

Income Generation and Livelihood programmes

Need for Income Generation Activities

The objective of the project is ecological restoration of degraded wasteland in Attappady and developing replicable models of participative eco-restoration, so as to prevent further degradation and promote sustainable livelihood option for the people (with special emphasis on tribal population). The project extends financial and technical support to the poor, augmenting their income through wage payment by participating in the Project activities. During the implementation of the Project, it was realized that sustainable use of natural resources would not be achieved, unless the basic needs of the rural poor were addressed and regular sources of income were assured. It was recognized that, people, who possessed land and were willing to participate in the Project, would have a sustainable income once the plantations raised on their lands start yielding. However, problems remained in case of landless people (almost 25 percent of the population). The wages paid through works on the various components of the Project are only temporary source of income to them. The illiteracy prevailing in the area also prevents development of alternative employment opportunities, especially for women. This realization provided impetus to explore possibilities for the creation of alternative employment generation, known as “**income generation activities**” (IGA) and paved the way for the formation of **Income Generation Activity Group (IGAGs)**.

The concept is to explore the group dynamics using the principles of THIRFT (by way of compulsory savings), CREDIT and SELF HELP leading to micro finance and micro enterprise development. The programme is expected to reach out to the remote and inaccessible areas through PIs established under the Project. The programme, besides supporting the rural poor, is also expected to strengthen the PIs, there by establishing their sustainability once the AWCECOP winds up.

The individuals in the IGA groups make themselves socially and economically accountable to each other. IGA group is a collective group of people, consisting of 12 to

15 members. They make a small amount of thrift collected on a regular basis and use their thrift to advance small interest bearing loans to members in the IGA group. The process helps them to build financial institutions according to their needs, in which the members themselves set terms, conditions, and observe account keeping. In this process, they also learn to manage resources available to them.

Each IGA Group will consist of 12 to 15 Members residing within the Project area. Each IGA group will select its representatives for day-to-day working of the group, namely President, Convener and Joint Convener. The selected representatives will have specified duties. The President will look after overall management of the IGA group. He/She will conduct regular meetings of the IGA. For day-to-day management of the IGA group, the Convener will be responsible. In the absence of the Convener, the Joint Convener will perform the duties of the Convener. The duty of the Convener is to keep all documents/reports related to IGA group in safe custody and produce them for verification, whenever required. The documents include minutes book, attendance register, cashbook, etc. The duty of the Convener will also be to collect repayment of loans and to deposit savings into the bank identified for this purpose. Other members will participate in the working of IGA and members will make decisions collectively.

Unite ness of Income Generation Groups

Decision making	Members make decisions collectively. SHG concept offers opportunity for participative decision making on conduct of meetings, thrift and credit decisions. The participative process makes the group a responsible borrower.
Financial services	IGAGs provide the needed financial services to the members at their doorstep. The rural poor needs different types of financial services, viz. savings, consumption credit, production credit, insurance, remittance facilities etc. The platform of SHG provides the possibility to converge these services.
Informal Banking	IGAGs linkage does not supplant the existing banking system, but it supplements it, thus taking full advantage of the resources and other advantages of the banking system.

Assured repayment	The linkage mechanism will make the repayments as high as 95-100 percent
Peer pressure as collateral	The IGAGs linkage emphasizes peer pressure within the group as collateral substitute.
Quality clients	The IGAGs are turning out to be quality clients in view of better credit management, mobilization of thrift, low transaction costs and near full repayments. This is in comparison with individual loans and its repayment
Capacity Building	The members of the IGAGs could, over a period of time, very selectively graduate to the stage of micro entrepreneurship and will be prepared with requisite credit discipline.
Social development	IGAGs linkage offers a better way of dealing with the magnitude of social agenda. Many NGOs/ Governments have recognized such groups as a vehicle for carrying out and deepening of their developmental agenda/ delivery of services.
Focus on Poor	IGAGs have exclusive focus on absolute have-nots, who have been bypassed by the banking system. Social banking does not have any meaning if the lowest strata and the undetached are not focused.

