

# Central funding for local decisions: Watersheds in India

**Decentralized decision-making can work in many ways. Simon Croxton describes a programme in India that is devolving responsibility to people based on watershed, or catchment basin, management.**

Decentralized government services are currently something of a fashion, and are usually driven by a combination of national structural adjustment programmes and donor-driven agendas that support decentralized decision-making as a route to 'good governance'. Watershed Development Programmes have also become popular with both central governments and donor agencies, as they are seen to be a way of meeting commitments made at the 1992 Earth Summit in Rio.<sup>1</sup> This article looks at experiences in India and in particular (although not exclusively) at the experiences of one state, Gujarat, and its attempts to establish a broad-based and participatory approach to watershed development.

The national-level Watershed Development Programme has been in place since 1995. It emerged following a review of the experience of many programmes over many years.<sup>2</sup> The idea of focusing development at watershed level was not new in India, where there is a history of such approaches, but the review had highlighted both its strengths and weaknesses. It agreed with the basic assumption that the concept of integrated watershed develop-

ment, while not a panacea, has potential benefits, particularly in drought-prone areas where soil and water conservation measures are fundamental to agricultural production. The following weaknesses were identified in the way such programmes had been implemented in the past:

- All aspects of watershed development were insufficiently integrated — activities were frequently spread out over time and not phased in in a rational manner.
- Too many agencies were involved on the ground, and this hindered implementation. There was no lead agency.
- There was little participation by people living in the watersheds.

The effectiveness of more participatory approaches had also been demonstrated, but historically these had been undertaken by NGOs, not governments. The recommendation that emerged from the review of watershed development was that a very decentralized structure should be established, across the country. Funds would be provided by the government — the bulk from central government, but the state government was to provide up to 20 per cent of funds. A large amount of funding has already been allocated — about Rs200 crore per year (£25.5 million). The big difference from anything that had gone before was that the funds were to be disbursed to, and controlled by, local people in the form of Watershed Committees (WCs). Thus both resources and responsibilities were



*Livestock are one of the ingredients in a varied development plan.*

## Box 1. Rights, Responsibilities, Relationships, and Resources — The 'Four Rs'

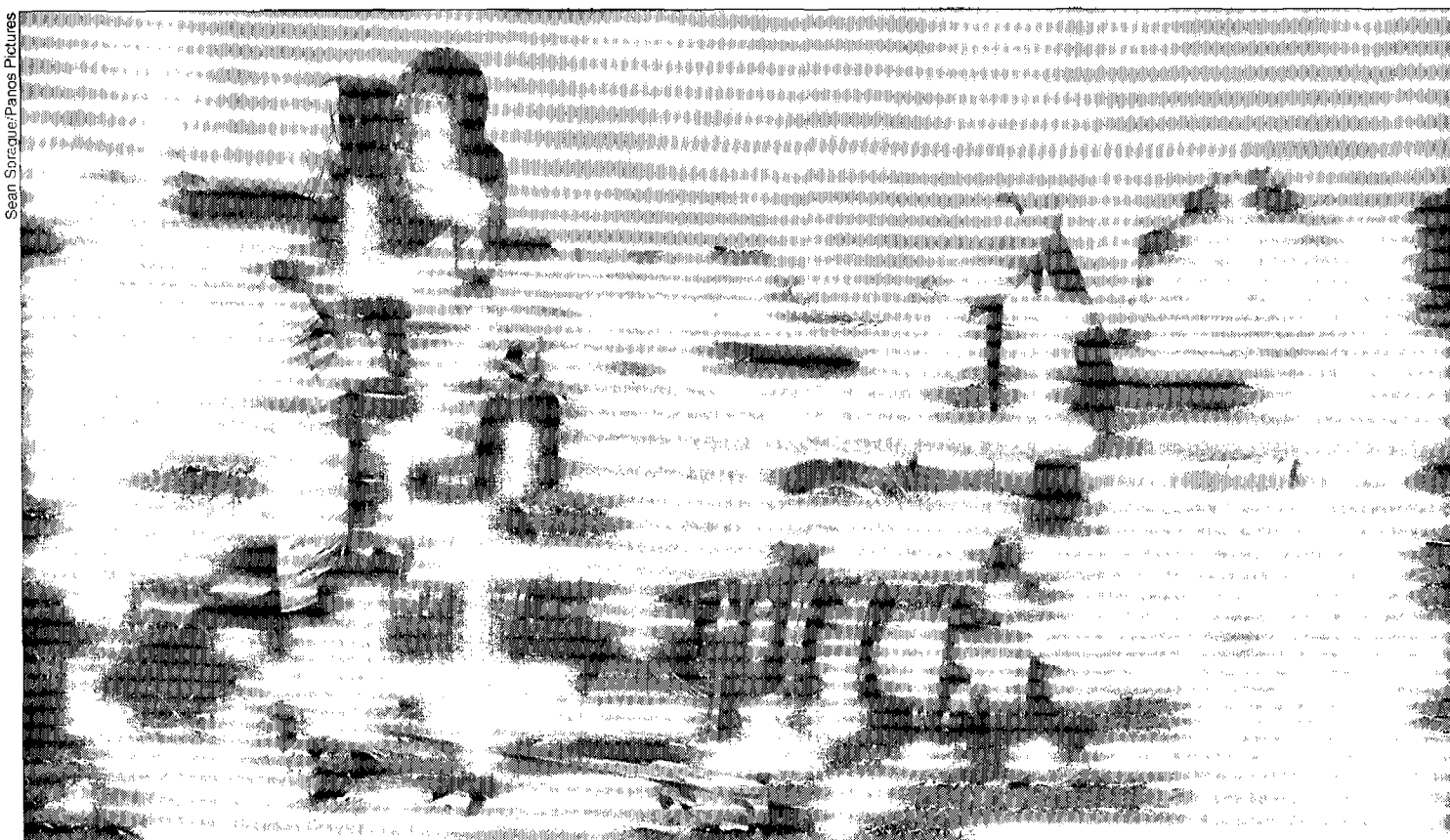
The 'Four Rs' can provide a useful framework for analysing many aspects of Natural Resources (NR) Policy.<sup>3</sup> One can understand the way different policies compare by understanding whose rights for NR resource management are being given precedence, how responsibility for these rights is allocated, what kind of relationships are fostered, and whether adequate resources are allocated to fulfil the responsibilities that go alongside rights.

