
Aspirational Districts Forum Launch Report

January 2022



Aspirational
Districts
Forum 

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Introduction to The Aspirational Districts Programme

India's standing among the world's top economies is not reflected in many of its poorer districts. Launched in 2018 by the NITI Aayog, India's Aspirational Districts program can be a vehicle for companies both big and small to invest in India's future. The ADP is a compilation of indicators aimed to increase the well-being of **117 most backward** and underdeveloped districts. The ADP works on the 3C Model — **Convergence** (of Central and State Schemes), **Collaboration** (Central, State level 'Prabhari' Officers and District Collectors), and healthy **Competition** among districts and neighbouring states across five key sectors, namely—**Health & Nutrition, Education, Basic Infrastructure, Financial Inclusion & Skill Development, and Agriculture**. It is a result-focused program and relies on data collection to track the real-time progress of districts across various indicators.

While India is on a trajectory of growth overall, socioeconomic conditions are still lagging in many parts of the country. To 'lift' these districts up, focused funding and attention is the need of the hour, which needs to be effectively directed to these areas. The Aspirational Districts Programme can prove to be a useful framework for companies looking to use their CSR obligation for a worthwhile cause.

The ADP is the world's largest initiative in result-based governance, reaching 250 million people in 117 aspirational districts across India. Earlier this year, an independent appraisal report by the United Nations Development Programme (UNDP) lauded India's ADP and said it has resulted in sectoral growth and improvements in governance and administration. The report had recognised that the ADP was a "very successful model of local area development that should serve as a best practice for several other countries where regional disparities in development status persist for many reasons."

Over the past decade, India has witnessed the growth of an efficient and well-funded CSR sector. Policymakers have also done their bit by making India the first country in the world to legislatively mandate CSR spending through Section 135 of the Companies Act. In these eight years since the inception of the CSR law, the funding, assets, and expertise available for domestic institutional CSR has grown significantly. Despite this growth, Aspirational Districts have not received funding and attention equal to their potential.

One major reason for this is traditional reluctance to fund backward districts owing to various perceptions such as low rates of return, a long period for effective transformation, bureaucratic issues and high funding requirements. The ADP targets all of the above challenges and obstacles and strategies to overcome them effectively, as the last three years have shown.

Since interventions can be made in a variety of programmes and over a customised duration of time, CSR spending can be structured in a manner that achieves both the company's goals as

well as the ADP's goals effectively. The NITI Aayog looks at what the core competency for the organisation is, and accordingly structures their engagement. NITI Aayog has laid the entire groundwork to provide organisers with a comprehensive list of indicators and insightful monthly data which helps identify areas of interest for intervention. This makes it easier for organisations to enter these districts, and leads to a better multiplier effect going forward.

The ADP is a focused initiative that uses 49 defined indicators for each district and stresses on real time monitoring of district performance. This, paired with competition encouraged between districts by releasing progress rankings every month, allows districts to assess their own performance and critically analyse the gaps using interventions already at their disposal. There is a constant sharing of data and best practises, which allows districts to learn from each other, and adopt replicable and scalable solutions. In addition to these, efficient ground teams have been created at the district, block, and panchayat levels, where capable officers are appointed and informed about the indicators and the appropriate steps forward.

The ADP focuses largely on providing a framework for good governance. A unique strength of the programme is that it is not driven by the availability of resources, but by collaboration between departments that brings about the necessary convergence of funds and functionaries. The administrators paired with development partners and local leaders form a team that is driven by morale, and the ADP provides the framework to establish these important pillars on which successful interventions are built.

About the Aspirational Districts Forum

In order to increase awareness of the Aspirational Districts, Sattva launched the Aspirational Districts Forum (ADF) on the 14th of January, 2022. The Forum is a body of representatives from the corporate sector, government, Foundations and NGOs with the objective of bringing the conversation on Aspirational Districts centre stage and to, over the medium to long term, influence corporates to target several of their CSR initiatives and funding towards these ADs.

The aim of the ADF is to ensure the coming together of government, corporate, civil society organisation leaders and policymakers working on the Aspirational Districts Program to ensure the exchange of knowledge and promote the 'Collaborative' aspects of the ADP. The forum was successfully launched on **January 14, 2022** in the presence of Mr. Amitabh Kant, CEO, NITI Aayog. The forum intends to provide a crucial space to bring together various leaders in this ecosystem to discuss how there can be more opportunities for learning and collaboration in aspirational districts. The objective of the forum is to centre the ADP discussion around the structure and success of multiple ecosystem stakeholders, key learnings and challenges of working in aspirational districts, working with local governance on the ground, and approaches corporates can take to enter working in these spaces. At the launch event, the panellists also explored data collaboration, building local capacity, and strengthening civil society in these places.

