

International Fund for Agricultural Development
Government of Uttarakhand

Integrated Livelihood Support Project

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PROJECT IMPLEMENTATION MANUAL

VOLUME-2

Central Project Coordinating Unit
in Association with
Uttarakhand Gramya Vikas Samiti
Watershed Management Directorate &
UPASAC
Dehradun
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**International Fund for Agricultural Development
Government of Uttarakhand**

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PART-TWO: PARTICIPATORY WATERSHED DEVELOPMENT

2.1 PARTICIPATORY WATERSHED DEVELOPMENT



Chapter-2.1: PARTICIPATORY WATERSHED DEVELOPMENT

A. Objective and Purpose

The aim of the Participatory Watershed Management component will be the sustainable utilization and management of natural resources like water, land and vegetation. It addresses the issues of sustainable rural livelihood with the participation of local communities to ensure long term ecological and economic security.

As per the Common Guidelines the sub-project has been based on the principles of (i) inclusiveness, (ii) decentralization, (iii) social mobilization and (iv) community participation.

B. Key Success Factors

- Effective community mobilisation for undertaking participatory development
- Availability of experienced field NGOs
- Favourable response from farmers and their effective participation in all interventions
- Deploying adequate resources at community and group levels
- Ensuring better marketing opportunities

C. Description of Activities

Sub-project activities include: (i) Participatory Watershed Management; (ii) Food Security Enhancement Support; (iii) Livelihood Up-scaling Support; and (iv) Institutional Strengthening.

1. PARTICIPATORY WATERSHED MANAGEMENT

Promotion of Social Mobilization and Community Driven Decision Making

The involvement of stakeholders at grass root level is a vital element of watershed management. It is of utmost importance to involve them in such a manner that they feel ownership of project at every step. The stakeholders so motivated, will provide relevant information about the natural resource prevailing within the watershed, their traditional practices in harnessing them as well as specific local wisdom and practice within the community. They will also spell out their needs for improvement of their economic status by sustainable use of natural resources.

Participatory planning as envisaged above will not only entail determining felt needs, but help in prioritization of the true problems and determining which of them can be realistically addressed. This will also include identification of arable and non-arable land within the village so as to ascertain specific treatment measures required.

To inculcate the values of ownership of community assets a User's Group Fund will be created where contribution from the user's of community assets will be generated which shall be used in future for the operation and maintenance of the assets, thereby ensuring sustainability beyond the project.

Details of social mobilisation and community planning are in Annex-3.1.3.

Village and Watershed development

Soil and Moisture Conservation Measures: The soil and moisture conservation treatment in arable and non arable areas are separate. In arable lands soil and moisture conservation measures can be broadly classified into two categories: (i) Biological, and (ii) Mechanical and Engineering.

Biological or Vegetative measures are preferred in watershed development programs as they are eco friendly, sustainable and cost effective. These measures are normally adopted on lands having milder slopes, less run off and sediment flow. These can be adopted singly or in combination with mechanical measures depending upon the intensity of soil erosion problem. Commonly used biological measures consist of vegetative barriers, alley cropping, strip cropping, contour farming, tillage and mulching.

Mechanical and Engineering measures: in situations where biological measures only are insufficient to check erosion toward desirable level due to high velocity of run off or discharge, mechanical measures are needed. These measures not only check erosion but also conserve moisture for crop growth. Basically these measures constitute a series of mechanical barriers constructed across the slope to reduce or break the length of slope only or both the length and degree of slope to dissipate the energy of flowing water. Mechanical measures like bunding, terracing, leveling etc. are adopted in arable lands on relatively moderate to steep slopes.

Non arable lands are those lands which are generally unsuitable for cultivation of agricultural crops due to one or more limitation of slope, erosion, stoniness, shallowness, wetness, flooding, climate etc. Establishment of vegetation on these highly degraded lands is difficult due to higher run off / debris movement, lack of moisture and absence of fertile soil. Engineering or mechanical measures are, therefore, often needed before undertaking re-vegetation program to stabilize the slopes and create conditions conducive for plant growth by arresting fine soil and improving moisture status. For this purpose diversion drain, contour trenching, stone wall, half moon terracing, wattling followed by vegetation measures help control erosion.

