

Project Title: Post Tsunami Reconstruction Project for Affected Co-operatives in Tamil Nadu & Andaman & Nicobar Island In India

Duration: 18 Months

Applicant: ICA Asia Pacific, New Delhi

Partners: National Cooperative Union of India, New Delhi, Institute of Cooperative Management, Chennai and Identified Primary Cooperatives in Tamil Nadu and Andaman Nicobar Island

Financial Support Required: 268,092 USD

Project Focus:

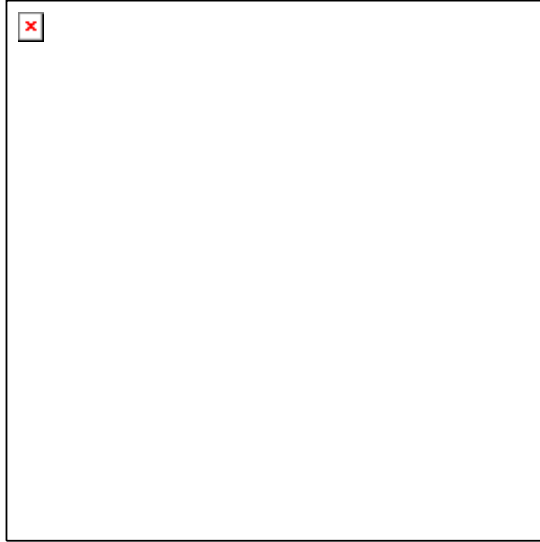
Project aims at the revival of cooperative infrastructure damaged due to tsunami. The revival is being proposed as under:

- repair of damaged buildings of the cooperatives, consumer outlets of the affected cooperatives and
- redefining the role of women in the post disaster management

Background:

More than 270,000 people have been feared dead in the tsunami disaster of 26 December 2004 in 8 countries. Hundreds of thousands more people are still suffering from psychological trauma, injuries, loss of housing and livelihoods.





Epicentre: 42 kms N of Bazunazerah (Simeulue Island), Indonesia
Origin Time: 00:58:50 UTC (06:28:50 IST)
Latitude: 03.29 N
Longitude: 95.77 E
Depth: 10.0 kms below the surface of the sea
Magnitude: 8.9 on richter scale

The cost of reconstruction in Tamil Nadu, Kerala, Andhra Pradesh and Pondicherry is estimated around 1.56 billion USD. The detailed damage assessment for Andaman & Nicobar Islands is being made where the Nicobar group of Islands will require more or less rebuilding.

In India, maximum devastation took place in Tamil Nadu and Andaman & Nicobar Islands. Emergency and relief operations are still continuing in Tamil Nadu and Andaman & Nicobar Islands. Food and medicine sufficiency has arrested outbreak of infectious diseases.

Temporary shelters, drinking water, safe defecation and sanitation and road reconstruction were the top priorities of the Tamil Nadu State Government and it has really done wonders in terms of commutation and connectivity.

In Tamil Nadu, 376 villages in 13 districts with more than 127,500 households and 11,570 ha of fertile land were affected by tsunami. 7986 human lives, 16519 cattle were lost in Tamil Nadu alone and more than 499,960 persons were evacuated to 71 relief camps at safer places.

Maximum devastation occurred in Nagapatinam & Cuddalore districts of Tamil Nadu. Situation analysis has revealed that out of 524 villages in Nagapattinam district 73 were affected by tsunami and in Cuddalore out of 901 villages 51 were affected by tsunami.

Destruction in Nicobar Islands has washed away almost 90% of the households and civil infrastructure thereby rendering thousands of tribal families homeless

and job less.

Damages to Co-operatives:

Co-operatives are widely patronised in the affected areas. In the worst affected districts in Tamil Nadu, almost 50% cooperatives fall in the agriculture, credit and dairy sectors and 10% in the fisheries sector.