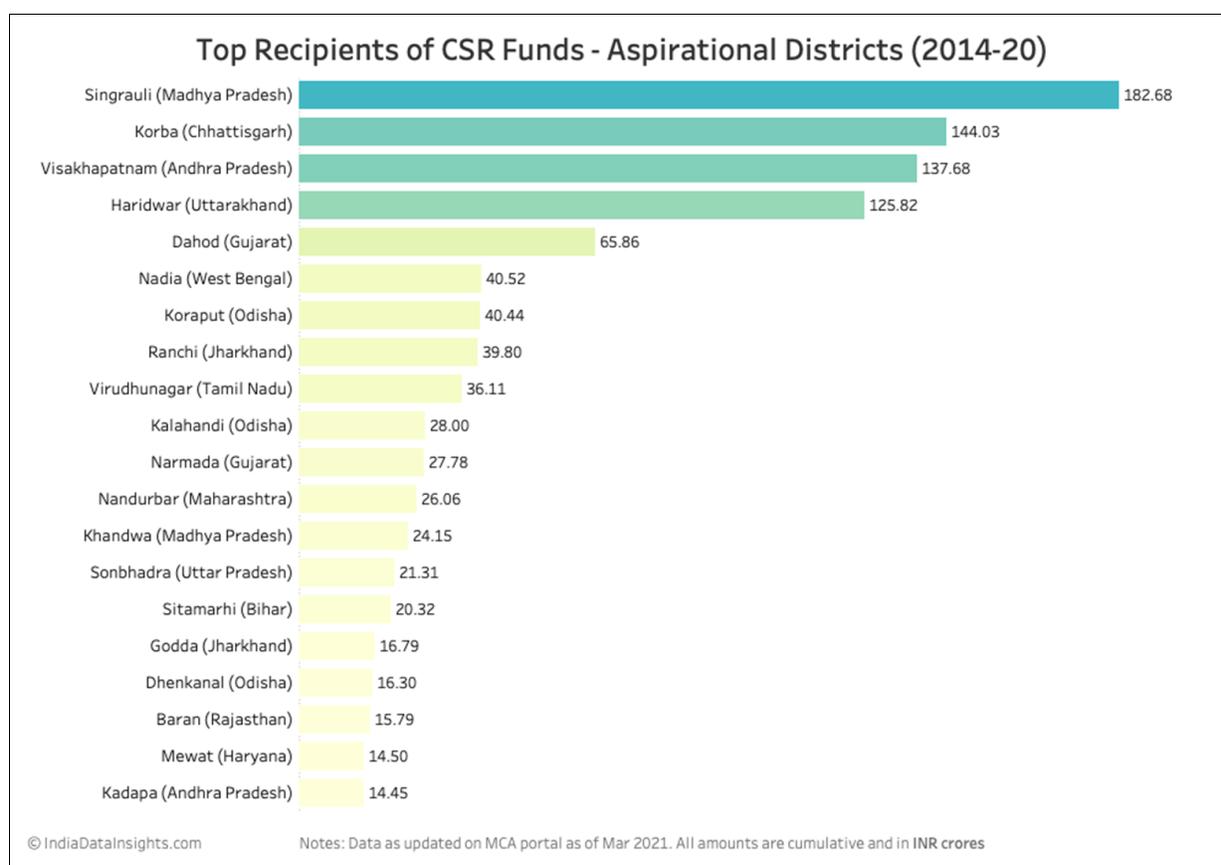
“When these districts transform, the state average will go up, then the India average will go up and the country will transform itself. So there is no better way to spend CSR resources than in aspirational districts. What you would gain out of it is a huge amount of satisfaction in transforming India. No other program will give that level of satisfaction. The districts will work collaboratively in a very coordinated, effective, and efficient manner with all of you.”

