

भारत सरकार
पेय जल एवं स्वच्छता मंत्रालय
पर्यावरण भवन, बी-8वीं, 9वीं एवं 12वीं मंजिल
सी.जी.ओ. कॉम्प्लैक्स, लोधी रोड,
नई दिल्ली-110003
डब्ल्यू-11031/02/2014/आरडब्ल्यूएसएसपी-एलआईएस
दिनांक: 8जून, 2015

सेवा में,

ग्रामीण जल आपूर्ति के
प्रभारी सचिव/प्रधान सचिव,
असम, बिहार, झारखंड और उत्तर प्रदेश सरकार

विषय: अप्रैल-मई, 2015 में हुए आरडब्ल्यूएसएसपी-एलआईएस (एनएनपी) के रिव्यू मिशन के पत्र पर एटीआर।

यह अप्रैल-मई, 2015 माह में विभिन्न राज्यों में हुए आरडब्ल्यूएसएसपी-एलआईएस (एनएनपी) के रिव्यू मिशन के संदर्भ में हैं।

रिव्यू मिशन द्वारा प्रकाश में लाए गए कुछ महत्वपूर्ण मुद्दे इस प्रकार हैं:-

- संविदित कार्यान्वयन अनुसूची को बनाए रखने के लिए शेष बैच 1 एमवीएस और एसवीएस कॉन्ट्रैक्ट 31 अगस्त, 2015 तक पुरस्कृत किए जाने हैं।
- सभी राज्यों के लिए क्षमता निर्माण और आईईसी योजनाओं को अंतिम रूप दिया जाएगा और फर्मा को 31 जुलाई, 2015 तक आईईसी गतिविधियों के लिए हायर किया जाएगा।
- स्वच्छता जिला संसाधन दलों और उत्प्रेरकों की 31 जुलाई, 2015 तक स्थापना कर प्रशिक्षण दिया जाएगा।
- निगरानी और मूल्यांकन सॉफ्टवेयर एसपीएमयू में रखा जाना है बेसलाइन डाटा को 31 अगस्त, 2015 तक पूरा करना है।

इसके अतिरिक्त मुख्य विचार और संविदित कार्यों के पत्र का अनुलग्नक में उल्लेख किया गया है। इस संबंध में राज्य सरकार को पर्याप्त कारवाई करनी है।

राज्यों को तदनुसार 26 जून, 2015 तक उपर्युक्त मुद्दों पर एटीआर/कार्य योजना प्रस्तुत करने का अनुरोध किया गया है।

भवदीय

(राजेश कुमार)
परियोजना निदेशक, एनपीएमयू
और निदेशक (जल)

Rural Water Supply and Sanitation Project for Low-Income States
NEER NIRMAL PARIYOJANA - Assam, Bihar, Jharkhand and Uttar Pradesh

Third Implementation Support Mission,
April 06 – May07, 2015
Aide-Memoire

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I. INTRODUCTION

1. The third Implementation Support Mission¹ for the Rural Water Supply and Sanitation Project for Low Income States (RWSSP-LIS) – Neer Nirmal Pariyojana (NNP) was carried out from April 06 to May 07, 2015. The main purpose of the mission was to review the project implementation progress across all four states and the Ministry of Drinking Water and Sanitation (MoDWS). Field visits were undertaken to review progress in all four states². The mission reviewed the progress and agreed on a set of time-bound actions to improve implementation performance.

2. The NNP was approved on December 30, 2013 and became effective on April 8, 2014. The Project supports the MoDWS through a special window of assistance for States lagging in piped water supply and sanitation. The Phase I of the program covers the States of Assam, Bihar, Jharkhand and Uttar Pradesh (UP). The project development objective is to improve piped water supply and sanitation services for selected rural communities in the target States through decentralized delivery systems and to increase the capacity of the participating States to respond promptly and effectively to an eligible crisis or emergency. The Project aims to implement context-specific institutional and service delivery models, following a conjoint approach for saturating each village with water supply, sanitation, and solid liquid waste management (SLWM). The project interventions are expected to directly benefit about 7.8 million rural people, including about 3.8 million female beneficiaries.

3. This aide memoire summarizes the main mission findings. The key recommendations were discussed at wrap-up meetings with the Finance Secretary Assam, the Principal Secretary Bihar, the Principal Secretary UP, and the Chief Secretary, Jharkhand. The project progress was also discussed with the Joint Secretary Water, MoDWS and Director DEA. The mission would like to thank the MoDWS and officials of the four states, including the State Project Management Units (SPMUs) and National Project Management Unit (NPMU), for their excellent collaboration and the courtesies extended to the mission. The full list of key persons met is attached as Annex 6.

II. KEY PROJECT DATA

Key Project Data		Current Ratings and Flags	
Board Date	<i>Dec 30, 2013</i>		
Effectiveness Date	<i>Apr 8, 2014</i>	Development Objectives	<i>Satisfactory</i>
Closing Date	<i>Mar 31, 2020</i>	Implementation Progress	<i>Moderately Satisfactory</i>
Credit Amount eq. in USD	<i>USD 500 million</i>	Other Problem Flags	None
Amount Disbursed	<i>USD 3.93 million</i>		
% Disbursed	<i>0.85%</i>		
Claims under processing	<i>USD 5.5 million</i>		

¹Smita Misra (TTL-Mission Leader, GWADR), Papiya Bhattacharji (Sr. Financial Management Specialist, GGODR), Rajesh Balasubramanian (Sr. Infrastructure Specialist, GWADR), Shyamal Sarkar (Water & Sanitation Consultant, GWADR), P. K. Kurian (Water & Sanitation Consultant, GWADR), Parimal Sadaphal (Environment Consultant, GENDR), Swati Gamaliel (Procurement Consultant, GGODR), Surbhi Dhingra Singh (Social Development Consultant, GSURR), Joep Verhagen (Senior Water and Sanitation Specialist, GWASS), Mariappa Kullappa (Senior Water and Sanitation Specialist, GWASS), Suseel Samuel (Water and Sanitation Specialist, GWASS), Venkatesh (State Sanitation Coordinator, Assam), V. Vikramaditya (Technical Consultant, GWADR), Charu Jain Kalia (Technical Consultant, GWADR), Satyanarayana Pallagani (Technical Consultant, GWADR), Asha Bhagat (Financial Management Consultant, GGODR), Sunita Singh (Program Assistant, GWADR).

² Districts visited by the mission include: Kamrup, Jorhat (Assam), West Champaran, Begusarai (Bihar), Gonda, (UP), E. Singhbhum, (Jharkhand).

III. PROJECT ACHIEVEMENTS

4. *Key achievements:* There has been significant progress since the last mission. The key achievements are presented below.

(i) Project Management Units (PMUs): All State PMUs are established and fully functional. The District Project Management Units (DPMUs) are established in UP and Jharkhand, and under process in Assam and Bihar. Three out of nine positions for the NPMU have been filled, as per GoI directive. Full time Project Director has yet to be posted.

(ii) Water & Sanitation Committees: The Government Orders (GOs) have been issued with respect to the constitution of the Gram Panchayat Water and Sanitation Committees (GP-WSCs) at the village level and the Multi-village level (MVS-WSCs), in accordance with PRI Act in each state. These committees are being established for Batch I Schemes, along with GP-WSC accounts being opened for capital cost contributions.

(iii) Capacity Building and Training Activities: A number of capacity building and training programs have been launched by the SPMUs to build capacity of the newly formed DPMUs and the Gram Panchayats under Batch I villages.

(iv) Lead Training Agencies (LTAs): Lead Training Agencies are established in Assam and UP, and Capacity Building Cells (Capcells) are under process in Bihar and Jharkhand.

(v) Award of Schemes: Nine MVSs and 44 SVS worth an impressive **Rs 1160 crores (USD 193 million)** have been awarded in Assam, Bihar, Jharkhand, and UP. Tendering process is underway for the remaining MVSs and SVS under Batch I. The schemes will be implemented under various models, including Design-Build-Operate-Transfer (DBOT) and Build-Operate-Transfer (BOT), with strong features of decentralization and community management for improved and sustainable services.

(vi) Sanitation Program: Project has launched IEC programs and initiated the formation of District Resource Groups. Project is supporting SBM cells, including hiring of Sanitation Specialists at the State and district levels to support implementation of the SBM program.

(vii) M&E System: The M&E system was launched at an International Workshop and is housed at the respective SPMUs. The key features include real-time, web-based, and geo-tagged data, for capturing all aspects of scheme design, implementation and O&M, with a focus on service delivery and grievance redressal systems.

(viii) Impact Evaluation: Impact Evaluation program has been conceptualized to capture impacts at various stages of project implementation.

IV. COMPONENT-WISE IMPLEMENTATION PROGRESS

5. *Overall Status.* All SPMUs are fully functional for implementing the project activities. The DPMUs and the Support Organizations (SOs) are established in UP and Jharkhand and are in the final stages of hiring in Assam and Bihar. Capacity Building programs have been initiated for the SPMUs, DPMUs, SOs, GPs, GP-WSCs, MVS-WSCs and related State and district functionaries. Information, Education and Communication (IEC) programs for sanitation have been initiated in all Batch I districts in co-ordination with SBM counterparts, including support for setting up the State and district sanitation

cells. The Lead Training Agencies have been contracted in Assam and UP and under process in Bihar and Jharkhand. Nine MVSs and 44 SVSs have been awarded, including three Design-Build-Operate (DBO) MVS contracts for the first time in India, totaling an impressive USD 193million, and remaining MVSs to be awarded by July 31, 2015. *There is significant progress in the award of MVSs since the previous mission, with 83.1% signed commitments. However, the expenditure incurred so far does not reflect the procurement performance due to delays in payment of the mobilization advance to contractors in Assam and Jharkhand and subsequent delays in the submission of detailed designs under the DBOT contracts.* Currently, bids for 289 SVSs are either under evaluation (150 SVSs) or going through the bidding process (140 SVSs), which is a significant improvement since the previous mission. Bids are yet to be invited for SVSs in Bihar, as DPRs are awaiting approval from the State Empowered Committee and the State Level Scheme Sanctioning Committee (SLSSC, MoDWS). While there has been significant progress in all activities since the last mission, the tendering process of SVS has been below expectations, mainly due to poor response from local contractors. The project also needs to improve the district level ownership and responsibilities, including co-ordination with the technical departments. The mission is concerned about the inadequate fund flow from the State to the SPMUs for the project activities, especially in Assam and Jharkhand. This has severely impacted the payment of the 10% mobilization advances to the contractors for MVSs already awarded in Assam and Jharkhand. However, given the overall good progress in the implementation activities, the project implementation continues to be rated as ‘moderately satisfactory’.

V. COMPONENT A – CAPACITY BUILDING AND SECTOR DEVELOPMENT

6. *Orientation Programs:* The Bank team carried out a number of workshops on the project, policies and processes, for orienting the state and district officials. An intensive three day Training of Trainers (ToT) was provided to the combined DPMU and DPMC in Jharkhand. The Bank Team also supported a three day ToT for the Lead Training Agency (LTA) in Assam. In addition a number of ‘twinning workshops’ were organized with counterparts of Uttarakhand RWSS Project, for ‘practioner to practioner’ level trainings. The LTA team of UP comprising 30 resource persons attended a ToT module at the Uttarakhand Academy of Administration, Nainital, during 9-19 February 2015. Similar ToTs are being planned for the LTAs of Assam, Jharkhand and Bihar. Such orientation and training programs have helped in building capacity of the concerned officials in designing, implementing and managing the project related activities.

7. *International Experience Sharing Workshop on Monitoring and Evaluation:* An international experience sharing workshop on Monitoring and Evaluation was organized jointly by MoDWS and the World Bank. Experiences in monitoring and evaluation systems were presented by Uttarakhand (Sector Information System under Uttarakhand RWSS Project) and Kerala (Jalanidhi Information Management System), along with international experiences from Central America, Brazil, Vietnam and Uganda. The M&E system for the Project (Neer Nirmal Pariyojana -NNP) was launched by Secretary, MoDWS. The States of UP, Jharkhand and Bihar made a joint presentation of their experience in using the M&E software.

8. *National Workshop on Solid Liquid Waste Management:* A National Workshop on SLWM was organized jointly by MoDWS and World Bank on April 21, 2015, to facilitate sharing of experiences in innovative technologies and practices in solid and liquid waste management from across the world, including Indian grassroots level. The workshop had participants from 26 States and presentations from 13 States of India. International experts from China, Sri Lanka, Zambia and Indonesia, shared their experience of using different technologies for SLWM. Major themes of the workshop included Solid Waste (rapid composting of household kitchen waste, plastic recycling for road asphaltting, charcoal briquetting using agricultural waste) Liquid Waste (phytorid treatment systems, sewerage solutions, treatment of waste water with root zone treatment, urinal linked bio-gas plants, liquid waste treatment

through pond management, innovated soak pits) and other models of Integrated Solution for Solid and Liquid Waste.

9. Lead Training Agencies: The Mission is happy to note that the States of UP and Assam have selected their respective Lead Training Agencies (LTAs). Three models are emerging for capacity building program under NNP. UP has contracted SIRD, a Government of UP (GoUP) institution, while Assam has contracted Don Bosco Institute (DBI), a private academic-cum-training institution with substantial experience in supporting governmental programs such as Sarva Siksha Abhiyan (SSA) and Rashtriya Madhyamik Siksha Abhiyan (RMSA). The States of Jharkhand and Bihar now propose to establish Capacity Building Cells (CapCells) for NNP at their respective training divisions of PHED/DDWS. Bihar proposes to develop PRANJAL, the training division of Bihar SWSM, PHED as the CapCell for NNP, while Jharkhand is negotiating with VISHWA of DDWS to establish the CapCell for NNP. The establishment of LTAs/ CapCells will also help in building capacity of these local institutions.

10. Capacity Building and Training Programs: The Mission appreciates the capacity building programs carried out in all four states. UP is now fully equipped to train communities and grassroots institutions as it has established Support Organizations (SOs) at the GP level. However, it is urgent for UP to train the SO teams on the NNP activities. An impressive 122 programs have been conducted by NNP states during the last six months, and a total of 3904 persons have been trained in various aspects of the NNP project. Following are the next steps: (a) *Preparing CB Action Plan for Batch I.* All SPMUs and DPMUs to prepare a detailed CB action plan for GPs under Batch I, where schemes have been awarded / going to be awarded shortly, by June 30, 2015; (b) *Sensitization of GPs.*

Name of State	No. of CB programs Nov to April 2015	No. of Persons Trained
Assam	53	676
Bihar	6	432
Jharkhand	13	371
UP	50	2425
Total	122	3904

Where implementation of Batch-I SVSs and MVSs have commenced, the CB program and sensitization of the GP-WSCs and MVS-WSCs are a priority, especially with regard to the pre-planning and planning phase deliverables, with outputs to be reported on a monthly basis; (c) *Preparing CB activities under TDP:* Jharkhand SPMU to finalize CB programs for the TDP sub-component by June 30, 2015; (d) *Identifying NNP Resource Persons:* All SPMUs to identify resource persons and train them on WSS and NNP activities; (e) *Identifying Resource Persons at GP level:* All SPMUs to list the social and human capital available at the village / tola/ GP level, in order to use such resources during the sanitation campaign.

11. IEC Programs: The State of UP has hired M/S Span communications to conduct study on IEC requirements and design a State level IEC program. States of Assam, Bihar and Jharkhand have finalized the ToR for hiring a State level Media agency for IEC programs. With the positioning of Support Organizations at the GP level, a more intensive IEC campaign needs to be planned and implemented. The State of Bihar has used its PHED machinery to undertake a reasonably good IEC campaign to support the grounding of NNP in the State. NPMU has not been able to take forward the proposal to procure a national Firm /consultant to design a national media campaign to support the RWSS activities, including SBM. This is now being subsumed under the respective State programs. The mission agreed that each State will hire firms by July 31, 2015, for carrying out the IEC and BCC programs.

12. Water & Sanitation Committees for SVS and MVS. Following is a status update on the State Government Orders (GOs):

- *GP-WSCs:* UP, Assam, Jharkhand and Bihar have issued GOs to establish GP-WSCs. Bihar has issued orders for the Panchayat level Public Works Committee (Lok Nirman Samiti) and Public Health Family Welfare and Rural Sanitation Committee, to act as the GP-WSC for implementing the NNP.

- *MVS-WSCs*: UP, Assam Jharkhand and Bihar have issued GOs to establish MVS-WSCs. The GOs issued by Jharkhand and Assam may require modifications to address the needs of the project at the MVS and the SVS level, including accommodating the Tribal complexities. Table 2 below compares the constitution of MVS-WSCs across the four NNP States.

Table 2: Constitution of MVS-WSCs

State& Functionaries	Assam	Bihar	Jharkhand	UP
Chairperson	ZP President	ZP Member nominated by ZPP/or BPP if single block MVS	Mukhya of the GP with highest HH connections	Elected from among the GP-WSC Presidents
V.Chairperson	CEO- ZP	NA	NA	NA
Member Secretary	EE-PHED	AE of PHED	Mukhya of the GP with second highest HH connections	Elected from among the GP Secretaries
Treasurer	NA	NA	Jal Sahiya nominated by the Chair person	NA
Members	1. All GP Presidents of the Project area 2. All Anchalik Panchayat Members of the Project Area 3. Two nominated representatives of NGOs/ SHGs/ Citizen Groups	1. All GP-WSC Presidents of the Project area 2. All Jeevika Samithi Presidents	1. All Mukhyas of participating GPs 2. All Up-Mukhyas of participating GPs 3. All Jal Sahiyas • 50% members to be women and one third of members to be from weaker sections	All GP-WSC Presidents
Date of issue of GO	November 21, 2014	March 13, 2015	September 20, 2013	November 05, 2014

The Mission agreed that the Institutional Development Specialist of Jharkhand SPMU will carry out a detailed case study of the functioning of the MVS-WSC with respect to modifications in the constitution and functions of the MVS-WSC, including the need for establishing a MVS Secretariat /cell, and making recommendations to the respective State Government. The recommendations for any modifications will be shared by Jharkhand SPMU with the Bank team, by June 30, 2015.

13. Monitoring & Evaluation (M&E) System: The project has developed a comprehensive M&E System capturing the processes, inputs and output indicators, along with addressing the service delivery issues related to water supply and sanitation. The M&E system was launched in Assam on January 31, 2015 by Hon'ble Minister of State for DWS, Mr. Ram Kripal Yadav. The M&E System for all four States was launched by Ms. Vijaylaxmi Joshi, Secretary MoDWS, at the International Experience Sharing Workshop on Monitoring and Evaluation held in Delhi on March 25, 2015. The mission agreed that the M&E software, which is already functional and being used by all four States, will be housed at the respective SPMUs. The mission is pleased to note that there is huge demand for this comprehensive M&E software from other states, including Punjab and Maharashtra. In addition, the states are also required to fill the updates on financial and output indicators in the IMIS software developed by MoDWS.

14. Baseline Survey: The Mission appreciates the significant progress by Bihar in taking the baseline survey forward in the Batch-1GPs. Out of a total of 17,075 survey of households so far, Bihar accounts for 89% of the achievement. SPMUs may pursue the procurement of Tablets for gathering the baseline data. The mission agreed that the baseline data will be made available on the web/online by August 31, 2015. The

States	Household	Habitation	Institution	GP
UP	596	12	14	10
Bihar	15,183	00	06	00
Jharkhand	1088	11	02	06
Assam	208	03	15	03
Aggregate Achievements	17,075	26	37	19

States may enter into an Annual Maintenance and Software Modification Contract with an appropriate software support agency.

15. District-level Data on Project Web-site:The mission discussed the importance of district level ‘targets’ and ‘achievements’ to be displayed on the project web-sites. The project web-site will include specific pages on each district, including district Program Manager and officials responsible for the district programs and targets.

16. Technical Manual:The Technical Manual for the project states has been finalized through Bank executed DFID Trust Funds. The Manual is a dynamic document, providing guidance on the technical design of schemes, and can be updated periodically. The Technical Manual has been finalized, incorporating comments from the state officials.

17. Sector Studies and Programs: Mission reiterated that the following sector programs and studies need to be carried out: (i) IEC and BCC Programs by SPMUs; (ii) NNP Contract Management Consultancy by SPMUs; (iii) NNP Impact Evaluation Study by SPMUs; iv) RWSS Sector Assessments to identify priority policies and programs, by SPMUs. The SPMUs will finalize ToRs for above studies by July 31, 2015, and hire Consultants by September 30, 2015.

