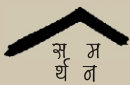
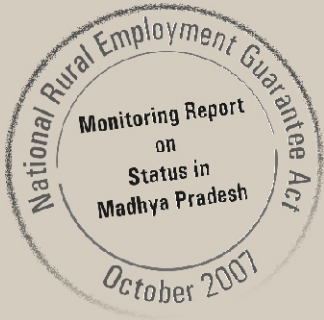


National Rural Employment Guarantee Act

MONITORING REPORT ON STATUS IN MADHYA PRADESH

October 2007



SAMARTHAN

Centre for Development Support

Report prepared by :

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ON

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October 2007



EXECUTIVE

National Rural Employment Guarantee Scheme is unique because of the demand based approach intended in the National Employment Guarantee Act. The Periodical watch by Civil Society Organizations is needed to understand the loopholes and strengths of the programmes for further rectification and up gradation to reap maximum benefit out of it.

Samarthan has over the last 10 years worked towards strengthening participatory development and governance processes in Madhya Pradesh and Chattisgarh. Over the last one year, the focus has been concentrated on influencing NREGA implementation and affecting application of Right to Information. The report is in two parts capturing the status of NREGA implementation in Madhya Pradesh and Chattisgarh. It is an attempt to closely observe procedural bottlenecks as well as impacts of the NREGS in the states.

The primary purpose of bringing out the status of NREGA implementation in the state is not to point out shortcomings, since it is evident, that the NREGA implementation is in its nascent stage. The larger aim of the report is to build joint ownership of the learning' emerging from the report by the civil society and the government to improve the strategy of support at the grassroots. Additionally, it aims to influence the programme design and operational areas in based on the experiences from the grassroots at the state level by establishing regular dialogue process with the senior executive machinery especially in context of entitlement access by the poor.

I would like to acknowledge the support provided to us by PACS programme in conducting this study. I am thankful to the government officials and their official data sources, which helped build macro analysis for the study. I would like to express my gratitude towards the field level CSOs of PACS in Madhya Pradesh & Chattisgarh, state resource organization, communication agencies, State Programme Manager of PACS programmes and grassroots leaders who provided necessary quality data for undertaking the study. I would also like to mention untiring efforts of programme and support teams of Samarthan to bring it out in the best possible manner.

Yogesh Kumar

Executive Director

Samarthan, Centre for Development Support

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Status Report of Monitoring - Madhya Pradesh

1. Background

On January 13 2006, the cabinet of Madhya Pradesh Government approved the various proposals of Panchayats and Rural Development Department regarding implementation of the provisions of the National Rural Employment Guarantee Act 2005. Under the aegis of the Act, a scheme called the Madhya Pradesh Rural Employment Guarantee Scheme was floated by the Department of Rural Development. The scheme covers 18 districts of Madhya Pradesh including Jhabua, Mandla, Umaria, Shahdol, Badwani, Khargone, Shivpuri, Sidhi, Tikamgarh, Balaghat, Chhatarpur, Betul, Khandwa, Sheopur, Dhar, Seoni, Dindori and Satna in the first year of implementation. Since April 2007, additional 13 new districts were included under the scheme viz. Rewa, Rajgarh, Damoh, Datia, Dewas, Ashoknagar, Guna, Anuppur, Burhanpur, Harda, Chindwara, Katni and Panna.

The scheme has raised a lot of expectations from the Panchayats in particular to provide people with ample opportunities for work. This is perhaps the first time that the Panchayats have been provided with the freedom to plan and execute works and is backed by substantial resources, which are at their own disposal. Ideally, the programme is poised to bring about a radical change in the rural areas of the state as far as employment generation and creation of sustainable assets for the villages is concerned.

The programme's efficacy is based on the logic of using the productive capacity of ordinary rural folk to build and nurture assets, while simultaneously alleviating the problem of chronic unemployment and poverty. The Act provides an opportunity to build rural infrastructure through watershed development, restoration of water bodies such as tanks and canals, activities aimed at forestry, land development, and soil erosion and flood control, and construction of roads and institutional facilities. Anyone willing and able to perform unskilled manual labour at the statutory minimum wage can apply for work, which must be met by the Panchayat within 15 days failing which an unemployment allowance must be provided.

Some of the salient features of the Madhya Pradesh Grameen Rozgaar Guarantee Yojana are as follows:

- During the first phase of the implementation of the scheme, 18 districts of Madhya Pradesh are being covered under the scheme.
- The scheme ensures that any family, living in the rural area (of the selected districts), who are willing to do manual labour would get guaranteed employment of 100 man days per year per family.
- Employment to families is basically demand based, which means that guaranteed employment is given to families that demand employment.

- In case, the Panchayat is not able to provide employment within 15 days of the receipt of the application, then the state government is bound to provide the family with unemployment allowance.
- The scheme provides opportunities for the gram Panchayats to prepare plans for infrastructure development in consultation with the Gram Sabha.

