

India

RAJASTHAN DISTRICT POVERTY INITIATIVES

Health and Other Social Services (Agriculture)

Project details:

Project Number: P010505 – Specific Investment Loan

Loan Amount/Project Costs: \$100.48 million/\$124.8 million

Cost of Cultural Heritage Component: \$0.3 million (0.2 percent of total project costs)

Task Manager: Luis Constantino

Fiscal Year of Bank Approval: 2000

ITFCSD grant details:

Year of ITFCSD grant approval: 2002

Status: active

Grant amount: USD 300,000

Disbursements: ---

Commitments: ---

This project's long-term goal is to reduce poverty in seven districts of Rajasthan that are among the poorest in the State. The project's development objective is to improve economic opportunities, living standards, and the social status of poor people in selected villages in these districts.

The cultural heritage component, totally financed by the ITFCSD, seeks to preserve, revitalize, and increase selected craft productions and folk performances in Rajasthan. The critical issue is "linking handicraft producers with markets", and the ITFCSD is supposed to support the design and the implementation of a strategy covering all the aspects of production quality, standards, design, transportation, infrastructure, and networks.

Due to the various institutional constraints that have affected the project implementation, the supposed activities haven't been started yet. For most of 2003 the project was unsatisfactory. This urged for a delicate restructuring and brought to the agreement of extending the trust fund to other states where handicraft industries play an important role in the local economies. Meanwhile state elections were called for Rajasthan, Madhya Pradesh and Chhattisgarh for December 2003, what caused a substantial interruption of the project implementation and associated trust fund activities from about August to December. The failure of the party in power, and the consequent change of the government, administration and even project management, raised the necessity to rebuild the new government's ownership over the projects and trust fund activities. In January 2004 the central government announced the national elections to be held in May 2004. The three states on which the project focuses got back into election mode and the project implementation was delayed again. Now that the elections are over, activities could be immediately start, however the implementation difficulty and the uncertain commitment of the beneficiary government institutions, as well as the improbability to complete the activities by the due date, raise strong concerns.