

## The Four “E’s” Principles of Gram Nidhi

The Gram Nidhi model is based on four “Es” principle of interventions: Economic support (Start-up micro-finance), Extension service (Capacity building), Eco-entrepreneur mind-set (Entrepreneurship education) and Environmental conservation (Sustainability education). The difference between the Gram Nidhi model of micro-finance and traditional SHG-based micro-finance programmes lies in using micro-finance as a tool to promote eco-entrepreneurship mind set and ultimately leading to sustainable livelihood.

### (1) Economic support (Start-up micro-finance)

Access to micro-finance is necessary to help budding entrepreneurs meet the cost of enterprise development and to promote new products and services. The economic support should aim to provide equal opportunities of financial access for rural community to realize their full potential, particularly among marginalized groups in rural society. But for green entrepreneurs, access to finance is extremely difficult due to immaturity of the market, difficulty associated with accurately pricing the relative risk of the investment in innovative eco-enterprise and most importantly, lack of evidence of success 'history'.

Thus, the availability of timely start-up micro-finance, in required quantity, at affordable rates of interest and with ease of access are the critical

**Rural Women:** Becoming decision makers in financial matters



factors in grounding a successful micro enterprise. The first E' intervention in this context in Gram Nidhi was to initiate the Eco-Enterprise investment Fund (EEF). An EEF of INR 500,000.00 was created for meeting economic support requirement of the emerging eco-entrepreneurs.

### (2) Extension service (Capacity building)

For a micro-entrepreneur to get established, along with financial resources, equally important is the necessity of providing 'handholding support' in form of extension services so as to ensure that they do not give up in the face of stiff competition and difficulties. In fact, without such support credit can actually turn into a financial burden.

Therefore 50% of the fund was marked as Technical Assistance Fund (TAF) covering capacity building, enterprise counselling services, creating backward forward linkages, marketing support and operating costs in Gram Nidhi. Extension services were provided by organizing exposure visits, trainings and providing continuous support and guidance from experts to the entrepreneurs. Local community knowledge centre known as Gram Nidhi Resource Centre was created as mechanism to provide required extension services. It also functions as a library and resource centre for entrepreneurs.



Capacity building for financial management

### (3) Entrepreneur mind-set (Entrepreneurship education)

It was a major challenge to develop entrepreneur mind set among the rural farming community who traditionally has always been producer. To be an entrepreneur is to look at the enterprise in a holistic way and start planning for it. Thus emerging entrepreneurs are required to first understand the whole enterprise system viz. sources of raw material supply - range, quantity, rate and availability; production system - skill, processes, technology, problem areas and likely solutions; market dynamics - middlemen's role, costing and pricing, packaging, branding, promotions; competitive analysis - existing and potential competitors, product Unique Selling Propositions, along with relating input and output costs, environmental and social concerns. Without these, one will not be able to be an entrepreneur. All this input makes it possible to become an entrepreneur from a producer .

The goal of entrepreneurship building is to stimulate the creativity of entrepreneurs and help them see environment, social and economic opportunities in areas where others only see problems.

### (4) Environmental conservation (Sustainability education)

The environment conservation component was to build, enhance and strengthen sustainability dimension in enterprises. No eco-enterprise can exist without “education for sustainability” i.e. entrepreneurs have to understand the surrounding natural resources, valuation of nature and biological resources and its better utilization. Thus both the community initiated enterprises and environment should benefit, that is what the eco-enterprises aim at. The design of eco-enterprise has demonstrated complementary relationship between environmental conservation and livelihoods.

Thus essentially the eco-entrepreneurship education through Gram Nidhi focussed on creating biological resources literacy - understanding them in a sustainable livelihood perspective, providing skills in sustainable management of available resources and viable alternatives that will ease pressure on available resources and attitude of environmental sensitivity and concerns.

Using local low cost bio resources for sustainable agriculture





## Implementation process of the Gram Nidhi project

To promote eco-enterprises, micro-finance has taken the form of a “support package”. Start-up micro-finance are given to individual entrepreneurs or groups (SHGs). The entire process of the project is in true sense a participatory and bottom up process.