Here is a simplified comparison of the (idealized) model advocated by the Watershed Development Programme with the more conventional models that had preceded it:

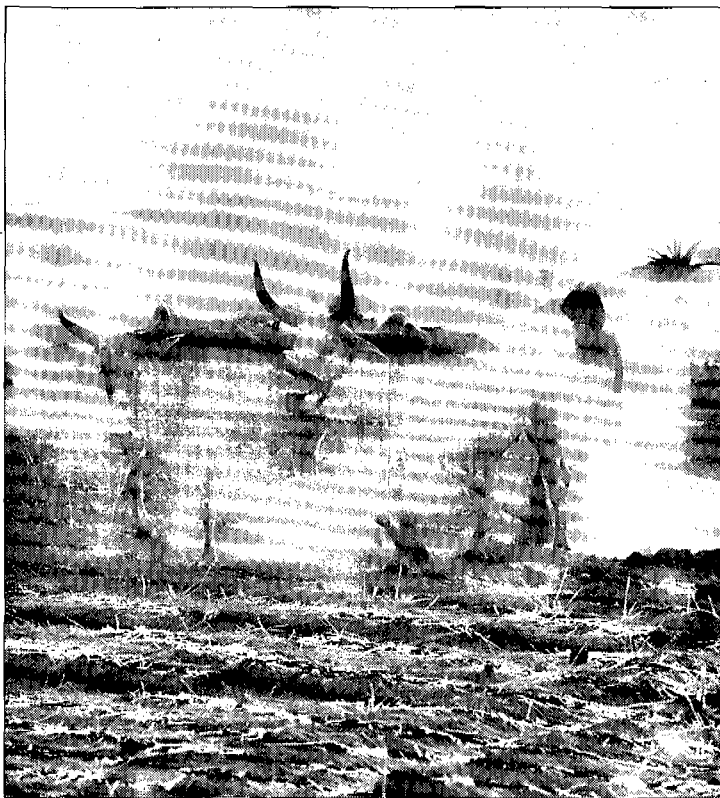
	Conventional approach	National Watershed Scheme
<b>Rights</b>	Individual private holding recognized, but forestry, wasteland, and many water resources regarded as the state's	Recognized as a shared resource, with both state and local people having rights. Rights of inhabitants in watershed to the NR base explicitly recognized
<b>Responsibilities</b>	Responsibility for all watershed-level planning, infrastructure development on common land, forestry activities, and supply of technical and other inputs rests with the state	Responsibility for all watershed-level planning, management of infrastructure development, and NR management activities rests with local communities
<b>Relationships</b>	Top-down, expert-driven agenda, with hierarchical and rigid management structure	Bottom-up, community-driven agenda, more inclusive, equitable, and flexible management structure
<b>Resources</b>		
<b>Financial</b>	Financial resources controlled by the central or state government and their agents	Financial resources controlled by local communities through their Watershed Committees
<b>Natural</b>	Sustainability of NR base seen as role of government agencies	Sustainability of NR base seen as role of local communities

transferred to local people, a major attempt to institutionalize a 'bottom up' approach. It demonstrated a shift in understanding by the centre of the relationship between rights, responsibilities, relationships, and resources (see Box 1).

