Transforming dreams into reality

Towards A Prosperous
Rural Sikkim











TRANSFORMING DREAMS INTO REALITY

Towards a Prosperous Rural Sikkim

Devendra Chauhan Sandeep Tambe





DEPARTMENT OF INFORMATION AND PUBLIC RELATIONS GOVERNMENT OF SIKKIM





Pawan Chamling

Honoris Causa

Chief Minister of Sikkim

FOREWORD

Rural development is a vast sector that encompasses infrastructure creation, sustainable livelihoods, and decentralized governance. The challenging mountain landscape of the State with its inherent constraints of remoteness, sensitive ecosystems and marginality brings in unique challenges to rural management and development. The Sikkim Himalaya is the third highest landscape globally and the highest in the country, harbouring Mt. Khangchendzonga which towers at 8,598 meters. Also, the rural households are dispersed over steep mountain terrain, making the provisioning of basic amenities and services challenging.

Over the last two decades we have worked very hard, demonstrated exemplary leadership, good governance and innovative policy, schemes and projects. Regular schemes related to sanitation and housing have been transformed into mission mode by adopting a saturation approach. Sikkim became the first and only Nirmal Rajya in the country by achieving 100% sanitation coverage in 2008. Also financial grants are being provided to convert all the existing *katcha* houses to *pucca* under a new scheme called "Chief Minister's Rural Housing Mission". This program has ensured that the poorest of the poor in mountain areas will have access and earthquake resistant housing. Simultaneously, we have also undertaken Reconstruction of Earthquake Damaged Rural Houses (REDRH) that were demaged by the devastating earthquake of 18th September 2011. An iconic and innovative pilgrimage and rural tourism project "Siddheswar Dham" has been crafted by recreating the spiritual landscape of India in South Sikkim.

There is continued commitment to democratic deepening by providing adequate funds, functions and functionaries at the local level. State-of-the-art gram-panchayat-cluster-

level support offices, Block Administrative Centres (29 nos) have been set up to institutionally strengthen the governance of gram panchayats and public delivery systems. Decentralized planning has been firmly anchored with the preparation of perspective, multi-sectoral plans at the gram panchayat level, under the Village Development Action Plan (VDAP) project. Climate change related vulnerability assessment and adaptation measures to enhance rural water security have been successfully initiated. Consequently, as per the Planning Commission (2012) estimates, the percentage of BPL households has come down significantly from 30.9% to 13.1% during the period 2004-05 to 2009-10.

I dedicate this book to the people of Sikkim, who have been our equal partners in this developmental crusade.

Overcoming the physical challenges of the Sikkim Himalaya to transform rural Sikkim has resulted in the State bagging as many as 14 National Awards over the last four years. I am happy that the Rural Management and Development Department has taken the initiative of compiling the information into a book form in such a short time. I congratulate the authors Dr. Devendra Chauhan and Dr. Sandeep Tambe for this commendable job.

I appreciate the efforts put in by Shri R.S. Basnet, CMO in bringing out this book.

Date: 15th January, 2013

Pawan Chamling Chief Minister



Department of Information and Public Relations

Government of Sikkim Gangtok 737101 Sikkim

PREFACE

The Rural Management and Development Department (RM&DD) implements various programs funded by various Ministries of the Central Government, the State Government, Finance Commissions and also Externally Aided Projects. Apart from Centrally Sponsored Schemes, the key State Government programs include Chief Ministers Rural Housing Mission (CMRHM), Chief Minister's Financial Inclusion Project, Village Development Action Plan, Establishment of BACs, GPKs and creation of rural infrastructure like roads, bridges, water supply, community centers, kisaan bazaars etc.

The development model of the State in being able to foster faster, more inclusive and sustainable growth is more than visible now. A growth rate of 22 percent during the 11th Plan Period, rapidly declining poverty levels and conserving the environment has resulted in a transformation of the rural areas like never before. The State has been able to overcome abject poverty and the entitlements of *roti*, *kapda* and *makaan* have been broadly universalized. The per capita income has risen from Rs 37,553 to Rs 81,159 during the 11th Plan Period. Consequently, the State has taken upon itself the ambitious Mission: Poverty Free Sikkim – 2015 to achieve a poverty free status which is a revolutionary step towards ensuring inclusive and equitable development.

