

COMMON SERVICE CENTRES

A Decentralised Development Strategy for Rural Geographies During and Post COVID-19

May, 2020 | Version 1



CONTENTS

BACKGROUND

CONCEPT : COMMON SERVICE CENTRE (CSC)

APPROACH : COMMON SERVICE CENTRES (CSC)

INTRODUCTION TO SERVICES

CASE STUDIES

WAY FORWARD

BACKGROUND

Lockdown in India has impacted 40 million internal migrants: World Bank

According to the report -- 'COVID-19 Crisis Through a Migration Lens' -- the magnitude of internal migration is about two-and-a-half times that of international migration.

PTI | Last Updated: Apr 23, 2020, 09:27 AM IST



He will die of blood disorder, if he doesn't receive help!

KETTO



WASHINGTON: The nationwide lockdown in India which started about a month ago has impacted nearly 40 million internal migrants, the World Bank has said.

"The lockdown in India has impacted the livelihoods of a large proportion of the country's nearly 40 million internal migrants. Around 50,000-60,000 moved from urban centers to rural areas of origin in the span of a few days," the bank said in a report released on Wednesday.

COVID-19 CASES		Confirmed	Deaths
India	World	96,169	3,029

According to the report -- 'COVID-19 Crisis Through a Migration Lens' -- the magnitude of internal migration is about two-and-a-half times that of international migration.

<https://economictimes.indiatimes.com/news/politics-and-nation/lockdown-in-india-has-impacted-40-million-internal-migrants-world-bank/articleshow/75311966.cms?from=mdr>

WHO declared the COVID-19 (SARS-CoV-2) outbreak as a Public Health Emergency of international concern early in 2020. The pandemic has tested the capacity of the public health systems even in the most developed countries, and the measures taken to limit the transmission of the virus has resulted in severe economic losses.

What is marked as the worst crisis post the World War II, this COVID Pandemic is having catastrophic consequences on the economy and is expected to wipe out **195 million full-time jobs or 6.7 percent** of working hours globally in the second quarter of this year, as per the UN's labour body. **Similar scenario is expected in India with about 400 million people working in the informal economy are at risk of falling deeper into poverty due to the coronavirus crisis as per the ILO.** Given the magnitude of the situation, restoring livelihood and lives particularly of the marginalised communities becomes critical.

Rural Economy: Slowed down economic activity in urban areas has an effect on rural areas as well. [Numerous studies](#) and experience from the field indicate that a significant proportion of rural household incomes comes from migration and daily-wage labourers. The informal industry in cities being [badly affected](#) has resulted in loss of rural income. Furthermore, many challenges (like restriction on interstate travel and limitations on supply chain of produce/raw materials) are foreseen for farmers and farm labourers set out to rebuild their lives and livelihoods. Migrant labourers who have managed to return will not be able to go back immediately. Also, for the rural areas, the curbed connectivity to major cities and towns has led to limited access to health and essential services. **There is a need to help the affected to pick the threads again, overcome the loss and rebuild their lives- this provides an opportunity to revive livelihoods and build the rural economy, building infrastructure and systems that allow for opportunities in entrepreneurship and local employment.**

CONCEPT:

COMMON SERVICE CENTRE

The pandemic has forced us to see resilience at community level in a decentralised manner. We need local services, shorter end to end value chains- lack of which is (and will be) severely affecting the last mile.

There are about 2,50,000 villages across the country with a population between 2500 to 5000 individuals. These villages give us an opportunity to innovate and create new models for decentralised services where the consumers as well as the producers build on the local economy.

The concept of the Common Service Centers is to establish infrastructure and systems in a manner that can respond to local needs and be a catalyst to economic activities in the region.

