



JEEVIKA

An Initiative of Government of Bihar for Poverty Alleviation

Bihar Rural Livelihoods Promotion Society State Rural Livelihoods Mission, Bihar



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Office Order

With reference to promotion of safe sanitation, Jeevika has assumed a greater responsibility of facilitating SHG members to achieve ODF status under Lohiya Swachh Bihar Abhiyan (LSBA). To achieve sustainable ODF status, toilet construction needs to be promoted. In order to ensure toilet construction, initial fund support is a must especially for PoP. In this regard, Jeevika has introduced SHAN fund which will help the PoP to initiate the construction. Under SHAN fund, each VO will be given with Rs. 3lakhs and those VOs who already have received the HRF, only the differential amount will be provided as top up amount. This fund will cover the sanitation as well as Health aspects and will be in alignment with the CIF provided to the VOs.

1. SHAN Fund coverage:-

- I. 100 intensive BTDP Blocks (Annexure 1)
- II. 7 special convergence Block (Annexure 2)

2. DPM will ensure disbursement of SHAN fund as per the guidelines and will ensure regular follow up for disbursement of loan to PoP SHG members and fund rotation to ensure maximum benefits of this loan. Non SHG PoP HH may also be given loan if they are agreed to be in SHG fold.

3. The SHAN fund is primarily for new toilet, shower room construction as well as for repairing the old or defunct toilet construction to the individual in cash through respective SHGs. The SHAN loan can also be given to those SHG HHs who are in paid list in SBM-G or having defunct toilets. They can take SHAN fund and may repair and use their toilets. Further, the loan should be repaid within a maximum duration of 6 months in agreed installments by the individuals.

4. SHAN fund is limited and thus can provide limited financial support. Therefore, it is required to promote the capable members to utilize their own resources and use SHAN fund for meeting out the needs of PoP.

All concerned BPMs and DPMs will ensure above mentioned points and as per the SHAN guidelines.


(Balamurugan D.)

Chief Executing Officer cum Mission Director

Copy to:

1. All PCs, SPMs, PMs, PS
2. All DPMs, FMs, all thematic Managers and BPMs
3. OSD, AO, CFO and Finance Section
4. IT section & Concerned Files



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Revised Sanitation, Health And Nutrition (SHAN) Fund Guideline

1. Introduction: Improving access to SHAN Financing:

Improved access to finance is one of the critical elements for achieving health, nutrition and sanitation outcomes. The BRLPS is looking for multiple ways to attain this by infusing Community Investment Funds by creating **Sanitation Health and Nutrition (SHAN)** fund at VO level and restructuring Health Risk Fund in SHAN revolving Fund. The SHAN fund guideline provides financing support for sanitation, nutrition and health related needs of eligible SHG HHs. Health Risk Fund (HRF) has been merged in SHAN fund. Health saving will be continued as SHAN saving fund. The total amount of SHAN fund is Rs. 3 Lakh maximum subtracting of earlier given HRF amount to the respective VO. So the remaining differential amount is to be transferred as SHAN top up fund. Even if VO has not received HRF amount then also the SHAN fund amount of Rs. 3 lakh to be given to the VO. SHAN fund is a grant for the CLF and soft loan for the respective VOs. The VO can provide bridge financing from SHAN fund to the **eligible member HHs** through SHGs to help them make investments in WASH facilities.

Purpose and Objective of SHAN Fund

SHAN Fund is to set up dedicated financial arrangement to help poor households to improve their quality of life through access and usage of products and services. It will provide a suite of financing options that are appropriate, convenient and affordable including savings, loans and bridge financing options. These products, where necessary, are delivered in conjunction with grants and Government subsidies. Since major investments are required at both the supply side and demand side in the last mile, this fund will seek to extend financial assistance to households for making investments in creating and upgrading WASH facilities as well as health related needs to achieve sustainable health, and sanitation outcomes.