The local CBO put out a call for enterprise development plans from interested SHGs. In the initial stage using the TAF a capacity-building workshop on greening microfinance, with participation by the targeted SHGs representatives and experts, was conducted. This was instrumental in eco-enterprise proposal development. It was followed by a process of consultative meetings among the CBO members and SHGs and facilitation by CEE.

Once proposals were received, EIC scrutinized all the submitted proposals for eco-enterprises based on their financial and technical feasibility and environmental considerations, already defined jointly by CEE, EIC and other experts. Box 2.3 lists criteria for eco-enterprise selection.

Once start-up micro-finance is transferred, the eco-entrepreneur is not left alone but the project supports the eco-entrepreneur in making his/her enterprise a success and further scale it up. For this there are many different in-built mechanisms such as extension services, TAF, Gram-Nidhi Resource Centre and hand holding support from local SHGs.

Loan is to be repaid at the interest rate of 7% per annum towards the end of the incubation period in instalments as may be decided by the EIC.



Skill building for Eco-enterprise

### Project implementation cycle

STAGE I SETTING SYSTEMS	STAGE II SELECTION	STAGE III IMPLEMENTATION	STAGE IV EVALUATION
EEF, TAF and EIC ↓ Define criteria for eco- enterprise selection & Set operating procedures	Orientation workshop ↓ Invite proposals ↓ Scrutiny & Appraisal ↓ Sanction ↓ Enter into agreement	Eco-enterprise projects begin ↓ Capacity building, Technical assistance & Enterprise counselling support ↓ Participatory monitoring and evaluation	Experience sharing & Documentation ↓ Lateral learning and replication ↓ Continue to stage II with scale up and modification from feedback and learning

### Box 2.3 Selection criteria for Eco Enterprises

- Should be environmentally sound, economically viable and technically feasible.
- Demonstrate an impact on environmental conservation efforts at the local level.
- Provide financial benefits to the community and contribute to local employment.
- Should adopt low cost environment friendly practices and options contributing to the strengthening of biodiversity and sustainable development.
- Appropriate existing practices/technology based eco-enterprise should be encouraged to apply such as bio-pesticides, vermi-compost, bio-compost, vermi-wash, tree plantation to strengthen farm ecosystem, efficient utilization of water and energy technology, etc.
- Replicability in the other nearby rural areas.

Priority to be given to:

- Enterprises related to women's livelihood, undertaken by women and contributing to the empowerment of women.
- When the entrepreneur's economic and social status is poor.
- Enterprises undertaken by group rather than by an individual.
- When entrepreneur has primary understanding and skill for the enterprise and has basic infrastructural requirements available.
- Preference to the projects related to on and off-farm development while those such as household infrastructure, household comfort, are to be avoided.
- Enterprises that cater primarily to a local market demand and generate local employment.
- The enterprise with emphasis on local traditional technology rather than big/modern technology, as well as non-conventional against conventional energy sources.
- Projects not been able to receive credit from formal financial institutions or the government due to their small size, the innovative nature or the financial risks involved.

For the two major livelihood sectors –agriculture and animal husbandry- some additional specific criteria have been formulated:

For agriculture enterprises:

- Ready to experiment with organic farming and farming processes with low water requirement of crop with seed selection suited to local biodiversity.
- Ready to adopt water harvesting, introduce crops like millets, pulses, medicinal and aromatic crops, horticulture, floriculture, vegetable etc., with mixed cropping pattern and sustainable for local ecosystem.

For animal husbandry enterprises

- Ready to use local breeds of cattle.
- Readiness to take animal husbandry as a professional enterprise including processing of milk, the procurement of productive cattle and creating value addition on the market.
- Adopting attributes for integrated animal husbandry e.g. fodder plots, proper shed, urine collection and use, bio-gas, composting, mineral mixture, silage, etc.



## The current status of the Gram Nidhi project:

The project has been sustainably working for more than one decade. Project has created myriad of outcomes for not just local stake holders but also rural community as a whole. Discussed below are just few of them.

