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NOTE TO THE EXECUTIVE BOARD

**This document is submitted for consideration and approval by
the Executive Board.**

Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session of 1996, the documentation prepared by the Secretariat for the Board has been kept brief and decision-oriented. The meetings of the Executive Board are to be conducted in a business-like manner, with increased dialogue and exchanges between delegations and the Secretariat. Efforts to promote these guiding principles will continue to be pursued by the Secretariat.

The Secretariat therefore invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff member(s) listed below, preferably well in advance of the Board's meeting. This procedure is designed to facilitate the Board's consideration of the document in the plenary.

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STRATEGIC FOCUS: FOOD INSECURITY AND THE HUNGRY POOR

1. Since independence India has made steady progress in all fields of development. The Government implements major programmes to deal with persistent and massive poverty, hunger and malnutrition - India's "silent emergency" paradox. However, increases in foodgrain production, occasionally resulting in buffer stocks well exceeding needs, have been largely offset by population growth. Buffer stocks are a national policy of India, to keep a minimum level of foodgrains available to meet emergencies. In December 1996, those stocks dropped enough for the Government to ban exports of wheat and plan, instead, its import. Continued WFP assistance will make food available to the poorest, most food-insecure groups and most disadvantaged women and children, mainly in drought-prone areas and tribal belts. WFP assistance is also used in development programmes that address longer-term food security.
2. During the five-year programme, discussed with all major donors in India, WFP's assistance will be moulded into a programme encompassing those elements of the hitherto separate development activities that most effectively meet WFP's mission. It will target the food security of:
 - a) poor women and children at risk, through the Integrated Child Development Services (ICDS) scheme;
 - b) poor scheduled castes and tribes, through state governments' departments of forestry; and
 - c) workers and settlers in the Indira Gandhi Canal zone.
3. Food will be provided to these people through the local purchase of cereals or exchange of imported commodities for cereals when cereal stocks are high, through direct imports when stocks are low, or in the form of locally produced blended food (*Indiamix*).

The hungry poor: priorities in addressing their needs

Food insecurity, poverty and vulnerability to disasters at the national and household levels

4. Over the past 40 years, foodgrain production in India has tripled from an initial very low per capita availability. The 63 percent increase in cereal production between 1970/71 and 1990/91 was not significantly higher than the population growth of 54 percent.¹ Over the past four years, per capita net availability of cereals has declined. India's mostly marginal farmers depend on erratic monsoons. Only about 35 percent of the area under foodgrains has assured irrigation.
5. India is classified by FAO as a low-income, food-deficit country and has the largest number of poor, food-insecure people in the world.² About 360 million people, 40 percent of India's population, live in chronic poverty,³ consuming less than 80 percent of minimum energy requirements. The UNDP Human Development Report for 1996 indicates that 38

¹ Nutrition Trends in India; National Institute of Nutrition N.N.M.B., Hyderabad, 1993.

² National Nutrition Policy: Government of India (1993) page 3 (mimeographed).

³ Number and percentage of poor based on poverty lines; 1987-88: Expert Group of the Planning Commission, Government of India.



percent of the urban population and 49 percent of rural people live in poverty. Poverty is severe in India's forest areas (covering 22 percent of the country) where inhabitants rely on ever scarcer forest resources to survive, and are food-secure for only two to three months a year.

6. States such as Orissa, Madhya Pradesh, Rajasthan, Bihar and Uttar Pradesh have such low Gender Development Index (GDI) values that they can be compared only with those in impoverished countries such as Haiti, Nepal and Yemen - indicating an extremely low level of female human development.⁴ The food intake of poor women is particularly calorie-deficient. According to the ACC Sub-Committee on Nutrition, in 1993 there were almost 62 million underweight children in India, a prevalence of 53.4 percent; this is a reliable indicator of a population's welfare.

Government strategies for food security, poverty eradication and disaster mitigation

7. Poverty alleviation through the creation of employment and the provision of essential social needs remains one of the Government's main objectives.⁵ For two decades, the Government has implemented poverty alleviation programmes "self-targeting" the poorest. They are key to the Government's drought-coping mechanism, and can be expanded significantly at times of monsoon failure.
8. Two schemes, the Jawahar Rozgar Yojana (JRY) - 30,000 million rupees (845 million dollars) annually - and the Employment Assurance Scheme (EAS) - 50,000 billion rupees annually - provide wage employment to those living below the poverty line; at least 30 percent of employment is for women. The work creates economically productive assets, and social forestry and other rural infrastructure.
9. Nutritional Support to Primary Education - 14,000 million rupees (394 million dollars) in 1996-97 - was started during 1995-96 to boost primary education by increasing enrolment, retention and regular attendance while improving poor children's nutritional status. The programme will be extended countrywide during 1997-98.
10. Since 1975, the Food Corporation of India (FCI) has maintained buffer stocks of foodgrains, importing or purchasing to keep stocks at predetermined minimum levels. Buffer stock norms are: 1 January - 15.4 million tons; 1 April - 14.5; 1 July - 22.3 million; and 1 October - 16 million, but over the years have greatly fluctuated. For example, in January 1992 and January 1993, total FCI stocks were 13.9 million tons and 11.8 million, both below minimum needs. FCI's total stocks reached 35.6 million tons on 31 July 1995, resulting from good monsoons and reduced Public Distribution System (PDS) off-take from 17.5 kilograms per capita in 1985 to 13.5 in 1995, due mainly to reduced subsidies that limit PDS access by the poor, thereby increasing food insecurity. As a result of lower than expected wheat procurement, stocks on 1 July 1996 were 28 million tons. There are reports of a further downward trend. Drought could quickly deplete them, requiring massive emergency food-for-work programmes.
11. A major safety net targeted to disadvantaged areas is the ICDS. It involves several government departments; their services are coordinated at the village, block, district, state and federal levels. The scheme has created an infrastructural support mechanism and foundation

⁴ UNDP Human Development Report 1996, page 34, box 1.6.

