

Integrated Livelihood Support Project (ILSP)

Loan number: 856-IN

ANNUAL PROGRESS REPORT 2014-15

Prepared by:

**Central Project Coordination Unit (CPCU)
Uttarakhand Gramya Vikas Samiti (UGVS)
Watershed Management Directorate, Uttarakhand (WMD) &
Uttarakhand Parvatiya Aajeevika Sanvardhan Company (UPASaC)**

**216, Panditwadi, Phase II, Dehradun
Phone & Fax: 0135-2773800/2774800
Email: info@ugvs.org
Website: www.ugvs.org**

May 2015

Table of Contents

Reference	Details	Page No.
	Abbreviation's	iii-iv
	Project Map	v
A	Project Background	06-08
1	Component 1: Food Security & Livelihood Enhancement: Uttarakhand Gramya Vikas Samiti	08
1.1	Food Security & Scaling up	08-13
1.2	Market Linkage	13-17
1.3	Innovation Linkages	17
1.4	Vocational Training	18-19
1.5	Project Management	19-20
1.6	Knowledge Management	20-21
1.7	Monitoring and Evaluation and Management Information System	21
1.8	Gender and Institutions	21-24
1.9	Organisation and Staffing	24-26
1.10	Financial Management	26
2	Component 2: Participatory Watershed Development	26-28
2.1	Participatory Watershed Component	26
2.2	Details of Revised Project Area for ILSP WMD Component	27
2.3	Project Progress	27
3	Component 3: Livelihoods Finance: UPASaC	28
4	Annexures	29-34
	Annex- I : Sources and uses of funds	29
	Annex- II : Summary of sources and utilisation of funds	30
	Annex- III : Budget and achievements for the year 14-15	31
	Annex- IV : Statement of use of funds by category	32
	Annex- V : Progress against logframe indicators	33-34

Abbreviations Used

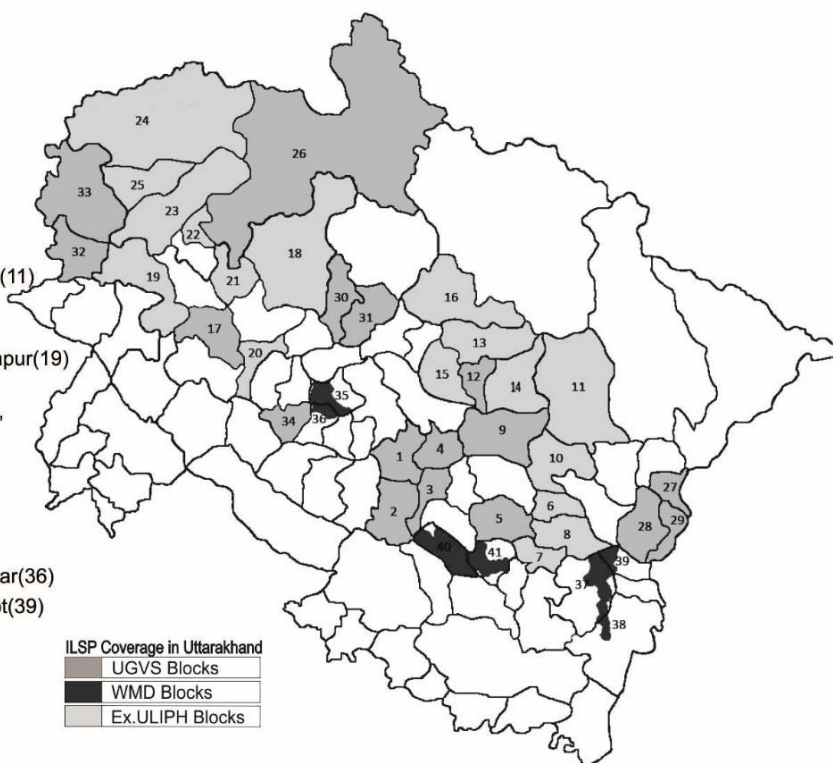
AI	Artificial Insemination
AWPB	Annual Work Plan & Budget
BDS	Business Development Services
BOD	Board of Director
CA	Chartered Accountant
CAAA	Comptroller of Aid, Accounts and Audit
CCL	Cash Credit Limit
CPCU	Central Project Coordination Unit
CPD	Chief Project Director
CRP	Community Resource Person
CDO	Chief Development Officer
CSR	Community Resource Person
CBO	Community based Organization
DCB	District Cooperative Bank
DLCMC	District Level Coordination and Monitoring Committee
DOT	Department of Telecommunications
DPD	Deputy Project Director
DPMU	Divisional Project Management Unit
Eol	Expression of Interest
FRDC	Principal Secretary & Commissioner, Forest & Rural Development
FL	Financial literacy
FNGO	Facilitating Non-Government Organization
GoI	Government of India
GIZ	German Technical Assistance
HH	Household
HO	Head Office
HR	Human Resource
ICO	India Country Office
ICDS	Integrated Child Development Scheme
IFAD	International Fund for Agricultural Development
ILDC	Integrated Livestock Development Center
ILSP	Integrated Livelihoods Support Project
JRM	Joint Review Mission
KCC	Kisan Credit Card
KM	Knowledge Management
LC	Livelihood Collectives
MAP	Medicinal & Aromatic Plants
M&E	Monitoring & Evaluation
MIS	Management Information System
ME	Micro Enterprises
NGOs	Non-Government Organization
NRLM	National Rural Livelihoods Mission

OPG	Organic Producer Group
OSV	Off Season Vegetable
PACS	Primary Agricultural Credit Cooperative Society
PG	Producer Group
PSC	Project Steering Committee
PMC	Project Management committee
PLA	Project Loan Agreement
PMU	Project Management Unit
PRIs	Panchayat Raj Institutions
PIA	Project Implementing Agency
PC	Producer Company
RDD	Rural Development Department
RIMS	Result & Impact Management System
RML	Reuters Market Light
RML	Reuters Market Light
RNFS	Rural Non-Farm Sector
SHG	Self Help Group
SRCA	Self Reliant Cooperative Act
SEWA	Self Employed Women Association
SVCF	Social Venture Capital Fund
ToR	Terms of Reference
UGB	Uttarakhand Grameen Bank
UGVS	Uttarakhand Gramya Vikas Samiti
ULIPH	Uttarakhand Livelihoods Improvement Project for the Himalayas
UPASaC	Uttarakhand Paravatiya Aajeevika Sanvardhan Company
USD	United States Dollar
UOU	Uttarakhand Open University
VP	Van Panchayat
WMD	Watershed Management Directorate
WWF	World Wildlife Fund

Project Area Map

Districts Blocks

Almora-	Syaldeh(1), Sult(2), Bhikiyasen(3), Chaukhutiya(4), Hawalbag(5), Bhainsiyachana(6), Lamgara(7) & Dhauladevi(8)
Bageshwar-	Garur(9), Bageshwar(10) & Kapkot(11)
Chamoli-	Tharali(12), Ghat(13), Dewal(14), Narayanbagar(15) & Dasholi(16)
Tehri-	Chamba(17), Bhilangana(18), Jaunpur(19) Devprayag(20 & Pratapnagar(21)
Uttarkashi-	Dunda(22), Naugaon(23), Mori(24), Purola(25) & Bhatwari(26)
Pithoragarh-	Kanalichina(27), Pithoragarh(28) & Munakot(29)
Rudraprayag-	Jakholi(30) & Augustmuni(31)
Dehradun-	Kalsi(32) & Chakrata(33)
Pauri-	Kaljikhali(34), Pabau(35) & Ekeshwar(36)
Champawat-	Pati(37), Champawat(38) & Barakot(39)
Nainital-	Betalghat(40) & Ramgarh(41)



A. Background

After the successful implementation of Uttarakhand Livelihoods Improvement Project for the Himalayas (ULIPH), Government of Uttarakhand with support from the International Fund for Agriculture Development (IFAD) is implementing a follow-up project, the Integrated Livelihood Support Project (ILSP). The duration of the project is seven years starting from 2012.

A.1. Rationale

The justification for ILSP is the need to stop the deterioration of the productive infrastructure, make farm labour more productive and farming more remunerative, and hence provide incentives for people to invest their time and resources in agriculture. Despite the disadvantages that agriculture faces in the hill areas, Uttarakhand does have the advantage of cooler temperatures at higher altitudes, allowing production of off-season vegetables (OSV) and temperate fruits. The horticultural sector is less developed in Uttarakhand than in the other hill states, so there is also considerable potential for growth, in other niche products such as spices, medicinal and aromatic plants and fruit nuts. Beside these, tourism is another area with high growth potential. However, more need to be done to ensure that local people fully participate in, and benefit from, these sectors. The population is fairly well educated, but the level of youth unemployment is relatively high. Therefore, proper vocational training will help such people find good quality employment in the growth sectors of the country.

ILSP is being implemented in 41 blocks of 11 hill districts (Almora, Bageshwar, Chamoli, Tehri, Uttarkashi, Rudrapur, Pauri, Champawat, Pithoragarh, Nainital and Dehradun).

