



GOVERNMENT OF KERALA

Abstract

Rebuild Kerala Initiative(RKI)- Projects of Kudumbashree- Implementation- Administrative Sanction accorded– Orders issued.

PLANNING & ECONOMIC AFFAIRS (RKI) DEPARTMENT

G.O.(Rt.) No.505/2019/P&EA

Dated, Thiruvananthapuram, 28/11/2019

- Read: 1. G.O. (P) No. 16/2018/P&EA dated 09/11/2018.
2. G.O. (P) No. 19/2019/P&EA dated 23/05/2019.
3. Minutes of the 5th HLEC meeting held on 06/07/2019.
4. G.O. (Ms.) No. 25/2019/P&EA dated 13/08/2019.
5. Minutes of the 6th HLEC meeting held on 11/10/2019.
6. G.O. (Ms.) No.28/2019/P&EA dated 15/11/2019.
7. Minutes of the 7th HLEC meeting held on 21/11/2019.

ORDER

In the aftermath of the flood of 2018, the Rebuild Kerala Initiative (RKI) has been entrusted with the task of planning and implementing a rebuilding strategy for the state as per the G.O. read as 1st paper above. As per the G.O. read as 2nd paper above, the Government had approved the Rebuild Kerala Development Programme (RKDP) which constitutes the State's strategic road map for a Green and Resilient Kerala. It encompasses cross-cutting and sector based recommendations on policy, regulatory and institutional actions as well as priority investment programmes that are critical for resilient and sustainable recovery and rebuilding of the state. The G.O. read as 1st paper above, also details the operational strategy and institutional framework which deals with deployment and utilization of funds for speedy execution of projects under RKI. The Institutional Framework of RKI is governed through:

- Council of Ministers
- Advisory Council

- High Level Empowered Committee (HLEC)
- RKI Implementation Committee (RKI-IC)

2. As per the operational guidelines and framework of RKI, it has been provided that the HLEC shall approve the project profiles submitted to it by the RKI-IC for placing before the Council of Ministers.

3. The Local Self Government Department had submitted proposals from Kudumbashree amounting to ₹1002.07 crores in the 5th HLEC meeting held on 6th July, 2019. The HLEC, as per the minutes read as 3rd paper above, considered the proposals and decided to approve projects limited to ₹250 crore. HLEC directed that priority should be given to undertake skilling and entrepreneurial developmental programmes to ensure sustainable livelihoods, and which are not currently undertaken by any other department.

4. As per the G.O. read as 4th paper above, the Government directed that HLEC shall submit to Government, recommendations regarding approval of funds under DPL after considering project proposals submitted to HLEC by Kudumbashree.

5. Accordingly the Kudumbashree submitted Detailed Project proposal with the components viz. Disaster Relief and Livelihood Programmes at an estimated cost of **₹250 crore**. Abstract of the financial outlay of the projects are as given under:

No.	Item	TOTAL (₹ In crore)
1	Disaster Relief	45.00
2	Livelihood Programmes	205.00
	GRAND TOTAL	250.00

Financial outlay split-up of the projects under Disaster Relief, component wise is extracted below:

i. Disaster Relief (₹45.00 crore):

SL. No.	Items	Units / Components	Number of Beneficiaries	Rate per Unit	Total (Rs.crore)
1	Crisis Management Fund	10,000 JLGs	50000 Nos.	Rs.20,000	20.00
2	Vulnerability Reduction Fund	25,000 NHGs	1,50,000 No.s	Rs. 10,000	25.00
TOTAL			2,00,000		45.00

Financial outlay split-up of the livelihood project, component wise is extracted below:

ii. Livelihood Programmes (₹205 crore):

SL. No.	Items	Units / Components	Number of Beneficiaries	Rate per Unit (in Rs)	Total ₹ (in crore)
1	Skilling for Wage Employment	10,000 individuals	10,000	60,000	60.00
2	Skilling to Connect to Work	4560 individuals (152 block x 30 people)	5000	10,000	5.00
3	Skilling for Self Employment (ARISE)	10,000 (7000 individuals and 1000 groups x 3 people)	10,000	10,000	10.00
4	Kerala Chicken Project	1000 farms, 250 sales units, 3 breeder farms	5000		22.00
5	Egg Value Chain Project	1000 egg collectors, 152 packing units, 100000 egg	102000		8.00

		producers and branding			
6	Start up Village Entrepreneurship Programme	16800 enterprises (1200/block x 14 blocks)	20,000	35,000	70.00
7	CEF to CDS	10 M. E. per CDS x 600 CDS will get loan (6000 enterprises)	10,000	500,000	30.00
TOTAL			1,60,000		205.00

(A brief explanation of the project components, the activities envisaged there under and the estimates involved is given as **Annexure** to this order.)

