

C. PROJECT COMPONENTS DESCRIPTION

1. The project activities and resources are structured around three components of the Project. They are:

Component A: Village Livelihood Program

Component B: District and State support for Village Livelihood Program

Component C: Project Management

2. The detailed description of each of the component and sub-components is given in the following sections:

C.1 Component A -Village Livelihood Program (Rs. 6,370.00 Million)

- 1 3. This is the largest component of the Project with a total of 89% of the Project funds earmarked for implementing the component and has two sub-components as detailed below:

A.1 Formation and Strengthening of Village Institutions

A.2 Village Fund

A2 (i) VPRC Fund

(a) Capacity Building Fund

(b) Special Fund to assist the Disabled and most Vulnerable

A.2 (ii) Livelihood Fund for Economic Activity Groups

A.2 (iii) Village Panchayat Incentive Fund

A.2 (iv) Para-professional Development and Federation Development & Strengthening

4. **Sub Component A.1 - Formation and Strengthening Village Institutions (Rs. 643.00 Million):** This component of the Project will facilitate formation of pro-poor institutions of village communities and build their institutional capacity to synergise and strengthen productive livelihood related investments at the village level.

5. The *objective* of this sub-component is to support and develop inclusive, self-reliant, self-managed and sustainable community organizations and their federations for livelihoods improvement.

6. The main *activities* under the sub-component are:

- Disseminating project principles and activities to the community.
- Providing initiation fund of Rs.35,000 to the VP for initiating the project activities in the village. From phase II onwards, the amount of initiation fund will be

decided based on population of the village panchayats. Villages with less than 3000 population will receive Rs.25,000/- others will receive Rs.35,000/-

- Participatory identification of the poor so as to target the project benefits to the very poor, disabled and other vulnerable groups in the village.
- Mobilizing the left out very poor families, disabled and vulnerable into SHG activities and strengthening of existing SHGs of the target population to facilitate the formation of VPRC.
- Formation and strengthening of Village Poverty Reduction Committees (VPRC) as an inclusive and autonomous institutions as discussed in chapter 4, para 39.
- Undertaking capacity building activities including exposure visits for members of VP, VPRC, SHGs, EAGs and their Federations
- Constituting additional tribal VPRC where the number of tribal families is 50 and above, and forming Tribal Sub Committee if tribal population is less than 50.
- If the tribal population is above 60 % of the total population there will be a Single VPRC. The VPRC will follow all norms as per general VPRC. However, all office bearers and 70 % all habitation representatives should belong to tribal population. Wherever necessary, the VP shall allow the representation of other marginalized communities like scheduled castes in the VPRC

7. The implementation arrangements for the sub-component are as follows:

- The PFT set up at the village cluster level for covering about 10-15 VPs will provide institution and capacity building support to VP, VPRC and other CBOs of the target population. For tribal and difficult terrain areas lesser number of panchayats can be considered on case-to-case basis. The project will provide for set-up cost and operational cost of PFT.
- The VP will enter into an MoU with the District Society and spearhead implementation of the project
- The VP with the facilitation of the PFT will undertake the participatory identification of the poor, the disabled and most vulnerable. The list of the target population will be approved by the Gram Sabha.
- The District Project Management Unit (DPMU) will hire PFTs and induct them with the help of Capacity Building Agencies. The DPMU will be responsible for monitoring the performance of the PFT.
- There will be a separate disability resource agency at the block level, which will depute a resource person to assist and work with each PFT on disability and vulnerability issues.

8. The outcome indicators under the sub-component are:

- At least 70% of identified vulnerable population like disabled and tribal persons are organized into SHGs and accessed special assistance funds.
- At least in 90% of CBOs, poor/ very poor women are occupying decision-making positions in VPRCs and EAGs.

9. **Sub Component A.2 - Village Fund (Rs.5727.00 Million):** About 81% of the project fund will be directly transferred to autonomous and inclusive CBOs of the poor formed and strengthened under the activities of the Component A.1. This is in line with the key project design feature of transferring control over decision-making and resources to the village communities.