VI. COMPONENT B – INFRASTRUCTURE DEVELOPMENT

18. Project Interventions:This component (Cost USD 860 million, IDA contribution USD 430 million) includes investments required to improve RWSS services. Water Supply investments would be made in an integrated manner with source strengthening and catchment area management activities; Individual Household latrines (IHHL); Institutional toilets; Solid Liquid Waste Management (SLWM) activities; health and hygiene awareness programs; and community incentives for attaining ‘open defecation free status’. In addition pilot programs will include 24/7 water supply provision in select areas, and the introduction of new technologies, including the use of solar energy. The project will support the universal provision of household connections, meters for bulk water supply in all schemes, and the promotion of household meters, where appropriate. New investments in water supply are progressing and a brief account is given below.

19. Multi-Village Schemes:28 MVSs have been included in Batch-I with aggregate contract value / estimated cost of Rs 1306 crores (USD 218 million). Contracts for 9 MVSs with an aggregate value of Rs 1096crores (USD183million) have been awarded; bids are being evaluated for 17 MVSs with estimated cost/contract value of Rs 189 crores (USD 32 million); and bids have been invited for the remaining 2 MVSs. *Procurement performance for the MVSs since the previous mission is very good, with 83.1% signed commitments. However, the expenditure incurred so far does not reflect the procurement performance due to delays in payment of the mobilization advance to contractors in Assam and Jharkhand and delays in the submission of detailed designs under the DBOT contracts in Assam and Bihar.* Construction works are in progress in the 2 MVSs in UP. The Table below captures the status details of MVSs.

Table 4: Status Details of MVSs

States – MVSs	Total Schemes (S); Habitations (H)	Batch I Schemes (S) Habitations (H)	Estimated Cost (including O&M) Rs crores	Current Status (May 2015)	Next Steps
Jharkhand	66 (S); 1385 (H)	8 (S) 119 (H)	345	• Bids received for 5 MVSs, under evaluation process.	• 2 schemes under re-bidding and likely to be awarded by June 30,

				<ul style="list-style-type: none"> • 2 schemes under re-bidding as no bids received. • ICB contract awarded. 	<ul style="list-style-type: none"> • 2015. • ICB contract to be signed and 10% mobilization advance of Rs. 20 crores to be released by June 30, 2015.
Assam	7 (S); 5055 (H)	3 (S) 1974 (H)	687	<ul style="list-style-type: none"> • 2 Large MVS contracts signed and execution in progress. • 10% mobilization advance yet to be released by the state. Partial amount of Rs. 5.00 crores released for Kamrup contract against submission of partial amount BG of Rs 20.00 crores. Mobilization advance not released for Jorhat contract against the submission of BG of Rs. 26.00 crores (10% of Design-Build price) by the operator. • Hailakandi Large MVS, technical evaluation concluded. Complaint received under Hailakandi bidding process. 	<ul style="list-style-type: none"> • Mobilization advance likely to be released by the state for Jorhat and Kamrup contract. • State to carry out investigation on the complaint for Hailakandi scheme and respond to Bank, prior to going ahead with the process. • State will submit BER to the Bank for its no objection for Hailakandi scheme after concluding Technical and Technical-Financial Evaluation.
Bihar	14 (S); 1130 (H)	4 (S) 146 (H)	273	<ul style="list-style-type: none"> • 4 MVS contracts signed. • 10% mobilization advance released. • Contract execution in progress. 	<ul style="list-style-type: none"> • Day-to-day contract administration and supervision of milestones by DPMU.
Uttar Pradesh	32 (S); 930 (H)	13 (S) 383 (H)	46	<ul style="list-style-type: none"> • 2 Small MVS contracts signed (Palpurin in Allahabad district and Karamdeeh Kalan in Gonda district). • 11 Small MVS are under 4th round of re-bidding process. 	<ul style="list-style-type: none"> • For 11 Small MVS, the last date for online submission of bids is May 6, 2015. • The likely date for online opening of technical-financial bids will be around May 25, 2015. • All contracts likely to be awarded by June 10, 2015.
Total	119 (S) 8500 (H)	28 (S) 2622 (H)	1351		

20. Single-Village Schemes: Bihar, Jharkhand and UP are implementing SVSs. 698 SVSs are included in Batch-I, of which contracts were signed for 44 in UP. *Currently, bids for 289 SVSs are either under evaluation (150 SVSs) or going through the bidding process (139 SVSs), which is a significant improvement since the previous mission.* Bids are yet to be invited for SVSs in Bihar. The mission expects that the procurement of contracts for SVSs will improve soon, and all contracts for SVSs may be in place by June 30, 2015. The Table below shows the details of SVSs.

Table 5: Status Details of SVSs

States – SVSs	Total Number of Schemes (S); Total Number of Habitations (H)	Batch I Schemes (S) and Habitations (H)	Current Status as of May 2015	Next Steps
Jharkhand	657 (S) 1,822 (H)	326 (S) 766 (H)	<ul style="list-style-type: none"> • Out of 326 SVS, 50 SVS are cleared by SLSSC. • For 181 SVS technical sanction has been received. • 241 DPRs prepared. • Out of 218 SVS, 142 are under bidding process; and bids received in 114 SVS. 	<ul style="list-style-type: none"> • Out of 326 SVS, SLSSC clearances awaited for 248 SVS. • For 85 SVS DPRs under preparation • All SVS likely to be awarded by July 31, 2015.
Uttar Pradesh	706 (S); 4419 (H)	220 (S) 1300(H)	<ul style="list-style-type: none"> • 44 SVS contracts awarded (Allahabad-16, Gonda-15, Bahraich-5, Gorakhpur-4, & Kushinagar- 4) in 1st & 2nd round of bidding process. • Contract execution started 	<ul style="list-style-type: none"> • All 36 contracts likely to be awarded by June 30, 2015. • All 140 contracts likely to be awarded by June 30, 2015.

States – SVSs	Total Number of Schemes (S); Total Number of Habitations (H)	Batch I Schemes (S) and Habitations (H)	Current Status as of May 2015	Next Steps
			<p>under 16 SVS in 3 districts (Allahabad-5, Gonda-9, Bahraich-2).</p> <ul style="list-style-type: none"> • Mobilization advance released for 15 SVS contracts awarded in Gonda districts. • Additional 36 SVS contracts in 9 districts are under technical & technical-financial evaluation process after 3rd round of bidding process. • Remaining 139 SVS are under 4th round of re-bidding process. 	
Bihar	316 (S); 1520 (H)	152 (S) 555(H)	<ul style="list-style-type: none"> • Out of 152 SVS, SLSSC cleared 133 SVS. • 3 SVS has been dropped. • Remaining 16 SVS, DPRs are under revision. • For 133 SVS, State Empowered Committee and Cabinet clearance awaited for bidding. 	<ul style="list-style-type: none"> • 16 SVS DPRs likely to be prepared and cleared by SLSSC in May 2015. • 133 SVS likely to be cleared by State Empowered Committee and Cabinet by June 30 2015. • NIT for 133 SVS likely to be advertised by May 31, 2015 and likely to be awarded by June 30, 2015. • 16 SVS likely to be bid by May 31, 2015 and to be awarded by July 15, 2015.
Total	1651 (S); 7761 (H)	698 (S) 2621(H)		

21. Sanitation: Sanitation round-table meetings were held in the four NNP States during the current Mission. WSP team discussed the support to SBM, including SBM strategy and guidelines. Uttarakhand shared its sanitation success story with UP and Assam. Another key event was the SLWM Workshop organized by MoDWS in Delhi on April 21, 2015. This workshop was co-hosted by the World Bank and facilitated four international presentations on SLWM experiences. Ms. Isabel Blackett (WSP) presented the SLWM good practices from East Asia, during the mission in Lucknow (UP) and Patna (Bihar). Key achievements are the following:

- SPMUs have launched a number of IEC programs, targeting rural communities for behavior change;
- UP has prepared broad guidelines for SLWM activities;
- State Sanitation Cells are coordinating with international agencies, including UNICEF, GSF, WaterAid, WSP, for specific spatial and thematic areas of support.

22. Concerns in Sanitation include availability of funds (Jharkhand has received Rs. 23 crores after a gap of four years), coordination among the key players and international agencies at the State and district levels, and avoiding duplication of work among them. Based on Sanitation workshops during the mission, it was agreed that the State coordinators for SBM will identify specific targets for each agency. States also need to acquire capacity and experience in scientific understanding of SLWM issues and prepare projects accordingly, departing from the conventional mode of focusing on construction without addressing the service delivery requirements.

23. WSP has completed formative research for Bihar and Jharkhand and is organizing communication strategy workshops in Bihar and Jharkhand. WSP has also launched ‘formative research studies’ for UP, and Assam, to support the preparation of the State communication strategies. WSP will support the sanitation activities under the project through: (i) State and select district level Workshops on

Communication Tools and IEC Programs; (ii) Formative Research for identifying specific “triggers” for different socio-cultural groups.

24. Key decisions emerging from the Mission:

- Software activities, including IEC for behavior change will precede all construction activities. All IEC programs will be undertaken through NNP funds for the entire project district, dovetailing SBM funds as appropriate, and ensuring no duplication of interventions.
- Construction of IHHLs will be funded by SBM-G, while SLWM assets will be constructed dovetailing SBM-G funds with NNP funds. The SPMUs will prepare guidelines for sanitation activities and modalities for sharing of funds.
- Districts are identified for fast-tracking the SBM-G in the NNP States as learning pilots. UP: Gonda and Bahraich; Bihar: Saran, Nalanda, Munger and Banka; Assam: Kamrup Metro; and Jharkhand: Khunti.
- SPMUs will constitute a technical learning group consisting of Environmental and Technical Specialists, to prepare sample SLWM plans for selected villages. The first pilot plan will be prepared for a selected GP in Bihar in June/July, 2015, through a learning workshop.

25. Technical Aspects: The mission reviewed the technical aspects. The critical issues which need urgent and comprehensive attention of the States and implementing agencies are summarized below:

(i) Understanding of DBOT Contract Management: The mission noted that lack of experience with the DBOT contract and its implementation is posing an impediment to move into speedy execution of the contracts. Professional guidance on the contract clauses and their operation, technical and legal issues and dispute resolution is needed for the engineers. Assam, Bihar and Jharkhand may consider hiring a Contract Management Specialist (Construction Supervisor) and organize workshops (2-3 days) to clarify the precise role of the owner’s engineers at every phase of progress, and thereafter continue providing guidance and build their confidence. Visit of the engineers to one or two DBOT contracts in progress in India or outside the country will also be useful. The ToR for Contract Management Specialist will be finalized by June 30, 2015 and hiring by July 31, 2015. Workshops on contract management will be organized in July 2015.

Empanelment of Contract Law Specialists whose services can be requisitioned at predetermined intervals to review compliance with the contract and to advise on claims or complaints occurring in performance of contracts, may also be considered for large MVSs like Jorhat, Kamrup and Hailakandi in Assam, and Chhota Govindpur – Baghera in Jharkhand. The Contract Law Specialist could also join the above mentioned workshop and deliberate on the legal issues and dispute resolution. Mission advised that ToR for Contract Law Specialist to be finalized by June 30, 2015, and hiring by July 31, 2015.

(ii) Developing Sustainable Water Sources - Water Quality and Quantity Checks: The mission requests every SPMU of the participating States to introduce a simple 'Check List' on the acceptability for development of water sources by recording the water quality, safe yield, and recommendation for source development. Duly filled check-list signed by the responsible engineer of the executing agency should be verified and maintained by the SPMU. These will be reviewed by the Bank’s Implementation Support Mission to obtain confirmation that the sources were developed with due care and attention to the quality and the quantity aspects. The check-list will be prepared by June 30, 2015 and shared with Bank for comments.

(iii) Bidding Document for Small DBOT Contracts: Given the delays in the bidding process for SVS in UP, mainly due to lack of responsive bids, the Bank is considering a simpler version of the NCB-BOT document for small contracts (value up to USD 100,000). The Mission shared with UPJN/SPMU a

working version of the new document. Based on information on the qualification of the bidders who have so far participated in UP (as a sample), qualification requirements for small contracts will be determined. This document will be shared with all participating States in due course.

(iv) Assessment of Support Required for Effective Implementation:The project is under implementation for more than one and a half years by the States. The Mission observed various weaknesses in (a) coordination between SPMU and the executing agency, and (b) issues related to institutional capacity and ownership. While a radical shift is needed in Jharkhand, changes in other States may also be necessary. The mission requested each state to assess the institutional arrangements and the support (DPMU, DPMC, SO, IVA, ICQS) being provided/envisaged by the Project for implementation of project activities, and prepare a comprehensive proposal identifying the changes required (including any additions) and citing justification for the changes to achieve effective results.

(v) Preparation of Batch II Water Supply Schemes:The DPRs for Batch-I water supply schemes have almost all been prepared and approval/ procurement/ implementation is in different stages of completion. The Mission encourages the states to prepare an approach paper to identify the SVS/MVS for Batch-II for review by the Bank by July 31, 2015.

26. Environmental Safeguards

(i) Staffing:There are delays in hiring of Environment staff at district level due to delays in establishment of the DPMUs, except in Jharkhand which has Environment personnel in 3 out of 5 DPMUs. The mission reiterated the importance of completing the recruitment of Environmental personnel in the DPMUs to support screening of schemes and improving quality of DPRs.

(ii) Capacity Building: While environmental aspects have been included in some general trainings held for various stakeholders, focused training on environment has yet to take off. This will improve the quality of environmental screening. Also, it is important to sensitize the Engineering personnel in all districts with the ESMF and environmental aspects, as these will be critical in project implementation. All SPMUs are advised to prepare detailed training plans consisting of a training calendar and a set of environmental training modules by June 30, 2015.

(iii) Environmental Management:Although environmental screening of Batch 1 schemes has been completed in all states, it has been observed that the quality of screening can be further improved. This is reflected by inaccurate scheme categorization, imprecise mitigation planning, etc. In some states, re-screening has been carried out on basis of recommendations of previous missions. Also, in some cases, technical sanction was given without ensuring accord of environmental clearances. The SPMUs are advised to take necessary steps to ensure that due procedures are followed with proper documentation. The Environmental Specialists in each SPMU are advised to maintain a dynamic record of schemes under various stages of screening and update the same on a weekly basis, to support and manage environmental activities in all project areas.

27. Water Quality Issues:The mission noted that a number of districts / blocks across states have water quality issues such as presence of iron, arsenic or fluoride in the ground water. Mission advises more stringent water quality monitoring in these districts / blocks, particularly if the water source happens to be based on ground water. Also, it is recommended that in respect of all sources identified for a scheme, a source-sustainability and water quality report be prepared beforehand and to the extent possible, both reports be annexed in the bid document. To enable uniform screening and environmental management procedures across all states, the Bank has developed a Manual on Environmental Operational Procedures that can be adopted by the states. The Environment Specialists from the respective states will be oriented in the usage of this document and can in turn train the respective DPMU staff and Engineers.

28. Social Development Aspects: The mission reiterated the need for identifying issues related to inclusion, participation and transparency, and address these through project policies, programs and

institutional arrangements, including capacity building and training programs for the Batch-I GPs. Mission is pleased to note that dedicated persons are in place in all SPMUs to head the activity on social management and tribal welfare. The mission emphasized the need to simultaneously begin work on preparation of relevant training modules, as well as framing of a training calendar on Social Safeguards/Management, particularly for district level staff, including technical personnel such as EEs, AEs, JEs, and village level GP functionaries. As all the four states are distinct from the point of view of social development, gender indicators and cultural contexts, mission suggests that SPMU should design targeted interventions to successfully achieve the saturation strategy for water supply and sanitation. The mission emphasized the need for developing a detailed Tribal Development Plan. Further, mission suggests that SPMUs develop a Gender Matrix with specific Social Development Indicators for monitoring implementation progress. The mission reiterated the need for preparation of training modules with the help of LTAs, including building synergies with other line departments such as Health, Education, Rural Development and Social Welfare, to jointly take forward the IEC and training activities. Mission agreed: (i) all SPMUs to develop detailed action plan for capacity building on Social Safeguards in consultation with LTA, by July 15, 2015; (ii) Jharkhand to share the draft TDP with Bank for comments by June 30, 2015; and (iii) all SPMUs to develop a Vulnerability-cum-Gender matrix for the identification and inclusion of the poorest of the poor, covering the issues of social and economic vulnerability, and share with Bank for comments by July 31, 2015.

VII. COMPONENT C – PROJECT MANAGEMENT SUPPORT

29. Following is an overview of the Project Management Support at National, State, district and village levels:

(i) *Establishing NPMU and TAG*: NPMU is still not fully established at MoDWS. Although six full time consultant positions are envisaged, the GoI has approved three positions and three consultants have been engaged at the NPMU. The following Table presents the status with regard to NPMU and the Technical Advisory Group (TAG) arrangements:

Table 6: NPMU Arrangements at National level

	Members	Purpose	Meetings till date	Functional Status
Project Steering Committee	<ul style="list-style-type: none"> • Secretary, MoDWS, • Principal Secretaries of NNP States • JS-Sanitation • JS -Water MS 	Review Project progress	ONE	Constituted/ Functional
	Positions Envisaged	Positions Available	Purpose	Functional Status
National Project Management Unit NPMU	<ol style="list-style-type: none"> 1. Project Director- Full time 2. Technical Splst, 3. Institutional & Social, 4. Environmental, 5. Financial, 6. Procurement 7. M&E 	<ol style="list-style-type: none"> 1. Project Director (with additional charge) 2. Technical Specialist, 3. Institutional & Social, 4. Financial 	Policy guidance to states Achievements include efforts to introduce PFMS / TALLY and facilitation of regular IUFrs	Partial Constraints: <ol style="list-style-type: none"> 1. Full time PD is yet to be posted 2. All consultant positions are not filled 3. Funds not allocated to NPMU 4. Does not have an annual action plan
Technical Advisory Group-TAG	Purpose		Status	
	<ul style="list-style-type: none"> • Independent review of Project design implementation • Guiding RWSSP-LIS states • Developing capacity building • Institutional strengthening programs 		<ul style="list-style-type: none"> • Draft ToR shared by WB with MoDWS/ NPMU in December 2014 • Not yet constituted 	

(ii) *Establishing SPMUs:*The SPMUs in the four states are fully established and positioned with 48 officials and specialists.

(iii) *Establishing DPMUs / DPMCs/ SOs:* 24 DPMUs have been established out of required 27 under Batch-I, across all four States. Assam is yet to initiate action for establishing the DPMUs. Jharkhand has established the DPMC in four of the six districts, while the SPMU is acting as DPMC in two districts. Bihar is at the shortlisting stage for the appointment of DPMCs. Assam is yet to appoint the district level SOs.

Fiduciary Review

30. Procurement: The mission noted delays in procurement processes and the award of contracts across the States, mainly due to: a) low capacity and poor progress in adopting procurement guidelines applicable to the project; b) lack of coordination between the SPMU and respective Technical Departments of the State; c) low capacity of the Bidding community within the State, and d) mindset and attitude, including ownership issues in accepting e-tendering and related procedures to bring about greater competition and transparency. The SPMU teams have agreed to develop a contract management system for the central, state and district levels with options for integrating into the future state/ national MIS systems. The progress, achievements and critical next steps for each State are presented below.

(i) Assam: There are 3 LMVS DBOT contracts under Batch I MVS. 2 contracts have been awarded i.e. Kamrup and Jorhat. The state has not released the full 10% mobilization advance due to shortage of funds. The operators in both schemes have initiated contract execution. The mission noted less clarity regarding the roles of DPMUs to undertake monitoring and supervision and the role of Third Party Quality Assurance Consultant (TPQAC) under the MVS contracts. It is therefore suggested that clarification be issued regarding the roles of district engineer w.r.t 2 MVS contracts already awarded. The DPMU will act as IVA for monitoring and supervising the contract and the state will appoint a TPQAC for carrying out sample checks at critical stages during contract implementation. In addition, Hailakandi contract is under bidding process with technical evaluation concluded. During April 2015, the Bank has received complaint from one of the bidders. The mission has requested the state to carry out investigation and due diligence related to the complaint, and formally respond to the Bank before going ahead in the process of finalizing the contract award. The mission also clarified that the state should submit Bid Evaluation Report (BER) to the Bank for its No Objection for Hailakandi scheme, after completing the Technical and Technical-Financial Evaluations, as it is a prior review case by the Bank.

