

Guidelines for Support to Artisan sub-scheme of Indian Leather Development Programme

1. Background

There are various leather clusters in India, which make traditional footwear, toys and other leather items, rich in embroidery and need to be promoted at various forums. These clusters are an integral part of Indian economy and have potential for generating local employment and export. The ethnic clusters and footwear producers need support for improvising their designs as per the changing trends in fashion and marketing support. This component under the ILDP scheme would provide necessary design and product development support and market linkages for the better positioning of the ethnic products to ensure better return to the artisans.

2. Scheme Objective

- Provide livelihood support to the artisan involved in traditional artisan activity involving leather.
- Increase the income of such artisans
- Introducing design development and product diversification to make their products more competitive qualitatively and cost-wise in the domestic and international market.
- Capacity building and training of such artisans to help them keep pace with the changing fashion trend and latest technology
- Providing marketing support to these artisans
- Encouraging formation of Self Help Group (SHGs)
- Creating awareness in artisan about micro-finance system, saving schemes, credit facilities from banking institutions etc.

3. Basic Approach and Methodology

- Following a cluster based approach to identify clusters of artisans needing support to ensure survival of the traditional art involving leather
- A base line survey of the clusters so identified for support- giving details of no. of artisans per clusters, their problems and areas that require support
- Select appropriate target group
- Set a clear target in both physical and financial terms that could be achieved with proposed intervention.
- Providing Design support to the artisans
- Capacity building and product innovation
- Helping the artisan by introducing product diversification
- Formation of self help groups
- Providing Marketing support both domestic and international
- Making available Raw Material at reasonable cost
- Providing training to maximum number of Artisans.

4. Pattern of Assistance

Assistance would be provided in the form of grants-in-aid to Regd. NGOs/Associations or institutions already working for upliftment of Artisan willing to take up projects on the above lines in different leather clusters. The project would be for a period co-terminus with the 12th Five Year plan period.

5. Areas of Investments for Support to Artisan Funds

- Design development
- Capacity building and training
- Infrastructure strengthening in the target clusters
- Establishing Common facility centre
- Setting up of Raw Material Bank
- Marketing support
- Participation in domestic and international trade fairs
(The artisans of the clusters under the project would be given exposure to domestic and international market by taking them to such fairs. Department would also nominate a representative of the Department in such fairs)

- Opening Retail outlet to market products of Artisans
- Micro-finance
- Rural Tanning Improvement Measures through conducting workshop and training programs for the rural artisans and establishing common resource centres for providing facilities for quality control, process control and arrangement for technical consultation.
- Implementation expenses would be approved by the Steering committee/Empowered committee within the maximum limit of 3% of the project cost.

6. Implementation Mechanism

The detail screening criteria for eligibility of Implementing Agencies, identification of Artisan Clusters etc would be developed by Steering Committee to be chaired by Joint Secretary in-charge of Leather Division in the Department. The concerned stakeholders would be represented in this Steering Committee which would be notified by the Department. The Implementing Agency who are interested in implementing the scheme would submit a project proposal keeping the screening criteria in view. The Department would appraise different projects received from various NGOs or Societies or Associations/institutions involved in the trade on the basis of the guidelines. Thereafter the proposal upto Rs.15 crore for a particular cluster would be decided by the Steering Committee. Projects above Rs.15 Crore would be approved by the Empowered Committee to be notified by the Department. After the appraisal of the DPR and approval of the project, fund would be released to the Implementing Agency as per the funding pattern.

7. Fund Release

The fund under the scheme would be released in three installments as per the following schedule:-

1 st installment	40% of the project cost on approval of the project.
2nd installment	30% of the project cost on utilization of the previous release
3 rd installment	30% of the project cost on utilization of the previous release and after satisfactory progress of the project.

8. National Monitoring Unit:

National Monitoring Unit (NMU) would be designated with the approval of Empowered Committee to review the progress of the projects with all the implementing agencies and to carry out the mid- term and terminal evaluation. The NMU would submit the assessment report to DIPP and to the IA. The DIPP would monitor the overall implementation of the sub-scheme. The decision of the DIPP would be final in case of any dispute between NMU and the IA. The NMU would furnish the impact assessment study of the project before release of the final installment for the projects. NMU would be paid an appropriate amount as monitoring charges as approved by Empowered Committee.