A common infrastructure and facility that allows for:



Creating Employment

- Creating employment opportunities for construction of the units
- Creating enabling environment for entrepreneurship in the villages



Boosting Economy

- Need based infrastructure to boost the local economy (eg: cold storage for agriculture, processing units, or agri service units, digital literacy, training centres and banking kiosks)



Decentralisation of Essential Services

Provide essential services such as health care (subcentres, telemedicine) or education facilities (primary schools)

APPROACH: COMMON SERVICE CENTRE

The pandemic has forced us to see resilience at community level in a decentralised manner. We need local services, shorter end to end value chains- lack of which is (and will be) severely affecting the last mile.

There are about 2,50,000 villages across the country with a population between 2500 to 5000 individuals. These villages give us an opportunity to innovate and create new models for decentralised services where the consumers as well as the producers build on the local economy.

The concept of the Common Facility Centers is to establish infrastructure and systems in a manner that can respond to local needs and be a catalyst to economic activities in the region.

The following three aspects will be critical in ensuring that the services deployed through the CSC is **economically viable and socially sustainable**:



Technology

- Decentralised Technological solutions designed for **small outputs** and thus economically viable for smaller scale
- **Modular solutions**, allowing for expansion due to growing demands of the villages.
- **Reliable Sustainable Energy**, ensuring reliable services, productivity improvement and quality well-being



Ownership

- Deriving different ownership models dependent on feasibility of service delivery- for eg: **entrepreneurship or cooperative owned models, rental models, government owned entrepreneur run etc**



Financing

- Working Capital loans through Financial Institutes
- Capital subsidy, working capital loans
 - Convergence with government schemes: SRLM, Ayushman Bharat, PMEGP etc

INTRODUCTION TO SERVICES

EXAMPLES

Non Farm Services



ICT / Digital Services (E-Mitra)



Fabrication Units



Mechanic Shop



Tailoring Centres



Local Provisional Stores with Refrigeration for Milk and Yogurt

Agri Related Services

(Dairy, Horticulture, Cereals + Soil Testing Centres etc)



Milk Chillers & Refrigerators



Vaccine Refrigerator for Poultry, Cattle etc



Pre-cleaners and De-stoners



Weighing Machines



Fertiliser Sprayer



Shellers, De-huskers and Polishers



Graders Portable or Fixed



Milk Testing Machines/ Soil Testing Machines



Harvesters



Dry and Wet Grinders

Other Essential Services



Tele-medicine



PDS

CASE STUDIES

ENERGY RENTAL CENTRES AT BUS STOPS

Bangalore has a large number of informal settlements and markets who continue to rely on dirty fuels for energy because of their informal nature.

In partnership with BBMP, SELCO Foundation implemented an Integrated Energy Centre- an energy rental centre, co-located at a Bus-stop, which is solar powered and provides charged batteries for rent to nearby markets. The centre is run by an entrepreneur, who was provided a **seed capital to set up his shop but the day to day operations are taken care by the rental charges the entrepreneurs collect through the street vendors.**

Implemented in 2017, the entrepreneur has since taken a loan through a local financial institution and expanded his shop. The rental centre rents out light to about 60 vendors, has photocopying and printing facilities for the nearby school children, and has mobile charging station, as well as a refrigerator providing cold drinks to the individuals waiting at the bus stop.

Similar facilities could be developed in rural areas for drinking water facilities, energy rental for markets, custom hire centres for agricultural technologies, cold storage providing rental space to farmers etc.



CASE STUDIES

AGRI PROCESSING UNITS



A decentralised milling unit is set up through Bhoomika FPO. They have 3 different machines which are used for destoning, grading and dehulling of millets. These machines can be used for all types of millets by changing the sieves and by adjusting the airflow rate. The 3 types of processing machines can also be used for other commodities as well, such as paddy and pulses can be cleaned using destoner.