10. The *objective* of this sub-component is to enable the village communities to identify, prioritize, plan and manage their own funds and access resources for investment. Utilizing the Village Fund, the very poor in the village especially women and unemployed youth will be able to start potential productive investments to secure employment and income generation. For supporting the tribals, disabled and vulnerable, the village community will be able to plan and implement specialized programs. Village Fund will be implemented directly by the village communities. Village Fund will be allocated to each VP initially based on the total number of families and number of tribal families.

11. The Village Fund consists of 4 sub-funds:

A 2 (i) VPRC Fund
 Capacity Building Fund
 Special Fund to assist the Disabled and Most Vulnerable

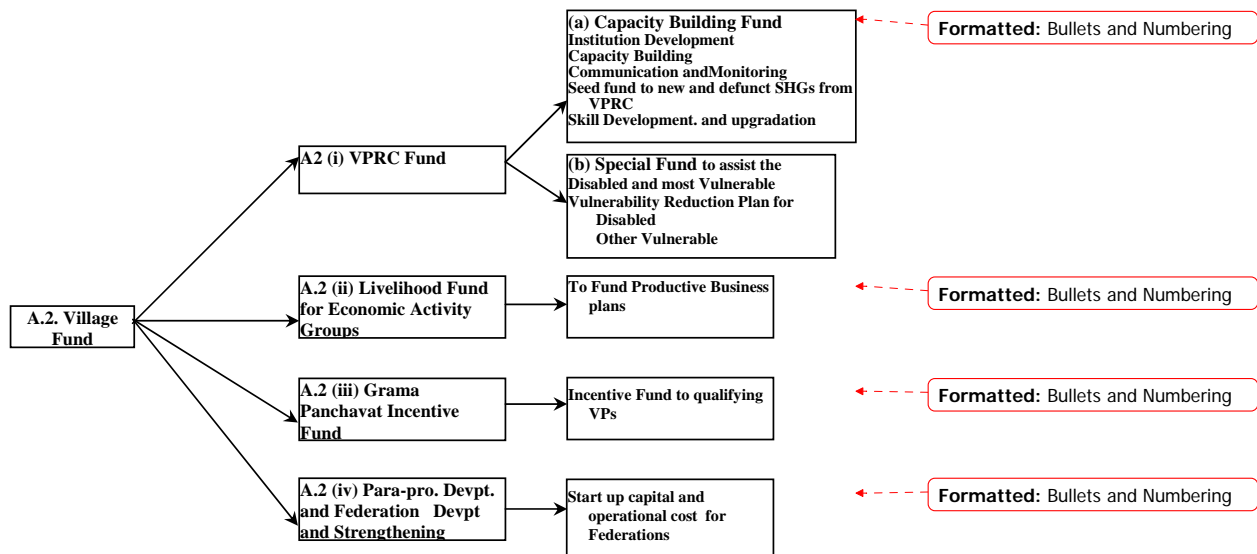
A 2 (ii) Livelihood Fund for Economic Activity Groups,

A 2 (iii) Village Panchayat Incentive Fund and

A 2 (iv) Para-professional Development and Federation Development Fund.

12. The details of the Village Fund are summarized in Figure 3.1:

Figure 3.1 Sub-components of the Village Fund



13. **Sub Component A.2 (i) VPRC Fund (2001.00 Million)**: This sub-component will include activities implemented with the major proportion of the Village Fund directly released to the VPRC for which VPRC will be directly responsible.

14. The overall *objective* of the VPRC Fund is to develop the VPRC as an inclusive, autonomous and accountable village institution that has the institutional and financial capacity to plan, facilitate and monitor capacity building of CBOs of the poor such as SHGs and EAGs, and support skill building and other activities to assist disabled and other highly vulnerable people in the village. Specifically, the Fund would enable VPRC to:

- Develop confidence, skills and capacity (management, financial, procurement, etc.) of the office bearers within the village to plan, implement and monitor the VPRC Fund;
- Make the local institutions (VPRC, VP etc.,) accountable to the communities (such as Village Assembly and SAC); and
- Provide necessary information and exposure to the community members to develop productive Business plan Proposals for livelihood improvement.