- Mr. Amitabh Kant, CEO, NITI Aayog

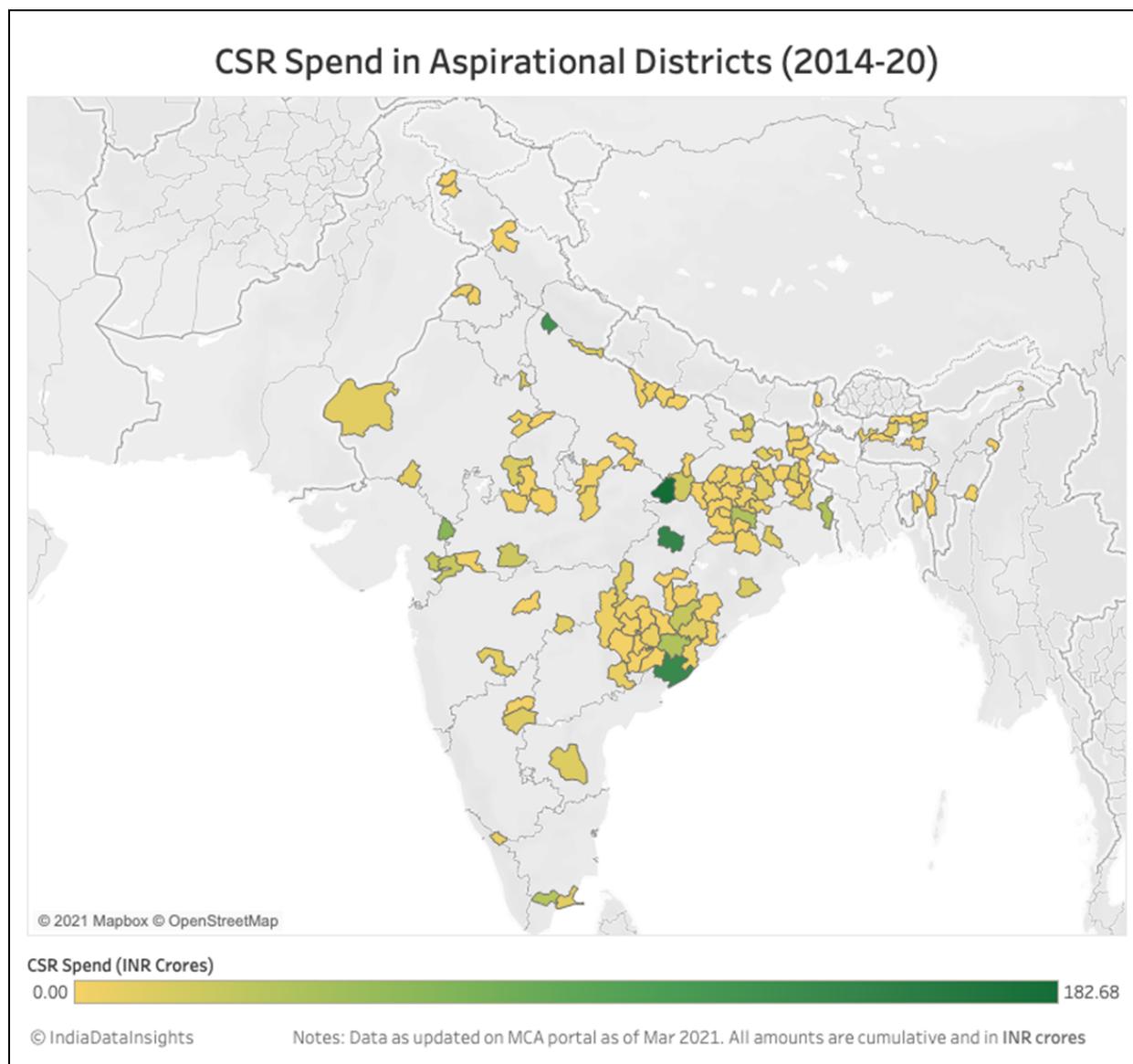
The State of CSR in Aspirational Districts

The ADP ensures the convergence of multiple stakeholders, from NGOs and implementation partners to government and corporates. However, there is insufficient funding being directed toward the program itself.

India has had a CSR spend of Rs. 92,605 crore between 2014 and 2020, however only 1.45% of the total CSR spend has been mapped to specific Aspirational Districts. While most corporates might not have specifically tagged their CSR spends to ADs, the total spend in ADs is significantly low compared to the need. Additionally, Aspirational Districts account for 21% of India's population, but only 1.45% of the total CSR expenditure from 2014-20 was mapped to Aspirational Districts.