2. Objectives of the Study

- To review the current status of implementation of NREGA in Madhya Pradesh
- To identify emerging strengths and weaknesses for wider dialogue for improvements
- To evolve strategies for affecting implementation of the programme as a joint initiative of the government, civil society and the Panchayati Raj institutions

3. Methodology

3.1. Sampling

Considering the fact that as stated in NREGA operational guideline, Panchayats has been made the principal authority in implementation of NREGA, unit of sampling is Panchayat. Overall 50 Panchayats from different socio-cultural background were selected as sample from 5 districts in Madhya Pradesh. The data from the field was collected by 9 CSOs working as a partner in the PACS Programme in the NREGA districts.

State	No. of CSOs	No. of Districts	No. of Gram Panchayats
MP	9	5	50

3.2 Study tools

The study was conducted using structured interview schedules. A set of five questionnaires focusing on different types of respondents was administered. These questionnaires were framed to collect both qualitative as well as quantitative data with respect to the implementation of the scheme. Case studies were also collected from the field to substantiate the findings from the research. The details of the questionnaire are as mentioned below:

State Level Data Format: The state level formats were administered with the state level officials implementing the scheme. The format gathered information on the methods of popularizing the scheme, the arrangements for peoples participation, the state level strategy for implementation of the scheme, and on how the MIS and online monitoring systems are maintained.

District level formats: The district level formats were designed to collect information on the aspects of implementation in the districts. The

questionnaire focused on the manpower available at the district, the flow of funds from the Central government, the difficulties that the district administration is facing in implementing the scheme and the suggestions from the district administration for improvement in the scheme.

Gram Panchayat level formats: The format captures information on the number of families in the village, the BPL families, and the number of families with and without job cards. The format also captures information on the perspective plan prepared in the village, the budget for the year, the targeted beneficiaries, and the man days of work that would be generated. The format collects information on the details of implementation of the scheme in the village and peoples perspective on each aspect.

Village level formats: The village level schedule was primarily focused on collecting data from the citizens. The questions included seeking information from labourers on the wage payment, the measurement aspects, the muster roll preparation etc. it also looked into the aspects of worksite facilities available. A section on identifying issues related to women and children was also included in the questionnaire.

4. Status of NREGA in Madhya Pradesh

4.1 Registration and Job Cards Issued

In Madhya Pradesh, the registration of job cards was initially done on the basis of the list of families generated during the BPL survey that was conducted in the year 2003. Since 2003, some families had split up thus there were a large number of families which were not originally in the BPL list of 2003. With the efforts of the civil society organizations working in the state, some of these families could be registered for the scheme. As per the secondary sources, the total families registered as of now in Madhya Pradesh is 4446195 of which, 41.2% belong to the ST category and 14.2% belong to the SC category. From the field data it is evident that job cards have been distributed most of the families that are registered under the scheme.

It is also interesting to see that Madhya Pradesh is way ahead as far as providing 100 days of guaranteed employment to the households. While the national average is 5.7%, it has been observed in Madhya Pradesh that nearly 12% of all the registered households have received 100 days of employment. The data on the registered households and the households which have received 100 days of employment is as mentioned below.

State	Number of Registered HH	% HH receiving 100 days of employment
Madhya Pradesh	4446195	12.0
India	37849702	5.7

Within the state, there is variance among the districts that have issued job cards to the households. Sidhi stands apart with the maximum number of families which have been issued job cards (more than 4.26 lakh which is nearly 10% of the state total). The top five districts that have issued the maximum number of job cards are as mentioned below.

Households with Job Cards			
Rank	District	Total HH issued Job Cards	% of the State Total
1	SIDHI	426103	9.58
2	BALAGHAT	348207	7.83
3	SATNA	344685	7.75
4	DHAR	324298	7.29
5	KHARGONE	281619	6.33
	Madhya Pradesh	4446195	

According to official estimates, 100 % families in the NREGA districts are registered. Thus the number of families registered in Madhya Pradesh appears to be very high. Though this looks impressive, people have not actually applied for registration. Rather the Panchayats have done the registration on their own and have issued the job cards. This fails the purpose of registration to an extent. The purpose of registering families for the scheme was to ensure that only the deserving families (or families willing to do manual labour) get the job cards and the job cards are not misused. It has been observed in the Panchayats of Sidhi district that the job cards issued to the families which are economically well off are being misused for making fake entries in the muster rolls.

Though the scheme is not restricted only economically backward class, but there is a great chance of misuse of the job cards if they are not being used. As of now, in Madhya Pradesh, most of the families in the NREGA districts are registered and there are more job cards than that are actually required. It was observed that in 96% Panchayats registers for registers were kept and maintained (though partially). These registers are mostly being maintained by the Panchayat secretaries.

An anomaly in the process of registration in Madhya Pradesh is that there are instructions regarding including the families who were left out in the BPL survey 2003. However there are no instructions on including individuals who have attained 18 years of age since 2003. As of now, any new name is being added only at the initiative of the Panchayat.