Drainage line treatment is essential for a watershed as drainage lines carry run off and sediment flow. These drainage lines may have different forms such as drainage channel, gullies, natural/ artificial water ways, streams, rivers or torrents. Drainage line treatment can be done through check dams which may be vegetative, temporary and gabion, Torrents may be trained by construction of spurs, protection wall, embankments and bio fencing etc.

Water Harvesting Techniques: Various systems of water harvesting depending upon the source of water supply may be implemented like (a) in-situ rain water harvesting can be done through bunding and terracing, contour farming, mulching etc. (b) rain water / direct surface run off harvesting through roof top collection, dug out ponds, storage tank, diversion bunds / channel etc. (c) Stream flow or run off harvesting through nala bunding, water harvesting dam, percolation tank/ ponds, (d) Sub surface flow harvesting.

Afforestation: Afforestation means raising of forest crops on lands which are not already covered with the forests. Besides, production of fuel, fodder, fiber, fruits and timber, forests serve the important purpose of preservation of environment and conservation of soil and water. Although, existing vegetation gives a clear indication of the suitable species but the choice of the species depends upon various factors. Fast growing, top feed and drought resistant tree species capable of growing under adverse condition should be preferred for afforestation purposes. Species like *Grewia optiva*, *Morus alba*, *Bauhinia*, *Salix alba*, *Robinia pseudoacacia*, *Eucalyptus*, *Populus spp.* etc. could be taken up for plantation.

Pasture or Grassland Management: It is forage production from all kinds of natural vegetation edible to livestock, mostly grasses and herbs, on the non- arable lands. Pasture or grasslands require management by initial range improvement measures, especially reseeding and planting, and kept in a state of optimum productivity by proper grazing system with different kinds of livestock for different periods and periodic improvement. The forage may be utilized either in situ by grazing or by stall feeding or both. Poor and fair common property lands can be stocked by selected high forage yielding perennial grass species by reseeding and / or planting of rooted slips. Some of the most important species are *Dichanthium annulatum*, *Sehima nervosum*, *Chrysopogon fulvus* etc.

Alternative Energy Sources: In Uttarakhand the main source of energy is firewood. The collection of which results in degradation of forests and increased drudgery for the women folk. With the objective of reducing this pressure energy saving devices and alternative sources of energy should be encouraged. Thus Solar Cooker, Bio-gas plant, Smokeless Chulhas, Pine Briquetting and up-gradation and modernization of the Gharats would be taken up in the project.

2. FOOD SECURITY ENHANCEMENT SUPPORT

Rainfed Agriculture & Agribusiness Systems Improvement

This sub-component will provide for forward and backward linkages to increase productivity in rainfed areas. Technical advisory services, horticulture, silvi-pastoral treatments and animal husbandry would be introduced through co-financing of sub-projects with the Producer Groups (PGs)

Producer Groups (PG), both male and female, would be formed as a channel to introduce, promote and disseminate improved technologies and farming practices. After village-level awareness workshops and exposure visits, each PG will draw up a Food Security Improvement Plan (FSIP) and receive support from the project for its implementation. This support will include seed and fertiliser for up to three crops, with some payment for this from PG members being placed in a group revolving fund. Support may also be provided for livestock and non-farm activities. The budget for each PG is Rs90,000 spread over 3 years, of which 20% would be contributed by PG members. Training and demonstrations on new technologies may also be provided. Linkages may be made to research agencies and other technology providers who are involved in component 1.

A total of 3,900 PGs will be formed, with an average of 6 members each – a total of 23,400 members. At least 50% of these PG members will be women.

Value addition and marketing support

Under this sub-component, the project will (i) identify the market potential for the agricultural produce; (ii) develop collection centres and good storage facilities (co-finance with LC or private entrepreneurs); (iii) create centres for value addition of the raw produce (co-finance with LC or private entrepreneurs); and (iv) identify market linkages, develop market information and logistic services. The private sector (NGOs and private firms) will be encouraged to play a major role in supporting agribusiness development. Terms of reference for FNGO are given in Annex-3.1.1.