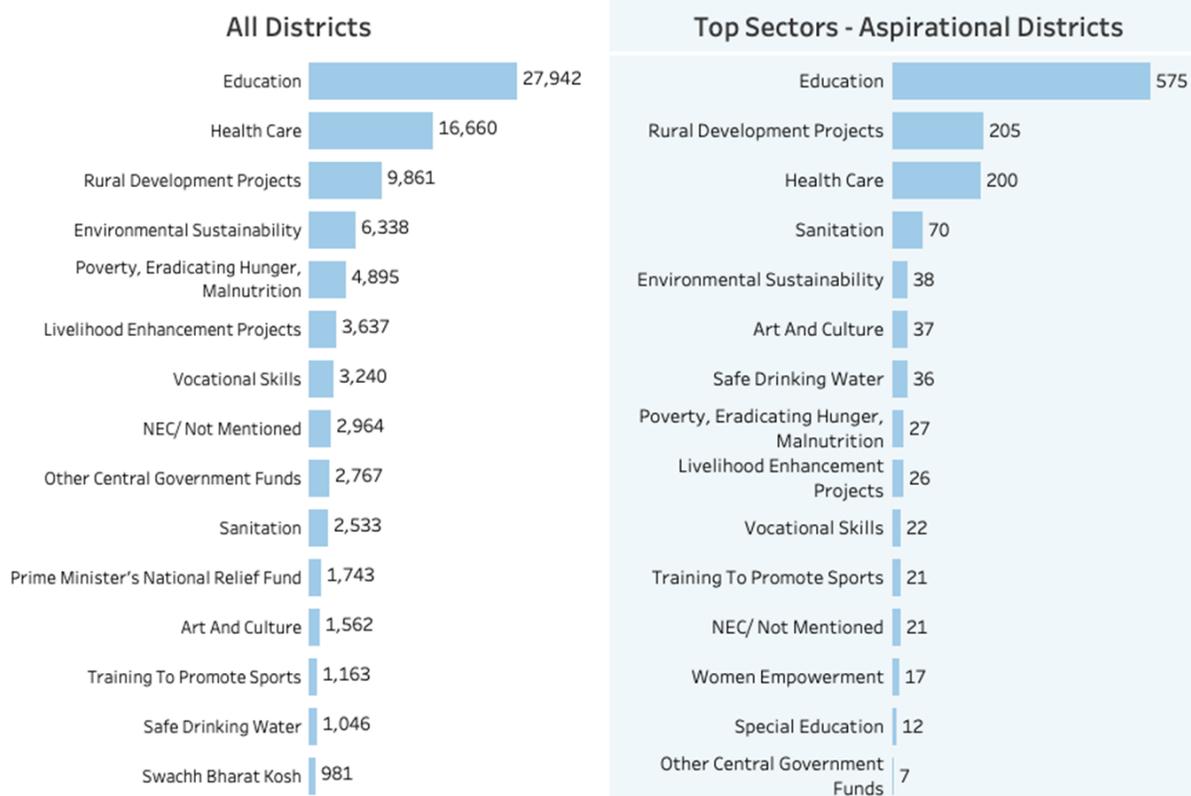
50% of the total mapped CSR funds spent in aspirational districts has been disproportionately invested in five districts Singrauli (Madhya Pradesh) 14%, Korba (Chhattisgarh) 11%, Visakhapatnam (Andhra Pradesh) 10%, Haridwar (Uttarakhand) 9% and Dahod (Gujarat) 5%. Over 2019 and 2020 especially, the CSR spend in Aspirational Districts has stagnated. Low investment, combined with other local socioeconomic issues results in a very low rate of growth in districts.



The percentage share of total mapped CSR funds spent in specific thematic areas is also skewed, with greater investment in certain sectors and neglect of others.

Thematic Area	Total India CSR Spend (2014-2020) In Cr. Rs.	Total AD Spend (2014-2020) In Cr. Rs.
Education	27,492	575
Healthcare	16,660	200
Rural Development Projects	9861	205
Total CSR Spend (Cross-Sector)	92,605	1,345

CSR Spend Across Various Development Sectors (2014-20)



© IndiaDataInsights Notes: Data as updated on MCA portal as of Mar 2021. All amounts are cumulative and in INR crores

Most CSR funding ends up going to states which already have a high development index. 50% of aspirational districts are from Jharkhand (19), Bihar (13), Chhattisgarh (10), Odisha (10) and Madhya Pradesh (8) combined. Additionally, these states have huge populations below the poverty line and low SDG scores. However, not even one of these states feature in the top geographies receiving CSR funds, even though they are quite clearly high-need states.

Key Learnings from the ADF Inaugural Session

The launch of the Aspirational Districts Forum brought together experts from corporates, implementation organisations, academia, and government with experience in creating impact for India's Aspirational Districts. Here is a look at the key points they raised during the discussion.

Working closely with government administrators and the local communities in Aspirational Districts, there are numerous on-ground challenges that later become learnings and opportunities. The panellists shared key insights and best practises while working in these districts in the capacity of government administrators, corporates, and civil society organisations.