Madhya Pradesh has been one of the leading states as far as distribution of the job cards to the registered households is concerned. It was however

observed that while, the job cards have been prepared and distributed to a large proportion of the registered families, these documents are not being used properly. In most of the districts the job cards are not being filled. This tends to defeat the whole purpose of issuing the job cards as there is not record of when the family has applied for the job, or how many days the family has been employed etc.

Another issue pertinent to the job cards is the delay in release of job cards. The scheme specifically states that the households, who have applied for registration, should receive the job cards within 15 days, while the grassroots experiences in Madhya Pradesh reveal that in most Panchayats there were delay of more than one month in receipt of the job cards. Of the total families surveyed, it has been observed that job cards have been issued to 91.99% families. However, job card distribution figure shows that only 79% registered families have received the job cards yet.

Status of Registration & Job Card distribution in Sample Villages of Selected States	
<i>State</i>	<i>Madhya Pradesh</i>
<i>Job Card Issued against registration (%)</i>	<i>91.99</i>
<i>Job Card distributed to Total sample HH (%)</i>	<i>79.35</i>

It has also been observed that once the work is done, the job cards issued to the families are taken back by the Panchayats for making entries in it. Job cards are the most important instrument which can ensure that the workers are not being cheated on their entitlements. However it has been observed in most of the Panchayats that the job cards are often kept with the Sarpanches or Sachivs. In Jhulna Panchayat of Shivpuri District, though every member of the Gram Sabha has been registered and their job cards have been prepared, it has not been distributed to the workers yet. In Barmani Panchayat, of Sidhi district it was observed that the job cards of the workers were with the Forest Department for the work done on a plantation site in the Panchayat.

4.2 Employment Provided Against Applications Given

The demand for employment in Madhya Pradesh has been higher than the national average. While the national average of demand for employment from the registered households is around 56%, the demand in Madhya Pradesh is nearly 62%. The number of households that have received employment under the scheme has also been quite satisfactory. In the first monitoring report it emerged that only 44% of the registered households received jobs whereas during this phase it was observed that 65% registered households had received jobs under the scheme. The percentage of registered households which have completed 100 days of employment in the

last financial year is also high in Madhya Pradesh. While the national average for households which have completed 100 days of employment is 5.6% it stands at almost 12% in Madhya Pradesh.

State	No. of households who have demanded wage employment	% of households provided employment	No. of women provided employment	% of households which have completed 100 days of employment
MADHYA PRADESH	2733762	104.85	979095	19.44
INDIA Total	21188126	99.18	4340126	10.11

State	No. of women provided employment
MADHYA PRADESH	979095
INDIA Total	4340126

Though this data seems to be very impressive, this can still be a misnomer. It has been observed in the field that people are not actually applying or demanding jobs as a right. Invariably in all the districts, works being undertaken by the Panchayats (or other agencies) are being done as any other developmental work. People are being absorbed because there is an ongoing work in the village. Whereas the guidelines of NREGA very specifically states that works should be undertaken only if there is a demand for labour and not vice-a-versa. The real challenge would be some years down the line when there might not be sufficient work within the village or when the Panchayats might not have funds to initiate new work. Considering the fact that the act and the schemes that the state government has formed is still new and people are not as aware on the 'demand' aspect of the act, there will be a lot of pressure on the state governments when real demand for employment generates in these districts.

Among the 27 states where NREGA is being implemented, Madhya Pradesh ranks first as far as employment generation is concerned. In the number of households that have demanded employment, the state ranks 2nd. Within the state, Sidhi has been the best performing state as far as number of person days generated. Till March 07, more than 2.2 crore person days of work were generated in the district. The lowest was recorded in Sheopur with around 40 lakh person days of employment generated. Cumulative, in Madhya Pradesh more than 19.17 crore person days work have been generated till March 2007. The top 10 districts with the highest person days of employment generated in the state are as shown in the table below.

Rank	District	Total	
		House Holds Covered	Lakh Person days
1	SIDHI	306660	222.16
2	DHAR	199582	174.38
3	MANDLA	162682	143.37
4	BALAGHAT	248485	130.68
5	JHABUA	180000	123.17
6	BARWANI	146495	116.57
7	SEONI	183885	114.15
8	TIKAMGARH	155900	107.88
9	DINDORI	130037	107.17
10	CHHATAR PUR	143939	106.79
	State Total	2917429	1971.8

Source: www.nrega.nic.in

It is encouraging to see that the state has provided the maximum employment opportunities to women and tribals in the country. Within the state Sidhi has provided maximum employment opportunities for women with the figure of more than 1.15 crore person days. Cumulative, the state has provided more than 8.5 crore person days employment to women in the state. Madhya Pradesh has also made provisions for employment opportunities for disabled in the scheme. Till March 2007, Madhya Pradesh has provided employment opportunities to more than twenty four thousand disabled persons. Tikamgarh has provided the maximum opportunity with more than four thousand and seven hundred disabled persons engaged under the scheme. The top five districts as far as providing employment opportunities for women and disabled are mentioned in the table below.

