



# FIFTH ANNUAL PROGRESS REPORT

(From 1<sup>st</sup> April 2005 to 31<sup>st</sup> March, 2006)



**RURAL WATER SUPPLY & ENVIRONMENTAL  
SANITATION PROJECT**  
Project Management Unit (PMU)



## One Step Further .....

### Uttaranchal Rural Water Supply and Environmental Sanitation (Swajal) Project Management Unit

A Society under the name “Uttaranchal Rural Water Supply and Environmental Sanitation (Swajal) Project Management Unit” was registered on 5<sup>th</sup> March 2001 under the department of Drinking Water Supply, Government of Uttaranchal with twin objectives: (i) to coordinate and monitor the implementation of World Bank assisted Rural Water Supply and Environmental Sanitation (Swajal Project) and (ii) to implement Sector Reform Project and other projects sponsored by the Government of India.

The World Bank assisted Swajal Project came to an orderly closure in the F.Y. 2003-2004. Therefore the State Government vide GO 3033/ UKS2 (2510) / 2003 dated 7<sup>th</sup> February, 2004 took the decision to:

- (i) Declare Project Management Unit as State Water and Sanitation Mission (SWSM)
- (ii) Reconstitute the Management Committees- General Body and Executive committee. These changes were needed to meet the requirements of Swajaldhara Guidelines issued by the Government of India. The above mentioned Government order was placed in the General Body and Executive Committee meeting for incorporating the amendments in the Memorandum of Association (MOA). The amended MOA was approved by the State Government vide GO No 2925/29/04-(01 Pey) 2001 dated 30<sup>th</sup> November, 2004. The new name of PMU is State Water and Sanitation Mission (SWSM).

The current mandate includes:

- (i) to prepare the follow-on project of Swajal
- (ii) to implement Swajaldhara and Total Sanitation Campaign (TSC) projects sponsored by the Government of India.

During the financial year 2005-2006, this Society carried out the following activities financed by the World Bank, GoI and GoUA. These projects are:-

- (i) Preparation works for Proposed World Bank assisted Swajal Project (II).
- (ii) Implementation of Sector Reform Project, (New name Swajaldhara-II) 100% financed by GoI.
- (iii) Implementation of TSC collectively financed by GoI and GoUA.
- (iv) Implementation of Swajaldhara programme financed by GoI.
- (v) Management of Communication & Capacity Development Unit (CCDU), financed by GoI.

**Society's Governance Philosophy:**

The essential character of Swajal revolves around values based on transparency, integrity, professionalism and accountability. Swajal is all about:

- Working towards sustainable development
- Helping people to help themselves;
- Making WATSAN management PRIs concern; and
- Choice and voice of the people.

**The Management Structure**

There are three Committees in this society to provide policy guidance and to monitor physical and financial performance and management of the rural water supply and sanitation projects/programmes under the aegis of the State Water and Sanitation Mission (SWSM). The Apex Committee known as General Body (GB) is headed by the Chief Secretary and comprises seventeen members. Executive Committee (EC) has ten members in all and the Chief Secretary of GoUA is the chairman of the EC. Apart from the GB and EC, there is also a Finance Committee (FC) under the chairmanship of the Secretary, Drinking Water (GoUA) to manage the routine affairs of the SWSM. During the year 2005-06 Mr M. Ramchandran, Chief Secretary and Mr. B.P. Pandey Secretary, Drinking Water presided over the management committee meetings as Chairman and Vice -Chairman respectively.

The Chairman, Vice Chairman and hon'ble members of FC, EC and GB gave effective guidance and directions for expeditious, implementation of the projects/ programmes undertaken by this society. The GB and EC members of the society met once during F.Y. 2005-06 to provide overall policy guidance and to monitor physical and financial performance of various projects/ programmes being executed under the aegis of this society. The FC members met four times in the F.Y 2005-2006 to steer activities and ensure management of the society.

The project/programme wise progress is presented below:

**World Bank Assisted Swajal-II Project**

The Swajal Project that closed in 2003 has been favorably received by the participating communities, and earned praise of sector specialists from other parts of India and the world. It also received satisfactory performance ratings in the Implementation Completion Report (ICR). Demonstrated success of Swajal-I led the GoUA to scale up the reforms by adopting a consistent policy for rural water supply and sanitation (RWSS) service delivery statewide and sector-wide. The World Bank expressed its willingness in the year 2004 to support Medium-

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Term Development Programme (MTDP) of GoUA for the rural water supply and sanitation sector. Since then the preparation of the follow-on project of Swajal-I is underway.

The proposed project envisages to improve the effectiveness of RWSS services through decentralization and increased role of PRIs and local communities in the State. The project is also expected to bring associated benefits including improved health from reduced water borne diseases.

Since inception of the project preparation, 14 Missions from the World Bank visited the project area for discussions with policy makes and other stakeholders and also for review of the progress of project preparation activities. Six World Bank Missions visited the State in the Financial Year 2005-06 to (i) better understand the ground realities by visiting the villages, (ii) discuss the feasibility of the State compliance with the World Bank revised guidelines, (iii) agree on the scope and size of Bank Support and (iv) agree on details of the project design, components, and implementing arrangements.