The agricultural cooperatives at the village level are multipurpose in nature and known as Primary Agriculture Co-operative Banks and cater to short term and medium term credit needs and consumer needs of the agriculture, dairy and fish farmers. There has been a strong linkage between agricultural credit and fishermen's co-operatives.

In all 40 tsunami affected primary co-operatives in Tamil Nadu (25 Fishermen's and 15 Agricultural & Consumer) and a tribal cooperative in Nicobar island have been badly affected by tsunami and remained marginalised in the relief operations due to geographical and administrative constraints.

The giant waves have damaged the civil construction and destroyed the stocks held at the consumer outlets of the agricultural cooperatives. The leaders and managers of the cooperatives are busy in distribution of relief materials at the temporary shelters. Cooperatives have been used by the Government as the vehicles for distribution of relief material in the state through temporary shelters.

The fishermen community has been worst affected along with the farming community. The giant waves swept through the houses and buildings destroying crops and killing thousands of people and livestock. It may take years for the land to become fertile. The fishermen who were suffering from the problem of over-fishing and heavy debts on account of poor fish catch have lost their assets and started looking for alternative viable livelihood occupation.

The project is focussed on the reconstruction of the physical infrastructure of Primary Agriculture Cooperative Bankss and the consumer outlets of the cooperatives. Condition of fisheries cooperatives is equally bad but the damage is in terms of working assets like boats, nets and big trawlers owned by members of the cooperatives. State Government has announced special package for the compensation of working assets and therefore the fisheries cooperatives are excluded from the project proposal.

The data show that more than 75% of the affected communities in Tamil Nadu were patronising local co-operatives for the livelihood. In Andaman Nicobar Island, Central Tribal Co-operative patronised by more than 8000 tribal families lost civil infrastructure, liquid assets and records. It may take years to bring back lives of thousands to normalcy.

Government of India and International donors have launched a large scale relief operation but the focus is on individual affected families and public infrastructure. Cooperative infrastructure is low in the priority of Govt of India and local cooperative leaders too are unable to voice their grievances on account of traumatic conditions caused due to death of their family members, relatives and loss of houses and livelihood.

In Andaman and Nicobar Island the biggest Tribal Cooperative headquartered in Nicobar has suffered huge permanent damages to the buildings and infrastructure. The members are still scared of coming back to the main island.

Time is matured to set the cooperative infrastructure in order. The members will soon require services of cooperatives in doing their daily transactions and businesses. Government has announced the concessions to be given on purchase of boats, nets, equipments at the individual level but there is no immediate plan to reconstruct the infrastructure of cooperatives.

Overall Objective of the Project:

To offset the impact of disaster with faster restoration of normalcy in co-operative businesses by reconstruction of office buildings and revival of cooperative action.

Purpose of the Project:

1. To have restored primary co-operative infrastructure at the village level for restart of the cooperative action and businesses and
2. To help women members of the co-operative community to shoulder family responsibilities through micro credit operations

Expected output of the project:

1. Strengthened institutional and community capacity to manage disasters through revived infrastructure
2. Improved children and old aged members' care in the families of affected cooperative community through women thrift & credit groups
3. Improved distribution network of essential commodities.

Relevance of the project purpose:

The devastation has badly damaged buildings belonging to individuals, cooperatives and the government. But the priority is for the repair and reconstruction of the individual houses. Temporary shelters have been erected to accommodate uprooted persons and provide essential services.

Reconstruction of the cooperative offices, ware house, consumer shops and office equipments is not on the agenda of any of the relief agencies.

The reconstruction of the office building and consumer outlets of the cooperatives would attract communities' interest in the cooperative institutions. State Government has issued appeal to NGOs to take up the noble task of reconstruction but the cooperative buildings are not high in the priorities of NGOs.

Co-operatives are the most legitimate community owned, controlled and managed institutions with the mandate to promote economic and social well being of the community in the spirit of cooperative values enshrined in the co-operative identity statement of ICA.

In the tsunami affected areas, more than 75% of the population belongs to co-operative institutions and hence deserve special support and development initiatives.