Employment opportunities for women			Employment opportunities for disabled		
Rank	District	Lakh person days - women	Rank	District	Number of Disabled beneficiaries
1	SIDHI	115.26	1	TIKAMGARH	4715
2	DHAR	88.93	2	DINDORI	3690
3	JHABUA	62.81	3	SATNA	3265
4	DINDORI	53.58	4	MANDLA	2981
5	BALAGHAT	53.19	5	DHAR	1718
	State Total	852.53		State Total	24822

Source : www.nrega.nic.in

4.3 Works Undertaken

Since the launch of the scheme under the NREGA, Madhya Pradesh has been one of the better performing states in the country. It has been observed in the study that in most Panchayats, the five year perspective plan and the shelf of projects have been prepared. Of the total 50 Panchayats surveyed from 5 districts of the state, it was observed in 93% Panchayats that the five year plan and the shelf of projects were prepared. In Madhya Pradesh, most of the plans were prepared by NGOs working in the districts. While some plans were prepared in a participatory manner, several plans have been prepared at the best on the basis of the observations of the surveyors.

In most districts it has been observed that there is a striking similarity in the kind of works being undertaken by the Panchayats. This happens when the works to be done is decided by the block or district level official. Though, the Gram Sabha can reprioritise the plans according to their needs, there are no clear instructions in this regard. Thus people are not aware of this provision and the scheme is being implemented as any departmental scheme. There is a need to develop clear cut instructions from the State Council on how the annual and five year plan can be revised. There is also a need to spread awareness on this aspect so that people can revisit the plans prepared and get works done according to the need of the village.

Overall it was observed that of the total sample Panchayats covered under the study, five year plans were prepared in 93% Panchayats. Among the surveyed districts, it was observed that the average value of an annual plan of the Panchayat is slightly above Rs 25 Lakh benefiting on an average 317 families per Panchayat with an outlay of approximately Rs 8000 per family. However if we consider the fact that approximately 60% of the planned amount will be paid as wages, then the average amount that a family would get during the year is only around Rs 4800. The average employment generation in the surveyed Panchayats of Madhya Pradesh was found to be around 53 thousand man days per Panchayat per year.

It was observed from the data collected from the field that the time taken in granting technical sanction in more than 70% cases has been within 7 to 15 days. In Madhya Pradesh, the works have been undertaken at a reasonably good pace. One of the reasons for this has been the speed with which the technical sanctions have been granted. In some Panchayats the technical sanction of work takes more than 15 days which results in delay in beginning of the work. It has also been observed in Madhya Pradesh that in 59% cases, the Panchayats have received the funds within 15 days of the technical approval.

4.4 Wage Payment

The expenditure pattern of Madhya Pradesh in the scheme has more or less

remained the same in the first as well as second monitoring report. The expenditure on wages (skilled as well as semi-skilled) still accounts for nearly 70% of the total expenditure incurred. During the first monitoring report it was observed that the expenditure on wages was slightly above 70%, on material around 29% and on contingency 0.68% during the current round of monitoring, the percentage expenditure on Wages, Material and Contingency has been 68%, 30% and 1.6% respectively. The national average of expenditure pattern is also shown in the table below. Madhya Pradesh has been frontrunner as far as expenditure on wages and material is concerned. The contingency expenditure of the state has been amongst the lowest in the country. The cumulative expenditure (wages, material and contingency) for Madhya Pradesh has also been the highest in the country.

Report	Percentage to total expenditure		
	Wages	Material	Contingency
1 st monitoring	70.29	29.04	0.68
2 nd monitoring	68.02	30.42	1.57
National Average	70.29	27.20	2.52

There is a provision of payment of wages within 15 days of completion of work. However wages are being paid on completion of the evaluation of the work and this delay the payment to the labourers. Since there is shortage of staff for evaluating the work completed, the payment of wages gets delayed. There is a trend in Madhya Pradesh that the Panchayats make part payment to the labourers on completion of the work and the remaining amount is paid after the evaluation. In more than 66 % cases, the wages were being paid after 15 days.

Dhoop Singh of Gram Panchayat Sarra (District Seoni, Block Ghansor) has worked in different sites under the scheme. He says that there are several issues that need to be looked into. According to him the maximum wage paid by the Panchayat so far is only Rs 55 and there is no explanation on why the labourers are being paid lesser than the prescribed rate. He says that there are chances that the muster rolls are being fudged and hence the average payment of the workers goes down. He also says that if the muster rolls are read in the Gram Sabha then there are chances that such fudging can be avoided. The others in the village also share similar view. The workers also say that there is often a delay of more than a month in realizing the payment of wage.

There are also instances where the labourers have to move more than 5 kms from their village for work under NREGA. In the surveyed Panchayats it was found that in 5.45% cases people reported that they had to move more than 5 kms for work. However of the total cases where people had got work at such a distance from their own village, it was also observed that the 10% additional wages were paid in only in 33% cases.

