Governance and Accountability: Experience of Odisha

This is an abridged version of a study by NITI Aayog on the decentralized model in Odisha. Reproduced with permission.

Key messages

- Commitment from government bodies at the state, district, and village levels has been crucial to the development of a Take-Home Ration production and distribution system that meets the needs of beneficiaries and maintains desired levels of quality.

- The involvement of local stakeholders as monitoring committees and Take-Home Ration producers has made the system more responsive to local conditions and requirements.

- Jaanch Committees and Mothers’ Committees reinforce standards of quality for production and distribution through increased accountability from independent oversight of the process.

- The Odisha model shows that, when implemented properly, decentralized Take-Home Ration systems can produce and distribute nutritional products that meet standards and serve communities without adding to overall costs.

Introduction

In recognition of the Supreme Court’s issue regarding universalization with quality and decentralization of procurement, the Government of Odisha reformed the Integrated Child Development Services (ICDS) system and took the necessary steps towards decentralization in April 2011. In the new system, all raw materials except rice and wheat are procured locally by Anganwadi Workers (AWWs) to reduce the chances of pilferage during transportation. In addition, the system allows greater community involvement during implementation to ensure accountability in the timely distribution of high-quality Take-Home Rations (THR) to beneficiaries.

Key Stakeholders

The new system follows a three-tier structure, with well-defined roles for stakeholders at the state, district, and village levels (Figure 1). This system is designed to ensure statewide standardization of THR composition and quality.

To encourage community participation and ownership of the programme, the Department of Women and Child Development has institutionalized community level monitoring through the formation of Mothers Committees (MC) at each AWC and Jaanch Committees (JC) at each revenue village. The role of MCs is to ensure quality of hot cooked meals and Chhatua distributed at AWCs and the role of JCs is to ensure that all the feeding programs maintain prescribed quality and quantity. Both the committees are constituted of well-educated individuals from the locality.

Key Strategies

In early 2011, the state government held consultations with primary stakeholders of the ICDS system, including AWWs, Panchayati Raj Institutions (PRIs), officials from the Ministry of Women and Child Development (WCD) and other related departments. These consultations resulted in five actionable steps (Table 1) highlighting the potential gaps that could emerge from the decentralization process, as well as developing systems and procedures to ensure the initiative’s success.

First, the norms and entitlements for morning snacks, hot cooked meals and THR (named Chhatua in Odisha) were revised (Table 2). The resulting guidelines
established the content and quantity of THR based on the target beneficiary group, prescribed regular supply at a 15-day interval, and outlined requirements for packaging that is color-specific to each target beneficiary group. For example, yellow packets are prescribed for mothers and red packets for children in the severe acute malnutrition (SAM) category. These standards are displayed at every AWC in the form of pictorial charts and are used as the basis for verifying the capacities of self-help groups (SHGs) to produce, distribute and supply THR.

"Standards are displayed at every AWC in the form of pictorial charts and are used as the basis for verifying the capacities of Self-Help Groups."

Only graded SHGs must be selected and preference must be given to SHGs with experience in drying, grinding and packaging. The SHG selection and THR production unit installation is done by District Collectors supported by Mission Shakti, Tripti, Orissa Rural Development and Marketing Society (ORMAS), National Rural Livelihood Mission (NRLM), Odisha Tribal Empowerment & Livelihoods Programme (OTELP) and Western Orissa Rural Livelihoods Project (WORLP).

Second, allocated funds for procurement of raw materials are directly transferred via e-transactions into the joint accounts of AWWs. This helps local procurement by AWWs, reducing delay in payments to SHGs. Management Information System and Treasury Management System at the state level facilitate monitoring of funds.

FIGURE 1: Key stakeholders in the ICDS decentralization initiative
Third, training and capacity building of community stakeholders is done through video recordings of guidelines, recipe demonstrations, and cookery shows. During the first six months, the videos were played at an interval of 7-10 days at the Child Development Project Office and at all Gram Panchayats. Now, the videos are played only for refresher trainings. In addition, Jaanch Committees and Mothers’ Committees have undergone one-on-one trainings, where they were taught to use the participatory learning appraisal tool.

Fourth, publications and communication material are used by the state government to increase awareness of the initiative.

These four actions by the Government of Odisha have been instrumental in facilitating exchange and cooperation among the various stakeholders involved in the decentralization process and subsequent THR production and distribution.

**Process**

The THR procurement process involves members of local AWWs, a PRI member, the Jaanch Committee, and the Mothers’ Committees who come together for meetings each month. At these meetings, the stakeholders

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**TABLE 1: Five actionable steps for effective decentralization in Odisha**

