# MGNREGS

## **Key Points**

- Launched: 2005
- Type of Scheme: Centrally Sponsored Scheme
- Nodal Ministry: Ministry of Rural Development
- **Purpose:** To provide at least 100 days of guaranteed wage employment to rural households undertaking unskilled manual work & enhance livelihood security.
- Target Group: Adult members (18+ years) of registered rural households willing to do unskilled manual labor.

### About MGNREGA Scheme

- Legal Right to Work: The MGNREGA Act (2005) guarantees 100 days of wage employment for rural households, ensuring unskilled manual labor as a legal right and promoting livelihood security.
  - It also provides an additional 50 days of employment in drought or calamity-affected areas, fostering rural development through public works.
- Coverage: The scheme covers the entire country, excluding districts with 100% urban populations, thereby focusing solely on rural areas for creating sustainable livelihood opportunities.
- Demand-Driven Framework: Employment under the scheme is provided on demand, ensuring that rural households can self-select work.
  - If employment is not granted within **15 days** of request, beneficiaries are entitled to an unemployment allowance.
  - The unemployment allowance is **one-fourth** of the minimum wage for the first 30 days and **half** of the minimum wage thereafter.
- **Decentralized Planning:** The scheme emphasizes grassroots-level planning by giving significant roles to **Panchayati Raj Institutions (PRIs)**.
  - At least **50%** of the works under the scheme must be executed by **Gram Panchayats** based on recommendations from the **Gram Sabha**.

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## Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

#### Employment Guarantee

Provides 100 days of wage employment per household Empowerment of Marginalized Communities

Focuses on empowering marginalized groups, especially women

## Work

**Assurance** Guarantees minimum wages, work within 15 days (else unemployment allowance)

> Local Governance Implementation Implemented through local governance structures like Gram Panchayats

#### Poverty Reduction

Aims to reduce poverty through job creation

#### Rural Economic Resilience

Contributes to rural economic resilience and sustainable development

## What are the Other Key Features of the MGNREGA Scheme?

- Fund Sharing: The Central Government funds 100% of unskilled labor costs and 75% of material costs.
  - State Governments contribute **25% of material costs**, ensuring cooperative federalism for scheme implementation.
- Wage Payment Mechanism: Wages are determined based on the quality of work performed and linked to rates specified by the state under the Minimum Wages Act, 1948.
  - Payments are made directly to workers' bank accounts or Aadhaar-linked accounts, ensuring transparency.
  - Individuals are entitled to receive compensation for delayed payment at a rate of 0.05% of the unpaid wages per day, starting from the 16th day after the closure of the muster roll (list of workers).
- Accident Compensation: Beneficiaries injured during work are eligible for compensation, and in case of death or permanent disability due to worksite accidents, ex-gratia payments are made to families.
- Focus on Women Empowerment: A minimum of one-third of the beneficiaries under MGNREGA must be women.
  - This provision empowers women by offering them equal access to wages and work opportunities.
- Special Provisions for Vulnerable Groups:
  - In forested areas, tribal households without private property other than land rights under the **Forest Rights Act (FRA), 2006**, are eligible for additional employment benefits.
  - **State Governments** may extend workdays beyond the guaranteed period using state funds.



## What are the Components of the MGNREGA Scheme?

- Scheme Components:
  - Project Unnati: Project 'UNNATI' aims to upskill MGNREGA beneficiaries, helping them transition from partial to full-time employment and reducing their dependence on the scheme.
    - The project trains one adult per household (18-45 years) with 100 days of **MGNREGA work**, providing a stipend for up to 100 days, fully funded by the **Central Government**.
  - **Cluster Facilitation Project (CFP):** The CFP aims to provide rural livelihoods under MGNREGA in aspirational and backward districts, targeting 250 blocks from 117 aspirational districts and 50 from other backward areas.
    - The project focuses on poverty alleviation through convergence with government programs and leveraging CSR, philanthropic organisations, and think tanks, led by the **District Programme Coordinator (DPC)**.
  - **Barefoot Technician (BFT):** The **BFT Project**, launched in FY 2015-16, trains local MGNREGA workers or supervisors in 20 states in civil engineering skills for identifying, estimating, and measuring works under MGNREGA.
    - The 90-day residential training, using a module in English and Hindi, covers topics such as **MGNREGA features**, construction of rural roads, measurement techniques, and relevant documents.
  - **Ombudsperson:** As per the **MGNREGA Act 2005**, an Ombudsperson is appointed in **each district** to handle grievances, investigate, and issue awards.
    - States must ensure complaints are received both electronically and physically, with receipts provided to complainants.

