the CPR be. The management rights over the CPR should not be given permanently to any one UG, but may be given to the UGs or the SHGs by rotation only. Usufructs should be given to only those who have made some contribution to its development.

Besides, the vast tract of vacant lands on the road and rail sides in watershed areas should be given on lease to landless youth for development, farm forestry, horticulture or pasture development, etc. It will not only help reclaiming the wastelands but would also help improve the productivity of such lands and the incomes of the resource poor. This suggestion made vide TOR 1(v) for providing user rights is a good example.

Preferential allocation of resources should be done only for skill development training for taking up self employment to poor, to women SHGs and for use as revolving funds as one time assistance.

8. Ground water exploitation

Ground water should not be allowed to be exploited beyond a particular depth. There should be legislation about this. Until the minimum ground water level is achieved, only harvested rainwater should be allowed to be used. Roof water harvesting should also be included as an eligible activity under watershed development.

9. Convergence

The implementation of WSD should also be linked with Total Sanitation. In eligible areas, those villages should be selected on a priority, which decide to make their village 'open defecation free' in a period of two years. There should be perfect convergence of wage employment (NREGA, SGRY) and self employment schemes (SGSY), rural housing (IAY), drinking water supply (Swajaldhara) and sanitation scheme (TSC) in a watershed. The resources should be pooled together. It will strengthen local governance and bring about true decentralized governance.

10. Planning

Presently planning of watershed is a grey area. It is not done properly through Participatory Rural Appraisal Exercises (PRAE). Basic surveys are also not done. Exit protocol is not taken care of properly, without which maintenance and sustainability of watershed development is jeopardized. A lot has been heard about the role played by the Environmental Development Committees (EDC) in **Kerala** in development and preservation of the 770 Sq km of forest near Sabrimala. Watershed Development should promote such practices for restoration of ecological balance and environmental improvement. While finalizing the common guidelines for watershed development in 1994, organizing 80% of the village community in SHGs /UGs was kept as one of most important success criteria. But it never happened. Amendments were made later on while effecting modification in the guidelines in 2001 & 2003. Watershed Development can become the focus of all village development schemes.

11.NGOs

The role of NGOs has always been under scanner. We lack dedicated and motivated people like Anna Sahib Hazare, Rajendra Singh, Popat B. Pawar and Hardev Singh Jadeja. There should be an elaborate criteria for involvement of NGO in watershed development.

[Jyotsna Bapat](#), Senior Consultant, New Delhi

I give below my comments on the document:

TOR 2: Suggest economic-financial incentives for sustainable land-water development programmes.

My research on watershed management strategy adopted in USA 60 to 100 years ago showed that right over water is a tricky issue because the volume of water in watersheds is unpredictable. In **USA**, private water companies are responsible for providing water for irrigation and especially for drinking water and for supply to industries. These companies were given rights over the watershed rather than on a volume of water. For this they paid the local governance agency a fixed monthly/annual fee that was negotiable annually. They used this right over the watershed to actually develop the watershed to ensure sustained water for their clients. This worked very well when the water companies were making a profit and were successfully managed.

But there is has a flip side. More recently (about 15 years ago), smaller water companies that were in the 'red' decided to 'develop' these watersheds for tourism and real estate. Developing the real estate allowed these companies to meet their own financial obligations and come out of the 'red'. However, the debate was whether the rights over watershed pertained to land or to water under and above the land. The local councils decided based on the merits of the case.

Now that we have Panchayati Raj institutions, which are locally autonomous, they can look at the possibility of granting such rights to water users societies - if these exist - or to any private contractors willing to supply water. Private tankers do sell water in lean periods and this can be legitimized reducing the financial burden on Panchayats and providing service for people. Of course, issues of 'rights' of poor and equity will be raised. But these are debates that are best worked out through actions on the ground and not by mere words.

[Viren Lobo](#), Society for Promotion of Wastelands Development (SPWD), Udaipur

I am taking the liberty of going beyond the Working Group's TOR in the remarks mentioned below. I am sure some of the comments are relevant to other sub groups of the Planning Commission as well.

I feel that a proper NRM plan needs to look at the land use plan for the country. As you know, recent developments regarding SEZ reflect that prime land is being given to industry for a song due to ready availability of necessary infrastructure with them. This is being done with active collaboration of the government, despite the directive that not more than 10% agricultural land should be included in SEZs. It is very difficult to envisage a rational NRM plan in the light of such distortions.

Also, the NRM plan for common lands would require considerable investment of funds for these lands to achieve their productive potential. As of now, these lands are the lifeline of the weaker sections of society, forest dwellers, marginal farmers and landless. It is not clear how plans to

involve the private sector under multi stakeholder partnerships will impinge on the existing rights and practices of such communities.

The document also needs to take into account the following factors regarding livestock management:

- The fact that livestock is mobile
- Fodder can be transported to livestock

The issues involved are therefore more complex than mere management at village/ watershed level. Area specific strategies have to be taken on board for greater effectiveness.

Many thanks to all who contributed!

If you have further comments to offer on this topic, please send them to Solution Exchange for the Water Community at se-wes_comments@solutionexchange-un.net.in with the subject reading 'RE: [se-watr] FOR COMMENTS: Draft Report of the Sub-Group IV on NRM during XI Plan, from Planning Commission, New Delhi. Additional Reply'

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