7. After having considered the proposal in detail, the HLEC approved the same as per its minutes read as 5th paper above. It was also decided that component of administrative cost outlined in the project components can be met from the project fund, provided the support from RKI will be limited to the augmented part of the project wherever applicable.

8. As per G.O. read as paper 6 above, the Council of Ministers approved "in-principle" taking up the said projects of Kudumbashree under RKI using DPL funds. The HLEC as per the minutes read as 7th paper above had accorded sanction to issue Administrative Sanction to the projects as detailed above.

10. In these circumstances, the Government are pleased to issue Administrative Sanction for the implementation of the projects of Kudumbashree, with the components as detailed in the above mentioned paras, under the Rebuild Kerala Initiative by sourcing funds from the World Bank's Development Policy Loan. Sanction is also accorded to meet the administrative cost outlined in the project components from the project fund, provided the support from RKI will be limited to the augmented part of the project wherever applicable. The expenditure shall be limited to ₹250 crore (Rupees Two Hundred and Fifty Crore only) during the financial

year 2019-20. Expenditure in this regard will be debited to the budget provision under H/A 5475-00-115-94-Post flood Projects under Rebuild Kerala Initiative (P).

11. The Local Self Government Department shall formulate an effective monitoring mechanism for the timely implementation of the project. All mandatory clearances from relevant departments shall be obtained as per rules in force. The beneficiaries involved shall be selected in a transparent manner.

By order of the Governor,

Dr. VENU V.

PRINCIPAL SECRETARY

To

The Executive Director, Kudumbashree, Thiruvananthapuram

The Principal Accountant General (A&E/ Audit), Thiruvananthapuram

Information & Public Relations(Web & New media) Department

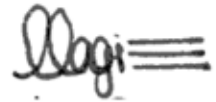
(for publishing in the Govt. Website)

Local Self Government Department

Finance Department

SF/Office Copy [File No.RKI-3/96/2019-PLGEA]

Forwarded/ By Order,



Section Officer

Copy to:

Additional Chief Secretary, Local Self Government Department

Special Secretary to Chief Secretary.

All members of HLEC and RKI-IC.

1. DISASTER RELIEF

BACK GROUND:

The most affected sector in Kudumbashree due to the devastating floods was Agriculture. Hundreds of women farmers who ventured into farming after obtaining bank loans have faced heavy setback during the floods. Farmers who mainly took up cultivation of food crops and intercrops were pushed into huge financial crisis. In the preliminary survey estimated that the loss of rupees around 197.21 crores. Actual figures could be much more higher if future damage assessment in terms of loss of soil fertility, land reclamation costs, accrued loss on borrowings, collateral damage etc are included.

The flood loss survey indicated that 41 % of JLGs and 60% of the total farming area were badly hit with a calculated production loss of about 197.21 crores. 25,056 JLGs are severely affected who have with bank loans or from their own savings have invested money for cultivation. 29,415.43 acres of area having standing crops which were almost ready for harvest d was destructed entirely. Buoyant with the success of previously implemented interventions of such manner huge investments were done by many JLGs with proper technical and financial support from Kudumbashree.

As lease period for agricultural purpose has been restricted to only one year, its common that most women farmers do not bother to insure their crops. Apart from that the fact that such a colossal calamity was never anticipated less attention was paid for insurance. This aggravated the loss in immediate and unrecoverable damage amount in the farm sector.