To up-scale production, develop markets for high value crops, and to leverage producers' access to production and marketing services, the project would support farmers to organise their PG and VPG into Livelihood Collectives. The project would appoint specialised NGOs as Divisional Support Agencies (DSA) to provide technical and agribusiness support. Terms of reference to DSA are given in Annex-3.1.2. The project would provide input support - including quality seed, pesticide, fertilizer, bio-compost, polyhouse, polytunnel, plant protection equipment, packaging material, plastic crates for packaging and transportation, weighing machines etc.

The project/DSA would also assist the PG/LC in record keeping, market intelligence and business planning. For financial support, PG/LC would be linked with banks and other financial institutions.

Farmers would be selected to adopt agribusiness promotion activities in cluster of two or three villages. One or two crops were selected per cluster for bulk production so that effective models can be developed for dissemination of technology & collective marketing of produce. Seasonal and area specific production plans would be developed on a cluster basis. The focus is on harnessing the opportunities for off-season vegetable production, but other high value crops and livestock could also be included. Sub-sectors with potential for commercial production are described in Working Paper 8 Annex 1, while approaches to improving marketing are in Working Paper 4.

Local private sector entrepreneurs who could help in procurement of produce would be identified and linked to groups. Support would be provided for contract marketing and sales to customers outside of the state (a number of groups in existing watershed projects are already doing this). Some produce may also be processed and the project will also support this, although full-scale processing plants would be commercial businesses that would be supported by funding from banks and from UPASAC.

3. LIVELIHOOD UP-SCALING SUPPORT

Promotion of Income Generation Activities (IGAs) and Support to VPGs

Based on the concept of NRLM there will be efforts to mobilize Vulnerable Producer Groups (VPG) comprising scheduled castes, landless and very poor households. A total of 1,464 VPGs will be formed, each with an average of four members. VPGs will be functionally effective, self managed and self governed institutions of the poor, and will be federated at the village and block level. These VPGs will be given sustained capacity building, orientation and training to encourage their entrepreneurial development. Funds will be disbursed through the WWMC to the VPGs. Criteria to prioritize income generating proposals for funding will be developed. Support to transhumant population either residing or passing through the area will be provided.

Each VPG will draw up a livelihood improvement plan which, after approval by the Gram Panchayat, will be implemented with funding from the project. Support from the project for each VPG will be up to INR 80,000 per VPG, of which 10% would come from VPG members.

Support to Livelihood Collectives for Up- scaling the IGA activities

LCs are a group of PGs and VPGs (between 60 and 90 PGs – average 77) which come together with a common microenterprise thereby deriving economies of scale, to facilitate backward and forward linkages for input supply and output marketing, and for access to information, credit, technology, markets etc. LCs will engage in co-production (particularly value-addition activities) and delivery of livelihood services to their group members. A total of 70 LCs will be formed with project support to each LC being an average of INR400,000, with another INR100,000 being contributed from the LC's

own resources. Additional support will be available from the bank linkage and investment funds enabled through component 3.

4. INSTITUTIONAL STRENGTHENING

Capacity Building of Gram Panchayat, Water and Watershed Management Committees

Capacity Building of Watershed Committee: Gram Panchayats / WWMCs will have pivotal role to play in planning and implementing the sub-project. The members of GPs, WWMC have to work with government officials and are required to be strengthened through capacity building programmes to achieve the project objectives and to bear the responsibilities regarding their own development. For this capacity building programme as will be organized on an ongoing basis, will include regular access to resource persons.

Capacity Building of CBOs and Other Community Members: The target groups would be Revenue Village Committees (RVC), Producer Groups (PGs) Livelihood Collectives (LCs), Vulnerable Producer Groups (VPGs) Van Panchayats, Mahila and Yuvak Mangal Dals and their Apex bodies, villager leaders and vulnerable sections. Besides, community members not included in the above CBOs would also be given coverage by these programmes.

Capacity building of WWMCs, local community institutions and PRIs: This sub-component will finance: (i) training of members of WWMCs in core administrative functions: (ii) all other stakeholders on the applications of the ESMF and other project objective (iii) training of community representatives, LCs, PGs, VPGs and community organisations in project related activities.