⁵ Eighth Five-year Plan (1992-1997). Union Budget 1996-97.



for welfare services for women and children in remote areas and has empowered women as social organizers - *anganwadi* workers - in village communities. ICDS provides a package of services for women, children under six and adolescent girls. It includes supplementary nutrition, immunization, health check-ups, referral services, treatment of minor illnesses, nutrition and health education for adolescent girls and women in their reproductive years, and pre-school education for children from three to six years of age. About 60 to 75 percent of the population reached are from scheduled castes, scheduled tribes and other backward communities.

12. WFP-assisted tribal development projects are situated in drought-prone areas and could easily be expanded if drought were to strike. These and irrigation activities such as check dams, species diversification and irrigation canals are inherently drought and emergency-mitigating.
13. Government food crop support prices take into account the costs of inputs, incentives for farmers and food for the poor; further room for manoeuvre is limited. Growing fiscal and trade deficits, declining savings rates, and sluggish growth in plan outlays will constrain the expansion of programmes for the poor. The Indian Chamber of Commerce estimates the 1996 fiscal deficit to be around 750,000 million rupees (21,127 million dollars), significantly higher than the budget deficit projection of 576,340 million rupees (16,235 million dollars). State-level financial constraints are severe. Several state governments are unable to provide the outlays recommended by the Planning Commission for the ICDS nutrition component.
14. In a major move to empower women as a key structural measure for poverty alleviation, the 73rd and 74th Constitutional Amendments (Panchayat Raj Act) of 1993 ensure a minimum of one third of seats for women in all elected offices of 250,000 local bodies. About one million women are emerging as decision-makers; 75,000 are expected to become chairpersons at the village, block and district levels.

Government food aid policies

15. Over the period 1956-76, over 59 million tons of food aid worth 4.8 billion dollars was provided by the United States.⁶ Sixty percent of the funds was invested, to good effect, in agricultural development, funding the "green revolution". The European Union (EU) has supplied dried skimmed milk (DSM) and butter oil to the National Dairy Development Board (NDDB) since the seventies, initially through WFP; counterpart funds have been invested to develop and strengthen the dairy industry.
16. Over the past four years, annual project food aid to India in cereals (in grain equivalent), including blended foods, has averaged 321,000 tons.⁶ Of this, 70 percent has been provided by CARE/USA. WFP - which provides 25 percent of the total - is the second largest donor and the largest multilateral source of grant food assistance.
17. Whereas past emergency food aid sometimes has been considerable, the Government of India's present policy is not to request food aid for emergency relief purposes.
18. **Relationship to the Country Strategy Note (CSN) process:** The Government has not accepted a CSN. It does, however, accept the principle of United Nations agencies working with the Resident Coordinator to follow up on recent United Nations conferences. Various United Nations Inter-agency Working groups (IAWGs) have been established. WFP works with the IAWG on Gender towards an action plan for commitments to women; its target is 30

⁶ WFP INTERFAIS DATABASE; World Food Programme.



percent of all workdays and 25 percent of all assets and benefits directly for women. It can be noted that the remaining assets are directed at village communities, and women also benefit from those assets. A new IAWG on Food Security and Nutrition convenes under the Chairmanship of the FAO Representative. Other IAWGs include those on population and HIV/AIDS. The Government has agreed to a set of programme concepts for the UNDP Fifth Country Programme, intended as a framework for all United Nations agencies in India. It includes a nutrition and food security support programme and a poverty alleviation programme, into which the WFP Country Programme (CP) fits, and within which cooperation between WFP and UNDP is planned. Joint work between activity two (Food Security and development support to tribal and scheduled caste people) and the UNDP project for people's empowerment in Bilaspur district, Madhya Pradesh, is being planned.

United Nations/donor/NGO programmes that address hunger and poverty as well as disaster prevention and preparedness

19. The World Bank has a four-year forestry sector project in Madhya Pradesh; a similar project in Uttar Pradesh is under preparation. UNICEF, CARE, USAID and the World Bank contribute significantly to ICDS. The World Bank promotes better ICDS worker training, improved supervision of workers, strengthened delivery of health and nutrition services, enhanced monitoring and evaluation, and increased community participation. All donors supporting ICDS participate in regular donor meetings.

Assessment of WFP's past and ongoing activities in India

Effectiveness and efficiency of targeting food aid to the hungry poor, particularly women

20. WFP programmes in India all target the hungry poor. Research and evaluation reports by CARE, WFP and the International Food Policy Research Institute (IFPRI) confirm that ICDS and food-for-work activities are implemented for the neediest areas and people. WFP food aid through ICDS is targeted 100 percent to poor, nutritionally vulnerable women and children. WFP's rural development programmes concentrate on people in forest areas with very limited access to the PDS, whose income and food sources are inadequate and decreasing, or on rural settlers - groups facing chronic food insecurity.

Effectiveness and efficiency in preparing for and reducing disaster-related food shortages

21. The Government's emergency policy stresses drought mitigation and disaster prevention. Relief measures are integrated into state development programmes. States have their own relief codes and calamity relief funds with contributions from the central and state governments in the ratio of 75:25. State governments prepare programmes for immediate relief and rehabilitation after any serious natural disaster. Damage is assessed and a request for assistance is submitted to the Government.

Experience of other donors and partners supporting objectives and types of intervention similar to those of WFP

22. All agencies involved with forestry in India consider people's participation in Joint Forest Management (JFM) and related village resource development essential for sustainability. The World Bank, Overseas Development Assistance (ODA) and Swedish International Development Assistance (SIDA) have all been or are involved with forestry projects based on



a participatory approach. The Ford Foundation supports dissemination of JFM and is helping to improve its practical implementation.