15. The key outcomes of this sub-component are (i) development of the skill base of the community to plan and manage their activities so that they earn additional income; (ii) increased ability of the community based institutions to raise and manage funds independently; and (iii) special assistance to the identified vulnerable and disabled sections of the community.

16. The main *activities* under the sub-component are described under (a) Capacity Building Fund and (b) Special Fund to assist the Disabled and Most Vulnerable below:

17. **Sub Component A.2(i) a. Capacity Building Fund**: The main objective of the Capacity Building Fund (CBF) are (i) build skills of newly formed village institutions (VPRC and EAGs) in planning, implementing and managing village development and livelihood activities, (ii) empower the newly formed SHGs consisting of left out and marginalized poor and very poor by improving their credit worthiness, and (iii) help the eligible community members, especially youth, acquire critical skills and competencies for gainful employment or starting a business.

18. The key *activities* under Capacity Building Fund are as follows:

- Launching thematic IEC activities
- Training and orienting office bearers of village institutions in participatory planning, budgeting, appraisal, procurement, implementation and operation and maintenance aspects
- Arranging capacity building of newly formed SHGs and untrained SHGs.
- Arranging monitoring of SHGs

- Providing technical support for the preparation of plans and proposals for implementing various sub components of the Village Fund including development of Business plan Proposals for livelihood investments
- Organizing exposure visits and other demand driven capacity building activities; and
- Providing *Seed Funds* to SHGs of left out and marginalized poor who have not been credit linked . This fund may be given by VPRC and based on the group constitution and very poor/poor membership, the VPRC may decide to give it as a soft loan or grant so that the fund can be rotated among all new needy SHGs formed.
- Supporting non linked and new SHGs of very poor for obtaining credit rating
- Linking up SHGs with local banks for accessing institutional credit
- Cost of preparation of Business plan Proposal including participatory identification of resources, opportunity assessment, Cost Benefit Analysis etc.,
- Imparting training to the members of CBOs like VPRC, SAC, SHG , EAG and other federations
- Cost of appraising the Business plan Proposal prepared by EAGs.
- Supporting Village Poverty Reduction Committee's to meet its set up and operational cost including honorarium to Bookkeeper and community disability facilitator.
- Helping eligible community members especially youth, to upgrade traditional skills and/or acquire critical skills such as financial accounting, business development, computer literacy etc. that can lead to gainful employment opportunities or starting a business.

19. **Sub Component A.2 (i) (b) Special Fund to assist the Disabled and Most Vulnerable:** The objective of this Special Fund is to identify and assist the disabled and the most vulnerable in the village (including destitute, deserted women, orphans, aged, widows) to be socially and economically mainstreamed.

20. The key *activities* under the sub-component are:

- Identification of the disabled and most vulnerable in the village and promoting their Disabled Persons Group (DPG), Self Help Groups (SHG) and Federations
- Implementing capacity building and skill development activities to enhance their livelihood
- Organizing disability assessment, treatment and rehabilitation activities.
- Livelihood Assistance to care givers in case of severe disability including mentally challenged, which hinders the disabled from being part of the group
- Educational assistance to children with disability , children of disabled in the very poor category and orphans
- Support for individual livelihood activities to the disabled and needy most vulnerable including extension of one time grant, so as to enable them save and participate in group activities.
- Other vulnerability reduction initiatives like home based rehabilitation services, care and support services to the aged without any support.