The progress and status of other procurement activities are: (i) Don Bosco Institute (DBI), Guwahati has been awarded contract for LTA for 11 months; (ii) selection of IIT Guwahati for Kamrup contract, Jorhat Engineering College for Jorhat contract and National Institute of Technology Silchar for Hailakandi contract as TPQACs are under process; and (iii) EoI has been advertised for selection of District Support Organizations (DSOs). The mission noted delay in finalizing the shortlist and advised the state to expedite the process.

(ii) Bihar: The four MVS DBOT contracts under Batch I are awarded and 10% mobilization advance has been released. The operators have initiated contract execution. Issues related to contract monitoring and supervision by district engineers and role of TPQAC (similar to Assam), have been noted and mission agreed that clarification be issued to district engineers. In addition, there are 152 SVS under Batch I of which SLSSC clearance has been received for 133 SVS. However, clearance from State Empowered Committee and Cabinet is still awaited to bid out the schemes. During the mission, a simplified version of bidding document under NCB e-procurement method has been introduced for SVS/ MVS, for small works of value less than USD 1 Million per contract.

The progress and status of other procurement activities are: (i) Selection of M/s Tata Consultancy Engineers (TCE) Ltd. for TPQAC is in progress with first round of negotiations completed. The firm has quoted high price as compared with the estimated budget. The state proposes to negotiate the contract with revised scope of work and will revise the ToR and cost estimates and submit to the Bank for its NoC, before concluding final negotiations. (ii) RFP for selection of District Project Management Consultants (DPMCs) was issued to the shortlisted consultants. However, during pre-conference stage, due to less clarity on the roles of DPMC and SOs, the Bank advised revision of ToR with inclusion of SOs as part of the DPMC team. (iii) Negotiations did not fructify with CIMP, Patna for the LTA. As an alternative, the Mission agreed that a CapCellat PRANJAL (Govt. Owned Institution for Capacity Building at state level) will be established by recruiting human resources for capacity building activities.

(iii) Jharkhand: There are 8 MVS DBOT contracts under Batch I. The Chhota Govindpur-Bhagbhera MVS has been awarded. Single bids were received under 5 schemes and are under evaluation process. 2 MVS, namely Udikel and Satbarwa, are under fifth round of bidding, as no bids were received in previous rounds of bidding process. In addition, there are 326 SVS. Bids have been invited by the GP-WSCs for 142 SVS and bids were received under 114 SVS. The state is in process of concluding the evaluation and finalizing the award recommendation.

The mission noted that 4 DPMC contracts have been awarded for 4 districts. DPMCs have initiated the process of hiring SOs. However, there are co-ordination issues between SPMU, DPMUs, and DPMCs. The Bank has advised the state to assign monthly targets for DPMCs and closely monitor their performance. In case monthly targets are not achieved, the state may withhold payments or even terminate contract for non-performance of the consultants.

The progress and status of other procurement activities are: (i) selection of consultants for IVA is in progress with technical evaluation concluded; (ii) selection of Xavier Institute of Social Sciences, Ranchi (XISS) as the LTA did not materialize as the institution did not agree to deploy full time key resource personnel. As an alternative, it was agreed that CapCellat VISWA (Govt. Owned Institution for Capacity Building at state level) will be established by recruiting human resource for capacity building activities.

(iv) UP: Out of 13 SMVS BOT contracts under Batch I MVS, 2 contracts have been awarded. Remaining 11 SMVS contracts are under the fourth round of re-bidding process. In addition, there are 220 SVS under Batch I. Out of 220 SVS, 44 SVS has been awarded, 36 SVS are under evaluation process, and remaining 140 SVS (in 9 districts) are under third round of re-bidding process. The state has conducted 19 orientation workshops in the state for bidders on bid document, qualification requirements and e-procurement aspects. UPJN has reported that e-procurement is no longer a constraint for local bidders and that e-procurement should continue to be followed under the project. The need for hiring Independent Procurement Agent and Contract Management Consultants has been discussed and found redundant in the light of progress and efforts made by State/UPJN in awarding the contracts. The above activity is therefore dropped with mutual consent during the mission.

Mission was informed that either single bid was received or bids were found to be non-responsive. The mission discussed the reasons for rejections and found: (i) there are limited number of bidders within state with water supply project experience; (ii) bidders have low financial capacities to meet the requirement for single or group of contracts (package); and (iii) bidders are submitting bids much higher i.e. 60% to 70% higher than estimated value. In order to address the above issues, the UPJN has proposed inclusion of sewerage projects along with water supply projects experience, as amendments to the existing qualification criteria for the bidding documents for SVS/ MVS. It was also agreed that these amendments will be advertised widely in newspaper, e-procurement portal, pre-bid meetings, etc. to communicate effectively to prospective bidders. The Mission advised the state to seek written justification from the bidders for unreasonable hike in costs and conclude the evaluation process based on market analysis,

including risks associated with the contracts. At the same time, the Mission also clarified that as per NCB provisions agreed under the project that “the system of rejecting bids outside a pre-determined margin or “bracket” of prices shall not be used in the project”. During the mission discussions, a simplified version of NCB bidding document, including provision of e-procurement has been introduced and other provisions such as turnover, financial credits, specific experience, sub-contracting, etc. were discussed and found acceptable. It was agreed that simplified bidding document will be used for small works contract for value less than USD 1 Million per contract after conclusion of fourth round of re-bidding process.

The mission recorded good procurement progress in awarding consultancy contracts such as: (i) contract awarded to SIRD, UP for selection of consultants for Lead Training Agency (LTA) under SSS method; (ii) contract awarded to UAA, Nainital for selection of consultants for TSMA; (iii) contract awarded to M/s Span Communications Pvt. Ltd. for State Media Agency; (iv) contract awarded to M/s Snow Fountain Consultants, Lucknow for selection of Independent Construction Quality Surveillance Consultant (ICQSC) for SVS; and (v) contract awarded for selection of 25 Support Organizations (SOs) in 190 GPs.

31. Financial Management

(i) Project Expenditure and Disbursements: The total project expenditure reported in Interim Unaudited Financial Reports (IUFs), submitted till date is Rs 558.3 million (USD 9 million), compared to Rs 19.22 crores (USD 3.3 million) for September 30, 2014. State-wise and Component wise break-up is given in the Table below. This includes expenditure incurred during the project preparation under the retroactive finance facility. The reimbursable amount works out to Rs279.15 million. Out of this, Rs 244.15 million has been claimed and reimbursed and Rs35 million is in the pipeline. The total credit allocated for this Project is SDR 325.1 million (Historical USD Equivalent 500 million and Exchange adjusted USD equivalent 455 million). Out of this SDR 2.8 million (USD 3.93 million) has been reimbursed by the Bank representing 0.85% of the credit. This represents expenditures upto February 2015. Claims for the March 2015 to the tune of USD 0.5 million (approx.) is under preparation. Apart from the claim for March 2015, another claim of USD 5 million is expected to be claimed by May/June 2015 on account of payment of mobilization advances as per the terms of contracts already signed for Kamrup and Jorhat LMVS in Assam and the Chhota Govindpur-Bhagbhera MVS in Jharkhand.

Table 7: Expenditure Incurred under NNP

State	Period /FY	Expenditure (Rs. crores)			Total
		Capacity and Sector Development	Infrastructure Development	Project Management Support	
Assam	31-03-2013 to 15-03-2015	0.81	7.50	0.91	9.22
Bihar	31/03-2013 to 15-03-2015	0.85	23.21	0.61	24.67
Jharkhand	31/03-2013 to 31-03-2015	1.07	1.39	4.16	6.62
U.P.	31/03-2013 to 31-03-2015	1.79	10.07	3.46	15.32
Grand Total		4.40	9.00	5.80	55.83

(ii) Release of Funds to the State Project Management Units: The Table below gives the details of release of funds to the Project. As is evident from the Table, there are enormous delays in release of funds from by the State Government to the SPMU, for both Central and State share. In case of Assam, no fund has been released by the State Treasury till date, except the first tranche released by GoI in end 2014. As a result, although two Large MVS contracts have been awarded by the Assam SPMU in February 2015, they have not been able to release the full 10% mobilization advance. Only Rs 5 crores have been released as mobilization advance till date against a total payable amount of Rs 51 crores. The States’ share has also not been released by the States except partial releases by Bihar and UP.

Table 8: Funds Released under NNP

(in Rs. Crores)

State	FY	Releases by GoI to State				Releases by State to SPMU				Sanction Order Date
		World Bank share		GoI – NRDWP share		Total	World Bank +NRDWP	State Govt. Share		
Jharkhand	2013-2014	9.99	50%	5.79	29%	15.78	9.99	0.00		31-Mar-14
Subtotal		9.99		5.79		15.78	9.99	0.00		
Assam	2013-2014	9.99	50%	8.89	44.50%	18.88	9.99	0.00		31-Mar-14
Assam	2014-2015	34.59	50%	30.78	44.50%	65.37	0.00	0.00		18-Mar-15
Assam	2014-2015	4.86	50%	4.33	44.50%	9.19	0.00	0.00		30-Mar-15
Subtotal		49.44		44.000		93.44	9.99	0.00		
Bihar	2013-2014	9.99	50%	5.49	27.50%	15.48	15.48	4.30	21.50%	31-Mar-14
Bihar	2014-2015	58.63	50%	32.25	27.50%	90.88	0.00	0.00		
Subtotal		68.62		37.74		106.36	106.36	29.51		
Uttar Pradesh	2013-2014	9.99	50%	6.13	30.70%	16.12	16.12	3.66	18.30%	March 2014
Uttar Pradesh	2014-2015	36.92	50%	22.67	30.70%	59.59	0.00	0.00		March 2015
Subtotal		46.91		28.80		75.71	16.12	3.66		
Grand Total		174.96		116.33		291.29	142.46	33.17		

(iii) Budget for FY15-16: The budget allotted for FY 15-16 for the Project is not clearly identifiable from the Budget document of GoI. It has been clarified by NPMU vide letter dated May 12, 2015 addressed to participating States, that due to oversight, no provision has been made for the EAP Component in the Ministry's budget for FY 15-16. Immediate provision for the EAP Component is not expected and such provision will be made in the budget at the Supplementary stage. Till then, the States have been instructed to utilize the NRDWP non-EAP funds lying with the State/SWSM as on March 31, 2015. As per the Ministry's letter dated May 12, 2015, Assam, Bihar, Jharkhand and UP have Rs. 78.32 crores, Rs. 207.92 crores, Rs. 79.28 crores and Rs. 603.71 crores, respectively, available with them as on March 31, 2015 out of funds released under NRDWP Non-EAP Component.

(iv) Accounting: MoDWS has taken a decision to roll out the Public Financial Management System (PFMS)³, a web-based online transaction system for fund management and e-payment for the National Rural Drinking Water Program (NRDWP). PFMS also contains accounting modules. The primary objective of PFMS is to establish an efficient fund flow system and expenditure network. It provides an effective decision support and monitoring system. Training programs have been conducted to roll out the PFMS to the Project States participating in the EAP component.

(v) Financial Reporting: Consolidated IUFRR up to February 2015 has been submitted by MoDWS to the CAAA against which the Bank has reimbursed. IUFRR for March 2015 is now under preparation and expected to be submitted shortly.

(vi) External Audit: Audit Reports for the period March 31, 2013 to March 31, 2014 have been submitted by all the States. No significant accountability issues have been reported in these audit reports. All audit reports have been submitted after the due date of December 31 this year. There were no expenditures at the level of NPMU during this period.

³The Planning Commission and the CGA have piloted the implementation of the Central Plan Scheme Monitoring System (CPSMS), now named Public Financial Management System (PFMS). The PFMS aims at establishing an on-line financial management information system and a suitable decision support system for approximately 1000 Plan Schemes of GoI. The PFMS has been fully implemented in all civil ministries of GoI. The transaction level details of all fund releases from GoI is available entity-wise with geographical tagging. The software has also been rolled out, on a pilot basis, in the states of Bihar, Punjab, Madhya Pradesh and Mizoram under MGNREGS, NRHM, SSA and PMGSY. Other states have also joined in the roll out.

(vii) Internal Audit: With implementation gathering pace, States need to complete the process of appointing Internal auditors and start audit by September 30, 2015.

VIII. AGREED ACTIONS

32. The key agreed actions are given below. State-wise further details are given in Annexes.

Table 9: Agreed Actions

S. No.	Activities	Responsible Agency	Targeted Timeline			
			Assam	Bihar	Jharkhand	UP
	Component A: Capacity Building					
1.	Contracting of State Media Agencies	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
2.	GP sensitization programs for Batch I GPs	SPMU	Ongoing	Ongoing	Ongoing	Ongoing
3.	Capacity building workshops for district officials and contractors, at least 2 workshops per month in each district.	SPMU	May 2015 - September 2015	May 2015 - September 2015	May 2015 - September 2015	May 2015 - September 2015
4.	Capacity Building and IEC Plan; Hiring of IEC Firms	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
5.	Establishing LTA/Capacity Building Cell (CapCell)	SPMU	LTA engaged	July 31, 2015 Pranjal	July 31, 2015 Viswa	LTA engaged
6.	Developing project websites and district pages	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
7.	Impact Evaluation:					
(a)	TOR for engaging a state partner institution	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
(b)	Hiring of partner institution	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	August 31, 2015
8.	Preparation of Tribal Development Plan	SPMU	Not Required	Not Required	June 30, 2015	Not Required
9.	Monitoring and Evaluation: Housing of M&E software within SPMUs; Purchase of Tablets; Annual Maintenance Contract for M&E	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
10.	Baseline surveys to be completed for Batch-I	SPMU	August 31, 2015	August 31, 2015	August 31, 2015	August 31, 2015
11.	Capacity building Action Plan for Social Safeguards & Vulnerability-cum-Gender Matrix	SPMU/ LTA	July 15, 2015	July 15, 2015	July 15, 2015	July 15, 2015
	Component B: Infrastructure Development					
12.	Batch I (19 MVS and 653 SVS) contracts to be awarded	SPMU	(1 MVS) July 31, 2015	(152 SVS) July 31, 2015	(7 MVS, 326 SVS) July 31, 2015	(11 MVS, 175 SVS) July 31, 2015
13.	Contracting of ICQS Consultants for SVS	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
14.	Contracting of IVA/TPQAC for MVS	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
15.	Hiring of District Support Organizations	SPMU/ DPMU	June 30, 2015	Not required	Not required	Not required
16.	MVS-WSCs: (a) Study on modifications in constitution of MVS-WSC (b) Constitution of MVS-WSCs	SPMU	Not required	Not required	June 30, 2015	Not required
		SPMU/ DPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
17.	Exposure visits for DBOT model	SPMU/ DPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
18.	Preparation of Operational Guidelines for SLWM	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
19.	SLWM DPRs for pilot schemes	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
20.	Source Sustainability - Check-List for Monitoring Water Quality and Quantity	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
	Sanitation					
21.	Exposure visits	WSP	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
22.	Formative research for behavioral change communication	WSP	July 31, 2015			On-going
23.	Developing Communication Plans and Tools	WSP	August 31, 2015 (SPMU)	August 31, 2015	August 31, 2015	On-going

S. No.	Activities	Responsible Agency	Targeted Timeline			
			Assam	Bihar	Jharkhand	UP
24.	Preparation of draft State Rural Sanitation Policy and Operational Guidelines; District Action Plan	WSP and SPMU	ongoing	July 31, 2015	Aug 31, 2015	Sep 30, 2015
25.	Support to State and District Sanitation Cells (including field support, as required)	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
26.	Establishing district Resource Groups and Team of Motivators and their training in triggering	SPMU	Aug 31, 2015	Aug 31, 2015	Aug 31, 2015	Aug 31, 2015
27.	Developing Manual for Technical Options for Sanitation	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
	Component C: Project Management					
28.	Establishing DPMUs	SPMU	July 31, 2015	July 31, 2015	Established	Established
29.	Hiring of DPMCs	SPMU	Not required	July 31, 2015	Established	Not required
30.	Contracting law specialist to train EEs/Managers in contract management and monitoring.	SPMU	Immediate	Not required	Immediate	Not Required
31.	Hiring of Construction Management Specialist (a)TOR for Construction Management Specialist (b)Hiring of Construction Management Specialist	SPMU	June 30, 2015	June 30, 2015	June 30, 2015	Not Required
32.	Concept Note for Batch-2 schemes	SPMU	July 31, 2015	July 31, 2015	July 31, 2015	July 31, 2015
33.	Opening of Bank Accounts in Schemes Awarded	DPMU	August 31, 2015	August 31, 2015	August 31, 2015	Opened
34.	Collection of Community Contribution towards Capex	DPMU	August 31, 2015	August 31, 2015	August 31, 2015	August 31, 2015
35.	Transfer of NRDWP funds (released by GoI under Non-EAP component)to SPMUs for first quarter of FY 15-16	SWSM	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
36.	Release of GoI funds(till date) to SPMU for the EAP component and corresponding State Share	SWSM	Immediate	Immediate	Immediate	Immediate
37.	Appoint Internal Auditor and start Internal Audit of the Project	SPMU	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
38.	Roll out PFMS in all Project States	NPMU/SPMU	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
39.	Establish all positions in NPMU with Full time PD	MoDWS	September 30, 2015			
40.	Establish TAG for supporting NPMU	NPMU and MoDWS	September 30, 2015			

IX. ANNEXURES

ANNEX 1: ASSAM

1. The State will implement three large MVS through DBOT model worth Rs 621 crore (USD 101 million) in Batch-I. Two MVS for Jorhat and Kamrup were awarded during February 2015 and work has commenced. The Mission was informed that technical evaluation for Hailakandi MVS has been completed. The Mission noted that the complaint received by the Bank from one of the bidders is being taken up by the state for suitable action. On May 2, 2015, the Mission was informed about a court order restraining the project from proceeding with the remaining activities relating to evaluation and award of the Hailakandi MVS.

2. The Mission noted with concern that EAP component of Rs. 39.36 crore and NRDWP component of Rs. 36.02 crore, released by MoDWS during March 2015, has not been received by the project. The Govt of Assam assured the Mission that the funds would be released before May 31, 2015. The State informed about the on-going process of recruitment of new specialists at SPMU. In addition, the Mission noted the need to also establish DPMUs, appoint District Support Organisations (DSOs) and District Resource Groups (DRG), and conduct orientation workshops on the project, with all stakeholders on a priority basis.

Achievements

3. Following are the key achievements under the three components.

Component A – Capacity Building and Sector Development

4. **Training Institution:** DBI-Don Bosco Institute (DBI), Guwahati was awarded contract for Lead Training Agency (LTA) for 11 months following SSS procurement method. A Training of Trainers (ToT) program was conducted for the LTA with support from World Bank team. The LTA has conducted one training program for MVS-WSC members (Kamrup). The Mission agreed that SPMU and DBI will jointly work out a detailed training calendar covering all aspects of the project, and that material for each training will be vetted and approved by the Director PHED and PD, SPMU. Also, the PD and DBI will jointly ensure the attendance of the participating trainees, with full documentation. A video-clip of the training will be useful for carrying out subsequent repetition trainings.

5. **IEC Programs:** SPMU Assam has conducted sensitization programs in all 63 GPs (45 since last Mission), covering GP-WSC members. Orientation program for community workers, opinion makers, women leaders have been held in 2 GPs. The SPMU has also conducted a total of 6 orientation workshops for MVS-WSC members (Kamrup -3, Jorhat-2, Hailakandi – 1)

6. **Media agency:** SPMU intends to engage a media agency for communication and IEC activities under the project. The Mission advised the state to prepare the ToR and cost estimate and obtain No Objection from the Bank before proceeding with appointment of media agency, as per procurement guidelines.

7. **Monitoring & Evaluation (M&E) System:** Against a target of 106,250 households to be surveyed for the baseline, 208 households have been surveyed till date. SPMU Assam has agreed to procure all 63 tablets (only 3 have been purchased so far) by May 31, 2015. 30 enumerators have been selected and trained on the baseline survey. Mission suggested that SPMU should hire at least one enumerator for each GP to complete the baseline survey by August 31, 2015.