A.2 Objectives

The overall objective (goal) of ILSP is to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective to “enable rural households to take up sustainable livelihood opportunities integrated with the wider economy”.

The strategy behind ILSP is to adopt a two pronged approach to building livelihoods in hill districts. The first of these is to support and develop the food production systems which remain the main means of support for most households. The second main thrust of the project is to generate cash incomes by supporting non-farm livelihoods, especially community involvement in rural tourism, and vocational training.

A.3 Components:

A.3.1 Component 1: - Food security and livelihood enhancement:

This is being implemented by UGVS and is mainly covering the following activities;

- a) Organizing the producer groups (PGs & VPGs) which will be federated as livelihood collectives (LCs)
- b) Extend support in crop and livestock production for food security, and develop high value cash crops and other products (such as rural tourism, etc.) to provide cash incomes to PGs/ VPGs and LCs through various institutions.
- c) Technical services are being provided and physical infrastructures are being developed for providing market access support to producers.

- d) Innovation linkage with various institutions for testing and dissemination of innovative technologies and approaches for improving food security, livelihoods and access to markets.
- e) The project is also improving access to employment in the non-farm sector by supporting vocational training linked to job placement. A total of 15000 youths will be trained covering around 60% women.

These activities will cover around 90000 households in selected 34 blocks of the nine districts i.e. Almora (8), Bageshwar (3), Chamoli (5), Tehri (5), Uttarkashi (5), Rudraprayag (2), Pithoragarh (3), Pauri (1) and Dehradun (2). Details of the blocks are as under:

Table No-1

S. No	District	Block Name (ILSP)	Block Name (Ex-ULIPH)
1	Almora	Syaldeh, Salt, Bhikiasain, Chaukhutia, Hawalbagh	Bhainsiyachhana, Lamgara, Dhauladevi
2	Bageshwar	Garud	Bageshwar, kapkot
3	Chamoli	Tharali	Ghat, Deval, Narayanbagad, Dasholi
4	Tehri	Chamba	Bhilangana, Jaunpur, Devprayag, Pratapnagar
5	Uttarkashi	Bhatwadi	Naugaon, Mori, Purola, Dunda
6	Rudraprayag	Jakholi, Augustmuni	--
7	Pithoragarh	Kanalichina, Pithoragarh, Munakot	--
8	Pauri	Kaljikhali	--
9	Dehradun	Kalsi, Chakarata	--

A.3.2 Component 2- Participatory Watershed Development:

This component is being implemented by the project society formed under Watershed Management Directorate (WMD).

It has major focus on protecting and improving the productive potential of the natural resources in selected watersheds, alongside the promotion of sustainable agriculture, preserving bio-diversity and increasing the income of the community in the selected areas. It will complement the watershed development programmes in Uttarakhand, and takes into account availability of required WMD institutional capacity in the selected project districts.

The component would cover a total of around 19,800 HHs in 7 blocks of 3 districts.

Table No-2

S. No	District	Block Name (ILSP)
1	Pauri	Pabo, Ekeshwar
2	Champawat	Pati, Champawat, Barakot
3	Nainital	Betalghat, Ramgarh

A.3.3 Component 3 - Livelihood financing:

This is being implemented by UPASaC and the major activities under this component include:

- a) Banking support – which covers capacity building, support to banks and local financial institutions to opening new branches in the project area.

- b) Loan at reasonable rates/Venture financing with banks to the business enterprises emerging under the project area as per the business plan of the ventures.
- c) Risk management – piloting and scaling up of insurance services such as weather, cattle, health insurance.
- c) Financial inclusion initiatives – training to LC to be bank agents as Business Correspondent/ Business facilitator, product literacy training etc.
- d) Provision of development finance to ULIPH federations as viability gap funding to promote the agribusiness activities.

The component will cover complete ILSP area.

A.3.4 Component 4: Project coordination and management. Each executing agency including UGVS, has their own Project Management Units headed by a Project Director or Chief Executive. Central Project Coordination Unit (CPCU) headed by Chief Project Director (CPD), has been set up to provide overall coordination between the executing agencies.

A State level Project Steering Committee (PSC) has been setup under the chairmanship of Chief Secretary. The PSC has established a Project Management Committee (PMC) chaired by FRDC.

The component wise work done during 2014-15 under project components is explained below:

1 Component 1: Implemented by Uttarakhand Gramya Vikas Samiti

1.1 Sub Component: Food Security & Scaling up:

- a) **Institutional Strengthening at Organizational Level:** So far, #07 Technical Agencies have been appointed in January 2015 for implementing project activities in 14 new blocks of #8 districts of Uttarakhand. The details of these agencies is furnished in **Table-3** as below. All agencies have established their offices in the respective blocks and most of the staff recruitment process has been completed and their orientation about the project has been done. Technical Agencies have started community mobilization and group formation activities in the villages after conducting on field workshops.

Table- 3 Block-wise list of Technical Agencies

District	ILSP Block	Name of Technical Agency
Almora	Hawalbagh	Gramin Samaj Kalyan Samiti (GRASS)
	Sult	
	Chaukhutiya	Indian Farm Forestry Development Co-Operative Limited (IFFDC)
	Bhikiyasain	
Bageshwar	Garur	Shri Bhuvneshwari Mahila Ashram (SBMA)
Chamoli	Tharali	
Dehradun	Kalasi	Himalayan Action Research Centre (HARC)
	Chakrata	
Uttarkashi	Bhatwari	Appropriate Technology India (ATI)
Tehri	Chamba	

Rudraprayag	Jakholi	Asian Society for Entrepreneurship Education & Development (ASEED)
	Agustmuni	
Tehri	Jaunpur	Centre for Business & Entrepreneurial Development Society (CBED)
Pithoragarh	Munakot	

- b) Support to adopted SHGs and Newly Formed Producer Groups/Vulnerable Producer Groups:** Initially the project has adopted a proactive approach due to delay in engagement of TAs to expedite implementation process in the field. In this approach the project has identified the existing/functioning groups formed under various schemes/ by different agencies (NGOs, DRDA & NABARD) for piloting of the project. With the mobilization of TAs, the process of formation of new producer group & vulnerable producer group has been started.

The project has reached to 8666 members through 857 PGs/VPGs, formed /adopted in 338 Villages till 31st March 2015. Out of 857 PG/VPGs, 679 groups were provided project support of INR 256.82 Lakhs and distributed among 5768 members to carryout various activities where 87% were women. The detail of the progress till 31st March 2015 is given in **Table-4**. A bilateral agreement has been executed between two parties viz. UGVS and the PGs/VPGs to have clarity on roles & responsibilities and also to develop more understanding on the roles of various agencies involved in implementation of Food Security Improvement Plan (FSIP). Technical Agencies have been engaged to facilitate the preparation and implementation of FSIP and AUP for PGs/ VPGs and LCs on behalf of UGVS. The role of DPMU is more of monitoring. In the process, as per the recommendation of TAs, the DPMUs releases funds according to the plans and budget provisions. The activities are closely be monitored by TAs and DPMUs in the field. Specific registers have been designed and published by UGVS for maintaining records of the support provided to PG/VPGs.

Table-4 Support to Producer Groups/Vulnerable Producer Groups

SN	District	Villages	No of Groups. Identified/Formed	Total house HHs covered	Support to PG/VPGs						
					No of Groups.	No of HHs	Part. SC	Part. ST	Part. OBC	Part. Female	Support amount (in Lakh)
1	Almora	135	268	3040	235	2098	442	0	65	2040	83.66
2	Bageshwar	12	47	406	56	366	112	0	10	345	15.16
3	Chamoli	29	136	1087	114	853	109	5	62	638	34.70
4	Dehradun	42	82	1090	62	653	153	482	1	563	27.32
5	Pithoragarh	20	55	714	49	286	63	0	13	194	11.66
6	Rudraprayag	43	113	867	37	323	37	0	7	203	14.17
7	Tehri	34	70	686	54	466	13	0	110	421	19.60