Most of the affected cooperatives in the two hardest hit states Tamil Nadu and the Andaman & Nicobar Islands belong to banking, consumer and fishing sectors. Situation analysis carried out by joint team of ICA, National Cooperative Union of India, Institute of Co-operative Management, Chennai and the field volunteers at the most marginalised primary cooperative levels has revealed following facts:

Tamil Nadu:

1. In Tamil Nadu out of 13 districts Cuddalore and Nagapattinam suffered maximum casualties. The situation analysis has been conducted in two districts in Tamil Nadu (Cuddalore and Nagapattinam) where maximum damage occurred to the cooperative institutions.
2. State Government and other non governmental agencies including international donors and philanthropic organisations have generously distributed relief to affected members of the village community majority of who are affiliated to local cooperatives in some way or the other.

The relief support per family was organised in two phases (Cash Rs 4000 in 1 phase and Rs 2000 in 2 phase along with other in kind essential commodities).

The relief support has been of interim help but couldn't restart the livelihood occupation both at individual and community level thereby affecting the businesses of the cooperatives.

3. 25 Fishermen's Cooperatives in Cuddalore (18) and Nagapattinam (7) districts in remote areas have remained marginalised. These cooperatives have suffered losses on account of complete wash out of the working assets of 467 members in Cuddalore and 161 in Nagapattinam thereby causing severe blow to their livelihood occupation.

Fishermen are scared of going to sea due to change of the sea depth after tsunami and also due to change of fishing treasure route after tsunami. It would take at least one year to understand the under water world map in affected coastal areas.

There is a need to explore alternative livelihood occupation for the fishermen and various options are being worked out. There may be a separate project focussing on the sustainability of fisheries cooperatives in the post tsunami crisis.

4. 13 Primary Agriculture Cooperative Banks (PACBs) and 2 consumer cooperative stores in Cuddalore and Nagapattinam have suffered damage to the office building, working assets, warehouse and the stocks with the consumer store managed by the PACBs.
5. Women folk are the worst sufferers as they are forced to attend to family

responsibilities like health and education of children and care of old aged family members since the men folk are running around to get the compensations and also to find alternative livelihood options.

There is a need to involve women in above mentioned 15 cooperatives in the micro income generation activities to at least support the most emergent needs of the families. Women SHGs at this stage could be of immense demonstrative value in re-enforcing the basics of co-operative ideology.

Vocational training programmes suiting to local needs would help women gain confidence and meet their micro credit needs with self respect.

Andaman & Nicobar Island:

All six tribes (Andamanese, Onges, Jarawas, Sentilese, Shompens and Nicobaris) are reported safe except Nicobaris (1151 dead and 5580 reported missing). Out of 13 islands of Nicobar district maximum damaged occurred in Car Nicobar, Katchal and Great Nicobar.

Central Tribal Co-operative Society (Ellon Hinengo Limited), a multi purpose co-operative, has suffered severe damages. The head office of the cooperative at Chukchucha (Car Nicobar) is no more and all the records, furniture, equipments and belongings have been washed away by the tsunami waves.

The co-operative urgently requires financial support to restart its business operations and help its 8000 members to get served better.

Immediate requirements of the co-operative are:

1. Small temporary godown for storage of forest produce for processing:
2. Repair of office building and 3 retail outlets
3. Furniture, equipments (weighing machines, computer etc.)
4. Two Long Chasis Trucks for transportation of consumer goods
5. Two months salary of staff till normal business is resumed

Project approach

The project intends to create smooth infrastructure for the resurgence of business and delivery of essential services and commodities at the level of affected primary co-operatives.

The project purposes have been derived from the situation analysis carried out by the team of ICA, NCUI, ICM and local cooperative volunteers in the month of February 2005.