<table>
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<tr>
<th>REFORM</th>
<th>RATIONALE</th>
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<tr>
<td>All procurement, save for rice and wheat, will be carried out locally at the village level. Rice and wheat will be procured from the Food Corporation of India.</td>
<td>• To prevent transmission loss and eliminate the existing contractor system. • To address the problem of inadequate checks on quality and quantity. • To avoid spoilage of foods and materials resulting from storage of supplies for 1-3 months.</td>
</tr>
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<td>Joint accounts will be opened for each AWC in the names of the AWW and a ward member.</td>
<td>• To create greater accountability by ensuring beneficiaries and interested parties have direct access to the key implementing stakeholders.</td>
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<td>Only e-transfers will be permitted for all fund transactions under the system.</td>
<td>• To prevent pilferage of funds. • To streamline the fund flow system.</td>
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<td>A new grassroots body called Jaanch Committee will be formed.</td>
<td>• To engage active participation of the community in monitoring the program. • To assess the needs of each AWC and support procurement strategies.</td>
</tr>
<tr>
<td>Renewed and rigorous efforts will be undertaken to train all the community stakeholders in accordance with the new guidelines.</td>
<td>• To increase awareness of children’s entitlements to adequate nutrition under ICDS. • To determine a more effective way of communicating training materials.</td>
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"Allocated funds for procurement of raw materials are directly transferred via e-transactions into the joint accounts of AWWs."
identify the number of beneficiaries to be supplied under each category, devise monthly expenditure estimates, and outline a procurement plan for the month, which includes items to be purchased and the shops where they will be bought. For rice and wheat, the only items not purchased locally, supplies are provided by the FCI. On the distribution end, SHGs supply AWCs with THR twice a month. AWWs, who have a list of identified pregnant women, distribute to mothers every month at AWCs, with some AWWs supplying THR directly to the houses of beneficiaries.

Key Challenges

At the beginning of this reform, the system faced challenges related to capacity building at the ground level. There was widespread apprehension and resistance on the part of AWWs and PRIs to open new bank accounts, in addition to AWWs’ concerns of being overburdened and reluctance on the part of SHGs to invest in THR production. However, these perceptions changed after seeing the benefits and efficiency of the system in ensuring timely and good quality THR. There are still cases of SHGs lacking infrastructure, AWCs not having dedicated buildings and delays in the supply of wheat and rice by FCI.

Impact and Key Success Factors

Improved functioning of the ICDS:
A social audit carried out in late 2011 suggested that decentralization is serving its objective of streamlining and strengthening the ICDS programme without any added cost. Within six to seven months of decentralization, 71% of the beneficiaries felt that the menu chart was being followed as per plan. Transparency and efficiency improved because of the elimination of contractors and middlemen. Most importantly, the revised packaging of Chhatua ensures minimal intra-household consumption, resulting in improved nutrition of intended beneficiaries.

Empowerment of women:
Decentralization provided a new source of income to SHGs and empowered their women members.

The success factors of the decentralized model in Odisha have been documented in numerous surveys

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**TABLE 2:** Revised feeding norms as of 2013

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<tr>
<th>BENEFICIARY</th>
<th>THR TYPE</th>
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<tr>
<td>6 months to 3 years</td>
<td>Two boiled eggs per week + Chhatua one packet (Net 1.700 kg) every 15 days</td>
<td></td>
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<tr>
<td>Pregnant women and lactating mothers</td>
<td>Two boiled eggs per week + Chhatua one packet (Net 1.700 kg) every 15 days</td>
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<tr>
<td>Severely malnourished children (6 months - 3 years)</td>
<td>Two boiled eggs per week + One packet of Rasi ladoo of 100 gms once in a month + Chhatua one packet (Net 2.550 kg) every 15 days</td>
<td></td>
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<tr>
<td>Severely malnourished children (3 - 6 years.)</td>
<td>One packet of Rasi ladoo of 100 gms once in a month + Chhatua one packet (Net 1.700 kg) every 15 days + Hot Cooked Meal + Morning Snack</td>
<td></td>
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</tbody>
</table>
Experience | Decentralized

and case studies. In 2012, for example, the Odisha model was named as a “best practice study” and highlighted for its positive impacts on SHG members who had increasingly become economically stable, leading to regular earnings. The system has also been credited with improving nutrition through its success in providing 50% of Recommended Dietary Allowance (RDA) through supplemental nutrition. These achievements have been linked to a number of factors, including the oversight of the Jaanch and Mothers’ Committees, patterns of cooperation among AWCs, and thorough training regimens for community stakeholders. Still, the element that has been the most pivotal throughout the process is the commitment and active involvement of government officials at all levels, from participation in the initial stakeholder consultations prior to decentralization, to involvement in SHG producer selection, to continued support for trainings and procurement of materials.

Replicability and Sustainability

Social sustainability of the initiative is high, owing to the successful run of the community-driven model that has been institutionalized for the Supplementary Nutrition Program (SNP). Following the success of Jaanch Committees in SNP, the system will now also be extended to other components of ICDS on a trial basis to encourage more community participation in implementation. Long-term sustainability requires the state administration to create an enabling environment. For the purposes of introducing reforms, support for this initiative was garnered from the apex to the grassroots level and the required trust was invested in grassroots functionaries. The replication of this model requires a strong administrative push towards identifying context-relevant loopholes in the system. Training and capacity building of the community is also an essential factor for the smooth deployment of the model, which has demonstrated that procuring raw materials at ration rates may be difficult but it is possible, and that contractors can be removed from the supply chain of THR with beneficial results and effective implementation.

“Long-term sustainability requires the state administration to create an enabling environment.”

Conclusion

From the outset, Odisha’s approach to decentralizing its THR production and distribution systems demonstrated a commitment to meeting the needs of its communities. This is highlighted by the government’s decision to consult key stakeholders early in the development process and has continued through the active recruitment of local stakeholders in the form of monitoring committees and SHGs. As such, the Odisha THR production model has been characterized by a high degree of accountability to stakeholders and responsiveness to the local needs and changing conditions. While many aspects of the Odisha decentralization process have been specific to the regional context, the principles displayed throughout the government’s approach offer insights that can help inform better accountability in decentralized models across the country.

References

2. Rao, Veena S. National Framework for the production and procurement of Take-Home Ration (THR) under ICDS. GAIN, 22