

## Press Release

### **Sikkim ranked 2<sup>nd</sup> in the country in achieving outcome of Mahatma Gandhi NREGA**

The Mahatma Gandhi NREGA promises 100 days of wage employment for the rural people. It is India's most ambitious government programme for the poor having a national budget outlay of Rs 39,100 crore. MGNREGA has completed four years of implementation in the State of Sikkim and the performance has been improving each year. In a performance evaluation conducted by the Ministry of Rural Development, Government of India, in the Performance Review Committee meeting held in Delhi on 16<sup>th</sup> July, 2010, **Sikkim was ranked second after Tripura in achieving the most important outcome – providing 100 days in a financial year to the rural people.** Sikkim could achieve 80 days on an average for the wage seekers, with 23% of the households completing 100 days. This is significantly higher than the national achievement of 54 days. On this performance outcome, Rajasthan is ranked 3<sup>rd</sup> and Andhra Pradesh 4<sup>th</sup>. Sikkim also scores high on the transparency safeguards front, being the leading state in making the Ombudsman functional, having a universal coverage of social audits and having a virtual complaint free implementation.

Mahatma Gandhi NREGA has provided unprecedented funds to rural Sikkim and is unmatched in its scale and volume, bottom up planning and implementation, procedural safeguards and transparency standards. Which other Scheme can boast of muster rolls being made available online in a web portal, 100% cashless wage payments and having multiple checks ranging from national level monitoring, financial audits, MIS alerts and most importantly the biannual social audits? During social audits all the payment vouchers are read out in the gram sabha and audited by the people. In Sikkim the nodal officers are the DDO at the District Level, BDO at the Block level and the Gram Panchayat at the village level. The schemes are proposed by the Gram Sabha, estimation done at the Block level by the concerned line department technical staff and sanction by the District Planning Committee (DPC) at the District Level.

This Scheme has been able to put money in the hands of the poorest of the poor on a scale that is unprecedented. During the last financial year (2009-10), 60% (54,000) of the rural households were provided employment. A total sum of Rs 43 Crore through wage payments was pumped into rural Sikkim through 57,000 bank and post office accounts, thereby creating a multiplier effect and stimulating the rural economy. When these poor households spend this additional money, they create a demand for commodities. The production of these commodities, in turn, creates demand for capital, raw materials and workers. With this level of coverage and intensity, Mahatma Gandhi NREGA is increasingly becoming a lifeline of the rural women in the State. MGNREGA was able to dignify labour work in the villages, and provided purchasing power and bargaining power to the rural households.

A number of new initiatives are being planned this year to further improve the impacts of this national flagship programme. An "Impact Assessment Study of MGNREGA Sikkim"

in collaboration with the Institute of Rural Management, Anand (IRMA), Gujarat is nearing completion. This study will provide useful inputs on the usefulness and sustainability of the assets created. In order to reduce the delay in wage payments through post offices, a coordination meeting was chaired by the Hon'ble MP Lok Sabha and under his able guidance systemic improvements are being initiated. This will ensure faster and hassle free wage payments. To enhance transparency in the material component, guidelines for purchase of stock and non-stock material are being finalized which envisage a transparent and cash free system duly involving the job card holders and the Gram Panchayat. An Estimation Automation Software (EASY) has been developed inhouse to automate the estimation procedure since the same type of works are taken up repeatedly. This will make the estimation process faster, easier and more transparent. From this financial year, Social Audits will be conducted twice a year with the help of reputed NGOs. The thrust this year is to bring about qualitative improvement in the Social Audit findings and use it as a tool to make this Scheme 100% transparent and corruption free. To ensure quality monitoring of the assets created on a regular basis, retired government officers are being empanelled as State Quality Monitors, and they will be conducting regular quality monitoring of the process and outcomes of this programme.

The challenge this year is to improve the work output of the wage seekers by shifting from time rate-basis to piece rate-basis. In a piece-rate system, payment is made on the amount of work turned in, which necessitates measuring the work done in physical terms i.e. volume of pit dug, quantity of soil dug or carried to a given distance, length of footpath, etc. The amount of work is then converted from physical to monetary terms by using the schedule of rates. When one person is engaged in doing something the calculation is simple. This is challenging when compensation for a large group, comprising men and women, able bodied and aged, has to be worked out.

The plan of action this year is to shift the emphasis to those activities that enhance "rural household incomes" and ensure rural water security. If implemented in true sense by focusing on these activities that create visible, durable assets (such as Minor Irrigation Channels, Jhora Training Works, Dhara Vikas, Water Storage Tanks, Horticulture plantations and Land Terracing), Mahatma Gandhi NREGA provides an historic opportunity to transform and build rural Sikkim like never before, and achieve the vision and mission of the State Government of making Sikkim a poverty free state by 2015.