Proposed approach to resilient rebuilding:

i. Crisis Management Fund for restoration of JLG activities:

Joint Liability Groups of Kudumbashree is doing traditional agricultural practices as well as agri-preneurial activities. Area incentive and interest subsidy are provided to Krishi sanghams (JLGs) every year, area incentives apparently linked to JLGs having linkage loans only.

Land reclamation costs, accrued loss on borrowings and collateral damages have pushed the JLGs to find it hard to re-orient themselves to be engaged again after the flood. Having leased lands for cultivation with no insurance and not able to avail

loans as the previous loans could not be cleared enough, they struggle hard to get back into normalcy. It has therefore become imperative to extend strong support for basic farm operations like land development activities, irrigation and drainage facilities, input needs, etc.

a. Beneficiary selection

It is approximated that there are many JLGs that need imperative and urgent assistance for rejuvenation of farm activities. Out of 65,000 JLGs, 10,000 JLGs who were severely hit will be selected for this in the initial stage for extending support. Around 50,000 women farmers (10,000 JLG groups) who are in flood related crisis will immediately be supported through the Crisis Management Fund.

b. Budgeting of assistance:

Based on the proposals submitted by the JLG groups and its verification, maximum 60%, subject to a limit of ₹20,000 can be given per JLG as subsidy. The rest of the amount may be raised from various sources like beneficiary contribution, bank loans, thrift etc.

c. Mode of implementation and monitoring:

The selected beneficiaries are required to submit proposal indicating the time bound implementable actions for restoration of farm activities which may include adoption of soil and water conservation methods, de-silting, removal of debris, water table enhancement, clearing of drainage channels, procurement of essential inputs, processing/ value chain activities, reclamation of farm lands, soil health enhancement etc. The proposals will be verified and approved through field verification. Subject to the approval, funds will be routed through district mission offices to the account of community development societies (CDS), which will be distributed to the JLG groups directly based on merit. The CRPs (Master farmer trainers, master farmers) and field officers of Kudumbashree will prioritize, supervise and monitor the effective utilization of funds by these JLGs. Impact assessment study will be carried out after 6 months of disbursing the subsidy.

Plan details

Institutional Approach	Type of Fin Support	No. of Beneficiaries	Subsidy Amount (MAX)	Total Anticipated Amount (₹ lakh)	Expected Outcome
Immediate strategy/plan	Subsidy (not loan linked)	10,000 JLGs	20,000	2000	50,000 farmers or households will directly be benefitted.

ii. Vulnerability Reduction Fund for flood affected NHGs:

Though the Resurgent Kerala Loan Scheme could help over due to huge loss of income and livelihood opportunities. As these people have availed RKLS as well as internal loans from NHGs there is little chance that they will get additional loan from their NHGs at least for another 6 months to 1 year. Moreover corpus of NHG will be very less and will not be able to get either an emergency loan or any bank loan in this period. This will lead them to get in to debt trap. It would be therefore better if Kudmbashree could offer financial assistance in the form of “Vulnerability Reduction Fund” to flood affected NHGs at the rate of Rs. 10,000/- per NHG.

Vulnerability Reduction Fund at the rate of Rs.10,000 will be given to the account of flood affected NHGs and this will be added to its corpus. This fund could be utilized as its corpus and for further credit. It is proposed to provide Vulnerability Reduction Fund to 25,000 flood affected NHGs at the rate of 10000 per NHGs, which sum up to 25 Crore. Fund Disbursement methodology is as follows.

Fund Disbursement to Kudumbashree District Mission	3 days
Submission of Application by NHGs to CDS	10 days
Compilation and submission of application to District Mission by CDS	7Days
Disbursement of Fund to NHGs	10 Days

2. LIVELIHOOD PROGRAMMES:

i. Skilling for Wage Employment

The programme aims to initiate trade related Skill Development and Placement Programme in the state and to build skills of 10000 youth across the flood affected areas and to ensure suitable wage employment to at least 7000 and self-employment to 3000 youths. The skill sectors include automotive, electrical, electronics, apparel, telecom, tourism, hospitality, security etc. It will provide sustainable livelihood through wage employment, enhance the employability through organised skill training, increase the income of affected poor through structured, market-oriented certified courses that can provide salaried employment and/ or self-employment opportunities and ensure inclusive growth with increased contribution of skilled poor to the economy.