8	Uttarkashi	23	86	776	72	723	27	0	599	626	30.57
Total		338	857	8666	679	5768	956	487	867	5030	236.82

- c) **Block level Meetings:** The district team met with villagers, village pradhan and PG/ VPG members and oriented them about the project objective and the implementation process of ILSP. Block level orientation programs were organized to orient the block officials and community members. #1105 persons participated in these programs and and it witnessed 70% women participation.
- d) **Ex-ULIP Federations:** The project has provided support to 72 ex-ULIPH federations. An agreement was executed with 53 federations during the FY 2014-15 inclusive of associate federations. The agreement has successfully been completed and most of the federations have achieved their respective targets set in the agreement during FY 2014-15.
- Performance assessment of Federation:** Performance assessment of each federation was done based on the set criteria and the incentives have been worked out for federation staff honorarium and operating cost support to federations during the FY 2015-16. The federations have achieved the lumsum target of Rs. 8.09 crore against the target of Rs. 7.00 crore (lumsum) set for FY 2014-15. In the reported year, #69 federations were involved in business activities against 72 federations. The cumulative turnover achieved by the federations during Sept. 2013 - March 31st 2015 is around Rs. 11.60 crore with approximate profit of Rs. 83 lakh.
 - Organizing Board of Director (BoD) Meeting:** Project is supporting federations to promote in areas of transparency, good governance, planning and execution work. 53 federations organized 317 BoD meetings which were attended by 2906 members.
 - Annual General Meeting:** All contracted federation organized annual general meeting and submitted the statutory compliance report to Assistant registrar of respective district. 50 annual general meetings were organized and were attended by 10568 members. The AGMs were participated by 87% women.
 - Increase in Share holdings:** It was reported that 90% shareholders were linked with federation's activities; it illustrates that the mindset of community has been broadened towards collective business activities. Altogether 34150 shareholders are linked with the federations against the target of 33377 shareholders indicated in the Project Implementation Manual. Prior to ILSP, the federations were covering 950 Villages (*during ULIPH*), which was significantly increased by 31 with the inception of ILSP and now the total no. of villages are 981 where the federations have expanded their working area for business activities. In terms of SHGs, total 3501 SHGs are linked with these federations. The SHGs are having 34159 shareholders, where 90% are women (*#30905 women shareholders*). Among these federations, #53 have been directly contracted and have been provided Rs. 1.24 crore of support from the project provisioned amount of Rs.1.40 crore (including *#12 associate federations*).
 - The federations made turnover of more than Rs.847.14 lakh and profit was Rs.61.1 lakh. The detail of federation progress during the financial year 2014-15 is as under:-

Table No- 5

S N	Name of District	No of federation	Turnover Rs. Lakhs	Profit Rs. lakhs	HH linked with activities	Shareholders	Female Shareholders
1	Almora	11	326.17	29.22	7960	6083	5587
2	Bageshwar	11	85.25	10.66	5283	8088	7300
3	Chamoli	20	135.01	8.69	7183	6120	5549
4	Tehri	12	148.11	6.36	6592	8090	7169
5	Uttarkashi	17	152.6	6.17	6441	5769	5649
	Total	71	847.14	61.1	33459	34150	31254

The Technical Agencies have been given additional responsibility to oversee one old block (*with one new block*) by covering these federations. The objective to support these federations in current phase of the project is to strengthen them further in terms of technical and financial assistance for future sustainability. These federations are given technical, financial and training support to strengthen their business development plans, if needed prepare new Business Development Plans (BDPs) to take up the business activities based on the DPRs prepared by them. The MoUs for coming financial year have been drafted which will be executed from April 2015 onwards.

As part of withdrawal policy in Ex-ULIPH blocks, the project has felt need to introduced the concept of a Nodal Federation at each old blocks. The Nodal Federation was selected among the ULIPH federations based on certain criteria viz. centrally located, easily approachable, turnover, internal administration & financial management wise best in the block. Therefore location, governance and business were the major criteria to select the Nodal federation. Nominating one Nodal Federation in a block is a mechanism to provide technical support for business planning and implementation at each federation in the block through additional human resource being placed with nodal federation including a Technical Officer (Agri/Horti/Animal Husbandry), Agribusiness Officer and an Accountant. They all will be stationed at Nodal Federation and provide support to all federation under guidance of a Federation Coordinator to be engaged through TAs in each old block.

- vi. **Preparation of Training Modules for Producer Groups/ Vulnerable Producer Groups and the federations/Livelihood Collectives:** In the light of the above the project has drawn up a strategy to build capacities of the existing federations and based on the learning of ULIPH federations, the focus will be given to strengthen the newly formed PG/VPGs and the LCs of the ILSP in these core areas since their formation. Following the project procurement procedures, a reputed training institute has been identified to prepare training modules at both groups and federation level after conducting the training need assessment of key-stakeholders. The Institute of Livelihood Research and Training (ILRT) has been done this tasks and prepared 06 Training Modules as explained in Table-4 for the Trainers on strengthening Governance, Business and Market skills of PGs/VPGs and the Federations/Livelihood Collectives. The modules have been tested by conducting trainings for the TA and DPMU staff, who would be involved in conducting these trainings at Village and Block level. These modules are helpful in defining roles of both the institutions with clear

understanding on their inter-relationship. A list of these training modules has been furnished under Table 6.

Table-6

S.No.	Name of the Training Module
1	Training Module on Governance of Producer Groups
2	Training Module on Business Planning of Producer Groups
3	Training Module on Marketing Planning of Producer Groups
4	Training Module on Governance of Federation / Livelihood Collective
5	Training Module on Business Planning of Federation / Livelihood Collective
6	Training Module on Marketing Planning of Federation / Livelihood Collective

In addition to the modules, a user friendly tool have been used by developing pictorial flip charts specially for village level meetings for explaining the concept of governance, business and the market planning to the PG/VPG members.

- vii. Annual Plan Training:** The main objective of the training was to orient the federation members on the planning of the federation activities for the next year to incorporate activities in next year AWPB. 54 programs were planned in AWPB for the financial year 2014-15. These annual plan training were organized at 28 places with the participation of 894 members.
- viii. Rapid Assessment and Audit of Federations:** As per the recommendation of IFAD Mission, the rapid assessment and audit of 61 ULIPH federations was done in financial year 2014-15. According to the rapid assessment there are three main areas where the federations need more attention. These are federation's internal governance, their business planning and the marketing skills.
- ix. Value Chain Identification and Mapping Framework:** Under ILSP for identification of important value chains in new blocks of 8 districts was undertaken with formation of field team, review of available data and literature of the project area, listing of stakeholders, organizing focus group discussions at cluster level, identifying suitable tools/ techniques / methodology/ criteria for VC identification, review of questionnaire. 10 value chains i.e. OSV, RNFS, Traditional crop, Poultry, Goatry, Eco-Tourism, MAP, Fruits, Spice, Dairy have identified by the field team at the end of the financial year 2014-15. In additional the value chain studies 5 out of 10 is initiated i.e. OSV, MAP, Fruits, Spices and Dairy. Due to delay in selection of Technical agencies a short term strategy was initiated from Nov 2014. The District teams were instructed to select already existing SHGs functioning in the new blocks of all the 8 project districts, for piloting the field level activities and testing the activities planned as per the unit costs.
 - i. Meetings with key stakeholders at district level for selection of SHGs were organized.
 - ii. Meetings with SHGs for clarification of the project and its activities were organized. Agreements were signed between DPMU and 679 selected SHGs.
 - iii. Data of selected SHGs and HHs collected and entered into MIS before initiation of activities.
 - iv. Activities identified for each household and budget within Rs.8000/ HH for upto two years
 - v. For procurement of inputs, the DPMU facilitated in the process. The SHGs procured the items and then produced the bills and DPMU reimbursed the amount in the SHGs Account. DPMU also ensured that input suppliers deliver the inputs as per prescribed specifications.

- vi. In some Districts the DPMU engaged ULIPH federations and organised joint meeting with SHGS to facilitate procurement and distribution of inputs

- x. **Lesson Learned:** Conversion of federations from the social mode to business mode was facilitated during the period. Activities implemented like Input output centers, Off season vegetables (cash crop like Pea, potato) cultivation and marketing, sale of Agri-implements, dairy, cultivation and sale of traditional crops (*amaranth, finger millet, jhangora* etc.), and non-farm activities proved beneficial for federation business. Few cases of convergence with ICDS to provide take home ration and pine resin extraction in contract with forest department, study center of Uttarakhand Open University center were initiated. The project initiated the process of working directly with community based organizations for the first time in the State.

1.2 Sub Component: Market Linkage

Strategy was to focus on specific commodities. Total 7 commodities were selected in the financial year 2014-15 and the list of business is given below:

- a) **Potato and Off Season Vegetables:** The turnover of federations of project area fetched for Potato worth Rs. 61.64 lakhs during financial year 2014-15 (Table-7). Federations of Tehri fetched potato of worth Rs 21.80 lakh followed by Almora Rs.19.60 lakh , Uttarkashi Rs. 15.31 lakh during the FY 2014-15.

- i. **Potato:** Federations of District Almora, Chamoli, Tehri and Uttarkashi were linked to wholesalers of Dehradun and Haldwani Mandi. Producers were realised high price in compare to last year and they were able to understand the benefits of grading through better price realisation.

Table No- 7

District	Commodity	Turnover -FY 2013-14 (Rs. in lakhs)	Turnover – FY 2014-15 (Rs. in lakhs)
Almora	Potato	2.35	19.60
Chamoli		1.73	2.18
Uttarkashi		5.53	15.31
Tehri		1.60	21.80
Bageshwar		0.45	2.75
	Total	11.66	61.64

- ii. **Pea: Total** fourteen federations 9 from Uttarkashi, 3 from Almora and 2 from Tehri districts have initiated pea value chain and covered a turnover of worth Rs. 48.68 lakhs during the financial year 2014-1015 (Table-8).