Mr. Michael Carter, Country Director, the World Bank along with his team had long ranging discussions with the Honourable Chief Minister of the State in adopting a consistent policy for Sector Wide Approach (SWAp) for new Multi-Village Scheme (MVS) investments.

Nineteen studies which were earlier taken up as part of project preparation activities were finalized during this year. The Consultants of the studies were guided by several rounds of Review Committee meetings. Workshops of Gram Panchayat, Block Panchayat and Zila Panchayat were organized to seek their opinion. As these studies are funded under PHRD Grant, therefore reimbursement claims were submitted to the GoI for necessary action at their end. All the operational expenses of this society are being met by the State Government.

During Financial Year 2005-06, an amount of Rs. 686.99 lakh was available against which an expenditure of Rs. 480.44 lakh was incurred. This expenditure included Rs. 291.87 lakh and Rs. 188.57 lakh towards operational cost of the PMU and Studies cost respectively.

The GoUA took major policy decisions during this year and issued its sector policy in a series of government orders which include:

- (i) District level institutional arrangements for the implementation of GoI/State Government/externally aided projects adopting the SWAp in RWSS Sector - dated May 31<sup>st</sup>, 2005
- (ii) Apex level institutional arrangements for adoption of SWAp in RWSS Sector - dated May 31<sup>st</sup>, 2005
- (iii) Adoption of Sector Reform Principles in RWSS Sector - dated December 5<sup>th</sup>, 2005
- (iv) Adoption of the Sector Wide Policy for the RWSS Sector - dated March 25<sup>th</sup>, 2006

- (v) Establishing cells within Uttaranchal Peyjal Nigam (UJN) and Uttaranchal Jal Sansthan (UJS) for implementing reforms in the RWSS Sector under the Sector Wide Approach (SWAp) Program - dated March 25<sup>th</sup> , 2006
- (vi) Formation of SWSM Secretariat for World Bank Assisted rural water supply and sanitation program -dated March 25<sup>th</sup> , 2006
- (vii) Formation of Four new DPMUs under the PMU, Swajal Project - dated March 27<sup>th</sup> 2006.

It is heartening to note that the Project Management Unit was greatly benefited by the proactiveness of the State Government. The efforts of all the Stakeholders culminated in reaching the final stage of the project preparation- 'Negotiations' at New Delhi during April 3-5, 2006. It is hoped that the Financial Agreement and Project Agreement will be signed in the F.Y. 2006-07.

### **Sector Reform Project (Swajaldhara II), Haridwar**

Reforms in the rural drinking water supply sector were adopted in 1999 in the country and Pilot Project were take-up in 67 districts across the country. In Uttaranchal, Haridwar district



was selected by the GoI to implement the Sector Reform Project in the Financial Year 2001-02. However actual release of funds was done in the financial year, 2002-03. This project was launched by the Honourable Chief Minister of the State in April, 2002. The basic principles of the project are demand driven approach, capital cost sharing by communities and 100% O&M by communities.

The implementation works were executed in 89 GPs and 02 Van Panchayat for 103 water supply schemes. Out of total 103 schemes, 77 and 26 water supply schemes were completed during F.Y. 2004-05 and F.Y. 2005-06 respectively. During F.Y. 2005-06, Rs. 426.84 lakh have been spent. The cumulative expenditure till March 2006 is Rs. 1760.96 lakh. It will not be out of place to mention here that the village communities and GPs of these villages are the real heroes who have proved that community driven approach is feasible. The new name of Sector Reform Project is Swajaldhara-II.

In addition to the above, the GoUA also financed the implementation of two water supply schemes in forest rehabilitation villages-Gujjar Basti and Pathri Basti at an estimated cost of Rs.46 lakhs. During F.Y. 2005-06, Rs. 29.52 was spent in the construction of two water supply schemes. The implementation works are under progress.

### **Swajaldhara-I**

Swajaldhara has been initiated by GoI in December, 2002 across the country based on the principles of demand responsive approach and community participation. The fundamental

principle of Swajaldhara includes (i) adoption of a demand-responsive, adaptable approach along with community participation based on empowerment of villagers to ensure their full participation in the project through a decision making role in the choice of the drinking water scheme, planning, design,



implementation, control of finances and management arrangements, (ii) full ownership of drinking water assets with appropriate levels of Panchayats, (iii) panchayats / communities to have the powers to plan, implement, operate, maintain and manage all Water Supply and Sanitation schemes, (iv) partial capital cost sharing either in cash or kind including labour or both, 100% responsibility of operation and maintenance (O&M) by the users, (v) shifting the role of Government from direct service delivery to that of planning, policy formulation, monitoring and evaluation, and partial financial support.