Component B – Infrastructure Development

8. **Multi-Village Schemes:** There are 3 large MVS contracts (DBOT) under Batch I MVS, of which 2 contracts have been awarded so far, i.e. Kamrup MVS and Jorhat MVS. The state has not released mobilization advance (10% of Design-Build price) in full due to shortage of funds at the state level. Only INR 5.00 crore was released by the state under Kamrup contract against submission of partial amount BG of Rs. 20.00 crore, and no mobilization advance was released under Jorhat contract against the submission of BG of Rs. 26.00 crores (10% of DB price) by the operator. The operator in both cases have mobilized teams on site, and survey and design work have been initiated. Government of Assam assured the Mission that the funds would be released before end June, 2015.

9. The Mission visited Jorhat and Kamrup districts and interacted with district engineers and noted that they had limited information about the MVS- DBOT contracts, and that the operators are reporting to the SPMU. The Mission suggested that the state should issue a clarification that district engineer shall perform the role of IVA (as head of the DPMU). The Third Party Quality Assurance Consultant (TPQAC) to be appointed by the state shall be third party consultant for carrying out sample checks at critical stages during the implementation of the contract. The procurement specialist at SPMU will prepare and share a guidance note with district engineers, summarizing the critical components of the DBOT contracts. The engineers also need to be trained, at the earliest, on various components of the DBOT contract. The Bank would support in organizing such trainings, if required.

Hailakandi LMVS contract has been under bidding process since Feb 2015 (third round). The technical evaluation has been concluded and the state is in process of online-opening of technical-financial bids. During April 2015 the Bank received complaint from one of the bidders and the state was asked to carry out an investigation and formally respond to the Bank. On May 2, 2015, the Mission was informed about a court order restraining the project from proceeding with the remaining activities relating to evaluation and award of the Hailakandi MVS. The mission also clarified that the state should submit Bid Evaluation Report (BER) to the Bank for its No Objection for Hailakandi scheme, after completing the Technical and Technical-Financial Evaluations as it is a prior review case by the Bank.

10. The brief information on the schemes has been given below:

Table 10: Status of MVSS

States – MVSS	Name of Schemes		
	Hailakandi MVS	Jorhat MVS	Kamrup MVS
Name of Schemes	Hailakandi MVS	Jorhat MVS	Kamrup MVS
No. of GPs	14	33	16
Nature of Contract (Design, Build, Operate and Transfer)	DBOT	DBOT	DBOT
Date of award of contract	BER	10-02-2015	17-02-2015
Estimated/contract amountRs million (USD million)	Rs 919 m (USD 15m)	Rs 2988.8m (USD 49.8m)	Rs 2687.7 m (USD 44.8m)
Category of Bid	NCB	NCB	NCB
Commencement of work	Bid evaluation in process	March 10, 2014	March 18, 2015
Expected date of completion		March 2018	March , 2018
Contractor detailed work plan		Yet to be submitted	Yet to be submitted
Topographical survey		75% Completed	75% Completed
Preliminary design report		Yet to be Submitted	Submitted

11. **Social:** Delay in appointment of DPMUs and DSOs is resulting in inadequate outreach to the community. The “agree-to-do” resolution have yet to be passed in the GPs, and the Mission pointed out the urgent need for passing these resolutions at the earliest. The resolutions should focus on a conjoint approach covering water, sanitation and solid liquid waste management. Intensive IEC activities are required to generate the awareness and ownership required before the resolutions are passed. The Mission

also advised the SPMU to develop necessary social development and gender indicators, taking into account the local social and cultural context.

12. **Environment:** The Mission observed that DPRs include only a generic EMP, whereas the environmental screening of all Batch 1 schemes has now been completed. The Mission advised SPMU to prepare scheme specific EMPs that specify environmental issues identified for each scheme and suggest suitable mitigation measures. Wherever relevant, the associated mitigation costs may also be given. For Batch II schemes, the Mission advised the state to conduct environmental screening during the DPR preparation stage. Once the relevant personnel are in place (SPMU/ DPMUs and SOs), the SPMU should provide intensive orientation and training activities on environment and social safeguards, ESMF procedures, and tools and associated documentation systems.

13. **Batch II Schemes:** Government of Assam expressed interest to the Mission to expedite the preparation of Batch-II schemes as well as exposing the state officials to good international practices to study sustainable institutional arrangements. The Mission agreed to discuss and identify such good practices which can help in design and implementation of Batch –II schemes.

14. **Third Party Quality Assurance Consultant (TPQAC):** The Mission expressed concern on the delays in appointment of TPQAC. SPMU informed that it is in the final stage of negotiation with IIT Guwahati, Jorhat Engineering College and NIT Silchar for TPQAC for Kamrup MVS, Jorhat MVS and Hailakandi MVS respectively, using SSS method. The state would submit the draft contract document and negotiation minutes to the Bank for its No-Objection before signing the contracts.

15. **District Support Organizations:** EoI has been advertised for selection of District Support Organizations (DSOs) under QCBS procurement method for 3 districts in Feb 2015. Altogether 17 responses have been received. The Mission noted delays in finalizing the shortlist and requested SPMU to expedite the process and submit the shortlist along with draft RFP to the Bank by June 30, 2015 for its No-Objection as this is a prior review case by the Bank.

16. **Establishing Water and Sanitation Committees:** The mission was informed that a revised GO has been issued on November 20, 2014 with modifications in the constitution of MVS-WSCs to incorporate suggestions and clarifications during the previous Mission, regarding: i) strength of SC/ST members in the MVS-WSC; ii) strength of women members in the committee; iii) whether term of the MVS-WSC is co-terminus with that of the ZP/Chairperson; and iv) modifications in certain functions of the committee. The Mission was also informed that the existing User Water Supply Committee (UWSC) have been integrated into the GP-WSCs to ensure that GP-WSCs are responsible for water and sanitation. However, these committees need intensive handholding and IEC support to ensure a conjoint approach to water and sanitation. The Mission requested the Government of Assam to review the size of the MVS-WSC and whether it is necessary to include Anchalik Panchayat Members in the MVS-WSC.

17. **Sanitation support to SBM (G):** The Mission participated in a half-day workshop on Sanitation in which the state presented the progress of activities under SBM-G. Uttarakhand team supported by the World Bank project shared their experience on IEC activities for motivating behavior change. WSP shared a presentation on district-wide approach. The Mission discussed the following points on the ongoing support to SBM (G):

a. **Prioritization of Project GPs:** The State Sanitation Coordinator informed that 63 GPs under Batch-I will be targeted during 2015-16 and 2016-17 for toilet construction and SLWM to ensure a conjoint approach to water and sanitation. Chandrapur block (under Kamrup district has already been included for 2015-16).

b. **Formation and training of DRGs:** DRG headed by Additional Commissioner and consisting of PRIs and NGOs have already been formed in the three project districts for motivating communities and

individuals for toilet construction and achieving ODF status. To ensure better integration with NNP, the Mission suggested that the DSO to be appointed under the project should also be part of the DRG. Funds from the NNP could be utilized for training and capacity building of DRGs

- c. **Revision of incentives:** The Sanitation Coordinator informed the Mission that incentives for the DRG for achieving ODF status are being revised. The Mission suggested that the project could provide additional incentives for achieving ODF status in project GPs, which could be worked out by the SPMU.
- d. **Up-dation of Sanitation and SLWM guidelines:** The state is in the process of updating Sanitation and SLWM guidelines which will orient the district functionaries on toilet options, SLWM options, and roles and responsibilities of various agencies. The draft guidelines would be prepared by end June 2015 for discussion during a workshop. The Mission proposed that such workshop should also include participation from other states like Punjab, Uttarakhand, Kerala, Rajasthan and Meghalaya.
- e. **IEC activities:** The Mission informed that under the SBM-G support, the project funds could be utilized for undertaking communication activities. The state agreed to prepare ToRs and budget estimate to undertake IEC activities at district level and send to the Bank for No-Objection.

Component C – Project Management Support

18. Government of Assam acknowledged the delay in release of funds for the project and assured the Mission that funds received under the EAP component from MoDWS and GoI contribution will be released to the project by June 30, 2015. The Mission also urged Government of Assam to release the corresponding state share.

19. The state informed that the process of recruitment of additional specialists at SPMU is underway and will be completed by June 30, 2015. The Mission was also informed that the proposed compensation has been sufficiently enhanced to attract talented candidates. The Mission also expressed its concern in the substantial delay in recruitment of DPMU staff

20. Separate bank accounts in all project GPs in Hailakandi district have been opened for collecting community contribution and the same needs to be opened for the Project GPs in other two districts.

21. **Fiduciary Review:** Against Rs 9.98 crores (USD 1.66 million) received by the SPMU till date, the total reported expenditure till March 31, 2015 is Rs9.3 crores (USD 1.55 million). The approved budget for FY 2015-16 is Rs 532crore (USD 88.67 million).

Major Concerns

22. Following are the major concerns related to the implementation progress:

- a. **Delays in release of funds for the project:** No funds have been released by the State Treasury till date, except the first tranche released by GoI in end 2014. As a result, although two Large MVS contracts have been awarded by the Assam SPMU in February 2015, they have not been able to release the 10% mobilization advance in full due to shortage of funds. Only Rs.50 million has been released as mobilization advance till date against a total payable amount of Rs. 510 million. The States' share has also not been released. The Mission requested Government of Assam to release the EAP component (Rs. 39 crores), GoI component (Rs. 44 crores) and the corresponding state government share at the earliest. The Mission expressed serious concern on the lack of funds with the project, which has hampered the release of mobilization advance for the DBOT contracts.
- b. **Delays in appointment of TPQAC, DSOs and DPMU staff:** There has been an inordinate delay in the appointment TPQAC, DSOs and DPMU. While the TPQAC is essential for quality assurance, DSOs and DPMU are critical for achieving progress on project indicators as well as to create awareness and ownership within the community. The limited information available with the communities on the project underscores the need for appointment of these agencies at the earliest. SPMU agreed to fill staff in the DPMUs by June 30, 2015 and appoint the DSOs latest by July 31, 2015
- c. **Lack of involvement of district engineering staff:** There appears to be inadequate ownership of the project with the district level engineering staff. The state agreed to issue an office order clarifying the

role of district level engineering staff for all MVS contracts. The SPMU also agreed to organize necessary trainings for the staff to improve their knowledge and understanding of DBOT contract. The Bank agreed to support the training programs.

- d. **Delay in baseline survey:** Progress on the baseline survey has been the slowest in Assam, in comparison with other NNP states. The SPMU agreed to complete all activities including procurement of tablets, and the hiring and training of enumerators thereof, to complete baseline survey by August 31, 2015
- e. **Housing the M&E system:** Despite launch of the M&E system in the state on January 31, 2015 by the Honorable Minister of State for DWS, GoI and the national launch of the M&E system for NNP on March 25 2015, the SPMU has not taken any steps to install the M&E system. The SPMU agreed to house the system by June 30, 2015.
- f. **Preparation of capacity building and IEC plan:** While the SPMU and LTA have carried out certain awareness building activities, a coherent approach to capacity building activities. The Mission suggested that the state should prepare an overall capacity building plan (including training calendar) and IEC plan. It was also agreed that the curriculum and training to be conducted by the LTA would be cleared by the SPMU before any training.
- g. **GP Resolutions:** As per the scheme cycle, all participating GPs have to pass an “agree-to-do” resolution affirming the project. It is also necessary that the GPs agree to work on Sanitation and SLWM in a conjoint approach. SPMU agreed to work towards ensuring that all project GPs pass the resolution, latest by June 30, 2015.

Agreed Actions

23. Following are the actions agreed with the Government of Assam.

Table 11: Agreed Actions with Government of Assam

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	Component A: Capacity Building and Sector Development			
1.	Prepare plan for Batch I GP sensitization programs	SPMU	Completed	Continuous up-dating
2.	Finalize IEC and Capacity Building Plan and begin implementation		In process	June 30, 2015
3.	Prepare Annual Training Plan	LTA and SPMU	In process	June 30, 2015
4.	Purchase Tablets for Batch-I baseline survey	SPMU	In process	June 30, 2015
5.	Contract M&E software firm for AMC		In process	June 30, 2015
6.	House M&E software at SPMU		In process	June 30, 2015
7.	Hire enumerators for baseline survey		In process	May 15– June 30, 2015
8.	Train enumerators on tablets for Batch-I baseline survey		In process	August 31, 2015
9.	Complete baseline survey for Batch-I		In process	July 31 2015
10.	Include Social Development indicators in monitoring system		In process	June 30, 2015
11.	Prepare project website with district specific pages, and targets for district engineers		In process	June 30, 2015
12.	Develop TORs for district level IEC agencies and share with Bank for No-Objection		In process	June 30, 2015
13.	Hire of district level IEC agencies		In process	June 30, 2015
14.	Share ToR for state media agency	In process	June 30, 2015	
15.	Appoint state media agency	In process	July 31, 2015	
16.	Prepare proposal for exposure visit for large scale water supply management institutions (SPVs or Regional Utilities)	In process	June 30, 2015	
17.	Prepare ToR for consultancy for institutional model for Batch-II schemes	In process	June 30, 2015	

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	<i>Component B: Infrastructure Development</i>			
18.	Submit revised BERs for Jorhat and Kamrup MVS to the Bank		In process	June 30, 2015
19.	Finalize re-bidding document for Hailakandi MVS with Bank		In process	June 30, 2015
20.	Inform World Bank regarding the resolution of complaint on Hailakandi bid process		In process	June 30, 2015
21.	Submit BER for Hailakandi to World Bank for No-Objection	SPMU	In process	June 30, 2015
22.	Release complete mobilization advance to Operator for Jorhat and Kamrup MVS		In process	June 30, 2015
23.	Issue office order clarifying role of District Engineer for all MVS		In process	June 30, 2015
24.	Submission of required deliverables by the operator for Jorhat and Kamrup MVS a) Inception Report b) Preliminary Design c) Detailed Design	Operator, DPMU and SPMU	In process	As per milestones in contract
25.	Bank Accounts for GP-WSCs in Jorhat and Kamrup districts	SPMU	In process	June 30, 2015
26.	P-WSCs Agree to Do resolutions	SPMU & DPMUs	In process	June 30, 2015
27.	Modify Govt Notification for MVS-WSC, with necessary operational guidelines		Partially completed (to review overall size of MVWSC)	June 30, 2015
28.	Issue GO authorizing GP-WSCs to open separate Bank account for capex contribution		GPWSCs can now open separate bank accounts	June 30, 2015
29.	Share original notification for GP-WSC, for clarifying the functions and responsibilities of the committee	SPMU	In process	June 30, 2015
30.	Submit EoI & ToR for selection of IVA to the Bank (Three IVAs, one for each scheme)		8 Jan 2015	June 30, 2015
31.	Conclude negotiation for appointment of IVA (re-designated as Third Party Quality Assurance Consultant (TPQAC) for Jorhat and Kamrup MVS) and share with Bank for No-Objection		In process	June 30, 2015
32.	Submit EoI & ToR for selection of District SOs to the Bank		11, Feb, 2015	June 30, 2015
33.	Award contract with TPQAC/IVA		In process	June 30, 2015
34.	Share the short-list and RFP for District Support Organisations (DSO) with Bank for No-Objection			June 30, 2015
35.	Award contracts for DSOs		In process	July 31, 2015
36.	Prepare technological options for toilets		In process (now included as part of the sanitation and SLWM guidelines)	July 31, 2015
37.	Prepare model SLWM plan		In process (now included as part of the sanitation and SLWM guidelines)	July 31, 2015
38.	Place dedicated staff for Environment Management at SPMU		In process	June 30, 2015
39.	Prepare action plan for training to SPMU / DPMU staff		In process	June 30, 2015
40.	Prepare Monitoring Format for ESMF		In process	June 30, 2015
41.	Prepare list of water quality affected habitations / villages / schemes.		In process	June 30, 2015

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	Sanitation			
42.	Support SBM: Strengthen State Sanitation Cell Prepare ToR and Appoint two Consultants (Technical and Social/M&E)	State Sanitation Coordinator and SPMU	consultant by SBM -G	July 31, 2015
43.	Strengthen District Sanitation Cell (DSC)	State Sanitation Coordinator and SPMU	Completed	
44.	Build capacity at district level – Form effective District Resource Groups for Jorhat and Hailakandi districts	State Sanitation Coordinator, SPMU	In process	June 30, 2015
45.	Finalize remuneration and additional incentives for District Resource Groups	State Sanitation Coordinator, SPMU	In process	June 30, 2015
46.	Prepare Communication Strategy for Sanitation	State Sanitation Coordinator, SPMU	Work in progress- Consultant appointed	July 31, 2015
47.	Carry out Training in ‘Triggering’ for DRGs	State Sanitation Coordinator, SPMU	In process	June 30, 2015
48.	Conduct exposure visit to other states for key stakeholders (DPMUs, DRGs, DSO and SPMU)	SPMU	In process	July 31, 2015
49.	Finalise manual and operational guidelines for Sanitation including SLWM contextualised for Assam	State Sanitation Cell and SPMU	Initial draft prepared by State Sanitation Coordinator (SBM- G Cell)	June 30, 2015
50.	Hire SLWM experts to support preparation of model DPRs for five villages	SPMU	In process	July 31, 2015
51.	Finalize ToRs for State and District level Sanitation Specialists and share with World Bank		In process	June 30, 2015
52.	Appoint State and District level Sanitation Specialists		In process	June 30, 2015
	Component C: Project Management			
53.	Assess HR needs and prepare ToR for hiring additional personnel/ consultants		Hiring of SPMU staff is underway	
54.	Release of EAP component and NRDWP component funds to the Project	Government of Assam	In process	June 30, 2015
55.	Finalize appointment of SPMU positions	SPMU	In process	June 30, 2015
56.	Establish fully functional DPMUs		In process	June 30, 2015
57.	Provide fortnightly progress reports to the Bank		In process	Immediate
58.	Contract law specialist to be engaged to train / conduct a workshop for EEs/Managers in contract management and monitoring.		In process	Immediate
59.	Hiring of Construction Management Specialist (a)TOR for Construction Management Specialist (b)Hiring of Construction Management Specialist		In process	July 31, 2015
60.	Prepare revised annual Work Plan, considering realistic budget provision for 2014-15		Completed	
61.	Transfer funds released by GoI under the NRDWP Non-EAP component to SPMU, based on fund requirements of SPMU for the first quarter of FY 15- 16.	Government of Assam/SWSM		June 30, 2015
62.	Release GoI funds(till date) to SPMU for the EAP component and the corresponding State Share	Government of Assam	Immediate	Immediate
63.	Appoint Internal Auditor and start Internal Audit of the Project	SPMU	September 30, 2015	September 30, 2015

ANNEX 2: BIHAR

1. The state will implement 4 MVS and 152 SVS worth Rs 628 crore (USD 105 millions) under Batch-1. Even though the State has awarded all 4 MVS DBOT contracts worth Rs 273.21 crores (USD 46 million) during July/ August 2014, the Mission noted that desired progress was not achieved under any of the MVS contracts. Of the 152 SVSs under Batch-1, 133 have been approved by the State Level Scheme Sanctioning Committee (SLSSC). These are under process for Empowered Committee and State Cabinet approval. SPMU has accrued a total expenditure of Rs. 24.96 crore (USD 4.15 million). The State notified formation of 40 GP-WSC under respective GPs and formation of 2 MVS-WSC under respective Zila Parishad or Block Panchayat following principles of subsidiarity.

Achievements

2. Following are the key achievements under the three components.

Component A – Capacity Building and Sector Development

3. **Training Programs:**

- 220 persons have been trained at the State level on technical, procurement, M&E and TDP aspects of the project through 4 workshops.
- 232 project district officials have been trained through one day workshop on development of capacity building plan, development of IEC materials, ESMF and training of trainers.
- One day orientation workshop organized to create awareness among potential contractors and state officials on procurement process under the project to improve participation in the bidding process.

4. **IEC Programs:**

- SPMU has prepared a Draft Action Plan for community mobilization.
- Short documentary “Ghar – Ghar Nirmal Neer” has been prepared.
- 84 hoardings, 664 wall writings have been installed in the project districts, at the important locations such as public places, highway, panchayat bhawans, schools, village markets, etc.
- 139 Nukkad Natak (street plays) on NNP have been performed highlighting benefits of piped water supply and adverse consequences of open defecation.
- Project specific diary and calendar have been printed and distributed among all stakeholders of the project.