- Awareness measures include displaying the Ombudsperson's contact details on Citizen Information Boards and their participation in Social Audit Public Hearings.
- **Mission Amrit Sarovar:** Launched in 2022, **Mission Amrit Sarovar** aims to construct or rejuvenate 75 Amrit Sarovars in every district to conserve water.
  - The mission **covers all rural districts**, except Delhi, Chandigarh, and Lakshadweep, with each Amrit Sarovar having a minimum 1-acre pondage area.
  - It was implemented through a "Whole of Government" approach, utilizing schemes like MGNREGA and CSR funds.
- **Aadhaar-Based Payment System (ABPS):** This system ensures direct and transparent wage payments to beneficiaries by linking their Aadhaar numbers to bank accounts, reducing fraud and delays.
- **Social Audit:** MGNREGA empowers the **Gram Sabha** to conduct **Social Audits** of all works and expenditures, ensuring access to records and proactive disclosure.
  - Section 17 mandates the Gram Sabha to monitor works, conduct regular social audits, and make relevant documents available for audit purposes.\

## What are the Initiatives for Effectively Implementing MGNREGA?

- GeoMGNREGA: It is a collaboration between the Ministry of Rural Development in association with National Remote Sensing Centre (NRSC), ISRO and National Informatics Centre (NIC) to geo-tag assets created under MGNREGA in each Gram Panchayat, formalized through a Memorandum of Understanding (MoU) signed in 2016.
- Janmanrega: Janmanrega is a multilingual mobile app developed by NIC, Ministry of Rural Development, and NRSC, providing essential services for MGNREGA stakeholders.
  - Key features include attendance tracking, payment status, asset location, feedback on completed works, grievance redressal, and scheme information.
- NREGASoft: It is a web-based Management Information System (MIS) designed to record all activities under the MGNREGA.
  - It is available in both offline and online modes to capture data at the central, state, district, block, and panchayat levels.

## Latest Update

- Budget 2024-25:
  - MGNREGA Allocation: MGNREGA budget has steadily increased from Rs 33,000 crore in FY 2013-14 to Rs 86,000 crore in FY 2024-25, marking the highest allocation since its inception.
  - Wage Rate Increase: The minimum average wage rate increased by 7% in FY 2024-25.
- Economic survey 2023-24:
  - **Women Participation:** Women participation in MGNREGA increased from 54.8% in FY 2019-20 to **58.9%** in FY 2023-24.
  - Geotagging & Transparency: MGNREGA ensures 99.9% payments through the National Electronic Management System, with geotagging of assets before, during, and after the work.
  - **Person-Days Generated:** The person-days generated increased from 265.4 crore in FY 2019-20 to **309.2 crore** in FY 2023-24.
  - **Shift to Asset Creation:** The share of individual beneficiary works on land rose from 9.6% in FY 2014 to 73.3% in FY 2024, promoting sustainable livelihoods.
  - Support for Rural Enterprises: Programs like Deendayal Antyodaya Yojana (DAY-NRLM), Lakhpati Didis, and Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) support rural entrepreneurship and financial access.
- Technological Advancements:
  - Geospatial & Al Collaboration: An MoU was signed between the Ministry of Rural Development and IIT Delhi in March 2024 to leverage geospatial technology and artificial intelligence applications for enhancing rural development.
  - The MoU focuses on the BhuPRAHARI project, which aims to use geospatial technologies and Artificial Intelligence to monitor and manage MGNREGA assets.

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