



INTERNAL RURAL CONNECTIVITY UNDER MGNREGA

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ABSTRACT

Rural Road connectivity is a key component of rural development, since it promotes access to economic and social services, thereby generating increased agricultural productivity, non-agriculture employment as well as non-agricultural productivity, which in turn expands rural growth opportunities and real income through which poverty can be reduced. A study (Fan et al. 1999) carried out by the International Food Policy Research Institute on linkages between government expenditure and poverty in rural India has revealed that an investment of Rs 1 crore in roads lifts 1650 poor persons above the poverty line. Public investment on roads impacts rural poverty through its effect on improved agricultural productivity, higher non-farm employment opportunities and increased rural wages.

Research Methodology :-

- 1] Primary Method
- 2] Secondary Method

In this Research Paper use both methodology in the primary method scholar are goes to all MGNREGA offices to realated department. Researcher also discussion with benifficary peoples etc.

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In the Secondary method researcher use the related gernal, books, paper and online information.

A Socio-economic survey conducted in a remote area in India by CRRI in 1989, showed that the villages located on the main road are comparatively well developed than those away from the road. The rural transport study carried out (NCAER and IIMB, 1989) for two different periods in 1979 and 1989 revealed that after the development of rural roads, there was a change in transport modes in rural areas and also an increase in economic activities. The economic analysis of rural roads carried out for selected rural road projects financed by World Bank in Morocco (World Bank, 1996) is one of the major studies which attempted to find out the rate of return on the investment made. The study quantified the benefits based on savings in vehicle operating cost (VOC) compared to the original i.e. unpaved roads. The economic analysis carried out for rural access project (World Bank, 1999) in Bhutan has shown significant transport cost saving. The impacts of rural roads are summarized as given below: Improvement in transportation services:- which leads to improved access to market centres for the rural producers, better availability of farm inputs at reduced prices; Diversification of agricultural:- improved market access promotes shift in favour of cash crops and commercialization of agricultural activities.

Diversification of livelihood opportunities:- better connectivity enhances employment opportunities in the non-agricultural sectors. Improved services:- improved road connectivity, interalia, enhances access to education, health, communication and financial services. Increase in the outreach of the State:- Improved rural roads facilitates better availability of public services and functionaries in rural areas. In a developing country like India where 73 percentage of the population lives in rural areas and only 27 percentage in urban areas, we need a very structured planning procedure should be used for the developmental activities and infrastructure facilities available in rural area. Rural roads are integral part of rural development and it stimulates overall development by providing access to economic and social infrastructure and facilities. Finally it needs to be noted that the planning process is a dynamic process which needs temporal modification as per the requirements of the people concerned. The need is to identify the basic hindrance in the policy and use the best possible way to address it. A government does not become popular or unpopular on the basis of its policy but it solely depends on the manner in which the policy is implemented.

PROJECT DESCRIPTION

The Roads for Rural Development Project has contributed to economic growth and poverty reduction in the Lao People's Democratic Republic (Lao PDR) by providing access to poor rural districts through improvement of the transport network.¹ The areas served by these rural roads were among the poorest in the Lao PDR in terms of access to health care, education,



and other services. Each project road provided improved access to one of the 47 priority poorest districts in the country. Most of the local populations in the project area had high levels of disease, malnutrition, and illiteracy, and few areas had access to safe water, sanitation, and electricity. The project relieved the isolation of these areas by reducing travel costs and time and eliminated the disruption of traffic during the wet season. The improved access enables continuous trade and economic exchange and undisrupted access to schools, medical facilities, as well as other social and civil services. The project components were consistent with the priorities agreed to in the Government of the Lao PDR's National Poverty Eradication Program,² the Asian Development Bank (ADB) Medium-Term Transport Strategy for the Lao PDR,³ and the Northern Region Infrastructure Development Strategy⁴ prepared through ADB technical assistance (TA).