Table No-8

Name of District	Turnover – FY 2014-15 (Rs. in lakhs)
Almora	2.13
Tehri	6.66
Uttarkashi	39.89
Total	48.68

The federations fetched a turnover of approx. Rs.13.68 lakhs more against target projected for the financial year 2014-15.

iii. **Future strategy:**

- Seed replacement in crop like Potato to enhance the productivity.
- Training of community on Grading and packaging.
- Develop new wholesale counters in Dehradun, Haldwani and Vikas Nagar Mandi.
- Develop Collection centres to strengthen the supply chain mechanism.
- Female participation is the vital step in value chain approach in mountains. Strategy will be formulated to increase their involvement from production to payment.
- Efforts to dent the subsidy mentality of community and educate them to adopt the mix of modern and traditional method of farming.

b) **Traditional crops:** ILSP federation's turnover fetched for Amaranth of worth Rs. 35.81 lakhs, soybean worth of Rs. 12.48 lakhs and finger millet worth of Rs. 10.65 lakh during financial year 2014-15 (Table-9).

i. **Amaranth (*Ramdana*):** Federations were linked with wholesalers of Gujarat (*Unjha Mandi*) and local market. Federations managed supply chain quite efficiently.

Table No- 9

District	Commodity	Turnover – FY 2013-14 (Rs. in lakhs)	Turnover – FY 2014-15 (Rs. in lakhs)
Tehri	Amaranth	0.82	4.22
Chamoli		16.49	5.78
Uttarkashi		36.78	25.81
	Total	54.09	35.81

i. **Soyabean:** Federations of Chamoli, Tehri and Uttarkashi were linked with wholesaler of Haldwani Mandi and other buyers within the state. The federation's turnover fetched Rs. 2.03 lakhs more than the previous financial year 2013-14 due to project intervention (Table-10).

Table No- 10

District	Commodity	Turnover – FY 2013-14 (Rs. in lakhs)	Turnover - FY 2014-15 (Rs. in lakhs)
Almora	Soyabean	2.72	0.00
Chamoli		5.84	2.49
Tehri		0.92	4.69
Uttarkashi		0.95	5.28
	Total	10.43	12.46

ii. **Finger Millet (*Mandua*):** Federations of Almora, Chamoli, Uttarkashi, Tehri and Bageshwar were linked to buyers in local market. Due to project intervention the federation's turnover fetched Rs. 5.60 lakhs more than the previous financial year 2013-14 (Table-11).

Table No- 11

District	Commodity	Turnover – 2013-14 (Rs in lakhs)	Turnover - 2014-15 (Rs in lakhs)
Almora	Finger Millet	0.60	7.56
Bageshwar		0.00	0.33
Chamoli		4.22	2.03
Tehri		0.23	0.31
Uttarkashi		0.00	0.42
	Total	5.05	10.65

iii. Future strategy:

- Explore more buyers within and outside the state to get competitive advantage.
- Explore buyers for organic produce as some pockets of Uttarkashi and Chamoli districts entered into 3rd year of certification.
- Under ULIPH 26 OPG were formed out of which 7 OPGs ie 3 OPGs in Uttarkashi and 4 OPGs in Chamoli having more the 10 lakh turnover were selected for certification support. A total of 1966 farmers covering 807 hact were supported through project and data entry in APEDA website was completed for the sam.e.
- To explore the value addition mechanism to increase the profit margin of producers and federation.

c) Dairy: Three milk collection and marketing units are being managed by federations in five project districts and during the financial year 2014-15, these centres fetched a turnover of milk around Rs.46.62 lakhs.

- i. Milk collection and marketing Unit:** ILSP federations of Almora, Bageshwar and Chamoli have established Milk collection and marketing unit. Federations are also providing feed support, AI and vaccination support from ILDC, Financial linkage through Formal financial institutions to producers. Due to project intervention the federation's turnover fetched Rs. 28.49 lakhs more than the previous financial year 2013-14 (Table-12)..

Table No- 12

District	Commodity	Turnover – FY 2013 – 14 (Rs. in lakhs)	Turnover – FY 2014-15 (Rs. in lakhs)
Almora	Milk	3.81	6.07
Bageshwar		10.02	18.10
Chamoli		4.3	12.88
Uttarkashi		0	7.31
Tehri		0	2.26
	Total	18.13	46.62

ii. Future strategy:

- Conduct Market survey in concerning location to understand the consumer preference and overall market demand for liquid and milk products.
- Strengthening of existing system of dairies in terms of milk testing and book keeping.
- Capacity building of CRPs, business coordinator and Federation BOD on milk testing, quality control, product making, cleanliness and hygiene.

d) **MAP:** ILSP federation of Chamoli district has the turnover for *kutki* worth Rs. 5.90 lakhs during the financial year 2014-15. It fetched Rs. 4.70 Lakhs more than the previous financial year (Table-13)..

i. **Kutki:** - federation of Chamoli district has linked *Kutki* to buyers of Delhi and Amravati (Maharastra)

Table No- 13

District	Commodity	Turnover- FY 2013-14 (Rs. in lakhs)	Turnover FY 2014-15 (Rs. in lakhs)
Chamoli	Kutki	1.20	5.90

ii. **Future strategy:**

- Mobilise producers and federations to cultivate other high value crop like *kuth*, *Kalajeera*, *Chipi* etc. in agricultural land.
- Explore more potential buyers within and outside the state.

e) **Retail Marketing:**

- Federations** are initiating retail marketing in city like, Dehradun, Gopeshwar, Purola, Almora and Bageshwar to maximize the producer's margins and provide quality mountain products in competitive price. Major commodities like Potato, Garlic, Pulses, Turmeric, Rajma and Chili powder sold out worth Rs.5.37 lakhs.
- District federation of Bageshwar has obtained temporary space with permission of CDO for selling of local products in CDO office. Federation of Uttarkashi has purchased vegetables like onion, tomato and ginger from wholesale market and sold to consumers in Purola and nearby area. Federation of Almora has done retail marketing of Potato.
- Impact:** The efforts done by federations have received good response from consumers as well as concerning district officials. Consumers could obtain high quality mountain products at reasonable price. Besides, at the time of vegetables price hike, one of the federation from Uttarkashi supplied quality onion, garlic and tomato to its members at reasonable prices which resulted in price reduction by the local retailers too.

Coordination with wholesalers and other buyers: During the financial year 2014-15, federations from district Almora, Chamoli and Tehri were linked with government scheme known as Integrated Child Development Scheme (ICDS) under by Women and Child Development Department Gov. of Uttarakhand and attained a total sale turnover Rs. 2.66 Crore and earned the a profit of Rs. 24.51 Lakh

f) **Eco Tourism:** Federations of Almora, Chamoli and Bageshwar managed Home stay in various locations with marketing support from Village Ways Private Limited, Indian Hikes, WWF and Samar foundation and during the financial year 2014-15 federations have attained the turnover of Rs. 23.59 lakhs.

g) **Trading & Non-Farm Sector:** Federations across the project districts were highly involved in the trading of items like solar lantern, agriculture equipment's, plastic pitcher, Tata tea, cattle feed, mobile top up card, stationary items, resin trading etc. During the financial year 2014-15 federations attained turnover Rs.193.02 lakhs from trading activities. Federation of Almora managed education centre of Uttarakhand Open University to provide education in rural area and

federation of Uttarkashi provide support to SHGs of other project on value chain approach in off seasonal vegetables.

- h) **Fruits:** Federations of Almora sold fruits (peach, apple, Mango and plum) to Delhi and Haldwani mandi worth Rs. 2.80 lakhs.

1.3 Sub Component 1 :

Innovation Linkages

- a) **Uttarakhand Livestock Development Board (ULDB):** A project with ULDB for establishment and operationalizing 64 integrated livestock development centers (ILDC) is being implemented in 9 districts. So far, 56 ILDC have been setup and 56 paravet have been trained to operationalize the same.
- b) **Animal Husbandry Department:** A project on awareness of improved animal management practices with Animal Husbandry department, Uttarkashi was completed covering 9 villages. 145 dairy farmers were provided 2464 kg fodder block, 100 kg rock salt lick through in additional animal husbandry department insured 220 sheep and its 9 reares through health camps.
- c) **Bamboo and Fiber development board:** A project with Bamboo board for collection of 2000 Kg nettle fiber through 2 federations was initiated. Two federations namely Pindar in Chamoli and Karan Maharaj in Uttarkashi were supported for collection and processing of nettle fiber.
- d) **Sheep and wool development board:** Three health camps and Buyer Seller Meet for sheep in migratory routes in Uttarkashi were organized in collaboration with Sheep and Wool Development Board. 640 sheep and 158 Sheep rearer were benefitted. There is also a new Project named providing facilities to shepherds for wool and livelihood Improvement by machine shearing, treatment camps and establishment of sheep/goat parapet center in five District Costing Rs.54.74 for three years is also going to be executed. The total 630 beneficiaries of Uttarkashi will be benefited by this project.