While speaking about planning work in the Aspirational Districts, Mr. Sourav Roy outlined the following guiding questions that came from his experience:

"We found it useful to ask ourselves 4 questions continuously as we defined our work (in Aspirational Districts)

- **How much time and resources are we committing to understand and build relationships with communities?**
- **Are we solving the right problems?**
- **Are we looking at these societal challenges the right way? Is there a more nuanced approach?**
- **How do we work more closely with public systems and civil society?"**

- Mr. Sourav Roy, Chief of CSR, Tata Steel & Head, Tata Steel Foundation

Mr. Roy also outlined that in order to create a transformational change on the ground, the commitment period must be around a decade . The envisioned long-term plans have the capability of bringing in progressive change by ensuring the resolution of challenges from the roots. However, newer players entering the territories of Aspirational Districts are recommended to start small, work closely alongside the local communities and focus on developing deeper connections and collaborations. Ms. Rema Mohan outlined the same while describing the work NSE Foundation has done in Aspirational Districts:

“(While working in Aspirational Districts,) You start small. You start fundamentally, go to the grassroots and the community. Work in a very scalable, replicable, and templated model. We start with one block, then the next, and then the next. This can

be a very painful and slow process, but it works.”

- Ms. Rema Mohan, CEO, NSE Foundation

Speakers also outlined that proactive leadership at the grassroots level is essential for things to move. Involving the local administration in the process of building a collaborative ecosystem is a transformation, is a challenge and a learning. The focal point should revolve around facilitating people of different departments and organisations to have a collaborative approach towards a common agenda in order to make headway. It is crucial to make sure stakeholders are holding conversations with each other and working towards convergence of their resources. Constant feedback at all levels leads to better building of hyperlocal collaborations that create movements to improve lives in these districts.

The key to success is to utilise and build the strength of already existing local organisations in the region. Mr. Manmohan, speaking from his experience as the Head of the Aspirational Districts Collaborative, spoke of the importance of hyper-local initiatives involving the native population, who would be better equipped and more motivated to enact positive change in their communities.

"How do we build hyper-local collaboration? .. We are really happy to have a set of people on the ground (Aspirational Districts Collaborative) coming together to improve the lives of people within their districts. If we're able to work with them, I think their ability to understand issues with girls dropping out of school, teenage pregnancies, mental health, among other issues will be much higher than a technical solution."

- Mr. Manmohan Singh, Head, Aspirational Districts Collaborative

However, moving external organisations into aspirational districts is an operational challenge. Such hindrances are a product of limited access to resources and facilities such as inaccessible road networks and well-functioning internet and mobile connectivity. Ms. Tushara, who leads pharma company Lupin's CSR, outlined issues faced by her team:

The largest challenge we face is the lack of good roads. Despite being development practitioners and having a lot of commitment and passion to do what we intend to do, we also find it difficult ... we will not have the resources to do it ourselves, but we will probably need to work in a more collaborative way to get this going.

- Ms. Tushara Shankar, Head CSR, Lupin Ltd.

Having overcome many such challenges during his experience of working in one of the best performing Aspirational Districts in the ADP, Baramulla, Mr. Bhupinder spoke about a change in perspective for on-ground work:

“On the ground, we tend to believe that we can make change only if we have resources in the forms of formal funds or functionaries. But that's actually not true. We perhaps need a reorientation in our thought process and also in the way we perceive and monitor progress in various initiatives.”

- Mr. Bhupinder Kumar, Deputy Commissioner, Baramulla, J&K

Speaking about the way forward, Mr. Prabhakar shared what he understood from ITC's work in the Aspirational Districts:

“The next step is how do we ensure this (any development initiative) is internalised and institutionalised? The good work needs to be sustained. And that's where the transfer of technology needs to happen to the hyper-local stakeholders. I think that will be the next major focus for any corporate working on interventions in Aspirational Districts.”

- Mr. Prabhakar Lingareddy, EVP & Head, Social Investments, ITC Ltd.

The Aspirational Districts Program shines light on the parts of India that have been neglected for too long. We hope that the Aspirational Districts Forum can help focus CSR resources to enact the most positive change in communities that need it most, along with guidance and assistance from the larger impact ecosystem.

Acknowledgements

Mr. Amitabh Kant, CEO, NITI Aayog

Mr. Bhupinder Kumar (IAS), Deputy Commissioner, Baramulla, J & K

Mr. Manmohan Singh, Head, Aspirational Districts Collaborative

Ms. Meera Harish, Partner, Sattva

Mr. Prabhakar Lingareddy, EVP & Head, Social Investments, ITC Ltd.

Ms. Rema Mohan, CEO, NSE Foundation

Mr. Sourav Roy, Chief, CSR, Tata Steel and Head, Tata Steel Foundation

Mr. Srikrishna Sridhar Murthy, Co-Founder & CEO, Sattva

Ms. Tushara Shankar, Head, CSR, Lupin Ltd.