- The Gram Nidhi project was initiated in five villages but now the concept of eco-enterprises through micro-finance tool have been adopted and infused in 30 villages covering 50 SHGs.
- The ESD aspects of the project continued without large project funding or major investment. This was possible due to major peer learning and cadre building of grassroots level ESD educators from community. Many serve as state and national level ESD resource persons. They also participate in national level policy making seminars/conferences.
- Now communities recognise importance of healthy ecosystem and biodiversity as source of various service providers and therefore need to conserve it for sustenance of their own lives and livelihoods. There is a change in the mindset of community and they are returning back to traditional crops and cropping pattern.
- Previous livestock management was not proper and created pressure on land. Milk was hardly enough for self consumption. The Gram Nidhi intervened with better – sustainable animal husbandry practices. Pure indigenous cow breed 'Gir' was promoted. Processing of milk products was encouraged and as a result today livestock keeping has become economically and ecologically viable. Milk cooperatives from these villages add approximately 300-400 million rupees in rural economy every year.
- Landless communities and those having very less land had no secure source of income. Local biodiversity, associated traditional knowledge when combined in an innovative

way and tested for its scientific validity, a range of highly impressive value added bio-products were derived. Prickly pear fruit juice is just one of them. This abundantly found cactus fruit was traditionally believed to be having many medicinal values which proved to be true through scientific examinations. This is being sold in urban market and is a high demand product. Started with this one product today Gram Nidhi has a basket of more than 50 such bio-products, providing livelihood security to hundreds of families in a dignified way.

- It is interesting to note that recently SHGs have signed a contract with a private firm regarding sale of this fruit at the price of Rs. 700 per 20 kg. Thus this wild fruit, which often found in abundance on farm boundary cactus fetches price quite near to cotton, which is a high chemical input demanding crop. (Cotton fetches Rs. 830 to 900 per 20 kg). Also it is due to the wide scale demand of this fruit that Jasdan Agriculture Produce Marketing Yard (APMC) also purchases it, probably the only APMC in the country trading in prickly pear!
- Good things are contagious! When other farmers saw that many of their traditional crops, fruits can fetch good price in urban markets, when well processed with quality assurance or even as raw, a number of farmers have shifted to such organic farms on their own. Today more than 150 such organic farms exist in the area.
- Some new area appropriate crops that have been introduced in the region are now becoming very popular. Turmeric is one of them. Many villages in the area are now known as turmeric villages, cultivating and processing them.
- A trend back towards traditional crops, sustainable farming and livestock practices is positively impacting farm ecosystem.



# Chapter 3

## Lessons Learned



Building Eco-enterprise is a powerful tool that can help economically and socially marginalised rural communities, break their vicious cycle of poverty while ensuring the environmental conservation, which is a great challenge of our time. Thus helping us move towards achieving sustainable developmental goals. Community partnership (not merely participation), respect for traditional knowledge, innovation, scientific vigour, understanding market demands, building entrepreneurship mind-set, and integrating sustainability aspect in the entire process are some of the crucial elements of success.

How do we make a conservation initiative socially sustainable? This cannot be done by experts in isolation, but requires active participation of the local communities themselves. The Gram Nidhi case provides insights into some of these key concepts and principles required to initiate, replicate or scale up eco-enterprises based biodiversity conservation projects using micro-finance as a tool.

While the previous chapter discusses various challenges and the process adopted for the project implementation, this chapter deals with subtler aspects. This chapter is an effort to bring out deeper elements of the process of Gram Nidhi, which actually contributed making the project a grand success, describing six major lessons learnt from the Gram Nidhi project. Even after almost a decade of ending of the project, the small revolving fund still continues to support the community.

### **Lesson 1 Micro-enterprise can serve as a tool to promote sustainable livelihoods.**

Micro-enterprises, when adequately managed, can generate positive impacts /outcomes on both local livelihoods and biodiversity. This is possible through micro-enterprise programmes supported by micro-finance initiative aiming at supporting the rural micro-entrepreneurs to become established, innovate alternatives, improve quality standards, and add value to the supply chain - allowing them to respond to the needs of domestic and in some cases international markets with sustainable utilization of local biodiversity and natural resources.