Long term objectives of Income Generation programmes

- ✍ To alleviate poverty within 4-5 years of start of IGARFT functioning.
- ✍ To strengthen IGAGs to link them with various micro credit programmes.
- ✍ Capacity building to make them aware of enterprise development and skills associated with this.
- ✍ To establish a permanent marketing channel for marketing agricultural commodities of Attappady.
- ✍ To convert IGAGS into miniature micro credit units who can lend internally to individual members of groups on the basis of their savings.

Current Status of IGA Groups

<i>Sl. No.</i>	<i>Team No.</i>	<i>No. of Groups</i>	<i>Number of Members</i>	<i>Male</i>	<i>Female</i>	<i>Account Opened Groups</i>	<i>Deposit</i>	<i>Bank balance</i>	<i>Loan</i>	<i>Cash in hand for urgent group needs</i>
1	I	34	419	188	231	30	183544	123264.4	60279.6	4600
2	II	39	523	130	393	35	285388	120288.53	165073.3	7433
3	III	49	603	224	379	42	398899	122962	281202	21410
4	IV	50	620	152	468	45	407896	228492	180279	26245
5	V	26	370	178	192	23	190692	132851	57850	0
Grand total		198	2535	872	1663	175	1466419	727857.9	744683.9	59688

* Attappady block is divided in to 5 team areas for purpose of easy implementation

Capacity building programmes

1. Group strengthening

- ✍ Training on maintenance of group cohesiveness and evaluation procedures.
- ✍ Training on bookkeeping and accounts maintenances

2. Skill development training

lists of skill development trainings conducted so far

Sl. No	Name of Training for
1	Capacity Building TRG
2	Marketing TRG
3	Chips Making TRG
4	Tailoring TRG
5	Nursery Management TRG
6	Communication Skill Development
7	Medicinal Plants TRG
8	Compost making (Parthenium & Vermi)
9	Evaluation Meeting
10	Pisciculture TRG

11	Cocoon Handicrafts TRG
12	SHG & Industries
13	Name of the programme
14	Nursery Management Trg
15	Nursery training
16	Mycorrhizal Biofertilizer Trg
17	Bamboo Crafts
18	Rabbit Farming Trg (Ist Batch)
19	Skill Development Programme
20	Tailoring Trg
21	Concrete doors & Windows manufacturing Trg
22	Rabbit Training
23	Awareness training
25	Apiculture
26	Banana fiber Training
27	IGA training to staff
28	Mushroom Cultivation
29	Review Meeting
30	Jetropha Seed Collection & Possibilities - Discussion
31	Evaluation- Team II
32	Evaluation- Team I, IV
33	Bank Loan & Accounts Training

On going Activities

Farm based

1. **Hen layers** for income generation @ 10 hens /member for 6 members of IGA group supplied to 300 beneficiaries of 50 IGA groups .
2. **Rabbit farming** on going for 20 IGA Groups
3. **Fish farming** using fresh water fishes on Catla ,Rohu,and Mrigal.
4. **Agricultural nursery** on Arcanut and coconut 19 nos for 30000 seedlings.
5. Units of income generation – **vegetable farming** for 300 selected beneficiaries of 50 IGA groups.

Non farm based

1. **Handicrafts** making unit using Kongni plants, vetver and banana fiber.
2. **Tailoring unit** run by individual group members.

Internal lending from savings

objectives

- ✍ To initiate organized lending on portfolio basis
- ✍ To keep away un authorized money lenders operating socio economic sphere of attappady.
- ✍ To provide micro credit to needy poor where formal banking is unapproachable due to lack of security and other procedures.

Procedure

Credit limit is 1 saving: 3 credit

Portfolios of internal credit

Sl.No	Credit portfolios
1	Education
2	Family function and marriages
3	Repay of high interest loans.
4	Consumer loans
5	Housing and repair
6	Health

Conclusion

The concept of income generation formulated by AHADS utilizes the principles of thrift (by way of compulsory savings) credit and self help leading to micro finance and micro enterprise development. The programme is expected to reach out to remote and inaccessible areas of Attappady through IGAGs thus acting as a vehicle for poverty alleviation in attappady through sustainable livelihood programmes.