Implications of past experiences /lessons learned for the proposed CP

23. Since the mid-seventies, WFP assistance has been focusing on poverty alleviation. In food-for-work projects, WFP has evolved the closed-monetized system of food distribution. Workers receive their full wage in cash, and for each workday they are entitled to purchase a WFP family ration at reduced prices. Funds thus generated are reinvested in rural development for their benefit, while the income transfer represented by the rations reduces their immediate food insecurity.
24. In 1982 a precedent was established to pay the funds into a special bank account, immediately available to the projects. This approach is now used in almost all projects, but it was a long process.
25. From the mid-eighties the state governments began to establish State Level Coordinating Committees (SLCCs), chaired at the highest levels, for WFP fund-generating projects. These committees approve the use of WFP-generated funds; WFP is a full participant in deliberations. A further step forward was the creation in 1989 of joint (central and state governments and WFP) review meetings.
26. These developments all have had a significant impact on the effectiveness of WFP activities in India and have resulted from decade-long negotiations.

Strategic focus of the CP

Goals and objectives

27. The broad goals, in line with the core policies and strategies of WFP's Mission Statement, are:
 - a) improvement of nutrition and quality of life of the most vulnerable at critical times in their lives;
 - b) sustainable improvements in household food security of carefully selected groups of the poorest people (with special emphasis on children and women), who are unable to produce or procure enough food for their families to lead active and healthy lives.
28. The objectives are to:
 - a) combat malnutrition and invest in human resources through ICDS;
 - b) help improve immediate food security for selected target groups, and, with their participation, invest generated funds in their sustainable food security;
 - c) maximize the active participation of women in WFP projects;
 - d) advocate JFM;
 - e) help strengthen distribution channels for locally-produced foodgrains; and
 - f) increase agricultural production and create employment through canal construction, command area development and settlement under irrigation schemes.



Target groups and regions, including key areas/types of assistance

29. The CP will be moulded into a programme for sustainable household food security encompassing the most effective elements of all ongoing activities. While the new programme will target the same highly vulnerable groups, activities will be consolidated gradually into areas where simultaneous interventions can be carried out and that best serve the above-mentioned broad goals. As a first step, synergy programmes between activities one (Vulnerable women and children) and two already have been introduced. States will be selected on the basis of food security and poverty-related criteria.
30. **Target Group I** - Vulnerable women and children - is to be reached through ICDS. Because of the Group's size, resources will always be insufficient. WFP will endeavour to improve the cost-efficiency and nutritional value of food provided by promoting a locally-produced weaning food (*Indiamix*). Regions to be covered under the core programme are in Kerala, Madhya Pradesh, Rajasthan and Uttar Pradesh.
31. **Target Group II** - Forest-dependent scheduled tribes and scheduled castes. This activity aims at improved household food security, particularly for women and children. Its two-fold thrust - targeted food subsidization and generation of extra-budgetary funds - will continue. Effective participation by beneficiary communities will be increased. Regions for initial coverage include predominantly tribal blocks in Bihar, Gujarat, Madhya Pradesh, Rajasthan, Orissa and Uttar Pradesh.
32. **Target Group III** - Workers and settlers on the Indira Gandhi Canal (Rajasthan). Completion of the Indira Gandhi Canal and settlement of the command area are government priorities. WFP will assist :
- a) poor, landless construction workers, mostly from scheduled castes and tribes, who work under exceptionally harsh conditions; and
 - b) settlers, allowing them to prepare their new land and await first harvests, as well as by investing generated funds in socio-economic infrastructure.
33. **United Nations/donor collaboration.** The United Nations IAWGs are intended to be extended to bring in interested donors.

PROGRAMME OF COUNTRY ACTIVITIES

34. The CP comprises three distinct activities allowing WFP initiatives in different states but within a common policy framework; the activities are directed to the three target groups indicated above.

CP resources and preparation process

35. **Justification for the proposed potential country resource level.** The CP was initially designed on the basis of the Country Strategy Outline (CSO), which argued for 200,000 tons annually. It is clear that much more food is required for a viable programme than WFP can possibly provide. As resources are limited and the allocation to any one country restricted to 10 percent of the Programme's development resources, WFP has informed the Government that it expects to be able to provide no more than 70,000 tons a year for the CP. Therefore, the Government will seek additional bilateral resources in order to augment the core WFP resources. The aim will be to obtain a total of 140,000 tons a year, comprising 100,000 tons



for a core programme and 40,000 for a supplementary programme, regarded by the Government as the minimum requirement.

36. When annual resources for the core programme are limited, priority will be given to activities one, two and three in that order. Highest priority will go to maintaining levels under activity one, entirely targeted to women and children in poor, backward areas with high rates of maternal and infant mortality. Under activity two, blocks will be prioritized according to food insecurity. Decisions will be taken after consultation with the Country Food Aid Advisory Committee (CFAAC).
37. **Resource allocation for the core programme.** The CP requires 500,000 tons of protein and micronutrient-fortified blended food, rice, wheat, vegetable oil and pulses for core activities, and 200,000 tons for supplementary activities (Annex). The estimated costs to WFP are 182 million dollars for core activities and 68.8 million dollars for supplementary activities. Government costs are estimated at 376 million and 377 million dollars, respectively.
38. **Co-funding and implementation capacity** (Government, United Nations, NGO and other partners). See individual activities in the relevant section.

CP preparation process

39. A CFAAC manages the CP. It is chaired by the Ministry of Agriculture, which is responsible for WFP matters. The Committee meets once every six months and includes representatives from the Ministries of Human Resources Development (Department of Women and Child Development - DWCD), Forests and Environment, Irrigation and Power, and Finance (Department of Economic Affairs), and the United Nations Resident Coordinator and WFP Country Director. It is responsible for general policy issues, including inter-departmental cooperation and coordination, and for general guidance on the programme's direction.
40. Each of the three activities has a Food Aid Advisory Sub-Committee (FAASC), chaired by the relevant Ministry. The FAASCs meet every three months and comprise representatives of the line ministries, the Ministry of Agriculture, the Planning Commission, and the WFP Country Director. Representatives of the state government departments concerned also participate. The role of these FAASCs is similar in scope to that of the CFAAC, though limited to the specific activity.

