Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

Year of inception: 2006

INDIA

The Mahatma Gandhi National Rural Employment Act (MGNREGA) is an employment guarantee program implemented by the Ministry of Rural Development in India. It is based on an Act passed in 2005, which makes a legislative commitment to provide work as a right. The program therefore follows a rights-based approach: all rural households have the right to demand work for up to 100 days a year and local government has the duty to provide it. The act also seeks to create durable assets to augment land and water resources, improve rural connectivity and strengthen the livelihood resource base of the rural poor. There is some geographical variation in implementation, largely determined by socio-cultural factors. MGNREGA is the largest Public Employment Program in the world.

Coverage:

PHASE I (2006-2007)
coverage of **200 most backward districts** of the country

PHASE II (2007-2008)
coverage extended to an additional **130 districts**

PHASE III (2008 Onwards)
coverage extended to **all remaining rural districts**

PRESENT
operational in **34 out of the 36 states and Union Territories,** with more than **268,000 village councils** (Gram Panchayats) participating

In financial year 2018/19 MGNREGA:

| Employed more than **52 million** people | created **2.68 billion** person days of work | covered **30%** of India's rural population |

On 11th of November 2020: **13,809,292 workers** were expected on **1,351,401 worksites.**

Check out here how many workers are expected on how many worksites today.
http://mnregaweb4.nic.in/netnrega/all_lvl_details_dashboard_new.aspx

🎯 Program objectives:

To enhance the livelihood security of people in rural areas by guaranteeing 100 days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled work.

Program design and implementation features:

MGNREGA's approach towards enhancing livelihood security is two-fold:

PROVISION OF INCOME SECURITY

By guaranteeing up to 100 days of wage employment for all rural households demanding for it, MGNREGA is expanding the earning sources for the rural poor:

- Any household that is registered and has a job card is eligible to receive employment under the act.

- Wage levels are set at the statutory minimum wage.

- Workers are entitled to be paid wages weekly, and within a fortnight of the date on which work has been done.

- If an applicant is not provided with work within 15 days of receipt of their application, he or she is entitled to a daily unemployment allowance.

- Adequate working conditions are provided to participants, including the provision of crèches

CREATION OF DURABLE ASSETS, MAINTENANCE AND MANAGEMENT

MGNREGA's objective includes the creation of durable quality assets to promote sustainable livelihood opportunities in rural areas through labour intensive work. The four categories of MGNREGA public works activities include:

- Category A:
  Natural resource management (Example: irrigation canal)

- Category B:
  Individual assets for vulnerable sections (Example: house construction or refurbishment)
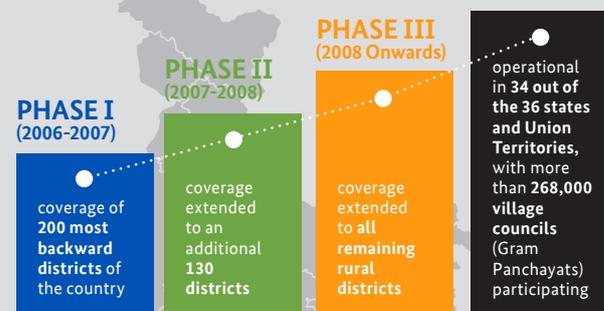
- Category C:
  Common assets and infrastructure to promote agricultural productivity (example: poultry shelter)

- Category D:
  Rural infrastructure (Example: foot bridge)

Success stories:

MGNREGA proved successful in giving **equal opportunities to marginalized groups:**

more than 50% of the workers employed are women.

almost 50% of workers employed belong to marginalized castes or tribes.

MGNREGA has also resulted in increased labour market participation and improved rural wages. There is evidence that MGNREGA has driven up rural wages, resulting in:

4.5% increase in overall rural casual labour wages during the lean season

8% increase in labour wages for females in MGNREGA districts

A study conducted in 2013 shows that MGNREGA reduces the vulnerability of the population in participating areas by between four and 81 percentage points.

Stories:
http://mnregaweb4.nic.in/netnrega/SDGDashboard/index.html

Key success factors and challenges:

The program has developed a range of technical innovations to address implementation, monitoring and transparency challenges, resulting in reduced delivery costs and improved accountability.

Payments of wages are made electronically and directly transferred to bank accounts in most of India's villages.

To improve monitoring and management of the program a specially designed software system, called NREGAsoft, was developed to capture data on key output and process indicators.

Assets developed under MGNREGA are geo-tagged and displayed on a public website, GeoMGNREGA, to enhance transparency and reduce the likelihood of duplication.

A fundamental challenge remains in terms of creating sufficient employment opportunities to meet the high demand.

In many areas of India, there are limited local capacities for planning and implementation and a shortage of field staff for the program.

The lack of ICT infrastructure and poor record keeping at local level compromise the quality of data inputted to management and information systems.

Data currently gathered for monitoring focusses mostly on output rather than outcome indicators, indicating a need to improve impact evaluation data and practices.

Further readings:
- Official website of MGNREGA: www.mgnrega.nic.in/netnrega/mgnrega_new/Nrega_home.aspx
- MGNREGA dashboard: http://mnregaweb4.nic.in/netnrega/all_lvl_details_dashboard_new.aspx
- Bhatia, R.; Chinoi, S.L.; Kaushish, B. Puri, J.; Chahar, V.S.; Waddington, H. (2016). Examining the evidence on the effectiveness of India's rural employment guarantee act. 3ie Working Paper 27. New Delhi: International Initiative for Impact Evaluation.
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- McCord, Anna (2018). Linking Social Protection to Sustainable Employment: Current Practices and Directions. Paper commissioned by the Social Protection for Employment Community hosted by Australian Aid and German Cooperation.
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