Other initiatives

- a) **Integrated Child Development Scheme (ICDS):** Under the Take Home Ration (THR) scheme around 1800 qtl. *Maduwa* have been procured from the local community by the 10 federation of Almora which acclaimed a total turnover for ICDS (including take home ration) of worth Rs. 2.5 Crore in the financial year 2014-15.
- b) **Mother Dairy:** four federations from Almora supplied grade 'D' Gola *Naspati* and 500 qtl. raw mango of worth Rs. 2.9 lakh to Mother Dairy during the financial year 2014-15, through this innovation linkage the producers of these Federation get premium prizes from Mother Dairy.
- c) **Weaving Enterprises:** An order of 1000 weaving products i.e. shawl, muffler and cloth from Village Ways (Delhi based company) placed to Dev Mahima Weaving Producers Groups, Almora. The group produced a total turnover of Rs. 6.52 lakh and earned a profit of .87 lakh during the financial year 2014-15.
- d) **Eco-tourism :** One of the federation of ILSP was identified by the district administration to contribute into a holy festival of hills called Nanda Raaj Jaat Yatra by pitching tent colonies for the pilgrims and subsequently help the administration in the management of solid waste remains. Federation could generate a business of around Rs. 22 lakhs and these efforts were also got honored by the state government.

1.4 Sub Component 1: Vocational Training

Best Practices the project has taken up a pilot programme of around 760 students in 11 different trades based on the community needs and market demand. 91% of students as targeted (760) were enrolled in five project districts namely Almora (167), Bageshwar (96), Chamoli (68), Tehri (128) and Uttarkashi (150). The participation of women applicant were 65%. Till the end of FY 2014-15, 445 students were facilitated for job placement after the completion of training and certification and 234 of these availed the opportunity which included 68% of the women.

a) Key Lessons learned

- Candidates after the completion of training and certification and more prone to move back to routine and the job aspirations are close to their native place.
- Mobilisation and selection process need to be more counselling based and with systematic collaborative approach (*project team and agency*).
- the programmes executed in residential mode resulted in more successful as compared to non-residential programme.
- It has been experienced that better infrastructure/ resource facilities for vocational training are available at state level. Practically, students (*particularly the girls*) prefer the training at local level which is conducted by the concerned agency by hiring local resources.
- Counselling of candidates as well as their parents needs to be done and undertaking from both to be taken at the time of selection.
- Getting 25% contribution from the candidates could be a challenge as several other programmes are offering similar vocation training at 100% free to candidates with some additional support. A mechanism need to developed to overcome this challenge.
- Need for established training centers for rural households to relate to for the safety and security of their youth especially girls;
- There is a greater role required from ILSP team (DMU, TAs and others) for improving the processes of mobilization and also curtailing the drop outs experienced at different stages influenced by a number of factors such as cultural, lack of confidence by youth and their families for want of local level rapport, agencies lack knowledge of local villages etc.
- Job placement has been a biggest challenge for the key reasons such as inadequate data base on the demand for potential employment by trade, the contact of VT institutions with various companies/agencies needs structured dialogue to stimulate demand where possible and capture prevailing opportunities. Present job placement was <50%;
- Linkages with Sector Skills Councils/NSDC/Others is more on securing the training contracts and less on the job placement since ILSP is the only project that has a strong pre-requisite to link training with job placement structurally for a one year period;
- For some certification has been an issue, but opportunities are there to link with NCVT/NSDC/Other independent bodies. Its is not certain if the certification from independent body do hold recognition for employment and also for admission to pursue further studies/training;
- Drop out especially during and post training period. There are a number of reasons such as pursue further studies in unrelated subject, marriage, family not permitting to leave the village (need family counseling and more information during mobilization to youth and families), salary not attractive, others;
- Training institutions have the capacity to conduct skills vocational training in a number of trades; and

- Most training institutions have expressed boost in the training cost remuneration. This is primarily influenced by the higher remunerations being offered by the DGTE, but also have expressed to go along with ILSP in the Post pilot phase. Vocational Training component is a vast field and need focused efforts to achieve gainful results for the candidates as well as the project.

1.5 Project Management

IFAD Supervision Mission

A total of two missions visit the project for supervision and implementation support.

1. First Supervision Mission visited the project during 27 March 2014 to 4 April 2014. The objective of supervision mission of IFAD was to review the progress, make recommendation regarding plan and proposed implementation modalities and to reach the agreement with the project and government on any action needed to accelerate the progress and to ensure impact. During its review, the mission focused on overall assessment of programme implementation, response to the flood digester, overall strategy for digester intervention and broad activities and its implementation arrangements in sync with ILSP. Mission made specific recommendations on the project components to accelerate the implementation. As this was the first supervision mission, an IFAD Implementation Support Mission (ISM) was also envisaged subsequently to visit the project area. The mission proposed was smaller and shorter than a normal Supervision Mission reflecting the fact that project activities to date have been very limited, and also the need for further follow-up missions during the year, in particular the mission did not cover fiduciary issues in any detail-these all have been covered by the Implementation Support Mission (ISM) in 17th November to 24th November 14.
2. The implementation support mission of IFAD (ISM) visited the project during November 17-24, 2014 to understand the key issues impeding the project progress and identify possible ways of improving the pace of implementation.
The mission gave its recommendations on the following issues to fast track the implementation:
 - a) Recruitment of staff
 - b) Recruitment of Technical Agencies
 - c) Recruitment of Technical Agency for the remaining blocks
 - d) Suggestion to make Producer groups NRLM compliant
 - e) Suggestion to turn SHGs into Producer Groups
 - f) Funding for Producer Groups and Federations/Collectives
 - g) Internal processes within the project
 - h) Harmonization of management structure

A copy of the detailed report is enclosed as **Annexure A**.

Meetings of CPCU and UGVS

Table No- 20

Details of Meetings held			
S. No	Project Steering Committee Meeting (PSC)	Project Management Committee Meeting (PMC)	UGVS Management Committee Meeting (MC meeting of UGVS)
1	03.02.2015 4 th Meeting	28.1.2015 4 th Meeting	13.05.2014 27 th MC Meeting
2	---	---	04.09.2014 28 th MC Meeting

Meetings of PS, WMD

Governing Body- 1st Meeting – 13-05-2014

1.6 Knowledge Management

Building on the KM strategy of ULIPH, the project has developed an interim KM strategy for ILSP which has been shared with project staff for sensitization. Following initiatives have been taken under KM:

- I. A web based repository of resources encouraging all project team to share their knowledge and resources through this platform was created and is in use. This is being used to disseminate information between project offices/ staff.
- II. Compilation of useful information like directory of businesses of all federations, sector wise CRP etc. and sharing with project team.
- III. Documenting the testimonies of federations/ federation members.
- IV. Selected case studies have been documented in Hindi & English covering cases from different districts on various value chain activities, collective marketing being done by federations and federation's journey. (Hindi: एक खामोश यात्रा 24 case studies, English : A Quiet Journey 22 case studies)
- V. Usage of Voice and Text messages for disseminating useful information among project staff and selected project beneficiaries.
- VI. Quarterly review and sharing workshops were organized at state level for project staff.
- VII. Two issues of Hindi New letter (एकीकृत आजीविक संवाद) has been published and distributed to all districts project area. It is compilation of project activities and other related news.
- VIII. A 'Knowledge Guide book' has published based on all Govt. Schemes.
- IX. Customize calendar and dairy for year 2015 has published and distributed among all project staff, federations, TAs, line departments and all other stakeholders.
- X. Web based KM resource center is being utilize by the Astt. Manager level, they are regularly posting related reports and other information on this platform.
- XI. Federation's Workshop
A two day knowledge sharing workshop was organised by Uttarakhand Gramya Vikas Samiti (UGVS) on January 09 - 10, 2015 for cross pollination of ideas and learnings made by the Federations and Producer Groups (PGs)/ SHGs being supported under IFAD's Integrated

Livelihood Support Project (ILSP). The workshop was inaugurated by Hon'ble Chief Minister Uttarakhand Shri Harish Rawat. The workshop was comprised of more than 220 participants from 9 hill districts of Uttarakhand being covered under ILSP including the representatives of 65 federations, Panchayati Raj Institutions, SHGs and Producer Groups. In addition, the event was witnessed by Shri Ganesh Godiyal, Secretary Parliamentary Affairs, Watershed Management and Externally aided projects, Shri Harbans Kapoor, MLA Dehradun Cantt. area, Shri N. Ravi Shankar, Chief Secretary Uttarakhand, Shri R.S. Tolia, Former Chief Secretary Uttarakhand and Chairperson, Public Policy, Doon University, Shri R.B.S. Rawat Chairman Uttarakhand Subordinate Services selection Board, Dr. Kamal Singh, CEO ULDB, Dr. Avinash Anand, CEO USWDB and many dignitaries including Secretaries, Directors of different departments. The event was successful in its cause of bringing various stakeholders particularly the rural community and the institutions on a common platform for sharing the experiences in their livelihood journey and learns from each other. The external participants were instrumental in bringing in new opportunities of businesses for these community institutions. An exhibition was also put up during the event which enabled the stakeholders to showcase their products and gain attention. Detailed report is enclosed as **Annexure B**.