5. **M&E:** Baseline survey is under progress in the GPs of 4 MVSs. Mission places on record its appreciation for achieving baseline survey in 15,183 households under the MVS- GPs against a target of 48,556 for Batch-I.

6. **Capacity Building Cell (CapCell):** The mission agreed to support, revive and strengthen PRANJAL as the Capacity Building Cell (CapCell) under the NNP Project in Bihar.

Component B: Infrastructure Development

7. **Multi Village Schemes (MVS):** The Mission visited West Champaran and Begusarai districts, participated in meetings with DPMU engineers and communities. The Mission is concerned over the slow progress of four DBOT contracts awarded eight/nine months ago. Various issues, including availability of land in some of these MVSs, request for waiver of excise duties by the contractors, etc., are causes of concern. It was also observed that the State and District level Engineers of PHED have inadequate understanding of the DBOT contract. Also, the Executive Engineer does not have sufficient staff (JE, AEs

or consultants) to ensure regular monitoring and supervision of the contractors⁴. The Mission advised that due diligence is required by the Engineers while approving the designs submitted by the operators in order to achieve the desired service levels and ensure sustainability of the schemes. In this context, the engineers also require training on various components of the DBOT contract.

Table 12: Status of Batch-I MVS in Bihar

Name of Schemes	Silao MVS	Rajauli MVS	Cheria MVS	Ghoghat MVS
Name of the District	Nalanda	Nawada	Begusarai	West Champaran
No. of GPs	10	10	5	3
Nature of Contract	DBOT	DBOT	DBOT	DBOT
Date of award of contract	20.08.2014	27.08.2014	18.07.2014	06.08.2014
Contract Value (Rs crore)	73.215	95.735	66.706	37.551
Mobilization Funds advanced	Rs6.30 crore	Rs8.33crore	Rs5.284 crore	Rs3.28 crore
Establishing Site Office	Yes	Yes	Yes	Yes
Commencement of work	August 20, 2014	August 27, 2014	July 18, 2014	August 6, 2014
Expected completion of work	February, 2017	March 2017	January, 2017	February, 2017
Total Station survey	Completed	Completed	Completed	Completed
Topographical survey	Completed	Completed	Completed	Completed
Preliminary design report	Submitted	Submitted	Submitted	Submitted

8. **Single Village Schemes (SVS):** 133 Single Village Schemes (total 152 proposed) under Batch -1 have been approved by SLSSC and are awaiting Empowered Committee clearance before submission to Bihar State Cabinet for final approval. DPRs for the remaining 19 schemes are under revision. The Mission was assured that all 152 SVS are likely to be awarded by July 30, 2015.

9. **Sanitation:** Mission discussed and agreed the following points:

- a) **Support for ODF districts:** The District Magistrates of Munger and Banka made presentations on their success stories on sanitation. SPMU plans to take up activities to support Munger and Banka districts achieve ODF status by December 2016.
- b) **Twining support from Uttarakhand RWSS:** The Mission agreed to the request for Swajal Project (Uttarakhand) to provide resource persons for twining support to Munger and Banka districts.
- c) **'Triggering' sanitation behavior change:** The districts of Saran and Nalanda have been identified for pilot level intervention under SBM-G. The Swajal Project will also support a core team to trigger sanitation behavior change activities in selected GPs in these districts.

10. **GP-WSC and MVS-WSC:** Notification for formation of GP-WSC (Public Works and Public Health Family Welfare & Rural Sanitation committee) and MVS-WSC has been issued.

11. **District Project Management Consultants (DPMC):** The appointment of DPMC was discussed during the overall review and subsequently in a separate focused meeting with the SPMU. The SPMU strongly supports the requirement of a DPMC. The revised RFP, along with amended scope of DPMC may be issued after obtaining No-Objection from the World Bank. The process of getting clearance and issue of RFP is likely to be completed by June 10, 2015.

12. **Third Party Quality Assurance Consultant (TPQAC) and Independent Verification Agency (IVA):** Since the role of IVA in the MVS contract relates to continuous monitoring and supervision, SPMU agreed to issue necessary clarification on the roles and responsibilities of the district engineer and

⁴ In West Champaran District, out of 3 positions for AEs, only 2 have been filled and against 9 positions for JEs only 3 have been filled.

nominate him as the IVA. SPMU is currently negotiating with the shortlisted firms/ institutions, and agreed to complete the process of awarding the contract for third party quality assurance by June 30 2015.

13. **Procurement:** The Mission is concerned on the delays in awarding various consultancy contracts under the project.

- (i) Selection of M/s Tata Consultancy Engineers (TCE) Ltd. for TPQAC, using CQS method for 4 MVS is underway, with first round of negotiations completed. M/s TCE Ltd. has quoted high price for the assignment and therefore the state proposes to negotiate the contract with revised scope of work. SPMU will revise the ToR and cost estimate and submit to the Bank for No-Objection before concluding negotiations with the consultant;
- (ii) RFP for selection of DPMCs was issued to the shortlisted consultants in 3 clusters for 10 districts. However, based on the pre-bid queries it was felt that there is lack of clarity in the ToR w.r.t roles and responsibilities of the DPMCs and the SOs. The Bank advised the state to revise the ToR for further clarity. Subsequently, the state has decided to withdraw the RFP, revise the ToR with cost estimates and submit to Bank for No-Objection before issuing fresh RFP to the shortlisted consultants.

14. **Social Development:** The Mission reiterated the importance of “Community Mobilization” for the effective delivery of services.

15. The mission undertook field visits to district Begusarai where it visited Shirpur, a constituent GP in the Cheria MVS and also the SVS at Lakho, Parna and Narayan Peeper and observed that a structured approach towards community participation is needed. Mission further observed that while GP-WSC has been constituted, further clarity is needed regarding its role and responsibilities. Mission advised that SPMU organize orientation training for District Engineers, District Coordinators, Block Coordinators, and GP-WSC members including the rural communities. Mission also advised community consultations for land related issues. Mission further noted that the community is willing to pay Capex and monthly tariff towards water supply. Since more than 70% community defecates in the open, the sanitation situation is challenging.

16. The mission is happy to note that the project has progressed on the IEC front, wherein, videos, pamphlets and posters have been developed, and used during community consultations. The mission suggests conducting rigorous IEC at the GP and community level. In order to streamline future activities on social safeguards, the Mission recommends the following:

- SPMU to develop a gender matrix for the identification and inclusion of the poorest of the poor, covering the issues of social and economic vulnerability.
- SPMU to conduct rigorous IEC on the conjoint approach to water supply and sanitation.

17. **Environmental Management:** The mission noted with concern that there has been minimal movement on environmental management aspects since the previous mission, mainly due to delay in the setting up of the DPMUs and recruitment of the associated environment staff. As a result, the quality of screening needs improvement, including accuracy of data recorded in the EDS and water quality test reports, with cross-validation. The Director SPMU agreed to ensure that all environmental management activities are undertaken with close supervision by SPMU staff.

Component C – Project Management Support

18. **SPMU:** SPMU Bihar is strengthened under the leadership of an IAS officer of the rank of Joint Secretary, along with a Director, one Joint Director, two Deputy Directors, four assistant Directors (Technical Specialists), four project supervisors (Technical) and 7 Specialist consultants, against sanctioned strength of 19 positions.

19. **DPMU:** 10 DPMUs have been established. Executive Engineers of PHED at the Project Districts have been nominated Program Managers. Recruitment of specialists and consultants to DPMU is in process. The mission also requested dedicated field engineers to carry out the project activities.

20. **Fiduciary Review:** Out of Rs. 90.88 crores released by GoI to the State Government in FY 14-15 for the EAP component, only 10 crores has been released to the SPMU so far. The corresponding State Share has also not been released. Funds need to be released based on the requirements of SPMU. The Mission was informed that request for release of funds in FY 2015-16 has been sent to the Finance Department. SPMU should also initiate the process of hiring an Internal Audit Firm.

Major Concerns

21. Following are the major concerns related to the implementation progress:

- a. **Progress of MVS contracts:** The Mission is concerned regarding the progress of the MVS contracts already awarded. The operator has delayed the submission of initial milestones such as Inception Report and Preliminary Design Report. Also, the follow-up from the district engineers is not timely. The SPMU agreed to organize a state level meeting with all the MVS operators at the earliest, and closely monitor the progress.
- b. **Understanding of DBOT Contracts:** The level of confidence at the district level to manage the construction of the MVS with DBOT concept appears to be low. Following points were discussed and agreed:
 - Services of a Contract Law Specialist to train EEs/Managers in contract management and monitoring.
 - Services of a Construction Supervision Specialist to support the implementation of the DBOT scheme.
 - Procurement Specialist at SPMU to prepare and share a guidance note for Engineers, summarizing the critical components of the DBOT contracts.
- c. **Ownership at district level:** The mission clarified that the concerned Executive Engineer of the district shall be the Program Manager (PM) at the district level. However, more clarity is required on the role of the Executive Engineer of DDWS and his team, relating to the implementation of NNP schemes. Following points were discussed and agreed.
 - A memo to clarify the role of the EE and SE in execution and monitoring of the contracts.
 - Batch-II DPRs to be prepared by Consultants under the guidance of EEs/ DDWS. DPRs to be approved by the Design division of PHED.
 - Annual Confidential Report (ACR) of Project Engineers to be filled by the Project Director, NNP to enhance ownership among district engineers.
- d. **Expediting District Institutions and Consultancies:** Delays in appointment of TPQAC, DPMC and DPMUs is resulting in inadequate support to district engineers in monitoring implementation of the project as well as affecting continuous out-reach and IEC activities at the community level.
- e. **Achieving field level coordination for Sanitation:** (i) The State needs to address the issue of funding of dysfunctional toilets under SBM-G while preparing the statewide sanitation plan. (ii) The state needs to ensure institutional coordination between NNP team, International Agencies, PMU of SBM-G and SWSM/DWSD. (iii) Flow of funds at the field level needs to be ensured for the construction of toilets. (iv) SPMU may directly prepare DPRs for SLWM after selecting model villages.

Agreed Actions

22. The detailed agreed actions are presented below.

Table 13: Agreed Actions with Government of Bihar

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*	
	Component A: Capacity Building				
1.	Prepare plan for GP sensitization program for Batch I GPs under MVS, until the SO Teams are positioned.	SPMU	Ongoing		
2.	Purchase Tablets and complete baseline surveys for Batch-I		Ongoing	August 31, 2015	
3.	Contract Software Firm for M&E Maintenance Contract		Ongoing	June 30, 2015	
4.	Constitute Capacity Building Cell (Capcell) as an extended arm of SPMU		Ongoing	July 31,2015	
5.	Organize refresher training in Project Scheme Cycle Management for State and District level officials		Completed	Continuous	
6.	i. Constitute finance cell with full time accountant and two support account personnel as extended support to SPMU. ii. Hire one IT specialist to support SPMU/DPMU		Ongoing	June 30,2015	
7.	Develop brochures, leaflets etc., for spreading messages on the project.		Ongoing	June 15,2015	
8.	Prepare project website with district specific pages, on project targets and achievements		Ongoing	July 15,2015	
	Component B: Infrastructure Development				
9.	Complete Bidding process and Award 152 SVS schemes under Batch I Check possibility of including Ganga GPs under Batch-1		SPMU	Ongoing	July 31,2015 June 30, 2015
10.	MVS and SVS: • Carry out supplementary agreement with contractor regarding role of IVA in contract management • Appoint IVA Appoint ICQSC • Assess O&M financial viability of MVS and propose options to GoB for addressing O&M gaps			Ongoing	June 30,2015
11.	Issue notification for GP-WSC			Completed	
12.	Issue notification for MVS-WSC			Completed	
13.	Prepare (a) model SLWM Plan; and (b) DPRs for pilot small, medium and large villages			Ongoing	June 30,2015
14.	Facilitate E-Tendering and capacity building of Contractors / Vendors			Completed	Continuous
15.	Prepare concept note for the selection of Batch 2 GPs	NA		July 31, 2015	
16.	Prepare concept note and action plan for selection of GP under Batch -2	NA		June 30,2015	
17.	Finalize ToR for Impact Evaluation	NA		June 30,2015	
18.	Prepare Action plan for Sanitation in pilot districts	NA		June 30,2015	
19.	Complete first round of training of PRIs	SPMU/DPMU		NA	Immediate
20.	Initiate a newsletter on NNP (Nirmal Dhara Bihar) to publish news and stories from NNP	SPMU		NA	June 30,2015
21.	Hire Services of a construction supervision specialist to support implementation of the DBOT scheme	NA		NA	July 31, 2015
22.	Hire Services of a contract law specialist to train / conduct a workshop for EEs and project officials.	NA		NA	July 31, 2015
23.	Prepare work-plan for all the four DBOT contracts in MS Project with software for monitoring deliverables for all MVS.	DPMU/ MVS districts		NA	Immediate
24.	Cross-check DPRs of awarded schemes for errors / inaccuracies and incorporate necessary rectifications as required for all the MVS and proposed Batch-1SVS	DPMU/ PD-SPMU	NA	June 30, 2015	
25.	IVA: • Provide clarifications to the MVS contractors regarding role of the EE/ head of DPMU in the absence of IVA in contract management (till IVA comes on board) • Appoint IVA	DPMU/ MVS districts & PD SPMU	NA	June 30, 2015	
26.	Organize orientation sessions for SPMU and DPMU Engineers and procurement specialists on DBOT contracts	SPMU	NA	June 30, 2015	
27.	Engage Support Systems/Organization for all Districts	IDS/ SPMU	NA	June 30, 2015	

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*	
	Sanitation				
28.	(i) Support SBM: Strengthen State Sanitation Cell Prepare TOR and Appoint two Consultants (Technical and Social/M&E)	State Sanitation Coordinator, PD NNP, WSP	Completed	NA	
29.	(ii) Draft State Rural Sanitation Policy and Operational Guidelines a) Draft TOR to hire a consultant b) Hire Consultants Prepare assessment report and the draft strategy document	State Sanitation Coordinator, PD, NNP, WSP	Delayed	June 30, 2015	
30.	(iii) Communication strategy for sanitation a) Provide technical support to develop IEC and communication material in association with WSP and UNICEF b) Develop IEC and communication materials	State Sanitation Coordinator, PD NNP, WSP, UNICEF	ongoing	June 30, 2015	
31.	(iv) Conduct exposure visits for stakeholders	WSP	Delayed	June 30, 2015	
32.	(v) Strengthen District Sanitation Cell (DSC) a) Prepare proposal for strengthening existing DSC in the ten project districts along with a ToR for additional consultants requested b) Hire district consultants for the first batch of ten districts	State Sanitation Coordinator & SBM Cell, PD NNP, WSP	ongoing	June 30, 2015	
33.	(vi) Build Capacity at the district level a) Establish District Resource Groups (DRG) and Team of Motivators b) Carry out Trainings in Triggering for the DRG members and Motivators	State Sanitation Coordinator, PD NNP, WSP	ongoing	June 30, 2015	
	Environmental Management				
34.	Develop training modules for project staff including a training calendar for the year 2015-16	SPMU		June 30, 2015	
35.	Document water quality surveillance procedures and prepare list of water quality affected habitations / villages / schemes for continuous monitoring	SPMU/ DPMU	Completed	Continuous Monitoring	
36.	Hire DPMU environment staff	SPMU		June 30, 2015	
	Component C: Project Management				
37.	Assess HR needs and prepare ToR for additional consultants to be hired	SPMU	Completed		
38.	Ensure all DPMUs are fully established and functional		Ongoing	June 30, 2015	
39.	Ensure DPMCs at district level are fully functional		Ongoing	June 30, 2015	
40.	Establish SPMU office, with facilities		Ongoing	June 30, 2015	
41.	Provide Fortnightly progress reports to the Bank		Ongoing	Continuous	
42.	Procure Accounting software and train SPMU/DPMU officials			July 31, 2015	
43.	Prepare revised Annual Work Plan, considering realistic budget provisions for FY 14-15		Completed	June 30, 2015 (AWP 2015-16)	
44.	Submit revised procurement plan for the first 18 months from June 30, 2014 to December 30, 2015		Ongoing	June 30, 2015	
45.	Prepare Roles and Responsibilities of SPMU and PHED, focusing on sustainability of RWSS schemes.		Delayed	June 30, 2015	
46.	Submit signed contracts for all prior review contracts for the issuance of WBR numbers		Completed	Continuous	
47.	Submit External audit report for Financial Year 2013-14 & 2014-15		NA	Done	
48.	Transfer funds released by GoI under the NRDWP Non-EAP component to SPMU based on fund requirements of SPMU for the first quarter of FY 15-16.		Government of Bihar/SWSM		June 30, 2015
49.	Release GoI funds till date for the EAP component and the		Government of	Immediate	Immediate

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	corresponding State Share to SPMU, via SWSM	Bihar		
50.	Appoint Internal Auditor and start Internal Audit of the Project	SPMU	September 30, 2015	September 30, 2015

ANNEX 3: JHARKHAND

1. The State has awarded contract for LMVS -DBOT model worth Rs.237.21 crores (USD 39.54 million) for Chotta-Govindpura-Bagbera scheme. Decision to award 4 MVS contracts was placed before the State Tender Committee. Since the bid price was 20% to 40% higher than the estimated amount, the Tender Committee has decided to retender the schemes. Out of 326 SVS under Batch 1, the State is ready to award 24 SVS. 378 VWSCs exist (including 78 VWSCs under MVS) and 4 MVS-WSCs (Saraikela, Dumka, Palamu, Garhwa) have been established. The mission is concerned regarding delays in awarding MVSs, SVSs, State level institution for capacity building, and contracting the IVA and ICQSC.

Achievements

2. Following are the key achievements under the three components.

Component A – Capacity Building and Sector Development

3. **Tribal Development Plan (TDP):** The SPMU has developed a Tribal Development Plan through a consultative process with traditional leaders, PRIs, academicians and practitioners at the district and state levels, as well as field visits. The draft TDP document is under finalization.

4. **Training Programs:**

- 233 persons have been trained at the State level in technical, procurement, M&E and TDP aspects of the project through 7 workshops.
- 108 project district officials have been trained through 4 workshops on development of capacity building plan, development of IEC materials, EMF and training of trainers.
- Exposure visits for SLWM was undertaken by 15 district officials along with DPMU and DPMC officials to an agri-bio waste management technology unit within the State.
- Five days exposure-cum-twinning program was conducted for officials at the State and District level to the Uttarakhand RWSS ‘Swajal’ project.

5. **IEC Programs:**

- SPMU has prepared a Draft Action Plan for community mobilization.
- SPMU has prepared a ToR for engaging State Media Agency and shared with Bank for comments and obtaining NOC.
- IEC material has been prepared by the SPMU, including, i) 2000 copies of Annual Calendar for 2015 with messages on the NNP Project, ii) pamphlet in Hindi language on FAQs regarding NNP and NNP Project signage and hoardings to be displayed at the entry points of villages and districts.
- 546 IEC and training events at the village level have been conducted by DPMUs and DPMCs with the support of SPMU. The activities included rallies in 8 villages, events at 24 schools, participatory social and sanitation mapping conducted in 59 villages, meetings with 26 GP Councils, 97 Project Gramsabha meetings, 176 meetings at habitation level, 110 meetings and 11 trainings to VWSCs, 9 exposure visits to ODF villages and functional water supply schemes, 2 training in book keeping and accounts to VWSC representatives, 20 training programs to GPMukhiyas and Jalsahiyas and 4 District level TDP workshops.

Component B: Infrastructure Development

6. **Multi Village Schemes (MVS):** Mission appreciates awarding of contract (ICB method of procurement) for ChottaGovindpur-Bagbera LMVS, worth Rs. 237.21 crore (US\$ 39.59 million). It was discussed during the previous mission that the scheme was designed for service delivery at 135 lpcd norm instead of 70 lpcd norm recommended by NRDWP. It has been decided by MoDWS that the cost of the

scheme in excess of 70 lpcd will be borne by the State. Therefore, the project will fund Rs. 160 crore for the scheme. It is understood that the remaining funds for the scheme will be borne by the Govt of Jharkhand. However, there is need for clarity regarding the cost sharing of the scheme between various parties, as the work has been awarded under a single contract. The Letter of Acceptance of the bid for the scheme is issued and the scheme has been launched by the Chief Minister of Jharkhand on 18th April, 2015.