EVALUATION OF DESIGN AND IMPLEMENTATION

A. Relevance of Design and Formulation

The project was consistent with ADB's country strategy and program,⁶ as well as the country's development objectives. At appraisal, the Lao PDR faced a number of transport-related challenges that were broadly subdivided into four major groups: (i) the need to develop reliable road access throughout the country to promote economic development and cohesion and reduce poverty; (ii) the need to improve road management, especially road maintenance and its funding, to secure existing and future road assets; (iii) the need to reduce the high and growing number of road accidents, with the rapidly growing associated economic and social costs; and (iv) the provision of efficient transport services.

The government strategy at appraisal gave high priority to improving the road transport system to facilitate (i) the movement of agricultural products from surplus to deficit areas, (ii) the flow of consumer goods and agricultural inputs to rural areas, (iii) the marketing and export of cash crops and other produce, and (iv) participation in regional and international trade. The government targets for physical infrastructure development included (i) completing the national road network, (ii) improving the provincial road network, (iii) upgrading transit routes, and (iv) establishing a sustainable maintenance system to preserve the country's transport infrastructure. All-weather access was provided to 16 of the government's list of the 46 poorest districts under current or committed ADB projects, including the Xieng Khuang Road Improvement Project⁷ and the Rural Access Roads Project⁸. Under an ongoing plan as part of the National Poverty Eradication Program, the former Ministry of Communications, Transport, Post, and Construction (MCTPC) was addressing the improvement of access to the districts that lack year-round road access and provision of road access to areas that lack it entirely.

B. Economic Evaluation Assumptions and Method

The approach taken for the reevaluation is based on that used at appraisal¹ and the subsequent appraisal documents prepared by the project consultants.² The main economic benefits of the subprojects consisted of savings in vehicle operating costs for normal traffic and benefits from generated traffic. The principal difference from the previous evaluation is that actual construction costs have been used and the benefits are based on measured traffic volumes, taken during June 2013. Forecast traffic levels have been based on the new counts and, as a result, a better estimate of future traffic is possible. All benefits and costs are measured in constant 2007 prices, at the completion of construction.

The economic construction costs comprise capital costs and maintenance costs derived from project disbursement costs including price inflation. These costs are taken as current prices in the disbursement year and were adjusted to 2007 constant prices. The financial costs have been converted to economic costs by applying a standard conversion factor of 85% as was used at appraisal. No maintenance was carried out on the roads in the first year following completion of construction because works were under contractor guarantee. Periodic maintenance interventions have been assumed as the roads approach a roughness level of 6 meters (m) per km. In the absence of any data on road condition, roughness was assumed to

1 ADB. 2004. Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Lao People's Democratic Republic for the Roads for Rural Development Project. Manila. 2 Ministry of Public Works and Transport, Department of Roads. March 2011. Roads for Rural Development Project (ADB/10) Project Completion Report.

increase on average by 0.5 m/km per year from the estimated average roughness levels of 3.0 m/km at project completion.

C. Economic Benefits Approach

For three of the subprojects, economic benefits are generated from improved road conditions which reduce vehicle operating costs and increase travel speeds. These impacts also increase trip rates and trading propensities, which generate additional benefits in the areas in which the roads are located.

CONCLUSION :

- (a) increase in agricultural production due to road facility
- (b) increase in fertiliser consumption
- (c) increase in non-agricultural activities
- (d) better utilisation of existing facilities like, school, health, banks and post offices.



Similarly, a socio-economic survey conducted in a remote area in India by CRRRI in 1989, showed that the villages located on the main road are comparatively well developed than those away from the road. The rural transport study carried out (NCAER and IIMB, 1989) for two different periods in 1979 and 1989 revealed that after the development of rural roads, there was a change in transport modes in rural areas and also an increase in economic activities. The economic analysis of rural roads carried out for selected rural road projects financed by World Bank in Morocco (World Bank, 1996) is one of the major studies which attempted to find out the rate of return on the investment made. The study quantified the benefits based on savings in vehicle operating cost (VOC) compared to the original i.e. unpaved roads. The economic analysis carried out for rural access project (World Bank, 1999) in Bhutan has shown significant transport cost saving. The impacts of rural roads are summarized as given below: Improvement in transportation services:- which leads to improved access to market centres for the rural producers, better availability of farm inputs at reduced prices; Diversification of agricultural:- improved market access promotes shift in favour of cash crops and commercialization of agricultural activities.

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