1.7 Monitoring and Evaluation and Management Information System

Project conducted following surveys during the year

- a) RIMS survey 2014
- b) Baseline Survey. Field survey has been conducted and draft report has been received.
- c) Annual Outcome Survey for the year 2014 has been conducted.

The project developed an in-house Management Information System facilitating the project staff and management to generate the Annual Work Plan and Budget, procurement plan, monitor the progress and generate relevant reports. The reports that can be generated through the MIS comprise of Site Specific Planning Reports, Approved Budgets, Procurement Plan, Achievement, Profile (Household, Village, Groups, and LC/Federations) and Planning Tools. These reports can be viewed at the State, District and Block level as per requirement.

Similarly Office works Management System has also been developed which comprises of Activity based calendar, Specific assignments to project staff, Monitoring tool for staff ToR v/s tasks accomplished, Federation business monitoring tool, Asset tracking, Checklist for monthly audit documents etc.

1.8 Gender and Institutions

The project focused on women participation in the SHGs and federations. Presently there are 145 Federation office bearers and out of which 107 are female (75%). In new project blocks the project identified 127 adopted SHGs comprising of 918 women (83 %). The project facilitated women friendly Interventions in business mode for improved agri-implements (*sickle, kutla, improved plough*), light weight water pitcher, solar lanterns, fodder nurseries, cattle trough and cow shed renovation.

a) Gender mainstreaming at organizational Level

- i. **Gender Strategy of ILSP:** The gender strategy has been developed to mainstream gender concerns in the project. ILSP is a gender oriented project, where project demands more women participation, women empowerment and women friendly activities/practices to be promoted to facilitate the gender gap of the society. The strategy has covered most of the aspects of gender gap, how the issue will be addressed at all levels with crosscutting approach, in institutional building/staffing pattern, capacity building & IEC activities, farm & off-farm activities, social and economic empowerment of village women, women in lead role and active participation in decision making at both professional (group/federation) and personal (family) level and so on.
- ii. **Constitution of committee under the Vishakha Guidelines:** Uttarakhand Gramya Vikas Samiti formed a committee to resolve the issue related exploitation of working women.
- iii. **Women Participation is high in all project activities:** Women participation in the project is high in every sector or activity. More than 90% shareholders in the ex-ULIPH federations are women. The ILSP mandate to ensure 60% women participation in the newly formed producer groups, whereas all members in the vulnerable producer groups were to be women as per the old criteria followed in the year 2014-15. The project has provided INR 256.82 Lakhs and distributed among 5768 members to carryout various activities with the assistance of the project and there also 87% were women beneficiaries. The project has ensured a great no. of women participation under Vocational Training Programmes, where 450 participants were women out of 694 of total participation. Total 161 women/girls are placed, although many girls could not accept placement as the jobs were outside their hometown. To some extent the gender focus tilts heavily towards women in the ILSP.
- iv. **Female staff Preference in Technical Agency:** In Uttarakhand women are in sufficient numbers in SHGs. So project will try to ensure to have female staff at grass root level to interact with women for mobilization and day to dealing purpose. Preference will be given to women candidate on the position of Livelihood coordinator, group facilitator and computer operator cum accountant.
- v. **Inspirational women representation in Panchayat Elections:** The ULIPH federations have been emerged as an inspiring leadership institution. It has demonstrated a good example of strong leadership in the last panchayat elections. Total 1012 SHG members and federation shareholders collectively elected in the last PRI elections as Gram Pradhan, Ward Members, Keshtra Panchayat members and Zila Panchayat member.
- vi. **Support to Women in Disaster Affected Blocks:** The project has strategically worked in the disaster affected blocks, where women were proactively engaged in vocational training programs. Facilitation in other means was also provided by the project staff in the area.

b) Gender Mainstreaming Program Implementation Level: Women of Uttarakhand are active and have positive approach for the developmental and livelihood activities. They are performing the function of agriculture and livestock related activities. ILSP Project ensured more than 60% participation of female households under the PGs/VPs/SHGs.

ILSP is following the under mention process to ensure the inclusion of women for the availing the opportunities and ensuring them in mainstreaming.

c) Gender mainstreaming at different CBOs level

- i. **At PG Level:** Project is ensuring 50% participation of women under PGs. Separate group is being formed for the men and women to reduce the dominating tendency of men in mix group. Presently 83% women are the member of the PGs.
- ii. **At VPG Level:** All VPGs are women group only.
- iii. **At Livelihood Collectives/Federation level:** There will be more than 66 percent women in the Board of Directors (Governing Body) and at least two women will be the office bearer (on the position of president/Secretary/Treasurer) 50 percent participation would be ensured in share holdings and membership (Who are eligible for voting). Presently 92% women are shareholders and 75% women are office bearers.
- iv. **Capacity Building:** Project is ensuring to cover more than 50 percent female participants in different training program to enhance their technical knowledge (Agri-Horti, livestock and non-farm sector), group management skills. During this year project could ensure 62.25 % participation of females in different training programs. Details of trainings are given below

Table No-14

SN	Name of program	Total Participants	Female participants	Percent of women participation %
1	Village /Block Meeting	1105	774	70
2	Annual Plan Training	894	406	45
3	Board of Directors meeting	5269	3655	69
4	Vocational Training	694	450	65
	Total	7962	5285	62.25

- v. **Women drudgery reduction interventions:** Through Integrated livelihood support project major work on women drudgery reduction is being carried out by the federations. Federations are promoting such business activities which are related to reduction of women drudgery and such federations are gaining profits from these activities. Federations are involved in business of agri-implements, light weight water pitcher, solar lamp, promotion of fodder nurseries etc.
- d) **Future challenges:** Integrated livelihood support project is working in Uttarakhand state where the women are involved in all major agriculture related activities. There are some major challenges such women drudgery, decision making and youth migration etc. Keeping in view above challenges project will try to work on the following:-

- i. **Capacity Building of Community Resource Persons (CRPs):** In Uttarakhand generally men go to other state in search of employment and for the other livelihood options. The women are involved in domestic work, agriculture and allied activities. The ILSP project is involved in training of local youth in different sectors to provide the services at door step of rural households helping the women who stay back in home.

These services include transfer of technical knowledge like agri-horti and livestock based activities. CRPs will also support marketing of rural produce/product. The money received by selling produce being transferred directly in the federation account.
- ii. **Decision making:** At different levels at least 50 percent women members will be involved for implementing field activity like procurement of inputs, services and selling of the local produce and especially for intervention of low cost technology etc.

- iii. **Technology:** As per the experience of ULIPH project, low cost technology related to value chain and reduction of the work load of women. Some of the good examples like Vermi-composting, agri implements/tools (*Sickle, winnowing fan, kutla, plough*) solar lamp, cattle trough and fodder nurseries etc. are taken on the priority while working on related value chain.

1.9 Organisation and Staffing:

The updated organisation chart of the Project Implementation Unit and the names and titles of all the senior managers of each PIA is given as Table 15 and 16 respectively.