Despite the shortcomings in the scheme and its implementation, it has been observed that NREGA has been able to make a difference in the rural livelihood sector. Labour migration is a prominent phenomenon in rural livelihood sector especially in the NREGA district. The sections of population, which migrate, are invariably those who are the most underprivileged. They do not have access to adequate resources, which can provide them livelihood subsistence within their village. The rural livelihood system is heavily dependent on agriculture and the situation is such that even in the peak agricultural season, people might not be having sufficient work due to disguised unemployment. The Scheme under the Act has been designed in such a way that it addresses the issue of migration to quite an extent. If the timing of the work is planned properly then NREGA provides opportunity to the people to work within the village.

Umesh is a landless labourer from the Panchayat Khapdinmaul (District Seoni, Block Ghansor). There are six members in his family including four children. He is the sole earning member of the family and works as daily wage labourer. Since work is not available in the village through out the year, he migrates to other places in search of work (mostly as agricultural labourer or as labourer in the construction industry) and on an average he has to stay out of his village for 8 months in a year. The wages ranged from Rs 40 a day to Rs 60 a day in the other locations. The wages earned were not enough to meet the needs of the family and he also had to take loans from money lenders at a very high rate of interest.

During the last year, Umesh did not migrate for work as he got work under NREGA within his village. He says that he is earning around Rs 60 per day for the work and this is far better than the wages that he was earning earlier. The work under NREGA has brought him closer to family. He also likes the aspect that he can choose the time when he wants work in the village. He said that this year so far he has not taken any loan from the money lenders.

4.5 Unemployment Allowance

Madhya Pradesh has perhaps been the only state which has provided unemployment allowance to the workers. According to official estimates unemployment allowance has been paid to more than 1500 people in the state. Of the surveyed villages, it was observed that in only 53% cases, people got employment within 15 days of applying for jobs. In 34% cases

people got jobs within one month of applying for the jobs. However unemployment allowance has been paid in only around 5 % cases.

It has been observed that in most sites, people are not actually applying for work. The Panchayat initiates the work and people who need work join the work without applying formally. In order to maintain the records, the secretary or the mate then prepares standard application which is signed by the workers. It has also been observed that in several cases, people are neither provided receipts of the applications nor the date of application is entered on the job cards. In absence of adequate proof for the date of applying for work, these workers cannot claim unemployment allowance.

4.6 Provision of worksite facilities

The Act has made provisions to ensure that some basic facilities are made available to the labourers during the work. In Madhya Pradesh, it was observed that these facilities were not available in all the villages. Out of the surveyed villages, it was observed that apart from the availability of drinking water, the other facilities were inadequate in all the districts. Crèche were available only in 23% cases and first aid box in only 39% cases. There were also cases of accidents at worksites. In the surveyed 110 villages (from 50 Panchayats), there were cases of accidents in 9 villages while the worker received benefit in only 2 cases.

4.7 Availability and Maintenance of Records

In Madhya Pradesh, the government has ensured that all the registers reach the Panchayats. Though the registers are available with the Panchayats or the Panchayat secretary, it has been observed in most cases that all registers are not being maintained properly. The most used registers were the registration register, the job cards register, the muster roll and the payment register.

Maintenance of records is an essential component under the Act. The Secretary of the Panchayat Sarra (District Seoni, Block Ghansor) realized the importance when he had a bitter experience with the people in the village. He says that there are people in the village who are applying for work only for the sake of unemployment allowance. In an incident in May 2007, a few villagers came and applied for work under NREGA. The details were entered on their respective job cards and the applicants were also given the receipt of their application. The secretary later on asked the applicants to appear for an ongoing work under NREGA. This was done verbally and the applicants did not turn up for work on the said day. Now Sunni Yadav, one of the applicants is asking for unemployment allowances complaining that he has not been given work and he is entitled for that as per the Act. Since the secretary does not have any evidence to prove that he had called the applicants for work and that they had not appeared for work, he feels helpless.

4.8 Transparency under the scheme

The Act has provided the community with several options which ensures transparency and accountability of the implementing agency. The Panchayat (or the implementing agency) has to keep the community engaged at each stage of implementation of the scheme. There are also provisions of social audit to ensure that the implementing agency remains accountable to the community.

It has been observed during the study that the provisions for transparency and accountability were not being followed adequately. Of the 110 villages covered under the study it was observed that in more than 61% cases muster rolls were not read in the Gram Sabha. In almost 74% cases Muster roll information were not displayed on notice boards.

The Act has made provisions for formation of vigilance committees for monitoring the implementation of the scheme. Though the Madhya Pradesh scheme mentions that the Gram Sabha can form vigilance and monitoring committee, it has not clarified on the structure of the committee and its roles. While these committees were found to be formed in more than 67% cases, in absence of clear guidelines the committees are not functional. Of the total villages where these committees were formed, it was observed that work completion certificates were issued in only around 20% cases.