Total financial requirement for imparting skill training and placement to 10000 candidates is ₹61.68 crore, including project cost and support cost. All financial calculation is done based on the guideline developed by MoRD for 'Deen Dayal Upadhyay-Grameen Koushal Yojana' (DDU GKY scheme) and common cost Norms of Ministry of skill development and entrepreneurship. Kudumbashree is the nodal agency for implementing DDU GKY (scheme for Skilling and placement initiative) for Kerala and also has the existing staff structure at State, District, block and panchayath level. Hence there is no need for separate fund allocation for staffing.

Budget estimates for the programme is as detailed under:

Budget Estimation for 10000 Target								
S. No	Budget Heads	3 Months - 576 Hrs			6 Months - 1152 Hrs			
		No of candidates	Per unit cost	Total projected cost (Rs.)	No of candidates	Per unit cost	Projected Budget (Rs.)	Total projected cost (Rs.)
A.Programme Cost								
1	Training cost							
	A. Category - I @ 46.70/ Hr	3500	26899	9,41,47,200	1500	53798	8,06,97,600	17,48,44,800
	B. Category - II @ Rs	2100	23040	4,83,84,000	900	46080	4,14,72,000	8,98,56,000

	40.00 / Hr							
	C. Category - III @ Rs 33.40 / Hr	1400	19238	2,69,33,760	600	38477	2,30,86,080	5,00,19,840
	Total Training cost	31,47,20,640						
2	Boarding and Lodging							
	B. Y - 840 Category	22500	18900000	360	45000	16200000	3,51,00,000	
	C. Z - 840 Category	18000	15120000	360	36000	12960000	2,80,80,000	
	Others	1200	15750	17640000	480	31500	15120000	3,27,60,000
	Total Boarding Cost:	9,59,40,000						
3	One time travel cost	7000	4500	31500000	3000	4500	13500000	4,50,00,000
4	Food and Transport cost for Non Residential	4200	9000	37800000	1800	18000	32400000	7,02,00,000
5	Post Placement Support							
	Within District	980	2000	1960000	420	2000	840000	28,00,000
	Within state	2205	3000	6615000	945	3000	2835000	94,50,000
	Out side the state	1715	6000	10290000	735	6000	4410000	1,47,00,000
	Total Post Placement Support Cost:	2,69,50,000						
6	Uniform	7000	1000	7000000	3000	1000	3000000	1,00,00,000
7	Assessment & Certification	7000	1500	10500000	3000	1500	4500000	1,50,00,000
	Total Program cost (A)	57,78,10,640						

B. Support Cost		
1	Skill Gap Assessment	20,00,000
2	Information, Education and Communication (IEC)	12,00,000
3	Capacity Building	8,00,000
	Total Support Cost (B)	40,00,000
	Total Administrative Cost(C) @6%	3,50,00,000
	Total Cost (A+B+C)	61,68,10,640

Expected Outcome:

A total of 10000 youth in the flood affected districts will get the benefit of the programme, in ensuring gainful wage employment with a minimum salary of ₹8,000/-; placement being ensured through desk and physical verification.

ii. Skilling to Connect to Work (Skill development of 5000 Educated Youth)

Skilling to Connect to Work is a comprehensive non residential training program of imparting soft skill trainings to educated youth In Kerala to prepare them to get a job. This project will benefit to 5000 youth of Kerala in the year 2019. At first step 152 centers will be opened as Connect to Work centers in each block. After the successful completion of the first phase, the project will be extended to all LSGs.

OUTCOME: The Connect to work training program will act as Soft skill excellence program for the educated youth to get jobs. At first step 5000 youth and their families of Kerala will be benefitted from this program.