The Guidelines for Watershed Programmes<sup>2</sup> incorporate some basic features which are to guide all such initiatives. To secure government funding local communities have to form a Watershed Committee (WC). These WCs get technical support from a three-



*Managing water supplies locally is more efficient.*



*Local people are being given the responsibility, but do they have the capacity or resources?*

or four-person Watershed Development Team (WDT), who in turn are employed by a Project Implementing Agency (PIA). The PIA may be a local government agency or an NGO (NGOs are preferred), and it has a mandate to work with a community for four years. During that time community resources are built up, through saving schemes, to pay for long-term maintenance (see Box 2).

Each PIA is expected to handle 10 micro-watersheds, each covering between 5000 to 6200ha. Funds are allocated according to the requirements of individual watersheds, but an average level of Rs4000 to Rs5000 per ha. (£55-70/ha.) is common.

Through a participatory process, the user groups and Watershed Committees jointly prepare watershed development plans for a programme of activities that suit the agro-climatic situation of each watershed. The emphasis is on low-cost, simple, and easy-to-operate and maintain works and activities. The plans are based on local technical skills supported by the expert knowledge of the WDT, district officers, and research organizations.

## Results

How effective has this initiative been? There have been a flurry of studies during 1988 of the scheme in action.<sup>5</sup> Although a multitude of studies produce a multitude of findings, these findings are summarized in Box 3.<sup>6</sup>

If that is the picture at a macro level, how does all this look at village level? Some case study data from Gujarat in western India provides some insight<sup>6</sup> (see Box 4). It clearly shows that the investment of Rs6 million generated additional income of around Rs22.5 million (£1 = Rs67), giving a return of 3.7:1 over the three- to four-year period. This study looked only at the impact of the development of water resources, and included returns due to improvements in other resources such as land, and so possibly underestimates the additional income generated.

While clearly showing benefits, the reviews of experience to date also suggest that there is still room for improvement on the ground and 'best practice' is not yet 'common practice'

There have now been a considerable number of reviews and analyses of the experiences all over India.<sup>7</sup> These appear to highlight similar areas where more support is needed to front-line staff and communities. Most commentators recommend extra support in

## Box 2. Basic features of the Watershed Programme as laid down in the National Guidelines<sup>4</sup>

The Watershed Development Programme is implemented through projects to develop watersheds of (approximately) 500 hectares each in every village, in a phased manner.

The objectives of each watershed project are:

**Productive** Promote the optimum use of the watershed's natural resources.

- Promote sustainable farming and stabilize crop yields by adopting suitable cropping and crop management systems.
- Cover the non-arable area effectively through afforestation, horticulture, and pasture land development based on the capability of the land.
- Enhance the income of individuals by adopting alternative enterprises.

**Social** Generate employment and develop the other economic resources in the village.

**Ecological / Environmental**

- Use easy and affordable solutions that build on indigenous knowledge. (It is in fact stipulated that around 80 per cent of works/activities should be based on local knowledge).
- Create/develop water sources in addition to groundwater recharge.
- Restore ecological balance.

**Equity**

- Put the emphasis on improving the economic and social condition of the resource poor.
- Specific emphasis placed on ensuring that women are included in both the design and the implementation of activities and that they benefit from the results.

The basic agencies responsible for implementation of the guidelines are:

**State government** co-ordinates various government departments, universities, voluntary agencies, and training institutions.

**District Rural Development Agencies (DRDAs)** are responsible for implementing the Watershed Programme at the district level.

**Project Implementing Agencies (PIAs)** are the Voluntary Agencies (VA) and other institutions such as corporations, co-operatives, banks, public and private commercial organizations, *panchayat raj* institutions, government departments, etc.

**Watershed Development Team (WDT)** are small multi-disciplinary teams of three or four people who handle 10-12 watershed development projects.

**Watershed Associations (WA)** are made up of nominated members who carry out the day-to-day activities of the watershed development project under the supervision and control of the WDT.

**People's participation** is to be assured through voluntary donation/contribution in terms of labour/raw materials, cash, etc. for the development activities as well as for operational and maintenance. The minimum norms prescribed are 5 per cent for the community works and 10 per cent for private works.

