

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

I & CAD Department – A.P. Community Based Tank Management Project with Govt. of India and World Bank assistance – Implementation & fund flow arrangements – Orders - Issued

IRRIGATION & CAD (PW-EA) DEPARTMENT

G.O. Ms. No. 231

Dated: 23-12-2006

Read the following :-

1. Note from Commissioner, CADA No. 20692/Reforms/06, Dated 25-9-2006
2. G.O.Ms.No. 289, Finance (TFR-II) Dept. Dated 04-10-2006

ORDER :

1. **The Background-** The Government of Andhra Pradesh has initiated the process of providing substantive and enabling role to farmers benefiting from irrigation projects for management, operation and maintenance of the irrigation infrastructure. And thus enacted the Andhra Pradesh Farmers Management of Irrigation System Act 1997. After passage of the APFMIS Act 1997, I&CAD Department carried out minimum rehabilitation of the minor irrigation tanks and modernization of the major irrigation projects for future maintenance by Water Users Associations (WUAs). Performance evaluation of the WUAs highlighted the need of investment in institution building process for the enabling and facilitating of WUAs for infrastructure management. This process has now been initiated as part of the ongoing sector reform process in tune with the observations of Mid Term Appraisal of the Xth plan and observation of the Sub Group on Agriculture and Irrigation of National Development Council. While the new infrastructure creation is main agenda of the irrigation, the reform process and facility management is agenda of the CAD wing of the I & CAD department under the flagship Jalayagnam program of government.

Department initiated the process of plough back of the water tax collection to the WUAs for O&M activities. This is preceded by a comprehensive micro planning process for the preparation of the O&M Action Plan for the WUAs. The micro plan includes the O&M works to be carried out and the training needs for the WUA. A format has been developed to collect all the necessary information, which are obtained from the concerned sources like Irrigation and Revenue Department, WUAs and farmers. The micro plan prepared for each WUA is consolidated at various levels of users' institutions up to project level. The preparation of the micro plans is being facilitated through a team (3 member team consisting of engineering staff / a WALAMTARI staff and a resource person). The process of preparation of the Action Plans has been completed and the plough back funds transferred to the projects for implementation of O&M works and trainings.

2. **Pilot Project-** I&CAD Department is implementing the Repair, Renovation and Restoration (RRR) of Water Bodies Directly Linked to Agriculture (RRR) Project with Govt. of India assistance in two districts (Mahaboonagar and Ananthpur), under which the restoration and maintenance of minor irrigation tanks are being carried out through the WUAs. To facilitate this, I&CAD Department has developed a step by step process guideline for implementation of the project by engineering staff with support from WUAs and local NGOs with District Collector as Chairperson.

3. **Andhra Pradesh Community Based Tank Management Project-** Towards, scaling up the restoration of minor irrigation tanks, the Government has formulated the Andhra Pradesh Community Based Tank Management Project, with Govt. of India and World Bank assistance following the National Framework developed by the Ministry of Water Resources, Govt. of India, based on the experience derived from the RRR Project. About 3000 minor irrigation tanks, expecting to cover about 2.5 lakh Ha ayacut, are proposed to be restored under the project with an estimated cost of Rs 1000 Crores. The entire tank restoration work would be undertaken in three batches over a period of 5 years.
4. The objective of the project is to improve tank system based livelihoods and strengthen community management of selected tank systems. The four components of the project are
 - i) Strengthening community based institutions to assume responsibility for tank system improvement and management;
 - ii) Tank systems improvement;
 - iii) Livelihoods support services for tank system users; and
 - iv) Project Management.
5. For effective implementation of the project processes, the Commissioner, CADA & Principal Secretary I&CAD Department has proposed establishment of a Project Management Unit (which can be treated as a Special Purpose Vehicle in terms of National framework) with implementation arrangement and fund flow arrangement at the State and District levels that would enable the project mode functioning following the step by step guidelines and time schedules. He has also proposed that, based on implementation experience, further modifications to the arrangements could be considered for more effective implementation. For this subsequent orders could be issued as and when found necessary.
6. The Government after careful consideration of the proposal, hereby issues the following orders for the implementation arrangement and fund flow arrangement, to be adopted for the proposed Project.