Following major activities are envisaged under the project:

1. Repair of the co-operative offices' buildings
2. Procurement of office furniture, equipments and stocks
3. Women empowerment through micro credit operations and
4. Reconstruction and basic transport facility to Andaman & Nicobar Island Co-

operative

Detail of the activities proposed:

Tamil Nadu:

Repair of the co-operative offices' buildings procurement of office furniture, equipments and stocks:

15 Primary Co-operatives located in remote areas in two hardest hit districts in Tamil Nadu need following financial support for the revival of the co-operative infrastructure:

SI.No.	Name of Cooperative	Repair Estimate Office Building in Rupees	Working Assets	Consumer Store	
			Furniture, Equipments & Vehicles' estimate in Rupees	Stock value in Rupees	Repair Estimate of Consumer Store Building
<u>CUDDALORE DISTRICT</u>					
1	Parangipettai PACB, Cuddalore	25,000	165,000	152,000	18,000
2	Vasantharayanpalayam PACB, Cuddalore	90,000	210,000	180,000	22,000
3	Erandayeravalagam PACB, Cuddalore	40,000	88,000	240,000	24,000
4	Singirikudi PACB, Cuddalore	60,000	72,000	138,000	16,000
5	Puduchatram PACB, Cuddalore	20,000	15,000	90,000	11,000
6	Vilvarayanatham PACB, Cuddalore	25,000	40,000	155,000	17,000
7	Pichavaram PACB, Cuddalore	45,000	110,000	128,000	13,000
8	Killai PACB, Cuddalore	60,000	230,000	145,000	12,000
9	Kayalpattu PACB, Cuddalore	70,000	130,000	185,000	18,000
	TOTAL	435,000	10,60000	14,13,000	151,000
<u>NAGAPATTINAM DISTRICT</u>					
1	Akkur PACB, Nagapattinam	16,000	75,000	130,000	18,000
2	Nagai Ariya Nattu Street Coop Store, Nagapattinam	52,000	140,000	145,000	16,000
3	Mayiladuthurai Cooperative Whole Sale Stores, Nagapattinam	185,000	210,000	175,000	
4	Perunthottam PACB, Nagapattinam	33,000	145,000	125,000	18,000
5	Thirukadaiyur PACB, Nagapattinam	75,000	80,000	135,000	17,000

6	Velankanni PACB, Nagapattinam	65,000	110,000	180,000	16,000
TOTAL		42,6000	760,000	890,000	85,000
GRAND TOTAL (Rupees) <i>5,220,000</i>		861,000	18,20,000	23,03,000	236,000
USD 115,998		19,133	40,444	51,177	5,244

The members of the cooperative society would coordinate the repair work under the guidance of ICA recruited expert. The procurement of office furniture and equipments would be done with the approval of project steering committee consisting of the partner agencies.

Women empowerment through micro credit operations:

Women folk are the worst sufferers as they are forced to attend to family responsibilities like health and education of children and care of old aged family members since the men folk are running around to get the compensations and also to find alternative livelihood options.

There is a need to involve women in above mentioned 15 cooperatives in the micro income generation activities to at least support the most emergent needs of the families. Women SHGs at this stage could be of immense demonstrative value in re-enforcing the basics of co-operative ideology.

Vocational training programmes suiting to local needs would help women gain confidence and meet their micro credit needs with self respect. A token amount of 350 USD as revolving fund over a group of 20 women (on pilot basis) would be required to start the micro finance activities. There will be around 600 women in 15 cooperatives to begin with to get into micro finance activities through 60 Self Help Groups.

Requirement of the **micro finance revolving fund is estimated as 10,500 USD.**

Women members will be given training at the ICM Chennai to manage micro credit and inter group loaning operations for an assured viability. **The cost of training will be 15,000 USD.**

Andaman & Nicobar Island:

Total loss as reported by the Central Tribal Co-operative is estimated at Rupees 10 Crores (100 million rupees) but there is an urgent requirement of temporary structures to store minor forest produce and start 3 consumer outlets.