Activity One: Vulnerable women and children

41. The **strategic focus** is to reach vulnerable mothers and children under six years old with a targeted supplementary food and early childhood development intervention through the ICDS, which provides an integrated package of food supplementation, nutrition education, primary health care, and early childhood education and development services.
42. **Problem analysis:** In India, over 70 million children under five are severely malnourished. Maternal mortality is among the highest in the world. ICDS is the most important government action in this sector and an appropriate direct intervention mechanism to deal with malnutrition and poor health. The scheme now covers 3,907 projects, and reaches 17.8 million children and 3.8 million women. Expansion presents major budgetary challenges to some states. All tribal regions are now covered.

Objectives and intended outcomes

43. One objective is to provide food and promote early childhood development through ICDS to India's most disadvantaged groups in the most remote and backward areas. A second



objective is to improve ICDS, and the capacity of state governments to manage it, through better targeting, better field worker training, increased community participation, better nutrition and health education, and local production of blended foods.

44. WFP currently supports 2.2 million beneficiaries in five states: Assam, Kerala, Madhya Pradesh, Uttar Pradesh and Rajasthan. However, the core programme foresees a reduction to 1.68 million beneficiaries in those states.

Role and modalities of food aid

45. Food aid supplements the daily food intake of vulnerable mothers, children and adolescent girls. It provides support to state budgets to enable an expansion of the ICDS programme, and it acts as an incentive for participation in ICDS services. The most appropriate food for a standard ICDS ration is a protein- and micronutrient-fortified blended food meeting the following criteria: provision of 300 kilocalories of energy and 10 grams of protein (level set by the Indian Food and Nutrition Board); micronutrient enrichment with vitamin A and iron supplements; adequate fat content to facilitate vitamin A absorption; and sugar content not exceeding 15 percent.
46. The current phase is introducing the local production of a blended food called *Indiamix*. This will promote local industry, lower product and logistic costs, and reduce dependency on external aid. The proposed standard daily single ration is 80 grams of blended food. For the time being, imports of corn-soya blend (CSB) will have to continue.

Implementation strategy

47. Responsibility for ICDS lies with DWCD; the project is implemented by state government departments. Their services are coordinated at the village, block, district and state levels. Initiatives are being undertaken to involve grass-roots voluntary organizations and women's groups.
48. Responsibility for policy issues, future directions, mid-term reviews, appraisal and evaluation, and decisions regarding adjustments between states rests with the FAASC. WFP food allocations will be focused on the most deprived areas and the most vulnerable accessible groups. Reallocations may take place within states, and possibly between states, on a performance basis, including adequate provision of funds for commodity transportation, success in attaining feeding targets and adequate staffing.
49. **Beneficiaries and intended benefits.** All beneficiaries are women and children. The core programme will cover 1.68 million children and women for 300 days a year, in four states: Kerala, 512,218; Rajasthan, 428,782; Madhya Pradesh, 330,000; Uttar Pradesh, 413,350. The supplementary programme would cover 500,000 beneficiaries. In addition, these beneficiaries receive immunizations, health check-ups, nutrition and health education, growth monitoring, and pre-school education.

Support, coordination, and monitoring and evaluation arrangements

50. Suitable administrative structures have been set up at the federal, state and project levels to coordinate ICDS. Donor agencies meet periodically to coordinate and exchange ideas about implementation.
51. The appraisal process for project India 2206 (Exp.6) involved a review mission (May 1993), with expertise from UNESCO, UNICEF and USAID, and an appraisal mission (April/May



1994) including USAID and Save the Children Fund (USA). Its recommendations formed the backbone of the current project.

52. A mid-term evaluation will be undertaken in mid-1998 with other multilateral and bilateral agencies concerned. Issues for review include impact indicators, resource allocation by state, use of *Indiamix*, improved outreach for children under three years old, staff training, *anganwadi* workers' workloads, and progress achieved in the adolescent girls' scheme and the early childhood education component.
53. Food utilization data are collected through "distribution point stock register monthly reports" (DPSRMRs), quarterly progress reports, annual audited accounts and field visits. A computerized reporting system, "Nutrimonitor", developed by WFP, monitors data on food logistics, food utilization and beneficiary coverage. ICDS programme impact will be evaluated on the basis of data collected through WFP and government reporting systems, field monitoring, action research studies commissioned by WFP and other donors, and through research carried out by Indian institutes.
54. Several research initiatives are planned or under way in WFP-assisted areas, including efforts to:
 - a) improve quality and type of field-level staff training;
 - b) enhance counterpart management capabilities;
 - c) more effectively target children under the age of three, and expectant and nursing mothers;
 - d) increase community participation in ICDS (e.g., through women's groups);
 - e) improve the quality of early childhood education;
 - f) strengthen nutrition and health education for mothers and adolescent girls; and
 - g) improve monitoring, other feedback mechanisms and impact evaluation.
55. **Cost estimate** (WFP, Government, other assistance). This activity requires 200,000 tons of protein- and micronutrient-fortified blended food for core activities and 53,000 tons for supplementary activities (Annex). The estimated costs to WFP are 80.4 million dollars for core activities and 21.3 million for supplementary activities. Government costs are estimated at 92 million and 25 million dollars, respectively.