21. The *implementation arrangements* for the VPRC Fund sub-component are:
- The Gram Sabha will adopt the guidelines for implementing each of the sub-components of the VPRC Fund based on the model guidelines given in **Attachment C.1**.
 - The PFT will organize necessary technical assistance for the preparation of the VPRC Plan. The VPRC itself will prepare the Plans and the Gram Sabha will approve the same.
 - The first VPRC Plan will be indicative in nature. Detailed situation analysis for planning each of the sub components like, vulnerability reduction, skill building will be undertaken subsequent to the first VPRC Plan preparation. A detailed resource and opportunity assessment will also be undertaken to identify the likely livelihood opportunities, which could be taken up for implementation. The VPRC Plan will be updated to include all these information.
 - The PFT will facilitate and handhold the VPRC to identify the capacity building needs and incorporate the same in the VPRC Plan along with the needs of Seed Funds, Skill Development Fund. The Vulnerability Reduction Plan will also be a part of the VPRC plan. The format for preparing the VPRC Plan is given in **Attachment C.2**. The format for compliance check by the DPMU is given in **Attachment C.3**.
 - The Seed Fund will be provided to the SHGs of the target population, which have not been able to achieve bank linkage or any other direct assistance so far. The Seed Fund will help the SHGs to achieve credit rating by giving internal loans and demonstrating repayment and promptbook keeping. For this purpose SHGs having at least 80% of its members consisting of the target population will alone be eligible.
 - The VPRC will identify the participants for the skill development training with the help of the PFTs. The names of the participants shall be approved by the village assembly. The VPRC will monitor the training and trained members will be helped to tie up with employment / placement agencies and / or encourage to set up Business Units utilizing the newly acquired skills.
 - With the help of specialized service agencies, the VPRC will prepare Vulnerability Reduction Plan as part of VPRC Plan. The PFT will facilitate.
 - The VPRC will request for the release of funds from the District Society in installments subject to attainment of key milestones as laid out in a VPRC Financing Agreement discussed in Chapter 8 – Financial Management. The format for requesting 2nd and 3rd installments of VPRC Fund is given in **Attachment C.4**. The PFT will assist the DPMU in verifying milestones and recommending release of installments.
 - The detailed participatory steps of activities to be undertaken for the preparation of the initial VPRC Plan and its subsequent updating have been given in Community Operational Manual.
 - The VPRC will prepare a completion report as given in **Attachment C.5** upon completion of the activities under the VPRC Plan.

- The detailed stepwise implementation of VPRC Fund is elaborated in Community Operational Manual
22. The outcome indicators under VPRC Fund are:
- At least 80% of the CBOs (VPRCs, EAGs, VPs and Federations) have accessed and managed project funds according to project rules and procedures
 - At least 70% of all VPRCs and other CBOs supported by project consistently get satisfactory performance scores in report cards.
 - At least 70% of the identified vulnerable/ disabled are organized into SHGs and have accessed special assistance funds
 - At least 70% of the SHGs/ EAGs of the poor have accessed funds through linkage with banks and other financial resources
 - At least 70% of the SHGs are members of federations whose performance is independently rated as good in a classification of good, average and poor.
23. **Sub Component A 2 (ii) Livelihood Fund (2990. 00 Million)**: The village community can earmark about 50% of the Village Fund for implementing economic activities as Livelihood Fund.
24. The *objective* of this fund is to improve the livelihood of the poor, disabled and most vulnerable by financing demand driven productive investments identified in the Business plan proposals. These investments will include funding necessary productive infrastructure, equipments, technical assistance, linkages and partnerships and/or adding value to on-going activities that increase beneficiary incomes.
25. The main *activities* under the sub-component are:
- Providing technical assistance for preparing productive Business plan Proposals and funding the investments required in infrastructure, equipments, technical assistance, linkages and partnerships and/ or adding value to on going activities that increase beneficiary incomes
 - Providing technical assistance for identifying livelihood opportunities
 - Providing technical assistance for preparing detailed Business plan Proposals including Business Plans incorporating measures to reduce various market risks
 - Arranging for linkages with banks and other financial institutions to access financing for implementing Business plan Proposals
 - Funding up to a maximum of 50% of the financing gap for Business plan Proposals
 - Providing market information, linkages, technical know how and other support services needed for enhancing sustainability of economic activities and in achieving economies of scale.
26. The *implementation arrangements* for the sub-component are:

- The PFT will assist the VPRC in undertaking village level resource analysis and in identifying potential livelihood opportunities to be included in the updated VPRC Plan Plan.
- The VPRC will form Economic Activity Groups (EAG) for planning and implementing an identified economic activity. The Livelihood Funds guidelines are given in **Attachment C.6**.
- The PFT will arrange for training the EAG members on economic activities.
- The EAG will prepare Business plan Proposals with technical assistance from external experts. The format for preparing Business plan Proposals is given in **Attachment C.7**.
- The VPRC will appraise the Business plan Proposals with the help of technical appraisers empanelled by the DPMU. The DPMU will ensure that the Business plan Proposals are appraised in accordance with Vazhdhu Kaatuvom Project rules.
- DPMU will make available a roster of service providers who can be hired by the VPRC for providing technical service to the EAGs in planning and implementing Business plan Proposals.
- The DPMU will prepare a rate bank database reflecting market rates so as to enable the EAGs to prepare realistic Business plan Proposal.
- The EAG members will have to make necessary arrangements to raise at least the 50% equity contribution either from banks, accredited MFIs, parent SHGs, federation, etc for implementing the Business plan Proposal which will include value addition.
- The DPMU will organize orientation programs and regular interaction with banks and other financial institutions for ensuring credit linkage so as to enable EAG members to raise their equity contribution.
- EAG will enter into Livelihood Fund (EAG) Financing Agreement with the DPMU detailing the terms and conditions under which Livelihood Fund will be released to the EAG including milestones of release of installments of funds.
- The SPMU will identify and constitute livelihood thematic advisory groups at the state level consisting of experts from universities, trade promotion bodies, NGOs, bankers etc. for advising on innovative livelihood opportunities.
- The DPMUs will identify various livelihood resource and training agencies and trainers at the district level to provide facilitation and capacity building assistance to EAGs.
- The SPMU and DPMU will arrange to establish forward and backward linkages and partnerships
- The PFTs will facilitate federation of EAGs for promoting sustainability of EAG activities.

27. The *outcome indicators* under the sub-component are:
- At least 70% of VPRCs and EAGs receive support for livelihood plans in accordance with agreed service standards conducted through Report Card
 - At least 70% of EAGs working in partnership with private sector organizations or other institutions
 - At least 70% of the EAGs of the target poor and tribal have accessed funds through linkage with banks and other financial resources..
 - At least 15 % of cluster based EAGs are federated and functioning as business enterprises and are financially viable.
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28. **Sub Component A 2 (iii) Village Panchayat Incentive Fund (Rs. 536.00 Million):** This component provides incentives for VPs to become pro-poor and support the project activities by developing a relationship of trust between the elected representatives and target poor.
29. The *objectives* of the Incentive Fund is for the VPs are to:
- Improve their governance by becoming transparent and accountable to their community members
 - Respond to the needs of the very poor by effective identification of the poorest families and vulnerable people
 - Provide support to the Village Poverty Reduction Committee (VPRC) for it to implement the VPRC fund efficiently and in accordance with the agreed rules and procedures
30. The *key activities* under the sub-component are:
- Disseminating the guidelines for the Village Panchayat Incentive Fund
 - Collecting applications, evaluating and identifying the eligible VPs
 - Disbursing the Incentive Fund to eligible VPs.
31. The *implementation arrangement* under the sub-component are:
- The guidelines for VP Incentive Fund are given in **Attachment C.8**.
 - About Rs.6 lakhs (US\$13,000) will be available as a special reward/incentive to those project Village Panchayats that have shown good governance and accountability, and have demonstrated that the benefits of the VPRC implementation have satisfied the needs of the poorest in the village. Only those VPs that satisfy the milestones/eligibility criteria as shown below within three years of formation of the VPRC (registration/formation date) will be eligible for the Incentive Fund.

- The VPs can apply for this fund as and when they fulfill the eligibility criteria as described in the VP Incentive Fund guidelines. DPMU will process the applications in June and December every year. The selection committee constituted for this purpose will scrutinize the applications. The funds will be available at the DPMUs. The amount will be released to eligible Village Panchayats in two installments subject to their achieving the milestones. It is expected that about 800 Village Panchayats will qualify for the incentive fund.
- The VP will release the incentive in 2 instalments of Rs. 3 lakh each against submission of proposals. The fund would be an untied fund and the VP could utilize it for any priority of the village that benefits the members of the community especially to improve the lives of the poorest households or individuals and/or improve functioning and governance of the Village Panchayat as a pro-poor service delivery institution. The funds cannot be utilized for activities shown in the Negative List included in the guideline.

32. The outcome indicators under the sub-component are:

At least 30% of the total VPs have accessed both tranches of Incentive Fund.