### **1.1 Sustainable livelihoods and alternative options**

Micro-finance programmes have been looked upon as an effective instrument for poverty alleviation by many governments, international organizations and donors across the globe. But the critical question that CEE wanted to address is how micro-finance programme can contribute to sustainable livelihoods of communities in poverty.

This demands use of participatory approaches for creation of sustainable livelihood and their integration into local or national value-chains. Priority should be given to **demand-based proposals as opposed to imposing externally identified priorities.**

Implementing NGOs should invest substantial time and resources in understanding communities' needs and facilitating the process of evolving sustainable livelihood options. SHGs will also have to be trained towards identifying needs and discussing this quite often in a systemic manner so that demand based proposals can come. Local biodiversity knowledge combined innovatively with understanding market needs, scientific validity and quality controlled processes can generate alternative options for sustainable livelihoods.

Further, when eco-enterprises are integrated in the local rural economy i.e. when they form a chain of suppliers and consumers on local level, it ensures better supply chain management and at the same time strengthening the community development. For example, in Gram-Nidhi demand for bio-pesticides, vermi-wash, compost etc, started coming up as the farmers started moving towards



Sustainable livestock keeping as an alternative livelihood option for economic empowerment

organic farming. Thus production and sale of such organic-input emerged as a new chain sustainable livelihoods at the local level.

## 1.2 Integration of ecological sustainability and biodiversity conservation

Sustainable development of a region is inherently linked to the ability of its communities to generate livelihoods that are not just economically viable but are also ecologically sustainable. Ecological niches are better able to achieve stability if their human populations and communities achieve sustainability in their livelihoods. This is particularly true for those ecological areas that are fragile and are witnessing degradation or transformation due to human pressure.

To ensure that project initiated interventions actually contribute towards ecological

sustainability and biodiversity conservation of the area, **one needs to understand the ecological challenges of the area and how the diversity of local biological resources has potential to lead towards greater livelihood security.** An understanding of the relationship between livelihood and natural resources should form the basis of participatory designing of sustainable livelihood options for the region.

Thus careful integration of ecological sustainability and biodiversity conservation as 'subtle goals' in the proposed ventures, certainly pays back healthy rewards for rural ecosystem, which in-turn is the back-bone of rural economy.

## 1.3 Financial and social incentives

Resource conservation can be achieved more efficiently, if along with ecological consideration,



the communities can see their economic interest to do so or when some form of social incentive is attached to it. The natural resource use is more likely to be sustainable when the benefits derived from its use are perceived greater than the costs of conservation among community.

Gram Nidhi results shows that once communities see the profit being generated from their new eco-enterprises, they are ready to invest part of the income to expand their ventures and at the same time others also starts joining in on their own. This creates a ripple effect that ensures sustainability of the interventions, and reduces poverty at the local level.

**Many a time external experts or even communities under so called 'modern developmental' influence also start ignoring or undervaluing the local biodiversity and services that it provides attaching a 'lower social status' for direct dependence on biodiversity. It is very crucial to understand and identify such socio-cultural barriers and direct considerable ESD inputs in the project towards removing such barriers and create a 'pride' element in relying on the biodiversity, albeit, in a sustainable manner. This becomes a major social incentive that can also lead to conservation of biodiversity and promoting the biodiversity based enterprises. Social acceptance is crucial for conservation to be sustainable.**

An example of one such social barrier in case of the Gram Nidhi is that going for retail sales is considered to be a job of poor community. Therefore convincing farmers that their organic products can fetch better price, if they sale directly to the customers, was extremely challenging. In many cases women have taken up organic farming. Therefore in the beginning years it was quite shocking for a family and rural community to accept that women from a farmer family can go away from their village to sale some of their farm products! The team really worked hard, women members of the CEE constantly accompanied the women farmers in their efforts to deal with consumers. After years of efforts now farmer women and even couples go together

for participating and selling their products directly to consumers across the nation. It is no more a social taboo, rather is a social pride -pride of being 'eco' trend setter.