The monitoring and vigilance committees formed under the scheme are mostly dysfunctional. The state guidelines as well as the orders from the State Employment Guarantee Authority, there is considerable ambiguity in formation and role of these committees. In some districts like Shivpuri, the district programme officer has issued order to the Panchayat secretaries to form gram Panchayat level committees consisting of five members each. It has been observed in Barkhera Khurd, Mangrol and Badokhra Panchayats that such committees were practically not functional. It was observed that in each of these Panchayats, the committee had member only from the main Gram Sabha of the Panchayat. The Panchayat level committees are not able to monitor the progress of work in the work sites in the other Gram Sabhas of the Panchayat. It was also observed that in these committees, all the members were illiterate and could not comprehend what was written in the records of the Panchayat. In Mangrol Panchayat it was observed that the committee mostly had people who were close relatives of the Sarpanch. Monitoring by the community is an essential aspect of the implementation of the scheme.

5. Institutional Mechanisms under NREGA

5.1 State Institutions for Implementation of the scheme

The state level bodies viz. Madhya Pradesh State Employment Guarantee

Council and the Madhya Pradesh State Employment Guarantee Authority have been formed in the state. The Chief Minister heads the general body of the Employment Guarantee Council. The Minister for Panchayats and Rural Development is the vice chairperson. Ministers for Finance, Forests, Water Resources, Revenue, Public Works, Agriculture, Tribal and Scheduled Castes Welfare, vice chairman of the State Planning Board, Chief Secretary, Principal Secretary, Panchayats and Rural Development and two non-official nominees of the state government constitutes the other members of the council. The Chief Secretary heads the Madhya Pradesh State Employment Guarantee Authority. The Authority functions as the state level empowered committee of the council. The scheme launched under the Act is called the Madhya Pradesh Grameen Rozgaar Guarantee Yojana.

At the state level the Department of Panchayat and Rural Development is the nodal agency for the implementation of the scheme. At the district, the district collector is the designated Programme Officer for the project. The CEO Zilla Panchayat is the Assistant Programme Officer and is responsible for administering the scheme at the district level. At the block level, the CEO Janpad Panchayat is the programme officer for the scheme. The scheme also has a provision of appointment of an Assistant Programme Officer at the block level that would be exclusively responsible for the implementation of the scheme.

5.2 Funds for Implementation of the Scheme

Madhya Pradesh has received the largest share from the central government for implementing the Act. The share of Madhya Pradesh under NREGA is more than 21% of the all India total. The resources available with the government and the all India total are as mentioned below. Madhya Pradesh has also been the state which has released the maximum amount of state share among the 27 states where NREGA is being implemented. The Madhya Pradesh Government has maintained the 10% share of funds in the total funds sanctioned for implementation of the scheme. The national average for the State share released is only 8.3%. During the first phase of monitoring (August 2006) the state government had made provisions for the state share for the scheme; however it had not released any amount till then however during the current phase of Monitoring, 100% state share has been released.

State	Release of last year but received during the current year			Release during Current Year			Misc Receipt	Total Availability (Col.6+9)
	Centre	State	Total	Centre	State	Total		
Madhya Pradesh	1467.28	25.84	1493.12	186954.20	20811.53	207765.73	1696.63	213368.36
INDIA Total	69436.59	1049.67	70486.26	826365.54	80191.18	906556.72	24916.40	1207250.90

5.3 Role of Panchayats in Implementation of NREGA

Madhya Pradesh has been one of the states, which has engaged the Panchayats in a major way for implementation of the NREGA. The works to be undertaken under the scheme can be implemented by the government departments, Panchayati Raj institutions, self-help groups or non-government organizations working in the state. However, during the first year of intervention nearly 90% of the works undertaken under the programme have been implemented by gram Panchayats. This also reflects on the utilization of the grants released by the centre to the state government.

Registration of the households interested in working, have to be done by the registration officer or the Sarpanch of the gram Panchayat. The Janpad Panchayat has been made responsible for providing the gram Panchayat with the job cards. The dissemination of the job cards is the responsibility of the gram Panchayat. The Sarpanch of the gram Panchayat has also been provided with the rights to address the issues/objections regarding cards. The decisions of the Sarpanch can be challenged in front of the tehsildar or Nayab Tehsildar within 15 days.

The application for work is to be submitted to the gram Panchayat and the Panchayat is supposed to provide the applicant with a receipt for the application. The Panchayat secretary is responsible for making the entries in the job cards in a prescribed manner. The gram Panchayat has been made responsible for providing employment to the applicants within 15 days of the application.

While the capacities of the gram Panchayats have improved to some extent in planning and implementing infrastructure development schemes, there is still a lot that needs to be done. The Panchayats are still working as per the instructions of the block and district administration. It has been observed in all the districts visited that there were striking similarities in the type of works that were undertaken in a particular period. On being asked, the Sarpanchs said that they initiated activities as per the directions given by the block level Panchayats.

Another issue pertaining to the performance of gram Panchayat is the capacities of the elected representatives to handle the scheme. Invariably it has been observed in all the sample gram Panchayats that the Panchayat representatives said that adequate capacity building initiatives were not provided.