Table No-15
Project Organogram

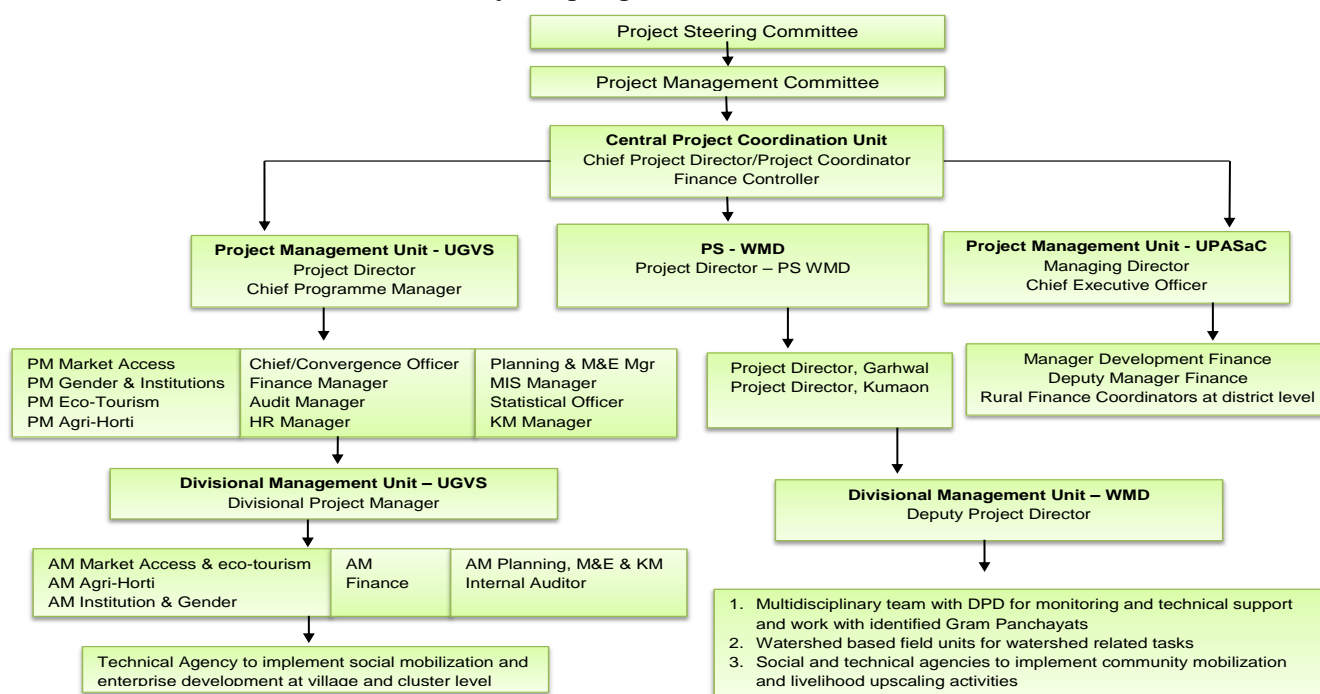


Table No 16

S. N.	Name	Designation
CPCU		
1	PD UGVS hold additional charge of CPD- CPCU	
Project Management Unit – UGVS		
1	Mr. Vijay Kumar	Project Director
2	Mr. Rajeev Kumar Singhal	Manager - Planning/Monitoring & Evaluation, Chief Programme Manager (i/c), Manager – Knowledge Management (i/c)
3	Mr. M. S. Yadav	Manager- Human Resource
4	Mr. Sanjay Sexana	PM-Agriculture / Horticulture
5	Mr. Lalit Kumar	Finance Manager (Additional charge - FC CPCU)
6	Mr. Ajay Purohit	Manager –Management Information System
7	Mr. Manoj Singh	PM- Market Access
8	Mr. Ashish Ranjan	AM-Finance, CPCU
9	Mr. Anshul Karanwal	AM-Finance, PMU
10	Mr. Vinay Kumar Gunwant	AM-P/M & E & MIS, CPCU
Divisional Management Unit – UGVS		
1	Mr. Kailash Bhatt	DPM- Almora
2	Mr. Mukesh Kumar	AM-Market Access, Almora
3	Mrs Geeta Joshi	AM-Gender & Institutions, Almora
4	Mr. Girish Tiwari	AM-Planning, M & E & KM, Almora
5	Mr. Vikram Singh	AM-Finance, Almora
6	Md. Naeem	Internal Auditor, Almora
7	Mr. Kamlesh Gururani	DPM- Bageshwar
8	Mr. Dharmendra Kumar Pandey	AM-Gender & Institutions, Bageshwar
9	Mr. Deepak Chandra	AM-Agri/horti, Bageshwar
10	Mr. H B Pant	DPM-Chamoli, Chamoli
11	Mr. Hemant Singh Basera	AM-Agri/horti, Chamoli
12	Mr. Kuldeep Singh Bisht	A M-Planning, M & E & KM, Chamoli
13	Mr. Shashikant Yadav	A M-Finance, Chamoli
14	Mr. Kamal Kumar Gaur	Internal Auditor, Chamoli
15	Mr. Ashok Kr. Chaturvedi	DPM-Tehri
16	Mr. Manmohan Chauhan	AM-Market Access, Tehri
17	Mrs. Ranju Upadhyay	A M-Finance, Tehri
18	Mr. Kamal Bhatt	A M-Planning, M & E & KM, Tehri
19	Mr. Durga Prasad Gairola	Internal Auditor, Tehri
20	Mr. B K Bhatt	DPM-Uttarkashi
21	Mr. Jagbir Singh Bist	AM-Market Access, Uttarkashi
22	Kr. Kiran	AM-Gender & Institutions, Uttarkashi
23	Mr. Arjun Singh Bagri	A M-Finance, Uttarkashi

24	Mr. Babendra Rawat	Internal Auditor, Uttarkashi
25	Mr. Rais Ahmad	DPM-Deharadun
26	Mrs. Sarita Devi	AM-Gender & Institutions, Dehradun
27	Mr. Sanjeev Kumar Wahi	A M-Planning, M & E & KM, Dehradun
28	Mr. Rohit Arora	Internal Auditor, Dehradun
29	Mr. Rajesh Mathpal	AM-Market Access, Pithoragarh
30	Mr. Prateem Bhatt	AM-Gender & Institutions, Pithoragarh
31	Mr. Vivekanand Barthwal	AM-Planning, M & E & KM, Rudraprayag
32	Mr. Hemlata Maithani	AM-Gender & Institutions, Rudraprayag
33	Mr. Pawan Raturi	A M-Finance, Rudraprayag

1.10 Financial Management: the following updates are available in:

- a) Sources and Uses of Funds Statement – **Annex-I**
- b) Summary of Sources & Utilization of Funds – **Annex-II**
- c) Budget versus Actual Expenditure by component and Year - **Annex-III**
- d) Progress by Category and year since inception of project implementation - **Annex-IV**
- e) Progress against project Log frame indicators - **Annex-V**

The implementation of ILSP was initiated from June 2013 after appointment of Project Director. A number of start-up actions were taken during the year including approval of restructuring of ILSP, approval of staff positions, approval of Technical and Evaluation Agencies and activities like support to federations, vocational training and identification of value chains was done. The overall progress of the project during FY 2014-15 was 87%.

Procurement : During the year key procurement of 7 technical Agencies for 14 blocks, Project Evaluation Agency and internal auditors was done.

2 Component 2: Participatory Watershed Development

2.1 Participatory Watershed Component

- a) It will aim to protect and improve the productive potential of the natural resources in selected watersheds along with increasing household income through inclusive and sustainable approaches.
- b) Address the issues of sustainable rural livelihood with the participation of local communities to ensure long term ecological and economic security.
- c) As per the Common Guidelines for Watershed Projects (2008) of Govt. of India- It will be based on the principles of Inclusiveness, Decentralization, Social mobilization and Community participation.

2.2 Details of Revised Project Area for ILSP WMD Component

Table No-17

S. No.	Name of the District	Name. of Development Blocks	No. of MWS	Micro watershed area (ha.)	Forest Area (ha.)	Agriculture Area (ha.)	Blank Area (ha.)	No. of GPs	No. of Villages	No. of HH	Population
1	Pauri	Pabo, Ekeshwar	5	16470	11092	4019	1359	48	101	5388	21643
2	Champanawat	Pati, Champawat, Barakot	4	21011	12613	5678	45	55	126	5833	36468
3	Nainital	Betalghat, Ramgarh	13	32713	18902	8312	5262	84	150	10720	51584
	Total	7	22	70194	42607	18009	7166	187	377	21941	109695

Selection Criteria: These watersheds have been short listed as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Note: Original area was 41 MWS, 349 GPs covering 6 districts with an area of 125088 ha.

2.3 Project Progress till Date

- After permission from govt. of Uttarakhand, recruitment at various levels has been done. A total of 10 account assistants, a total of 10 data entry operator at WMD, PD and DPD level done. One internal auditor at WMD level has been appointed.
- Procurement of contractual personnel for field division is ongoing .
- Details about the TOR and MOU signed with the Monitoring & Evaluation agency has been shared with IFAD. After approval, the agency have been hired form 16th January 2015.
- FNGO procurement completed and placed in field.
- An orientation programme of the FNGO and the monitoring & evaluation agency has been conducted at WMD level.
- District coordination and monitoring committee meetings are being regularly conducted.
- The project is in the work phase.

3. Component 3: Livelihoods Finance implemented by UPASaC #

UPASaC is one of the implementing agency of ILSP, covering all project districts viz Almora, Bageshwar, Chamoli, Tehri, Uttarkashi, Pithoragarh, Rudraprayag, Dehradun, Champawat, Nainital and Pauri. In 2014-15, UPASaC conducted 6 workshop on development financing for SHGs/Federations in Almora, Bageshwar, Chamoli and Uttarkashi district covering 2721 participants. Also conducted 3 training programs for federations on banking products.

During the FY 2014-15, under Development Finance, ULIPH federations availed services from banks and upgraded the credit limits of SHGs. 275 Self Help Groups (SHGs) availed Rs 1.16 crore for CCL for Seed procurement, livestock procurement, house construction and other needs of group members. The project facilitated disbursement of 173 term loans for micro enterprises ranging from dairy, general stores, tent House and other non-farm sectors amounting Rs.2.14 crore and a total of 413 Kisan Credit Cards (KCCs) mobilized amounting to Rs. 1.69 crore.