7. The bids for 4 MVS (Itagarh, DudraKamalpur, Karmkitta andKanti) worth Rs. 51.05 crore (US\$ 8.508 million) have been evaluated and the State is in the process of preparing and submitting the BER (first contract) to the Bank for its prior review and NoC. One MVS (Lapo Dumaria) is under technical-financial evaluation. Bids have been invited for the remaining 2 MVS, Satbarwa-Bakoria and Udikel, worth Rs. 31.24 crore (US\$ 5.20 million) for the fifth time due to non-responsive bids on previous occasions. The mission advised re-evaluation of the design of Satbarwa-Bakoria and Udikel schemes in case no response is received during this round of bidding.

Table 14: Status of Batch-I MVS in Jharkhand

S. No.	Name of Schemes	Chotta Govindpur-Bagbera	Itagarh	Dudra Kamalpur	Karam kitta	Khunti	Satbarwa Bakoria	Lapo Dumaria	Udikel
	District	East Singhbhum	Saraikela	Saraikela	Dumka	Khunti	Palamu	Garhwa	Khunti
1.	No. of GPs	47	2	2	2	2	5	2	2
2.	No. of villages	13	8	8	13	4	15	4	6
3.	No. of habitations	Peri-urban	8	10	21	14	25	8	33
4.	Nature of Contract	DBOT	DBOT	DBOT	DBOT	DBOT	DBOT	DBOT	DBOT
5.	Date of award of contract	April 6, 2015	-	-	-	-	-	-	-
6.	Contract Value (Rs crore)	237.21	11.35	10.61	21.63	7.46	21.96*	7.14	9.28*
7.	Mobilization Funds advanced (Rs. Cr)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8.	Commencement of work	May-2015							
9.	Expected completion of work	June 2018							

*Tentative contract value which may change after completion of bidding process.

8. **Single Village Schemes (SVS):** Out of 326 SVS in Batch-I, bids for 142 SVS have been invited. However, against the 142 SVS for which bids have been invited, only 50 SVS DPRs have been approved by SLSSC. The following table gives details of the status of SVS.

Table 15: Status of Batch-I SVS in Jharkhand

S. No.	District	No. of Schemes	DPRs prepared	Bids Invited	Bids Evaluated
1	Khunti	41	34	21	9
2	Dumka	96	80	41	29
3	Garhwa	87	40	20	20
4	Saraikela	38	32	32	32
5	Jamshedpur	64	55	28	24
	Total	326	241	142	114

9. **Environment:** Till date, 218 DPRs have been verified and corrections have been incorporated wherever necessary. It is recommended that the SPMU develops a monitoring system to keep abreast of the screening activities and updates. A focused training on ESMF was conducted by the SPMU in January 2015 for environment staff from DPMUs and DPMCs, as well as JEs and AEs from the project districts, which has improved the appreciation of environmental management activities amongst project staff and district officials. The mission suggests an orientation session on similar lines for all Executive Engineers and Superintending Engineers. Mission noted that the SPMU has not compiled information on geographical areas associated with water quality and forest issues, which needs to be expedited.

10. **Sanitation:** The State has a total of 51 lakh households, of which 33% have toilets and 13% usage. UNICEF, GSF and WaterAid are partner support institutions of the Government of Jharkhand in sanitation. These partners are allotted certain districts and blocks for focused work. WSP is preparing a strategy for the State under SBM-G, proposing restructuring of institutional arrangements with clear roles and responsibilities.

11. The mission advised and clarified the following:

- A district-wide approach shall be followed for project districts for the sanitation component. Soft activities will be undertaken through the project funds for the entire project district, ensuring no duplication of interventions and funds.
- Construction of IHHL will be funded by SBM-G while SLWM assets will be constructed dovetailing NNP and SBM-G funds.
- IEC programs need to precede construction of toilets. IEC activities, construction of IHHL, CSC, SLWM and the ODF campaign in project GPs will be implemented by NNP project.
- Project districts may hire additional sanitation specialists to support ODF campaign.

12. The Mission appreciates the model village sanitation plan for Amma Village in Khunti District. The state plans to pilot it in 5 GPs of this district, starting with village Amma. Mission advised that the State should target saturation of these GPs for water supply and ODF status by December 2015.

13. **GP-WSC and MVS-WSC:** 300 V-WSCs for SVS have been constituted based on GO issued by Government of Jharkhand and 9 VWSCs reconstituted. MVS-WSCs have been constituted for Karmkitta (district Dumka) Itagarh (District Saraikela- Kharsawan), Lapo Dumaria (District Garhwa) and Satbarwa-Bakoria (district Palamu) MVS.

14. **Support Organizations:** The process of engaging SOs in all districts, except Dumka, is in the final stages and likely to be completed by June 30, 2015.

15. **IVA:** The proposals are under evaluation and shall be awarded by June 30, 2015.

Component C – Project Management Support

16. **SPMUs:** While all SPMUs are fully functional with their own office set-ups, the Bihar SPMU is fully staffed but yet to have its own office space.

17. **DPMUs:** Specialists for 17 positions are available in 5 DPMUs, managing 6 districts, against a total requirement of 40 specialists. The state is in the process of filling the remaining staff vacancies. The mission also requested dedicated field engineers for carrying out the project activities.

18. **DPMCs:** 4 districts have engaged DPMC. The hiring process for districts Palamu and Garwah are in RFP stages. SPMU is acting as DPMC for these districts as an ad-hoc arrangement.

19. **Fiduciary Review:** A major concern is lack of availability of funds. Although the ChhotaGovindpur-Baghbera MVS contract is expected to be signed shortly, the SPMU does not have funds to pay the 10% mobilization advance to the contractor. MoDWS has issued instruction by a letter dated May 12, 2015 that funds released under the NRDWP non-EAP component should be released to the Project till funds are issued by GoI in 2015-16.

Major Concerns

20. Following are the major concerns related to the implementation progress:

a. **Project Management issues/Institutional arrangement:**

- (i) **Monitoring of District Activities:** SPMU needs to strengthen the monitoring procedures of activities undertaken at the district level, including meetings, field visits and monthly action plan of each district.
- (ii) **Engineering Cell in SPMU:** The Mission discussed the need for improved co-ordination with Engineers in DWSD, and agreed the need to create an engineering/ construction cell within SPMU, bringing CE (1), EEs (3), AEs (6), JEs (12) on deputation from DWSD. Existing support structure (DPMC and SOs) needs to be merged with the Cell.
- (iii) **Contract of DPMCs:** The mission is concerned regarding the 'time based contract' of DPMCs. The state has been advised to revisit the TOR of DPMCs to incorporate deliverables along with a clause on penalty, including termination of contract, for not meeting the deliverables. The entire engagement of DPMC may be revisited by SPMU at the end of the current contract.
- (iv) **Project Management at District Level:** Mission reiterated that the concerned Executive Engineer of the district shall be the Program Manager (PM) at the district level, and will be supported by DPMU and DPMC. The PM should be responsible for preparing a monthly action plan, delegating work to its DPMU and DPMC, and monitoring progress.
 - Roles and TOR of DPMC and DPMU at the district level appear similar and need clarifications.
 - Further clarity is required for the role of Executive Engineer of DDWS and his engineer colleagues relating to the implementation of NNP schemes. The level of confidence at the district level to manage the construction of the MVS, especially in the DBOT model appears low.
 - Mission is concerned that the ownership of the district level machinery of DDWS for NNP may not be adequate.
 - Batch-II DPRs to be prepared by Consultants under the guidance of EEs/ DDWS. DPRs to be approved by the Design division of DDWS.

b. **Contract Management:** The Mission reiterated the following:

- Measurements and Check measurements to be followed stringently.
- All payments to DBO contractor will be governed by provisions of contract and departmental processes.
- Services of a construction management specialist will support the implementation of the DBOT.
- District level implementation machinery of the Project may be given exposure to DBOT model schemes.
- Services of a Contract Law Specialist may be engaged for a week to train / conduct a workshop for EEs/Managers in contract management and monitoring.
- Convert key milestones of DBOT into MS Project for monitoring.

c. **Multi-Village Schemes:** The state Tendering Committee needs to clear the 4 MVS, namely Itagarh, Dudra-Kamalpur, Karmkitta, and Kanti, since the bids were 40% higher than the estimated cost of schemes.

- d. **SLSSC Approval of SVS:** SLSSC approval is pending for 276 out of 326 SVS which is not allowing the state to award the contracts and hence impeding the progress of the project. Chief Secretary, Government of Jharkhand has assured that the SLSSC will meet shortly to clear remaining SVS.
- e. **MVS-WSC:** (i) The mission observed that MVS-WSC has not been constituted for ChottaGovindpur-Bagbera LMVS even after the LoA stage. (ii) Mission advised SPMU to ensure women and tribal representation while constituting MVWSCs.
- f. **Capex Contribution:**The district teams need to start collecting one-time beneficiary contribution, prioritizing the schemes awarded or to be awarded.
- g. **Support Organizations:**The process of hiring SOs in district Dumka, following project guidelines needs to be reinitiated at the earliest.
- h. **Sanitation:**(i) The state needs to address the issue of funding of dysfunctional toilets under SBM-G while preparing the state-wise sanitation plan. (ii) The state needs to ensure institutional coordination between NNP team, 'INGOs', PMU of SBM-G and SWSM/DWSD. (iii) The state has received Rs. 23 crores from GoI under SBM-G after a gap of 4 years. Availability and flow of funds at the field level need to be ensured by the state for the construction of toilets. (iv) SPMU may directly prepare DPRs for SLWM after selecting model villages.
- i. **Lead Training Agency/ Institution:** SPMU shall make efforts to put together an alternative arrangement to support training immediately. This alternate arrangement can be a Capcell. SPMU may explore possibility of housing the Capcell at VISWA.
- j. **Tribal Development Plan (TDP):** The TDP may be finalized and submitted to DDWS/Government of Jharkhand for concurrence and appropriate notification.
- k. **Monitoring and Evaluation:** The mission emphasized: (i) procurement of server to host the M&E software at the State level. (ii) Procurement of tablets to conduct baseline survey immediately. (iii) Baseline survey completed before execution of any scheme, and for all Batch –I schemes before August 31, 2015. (iv)Make corrections in the existing baseline and sync it with the IMIS maintained at MoDWS.

Agreed Actions:

21. Following are the actions agreed with the Government of Jharkhand:

Table 16: Agreed Actions with Government of Jharkhand

No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
Component A: Capacity Building				
1.	Contract LTA	SPMU	Not Done/ Not Required	
2.	Train DPMU Environment Specialists		Trained	
3.	Prepare project website with district specific pages		In process	
4.	Comparative assessment of the roles and performance of DPMU and DPMC for 2014-15,	SPMU- ID- HRD Specialist	In process	June 30, 2015
5.	Short Training in Contract Management/Project Operations for the Officials at District and State level.	SPMU- SE/Technical Specialist	In process	June 30, 2015
6.	Exposure visit for the District level Team to a DBO Model Water Supply Scheme in India	SE/Technical Specialist SPMU	In process	June 30, 2015
7.	Complete Baseline Survey Purchase of Mobile Tablets under reimbursement of expense basis to the DPMCs/SOs Install Server to ensure storage of baseline and other project progress data Enter into contract for modification and AMC of the M&E software developed for NNP	M&E Specialist SPMU	In process	August31, 2015 Urgent/Immediate
8.	CapCell-Capacity Building Cell may be established to support in training and capacity	SD Specialist SPMU	In process	31st July, 2015 Urgent/Immediate

No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	building.			
9.	Submit the Finalized Tribal Development Plan for review, comments and clearance	TDS/ SDS SPMU	In process	June 30, 2015
	Component B: Infrastructure Development			
10.	Award 1 MVS-ICB after obtaining clearance from Election Commission and resolving issue of 135 lpcd	SPMU	Awarded	
11.	Re-advertise 2 MVS for invitation of bids		Advertised	
12.	Award 5 MVS		Not Awarded	June 30, 2015
13.	SVS - Total 326 SVSs: <ul style="list-style-type: none"> • Re-advertise 28 schemes for invitation of bids after obtaining clearances from the Election Commission • Award 32 schemes after obtaining clearances from the Election Commission • Finalize DPRs for remaining 266 SVS DPRs 		In process 241 DPRs completed 85 DPRs to be prepared	
14.	Contract SOs	SPMU	DPMCs hiring SOs for 4 Districts	July 31, 2015
15.	Contract IVA		In process	June 30, 2015
16.	Verify EDS parameters in all completed DPRs		Done	
17.	Complete EDS verification of remaining DPRs	ES, SPMU	In process	June 30, 2015
18.	Fill all remaining ES vacancies in DPMUs	ES, SPMU	In process	June 30, 2015
19.	Orient DPMU, DPMC and relevant district engineers in new screening tools	ES, SPMU	In process	July 31, 2015
20.	Orient Superintending Engineers and Executive Engineers in the project districts on ESMF requirements, procedures and tools	ES, SPMU	In process	June 30, 2015
21.	Sanitation			
22.	Finalize District Action Plan and launch sanitation campaign in all Project Districts	SBM Cell and SPMU	In process	July 31, 2015
23.	Prepare DPRs for SLWM after selecting model villages.	ES/SPMU	In process	July 31, 2015
24.	Conduct Exposure visit to Uttarakhand/Kerala/Rajasthan/ Uttarakhand for key decision makers at state and district levels	ES-SPMU PMU SBM-G	In process	July 31, 2015
25.	Draft State specific rural sanitation, policy, strategy and operational guidelines	ES- SPMU PMU SBM-G	In process	June 30 , 2015
26.	Organize Communication Strategy Workshop for Sate Sanitation- SBM-G	ES-SPMU PMU SBM-G	In process	July 31, 2015
27.	Form District Resource Groups and team of Motivators Train new consultants and DRG members for triggering techniques	ES- SPMU	In process	July 31, 2015
	Component C: Project Management			
28.	Circular/ GO may be issued, renaming EE of DDWS as Program Manager for NNP	SPMU/ IDS	In process	June 31, 2015
29.	Prepare a note on the approach to Batch-II schemes, (Saturation/ TDP)	SE/ TS/TDS	In process	July 31, 2015
30.	Revisit the DPMC contract and suggest improvements	IDS/ Procurement	In process	June 30, 2015
31.	Prepare a note for the supervision, monitoring and implementation protocols of MVS	SPMU SE/ TS-	In process	July 31, 2015
32.	Hire Services of a construction management specialist to support in the DBOT scheme may be hired for Chota Gobindpur-Bagbera MVS.	SPMU	In process	July 31, 2015
33.	Hire Contract law specialists to train / conduct a workshop for EEs/Managers in contract management and monitoring.	SPMU	In process	Immediate
34.	Convert key milestones of DBOT into MS Project	SPMU/ M&E	In process	June 30, 2015

No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	for monitoring.			
35.	Create an engineering/ construction cell within SPMU bringing CE (1), EEs (3), AEs (6), JEs (12) on deputation from DWSD.	DDWS/ PD-SPMU	In process	June 30, 2015
36.	SLSSC Approval of SVS for 276 out of 326 SVS	DDWS/SPMU	In process	June 30, 2015
37.	Constitute MVWSC for Chotta Govindpur-Bagbera LMVS.(Undertake a case study of an existing MVWSC and its functioning and propose modifications to the GO if relevant)	IDS/ SPMU	In process	Immediate
38.	Complete the collection of CAPEX contribution in MVS and SVS awarded	SDS/SPMU	In process	June 30, 2015
39.	Appoint Audit Firm		Done	
40.	Submit External Audit report for FY-2013-14	SPMU	Done	
41.	Transfer funds released by GoI under the NRDWP Non-EAP component to SPMU, based on fund requirements of SPMU for the first quarter of FY 15-16.	Govt. of Jharkhand/ SWSM		June 30, 2015
42.	Release GoI funds till date for the EAP component and the corresponding State Share to SPMU, via SWSM	Government of Jharkhand	Done	
43.	Appoint Internal Auditor and start Internal Audit of the Project	SPMU	September 30, 2015	September 30, 2015

ANNEX 4: UTTAR PRADESH

1. Batch-1 of water supply schemes in Uttar Pradesh include 233(220SVs and 13 SMVs) schemes in 1476 habitations. The State has awarded BOT contracts for 44 SVs and 2 MVs and works have commenced for MVs and 16 SVs. Procurement of contracts for the balance 176SVs and 11 MVs is at different stages of progress. The State has established DPMUs in 9 districts and contracted SIRD- Lucknow as its Lead Training Agency. The mission appreciates the significant progress made by the project since the previous mission in November 2014.

Achievements

2. Following are the key achievements under the three components.

Component A – Capacity Building and Sector Development

3. Sensitization Programs: Community mobilization and sensitization of the GP leaders and communities have started in all 9 project districts for Batch -1. 30 Programs have been organized by SPMU and DPMU during Nov 2014 to April 2015. (2000 people participated – 1200 F and 800 M).

4. State Media Consultant: M/s Span Communications Pvt Ltd. has been contracted as State Media Consultant Agency to prepare the IEC Plan for the Batch 1 GPs.

5. Newsletter on NNP: The first issue of ‘NIRMAL DHARA’ a newsletter on Neer Nirmal Pariyojana, was released on 25th March by Mrs. Vijaylaxmi Joshi, Secretary, MoDWS, Government of India.

6. Training in E-Tendering: 19 trainings on e-tendering and bidding have been carried out at State and District level for vendors and district officials between December 2014 to February 2015 and a total of 395 vendors participated in these training events. 87 vendors were facilitated to obtain digital signatures as a result of the training. These trainings have facilitated an improved participation of the Vendors in the subsequent biddings.

7. M&E software: M&E software has been developed and baseline data collection and MPRs for State, District and GP level for Batch I GPs has commenced with the 5 tablets already procured. The procurement of Tablets, one for each GP is underway.

8. Selection of CMPD Consultant: EOI has been published for hiring a consultant to undertake ‘Concurrent Monitoring & Process Documentation’ of NNP.

9. Website launched for NNP in UP: A website uprwssp.org for the RWSSP has been developed by SPMU with District wise pages.

10. Lead Training Agency Contract is signed with Centre for Development Action, a subsidiary of State Institute of Rural Development, Lucknow as LTA for NNP in the State of UP. A 10 day ToT was provided to a group of 30 Resource Persons selected by SIRD at UAA- Nainital during 09-19 February 2015. Minister for Rural Development, UP, inaugurated the capacity building program during a function held on 15th April, 2015 at SIRD, Lucknow.

11. Social Development: Mission is pleased to note progress in activities relating to social development, including social messaging and communication outreach programs. Regular IEC/BCC activities such as, slogans, wall-writing, street theatre and nukkad-nataks have been organized in all the districts. It is observed that the capacity of SPMU and DPMU specialists needs improvement, including

coordination within the team. The state is advised to take immediate steps to strengthen capacity within SPMU including supplementary capacity enhancement. Social mobilization for collection of upfront community contribution may be pursued vigorously.

Component B - Infrastructure Development

12. Procurement of works for implementation of water supply schemes has gained momentum after a very slow start. Currently, contracts for 2 MVSs and 44 SVSs have been signed (aggregate contract value Rs 82.32 crores) and works commenced in 2 MVSs and 16 SVSs. Bids for 36 SVSs (estimated cost Rs 57.06 crore) are under evaluation and bids for a further 11 MVSs and 140SVS are due by May 31, 2015. Given below is a summary of the target and achievement.