Project Implementation Arrangement

State Level Implementation Arrangement

7. **Project Steering Committee-** A Project Steering Committee with Chief Secretary as the Chairperson will review the project, at state level. The Project Coordinator (Commissioner CADA and Principal Secretary, I&CAD Department) will be the Convener of the Project Steering Committee. The other members of the Project Steering Committee will be:
 - Principal Secretary Finance (Works & Projects)
 - Principal Secretary, Agriculture
 - Principal Secretary, Rural Development
 - Principal Secretary, Animal Husbandry
 - Principal Secretary, Fisheries
 - Secretary, Institutional Finance
 - Secretaries of Irrigation Department
 - Chief Engineer, Minor Irrigation
 - Director, Groundwater
 - State Project Director

The committee will provide strategic guidance to the project, ensure coordination of the participating department. The committee would also review the efficacy and adequacy of the implementation, fund flow arrangements and would also make necessary changes for achieving the project objectives.

8. **Project Coordinator-** The state level agency responsible for implementation of the project will be the Command Area Development Authority (CADA) in the I&CAD Department, Government of Andhra Pradesh. The Commissioner CADA and Principal Secretary, I&CAD Department will be the Project Co-coordinator for the project. He would approve the annual action plan of the project for enabling the PMU for day to day functioning, direction and flexibility of operation. He would review the project at least bi-annually. The Project Coordinator (Commissioner CADA & Principal Secretary I&CAD Department) would be the competent authority in terms of G.O. Ms. No. 289, Finance (TFR.II) Dept. dated 04-10-2006 for hiring of the consultancy services.
9. **Project Management Unit-** A Project Management Unit (PMU) will be the administrative unit of the project and would coordinate all operations of the executive agencies under the project. The PMU will be headed by a State Project Director of the rank of a Commissioner from IAS.
 - i) The PMU will consist of Technical Unit (with departmental staff and other experts), Institutional development Unit(3 experts), Agribusiness Unit(3 experts), M&L Unit (2 experts), AP Info Resource Center (2 experts), Coordination Unit (1 Deputy director) and Finance and Procurement Unit (2 government staff). The details of these units are provided in organogram annexed to this order. These units would house subject matters experts such as institution development, NGO co-ordination, capacity building, agri-extension (agriculture / horticulture), agri-extension (livestock and fishery), agri-business development, monitoring & evaluation, research & documentation, MIS, GMIS, deputy project director and finance and procurement managers, who will report to Project Director.
 - ii) The Technical Unit of the PMU will consist of a Superintending Engineer, 2 Executive Engineers, 4 Deputy Executive Engineers, 1 Deputy / Assistant Director (Ground Water) and 12 Assistant Executive Engineers / Assistant Engineers. The Chief Engineer, Minor Irrigation, will lead the dedicated Technical Unit for implementation of the project and would be responsible to PMU to the extent of this project. The engineering staff of the Technical Unit will be earmarked from the Irrigation Department exclusively for implementation of the Andhra Pradesh Community Based Tank Management Project. The Principal Secretary (I&CAD) would issue the orders accordingly.
 - iii) The posts of Deputy Project Director and Finance Manager & Procurement Manager will be filled with regular government employees. The subject matter experts of the PMU for Institutional Development unit, Agribusiness Unit, M&L unit and AP Info Resource Center will be hired on contract basis from open market following the guidelines of Finance Department in ref 2nd read above.

- iv) General administrative and accounting staff including clerks, computer operators, attendants, etc will support the PMU. The Principal Secretary (I&CAD) would designate some of the staff from the department for this purpose and augment it through contractual services as and when required within the administrative ceiling of the project.