We have already covered a lot of ground in our pursuit of making Sikkim a Poverty Free State by showing significant progress in various developmental sectors like rural connectivity, rural water supply, sanitation, housing, employment and empowerment of people. Sikkim is the first and only *Nirmal Rajya* in the country, having achieved 100% sanitation in 2008. The State is poised to become a Katcha House Free State in 2015, with only 3-4% of the total rural houses remaining Katcha as per recent survey reports. The Chief Minister's Rural Housing Mission (CMRHM) was launched during 2011-12 to construct earthquake resistant, RCC houses for 6,000 of the poorest

of the poor households in owner driven mode. This program is in full swing and already 2000 houses have been completed and remaining under active construction. Under the Prime Minister's Relief Package after the 18th September 2011 earthquake we have taken up the Reconstruction of Earthquake Damaged Rural Houses (REDRH) project to reconstruct 7,972 rural houses, for which also construction is underway.

This book highlights the various challenges, initiatives, innovations and achievements in the rural development sector. I congratulate the officials of the Rural Management & Development Department for coming out with this valuable publication which will help to document the journey of the State towards freedom from poverty. I would also like to put on record the efforts of the authors Dr Devendra Chauhan and Dr Sandeep Tambe in compiling, analyzing and presenting the information in a very lucid and interesting form.

Date: 15th January 2013

K. S. Tobgay

Secretary

Department of Information and Public Relations

CONTENTS

Introduction		9
1.	SIKKIM – Land and People	14
2.	Rural Development - An Overview	18
3.	Drivers of Change – Programmes and Schemes	48
4.	Ensuring Livelihood for All – MGNREGA and other Poverty Alleviation Programmes	105
5.	Decentralising Development – Panchayati Raj	164
6.	Devolution of Power	237
7.	Monitoring of Implementation – Vigilance and Monitoring Committee	243
8.	Expanding Frontiers - Other Schemes	247
9.	Climate Change – Adaptation Strategy and Initiatives	265
10.	Awards and Accolades - Recognising Excellence	270
11.	Investing in the Future – Budget Allocation since 1995	284
12.	Transforming Dreams into Reality – Tangible Results	288

INTRODUCTION

On 22nd September 2010, Shri Pawan Chamling, the Chief Minister unveiled a 'Mission' to make Sikkim the first poverty free State of the country. This ambitious programme, '*Mission – Poverty Free Sikkim – 2015*, epitomises the culmination of years of hard work, perseverance and determination of the Sikkim Democratic Front Government led by Shri Pawan Chamling.



Mission: Poverty Free Sikkim

The last eighteen years of SDF governance has changed not just the face of Sikkim but more importantly brought about a tremendous change in the outlook of the people of the State. It has reignited the hopes and aspirations of the common man and given them faith in governance. Today Sikkim sets an example for

the other States in the country to emulate. The State is the first and only *Nirmal Rajya* in the country; it was awarded the 'Best State Award in Rural Connectivity' by CNN-IBN, and has been recognised as one of the best performing States in terms of empowerment and accountability of Panchayats. Accolades have been showered on the State for the progress made in tackling poverty and in transforming the lives of people in the rural areas.

The journey has not been an easy one. The Sikkim Democratic Front came to power on 12th December 1994, at a very critical juncture in the history of Sikkim. The past two decades of unplanned development had caused widespread misery among the people and played havoc with the natural resource base of the State. Unsustainable interventions in agricultural expansion, mineral extraction and felling of forests had adversely affected the landscape and the environment and the environmental and social costs of development were deemed to be irrelevant factors. High intensity of agriculture was promoted in marginal lands not suited for agriculture leading to rapid soil erosion and permanent loss of top soil. Use of high yielding seeds, fertilisers and pesticides was promoted, which did not suit the mountain environment and the fragile ecosystems.

All these activities had a deleterious effect on the health of the State and this was reflected in the socio-economic indicators. Before the SDF government took over the reins of the State, Sikkim was at the crossroads of development, it was weighed down by its financial liabilities, barely had enough resources to carry out development activities and the law and order machinery had broken down.

The State today presents a completely different picture, a turnaround which has been scripted in the last eighteen years due to the unceasing efforts of the Chief Minister, Shri Pawan Chamling. The Sikkim of today is a tribute to his beliefs – in the people of the State and the vision of a resurgent and vibrant Sikkim – and also to his indomitable spirit. The Chief Minister and his party have never in these long years ever lost sight of their goal of transforming Sikkim into a self reliant and prosperous State. The mandate which was given to the SDF by the people of Sikkim has been repaid in full measure. The rule of the SDF under the stewardship of Shri Pawan Chamling has taken Sikkim



Sikkim is the first and only Nirmal Rajya in the country having achieved 100 per cent sanitation in 2008

on its path of self reliance and development, away from the era of economic backwardness and exploitation of the people.

