Self Help Groups, Poverty Alleviation and Empowerment
Backdrop

➢ Environment for ensuring ‘spread effect of growth’ emphasized during 90s.

➢ Concept of women’s groups (Sangams) existed from 80s. NGOs drew on experience of Left movements and Anti-arrack movement.

➢ Andhra Pradesh adopted DWCRA (Development of Women and Children in Rural Areas) model for APDPIP (Dist. Poverty Initiative Program) and APRPRP (Rural Poverty Reduction Program)

➢ Organizing women around thrift and credit services is a very effective method for alleviating poverty and empowering women
Vision of Andhra Pradesh

- Each family in the state should be out of poverty, and, enjoy-
- Life with dignity, voice
- Intra family equity equal status for women
- Freedom from hunger
- Decent Income gtRs.5000 per month, 3 - 4 sources
- Planned household expenditure
- Risk management - life, health, assets and incomes
- Education, health and shelter
Our core beliefs about Poor

- Poor have a strong desire and innate ability to come out of poverty
- Poor have a strong sense of self-help and volunteerism
- Obstacles psychological, social, economic, political - suppress their innate capability
- Social mobilization to unleash their innate abilities
- Poor can come out of poverty only through their own institutions
Genesis of A.P program

• A long term strategy for poverty eradication
• Women S.H.Gs in A.P mass literacy campaigns from 1990 - 95 - initiative of District Collectors
• Simultaneously N.G.Os fostering S.H.Gs
• N.A.B.A.R.D directions to banks to finance S.H.Gs in 1992
• S.A.A.R.C Colombo Summit 1992
• First Independent South Asia Commission on Poverty Alleviation - 1993 (Meeting the challenges)
• S.A.A.R.C Dhaka Summit 1993
Critical role of Govt. of A.P.

- Scaling up SAPAP - World Bank fund support (2000 continuing)
- Setting up of S.E.R.P
- District level initiatives of Collectors
- Support from all line departments
- Strong and sustained commitment of successive Chief Ministers of A.P to this process
- Govt vision to cover each and every poor family in the state
Role of S.E.R.P

• Sensitive support organization for the poor
• Autonomous society, set up by Government in 2000
• Chief Minister Chairman of General Body of S.E.R.P
• Statewide mandate
• firm conviction in the capability of poor, and, in organizations of the poor
S.E.R.P mission

• To induce social mobilization
• To provide facilitation support to institutions of poor
• To sensitize all line departments to be inclusive of the needs of the poor
• To sensitise banks, insurance companies, and other service providers
C.B.Os implement the project Zilla Samakhyya

- Mandal Samakhyas and V.Os plan and implement the various project components.
- Each Mandal is divided into three Clusters of 10-12 habitations.
- A development professional, called Community Coordinator (CC) is placed in each Cluster. S/he stays in her cluster.
- SERP selects and trains them. After completion of training, they are contracted by the MS and are accountable to MS.
- M.S responsible for social mobilisation, institution building and funding the microplans of S.H.Gs/V.Os from C.I.F
- Micro credit plans are evolved by the S.H.Gs in each village. These plans are funded by their own savings, CIF fund and Bank Linkage.
- V.Os responsible for appraising the microplans and recommending them to M.S for financing from C.I.F
- V.Os appraise microplans and also finance them from the recycled C.I.F
Rationale for promoting SHG Federations

Poverty elimination is the goal of the SHGs

• Poverty is eliminated only through multi-pronged initiatives
• SHGs individually cannot handle the multi-pronged approach to poverty elimination
• Hence the Federations
SHG Federations at a Glance in AP

- 7.42 lakh SHGs covering 90.58 lakh women
- SHGs federated into 16,236 Village Organisations (VOs) at village level
- Village Organisations Federated into Mandal Samakyas at Mandal level
- Mandal Samakyas federated into 13 Zilla Samakyas in each of the 13 Districts in AP
- SHG Federations actively involved in wide range of poverty elimination initiatives
Structure Of Village Organization
Activities of Village Organization

• Identification of left over Poorest of the poor
  Poor Formation of new SHGs
• Promotion of SHGs
• Monitoring of the performance of SHGs
• Supporting SHGs in Problem solving Conflict resolution
• Training SHG bookkeepers on Bookkeeping
• Conducting Audit of SHG books of accounts
• Till now 2.95 lakh new SHGs are promoted and 1.1 lakh SHG bookkeepers are trained by VOs
Activities of Village Organisation

• Financial intermediation
• Supporting SHGs in preparing Micro Credit plans
• Prioritization of Loans
• Disbursement and recovery of Community Investment Fund (CIF)
• Establishment of Community Based Recovery Mechanism (CBRM)
• Facilitates SHG bank linkage ensures 100 % repayment
Activities of Village Organisation

• Assists the SHGs in dealing with social issues
• Management of Health savings, health risk fund, nutrition cum day care centers and pre-primary schools 1.17 lakh members health savings Rs. 78 lakh Rs. 18 crs as Health risk fund established 200 nutrition and day centers
• Organised 1,95,435 differently abled persons into 21,546 SHGs
• Establishment of social action committees and family counseling centers for dealing gender issues In 229 Family counseling centers 293 cases are dealt in 602 mandals
Activities of Village Organisation

• Enables SHGs to access all Govt Programs at village level
• Creating awareness on NREGS among SHG members wage labourers NREGS in getting job cards, opening post office/bank accounts, submitting application for work
• Developing labour demand land development MCPs
• Supporting SHG members in accessing Housing programe facilitating Bank loans, provision of materials ensuring the quality
• Disbursement of pensions
Benefits of SHG models

 SHG movement created an institutional framework.

 Participation of women in SHGs improved their access to credit.

 Culture of thrift and disciplined loan repayment

 Winning confidence of mainstream financial sector as credit worthy institutions.

 Interest rates in the informal credit sector decreased.

 Consumption needs and certain production needs met.
Problems

➢ Low levels of credit absorption, low skill base and low asset base.

➢ Interior and tribal villages have not benefited.
Gender Perspective of Empowerment

- No men in SHGs
- Resistance to women’s entry in local market and political structures
- Family resistance to changing power relations
- Continuing need for improving quality of life: education, literacy, health, child care, household chores
Empowerment through livelihood development: Problems

- Microfinance programmes assume men and women face same challenges.
- Management of household subsistence needs
- Adding to household income stream – (‘work efficiency’; skills for home based activity etc.,)
- Managing a small business
- Scaling up the small business