BUDGET SUMMARY FOR CONNECT TO WORK:

SI No.	Particulars	Description	Details	Amount ₹
1	Module development	Module and syllabus development	600000	5,00,000
2	Study materials	Printing of the materials for the 5000 students. Study material: ₹50 per student.	5000*50	2,50,000

3	Infrastructure of the C2W training centers	Infrastructure preparation of the training centers which includes rent, One time purchase of the furniture etc in 152 centers. 150000 per centre.	152*150000	228,00,000
4	Training for C2W catalysts of 152 persons	3 month intensive residential training (1000 per person for 152 catalysts for 3 months)	152*1000*90	136,80,000
5	3 month training to a batch of 50 by the C2W catalysts	Catalyst will be paid ₹8000 per month for the training	152*3*8000	36,48,000
6	Monitoring and documentation cost			1,00,000
7	Stipend for students	Stipend for 5000 student @ ₹20/day.	5000 x20x90	90,00,000
8	Miscellaneous costs			22,000
Total			500,00,000	

III. SKILLING FOR SELF EMPLOYMENT :

ARISE (Acquiring Resilience and Identity through Sustainable Employment)

Kudumbashree has launched ARISE (Acquiring Resilience and Identity through Self Employment), the state level programme for extending skill training. It aims at extending skill training to flood affected families, thereby equipping them for paid employment. The project mainly aims at helping them in attaining resilience. However, those who reside in the non flood affected areas can also become part of the skill training programme. The tenure of the training programme will be eighteen months. Interested men from Kudumbashree

families can also become part of the programme. Along with helping people to start individual-group enterprises, the campaign also aims at strengthening the micro enterprise sector of Kudumbashree Mission. Kudumbashree members who register in CDS level will be given skill training through the empanelled accredited training agencies and tie up with Govt. ITIs, Poly Techniques to provide trainings in selected areas.

The project envisages creating a team of multi task personnel skilled in multiple areas like Plumbing, Electronics repair, Electrical work, essential Carpentry and Masonry. It proposes to provide skill training for 10,000 candidates. ₹10 crore will be required approximately for skilling 10,000 candidates. Tool Kit, Identity Cards and Uniforms will be given to Multi Task teams after their training.

Budget estimates for the programme:

Activity	No of beneficiaries	Unit Cost	Total Amount (In Cr)
Skill training	10000	Rs.10000	10

Expected Outcome:

- Sustainable livelihood for 10,000 families to this project.
- Formation of Multi task teams in CDS level. Three trained personnel per CDS in 941 CDS, covering 3000 members.
- 7000 trained members in wage employment / Service sector Micro Enterprises Ensure minimum monthly income ₹10000/candidate

IV. KERALA CHICKEN PROJECT:

The aim of the Kerala Chicken project is to produce 500,000 broiler birds per day and attain 50% of the domestic market of broiler chicken in Kerala through Kudumbashree; and become the primary producer of broiler chicken in Kerala.

The target for the first year is to achieve 5% of the Total Domestic Market.

Kudumbashree envisages to establish the required infrastructure and facilities to achieve this aim, which include the following components.

1. 3 Regional Breeder Farms (Broiler Parent Birds Farm) – 1.9 Lakh chick/week
2. 1000 Broiler Farms – 2 Lakh square foot total
3. 3 Regional Poultry Meat Processing plants – altogether 50MT birds / Day
4. 3 Regional Rendering Plants – altogether 50MT waste / Day
5. 250 sales outlets
6. Statewide Branding and Marketing

Following is the budgetary requirement for the implementation of the project from RKI.

BUDGET SUMMARY FOR BROILER PARENT STOCK FARM:

SL. No.	Name of Project	Budget (Amount in crores)	
		Year I	Year II
1	3 Broiler Parent Stock Farms each with weekly production capacity 60000 hatchable eggs	12.50	0.00
3	Broiler Parent birds purchase (45000 No.'s each for each regional unit annually)	3.50	0.00
4	Broiler Parent Feed and other recurring costs for one year	6.00	0.00
	TOTAL	22.00	0.00

VI. EGG VALUE CHAIN

As per the economic review published by the State Planning board, Thiruvananthapuram the total egg production in the State was at 2.23 billion eggs in the year 2012-13 and then 2.34 billion in 2016-17. Kerala ranks 9th among States of India in egg production.

Kudumbashree envisages to collect and market the backyard egg produced by the Kudumbashree beneficiaries and support them for utilising the market. A value chain system shall be established in the state for procurement, packing, branding and marketing of the eggs produced the Kudumbashree beneficiaries, and it shall be marketed by the brand name 'JANOVA'.