Table 17: Targets and Achievements of Batch 1 Water Supply Schemes in UP

Target	No. Single Village Schemes			No. of Multi Village Schemes			
	Achievement (contracts signed)	SVS under BER	SVS under NIT	Target	Achievement (contracts signed)	MVS under NIT	
Districts							
Allahabad	29	16	2	11	2	1	
Balia	26	0	4	22	2	0	
Basti	21	0	0	21	2	0	
Beharaich	22	5	15	2	2	0	
Gonda	35	15	9	11	2	1	
Ghazipur	26	0	6	20	1	0	
Gorakhpur	25	4	0	21	2	0	
Deoaria	17	0	0	17	0	0	
Kushinagar	18	4	0	14	0	0	
Total	219	44	36	139	13	2	
Estimate amount			57.06	Notified on 09.04.2015	45.88	7.508	38.71
Value of contract (Rs. In crores)		74.82		237.50			NIT closing on 6.5.15

13. MVS have been bid-out thrice, of which contracts for 2 MVS alone has been awarded. The Single Village Schemes (SVS) bid out twice. 44 contracts have been awarded. Qualification criteria were relaxed in the subsequent bids. The Mission appreciates the substantial efforts made by UPJN and SPMU in capacity building for field Engineers and prospective Bidders at district and state level. The mission observed that if the UPJN's expectation is reasonably fulfilled, it will be a decisive turning point for project implementation in UP. The mission requested UPJN to keep the Bank informed of the bidders' participation, as and when the submission date closes. Mission reminded UPJN and SPMU that decisions on the bids offered shall be taken as soon as possible from bids receipt, and all Batch-1 schemes shall be awarded by June 30, 2015 so as to commission them before March 2017.

14. **Participating districts:** Of the 10 participating districts project activities have commenced in 6 districts, mainly due to lack of response to bid invitation from Ghazipur, Deoria and Basti and no DPR was prepared for Sonbhadra district.. The mission conducted a visit to Sonbhadra district and observed that (a) sustainable water sources are scarce, (b) water availability from sub surface and surface sources is limited, and (c) water quality issues are also emerging in certain pockets of the district. The mission advised the following for UPJN:

- (a) Make an assessment of existing bore wells with sufficient yield and prepare DPRs to convert these into SVS/ SHS. (Lokva Khari of Katchnarva GP, Block Chopan is an example). Bore wells yielding 200 to 400 LPM may be considered for this category of schemes. Where feasible solar pumps may be used.

- (b) Conduct water quality test for all existing and new sources before these are upgraded/ improved for water supply schemes.
- (c) Consider non-conventional water supply arrangements such as rainwater harvesting either at household/ group of households/community level as alternate model.

15. ***Inclusion of districts along the banks of River Ganga:***The mission reviewed the request by UPJN to include Ganga GPs from 22 other districts. Having analyzed the experience of the last one and a half year of project implementation, it was agreed that new districts could be included in a phased manner. It was also agreed that if the results of this round of bid invitation is not satisfactory in any of the existing project districts, the engagement will be scaled down, with increased attention to Ganga GPs in Varanasi and Fatehpur districts. UPJN shall accordingly plan mobilization of district Project Cells. It was agreed that a proposal in this regard be furnished by UPJN/SPMU at the earliest with information on the additional GPs along the Ganga, including cost estimates and plan for establishment of the project cells.

16. ***Discussion on the NCB document/contract:***The mission held discussions with UPJN/SPMU regarding their request for: (a) revision in the experience of bidders for SVS and SHS, and (b) increase in mobilization advance from 10% to 15%. Having considered pros and cons of the changes proposed by UPJN, the Mission agreed to consider experience of construction of sewerage system and gas pipeline as eligible, but at least 50% of the total experience claimed by the bidder has to be in water supply. As regards mobilization advance, the Mission agreed for paying 10% of bid price upon receipt of Bank Guarantee.

The Mission shared with UPJN/SPMU a working version of a new NCB document for small works (value up to USD 1 million) and held brief discussion on the provisions, especially citing the differences with the present criteria. It was agreed that the UPJN will provide information requested by the Mission to assess the qualification requirements for small contracts by June 30, 2015.

17. ***Sanitation:***

- (a) ***Sanitation Round Table:***A Sanitation round-table was held on April 16, 2015, at Lucknow. WSP and Uttarakhand RWSS Project made presentations, placing their experiences in sanitation process and achievement of Rajasthan and Uttarakhand States. The GoUP requested use of resource persons from Uttarakhand to implement SBM-G at the grassroots level in UP.
- (b) ***Presentation on SLWM:*** SPMU organized a one day workshop on SLWM on April 18, 2015 at Lucknow. This was well attended, including officials from PRD, UPJN, SWSM, NNP, along with district officials of PRD and Executives Engineers of UPJN. Ms. Isabel Blacket shared experience from East Asia, with a suggestion to constitute a technical learning group for sample SLWM plans on a pilot basis for selected villages as learning laboratories.
- (c) ***SBM-G*** is being implemented by the Panchayati Raj Department. The State has prepared a new strategy and operational guidelines in accordance with the SBM guidelines. WSP will support UP in conducting formative research and preparing a communication strategy for the State, besides the state level workshops on SBM strategies and exposure visits.

18. ***Guidelines for SLWM:*** The Mission commends SPMU for preparing Guidelines for SLWM as reference material for the field staff. The Mission reviewed the draft, provided comments and advised SPMU that such a document shall not be a one-time product. It is a dynamic document, to be periodically updated as the experience grows, good examples are established, and knowledge gained.

19. ***SLWM DPR:*** UPJN has prepared a draft DPR for SLWM in Sarangapur village in Allahabad district and shared a copy for review by Bank team Engineers. The Bank team will provide comments/observations on this DPR.

20. **Environmental Management:** The Environment Specialist has yet to be appointed at the DPMU level. This should be immediately followed by intensive training of these personnel, for effective environmental management. Categorization of schemes seems to have been done solely on basis of criticality or exploitation status of the block, without considering other criteria. The SPMU is advised to repeat screening of all DPRs to rectify the matter.

Component C – Project Management Support

21. **SPMU:** SPMU is fully functional with 7 consultants, along with the Project Director, Financial Advisor and Institution Development Specialist working on deputation from GoUP. One Technical cum Procurement Consultant and one MIS Consultant are hired to assist the SPMU.

22. **UPJN-NNP Cell:** UPJN has established a Project cell to support the World Bank assisted NNP project and has placed four dedicated engineers (One EE and three AEs, One Technical Consultant and one Social consultant) to support the cell. The cell is fully operational.

23. **PRD-NNP Cell:** Project Cell in PRD has been announced via GO dated 30/10/2014. One Technical Consultant, one Communication and Community Development Consultant, and one Data Entry Operator have been selected, and will join duty by May 31, 2015. The hiring of Technical Consultants and Communication-Capacity Development Consultant for 10 NNP Districts is under process.

24. **DPMUs in 10 project districts:** DPMUs in 10 districts are established. The Govt of UP has notified, through a GO, facilitating partial merger of DWSC and DPMU. Within the DPMU: (a) the DDO is working as District Project Manager; (b) Finance Officer of DRDA is working as the Accounts Officer; and (c) EE-UPJN is working as Technical cum Procurement Specialist. Three thematic Consultants (Social Development, M&E and Environment) are appointed on contract basis. The DPMU is housed in DWSC. A total of 60 staff and consultants are available at the DPMU offices in all 10 Districts.

25. **Formation of GP-WSC and MVS-WSC:** GO has been issued for GP-WSC and MVS-WSC formation, vide GO No. 3233/33-1-2014, dated: November 5, 2014. GP-WSC has been formed in all 249 Batch 1 GPs. MVS-WSCs have also been constituted in 13 schemes.

26. **Selection of Support Organizations:** 39 agreements with 25SOs for 190 GPs have been signed in the 9 Project Districts. SOs are also being hired for the remaining 60 GPs.

27. **Fiduciary Review:** The progress, achievements and critical next steps for UP State are presented below.

- (a) The mission is concerned regarding considerable delay in awarding the SVS and MVS contracts.
- (b) The mission discussed e-procurement aspect of bidding once again with State/ UPJN to find out whether it is still a constraint for bidders in UP to participate in bidding. The State/ UPJN reported that e-procurement is now no longer a constraint for local bidders and strongly supported e-procurement to continue being followed under the project.
- (c) The mission was informed of the reasons for slow and tardy progress in awarding schemes in the earlier rounds: (i) very few bidders within state with experience in implementing water supply projects; (ii) low financial capacities to meet the requirement for single or group of contracts (package); and (iii) bidders quoting higher price to the tune of 60-70% higher than estimated value. To address the above issue, UPJN has proposed inclusion of experience in civil works such as sewerage and gas pipeline projects for the bidders along with water supply projects so as to enhance qualification of prospective bidders. The mission agreed to above modifications on the condition that a bidder must have at least 50% of the total experience in implementing water supply projects. UPJN

has been advised to give wide publicity regarding the modified qualification conditions through newspaper, e-procurement portal, and pre-bid meetings.

- (d) As regards rejection of bids due to quoting of high prices, the UPJN was advised to seek written justification from the bidders for unreasonable hike of bid prices. Based on market analysis and justification provided, including risk associated with the contracts, the evaluation process may be appropriately concluded. However, the Bank further clarified that as per NCB provisions agreed under the project, *“the system of rejecting bids outside a pre-determined margin or “bracket” of prices shall not be used in the project”*.
- (e) During the mission discussions, a simplified version of NCB bidding document including provision of e-procurement has been introduced. The provisions of the bidding document such as turnover requirement, financial credits, specific experience under consideration for evaluation, sub-contracting, etc. were thoroughly discussed with UPJN and found acceptable to them. It was then agreed with UPJN that simplified bidding document will be used under the projects for small works contract for value less than USD 1 Million per contract after conclusion of fourth round of re-bidding process.
- (f) The need for hiring Independent Procurement Agent and Contract Management Consultants has been discussed. It was found redundant in view of the status of progress achieved in awarding the contracts. The above activity is therefore dropped with mutual consent during the mission.
- (g) The mission recorded good procurement progress in awarding consultancy contracts, including: (i) contract awarded to SIRD, as Lead Training Agency (LTA) under SSS method; (ii) contract awarded to UAA, Nainital for selection of consultants for TSMA under SSS method; (iii) contract awarded to M/s Span Communications Pvt. Ltd. for State Media Agency; (iv) contract awarded to M/s Snow Fountain Consultants, Lucknow for selection of Independent Construction Quality Surveillance Consultant (ICQSC) for SVS (v) contract awarded for selection of 25 Support Organizations (SOs) in 190 GP (cluster wise) under FBS method.
- (h) Other procurement activities that are under bidding process are: (i) RFP issued for selection of consultants for Support Organizations (SOs) in 60 GPs under FBS method; and (ii) NIT issued under re-bidding process for monitoring of project activities through procurement of tablets, under procurement of non-consultancy services.

Major Concerns

28. Following are the major concerns related to the implementation progress:

- a) Need for identifying dedicated Engineers in UPJN to support the project activities.
- b) Poor achievement in financial progress and disbursements. The Mission noted that the State needs to utilize Rs.70 crore prior to June 1, 2015.
- c) Poor response to several rounds of bidding of schemes in the districts of Ballia and Ghazipur.
- d) The Mission was informed that the project is facing a resource crunch. EAP allocations have not been provided in the current NRDWP budget. However, UP has been allocated EAP funds by MoDWS till November, 2015, as part of the interim budget. The mission advised GoUP to clarify the financial allocations for the EAP component from MoDWS and DEA.
- e) The State of UP needs to appoint a full-time Project Director for the project. The staffing arrangements at SPMU also need to be revisited along with effective monitoring of their workload, targets and performance.
- f) The State agreed to closely monitor and exercise oversight of activities of UPJN and SPMU by the Principal Secretary, RD, Govt of UP, on a fortnightly basis.

Agreed Actions

29. Following are the actions agreed with Government of UP.

Table 18: Agreed Actions with Government of UP

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
	Component A: Capacity Building			
1	Establish project support cells at UPJN and PRD, with dedicated officials on full time basis	UPJN and PRD	UPJN Cell established State level NNP cell at PRD established	June 30, 2015
2	Carry out trainings on e-tendering /bidding documents, regularly for vendors & district officials	UPJN and SPMU	19 Trainings completed	June 30, 2015
3	Conduct Workshop on Solid Liquid Waste Management (SLWM)	UPJN and SPMU	SLWM Round Table held on April 18, 2015	June 30, 2015
4	Finalize DPRs for SLWM:9 large GPs on pilot basis(one GP in each project district)	UPJN and SPMU	One DPR prepared by UPJN	June 30, 2015
5	Appoint Procurement Agent	SPMU	Not Required	
6	Document CB activities through video tutorials	SPMU	Completed	Continuous
7	Prepare project website with district specific pages, including scheme targets and achievements	SPMU	Prepared	June 30, 2015
8	Carry out trainings on e-tendering and bidding documents, focusing Ballia and Ghazipur	UPJN and SPMU	In process	June 30, 2015
9	SO Team to be urgently trained in Project details	SPMU /LTA	In process	June 30, 2015
10	IEC and Sensitization campaigns in GPs where SVS and MVS have been awarded	SPMU (SDS)/ DPMU	In process	June 30, 2015
11	Organize orientation sessions for SPMU staff, District level officials		In process	June 30, 2015
12	Pre-planning and Planning phase activities may be rationalized and appropriately merged, focusing on outputs. SPMU to prepare a note and share with WB	SPMU (SDS)	In process	June 30, 2015
13	<ul style="list-style-type: none"> • Completing baseline survey in all GPs where schemes are awarded and other GPs of Batch-I • Host M&E Software of NNP in a Server at State Data Centre or SPMU office 	SPMU (M&E)	In process	June 30, 2015
14	Finalize Project Concept Note on Impact Evaluation	SPMU (M&E)	In process	June 30, 2015
15	Training to GP-WSC on Project details, focusing on roles of GP-WSC and MVS-WSC, as applicable.	SPMU (SDS)/ DPMU	In process	June 30, 2015
16	Ensure regular meetings of GP-WSC/ SOs to handhold in preparing MoM / opening bank acts	SPMU (IDS)/ DPMU	In process	June 30, 2015
17	Urgent Training for the GP Secretaries with regard to NNP Project	SPMU (SDS)/ DPMU	In process	June 30, 2015
18	Send Monthly, Quarterly and Annual Reports on Project Progress to the Bank	SPMU	In process	Continuous/ Regular
	Component B: Infrastructure Development			
19	E-tendering of 220SVS	UPJN	140SVS in 3 rd rebidding/ 36 SVS under BER	June 30, 2015
20	Re-bidding for 13 MVS	UPJN/ SPMU	11 MVS in fourth rebidding	June 30, 2015
	Complete pending Environmental Approval related actions in context of all DPRs	UPJN and SPMU	Done	June 30, 2015
22	Sanitation			
23	Conduct Exposure visit to HP/Rajasthan/ Uttarakhand for key decision makers at state and district levels	State SBM Cell, WSP/ SPMU	In process	July 31, 2015
24	Strengthen State Sanitation Cell		Two consultants hired	
25	Draft State specific rural sanitation, policy, strategy and operational guidelines		Draft ready	June 30, 2015

S.No.	Activities	Responsibility	Status (May 2015)	Revised Timelines*
26	Prepare proposal for Strengthening District Sanitation Cell		In process	June 30, 2015
27	Formation of District Resource Groups and team of Motivators with Training in triggering techniques		In process	June 30, 2015 Aug 31, 2015
28	Finalize District Action Plan and Launch sanitation campaign in all 10 Project Districts		In process	July 31, 2015
29	Complete pending Environmental Approval related actions in context of all DPRs	UPJN and SPMU	In process	June 30, 2015
30	Ensuring compliance of GO by Govt of UP regarding representation of women, SC/ST in GP-WSCs	SPMU (SDS)/ DPMU/ SO	In process	June 30, 2015
31	Procurement of Computer Tablets for Baselines		In process	June 30, 2015
	<i>Environmental Management</i>			
32	Recruitment of Environmental Specialist at DPMU & induction on NNP /Environmental aspects	ES, SPMU	In process	June 30, 2015
33	Preparation of detailed capacity building modules on environment and a training calendar for 2015-16	ES, SPMU	In process	June 30, 2015
	<i>Component C: Project Management</i>			
34	DPMU to be established and functional in 9 districts	SPMU	Achieved	
35	Independent Procurement Agent to be contracted by UP	SPMU	Not Required	
36	Contract Management Consultancy to be awarded by UP	SPMU	Not Required	
37	Appointment of Audit Firm	SPMU	Appointed	
38	SO contract award for 60 GPs	SPMU		June 30, 2015
39	Submit External Audit report for FY 2013-14 to the WB	SPMU	Done	June 30, 2015
40	Focus on districts of Varanasi and Fatehpur under Ganga program- may submit a note to WB	UPJN	In process	June 30, 2015
42	State to share a note, with details of population, habitation coverage, cost and other project management implications for subsequent batches	UPJN	In process	June 30, 2015
43	Transfer funds released by GoI under the NRDWP Non-EAP component to SPMU, based on fund requirements of SPMU for the first quarter of FY 15-16.	SWSM	In process	June 30, 2015
44	Release GoI funds till date for the EAP component and the corresponding State Share to SPMU	Government of Assam	Immediate	Immediate
45	Appoint Internal Auditor and start Internal Audit of the Project	SPMU	September 30, 2015	September 30, 2015

ANNEX5: DISBURSEMENT PERFORMANCE AND PROJECTIONS

Disbursement Performance and Projections

Table 19: Disbursement Estimates for Project from FY 15 till closing (USD million)

Fiscal Year	FY 15				S.Tol.	FY16	FY17	FY18	FY19	FY20	Total
	QI (Actual)	QII (Actual)	QIII (Actual)	QIV							
Target (USD M)	0.37	1.20	7.00	4.00	12.57	87.43	100.00	120.00	100.00	80.00	500.00
Achieved (USD M)	0.37	1.05	2.51	5.5	9.43	0.00	0.00	0.00	0.00	0.00	9.30
Balance (USD M)	0.00	(surplus 0.20)	4.47	(surp lus 1.5)	3.14	87.43	100.00	120.00	100.00	80.00	499.63

Note: Expected FY15 Q4 disbursements are USD 5 million, representing claims in pipeline.