33. **Sub Component A 2 (iv) Para-professional Development and Federation Development Fund (Rs. 200.00 Million):** This component will support human resource development and institutional sustainability of the improvements achieved by the village communities and their CBOs beyond the project period.

34. The *objective* is to identify and develop local resource persons as Para-professionals for providing the Village Assembly with technical support beyond the project and to assist the functioning of SHGs and EAGs through promoting and developing their Federations.

35. The *key activities* under the sub-component are:

- The SHGs and EAGs will be provided with technical assistance to federate themselves and develop Federation level Business Proposals.
- In addition to technical and capacity building support, start up capital support to bridge the financial gaps of potentially viable Business plan Proposals prepared by the Federation will be provided by the project.
- DPMU with the help of PFTs will promote and build the federations of SHGs at an appropriate level . Similarly federations of Economic Activity Group will be promoted at the appropriate level depending on the scale of the Economic Activity.
- The initial operating cost of SHG Federations will be supported.
- The local resource persons as identified by the village community and who have completed the minimum required satisfactory services to the CBOs, will be provided with necessary capacity building support to develop themselves as Para-professionals who will be able to provide professional technical assistance to other village communities. The Para-professionals will be attached to the Federations.

- The Federations are expected to provide a wide range of services and facilitation support to SHGs, EAGs and other CBOs like, monitoring, capacity building, conflict resolution, internal audits, facilitation of external audits, linkages with banks and insurance companies, linkage with Panchayats and governmental agencies etc. The technical services which could be provided by the Federation include bulk purchase of inputs, facilitation of access to market information, aggregation of produce for marketing, processing and other value addition, capacity building and conflict resolution.

36. The *outcome indicators* under the sub-component are:

- At least 15% of EAGs are federated and functioning as financially viable business enterprises.
- At least 50% of the VPs having 5 Para-professionals identified, trained and offering services.

C.2 Component B: District and State Support for Village Livelihood Program (Rs. 315.40 Million)

37. This component would support and strengthen the project teams and support organizations at the state and district levels to respond to the needs of the poor and build institutional linkages and livelihood options for enhanced sustainability of the livelihoods of the poor and vulnerable.

38. The *objectives* of this component are to:

- Nurture and develop competent staff, resource persons and agencies with required skills and capabilities at both the district and state levels to support village institutions,
- Establish service standards to enhance responsiveness and timely support of district and state levels to village institutions,
- Build linkages and tie-ups with support organizations and service providers to enable communities to broaden livelihood options and improve sustainability of livelihood activities, and
- Establish monitoring, evaluation and learning systems to monitor project progress.

39. The *key activities* under the component are grouped under three main sub components as below:

40. Sub Component B 1. Capacity Building at State and District level (Rs. 172.40 Million):

- Structured induction of the state and district staff on the key project principles and the three strategic intervention model.
- Preparation of capacity building modules and organizing training programs for district and cluster level staff.
- Sensitizing all partner agencies on the project, its rules and procedures.
- Organizing exposure visits to successful project sites, on the job training, experiential learning etc.
- Designing and implementing social accountability systems like, report cards based on agreed service standards to inculcate downward responsiveness and accountability of project teams at state, district and cluster levels to the needs of the community.

41. B 2. Livelihoods and Business Support for establishing linkages and partnerships at District and State Level (Rs. 90.40 Million): This sub-component will decrease the vulnerability of village communities to dependence on local money lenders and traders, augment the viability of the livelihood proposals and broad base the livelihood options for enhancing the sustainability of livelihood and business development activities through the implementation of:

- Establishing linkages with financial institutions to improve the quality of financial and other input services available to project beneficiaries;
- Providing national and international market information on demand, product quality, pricing trends, consumer behavior trends etc.;
- Networking with existing task forces and think tanks at district and state level for working out strategic alliances and partnerships with producers, co-operative federations, private sector, commodity boards, industry confederations, export promotion organizations;
- Building linkages with technology foundations and other international networks; and
- Hiring capacity building agencies for the preparation of training modules and building capacity of district and cluster level teams.
- The DPMUs and SPMU will be responsible for establishing linkages and partnerships at district and state level for livelihood and business support.
- The livelihood financing capacity of financial institutions will be strengthened through arranging workshops and exposure visits for banks and MFI staff to innovative models of livelihood financing.
- In order to pilot innovative livelihood support activities, an innovation fund as a small competitive grant will be provided for institutions.

