



## Start-Up Village Entrepreneurship Programme

**For Prelims:** Start-up Village Entrepreneurship Programme, MUDRA.

**For Mains:** Significance of SVEP in Rural Development, SHGs, Government Policies and Interventions.

### Why in News?

Recently, the National Institute of Entrepreneurship and Small Business Development (NIESBUD) has signed a Memorandum of Understanding (MoU) with the Ministry of Rural Development (MoRD) to develop a sustainable model for promoting entrepreneurship at the grass roots by initiating the [Start-up Village Entrepreneurship Programme \(SVEP\)](#).

### What is the Significance of the Partnership?

- **Rural entrepreneurs will be able to access banking systems for receiving financial support** for starting their enterprises, including support from [MUDRA](#) bank.
- Integrated ICT techniques and tools will also be provided for training and capacity building along with enterprise advisory services **to augment the entrepreneurship ecosystem in India's villages.**
- The beneficiaries of the project **are from the [Self-Help Group \(SHG\)](#) ecosystem of DAY-NRLM** and the scheme **not only supports existing enterprises but new enterprises as well.**
- The partnership will **enable the rural community** by helping them set up their trades and provide complete support till they are stabilised.
- This pragmatic intervention will provide knowledge, advisory and financial support to the public and **will help create village-level community cadre.**

### What are the Key Points Related to SVEP?

- **About:**
  - SVEP is a sub-scheme of the [Deendayal Antyodaya Yojana-National Rural Livelihood Mission \(DAY-NRLM\)](#), Ministry of Rural Development and has been implemented since 2016.
- **Aim:**
  - Support the rural poor to come out of poverty.
  - Providing self-employment opportunities with financial assistance and training in business management and soft skills.
  - Create local community cadres for promotion of enterprises.
- **Features:**
  - It **addresses three major pillars of rural start-ups** namely finances, incubation and skill ecosystems.
  - It **promotes both individual and group enterprises**, majorly in manufacturing, trading and service sectors.
  - It **invests on building the capacities of the entrepreneurs** to run the businesses profitably based on the local demand and ecosystem.
  - Investments are also made on the **use of the Information and Communication**

**Technology (ICT)** to create standard E-learning modules for minimizing the transmission loss in technical aspects like a business plan and profit and loss account preparations.

- **Activities:** Activities under SVEP are strategically designed to promote rural enterprises with a few key areas.
  - One of the key areas is **to develop a pool of Community Resource Persons-Enterprise Promotion (CRP-EP)** who are local and support entrepreneurs setting-up rural enterprises.
  - Another key area is **to promote the Block Resource Center (BRC)** in SVEP blocks, to monitor and manage the community resource persons, appraise SVEP loan applications and act as the repository of enterprise-related information in the concerned block.
    - BRCs **play the role to support a sustainable revenue model** to operate effectively and independently.
  - **SVEP established local markets/rural haat** which motivated entrepreneurs to take up demand-based production, advertise their enterprise and increase earning opportunities.
    - A typical rural haat is mostly indigenous, flexible and multi-layered structure which accommodates the economic activities of various nature.
    - Local market/haat/bazaar serves as an important economic platform where a range of products is traded.
- **Achievements:**
  - A **mid-term review of SVEP which was conducted in September 2019 by Quality Council of India** shows about 82% of the sampled entrepreneurs across the blocks reported being from SC, ST and OBC categories which signifies social inclusion - one of the pillars of NRLM.
  - 75% of the enterprises were owned and managed by women and average monthly revenue of enterprises was Rs.39,000 - Rs.47,800 in case of manufacturing, Rs. 41,700 in case of services and Rs.36,000 in case of trading.
  - The study also shows that about 57% of the total household income of the entrepreneurs is through SVEP enterprises.

PYQ

How does the National Rural Livelihood Mission seek to improve livelihood options of rural poor? (2012)

1. By setting up a large number of new manufacturing industries and agribusiness centres in rural areas
2. By strengthening 'self-help groups' and providing skill development
3. By supplying seeds, fertilizers, diesel pump-sets and micro-irrigation equipment free of cost to farmers

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 2 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Ans: (b)

**Source: PIB**