## Lesson 2 Community centric approach to conservation

People play many direct and indirect roles in resource management. These roles need to be recognized and worked with in an effective manner. When institutions-groups are built around people who value and appreciate biodiversity and they derive concrete benefits from it, they have the best chances to succeed in conserving it in the long run.

Top down conservation approaches which restrict local access to biological resources without the provision of adequate alternatives are bound to generate suffering and hostility, especially from resource dependent communities.

**Gram Nidhi adopted community centric, conservation-based development approach. Focussing on to ensure sustainable access to enterprise resources, enhance the benefits which local community can derive from local natural resources, and attempt to change unsustainable practices through enabling and educating rather than forcing, are key to mobilizing community support to make conservation effective.**

One need to understand that no one can afford the economic costs of imposed conservation. The benefits of win-win collaborative approaches are to be realized. This need community centric thinking approach where community can use local natural resources to get economic returns through local biodiversity based enterprises.

**The Gram Nidhi learning is that local community do understand very well the causes and possible remedies of degradation of their environment. They may know how to find and use local biodiversity having some unique properties. In fact, local people are — at least potentially — the most directly interested in the positive results of such initiatives.**



Community participation for Eco-enterprise planning

Complex systems of leadership, decision-making, conflict resolution and other components of communities own management systems also need to be identified; initially to facilitate communications between outsiders and community members, and over the long term to bring these elements effectively into collaborative decision-making.

### Lesson 3 Evolution from Micro-enterprise to Eco-enterprises

In recent decades, micro-credit led enterprise development has become one of the widely used tools for development intervention. Such efforts, however, have focussed mainly on economic results, largely ignoring the environmental impacts of micro-enterprises.

**The Gram Nidhi entrepreneurship approach is based on understanding that economic activities must take place within the constraint of natural environment. If local ecosystem goods and**

**services upon which economic activity is dependent are damaged, the resultant damage undermines the existing enterprise and potential for economic development in the future.**

Establishing and maintaining environmentally friendly (i.e. 'eco') micro-finance supported micro-enterprises that simultaneously combine sustainability and economic viability is the key focus of the Gram Nidhi project. In this process support has been provided towards enhanced knowledge generation, strengthened capacity and creation of opportunities for rural people for eco-enterprises.

Across the development sector a number of terms are used interchangeably when describing sustainable enterprise e.g. "green" enterprise, "environmental enterprise", "eco-enterprise", "conservation enterprise", "organic enterprise", and "nature enterprise". We have used the term "eco-entrepreneurship" which means the entrepreneurial activities that benefit both - the





**Not just micro-enterprise its Eco-enterprise :** Where traditions, conservation and innovative combines

environment and community livelihoods. It mainly entails nature-oriented modes of enterprise; production and diffusion of environmental technology; provision of environmental management services; and production of environment friendly products. Furthermore, the ecological footprint of green enterprises is minimal or zero, as their production processes prioritize resource efficiency and waste reduction/management.

Basically, Gram Nidhi strives to generate positive economic and ecological returns. Many eco-enterprises, particularly those in the primary sector (for example, agriculture, livestock, and forestry), make a contribution to the conservation of biodiversity in the particular sites where they are operational, whilst others do not make a contribution at a particular site but do so more generally through educational or awareness-raising activities for example, through marketing of eco-products among consumers.

## Lesson 4 Sustainability of eco-enterprises

Sustainability of eco-enterprises depends on going beyond micro-finance, through innovative approaches and empowering communities especially those who are landless, small-marginal farmers and women.

### 4.1 Conditions for promoting eco-enterprises as livelihood

**One of the major lessons learnt from Gram Nidhi is that while credit is a necessary condition for promoting eco-enterprises as livelihood, it is not a sufficient condition. A variety of other inputs and services are required to sustain the eco-enterprise leading towards sustainable livelihood and environment conservation.** This includes systematic identification of livelihood possibilities, motivating and training rural producers to take up those livelihoods, ensuring the supply of raw materials and inputs,

equipment, infrastructure and technology, establishing linkages with marketing channels, resource use, its impact and sustainability, and in some cases where needed, seeking changes in regulations and policy. Comprehensive eco-enterprise promotion effort needs to be capable of providing these services when needed and should be in line with the developmental aspirations of the people.