The role of Janpad and Zilla Panchayat is mostly underplayed. The Act envisages a role of monitoring with these tiers of Panchayat. However, invariably in all the districts it has been observed that the Janpad and Zilla Panchayat members are either not aware of this role or are interested in only

implementation of work as a possible role for these tiers of Panchayats. There is a need to seriously consider how the Zilla and Janpad Panchayat members can be engaged in monitoring the works undertaken by the gram Panchayats and the other implementing agencies. Since Janpad and Zilla Panchayats are not directly involved in implementation of works at the ground, they will be in a better position to monitor the implementation and ensure accountability of the gram Panchayat and other implementing agencies.

6. Ways Forward

6.1 Conclusions

- Awareness has risen on registration, job cards distribution wage payment etc. however new challenges like timely wage distribution, measurement based payments, quality of work under NREGS, work site job facilities, fake muster roll entries, job card possession and job cards on rent etc have come to the fore.
- Job Card Distribution: Job cards have been prepared and have been distributed to more than 95% registered households in Madhya Pradesh however there are several other issues pertaining to job cards that have emerged. It has been observed that several job cards have been issued to families which will never do manual labour. There is a lot of chance that these job cards might be misused. There were also cases where the job cards have been taken back by the Panchayats/ secretaries for making entries and have not been returned. An important issue that emerged during the study was that there was lack of clarity on including new families and people who have attained the age of 18 after 2003.
- Planning and work execution: In Madhya Pradesh more than 90% of works have been executed by the Panchayats. It was observed that in more than 98% of the Panchayats that were studied, the perspective plans and annual plans were prepared. On an average, the cost of plans was around Rs 25 lakh per Panchayat.
- Some of the Issues related to planning and work execution that emerged during the study were as follows
 - ❖ The plans lacked peoples' perspective as there were several works that the people wanted to be in the plan, however they were not included in it. The Panchayat as well as the Gram Sabha members were not aware on how new works can be included.
 - ❖ It was observed that there was an over emphasis on large works like construction of roads, stop dams etc, and small works like irrigation facilities on SC/ST fields or farm bunding etc were given relatively less importance.

- ❖ The Panchayats and Gram Sabhas were not setting the priorities for the work. In most cases it was observed that the priorities of the works to be undertaken by the Panchayat is decided by the block/district officials
- ❖ Estimates prepared by the Panchayat in consultation with the Junior Engineer are reduced by the SDO without giving any reason. The Sarpanches say that often the opposition groups within the Gram Sabha file a complaint on the estimate and the value of the work is reduced by the SDO. However, the reason for such reduction is not mentioned.
- Demand for work: It has been observed that people are generally not aware that they can rightfully demand work under the scheme. Hence demand for work is low. In some Panchayats where people had applied for work did not get any receipts against their applications. Thus those eligible for unemployment allowance cannot practically demand it. It was also observed that written applications for work were discouraged by the Panchayats and oral applications were entertained without receipts.
- Wage Payment: It was observed that in more than 60% cases, the respondents said that they received lesser wages than the prevailing minimum agricultural wages. Most of the respondents felt that they receive lesser wages because the task is hard to achieve. Around 40% respondents felt that lesser wages were realized because of problems related to measurement. Nearly 50% respondents have said that there is a delay of more than 15 days in realizing the payment of wages
- NREGA also has a provision for additional wages where people are given work at a distance of more than 5 kms from their village. However it was observed that only 2% respondents have said that they get additional payment for working at a distance of more than 5 kms.
- There is lack of staff engaged in NREGS in Madhya Pradesh. On an average an engineer has to look after more than 15 Panchayats. Thus there is a lot of delay in measurement leading to delayed payment of wages.
- The whole aspect of measurement is technical and the engineers engaged in taking measurement do not explain the details of the measurement. Thus there is lack of clarity in measurement and hence people are not satisfied on the payment that they are receiving. It was also observed that the Measurement Books were not being read in the Gram Sabha. This can clarify a lot of measurement based issues and issues pertaining to fake entries in muster rolls.

- **Transparency and Accountability:** The NREGA has made provisions that there has to be a Vigilance and Monitoring committee under NREGA. However the structure of the committee and the role that is expected from it is not clear. Thus in several Panchayats these committees have not been constituted. In some of the Panchayats where these committees exist, it was found that these were the committees from the other programmes that were being implemented earlier.
- The status of maintenance of records was found to be very poor in almost all of the Panchayats that were studied. Out of the 13 records that have to be maintained under the scheme, only register on Cash book, Muster rolls, Registration register, and Job Card registers are being maintained regularly. There is a serious capacity gap at the level of the Panchayat representatives as well as at the level of the secretaries in maintenance of records.
- As of now, the process of social audits has not been taken up. There is lack of awareness at the Gram Sabha and Panchayats on the relevance and process of social audits. The government had taken some initiative on conducting social audits through NGOs. However any significant impact is yet to be seen as far as social audit is concerned.