ANNEX6: LIST OF KEY PERSONS MET DURING THE MISSION

S. No.	Name	Designation
Ministry		
1.	Mr. Satyabrata Sahu	Joint Secretary (Water), Ministry of Drinking Water and Sanitation, New Delhi
2.	Mr. Rajesh Kumar	Director, Ministry of Drinking Water and Sanitation, New Delhi
3.	Mr. J.C. Singhal	Technical Consultant, Ministry of Drinking Water and Sanitation, New Delhi
4.	Ms. Urvashi Asthana	IEC Consultant, Ministry of Drinking Water and Sanitation, New Delhi
5.	Mr. Arun Rustagi	Financial Consultant, Ministry of Drinking Water and Sanitation, New Delhi
DEA	Mr. Rishikesh Singh	Director, Multilateral Institutions Division, Department of Economic Affairs, Ministry of Finance, New Delhi
Assam		
6.	Mr. Subhash Das	Additional Chief Secretary, Govt. of Assam , PHED
7.	Mr. Siddharth Singh	Additional Secretary, Govt. of Assam , PHED
8.	Mr. S.K.Barua	Project Director , RWSSP-LIS , Assam
9.	Mr. Indrajit Phukan	Procurement Specialist , SPMU , Assam
10.	Mr. Chiranjib Sur	Institutional Specialist , SPMU , Assam
11.	Mr. Nibedita Paul	Social Development & Communication Specialist
12.	Mr. Tankeswar Sarma	Financial Management Specialist
13.	Mr. Ghanasyam Pathak	Donbosco Institute , LTA
14.	Mr. Manas Joshi	Donbosco Institute , LTA
15.	Mr. Bikash Kalita	Assistant Engineer , Technical Assistant , PHED
16.	Mr. Munmun Das	Assistant Engineer , Technical Assistant , PHED
17.	Mr. Gautam Paul	Executive Engineer , Kamrup Division , PHED
18.	Mr. Ramya Jyoti Sarma	Assistant Executive Engineer , Kamrup Division , PHED
19.	Mr. Venkatesh Aralikatty	State Co-ordinator , WSP , Meghalaya
20.	Mr. Jolly Changamai Kalita	DWSSM Consultant , Kamrup Division , PHED
21.	Mr. Bikash Jyoti Nath	Assistant Engineer , Kamrup Division - 1 , PHED
22.	Mr. S. S Bisht	State Co-ordinator , SBM , Uttarakhand
23.	Mr. Abhijit Konwar	JE , PHE , Kamrup Division - 1
24.	Mr. Manalisha Das	Assistant Engineer , B&S , PHE , Hengrabari
25.	Mr. Prasanta Hazarika	JE , PHE , Kamrup Division - 1
26.	Mr. Madan Kalita	Block Co-ordinator , PHE , Ghy - 1
27.	Dr. A J. Kashyap	President , Environ , NGO
Bihar		
28.	Mr. Shishir Sinha, IAS	Principal Secretary PHED
29.	Mr. Uday.Kumar Singh,IAS	Project Director, RWSSP
30.	Mr. Dineshwar Prasad Singh	Director, SPMU
31.	Mr. Saket kumar, IAS	District Magistrate, Banka
32.	Mr. Amrendra Kumar Singh, IAS	District Magistrate, Munger
33.	Mr. Mr. Ameer Ranjan	Joint Director, SPMU
34.	Mr. Bhogendra Mishra.	EE cum District Project Manager, W. Champaran
35.	Mr. Devendra Prasad	EE cum District Project Manager, Munger
36.	Mr. Vivek Shukla	Project Supervisor, SPMU
37.	Mr. Bimal Kumar Singh	SE, Motihari & Chhapra
38.	Mr. Pramanand sharma	EE cum District Project Manager, Nawada
39.	Mr. Vinod Kumar	Assistant Engineer cum Assistant Project Manager, Chhapra
40.	Mr. Sandeep Kumar	Assistant Engineer cum Assistant Project Manager , Muzaffarpur
41.	Mr. Manoj Kumar Choudhary	EE cum District Project Manager, Banka
42.	Mr. Parmanand Prasad	EE cum District Project Manager, Purnia
43.	Mr. Kalika Prasad	EE, Hilsa
44.	Mr. Janardan Prasad	M/s J.P Enterprises
45.	Mr. Ramji Prasad	Assistant Engineer cum Assistant Project Manager , Nawada

S. No.	Name	Designation
46.	Mr. Vivek Kumar	Assistant Engineer cum Assistant Project Manager , Patna
47.	Mr. Dinesh Kumar	SE, Patna/Gaya
48.	Mr. Nitya Nanad Chawrashiya	JE, Danapur
49.	Mr. S.P.Yadav	EE cum District Project Manager, Muzaffarpur
50.	Mr. A.S. Naiyar	Project supervisor, SPMU
51.	Mr. M. Naseer	EE cum District Project Manager, Begusarai
52.	Mr. Akhileshwar Prasad	Project Manager, Ghoghaghat
53.	Mr. Rajseh Pd. Sinha	EE cum District Project Manager, Bihar Sharif
54.	Mr. Vikshep	Assistant Director, SPMU
55.	Mr. Krishna Dev Prasad	Mukhiya, Nalanda
56.	Mr. Neelesh singh	District Coordinator, SBM (G), Nalanda
57.	Mr. Gajendra Paswan	Assistant Engineer, PHED
58.	Mr. Abhijeet kumar	Procurement Specialist, SPMU
59.	Mr. Nripendra Kumar Singh	Environment Specialist, SPMU
60.	Mr. Santosh Kumar	Financial Specialist, SPMU
61.	Mr. Niraj Kumar	Social Development Specialist, SPMU
62.	Mr. Yashwant Kumar Azad	M&E specialist, SPMU
63.	Mr. Priyanka Singh	Institutional Development Specialist, SPMU
64.	Mr. Hira Lal Singh	Technical Specialist, SPMU
65.	Mr. Madhwendra Singh	Assistant Manager, Gannon India
66.	Mr. Devendra Prasad	EE cum District Project Manager, Munger
67.	Mr. Shambhu kumar Rai	Estimating officer
68.	Mr. N. N Prasad	EE cum District Project Manager, Patna
69.	Mr. Prasoon Kumar	EE, PHED, Bhojpur
70.	Mr. Rajesh Kumar Raushan	AE, Banka
71.	Mr. Azad Kamal	JE, Chhapra
72.	Mr. Ranjay Baitha	DC, Purnia
73.	Mr. Abdul Mujees	DC, Saran
74.	Mr. Sanjay Kumar Singh	DC, Banka
75.	Mr. Ashok Kumar	EE (M-II), PHED
76.	Mr. S.N.Mishra	EE (Monitoring)
77.	Mr. Surendra Paswan	S.D.O (Ekangarsarai)
78.	Mr. Avinash kumar	DC, Buxar
79.	Mr. Sandeep Kumar	AE
80.	Mr. Anil Kumar Akhilesh	EE, Buxar
81.	Mr. Pradeep Kumar	DC, Sitamhari
Jharkhand		
82.	Mr. Amrendra Pratap Singh	Secretary, DWSD
83.	Mr. Jabber Singh	Special Secretary cum Project Director
84.	Mr. Yamuna Ram	SE, SPMU
85.	Mr. S.N. Mandal	SE, Chaibasa
86.	Mr. Ajay Kumar Yadav	AE, DW&S Div., Dumka
87.	Mr H. K Misra	EE, Saraikela
88.	Mr. Sadhu Saran	EE, Dumka II
89.	Ms. Jyoti Prasad	M&E Specialist, SPMU
90.	Mr. Manoj Kindo	TDS, SPMU
91.	Mr Teethal Parmar	State Coordinator, WSP
92.	Mr. Nazre Imam	EE, DW&S Div. Adityapur
93.	Mr. Samir Kumar	M&E Specialist, Saraikela
94.	Mr. Prakash Ranjan	Project Manager & HRD, Saraikela
95.	Mr. Brahma Deo	Project Manager, DPMC, Saraikela
96.	Mr. Naveen Mishra	Project Manager, DPMC, Dumka
97.	Mr. Abhishek Bhardwaj	Finance Specialist
98.	Mr. Chandra Shekhar	EE, DW&S Div. Khunti
99.	Mr. Navneet Kumar	Project Manager, Khunti
100.	Mr. J.P. Semwal	Project Manager, DPMC, Khunti

S. No.	Name	Designation
101.	Ms. Shalini Kumari	Finance Specialist, DPMU, E. Singhbhum
102.	Mr. Suwendu Singha	Project Manager, DPMC E. Singhbhum
103.	Mr. Suresh Prasad	EE, DW&S Div, Jamshedpur
104.	Mr. A. Pandey	SE, Medininagar
105.	Mr. Rajendra Prasad	SE, Jamshedpur
106.	Mr. Prabhat Kumar Singh	PM, DPMU, Palamu & Garhwa
107.	Mr. B.N. Sharma	Tech. Coordinator, SPMU
108.	Mr. Avik Ambala	AE, SPMU
109.	Ms. Swati Kumari Gupta	Institutional Dev/HRD (Capacity) specialist
110.	Ms. Minakshi Tripathy	Social Dev. & Com. Specialist, SPMU
111.	Ms. Smita Sinha	Env. Specialist, SPMU
112.	Mr. Binod Kumar	EE, DWSD (SPMU)
113.	Mr. Arvind Kumar	FMS, SPMU
114.	Mr. Vimal Kant Verma	DDF, SPMU
115.	Mr. Shashi Shekhar Singh	EE, DW&S Div, Palamu
116.	Mr. Maryada Purushottam	Procurement Specialist, SPMU
Uttar Pradesh		
117.	Mr. Arvind Kumar Singh 'Gope'	Honb'le Minister of State (Independent Charge), Rural Development
118.	Mr. Arun Singhal, IAS	Principal Secretary, RD
119.	Mr. Ram Bahadur, IAS	Secretary, RD
120.	Dr. Mahesh Chandra Pandey	Financial Advisor/C.E.O.
121.	Mr. Shirish Mittal	Institutional Development Specialist
122.	Mrs. Meena Agarwal	M&E Specialist
123.	Mr. Gyanendra Singh	Procurement Specialist
124.	Dr. S.M.Haider Rizwi	SDC Specialist
125.	Mr. Yogesh Joshi	Technical Specialist
126.	Mr. Sonal Rathore	Environment Specialist
127.	Mr. Anil Kumar Srivastava	Tech.cum-Proc. Consultant
128.	Mr. Gaurav Shukla	MIS Consultant
129.	Mr. B.K. Litoria	Engineering Consultant, SWSM
	UP Jal Nigam	
130.	Er. P.K. Asoodani	Managing Director, UP Jal Nigam
131.	Mr. C.K. Tyagi	Chief Engineer (Rural), UP Jal Nigam
132.	Er. R.M. Tripathi	Joint Director (CPU), UP Jal Nigam
133.	Er. Rajesh Gupta	Executive Engineer, UP Jal Nigam
134.	Smt. Tulika Prasad	Assistant Engineer, UP Jal Nigam
135.	Er. Adnan Turk	Technical Consultant, UP Jal Nigam
136.	Panchayati Raj Department	
137.	Mr. S.N. Singh	Dy. Director/ State coordinator, SBM (G)
138.	Mr. Wakeel Ahmad	Consultant SBM(G)
	SIRD	
139.	Mr. N.S. Ravi, IAS	DG, SIRD
140.	Dr. D.C. Upadhyay	Joint Director (CDA)
141.	Dr. O.P. Pandey	Joint Director
142.	Dr. Vardani	Add. Director
143.	Dr. Yogendra	Ass. Director, SIRD
144.	Mr. Ashok Kumar	Training Manager, SIRD
145.	Mr. Hemendra Sharma	Faculty Member, SIRD

ANNEX 7: WORLD BANK SUPPORT TEAM

World Bank Team

States	State Coordinator	Institutional Development & Policy	Technical	Social Development ⁵	Environment ⁶	Sanitation Support (District-wide Approach)	Procurement	Financial Management	M&E
Assam	Rajesh Balasubramanian	P.K. Kurian, Charu Jain Kalia,	Shyamal Sarkar, Satya Pallagani, V. Vikramaditya, Charu Jain Kalia	Surbhi Dhingra	Parimal Sadaphal	Joep Verhagen, Kullappa, Suseel Samuel	Kalesh Kumar, Shyamal Sarkar, Swati Gamaliel	Papia Bhattacharji, Asha Bhagat	P.K. Kurian
Bihar	Satya Pallagani								
Jharkhand	P.K. Kurian								
Uttar Pradesh	P.K. Kurian								

TTL: Smita Misra

⁵ Surbhi supported by Mridula Singh

⁶ Parimal supported by Pyush Dogra

ANNEX 8: ACRONYMS

Acronym	Elaboration
AMC	Annual Maintenance Contract
APSP	Assam Preferential Store Purchase
AWP	Annual Work Program
BER	Bid Evaluation Reports
BCC	Behavior Change Communication
BOT	Build Operate Transfer
BPL	Below Poverty Line
BPP	Block Parishad President
BRC	Block Resource Centre
CA	Chartered Accountant
CAPCELL	Capacity Building Cell
C&AG	Comptroller and Accounting General
CB	Capacity Building
CDA	Centre for Development Action
CDO	Chief Development Officer
CEO	Chief Executive Officer
CIMP	Chandragupt Institute of Management, Patna
CMS	Consultant Management system
CPSMS	Central Plan Scheme Monitoring System
DBI	Don Bosco Institute
DBOT	Design Build Operate and Transfer
DDO	District Development Officer
DMS	Data Management System
DPMC	District Project Management Consultant
DPMU	District Project Management Unit
DPR	Detailed Project Report
DRDA	District Rural Development Agency
DRG	District Resource Group
DSC	District Sanitation Cell
DWSD	Drinking Water and Sanitation Department
EC	Election commission
EDS	Environmental Data Sheet
EMP	Environment Management Plan
ESMF	Environment and Social Management Framework
FY	Financial Year
GO	Government Order
GoA	Government of Assam
GoI	Government of India
GoUP	Government of Uttar Pradesh
GP	Gram Panchayat
GPWSC	Gram Panchayat Water and Sanitation Committee
GWR	Ground Water Recharge
HH	House Hold
ICB	International Competitive Bidding
ICQS	Independent Construction Quality Surveillance
IEC	Information Education and Communication
IHHL	Individual House Hold Latrine
IIT	Indian Institute of Technology
IMIS	Integrated Management Information System
IUFR	Interim Unaudited Financial Report
IVA	Independent Verification Agency
JV	Joint Venture
KRWSA	Kerala Rural Water Supply Agency
LCB	Local Competitive Bidding
LIS	Low Income States
L&T	Larsen and Toubro
LTA	Lead Training Agency
LMVS	Large Multi Village Schemes
M&E	Monitoring and Evaluation

Acronym	Elaboration
MIS	Management Information System
MoDWS	Ministry of Drinking Water and Sanitation
MVS	Multi Village Schemes
MVS – WSC	Multi Village Scheme Water and Sanitation Committee
NBA	Nirmal Bharat Abhiyan
NCB	National Competitive Bidding
NCB-BOT	National Competitive Bidding – Build Operate and Transfer
NIC	National Informatics Centre
NIT	Notice Inviting Tender
NOC	No Objection Certificate
NNP	Neer Nirmal Pariyojana
NPMU	National Project Management Unit
NRDWP	National Rural Drinking Water Programme
O&M	Operation and Maintenance
PHED	Public Health Engineering Department
PFMS	Public Financial Management System
PMU	Project Management Unit
PLKD	Payment Linked Key Deliverables
PRD	Panchayati Raj Department
PRI	Panchayat Raj Institutions
PSC	Project Steering Committee
PSU	Public Sector Units
PTG	Primitive Vulnerable (Primitive) Tribal Groups
RD	Rural Development
RFP	Request For Proposal
RWSSP	Rural Water Supply and Sanitation
SBA	Swacch Bharat Abhiyan
SBM	Swacch Bharat Mission
SBMG	Swacch Bharat Mission- Grameen
SCQ	Selection based on Consultant Qualifications
SEPA	Sistema de Ejecución de Planes de Adquisiciones- (Procurement Plan Execution System)
SIRD	State Institute of Rural Development
SLSSC	State level Scheme Sanctioning Committee
SLWM	Solid Liquid Waste Management
SO	Support Organization
SPMU	State Project Management Unit
SSC	State Sanitation Cell
SVS	Single Village Schemes
SWSM	State Water and Sanitation Mission
TAG	Technical Advisory Group
TDP	Tribal Development Plan
ToR	Terms of Reference
ToT	Training of Trainers
TPQAC	Third Party Quality Assurance Consultant
UP	Uttar Pradesh
UAA	Uttarakhand Academy of Administration
UC	Utilization Certificate
UNICEF	United Nations International Children’s Emergency Fund
UPJN	Uttar Pradesh Jal Nigam
USD	United States Dollars
VWSC	Village Water and Sanitation Committee
WSP	Water and Sanitation Program
XISS	Xavier Institute of Social Sciences
ZP	Zilla Parishad
ZPP	Zilla Parishad President

June 4, 2015

Ms. Vijaylaxmi Joshi
Secretary
Ministry of Drinking Water and Sanitation
Government of India
4th Floor, C Wing, Paryavaran Bhawan
CGO Complex
New Delhi - 110003

Dear Ms. Joshi:

***INDIA: Rural Water Supply and Sanitation Project for Low Income States (RWSSP-LIS)
(Credit No. 53450-IN): Implementation Support Mission No. 3 (April 6 - May 7, 2015)***

I would like to thank you and the concerned officials of the Ministry of Drinking Water and Sanitation (MoDWS), and the State Governments of Assam, Bihar, Jharkhand, and Uttar Pradesh (UP) for participating in the Implementation Support Mission for the above-mentioned project. Mission wrap-up meetings were held with respective Department Secretaries in each state followed by a final wrap-up with the Joint Secretary, MoDWS. The Department of Economic Affairs was also briefed on project implementation progress. The mission's findings and actions agreed with MoDWS and the respective state governments are provided in the attached Aide Memoire.

I am pleased there has been some improvement in implementation since the last mission. All State Project Management Units (SPMUs) are now fully functional, and District PMUs and support organizations have been established in UP and Jharkhand and are in the final stages of hiring in Assam and Bihar. Capacity Building and IEC programs for water supply and sanitation have been initiated for Batch I activities in co-ordination with Swachh Bharat Mission. There is also good progress in awarding of contracts for Multi Village Schemes (MVS) but tendering for Single Village Schemes (SVS) continues to be slow mainly due to poor response from local contractors which we hope will gradually improve in response to bidder conferences and capacity building workshops being organized by the project team. I am also pleased to know that the M&E system, recently launched at an international workshop, focuses on service delivery, sustainability and grievance redressal systems.

However, I would like to bring to your attention two areas of concern that are significantly hampering the pace of implementation. The first is the delay in transfer of funds from the state budget to the SPMUs for project activities; this is particularly acute in Assam and Jharkhand where even the payment of 10% mobilization advances to contractors for MVSs already awarded has been impacted. It is critical that these funds are urgently released so that work can progress smoothly. The second issue is that no provision has been made in the externally aided projects component of the Ministry's budget for FY15-16. Since this can only be rectified in the supplementary budget, MoDWS has issued a directive that the four project states can utilize the National Rural Drinking Water Program funds as an interim measure. We hope this omission can be rectified at the earliest.

As a result of the implementation bottlenecks, in almost 1-1/2 years since the approval of the project by the World Bank's Board of Executive Directors, disbursements under the project are less than 1% of the overall credit amount of USD 500 million. This is considerably less than

envisioned at the time the project was appraised. While we are retaining for now the project's ratings of "Satisfactory" for the Project Development Objective and "Moderately Satisfactory" for Implementation Progress, unless swift and effective action is taken to remove the implementation bottlenecks, it will be difficult to maintain these ratings going forward.

The complete list of time-bound agreed actions is provided in the aide memoire; highlighted below are the most critical ones:

- The remaining Batch I MVS and SVS contracts to be awarded by August 31, 2015 to maintain the agreed implementation schedule.
- Capacity Building and IEC Plans for all the states to be finalized and firms hired for IEC activities by July 31, 2015.
- Sanitation District Resource Groups and Motivators to be established and trained by July 31, 2015.
- Monitoring and Evaluation software to be housed in SPMUs and baseline data to be completed by August 31, 2015.

As you will appreciate, it is important to ensure there are no further slippages and the pace of implementation improves at the earliest. Our team stands ready to provide all assistance required. For any further information or clarification, please do not hesitate to contact Ms. Smita Misra, World Bank Task Team Leader for the project (email: smisra@worldbank.org).

Yours sincerely,



Onno Ruhl
County Director, India

Enclosed: Aide Memoire

cc: Mr. Subhash Chandra Garg, Executive Director (India), World Bank
Mr. L.K. Atheeq, Sr. Advisor to ED (India), World Bank

Mr. Rishikesh Singh, Director, DEA, Ministry of Finance, GoI

Mr. Satyabrata Sahu, Joint Secretary (Water), Ministry of Drinking Water and Sanitation, GoI

Mr. Saraswati Prasad, Joint Secretary (Sanitation), Ministry of Drinking Water and Sanitation, GoI

Mr. Rajesh Kumar, Director (Water), Ministry of Drinking Water and Sanitation, GoI

Mr. Nipun Vinayak, Director (SBM-G), Ministry of Drinking Water and Sanitation, GoI

Mr. Ashok Kumar Das, Secretary, Public Health Department, Government of Assam

Mr. Shishir Sinha, Principal Secretary, Public Health Department, Government of Bihar

Mr. Arun Singhal, Principal Secretary, Department of Rural Development, Government of Uttar Pradesh

Mr. AP Singh, Secretary, Drinking Water and Sanitation Department, Government of Jharkhand

Mr. S. K. Baruah, Additional Chief Engineer cum Programme Director, Assam

Mr. Uday Kumar Singh, Joint Secretary cum Project Director, RWSSP, Public Health Engineering Department, Bihar

Mr. Ram Bahadur, Secretary, Department of Rural Development, Government of Uttar Pradesh and Executive Director, SPMU UP, Uttar Pradesh

Mr. Jabber Singh, Special Secretary cum Director, RWSSP-LIS, DWSD, Jharkhand & Project Director, Drinking Water and Sanitation Department, Jharkhand

Cleared with bcc: Parameswaran Iyer, Practice Manager, GWADR

bcc: Messrs./Mmes: India CMU General; Fock (SARDE); Ahmad, Sara, Connors, Belita, Espinosa-Apurada, Misra, Balasubramanian, Singh (GWADR); Sissoko, Goya, Bhatachharji, Kalesh Kumar (GGODR); Verhagen, Kullappa, Samuel, Venkatesh (GWASS); Dogra (GENDR); Dhingra-Singh (Consultant, GSURR); Sadaphal (Consultant, GENDR); Bhagat (Consultant, GGODR); Kurian, Sarkar, Vikramaditya, Gamaliel, Jain, Pallagani (Consultants, GWADR)

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Project