It is difficult to get finance from formal institutes, for the rural communities, especially those who are poor and marginalised. Farmer usually approach moneylenders for credit, who charge an extremely high interest rate (sometimes 36% per annum). This situation discourages community to invest in innovative enterprises or livelihood options. Gram Nidhi project has increased access to credit through simple procedures and low interest rates (7 % per annum). This was combined with a carefully crafted and very strong training and capacity building programmes for potential and emerging entrepreneurs.

Capacity building combined with credit converts subsistence livestock keeping to a sustainable Eco-enterprise

The combination of micro-finance and support in building sustainable and economically viable enterprises resulting in the formation of eco-enterprises has diversified the local rural economy, strengthening it to deal with shocks and stresses. Finding a niche market and marketing directly, bypassing the middleman has further strengthened the livelihoods of the community. This diversification and strengthening of livelihoods has increased employment and the income level resulting in reduction of poverty and indebtedness of stakeholders in the project area.

Further once communities recognised a venture as an 'ecologically and economically viable' enterprise, there were many more takers of the eco-enterprise. Therefore finance from other sources as well as self-financing also lead to further sustenance, expansion and replication of the eco-enterprise. Successful eco-entrepreneurs prove instrumental in motivating many members who might be redundant previously, in taking up some innovative livelihood activities.





## 4.2 No “one-size-fits-all” in community-based enterprises.

Another Gram Nidhi lesson is that there is no **“one-size-fits-all” in community-based enterprises that suits needs and socio-cultural-ecological contexts of diverse community.** Distinct management, leadership and enterprise models are required for different circumstances and community. Distinct planning and financial management interventions are needed depending on the country, and socio-political and ecological situation. Diverse capacity building and hand holding involvement is required. **The best-practices should be adapted and modified based on various local socio-economic and environmental conditions and should be further fine-tuned for local community.**

## 4.3 From beneficiary to owner of enterprises

Empowering communities from being passive beneficiary to the owner of enterprise is a crucial element for success, especially for those who generally lives in margins – landless, small and marginal farmers and women.

**The sustainability of development initiative is possible only when the participants change their role from passive beneficiary to active managers of one's own enterprise. The Gram Nidhi model further proves that the poor are bankable and the timely access to credit along with matching ESD interventions in terms of information, knowledge, skill building and attitude, can bring about changes in the lives of poor community.**

From Gram Nidhi experience it has been observed that the transition from being a small or marginal farmer to an eco-entrepreneur have had an empowering effect. The SHGs' have evolved into strong CBOs, engaged in more than just developing enterprises. The different educational and capacity building activities have enabled the participants to develop not only a perspective upon their own livelihood, but also on the community as a whole.

In different eco-enterprises the members have learned to work in a group, sharing

responsibilities creating a social cohesiveness. **The empowering effect of the Gram Nidhi project is especially visible with the women of the community.** The women participating in the animal husbandry enterprises have (often for the first time) gained an independent source of income, increasing their decision-making power within the household. Often the women spend this self-earned money on the education of the children or investments in the household. In many organic farming eco-enterprises women have taken the loan from EEF and convinced their men to start organic farming. This shows that women's role in decision making in agriculture planning has greatly increased than before.

## Lesson 5 Institutional arrangements and capacity building

Converting a small or marginal farmer from producer to eco-entrepreneur, poor resource dependent communities into custodians of biological resources in true sense, empowering women to overcome social-cultural barriers and be decision makers for their own eco-enterprises, certainly requires extremely strong effort.

### 5.1 Knowledge management

Lack of timely and reliable information is a major barrier to eco-entrepreneurship. Potential eco-entrepreneurs need access to knowledge about various aspects of the enterprise options, in the language that they can understand and take informed decisions for their enterprise.