Information, Education and Communication

Through this subcomponent a strategy will be implemented that identifies specific audiences and develops targeted messages to increase general awareness about the project, terms of participation and overall transparency amongst all stakeholders.

Project Management, Coordination, Monitoring and Evaluation

This includes (i) Project management costs including hiring technical and non technical staff on contractual basis (ii) Development of links between the Management Information Systems (MIS) and impact evaluation.; (iii) Monitoring and Evaluating Agency/Firm for external monitoring (iv) Participatory monitoring and, (vi) incremental operating costs of the project.

D. Institutional Arrangements

The Watershed Management Department is responsible for the implementation of this Component. WMD will establish a separate Society to implement ILSP. This society will be a PIA to implement watershed development, livelihood promotion and agribusiness development activities in selected watershed clusters.

WMD will nominate an experienced official from the central services as full time Secretary of WMD Society and this person will be the full time Project Director for implementation of ILSP activities allocated to WMD Society. WMD will be completing implementation of the World Bank funded watershed development project by end 2011-12. WMD will transfer the staff complement engaged for implementing the World Bank project to implement ILSP. As a result, WMD will gear up and start implementation in ILSP from the beginning of the financial year 2012-13.

The WMD Society will establish Divisional Offices in the clusters selected for watershed development.

WMD will enter into a Sub-Project Agreement with CPCU/RDD to implement allocated sub-project.

The PSC, in consultation with IFAD, will appoint a Senior Government Official preferably from the Central Services as PD for each of the PIA (UGVS/UPASAC and WMD Society).

In order to ensure continuity and smooth implementation of project activities, the minimum tenure of the PDs will be no less than three years and subject to satisfactory performance as determined by the PSC.

The PD will be assisted by a core team staff comprising agribusiness, finance, planning and monitoring and evaluation specialists. In addition 6 more staff consultants will also be recruited and deployed. Terms of reference for these consultants are given in Annex-3.1.3.

The PD will be responsible for the day to day operations of the project component.

Divisional level Institutional Arrangements: As the part of ILSP the PMU will have branches in the project districts termed as District/divisional Management Unit (DMU). These DMUs will oversee the implementation of the sub-project. The district/divisional unit is envisaged to have a team of Subject Matter Specialists (SMS) on the sub- project i.e., Agriculture Engineering/ NRM etc.

Grass-roots Institutions – Village Committees: In the Panchayati Raj Institutions there are six sub committees of which one is Water and Watershed Management Committee (WWMC) and the institution of Van Panchayat (VP) is also present in most of the villages. Thus, WWMC or VP can implement the activities at village level.

E. Implementation Partners

The WMD will engage voluntary organizations for two roles: (i) Field NGO (FNGO); and (ii) Divisional Support Agency (DSA). It is anticipated that two FNGO be appointed, one for each the two regions of the State, along with six DSAs – one for each district or cluster of MWS. These implementation partners should have the following qualifications:

- Should be a registered legal entity of at least 5 years standing.
- Should have had at least 3 years of field experience in the area of community based Natural Resource Management and livelihood development.
- Should not have been blacklisted by CAPART or any other Department of Government of India or State Government.
- Should be equipped with a dedicated, multidisciplinary team with gender balance.
- Should furnish three years balance sheet, audited statement of accounts and income returns. All accounts of the organization should be up to date.
- Should furnish the profile of its Board of Directors.
- Should have successfully implemented projects independently.

RESPONSIBILITIES OF THE FNGO

The FNGOs will provide necessary technical guidance to the Gram Panchayat for preparation of development plans for the watershed through Participatory Rural Appraisal (PRA) exercise, undertake community organization and training for the village communities, supervise watershed development activities, inspect and authenticate project accounts, encourage adoption of low cost technologies and build upon indigenous technical knowledge, monitor and review the overall project implementation and set up institutional arrangements for post-project operation and maintenance and further development of the assets created during the project period.