The GoUA took the decision to implement this programme through three implementing agencies - (i) PMU, (ii) UJS and (iii) UJN. The rationale for this decision was that the Sector Institutions will also gain the experience of implementing demand driven approach based water supply schemes. The First Batch of 19 water supply schemes was started in the F.Y. 2003-04. During F.Y. 2005-06, 43 new water supply schemes were selected. Thus during F.Y. 2005-06, total 62 water supply schemes were under execution. Out of total 62 water supply schemes, 01 and 14 water supply schemes were completed during F.Y. 2004-05 and 2005-06 respectively. Rs. 78.88 lakh and Rs. 165.30 lakh were spent during F.Y. 2004-05 and F.Y. 2005-06 respectively on these schemes. The cumulative expenditure till March 2006 is Rs. 244.18 lakh. Here again the credit goes to the village communities and GPs.

### **Total Sanitation Campaign**

Total Sanitation Campaign (TSC) is a vehicle of reforms in the rural sanitation sector. This campaign has been launched by the GoI with the objective of improving the quality of life of rural people and to provide privacy and dignity to women. This campaign is a demand responsive community led campaign. The funding partners are GoI, GoUA and rural communities.

TSC is currently being implemented in all the districts of the State through three implementing agencies PMU, UJS and UJN. The GoI has so far approved projects aggregating

to Rs. 52.53 crores. TSC components include construction of Individual Household Latrines, Community Sanitary Complexes and School Toilets.

TSC is mainly based on communication, which involves efforts to disseminate sanitation related messages through Information Education & Communication (IEC) activities at the GP, Block Panchayat and Zilla Panchayat Level. TSC discourages subsidies, and focuses on community level incentives. Under this campaign, Rs. 500/ per unit is admissible as subsidy to BPL households on construction of individual household latrines.

Despite all odds, TSC has made steady and remarkable progress in the State. This is provided by the fact that a humble beginning of construction of 6503 individual household latrines in the F.Y. 2003-04,



leading to around 54,000 individual household latrines during the F.Y. 2005-06. The cumulative progress of construction of individual household latrines is around 92,000 at the end of F.Y., 2005-06. Against available funds during the year amounting to Rs. 739.11, an expenditure amounting to Rs. 240.07 lakh was incurred in this particular year. The cumulative expenditure since the launch of the campaign is Rs. 420.63 lakh.

Another outstanding achievement under TSC has been the receipt of Nirmal Gram Puraskar to 13 Gram Panchayats of the State. The Nirmal Gram Puraskar was awarded to these 13 GPs, on 23<sup>rd</sup> March, 2006 by His Excellency Dr. A. P. J. Abdul Kalam, President of India.

### **Communication and Capacity Development Unit (CCDU)**

The Department of Water Supply, Ministry of Rural Development, GoI financed the State Government up to 2003-04 to establish Human Resource Development (HRD) Cell and Information Education & Communication (IEC) Cell. The objective for establishing HRD cell was to bring reforms in the WATSAN Sector through training and capacity level building of Communities, Panchayats and Sector Professionals. The objective of IEC cell was to create awareness and demand generation regarding safe and sustainable health and hygiene practices among the rural masses. The GoI restructured the above cells in the year 2004-05 and renamed as **Communication and Capacity Development Unit**.

The CCDU aims at enhancing community participation and demand generation through development of strategies with effective combination of mass media and interpersonal communication for different stakeholders. The unit also aims towards capacity development of grass root level workers, PRIs, NGOs and other stakeholders.

Various workshops at Block, District and State level were organized to build the capacity of the PRIs and rural communities. In addition, a delegation of nine Zilla Panchayat



Chairmen was taken on Cross Visit to Kerala to understand the functioning of PRIs for the implementation of demand-driven water supply and sanitation projects. An expenditure amounting to Rs. 7.41 lakh was incurred during the year against available funds amounting to Rs. 119.13 lakh.

**Financial Status of on-going Programmes:**

The annual audited accounts and balance sheet of this society for the F.Y. 2005-06 are placed as Annexure-6A. This balance sheet presents the financial transactions relating to operational expenses of PMU and DPMUs as well as the expenses incurred against PHRD grant. The Annexure-6B shows the financial transaction of CCDU. The expenses relating to TSC and Swajaldhara Programme are not included in this balance sheet as these programmes are district based programmes and the PMU is only a monitoring agency.

**Auditor's Report:**

The 29<sup>th</sup> Finance Committee vide Agenda item No. FC 29:05 had given the approval for appointing M/s M.K. Goswami & Co., Chartered Accountants, 4/8 Asaf Ali Road, First Floor, New Delhi as Auditors for PMU for F.Y. 2005-06. The firm has completed the audit work for F.Y. 2005-06. The Auditor's Report does not contain any qualifications.

**Acknowledgement:**

The PMU/SWSM thanks the GoI and GoUA authorities and the World Bank Mission members for their continued co-operation and support to the society. The PMU also acknowledges the valuable contribution made by the staff of the PMU and DPMUs.

(Gambhir Singh)  
Director

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