**For effective knowledge management, NGOs shouldn't consider themselves as 'providers', rather they should act as a 'facilitator' to facilitate integration of local knowledge about bio-resources and its use and management in planning conservation based eco-enterprise strategies, while evaluating its scientific basis before its wider application.**

In case of Gram Nidhi for each possible eco-enterprise, a thorough research was done to develop a complete 'eco-enterprise package of standard operations' combining both, traditional



Facilitating process of community based knowledge management of local biological resources for eco-enterprise creation

and modern technology and practices which can generate new knowledge in the context of sustainability of local resources. This was one of the crucial elements that ensured smooth adoption of eco-enterprises and provided much of the required basic information at one go.

Local knowledge also extends to attitudes and beliefs. Of particular importance are local perceptions of resource rights, which are often based on the community's history in the area. This information is important in developing collaborative management mechanisms and agreements to avoid future conflicts and ensure wider social acceptance. In some extreme cases one may have to work hard towards creating socially equitable and acceptable resource use patterns.

Gram-Nidhi Resource Centre (GRC) played a very important role in facilitating Knowledge Management for establishing, handholding, sustaining and expanding the eco-enterprises. GRC has a huge collection of relevant literature-print and digital both media, in vernacular language. But that wasn't all. GRC also facilitated a number of learning opportunities for community such as exposure to organic farms or best animal husbandry practitioners or many such relevant places. It also facilitated exchange of knowledge within local communities.

## 5.2 Education for sustainability

Under Gram Nidhi, the introduction of eco-enterprises is being accompanied by an extensive education programme. Through exposures,



trainings and workshops, the local community has been made aware of the environmental impacts of different practices and the alternatives.

The sustained educational programmes, trainings, exposure-visits, workshops and consultation meetings, and constant hand holding support in the initiative has contributed immensely to abilities and skills of eco-entrepreneurs.

Education for sustainability also aimed at creating an 'appreciative attitude and conservation approach' in handling the bio-resources and other natural resources from very inception stage of the enterprise. This ensures that eco-enterprise, continues to remain 'eco' even when the project interventions and monitoring stops in longer run.

### 5.3 Capacity development

**Capacity development for such a transforming initiative has to be a continuous, bottom-up process. Eco-entrepreneurship demands a number of skills, ranging from sustainable sourcing of raw materials, to reaching out to customers and educating them about product values-benefits.**

Eco-entrepreneurs need not just financial but also knowledge support for getting required quality such as pure breed cattle, animal care, cattle feed, botanical pesticides, low cost and sustainable technologies, bio-fertilizers and so on. They are also trained to grow the ingredients required as raw material, in their own kitchen garden/farm to reduce their production costs and ensure quality.

One can use a wide range of methods such as individual and group consultative meetings, visits of staff personal to farm/enterprise site, organising of various exposure visits, training programmes, consultative meeting with experts. Series of need based capacity building programmes, entrepreneurship counselling, hand holding, etc. Exposure tours to various enterprises, participation in consumer-producer fairs, trainings etc. were organized especially for exploring and creating marketing linkages

## Lesson 6 Developing entrepreneurship mind-set for enterprise management

**Though developing entrepreneurship mind-set is a major challenge in promoting eco-enterprises, it is achievable. Gram Nidhi experience has given some interesting insights.**

Exposure and demonstrations help a lot in breaking mental fear of 'venturing in to unknown trades'. Everyone has different risk taking capacities and therefore it is essential to help the entrepreneur plan. It is the Gram Nidhi experience that once profit is earned, communities are more willing to reinvest.

It is also advisable to help the aspiring entrepreneurs select enterprise that also matches their own personal characteristics. For example in Gram Nidhi experience, women proved better in selling innovative products compared to men. This may be linked to their own socio-cultural backgrounds and contexts.

**The major learning of Gram Nidhi is that once we integrate entrepreneurship mind-set in community livelihoods with local knowledge and skills, resources are used more fully with the enterprise development initiative becomes more effective, more efficient and more sustainable in the context of natural resources.**

Communities are not motivated to manage their natural resources if they are unable to harvest the benefits of their effort. On the other hand, they will not be able to develop and get benefits of enterprise unless they achieve sustainable natural resource management. Thus community based enterprise promotion provides a potential strategy for sustainable local development. This promising form of entrepreneurship, typically rooted in community culture, natural and social capital are integral and inseparable from economic considerations, transforming the community into eco-entrepreneur.