Activity two: Food security and development support to tribal and scheduled caste people

Strategic focus

56. The focus is to improve sustainably the household food security of poor tribal and scheduled caste groups, who depend upon forests for their livelihood. This involves direct food aid essential for immediate food security, development initiatives recognizing the crucial link between forestry resources and food security, and initiatives creating alternative sources of food and income.
57. People's participation is essential for the sustainability of reforestation programmes and development initiatives. A National Forest Policy was introduced in 1988; JFM legislation in 1990 set out a broad policy framework. Seventeen state governments have issued orders or resolutions to involve village communities and voluntary agencies in planning the regeneration of forest resources. JFM structures also allow for participatory planning of



alternative development schemes. The approach results in increased forest and agricultural production, employment creation and improved incomes, and reduced dependence of tribal families on forests, thus increasing their food security and protecting the environment.

58. To encourage women's participation in JFM, state governments have provided for a minimum number (varying by state) of women members on the executive committees of Village Forest Protection Management Committees (VFPMCs).
59. **Problem analysis.** Poverty is widespread in remote rural forest areas inhabited predominantly by tribal and scheduled caste groups. Sixty-two percent of tribal groups and 54 percent of scheduled caste groups live below the poverty line. One third of poor households are headed by women and especially vulnerable. Many households are landless or functionally so, have insufficient water for drinking and irrigation, and cannot meet family food needs. This situation, their proximity to forests and their lack of job opportunities, make them almost entirely dependant upon forest resources for food security. Forest resources augment food production and improve access to food by providing subsistence products, employment and income. However, forests deplete faster than they regenerate, threatening the affected population's livelihood.

Objectives and intended outcomes

60. The long-term objective of activity two is sustainable improvement in the target groups' food security and income. Community-oriented forest development, and increased agricultural production and incomes from alternative activities are key elements.
61. One immediate objective is increased accessibility to food for the immediate food security of daily forestry workers from the target groups. At least one third of food rations will go directly to women.
62. A second immediate objective is the generation of extra-budgetary funds for investment in the sustainable development of village resources to improve household food security. People's participation through JFM structures, micro-planning, and NGO and women's participation is emphasized to achieve concentrated village development. Project activities will provide income-generating opportunities for women, enhance their capacities and create mechanisms to ensure their participation in decision-making and the implementation of project activities. Twenty-five percent of benefits are to be targeted directly to women; a larger number will benefit from investments in village development.
63. **Role and modalities of food aid.** Direct income transfer to casual Forest Department labour will occur through selling them WFP rations at about half price. Only the poorest undertake forestry work; food aid is thus self-targeting to people who are food-secure for only two to three months a year. Funds generated are invested as above. Monetization policies will be reviewed regularly and adjusted, if required, to reflect future developments.

Implementation strategy

64. A WFP Project Directorate implements activity two in each state. The directorates are headed by a Project Director responsible for WFP food and generated funds. Two Deputy Directors, together with supporting staff, will assume direct responsibility for both project aspects. A Social Development Officer will assist senior management in working with NGOs that carry out participatory planning, awareness-building and rural development activities.



65. The FAASC will take decisions regarding adjustments in WFP commitments between the states, based on performance. It also oversees the Forest Departments' SLCCs, which are responsible for state policy and project execution.
66. A priority list of blocks will be prepared for coverage under the core programme, depending upon available resources. Blocks for the supplementary programme also will be selected from this list. The two main criteria for selection are: the percentage of tribal or scheduled caste people living below the poverty line; and the amount of forestry work available.
67. Generated fund schemes will be part of village micro-plans, formulated by the beneficiaries with the Forest Departments and collaborating NGOs, in consultation with technical departments. About 80 percent of funds will be used in a limited number of selected villages in remote, mainly tribal pockets, to support activities intended to improve sustainable food security. NGOs will assist village-level organizations directly in planning and implementation. Established guidelines delineating roles and responsibilities, and financial accountability, reporting and monitoring mechanisms will facilitate NGO involvement. Efforts will be made to eventually channel about one third of the investment funds through NGOs. Funding will cover forestry, agriculture-based and income-generating activities; and investments in physical infrastructure, where integral to village micro-plans.
68. There will be a strong training component, at various levels, covering development perspectives; emphasis will be placed on poverty and gender issues, management of small development projects, government/NGO collaboration and community organizations.

Beneficiaries and intended benefits

69. Poor tribal and scheduled caste Forest Department daily wage workers are eligible for WFP rations at concessional prices, improving their immediate food security and incomes. People in mainly tribal and scheduled caste villages selected for the investment of generated funds will benefit from the increased production of forest resources and food crops resulting from investments in plantations and agricultural infrastructure, and from improved social services such as schools. Investment in income-generating activities will increase purchasing power, especially for women. People's, especially women's, growing awareness and increased participation in community development activities will be an important output. People in other villages will benefit from incidental investments along the above lines. The activity will improve the nutritional and economic status of women; at least one third of the WFP rations and 25 percent of assets created or benefits generated will be targeted directly to women. Their enhanced nutritional and economic status will have a direct impact on other family members, particularly their children.

Support, coordination, and monitoring and evaluation arrangements

70. Projects under this activity were developed following pre-appraisal studies and appraisal missions, in consultation with the Government, the state governments concerned, NGOs and FAO; the latter provided specialists and supports the approach.
71. WFP will continue to coordinate with other donor agencies to establish linkages. WFP's participation in the United Nations Resident Coordinator's active cooperation with the Indian Parliamentarians Forum for Development, established by the Deputy Chairperson of the Rajya Sabha (the Upper House of the Indian Parliament), is an example. Other participating United Nations agencies include UNDP, UNICEF, ILO and UNESCO.
72. The WFP country office coordinates reports on all monitoring indicators and will evaluate the overall food security impact. State Forest Departments monitor and report on employment,



food distribution, forest activities and on the progress of investment. NGOs are responsible for reporting on achievements to the relevant Forest Department, through village micro-plans. A number of studies to strengthen monitoring and evaluation are being initiated.