District Level Implementation Arrangement

10. **District Level Implementation Committee-** The project at the district level will be reviewed by a District Level Implementation Committee with the District Collector as the Chairperson. The Vice Chairperson of the DLIC will be nominated from among the Support Organizations assisting project implementation in the district. The District Project Director (Executive Engineer) will be the Member Secretary of the DLIC. The other members of the DLIC will be:

- Chief Executive Officer, Zilla Parishad
- Divisional Forest Officer
- Joint Director Agriculture
- Joint Director Animal Husbandry
- Joint Director Horticulture
- Project Director District Water Management Agency
- Project Director District Rural Development Agency
- Assistant Director, Fisheries
- District Public Relations officer
- Deputy Director, Groundwater
- Two representatives of Water Users Associations (To be nominated by District Collector on annual rotation basis)

11. **District Project Unit-** In each project district, a District Project Unit (DPU) will be implementing the project. The DPU will be headed by a District Project Director of the rank of an Executive Engineer. The Executive Engineer should be from the Irrigation Department only. The DPU will consist of a Technical Unit and other project officers in subject matters such as social mobilization, agriculture extension, agri-business development, monitoring & learning, MIS and finance & procurement officer, who all will report to the district Project Director.

- i) The Technical Unit of the DPU will be established by earmarking one Irrigation Division of the district, with its entire staff, to the DPU. This unit will be solely dedicated to implementation of the Andhra Pradesh Community Based Tank Management Project. The Principal Secretary (I&CAD Department) and Commissioner, CADA shall identify these divisions and issue the orders for earmarking the same for the project. In districts where only one Irrigation Division exists, a new Division will be established and deputed to the DPU. The DPU would function under the administrative control of PMU at state level following the regular rules and procedures of government. The Project Coordinator (Principal Secretary, I&CAD/ Commissioner CAD) would review the necessity to hire technical staff on contract to augment the strength of the DPU/PMU Technical Unit whenever required in case of non availability of required government staff.

- ii) The post of Finance & Procurement Officer will be filled up with regular government employee. The other subject matter project officers of the DPU of Institutional Unit, Agribusiness Unit and M&L unit would be hired on contract basis from open market. The Project Coordinator (Commissioner CADA & Principal Secretary I&CAD Department) would be the competent authority for decisions of hiring of consultants in terms of G.O. Ms. No. 289, Finance (TFR.II) Dept. dated 04-10-2006.
- iii) The organogram of the project management structure is appended to this Order.

Fund Flow and Audit Arrangements

12. The project consists of four components as mentioned in para 4 of this order. Some of these activities are to be implemented through the WUAs, NGOs while the major portion would be civil works pertaining to tank restoration through the contractors. The productivity enhancement, capacity building related activities or the WUA and NGO level activities would require small advances for implementation of the project activities. Therefore the fund flow arrangements are accordingly devised to facilitate these objectives. The item wise fund flow for these components would be as follows:

- i) **Component I - Strengthening of Community based Institution-** This component is primarily for capacity building, exposure visits and training of WUA members and engineers, N.G.O's cost etc. The expenditure under this head would be incurred by state and district units. The funds may be drawn by state and district unit as per the geographical location of the activity either at state head quarter or at the district, through the AC bills following the existing norms.
- ii) **Component II - Tank System Improvement-** This component covers all civil works related to restoration of tanks (catchment area, tank and command area). The entire expenditure under this component will be incurred at district level. The funds will be allocated through LOC system to concerned PAO. The District Project Director (Executive Engineer) being the Drawing Disbursing Officer at district level, would present the work bills to the concerned PAOs and disburse to contractors. Subject to the financial limits set by the government, a WUA could implement some of the works such as of repairs to feeder channels, jungle clearance, revetments and distribution channels, if they so desire and have the requisite capacity. For such works, an advance up to 40 % of the cost of the work will be provided, if required, in installments to WUA to be deposited in the works account by the District Project Director for facilitating WUA to start work.
- iii) **Component III – Agriculture Productivity Enhancement-**The component involves activities like demonstrations, market linkages, WUA's, capacity building, professional services, consolidation of Rytu Mitra Groups, organizing Farmer Field Schools, and exposure visits etc. The funds may be drawn by state and district unit as per the geographical location of the activity either at state head quarter or at the district, through the AC bills following the existing norms.