6.2 Ways Forward

6.2.1 Developing NREGA as an employment right

The National Employment Guarantee Act clearly articulate 100 days job guarantee for every rural household. However, the intent of the Act is not reflected in the programme. A close look on the state-wise data on 'job demanded' and job 'provided' clearly indicates that those who are provided job are reported as those demanding job. There is a huge unmet demand which is not getting adequately articulated in the official performance monitoring system.

There is a need to systematically analyse the available resources for awareness generation and its application at the state level. In most of the states, the resources are wasted in publication of posters, pamphlets, hoarding and publicity advertisements. A systematically and professionally planned communication campaign with the available resources will make a significant difference in generating demand for employment.

The civil society organizations should be involved by the Government to widespread the intent of the Act at the grassroots so that really needy families should feel confident to demand job. If job is not provided, they should ask for unemployment allowance as a right.

6.2.2 Greater autonomy to Panchayats to plan and execute need based works

The scheme still has quite top down orientation. The perspective plans have been prepared hiring agencies to complete plans of every Panchayat of a district within three months. Therefore, real needs of the Gram Sabha have not been considered in perspective plans. There are many state led campaigns determined by the political leadership, which are pushed by the district level officials overruling the priorities of the Panchayats. Similarly, technical sanctions by the engineers and evaluation of works are also designed in such a manner that twists the arm of Panchayats for bribing or accepting the commands of the Government officials.

Appropriate mechanisms are required which allow Panchayats to enjoy flexibility of the programme and encourage them take up works which are extremely important to build long term sustainable productive structures that may enhance the livelihood promotion capacity within the village. Panchayats should be allowed to involve external resource persons/agencies, duly recognized by the Government, for technical sanction of the project as well as evaluation of the work done so that monopoly of the Government civil engineers may be diluted. There is need for building greater accountability norms of the Panchayats where Gram Sabha as well as Government officials can play a critical role as enablers to promote greater transparency and accountability towards Gram Sabha.

Panchayats need greater capacity building support to improve their knowledge and skills to keep their accounts, muster rolls, measurements of works, maintenance of records and conducting social audits. The current level of capacity building support is far inadequate to the expected roles, complexity of works and volume of resources available with the Panchayats.

6.2.3 Introducing flexibility and poverty focus within programme

It is difficult to understand the criteria of allotment of resources to the state/districts from the centre. The most obvious criteria used are the number of job card holders in the district as well as number of job card holders demanding jobs. Both of these parameters are not relevant for the allocation of funds as high number of job cards in a district do not reflect potential demand of genuinely deserving households requiring employment guarantee. Similarly, the fear of payment of unemployment allowance from the state exchequer suppresses the real demand for employment guarantee.

There is a need to review the poverty indices of the poor districts including agricultural production, rainfall, in rural areas etc to allocate higher volume of funds. Districts of Bundelkhand and Chambal in Madhya Pradesh are strong contenders for greater allocations and attention. Such a disaggregated analysis and attention will improve the overall performance of the scheme for targeting the poorest of the poor to ensure 100 days of employment.

6.2.4 Improving MIS and performance indicators

There is a serious gaps in capacities of the block and district level functionaries filing up formats or uploading data online on the performance of NREGA. Therefore, the available state wise picture of performance is also not adequately representative of the ground realities. There is a need for a rigorous scrutiny of the data being fed from Panchayat level up to the district and the state. The resource utilization is a key parameter for the release of the next instalment.

There is a need to improve the quality of internal and external agencies reviewing the content and emerging issues of from the monitoring and evaluation agencies. There is a need for more systematic attention for in-depth analysis of the poorest of the poor or poorly forming districts. There should be a formal mechanism to share the evaluation/monitoring reports as well as action taken report at the national as well as state level. It would be worthwhile to put such reports in public domain.

6.2.5 Broad base the parameters of performance monitoring

The current parameters, which are prescribed in the Monthly Progress Reporting (MPRs) by the Government of India to the states and the district, miss out on many important parameters. It is pertinent to incorporate parameters like proportion of works done by the departments and Panchayats to know whether at least 50% works are being done by Panchayats or not. Similarly, there is a need a monitor the number of Panchayats/villages where no works have been started or where less than Rs.1 lakh has been transferred in any quarter. There are many Panchayats which are unable to receive adequate funds under NREGA to initiate works under NREGA.

The monitoring system also does not capture the data on the available human resources placed at different level. Moreover, details of expenditure of contingency fund are also not published/monitored. Similarly, there is no data available on the trainings conducted to strengthen capacities of staff/Panchayat at different levels.

6.2.6 Promoting large scale support in social audits

With greater resources being spent in every Panchayat, it is high time to establish a norm for effective social audit by Gram Sabhas. Most of the states have been busy establishing implementation mechanism by recruiting staff and developing norms for expenditure. The attention now should be to mainstream social audit process.

It is fortunate that many kinds of methodologies of social audit by various social activists, action groups and Government field level functionaries have been attempted. There is a need to systematically review and decide on a 'common minimum' steps and processes that must take place in every social audit. Organizations may add on new dimensions based on their capability and commitment to social audit process.



