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The South Asia Food and Nutrition Security Initiative

A TARGETED RURAL LIVELIHOODS PROGRAM IN ORISSA

The Targeted Rural Initiatives for Poverty Termination and Infrastructure (TRIPTI) project began in Orissa in 2009.¹ It is a participatory livelihoods project based on community mobilization and institution building through self-help groups (SHG) and village level organizations. TRIPTI was designed in part to redress some of the shortcomings of Orissa's earlier *Mission Sakthi* program, which accomplished limited outreach by including very poor scheduled castes and tribes in the process of forming self-help groups that serve as the foundation of participatory livelihoods programs throughout much of India. The new project focused heavily on identifying the least advantaged and the most likely to have been passed over by the earlier program. This involved conducting a census and situational analysis within each village, and a subsequent participatory process of villagers classifying households according to their well-being - on a spectrum between "very poor and vulnerable" and "well-off."



Self Help Group (SHG) women from the TRIPTI Odisha Livelihoods Mission

Once the target households were identified, attention turned to the establishment of new community based organizations, beginning with 10 to 15-member SHGs whose members belonged to those households. Where the SHGs had already been established, the project sought to further develop their capacity for collective action, particularly in the course of activities relating to their livelihoods and economic potential. Much of this entails group based savings and lending and the development of basic financial literacy and accounting skills necessary to manage accounts. These activities scaled when SHGs became federated into larger village or "gram panchayat level federations," and eventually into still larger "blocks" of multiple village organizations. At this level federations can often attain sufficient scale to interact with formal sector financial institutions and service providers, effectively breaking their dependence on informal sources who typically charge exorbitant interest rates and service fees.

Evaluation

The evaluation of TRIPTI's success in improving livelihoods would measure its impacts on households' indebtedness, savings, access to credit, and consumer spending. The formation of new SHGs and gram panchayat village level federations and the restructuring of several existing ones enables the project to target these groups and federations with community investment funds. A prerequisite for each participating household to be eligible for access to these funds is the development of a micro investment plan, which would also be used to help identify specific needs. Most of the impacts found were relatively modest. One explanation for this could be that impacts may reflect the relatively brief three-year window.

¹ TRIPTI is more often referred to as the Orissa (or Odisha) Rural Livelihoods Project in World Bank documents.

Projects entailing large-scale social mobilization typically take time to generate longer-term effects and results. Long germination periods could elapse, between the process of initial mobilization into SHGs of 10 or 15 members and the emergence of a well functioning federation of SHG networks. On the other hand, the results could point to the project's limited success in going beyond first order outcomes that relate to credit access, to achieve second order outcomes on measures of household welfare, such as livelihoods portfolios and incomes².

Some important changes were observed in spite of the limited timeframe. Increased access to more affordable credit among the treatment households saw no increase in either household assets or overall consumer spending, which are important indicators in rating changes to economic welfare. Could they not be spending more because they are simply paying off existing debt first? The assessment did find evidence of reduced indebtedness to costly informal creditors like moneylenders among the treatment households compared to the control households, as well as a greater likelihood they would borrow from formal credit sources like banks. Their savings rates were also higher than control households. While these changes may very well prove to be satisfying preconditions that will eventually lead to higher consumer spending, the assessment did find increased spending on healthcare and on products used mainly by women and children. These changes very likely reflect an increased role in decision making among women – a defining element of women's agency.

² These two plausible explanations cannot be disentangled without additional empirical evidence.

Improvements in women's mobility were also observed, though limited to specific roles involving credit such as attending self-help group meetings and going to banks - activities relating more or less directly to their economic roles relating to the project rather than to their mobility outside the household in general. What qualifies this important indicator of women's empowerment is that a significant proportion of women had to seek permission before visiting a bank or self-help group meeting. Yet women in TRIPTI areas reported that they were more likely to resort to institutions in the public sphere to resolve problems relating to domestic violence, the performance of the public distribution system, and mid-day meals served at schools.

Note on Methodology

The impact evaluation of the TRIPTI project is the third in a series of five evaluations of ongoing large-scale, participatory livelihoods projects in India, the first two being Jeevika in Bihar and the Pudhu Vaazhvu Project in Tamil Nadu. A word on the methodology employed for this particular evaluation is in order. The need for empirical evidence to rate the effectiveness of participatory livelihoods projects and system for evaluating impacts is clear given the scale of investment in this approach to poverty reduction. Because the evaluation was devised after the project areas had already been selected, a randomized control trial was not possible. However, since project areas were selected based on an objective score that targeted lagging areas, a rigorous evaluation could be designed by using a Regression Discontinuity Design.

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