2. Financing for Sanitation, Health & Nutrition facilities and services:

2.1 Sanitation/WASH Financing :

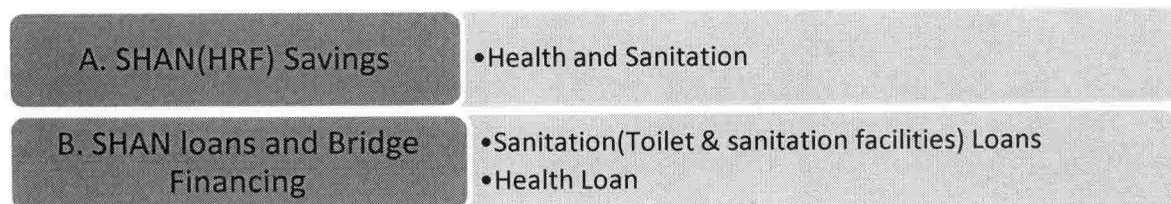
Sanitation (WASH) financing entails supporting both long term investments as well as operational and maintenance expenditures towards construction, maintenance and upgradation of safe and accessible sanitation facilities. Initially, investments are made to acquire a basic toilet. These are supplemented by maintenance and replacement expenditures. The basic toilets are subsequently upgraded by adding on suitable facilities and other aspirational features that enhance utility, convenience and comfort.

2.2. Health Financing:

Under the SHAN fund the Health financing is designed to help the poor to meet health shocks and expenditures like hospitalization, surgery, post-operative care, out of pocket expenses etc. by availing longer term loans from the SHAN fund. Under this arrangement, VO members are encouraged to save small amounts periodically into a common pool of health savings managed at the Village Organization (VO) level through respective SHGs. Pooled savings can be used for giving small valued loans of short duration to meet emergency health expenses.

3. Components offered under SHAN Fund

Figure 1: Constituents of SHAN Revolving Fund



A. SHAN Savings:

The HRF saving is merged in SHAN saving and has broadened the purpose of saving for health, and sanitation. HRF saving is not a separate saving as it has been merged with SHAN saving. SHAN/HRF savings is a voluntary saving open to all members of the community institution for smoothing expenditures and investments in sanitation & health related expenditures and investments at the household level. As the size of the corpus of SHAN savings increases, supporting small investments towards repairs and improvements in WASH facilities may be considered. Unless a member is opting to close the membership in the WASH savings account, the members can access these savings in the form of short tenure loans.

Features of SHAN Savings Product:

Amount of savings: The amount of savings may be decided by the community institutions based on the capacity of saving of very poor member of the SHG, in the beginning it may be around Rs. 5 - 10/- a month and further may be increased as decided by VO.

B. SHAN Loans

The SHAN loans can be availed by the members through SHGs to make investments for acquisition of new WASH facilities or replacement and renovation of existing ones and other health purpose. All individual SHG members will be eligible for this SHAN loan; however SHG will give preference to the ultra-poor and poor who are in utmost need of first financing. The SHAN loan would also include the Bridge Financing Loan. This bridge

financing may be done in order to promote the usage of fund as well as to promote the pace of toilet construction and its continuous usage. For remaining all other kind of SHAN loan will follow normal lending/ borrowing process.

Features of SHAN loans are given below:

a. Eligible purposes for loan:

- Meeting the investment needs towards acquisition of approved WASH facilities.
- The VOs can give a maximum of Rupees 8000/- per member for new toilet, shower room construction as well as for repairing the old or defunct toilet constructed earlier. The VO may provide this loan to individual in cash through respective SHGs. SHAN fund, which will be given for toilet construction to the members, will be disbursed only when they have dug their pits. The SHAN loan can also be given to those SHG HHs who are in paid list of SBM-G or have defunct toilets. They may take the SHAN fund for repairing and using their defunct toilets and further repay the loan within 6 months in installments.
- Improvements like replacement of doors, roofing materials, sewerage connections, water pumps, electrical connections to toilets/ shower rooms, etc.
- All Health purpose loan as per earlier provision of HRF would be covered under SHAN loan.

b. Repayment & rate of interest :

- Repayment will be made by individual SHG members to the VOs through SHG. The rate of interest of 1% will be applicable for the members similar to HRF. For the SHG members, The SHAN loan for the sanitation purpose will be repayable within a maximum period of 6 months.
- The health loan taken for health purpose will be repayable within a maximum 24 months with existing interest rate i.e. Rs.1% per month as similar with existing health (HRF) loan.

4. Triggers for release of SHAN Fund from DPCU to VO/CLF

- Health subcommittee formed
- Orientation on SHAN Fund is given to VO.
- Books of Records rolled out in VO and Monthly financial report of VO for previous month has been updated and entered in MIS.
- Ready list of VO member HHs, who don't have toilet facility or defunct toilets and person with disability HHs.

5. Management and Governance of SHAN Fund



Cluster Level Federation (CLFs) and VOs will put in place a dedicated governance architecture for WASH interventions by creating a Health, & sanitation Sub-committee at VO level. Health & Sanitation Sub Committees will be accountable for management and governance of WASH interventions, including SHAN Fund. The CBO fund flow system will be guided as per approved process fund flow system. The above all SHAN fund will be routed to SHG members through VOs and SHGs.