A village-level organizational structure is conceived, which has to be developed in a participatory way. The planning and management of financial resources is done by a locally elected **Watershed Committee (WC)**, who plan in consultation with their **Watershed Association**. They plan for the development of all resources within the watershed (water, vegetation, animal, and human) in an integrated manner. Overall institutional arrangements at the village level rests with the PIA.

**Maintenance funds** which communities are encouraged to set up through saving schemes. The funds they save are matched with funds made available from watershed budgets and deposited in a separate account for the future operations and maintenance of community assets, but not private assets. These funds are operated only by the users themselves.

the following areas: capacity building; strategic planning (include the role of state government); better M&E; ensuring marginalized or less powerful groups (e.g. women) are included; and learning from the experiences of others. Critical questions linger as to the future. The programme only provides funding for PIAs to work with each community for four years. Is this long enough?

## A concluding comment

The weaknesses identified above are of course the same factors that have dogged development initiatives for decades. The lesson here seems to be that nothing is new -- we have been here before. The critical issue is the need to have the human resources in place to effectively plan and manage the way natural resources are used. Watershed Development Programmes such as India's are an imaginative move forward, demonstrating a faith in the capacity of rural people to manage their own natural resource base. But they are no overnight solution. Government initiatives can only deliver to the extent that there is capacity on the ground to implement effectively. Participatory approaches require skilled facilitation and self-confident, representative, and accountable local institutional structures. Technical expertise, whether it comes from within a community or draws on external knowledge, needs to be adequately supported. Current watershed policy in India provides little funding to support the development of the human resources the policy requires. If there is a lesson emerging here, it is that you cannot

invest in the local management of natural resources without investing in people too.

## References

1. United Nations Commission on Environment and Development (UNCED), *Agenda 21: Program of Action for Sustainable Development*, United Nations Publications, New York, 1992.
2. GOI, 'Guidelines for Watershed Development', Ministry of Rural Areas & Employment; Department of Wastelands Development, Government of India, New Delhi, 1995.
3. O. Dubois, 'Capacity to manage role changes in forestry: Introducing the '4Rs' framework', *IIED Forest Participation Series No.11*, IIED, London, May 1998.
4. Based on A. Shah, 'In the hands of the people: An Indian case of watershed development', IIED, London, forthcoming.
5. See, for example, C. Turton et al., 'Participatory Watershed Development in India: Impact of the New Guidelines' A report prepared for the Ministry of Rural Areas & Employment, Govt. Of India, and the Rural Development Office, DFID, New Delhi, 1998; Govt. of India, Proceedings of the National Workshop on 'Watershed Approach for Managing Degraded Land in India: Challenges for the 21st Century', New Delhi, 1998; and A. Shah op cit.
6. EDA Rural Systems, 'Developing tools for cost effective assessment of NGO Programmes', Development Support Centre, Ahmedabad, 1998.
7. See, for example, B. Groom et al., 'Scaling up participatory watershed development in India. A review of the literature', AgREN Network Paper. ODI, London, 1998; and Ref.2.

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### Box 3. A summary of main findings of recent reviews and studies of the Watershed Programme

	Positive	Negative
<b>Decentralized administration</b>	In the majority of cases, various local groups (WCS, WAs, volunteers) have been formed and are successfully managing large funds at village level. They are being supported by PIAs, and district government is supporting the PIAs.	PIAs are rarely systematic in the selection of villages, and many PIAs lack adequate technical capacity (including community development skills) and lack female members. Some district authorities are unprepared or lack capacity to get involved as envisaged. Monitoring is weak and focuses on financial records or physical progress, ignoring institutional issues.
<b>Participation</b>	A lot of enthusiasm for the participatory approach at village level and within PIAs. Some WAs are taking important management decisions, such as planning, collecting donations, approving accounts, forming groups and settling disputes, without WDT support.	Guidelines stipulate that village-level groups should be formed and working within three to six months. In many cases this process actually takes up to a year.
<b>Sustainability</b>	Large numbers of WAs appear willing to take over operation and maintenance. Villages are accumulating maintenance funds.	The scheme has not provided for sufficient time to build local institutional capacity. The supported programme runs for only four years in any one village. The experience of NGOs in India doing similar work suggests that this is too short.
<b>Equity</b>	The incomes of poor people have gone up, employment opportunities have increased, and urban migration from rural areas is down.	Benefits for women are uncertain. There are problems with large landowners who grab a lot of the benefits.
<b>Productivity</b>	Improved groundwater recharge has permitted an extra crop in some areas, and more generally drinking and irrigation water supply is improved.	There is an imbalance in the way in which funds and emphasis are allocated between water resource development and land resources (as much as 70-80 per cent of the fund is spent on water). Currently the Guidelines encourage this disparity.