The FNGOs, after careful scrutiny, shall facilitate the preparation of Action Plan for sub-project activities for approval of the Divisional Office of WMD Society. The FNGOs shall submit the periodical progress report to Divisional Office. The FNGOs shall also arrange physical, financial and social audit of the work undertaken. It will facilitate the mobilization of additional financial resources from other state/ Central government programmes, such as MNREGS, National Horticulture Mission, NRLM, Tribal Welfare Schemes etc.

ROLES AND RESPONSIBILITIES OF THE DSA

The Divisional Support Agency will facilitate, support and implement sub components Food Security Enhancement Support, and Livelihood Up-scaling Support. Specific tasks include:

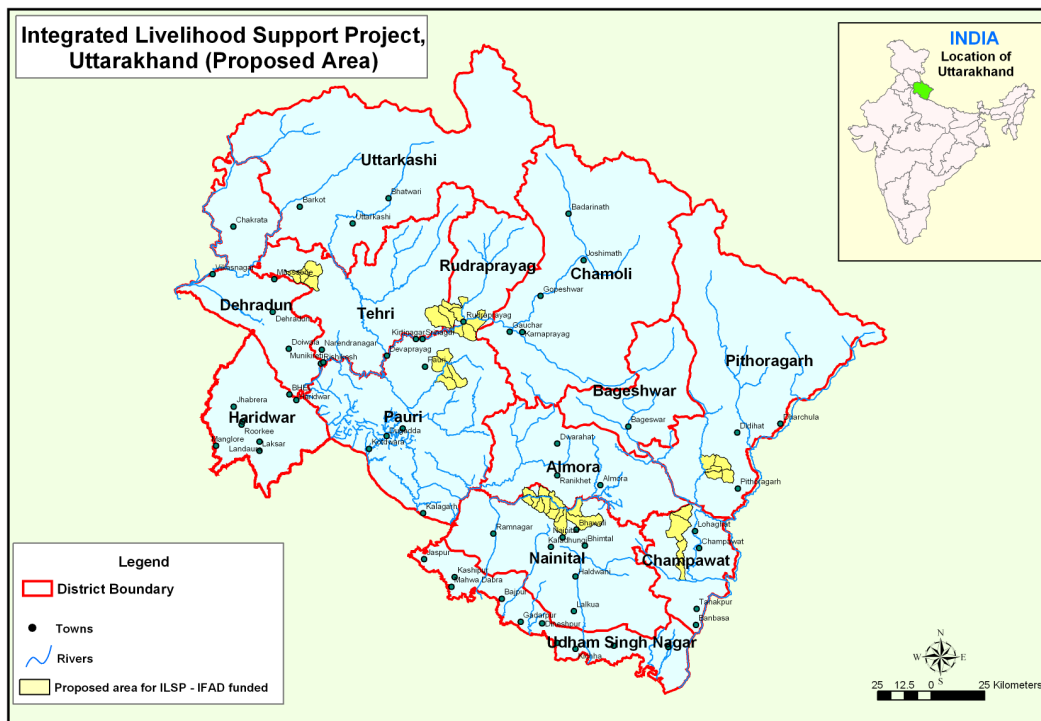
- (f) Development of Division level action plan: an analysis of farming systems and livelihoods to select sub-sectors with the most income potential for project communities. Sub-sector value-chain analyses of relevant sub-sectors will then be conducted by contract agency in co-ordination with state level analyses being undertaken by the Project Directorate.
- (g) The DSA will help group members to plan their production and marketing of crops, and also provide technical assistance and managerial support to LCs, building their capacity for record keeping and business planning.
- (h) Dissemination of Improved Agricultural Practices and Extension services: promote new and commercially viable technologies through an extension system and an integrated package of services for the specific sub-sector. Related training in application of new technologies and improving productivity of crops by compact area demonstration of new crops will also form part of the tasks to be performed. The DSA may contract specific resource consultants and enter into sub-partnerships with technical institutions. The DSA will also facilitate technical training and innovative practices for vulnerable groups and individuals for livelihood enhancement.
- (i) Development of sub-sector value chains through improved post-harvest handling and logistics, The DSA will help establish partnerships with input suppliers, market operators and agro-processing companies, and identify niche market opportunities. Project interventions may be with farmers or further up the value-chain. Partnerships or collaboration with public or private agencies can be developed.