This success story is revealed by the huge improvement in socio-economic indicators. In the last eighteen years, per capita GSDP income has grown over five fold, a huge dent has been made in the poverty figures - poverty levels are less than one-third of what they were in 1994, annual plan outlay has registered a nine fold increase since 1994, annual State revenue has increased by over 42 times since 1994, infant mortality rate has been almost halved and child immunisation coverage is over 95 per cent. All these figures support the high growth trajectory which the State has registered during the rule of the present government.

This growth has its genesis in the successful implementation of plans and programmes initiated by the SDF Government and the State is listed among the fastest developing States in the country. Today, Sikkim occupies a top position in the country in many areas of performance. They include among others, per capita income, per capita plan expenditure, literacy rate, infant mortality rate, birth rate, socio economic index, availability of potable water, plan expenditure, availability of per capita annual external grants, human development index and rural electrification.

Since most of the State is defined as rural and nearly 75 per cent of the people reside in rural areas, Shri Pawan Chamling and his Government have taken the utmost care to address the issue of rural poverty. The development programmes and schemes with assistance from the Central Government have been bolstered by a number of initiatives funded by the State. This has extended the reach of the Government in touching the lives and bringing relief to the rural poor. The SDF Government's commitment to rural development is borne out by the fact that 70 per cent of the State budget has been earmarked for rural welfare measures. Targeted delivery of the schemes and programmes has today transformed rural Sikkim.

Nobel Laureate Mother Teresa always believed that "We think sometimes that poverty is only about being hungry, naked and homeless. The poverty of being unwanted, unloved and uncared for is the greatest poverty". Poverty alleviation is not merely limited to the income levels of the citizens, but is being assessed as a measure of capabilities, opportunities, freedom and the assets of a household to have sustainable livelihoods and to be insulated against vulnerabilities arising out of several risk factors. The rural development programmes of the Government have focused in adopting a multi-pronged approach towards poverty alleviation through decentralised development efforts and local governance.

Sikkim Democratic Front Government has been waging a war against poverty, and the rural transformation that we seek is visible more than ever before. The pace of poverty eradication as estimated by the Planning Commission, Government of India has accelerated and the percentage of BPL households has come down significantly from 30.9 per cent to 13.1 per cent during the period 2004-05 to 2009-10. At this pace of development, the target of eradicating poverty and realizing the mission of a "Poverty Free Sikkim" is not very far. We are working purposefully to improve the quality and delivery of public services to achieve the objectives of deepening and widening of rural prosperity and well being. We are committed to make rural Sikkim not only poverty free, but also the backbone of inclusive social and economic growth, where everyone is taken care of and loved.

The Rural Housing Scheme in the last ten years (from 2001 to 2010) has ensured that less than 6000 (5%) of rural households are living in *katcha* houses. Having universalised the rural sanitation sector in 2008, the State is set to add yet another feather to its cap by universalising the rural housing sector and becoming the first State to achieve this status wherein all the rural households will reside in either



Siddheswar Dham bagged the Most Innovative and Unique Tourism Project National Award from Ministry of Tourism for 2010-11

permanent or semi-permanent houses. Keeping in mind that rural poverty is linked to geographic isolation; huge investments have been made to establish physical connectivity for rural Sikkim. The State has also established itself as one of the pioneering states to carry out power decentralisation to the grassroots whereby power has been transferred to villages through Panchayats. The first Sikkim Human Development Report in 2001 noted, that the young demographic profile posed a great challenge to the State Government and had called for employment opportunities to be enlarged. The Government taking due cognisance of this noting has addressed the situation by astutely targeting specific livelihood programmes in rural Sikkim. According to the Planning Commission (2012) estimates, the percentage of BPL households has come down significantly from 30.9 per cent to 13.1 per cent during the period 2004-05 to 2009-10. The 17.8 per cent rate of poverty reduction achieved in Sikkim is the second best in the country. The Chief Minister intends to make Sikkim, the first Poverty Free State in the country.

Not content with the achievements, Shri Pawan Chamling and his Government have set themselves much more demanding targets for the year 2015, some of which give due recognition the inherent richness of natural resources of this Himalayan State. Transforming Sikkim into an organic State by 2015 is one such target, as is target to be recognised at par with countries like Austria and Fiji in ecotourism. The people of the State have every reason to believe in them and in the rule of the SDF government with Shri Pawan Chamling at the helm, guiding and practicing good governance.