- iv) **Component IV- Project Management-** This component involves project management activities like cost of hired staff, consultants, professional services, studies, research, work shops, seminars, and other office expenditure and support facilities. The expenditure under this component would be incurred at both district and State Level. The funds may be drawn by state and district unit as per the geographical location of the activity either at state head quarter or at the district, through the AC bills following the existing norms.
- v) The district unit are allowed to draw up to Rs 3.00 Lakhs (Three Lakhs Rupees only) and the PMU can draw up to Rs 10.00 Lakhs (Ten Lakhs Rupees only) in one instance through AC Bills for the aforesaid components and should render the accounts for the latest expenditure before preferring the next AC bill.
- vi) **Audit-** The accounts and vouchers would be audited by the AG and through the internal audit as per the existing norms of government. However the accredited chartered accountants can also audit the accounts as the AG audit report may not be available within six months of the closure of a financial year.
13. The funding of the project is in the ratio of 75:25 with 75% loan component from World Bank and 25% grant from Government of India. The Government of India has proposed to release the Government of India share of 25 % to state government through a ring-fenced fund under AIBP as AIBP–RRR.
14. The PMU through I & CAD department would request for annual budget provision on the basis of assessment of the action plans. The government would create the necessary budget provision through a new Head of Account (for both Gol and GoAP share) to be operated by the Commissioner CAD.
15. These orders would come in to immediate effect as the retroactive funding is acceptable under the Project and the pilot activities are to be implemented during the current year itself. Budget requirement for the project preparation activities will be met from the funds available with CAD and expenditure on the above four components for the pilot activities will be met from the budget available with Chief Engineer (Minor Irrigation).
16. This order issues with the concurrence of Finance(PMU) Dept. vide their U.O. No. 486/ FIN.PMU/ 2006, Dated: 16-11-2006

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

J. HARINARAYAN
CHIEF SECRETARY TO GOVERNMENT

To
The Commissioner, CADA, Jalasoudha Buildings, Errummanzil, Hyderabad
The Engineer-in-Chief, (Administration Wing) I & CAD Department, Hyderabad
The Engineer-in-Chief, (Irrigation) I & CAD Department, Hyderabad.

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The Chief Engineer, Major Irrigation, I & cAD Department, Hyderabad
The Chief Engineer, Medium Irrigation, I & CAD Department, Hyderabad
The Chief Engineer, Minor Irrigation, I & CAD Department, Hyderabad.
The Chief Engineer, Central Designs Organisation, Hyderabad.
The Chief Engineer, Hydrology, Hyderabad.
The Director, Ground Water, BRKR Building, Tank Bund, Hyderabad
The Accountant General, Andhra Pradesh, Hyderabad.
The Director of Treasuries and Accounts, A.P., Hyderabad.
The Director (Works Accounts), Hyderabad.
The Pay and Accounts Officer, Hyderabad.
The Commissioner of Fisheries, AP, Hyderabad.
The Director of Animal Husbandry, AP, Hyderabad.
The Deputy Financial Advisor, Finance (PMU) Department
All District Collectors
All District Treasury Officers

Copy to:

P.S. to Special Secretary to Chief Minister.
P.S. to Minister for Major & Medium Irrigation,
P.S. to Minister for Minor Irrigation
P.S. to Minister (LI, APSIDC & GWD)
P.S. to Chief Secretary to Government
P.S. to Principal Secretary to Govt. (Finance-W&P) Dept.
P.S to Prl. Secretary to Govt. (Agriculture)
P.S to Prl. Secretary to Govt. (RD), PR&RD Dept.
P.S to Prl. Secretary to Govt. (EFS&T)
P.S. to Prl. Secretary to Govt. (Animal Husbandry)
P.S. to Prl. Secretary to Govt. (Fisheries)
PS to Prl. Secretary to Govt. (Irrgn), I & CAD Dept.
P.S to Secretary to Govt. (Projects), & I&CAD Dept.
P.S to Secretary to Govt.(HS), (I&CAD)
P.S to Secretary to Govt. (RRM) (I&CAD)
P.S. to Secretary (IF), Finance Dept.
P.S. to Special Secretary to Govt.,(I&CAD)
Finance (PMU) Department
I&CAD (MI-I, II ,III & IV / Services I, II IX / P&B) Sections
SF/Spare

// FORWARDED BY ORDER //

SECTION OFFICER

Annexure to G.O.Ms. No. 231, I&CAD (PW-EA) Department, Dated 23-12-2006