73. **Cost estimate** (WFP, Government, other assistance): This activity requires 260,500 tons of rice, wheat, vegetable oil and pulses for core activities and 69,000 tons for supplementary activities (Annex). The estimated costs to WFP are 89.6 million dollars for core and 23.8 million dollars for supplementary activities. Government costs are estimated at 195 million dollars and 52 million dollars, respectively.

Activity three: Rural development through irrigation and settlement

74. The **strategic focus** is on:

- a) improving immediate food security among the mostly scheduled caste and tribal people working on irrigation canal construction in drought-prone, food-deficit areas in Rajasthan; and
- b) helping previously landless settlers stay above the poverty line so that they can invest more time in land levelling and other productivity-enhancing activities.

75. **Problem analysis.** The main problems are the poverty and food insecurity of migrant labour employed in the construction of the Indira Gandhi Canal and of settlers, and the lack of economic and social infrastructure in the newly irrigated areas.

76. The **objectives and intended outcomes** are to alleviate poverty and improve the food security of construction workers and settlers in the Indira Gandhi Canal command area. The activity creates new agricultural production in a drought-prone region, accelerates the settlement process and helps develop the area through the provision of basic economic and social infrastructure.

77. **Role and modalities of food aid.** WFP rations provide direct income transfer to poor, food-insecure migrant labourers, who are granted the rations at half price. Funds generated are invested in economic and social infrastructure and provide interest-free loans to settlers. Food is also an incentive for settlement; settlers receive free family rations for 24 months during three years. Caretakers receive family rations for maintaining drinking-water storage tanks; 24 months of individual rations provide an incentive for watercourse clearance.

Implementation strategy

78. Activity three is implemented jointly by the Indira Gandhi Nahar Board (IGNB) and the Command Area Development Authority (CADA). A State-Level Project Steering Committee (SPLSC), assisted by a Project-Level Coordination Committee (PLCC), oversees implementation and provides guidelines. The project management, infrastructure and logistics systems are already in place.
79. CADA is responsible for the distribution of food to settlers, and of incentive rations for clearing watercourses and maintaining water storage tanks. Sale of food to workers is handled by IGNB, through private dealers.
80. The WFP Funds Reinvestment Unit, attached to CADA, manages the WFP-generated funds and prepares detailed annual plans for submission to the PLCC and SPLSC for endorsement and approval; WFP is represented on these Committees. Line departments such as health, animal husbandry, veterinary health, education, and women's development programmes are represented and committed to assuming and maintaining facilities constructed.



81. Beneficiaries and intended benefits. Beneficiaries of concessionary food rations are migrant labourers constructing canals, watercourses and related works. Beneficiaries of free and incentive food rations are poor settlers, who also benefit from the agricultural and socio-economic infrastructure financed by generated funds. Women, primary beneficiaries of WFP rations, directly benefit from employment on construction works and from created facilities such as drinking-water supply, *anganwadi* centres, shelters, crèches, women's welfare centres and schools for girls. Twenty percent of assets and benefits are planned to go directly to women in the first year, increasing to at least 30 percent by the year 2000. In the land allotment process, preference is given to joint husband and wife applications.

Support, coordination, and monitoring and evaluation arrangements

82. Monitoring and evaluation will be based upon logical framework analysis, with greater focus than in the current system (which measures physical achievements) on household-level food security, income transfer and benefits. Project authorities will monitor and report on activities related to employment, food distribution, construction and settlement activities, and progress of activities supported with generated funds. The WFP country office will coordinate reports on all monitoring indicators and evaluate the overall food security impact.

83. WFP pre-appraisal studies for previous phases were prepared in consultation with the Governments of India and Rajasthan, NGOs, FAO and ILO. Studies and surveys are undertaken on a regular basis to improve implementation. Studies are now being conducted on the use of generated funds, the assessment of NGO programmes, and the potential for direct benefits to women and children.

84. Cost estimate. This activity requires 39,500 tons of wheat, vegetable oil and pulses for core activities and 78,000 tons for supplementary activities, including Karnataka (Annex). The estimated costs to WFP are 12 million dollars for core and 23.7 million dollars for supplementary activities. Government costs are estimated at 89 million and 300 million dollars, respectively.

Additional supplementary programme activities

85. The Government of Karnataka is undertaking a major programme of irrigation and water resource management in the Upper Krishna basin. Canal labour problems are similar to those in Rajasthan, while the lack of infrastructure limits development possibilities in areas brought under irrigation. The requested WFP input comprises continuation for another five years of project India 2303 (Exp.2), "Rural development in the Krishna basin command area, Karnataka" (document CFA:28/SCP:3/2-A(ODP)Add.2). A recent evaluation mission concluded that there was a continued need for external aid and, resources permitting, WFP should consider continuing assistance to at least the Upper Krishna component. For commodity requirements see the Annex.

Key issues and risks

86. There is a very large and increasing number of poor food-insecure and malnourished people in India. Landless rural people and marginal farmers are particularly vulnerable because they depend on the vagaries of the monsoon for their food security. Within these groups, women and children are most at risk. Adequacy of food at the national level cohabits with serious and widespread hunger at the local level, further aggravated at times of monsoon failure.

87. Assumptions on policy environment, national institutions, assistance partners. Assumptions on the policy environment include the Government's long-term commitments



to ICDS, JFM, people's participation in development initiatives and functioning of the CFAAC.

Issues related to the funding of the CP

88. When FCI cereal stocks are well in excess of buffer stock requirements, it is necessary to purchase cereals for WFP projects within India. WFP management and the Executive Board have to agree to do this or to ship other commodities for local exchange with cereals. The Government might wish to consider an additional pledge of cereals for use in the CP at times of large buffer stocks.
89. Yearly fluctuations in the country resource level might force WFP to apply the principle of "flexibility" at the expense of "integration" and "coherence".