6. Financial Management mechanisms:

- a. Each VO will maintain books of accounts (minutes, savings ledger and loan ledgers are minimum requirements in existing VO & SHG register and each VO will maintain subsidiary SHAN loan register separately) and must be kept up to date along with the supporting documents. Further, the VO will report the payment and portfolio performance of SHAN to the project on monthly basis.
- b. Monitoring of books of accounts, utilization of loans and portfolio review should be carried out by the social audit committee of the CBOs on regular basis.

Suggested Business Processes for SHAN Fund

Product	Process
SHAN Savings	<ul style="list-style-type: none"> • SHAN savings are collected periodically (monthly) at the SHG meetings and submit in VO. • SHG will maintain member wise records • SHG reviews the member-wise performance of both savings and loans taken for sanitation, health and nutrition purpose.
SHAN Loans	<ul style="list-style-type: none"> • HH member prepare a SHAN loan application and submit to the SHG. • SHG appraises the loan application and verifies the needs, prioritize poor and submit to VO. • VO will assess the cost estimates, and approves the loan. • VO disburse the SHAN loans either in-cash/cheque or in-kind to members through SHG. • VO will monitor status of toilet construction

** VO's must become open defecation free within 9 to 12 month period once the work gets started. Once VO becomes ODF which means each family member of each SHG HHs of the VO must have access to toilet facility and there should be non prevalence of open defecation in the village. VO will return 2.5 lack SHAN fund (differential amount of HRF) to respective CLF either when VO acquire a status of ODF or within a maximum duration of 15 months, whichever comes earlier.

List of WASH intensive blocks

Sl. No	District	Block
1	BEGUSARAI	BACHHWARA
2		BAKHRI
3		BIRPUR
4		GARHPURA
5		CHHAURAH
6		DANDARI
7		KHODAWANDPUR
8		MANSURCHAK
9		NAWKOTHI
10	GOPALGANJ	BIJAIPUR
11		BHOREY
12		SIDHWALIYA
13		UCHKAGAON
14		FULWARIA
15		HATHUA
16		PANCHDEORI
17	NAWADA	GOBINDPUR
18		RAJAULI
19		ROH
20		NARDIGANJ
21		MESCAUR
22		PAKRIBARAWAN
23		NARHAT
24	PURBI CHAMPARAN	ARERAJ
25		GHORASAHAN
26		MADHUBAN
27		HARSIDHI
28		PAHARPUR
29		PAKRIDAYAL
30		TETARIYA
31		RAMGARHWA
32		KALYANPUR
33		TURKAULIA
34	SAMASTIPUR	MOHANPUR
35		MOHIUDDINAGAR
36		MORWA
37		PATORI
38		SARAIANJAN
39		SHIVAJI NAGAR
40		ROSERA
41		PUSA
42		TAJPUR
43	WEST CHAMPARAN	BAIRIA
44		CHANPATIA
45		BAGAHA-I
46		BETTIAH
47		LAURIYA
48		JOGAPATTI
49		MADHUBANI
50		MAINATAND
51		NAUTAN
52	SIKTA	



DIST

BLOCKS

53	ARWAL	ARWAL
54		KURTHA
55		SONBHADRA BANSI
56	DARBHANGA	HAYAGHAT
57		BENIPUR
58		GHANSHYAMPUR
59		MANIGACHHI
60		SINGHWARA
61		HANUMAN NAGAR
62		TARDIH
63		KEOTI
64		JALE
65		KIRATPUR
66	JEHANABAD	GHOSHI
67		HULASGANJ
68		MAKHDUMPUR
69		JEHANABAD SADAR
70	KATIHAR	DANDKHORA
71		FALKA
72		HASANGANJ
73		KATIHAR
74		KURSELA
75		MANSAHI
76		PRANPUR
77		SAMELI
78	KAIMUR	DURGAWATI
79		BHAGWANPUR
80		RAMGARH
81		RAMPUR
82	ROHTAS	AKHORIGOLA
83		BIKRAMGANJ
84		DEHRI
85		KARAGHAR
86		KOCHAS
87		ROHTAS
88	TILOUTHU	
89	PATNA	BIKRAM
90		PUNPUN
91		DULHIN BAZAR
92		BIHTA
93		KHUSRUPUR
94	VAISHALI	BIDUPUR
95		DESRI
96		GARAUL
97		JANDAHA
98		LALGANJ
99		MAHUA
100	PATEDHI BELSAR	