TARGET BENEFICIARIES :

Kudumbashree members are the targeted beneficiaries of the proposed project. It is estimated that **40000** rural women will directly get benefit from the proposed project. More than **100000** people indirectly get benefits from the proposed projects.

PROPOSED ACTIVITIES:

Activities	Location
Egg Collectors (women)	Statewide 1000 numbers
Egg Packing and Collection Centers	152 units. One at each Blocks
Egg Kiosk	93 units. One at each ULBs
Egg powder Factory	One unit at Alappuzha
Brand promotion exercises	Statewide

Following is the budgetary requirement of the project from RKI.

BUDGET SUMMARY:

SL No	Name of Project	Budget (Amount in crores)	
		Year I	Year II
1	1000 Egg Collectors (trained, employee-branded) one at each CDS/Panchayath	2.00	0.00
2	152 Egg Packing Units one at each block	1.52	0.00
3	Egg Branding & Traceability System (FSSC22000)	0.48	0.00
4	1 Egg Powder Manufacturing Unit	1.80	0.00
	TOTAL	5.80	0.00

BUDGET SUMMARY FOR BRANDING AND MARKETING

SL. No.	Name of Project	Budget (Amount in crores)	
		Year I	Year II
1	Branded Packaging system sales unit	0.10	0.00
2	State-wide brand promotion exercises	2.00	0.00
3	Standardization of production process and unification of quality	0.10	0.00
	TOTAL	2.20	0.00

VII. START-UP VILLAGE ENTREPRENEURSHIP PROGRAMME:

The Start-up Village Entrepreneurship Programme (SVEP) is an existing flagship livelihood support programme under NRLM which promotes entrepreneurship among rural poor, in non-farm sector. Based on the success of implementing the SVEP and analysing the results, it has been decided that SVEP model based support will be appropriate for the post-flood livelihood support in the identified blocks. The proposed project is along SVEP lines, but is expected to promote enterprises across farm and farm based, animal rearing and animal products and non-farm sectors. The project envisages to promote 16,800 enterprises across 14 flood-affected blocks through around 300 Micro-Enterprise Consultants (MECs) trained as part of the project.

Total budget requirement is **₹70 crore** at ₹5 crore per block. Of this, a total of ₹42 crore will be Community Enterprise Fund (CEF) to be maintained by the block level community institutions at ₹3.0 crore per block.

IV. COMMUNITY ENTERPRISES FUNDS (CEF):

Introduction of better financing avenues for micro enterprises and livelihood activity groups is a necessity to bridge the gaps of access to finance faced by the enterprises which are functioning as an Income Generating entity and/or as a Livelihood vehicle of women groups. Considering the credit needs of women entrepreneurs and importance of community managed loans over institutional loans and to create support ecosystem at community level.

CEF has been designed by Kudumbashree to cater to the livelihood and developmental aspects of micro enterprises as soft loans through Community based Organisation namely Community Development Society (CDS). The Program is designed to cater the capital needs of enterprises opting for expansion such as procurement of assets, working capital requirements, the needs of obtaining forward and backward market linkages and also as Startup Capital for new enterprises. CEF will also be made available to enterprises in the primary sector, nonfarm livelihood ventures and farm related activities. CEF is designated to revolve among the entrepreneurs promoted by CDS, as the repayment pools in new loans will be sanctioned by the CDS.

OBJECTIVE: To assist 600 CDSs with financial grant as community funds (revolving fund) to support 20,000 women entrepreneurs who are a part of 6,000 Micro Enterprises/Livelihood Activity Groups through community lend soft loans exclusively for taking up activities in regard to enterprisedevelopment and thereby enable conducive environment for livelihood activities at the CDS.

Programme details are captured in the following table.

Program Name	Number of Units	Amount of Assistance to Units	Total Fund Required	Number of end beneficiaries	Outcome
Community Enterprises Fund	600 Community Development Societies	5 Lakhs (Average)	30 crore	20,000 women entrepreneurs of 6000 Kudumbashree Micro Enterprises	6000 enterprises/ Livelihood Activities supported with soft loans for enterprise development activities in the first year. Livelihood promoting ecosystem created at CDS level.

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