Risks and essential conditions for implementation

90. For ICDS, some state governments may not be able to provide the required level of financial or staff inputs to fully utilize available food. The take-home rations strategy to improve the nutritional status of children under three must be carefully monitored.
91. WFP-assisted projects in India reach the hungry poor. Current redesign places greater emphasis on food security through focused selection of target areas and on sustainability through enhanced people's - especially women's - participation, greater cooperation with NGOs, training and the creation of long-term assets, as identified by village groups. The main risks to sustainable improvements in food security through the investment of generated funds under activities two and three are:
 - a) creation of village institutions that ensure the redesign efforts are fully effective;
 - b) timely utilization of funds; and
 - c) clarity on JFM benefit-sharing arrangements under activity two.
92. Under activity three, minimizing waterlogging and salinity is vital.

PROGRAMME MANAGEMENT PROCESS

Appraisal

93. The WFP project cycle will be maintained with WFP evaluation missions supported by local consultancies. Findings will help to define appraisal needs. Periodic studies and surveys will contribute information on project benefits and impact, and gender-disaggregated information will be maintained. WFP appraisal missions will continue, but more time needs to be set aside for such missions. Where local expertise is available, pre-appraisals will be conducted. Preparation of activity ideas, outlines and summaries will continue.
94. The WFP Country Director will oversee the appraisal process. The CFAAC will be consulted before finalizing mission terms of reference. The WFP Regional Bureau will provide back-up and arrange support as necessary from WFP headquarters' technical divisions, also obtaining the required clearances from headquarters divisions and arranging technical support from specialized agencies.
95. Activity summaries will be reviewed by: a) an Activity Review Committee chaired by the Country Director and comprising: the Deputy Country Director; the relevant Activity Head;



Programme Officers from WFP, Women and Child Development, and Activity Design and Management Information; b) the activity's relevant FAASC; c) the CFAAC; and d) relevant technical expertise from United Nations specialized agencies.

Programme implementation

96. **Assessment of country office staffing.** The capacity of staff in the India country office needs strengthening with training in participatory planning techniques and tools, gender analysis and planning, and monitoring and evaluation methods. WFP staff play an important role in training counterparts on programme design, monitoring and evaluation, and food logistics; thus, the training of WFP staff as trainers is also needed.

Coordinating and executing authorities

97. The Department of Agriculture and Cooperation of the Ministry of Agriculture is responsible for national policy matters, guidance on future directions, mid-term reviews, and appraisal and evaluation, advised by the FAASC. Further details are given for each activity in the relevant section.
98. **Involvement of participants.** Within Activity One, *anganwadi* workers, their helpers and almost all of their supervisors, are women. Efforts are made to involve women who attend *anganwadi* centres in their administration. In activity two, JFM legislation provides for the creation of village forest management and protection committees that prepare village micro-plans with Forest Department officials. These committees must include women, and strategies are being evolved through collaboration with NGOs, and through gender training of forest officials to ensure that women's views are included in the decision-making process. Targets have been set for proportions of resources set aside to benefit women directly.
99. **Complementary inputs.** Under-funding of ICDS will be dealt with by the FAASC, which could reallocate WFP resources away from states where counterpart funds are inadequate and towards states where they are adequate.
100. **Food logistics arrangements.** Since the early seventies, WFP cereals delivered at Indian ports are 'deposited' in FCI stocks and released from warehouses near the project sites, thus saving on transport costs and reducing post-c.i.f. losses. When FCI holds high cereal buffer stocks, wheat and rice are either purchased locally or replaced on a value basis by non-cereal commodities, particularly vegetable oil, the demand for which exceeds production. Such commodities are swapped for local cereals.
101. Other WFP-supplied commodities are cleared and handled at designated ports by designated agencies, and transported by project authorities to state warehouses. Project Directors are responsible for the receipt of WFP food, and for its internal transportation and allocation for distribution to beneficiaries.
102. **Monetization arrangements.** Under a closed-monetized system in activities two and three, participants are entitled to buy a WFP family ration for each workday. The generated funds are placed in separate, interest-bearing accounts in commercial banks and used for socio-economic investment in participants' villages. The accounts managed by the Project Directors are administered in accordance with government rules and regulations and are subject to audit. SLCCs are in charge of approving schemes and overall control of the funds.
103. **Annual work targets and resource allocation.** Food-for-work projects are based upon the annual work plans of the implementing departments and, resources permitting, WFP food allocations strictly conform to those plans. Annual allocations of WFP resources will be made



in-country when the annual level available to the CP is known. This will be done by the WFP country office in liaison with the Joint Secretary, Department of Agriculture and Cooperation, and will be discussed and approved by the CFAAC. For each activity, a similar process will culminate in the approval of the relevant FAASC.

Programme monitoring and audit

104. **Institutional arrangements.** WFP projects in India follow WFP's standard reporting system. Routine reporting is the responsibility of project authorities, with WFP staff reviewing reports and conducting field visits. WFP attempts to link its own monitoring with existing government reporting systems and those funded by other donors. Monitoring progress towards the achievement of CP objectives is CFAAC's responsibility.
105. **Key indicators, and types and frequency of reports.** The monitoring system measures project inputs and outputs in terms of achievements of physical targets, and efforts are under way to further develop systems to assess the effects and impact of WFP assistance, particularly on food security, income and nutritional status. More attention is being given to achievements by gender and social group. Key indicators include: income transferred through food aid, increase in household food security, nutritional status of vulnerable women and children, increases in people's participation in project planning and in receiving benefits, rates of generated fund use, and performance of project authorities. Beneficiary contact monitoring surveys are carried out.
106. **Early warning indicators.** WFP projects operate in areas with poor tribal populations and high numbers of malnourished women and children. The Government monitors food and poverty indicators and carries out vulnerability mapping. In cases where drought or other natural calamities might occur in WFP-assisted areas, there is scope for increasing the supply of commodities, if required by the Government and if resources permit.