Sources and Uses of Funds Statement

Components	Appraisal	Budget 2014-15	Amount
	(Rs. ,000)		
Food Security & Livelihood Enhancement			
Food Security & Scaling Up	1,225,018	93876	76984
Access to Market	140,128	16435	8924
Innovation Linkages	119,270	5300	1807
Vocational Training	207,000	2800	2672
Project Management Unit	486,009	48957	39563
Sub Total -Food Secuirty & Livelihood Enhancement	2,177,425	167368	129950
Participatory Watershed Management			
Social Mobilisation	4644724	5700	6416
Watershed & Village Development		15606	20994
Food Security Enhancement Support		9540	17569
Livelihood Upscaling		960	0
Institutional Strengthening		10975	9910
Project Management WMD		52635	45452
Sub Total-Participatory Watershed Development	4,644,724	95416	100341
Livelihood Finance – UPASaC			
Field Vehicle and Equipment	1,197,273	660	308
Financial Initiatives		407	9
Risk Management		1700	885
Banking Initiatives		3650	2129
UPASaC & Bank Financing		1750	0
UPASaC Management		3241	2282
Sub Total - Livelihood Finance	1,197,273	11408	5613
Project Management			
Central Project Coordination Unit	30,241	1025	284
M&E and KM-UGVS & UPASaC	89,478	11485	6210
M&E and Knowledge Management (WMD)	81,368	1435	992
Sub Total-Project Management	201,087	13945	7486
Grand Total (Direct Expenditure)	8,286,105	288137	243390
Other Stakeholders Contribution Reported			
Beneficiary contribution		10662	9649
Cash credit, Term Loan & Kisan Credit card (against budget under UPASaC & Bank Financing)		51200	50045
Sub Total- Other Stakeholders contribution			59694
Grand Total	8,286,105	349999	303084

Summary of Sources & Utilization of Funds**Amount (Rs. In 000)**

Opening fund available	52338
Funds received from State Government (RD Department)	350000
Funds for Salary of WMD Staff from Agriculture Department	31683
Other Receipts (Interest and other receipts)	9104
Total Funds Available	443125
Less : Total Direct Expenditure Against Funds Received	243390
Add : Increase in current liabilities	935
Less : Increase in investments	99328
Less : Increase in loans and advances	5383
Less : Increase in other current assets	748
Closing Balance (Cash & Bank Balance & Advances)	95211

Budget & Achievements for the Year 2014-15				
Integrated Livelihood Support Project (ILSP)				
Components	Budget		Achievement	
	Program	Amount (Rs. 000)	Program	Amount (Rs. 000)
Food Security & Livelihood Enhancement				
Food Security & Scaling Up	7216	97486	1758	82946
Access to Market	325	16435	161	8924
Innovation Linkages	7	5300	10	1807
Vocational Training	670	3650	38	2672
Project Management Unit	1233	48957	251	39563
Sub Total - Food Security & Livelihood Enhancement	9451	171829	2218	135912
Participatory Watershed Management				
Social Mobilisation	190	5700	451	6416
Watershed & Village Development	17	17340	60	21209
Food Security Enhancement Support	379	11925	961	21041
Livelihood Upscaling	20	1200	0	0
Institutional Strengthening	433	10975	1020	9910
Project Management WMD	66	52635	38	45452
Sub Total-Participatory Watershed Development	1105	99775	2530	104028
Livelihood Finance – UPASaC				
Field Vehicles	30	660	9	308
Financial Initiatives	32	450	1	9
Risk Management	5	1700	300	885
Banking Initiatives	31	3650	17	2129
UPASaC & Bank Financing	1270	54750	861	50045
UPASaC Management	84	3241	10	2282
Sub Total - Livelihood Finance	1435	64451	1198	55658
Project Management				
Central Project Coordination Unit	38	1025	12	284
M&E and KM-UGVS & UPASaC	339	11485	93	6210
M&E and Knowledge Management (WMD)	49	1435	27	992
Sub Total- Project Management	426	13945	132	7486
Grand Total	12417	350000	6078	303084

B. Statement of Use of Funds by Category Rs. In '000'					
Category	Total Expenditure	State Govt share	IFAD Share	Beneficiary Contribution	Bank Share
I. Civil Works	253	25	228	0	0
II. Watershed Treatment	21208	2099	18894	215	0
III. Vehicle, Equipment's & Materials	8947	2237	6710	0	0
IV. Capacity Building	95467	4700	81333	9434	0
V. Livelihood Financing *	50045	0	0	0	50045
VI. Service Provider Contract	50470	5047	45423	0	0
VII. Incremental Salary & Operating Cost	76694	52899	23795	0	0
Total	303084	67007	176383	9649	50045
* CCL, Term Loan & KCC as reported					

Progress against Project Logframe Indicators

UGVS			
S. No	Key Indicators	Appraisal Targets	Progress
Outcome Indicators			
1	70% of farmers adopt improved technologies or increase in area irrigated.	70%	-
2	70% of farmers increase farm yield &/or output by average of 15%.	70%	-
3	5% of hh establish new enterprises	5%	-
4	10% of hh expand existing enterprises.	10%	2.60%
5	20% of hh report increased sales.	20%	-
6	10% of producers use new marketing channels.	10%	-
7	Ex-ULIPH federations expand membership to over 33,000 hh	33,000	34500
8	50 producer organisations in new areas rated as sustainable.	50	-
9	At least 60% of project supported institutions graded A	60%	59%
10	Increase in 10% in producers' share of retail price in at least three value chains.	10%	-
11	At least 10 new technologies tested with rural hh and show potential for adoption	10	-
12	8,000 vocational training graduates ¹ gain employment.	8,000	250
Output indicators			
1	Producer Groups and Vulnerable Producer Groups with 59,000 members	59,000	43917
2	130 community apex organisations	130	56
3	102 micro-irrigation schemes	102	1
4	100 artificial insemination service providers (paravets)	100	56
5	59,000 people trained & get livelihood support	59,000	1200
6	18,000 producers benefit from value chains.	18,000	-
7	20+12 collection centres	20+12	1
8	27 river crossing trolleys	27	-
9	27 value chain sub-sectors developed	27	-
10	60 producer organisations involved in value chains.	60	-
11	30,000 people trained in marketing and value addition	30,000	-
12	20 action-research sub-projects implemented	20	1
13	Action research sub-projects involve 2,000 hh in addition to those in FS&SU PG and VPGs	2,000	26
14	15,000 people complete vocational training.	15,000	619
WMD			
Outcome indicators			
1	Increase of 10% in vegetative biomass	10%	-
2	Increase of 10% in water availability	10%	-
3	75% of PG members adopt new technologies or techniques	75%	-
4	100% of PG members increase farm output by at least 15%.	100%	-
5	20% of VG members establish new enterprises or expand existing enterprises.	20%	-
6	20% of PG members increase in sales of produce or use new market channels.	20%	-
7	Improved performance by 80% of GP	80%	-
8	Lessons documented and disseminated via media and meetings.		-
Output indicators			
1	215 Water and Watershed Management Committees plan and	215	187

	implement watershed development		
2	65000 ha covered by watershed conservation and development.	65000	43931
3	Producer Groups with 12000 members established	12,000	12,000
4	Collection centres, marketing services		
5	Vulnerable Groups with 3000 members ¹	3,000	3,000
6	30 Livelihood Collectives established & up-scale income generating activities with backward and forward linkages	30	30
7	All (215) GP gain capacity for watershed development	215	187
8	Information and communication products		-
9	Project management delivers project services		-
UPASaC#			
Outcome indicators			
1	560 Term loans for SMEs facilitated at an average funding support of Rs.2 lakh	560	-
2	6100 Term loans for MEs facilitated at an average funding support of Rs.0.75 lakh	6100	413
3	Cash Credit limit for 3460 SHG/PG availed at an average of Rs.0.50 lakh/group	3460	1030
4	Kisan Credit card facility availed by 9500 persons at an average of Rs.0.25 lakh per member	9500	1744
5	Number of new financial products and viability of new RFI branches	5	-
6	Loan default rate at an acceptable level		-
7	Number of clients/policies developed for different risk management instruments.	5	-
8	risk management products introduced and used	5	-
9	Number of groups members using financial services	30%	-
10	LCs act as facilitators in taking up the role of BC/BF by its members	11	-
11	Effectiveness of financial literacy training		-
12	UPASAC investments total Rs.70 million through SVCF	70 million	-
13	Recovery rate for UPASAC Investments	90%	-
Output indicators			
1	Impact study of RFI carried	1	-
2	12 new branches of RFI expanded in project blocks	12	-
3	11 Business Facilitators supported for carrying out financial inclusion with banks	11	-
4	8 PACS supported for bank linkage	8	-
5	Major financial institutions having presence in Project participating in ILSP linkages.	5	-
6	Risk insurance study	1	-
7	Partnerships for development of risk management products executed	2	-
8	Number of LC acting as BC/BF	11	-
9	Number of people reached by financial literacy training	1300	-
10	Number of funding applications reviewed	4000	-
11	Viability gap funding support to 100 LC provided	100	-
12	Entrepreneurship development scheme grant to 3000 PGs	3000	-

The details furnished for UPASaC are as per the information available with CPCU. There has been no update made available by UPASaC for the annual report.