The temporary structure for the ware house (approx 1000 sft) would cost 250,000 Rupees (5555 USD) (@ Rs 250 per sft) and

3 permanent consumer stores (500 sft each) along with minor repairs of the office building would cost 750,000 Rupees (16,666 USD) (@ Rs 500 per sft).

Similarly the furniture and equipments like weighing machines, computers for the

consumer stores would cost 500,000 Rupees (11,111 USD) and two mini lorries would cost 800,000 Rupees (17,777 USD). The cooperative also needs two months salary of the line staff that comes to Rs 500,000 (11,111 USD)

Rehabilitation requirements:

1. Small temporary godown for storage of forest produce for processing:	250,000 INR
2. Repair of office building and reconstruction of 3 retail outlets:	750,000 INR
3. Furniture, equipments (weighing machines, computer etc.)	500,000 INR
4. Two Long Chasis Trucks for transportation of consumer goods	800,000 INR
5. Two months salary of staff till normal business is resumed	500,000 INR
Total INR	2,800,000
	62,222 USD

TIME FRAME

Particulars	Months (1- 18)
1. Steering Committee meeting and orientation session for the field staff.	Month one
2. Repair of the damaged buildings.	Month two to eight
3. Procurement of furniture and material	Month three to eight
5. Hands on interventions on thrift & micro credit for women	Month two to eighteen
7. Mid-term review by independent agency	Month nine
8. Action oriented learning	Month two to eighteen
9. Reporting	Every quarter

Implementation Mechanism:

It is proposed to initiate all the above activities in an integrated manner in partnership of ICA, NCUI and the ICM. There will be steering Committee consisting of project partners under the leadership of ICA.

Project will be implemented through following structure:

Steering Committee - to select project personnel and meet every quarter

Project Coordinator - ICA

Assistant Project Coordinator - NCUI

Project Manager & Assistant Project Manager - ICM, Chennai

Field Volunteers at the Primary level - PACB

Sector Experts - NCUI, ICM and the ICA Asia Pacific

Proposed duration of the project is 18 months and the proposed budget is as under:

Proposed Budget:

1.	Repair of Cooperative Offices' Buildings and re-equip the offices & ware houses	115,998 USD
2.	Revolving Fund to start micro income generation activities for women through 60 SHGs in 15 cooperatives	10,500 USD
3.	Training to women thrift & credit groups	15,000 USD
4.	Andaman & Nicobar Tribal Cooperative Reconstruction, repair & procurement costs	62,222 USD.
5.	Personnel Cost 18 months	40,000 USD
	Sub Total	243,720 USD
5.	Operational costs	24,372 USD
	Total	268,092 USD

Particulars of the Agency Applying for the Reconstruction Project :

ICA Asia & Pacific:

The ICA Asia Pacific is one of the operating regional offices of ICA serving 523 million fraternal cooperative members through 55 member organizations in 22 countries in the region. Cooperatives being member owned, controlled and driven organizations are closest to community and thus possess inherent strength of coping well in post disaster recovery.

ICA AP functions to:

- protect the cooperative identity and image
- create enabling policies and legislation on cooperatives in member countries
- develop leadership and value-based professional management
- utilize information, communication, and technology for development of cooperatives

National Cooperative Union of India (NCUI)

The National Cooperative Union of India (NCUI), the member organisation of ICA AP, is the Apex Organisation of Indian Cooperatives which represent all the segment of Indian Cooperative Movement.

Its main objectives are:

to promote and develop the cooperative movement in India,

to educate, guide and assist the people in their efforts, to build up and expand the cooperative sector and serve as an exponent of cooperative opinion in accordance with cooperative principles.

Institute of Co-operative Management, Chennai

It was established in the year 1954 with 50% ownership of state co-operative union of Tamil Nadu and 50% of NCUI through the National Centre for Co-operative Education. There are in all 31 staff members in the ICM including Principal, Vice-Principal and 5 Lecturers. More than 2500 cooperative functionaries are trained in the institute every year.