42. B 3. Monitoring, Evaluation and Learning (ME&L) (Rs. 52.60 Million): This sub-component will fund the development of the ME&L systems through:

- Developing and maintaining Management Information System (MIS), linkage with financial information system, (FMS), and community monitoring;
- Institutionalising social accountability mechanisms
- Training CBOs in self monitoring tools

- Introducing and operationalising Report card systems
- Instituting various studies and consultancies, and
- Designing and implementing ME&L exercises like baseline survey, process monitoring, mid-term review and Impact Evaluation.

44. The *implementation arrangements* for the components are:

- Monitoring resource agencies will be hired with the primary responsibility of developing the monitoring system and in building capacity of the staff to modify and update the systems.
- Independent organisations will be contracted for conducting the various studies and consultancies, process monitoring and other evaluation tasks.

45. The *outcome indicators* for the component are:

- At least 70% of VPRC and EAGs receive support for Business plan Proposals in accordance with agreed service standards conducted through Report Card
- At least 70% of EAGs working in partnership with private sector organizations or other institutions

C.3 Component C: Project Management (Rs. 485.60 Million)

46. The *objective* of project management component is to facilitate overall planning, coordination, implementation, and management of the project at state and district levels.

47. The *key activities* under the component are:

- Setting up and strengthening of SPMU and DPMU and providing office infrastructure and logistic support.
- Identifying and contracting resource / support agencies
- Administering the staff and disbursing their salaries and other benefits
- Liasoning and convergence with other agencies and government departments for smooth project implementation.
- Setting up and managing advisory boards
- Contracting consultancies and studies at district and state levels
- Implementing report cards and other feedback mechanism

48. The *implementation arrangements* under the component are:

- The state and DPMUs will undertake all the activities of this subcomponent. The HR agency will be responsible for the recruitment, development, performance appraisal and developing environment/culture including the key outputs for the staff. Separate financial and administrative rules for the SPMU and DPMU will be prepared. The ToR for the HR Agency is given in **Attachment C.9**. The state

and DPMUs will do some basic workshops and meetings for the convergence and policy advocacy.

- The project will develop a strategy for Human Resource Development that recognizes the value of each and every stakeholder and also a well designed capacity building mechanism; a remuneration package that values relevant experience; counseling and mentoring mechanisms that recognize the value of nurturing the personality of an individual.

- The HR strategy/activities include to:
 - Appoint an HR organization for recruitment, induction and appraisal of staff at state, district and cluster level.
 - Depute from government departments or directly recruit the best available human resources, offering them competitive working conditions. The recruitment and induction process has to be innovative to meet the needs of the project.
 - Design and implement effective performance appraisal systems.
 - Develop a shared vision and ownership of the project (across and within each organizational levels).
 - Design and implement an orientation program for new recruits as well as those joining on deputation with the help of HR organization.
 - Design and implement need-based attitudinal and behavioral change programs.
 - Undertake training needs assessment on an ongoing basis.
 - Design and implement a skill building strategy and plan.
 - A full time functional head, HR, will coordinate all the HR related issues.

- The project will work closely with various departments like THADCO, Adi Dravidar and Tribal Welfare, Forest Department, Rural Development, Education, Health, Women and Child Welfare, Bankers and other relevant departments at the state level. The local NGOs, Educational Institutions, Research Institutions and other agencies closely working on the areas and similar objectives will also be contacted and a regular dialogue process with them will be instituted to draw lessons, ideas and direction. The project will work closely with Sarva Siksha Abhiyan (SSA), National Child Labour Abolition Project and Tamil Nadu Health Systems Project.

49. The *outcome indicators* under the component are:

- At least 70% of VPRCs and EAGs have accessed funds in accordance with agreed service standards
- At least 70% of DPMUs and PFTs receive positive scores (community for VPRC, VPRC for PFT, PFT for DPMU, DPMU for SPU) through community /report scorecards
- At least 4 six-monthly COM revisions based on feedback from the field and independent reviews.