Sikkim has been consistently recognized at the national level for the Empowerment and Accountability of the Panchayati Raj Institutions

Chapter 1

SIKKIM – Land and People

"...We have a dream to make Sikkim a 'heaven on earth'. I ask for your dedication. Give the world the best you have. And the best will return to you." – Shri Pawan Chamling, Chief Minister

The Land

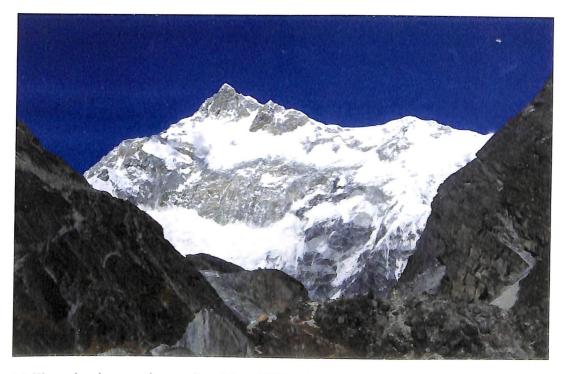
Nye-me-el, Paradise. This is name by which the Lepchas have known their ancestral land Sikkim. And Paradise it is. Wedged between Nepal in the west, Bhutan in the east and China in the north and northeast, Sikkim with its steep mountains and deep valleys lies in the Eastern Himalayas. Its contiguity with India is towards the south where it shares its border with the State of West Bengal.



A bewildering elevation range from 300-8500 meters results in diverse ecosystems right from the subtropical to the tundra

Sikkim lies between latitudes 27° 5' N to 28° 9' N and longitudes 87° 59' E to 88° 56' E. With a north to south length of approximately 100 km, and an east to west width of approximately 60 km, Sikkim's total land area is just 7,096 square kilometres. Its borders in the east, west and north are inter connected mountain ranges, which give it a distinct horseshoe shape structure. Towards the North the State is bordered by the Greater Himalayan Range and the Tibetan Plateau. In the West, the Singalila Range running in a North-South direction marks its natural boundary with Nepal. The Chola Mountains define its eastern frontiers, with the Chumbi Valley in the North-East and the Himalayan Kingdom of Bhutan in the South-East. The land also exhibits a unique altitudinal gradient; at places it is as low as 300 metres, while at the other extreme is as high as 8,500 metres above sea level. This uniqueness has blessed Sikkim with climatic zones ranging from the tropical to the tundra. Towards the south, the land slopes into the fertile plains of West Bengal.

The mountain ranges are also home to some imposing peaks and high altitude passes. The imposing Khangchendzonga $(8,598 \, \text{m})$ is the third highest mountain in the world. Other notable peaks include Siniolchu $(6,895 \, \text{m})$ and Pandim $(6,706 \, \text{m})$. Important mountain passes are Nathu La $(4,728 \, \text{m})$ and Jelep La $(4,040 \, \text{m})$.



Mt Khangchendzonga - the guardian deity of Sikkim is also the third highest peak in the world



Scattered households in remote mountain terrain pose a unique challenge in the provisioning of basic amenities and services

There is one major river system in Sikkim. Geomorphologically, the State belongs to the upper part of the basin of the Teesta River. Since the land slopes from the north to the south, all the rivers flow towards the south. However, smaller rivulets and streams,

of which there are many in the State, run in other directions as well. This network has resulted in an intricate dissection of the land. So it is not surprising that there is very little level land in the State. The two major rivers – the Teesta and the Rangit flow in the general southern direction till they reach Melli, which marks the confluence point of these two rivers. Beyond Melli, the river now called the Teesta flows into West Bengal and later merges with the Brahmaputra River in Bangladesh.

The People

Sikkim's ethnic diversity is represented by the Tibetan term "Lho-Mon-Tsong-Tsum.



Unity amidst diversity is the hallmark of the varied ethnic groups inhabiting the State



Women are equal partners in development and play a significant role in enhancing household incomes

This term is used for the three original races which have coexisted in Sikkim since the reign of the first Chogyal of Sikkim, Phuntshog Namgyal in 1642 AD. The word 'Lho' means south and is applied to the early Bhutia settlers who migrated from southern Tibet to Sikkim. The term 'Mon' refers to the foothills and is used for the Lepchas who inhabited the lower slopes of eastern Himalaya. The term 'Tsong' is used for the Limbus, an indigenous tribe of Sikkim. The presence of castes, sub-castes and tribes of the Nepalese has only added to the ethnic diversity of the State. Since 1975, the cultural fabric of Sikkim has been further shaped by the migration of people from different parts of the country.