The FPO is supported by NABARD Bangalore, with 475 shareholders and share capital of INR 4.3 lakhs

Type of Machine	Output of Machine	Functions
Destoner	300 kg/hr	Removes heavier materials from raw material (Stones, sticks etc.)
Grader with aspirator	300 kg/hr	Raw materials are graded as per size and lite weight impurities (smaller than raw materials are removed)
De huller	150 kg/hr	The upper cellulose husk is removed. Decentralising of mill also ensures that husk is taken back by the farmers- used for feed

Depending on the predominant livelihood in the region, similar processing or value-add facilities can be developed. The facilities could be government or cooperative owned, but run on a revenue based model- providing cold storage facilities for horticulture produce, milk chilling, agri processing, or food processing units.

CASE STUDIES

TELEMEDICINE OR HEALTH FACILITIES

SOLARKIOSK and the United Nations Institute for Training and Research (UNITAR) has launched a multi-sectoral, multi-partner collaboration to fight Corona together. SOLARKIOSK, together with German technology leaders in the field of healthcare, solar power and IT, has developed a two-ring, solar powered health care solution to screen, test Corona patients in rural areas.

- The lab enables the health personnel to establish if a patient has been infected with the COVID-19 virus.
- The lab can be deployed within a day with solar powered “kit-of-parts” infrastructure
- The lab is equipped with diagnostics, molecular medicine and digital health supplied by the German medical technology company Siemens Healthineers
- All appliances are solar powered with storage by long life batteries for night-time usage
- Hot water for hygiene is also provided through solar powered heaters
- UNITAR trains personnel of mobile laboratories, and simple portable and modular solution allows for quick deployment and local labour to provide assembly
- Infected patients identified early on, and transferred to nearest health facility

The kiosk is designed for decentralised health and diagnostic facilities- which is applicable for first level of care at sub centres. The availability of reliable energy and technology, also allows for incorporation of tele medicine or other basic amenities for a sub-centre (vaccine storage, labour room etc)



WAY FORWARD



Identify Priority Villages: These could be in areas such as:

- Villages seeing return of migrants in large numbers
- Villages with lack of infrastructure and need to boost economic activities
- Local stakeholder interest- government officials, civil society organizations, local self help groups, farmer producer organizations, cooperatives etc.

Engage with Local Stakeholders and Need Assessment: The need assessment will be done jointly by LabourNet and SELCO Foundation to understand the services in need. This will be done by engaging with local village development officers, panchayat members and other local leaders.

Pilot 20 Common Service Centres across Chosen Villages: A pilot is proposed across 20 chosen villages, showcasing the concept of Common Services Centre. These pilots would aim at the following:

- Financial model for Common Service Centre
- Mapping and convergence with local government programs and schemes
- Livelihood value chain mapping and showcasing the impact of decentralisation of livelihood based infrastructure and services in brining value-add and improved income to the smaller villages
- Create opportunities for entrepreneurship, and local employment

Replicate: SELCO Foundation, along with LabourNet would prepare a toolkit, and train multiple Panchayats, DCs, and other local officials to set guidelines and scale the concept in chosen villages in their geographies.

About SELCO Foundation:

SELCO Foundation seeks to inspire and implement solutions that alleviate poverty by improving access to sustainable energy to underserved communities across India in a manner that is socially, financially and environmentally sustainable.

SELCO Foundation demonstrates the role of clean energy and energy efficiency across areas of wellbeing, livelihoods, health and education.

Write to us at:

covid19@selcofoundation.org / info@selcofoundation.org

SELCO Foundation COVID-19 Response Website:

covid-19.selcofoundation.org / www.selcofoundation.org

About LabourNet:

LabourNet is a social enterprise that enables sustainable livelihoods for disadvantaged men, women and youth in urban and rural areas. They follow a three-pronged engine integrating social and business impact by bridging the gaps in Education, Employment and Entrepreneurship.

The focus of LabourNet has been on formalizing the informal by improving the socioeconomic status of people associated with unorganized value chain. This is achieved through skilling interventions, facilitating wage/ self-employment and entrepreneurship by bringing together all the stakeholders: large, small and medium enterprises, corporates, government, individuals and educational institutions.

For more information visit: www.labournet.in