Accountability arrangements

107. Funds generated from WFP-assisted projects operate through special interest-bearing bank accounts; Project Directors are responsible for accounting and reporting. Funds are audited by the Accountant General or by external auditors appointed as and when necessary by the SLCCs in coordination with WFP. The Finance Officer in the country office also exercises control over the management of the generated funds, and advises and assists the state governments to ensure that financial accounting systems, practices and procedures are in line with WFP audit requirements.

Programme adjustments and supplementation of country activities

108. The WFP country office will supervise activities on the basis of quarterly progress reports on food distribution and generated fund utilization, biannual project implementation reports on achievements and regular monitoring visits to projects. The Country Director will recommend to the Department of Agriculture and Cooperation improvements in project implementation and any reallocation of resources, after consultation with the CFAAC.
109. Supplementary activities will be initiated if annual resource levels exceed the needs of ongoing activities. Resource utilization will be reviewed by the Country Director on an annual basis and proposals for supplementary activities submitted to the Department of Agriculture and Cooperation, after views of the CFAAC are sought. Project cycle procedures will be followed.



Evaluation

110. **Arrangements for in-built evaluation** are included within each activity. Funding from donors such as USAID and the Netherlands has contributed to special studies and assessments on key issues including food security, gender participation, NGO involvement, flow of benefits to poor communities, and nutritional and health status. As part of the effort to assess the impact of WFP food and generated funds on the well-being of the hungry poor, the studies will be reviewed by the CFAAC in the mid-term review. A broad view of the impact of WFP assistance should be possible from a cross-section of studies carried out in different states.
111. For example, a Food Security Card, designed to track the number of rations received over a year, is being introduced in activity two. It will result in a database of around 15,000 to 17,000 workers per state. A broader-based food security survey is also planned for Orissa and Bihar, to assess the household food security status in villages not selected for concentrated investment and assess the impact of food assistance alone.
112. Ongoing Beneficiary Contact Monitoring will be used to collect household information on food availability and other socio-economic indicators. Baseline and longitudinal surveys will also be carried out in villages selected for concentrated investment from the generated funds.
113. **A mid-term review** will be presented to the Executive Board in the second half of 1999. The review will take place in the 12 months preceding 30 June 1999, concurrently with reviews of other United Nations funding agency country programmes. Key issues for review include:
- a) in activity one: the effectiveness of the introduction of *Indiamix* and the impact of the programme on children under three, and expectant and nursing mothers;
 - b) in activity two: the timeliness and impact of funds investment and the effectiveness of auditing procedures; the impact on women of generated-fund investments; and the extent to which effective JFM and people's, especially women's, participation in planning the use of the funds has been achieved;
 - c) in activity three: as above, with the exception of JFM.
114. **Selected evaluations.** Evaluations or project management reviews have recently been conducted for all projects. Information covering the points in the preceding paragraphs for the mid-term review could most usefully be gathered by a combination of the in-built monitoring and evaluation systems and local consultants.
115. **Special studies.** During the year 2000, prior to the end of the programme period, a more detailed, formal evaluation should be carried out of the impact of the programme on women. A detailed study of the effects of the village-level micro-plan approach under activity two also should be undertaken to assess whether micro-planning has indeed improved food security.



ANNEX

| COMMODITY REQUIREMENTS IN TONS FOR FIVE YEARS | | | | | | |
|---|-------------------------|---------------|----------------|----------------------|---------------|----------------|
| | Blended food | Rice | Wheat | Vegetable oil | Pulses | Total |
| Activity 1: Vulnerable women and children | | | | | | |
| Core | 200 000 | | | | | 200 000 |
| Supplementary | 53 000 | | | | | 53 000 |
| Total needed | 253 000 | | | | | 253 000 |
| Activity 2: Food security and development support to tribal and scheduled caste people | | | | | | |
| Core | 0 | 70 057 | 162 403 | 6 028 | 22 012 | 260 500 |
| - Bihar | | | 32 115 | | 2 570 | 34 685 |
| - Gujarat | | | 8 347 | 313 | 835 | 9 495 |
| - Madhya Pradesh | | 29 460 | 45 695 | 2 855 | 7 615 | 85 625 |
| - Orissa | | 40 597 | | | 3 368 | 43 965 |
| - Rajasthan | | | 38 123 | 1 430 | 3 812 | 43 365 |
| - Uttar Pradesh | | | 38 123 | 1 430 | 3 812 | 43 365 |
| Supplementary | | 19 641 | 42 097 | 1 562 | 5 707 | 69 007 |
| - Bihar | | | 8 323 | | 667 | 8 990 |
| - Gujarat | | | 2 164 | 80 | 217 | 2 461 |
| - Madhya Pradesh | | 8 230 | 11 842 | 740 | 1 975 | 22 787 |
| - Orissa | | 11 411 | | | 874 | 12 285 |
| - Rajasthan | | | 9 887 | 371 | 987 | 11 245 |
| - Uttar Pradesh | | | 9 887 | 371 | 987 | 11 245 |
| Total needed | 0 | 89 698 | 204 494 | 7 590 | 27 719 | 329 501 |
| Activity 3: Rural development through irrigation and settlement | | | | | | |
| Core - Rajasthan | | | 36 250 | 1 080 | 2 170 | 39 500 |
| Supplementary | | | 70 317 | 2 561 | 5 121 | 77 999 |
| - Karnataka | | | 60 767 | 2 278 | 4 554 | 67 599 |
| - Rajasthan | | | 9 550 | 283 | 567 | 10 400 |
| Total needed | 0 | 0 | 106 567 | 3 641 | 7 291 | 117 499 |
| Overall Total | | | | | | |
| Core | 200 000 | 70 057 | 198 653 | 7 108 | 24 182 | 500 000 |
| Supplementary | 53 000 | 19 641 | 112 408 | 4 123 | 10 828 | 200 000 |
| Overall total needed | 253 000 | 89 698 | 311 061 | 11 231 | 35 010 | 700 000 |