Changing mind-set to enable leapfrogging from producer to eco-entrepreneurs

### **Critical Instruments:**

To ensure smooth implementation of a complex-multi-partner project like Gram Nidhi, a few critical instruments were thoughtfully inbuilt in the implementation process. These are discussed briefly below.

**Regulatory Instruments:** The roles and responsibility of each partner i.e. CEE, partner CBO, SHGs and eco-entrepreneurs were clearly defined in the project. For maintaining financial discipline regulatory financial norms of EEF were developed through participatory approach among partners. The Project Management Document was prepared in consultation with all the stakeholders. EIC members had clearly outlined the selection and sanction criteria and guidelines for proposed eco-enterprises. The EIC was the highest body functioning as an advisory and final decision making authority during project period.

**Economic Instruments:** EEF was given without interest to local CBO as revolving investment fund. With due approval from the EIC, CBO disburses funds to the SHGs. The final disbursement to members and responsibility of recovery rests with SHGs who also maintain a record of transactions.

**Social Instruments:** The project was implemented in participatory approach. Awareness, information servicing, knowledge management, capacity building was cross cutting through out the project period. The self-regulation principle and organisational synergies were inherent in the SHGs, as the project partners were working with CEE since long time.

**Physical Instruments:** To support the eco-entrepreneurs, various on-farm and off-farm technologies that integrate modern scientific knowledge and research with traditional technologies, local knowledge and practices were introduced during project.

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### **Japan Council on Education for Sustainable Development (ESD-J)**

Japan Council on the UN Decade of Education for Sustainable Development (ESD-J) is a non-profit organization founded in 2003 to promote the Decade of Education for Sustainable Development in Japan and all over the world. The ESD-J members include approximately 100 organizations and 300 Individuals from various fields, such as environment, development, human rights, social welfare, peace, education, gender equality etc. The activities of ESD-J include policy advocacy, development of ESD materials, networking of ESD-related organizations and individuals, international cooperation etc. From its foundation, networking of Asian NGOs working for ESD is an important task by ESD-J. In 2015, after the Decade, ESD-J renamed its name to the “Japan Council on Education for Sustainable Development”.

### **Centre for Environment Education (CEE), India**

CEE is an internationally acclaimed institution in the field of environment education and education for sustainable development. CEE was set up in the year 1984 as a Centre of Excellence of the Ministry of Environment, Forest and Climate Change, Government of India. CEE develops innovative programmes, educational material, and builds capacity in the field of education and communication for sustainable development. CEE is committed to ensuring that due recognition is given to the role of EE in the promotion of sustainable development. CEE's mission is to enhance understanding of sustainable development in formal, non-formal and informal education through its work with schools, higher educational institutions, policy makers and reaching out to youth and the general community. It aims to integrate education as a key driver for change in demonstrating and advancing sustainable practices in rural and urban communities, and in business and the public sector, and in meeting challenges of global issues such as climate change and biodiversity conservation. CEE also promotes individual and collective positive Handprint actions that are environmentally sound, economically viable and socially beneficial.

### **Asia NGO Network on ESD (ANNE)**

Based on the NGOs' Ahmedabad Declaration to promote Asian NGO network on ESD, the Asia Good ESD Practice Project (AGEPP) was carried out from 2006-2008 resulting in a multi-lingual website presenting 34 good ESD cases in Asian countries. Asian NGOs working for AGEPP continued to work together to send ESD messages for Toyako Summit in Japan (2008), CBD/COP10 in Nagoya, Japan (2010), Rio+20 in Rio, Brazil (2012), UNESCO World Conference on ESD in Nagoya, Japan (2014) and agreed to establish an Asian NGO network on ESD (ANNE). The ANNE was officially launched in October 2014 in Okayama and carrying out a project to develop a manual for community facilitators, based on the experience of Gram Nidhi project in India.



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