Overall technical support, training and capacity building: the DSA will provide technical support to the farmers in the project villages on agribusiness related issues and will work in close cooperation with the project management unit (WMD) and the state level organizations

F. Project Area

The Participatory Watershed Management component will cover 41 micro-watersheds (MWS) in six clusters. These MWS have a total area of about 125,000 ha and population of 39,610 household (all of who will benefit from watershed development). These watersheds are located in 13 blocks in six districts (one of which, Tehri, overlaps with Component 1, but in a different block).

Data show that 28% of the land area of these MWS is used for agriculture, 58% is forest, 12% is unused wasteland and 2% is in other uses. Out of a total population 194,975 (2001 census), 20% are scheduled caste and 0.1% scheduled tribe



G. Implementation Arrangements

The responsibility for overall project implementation, coordination and monitoring will lie with the WMD Society under the Project Director (PD). The WMD will engage the services of Deputy Project Directors (DPDs) in each of the Divisions and Multi-Disciplinary Teams (MDTs) in the target districts and blocks; recruiting Facilitating NGOs (FNGOs); implementing a communications strategy; ensuring quality of project processes; organizing the capacity building and training of stakeholders; providing adequate staffing; organizing timely monitoring and learning activities; and, contracting third party baseline and impact evaluations.

The DPDs, each with a number of MDTs will be the key facilitators and supervisors of the planning and the implementation of Gram Panchayat Watershed Development Plans (GPWDPs). The DyPDs will be responsible for technical appraisal of the watershed development plans prepared by the GPs. The MDTs will provide project related information to the Gram Panchyats (GPs) and the communities facilitate planning within the framework of the sub-project and provide technical guidance during implementation. The DPDs will also ensure that inter-GP areas that require treatment are also included in GP plans.

The statutory Water and Watershed Management Committee (WWMC) of the GP will be the responsible implementing agency at the local level. It will be chaired by the Gram Pradhan (elected Head of GP) and be responsible for facilitating the preparation GPWDPs. It will present these plans

to the Gram Sabha for approval before they are sent to the DyPD for technical appraisal. Once approved, the GP may: (i) contract individuals to implement activities contained in the plans; (ii) contract user group; (iii) implement the activity sub-project itself; or where such technical capacities do not exist with the previous three options and as an absolute last option (iv) contract the third party to implement the activities.

Communities will be required to share the cost as per stipulated norms either in cash, kind or with labour. They will also undertake to operate and maintain the investments and collect user fees for operation, maintenance and replacement if necessary. They will sign Memoranda of Understanding (MoU) with the GP to enable them to fulfil this function.

All decision-making with respect to the approval of GPWDPs rests with the Gram Sabha through transparent voting in their general assemblies.

Funds for implementation of the plans would be transferred to GP accounts by the DPDs on the basis of milestones agreed in the MoU. GPs would be responsible for payments to user groups and others for execution of works.

Van Panchayats will be responsible for preparation of treatment plan on the adjoining Reserve Forest Area with the guidance of District Forest Officers. The micro-watershed plan will integrate the plans both within and outside the village.

The Facilitating NGOs will be used for the purpose of social mobilization and DSA for providing agribusiness support.

H. Funds Flow

The funds for implementation of the sub-project activities will flow from the Project Coordination Unit based on the approved AWPB of the WMD Society that will be incorporated into the budget of the RDD. The funds will flow from the WMD Society to the Divisional Offices who will release funds to the GPs. Each GP will get a budget envelop for watershed treatment and village development based on a formula of assigning 65% weightage to the total geographical area and 35% to the total population. The GP will be intimated about the budget envelop in advance and accordingly GPWDPs will be developed. Information on the specification and cost norms for watershed treatment works is in Annex-3.1.5.

The Fund Flow Arrangements would be as follows:

1. Participatory Watershed Development and Management; 2.1 Promotion of Social Mobilization and Community driven Decision Making the funds will be disbursed by the Project staff at the PMU and DMU level, 2.2 Watershed and Village Development-

Concerned DPDs will transfer the funds to a dedicated account of WWMC especially created for ILSP and WWMC in turn disburse it to various procurement agencies.

2. **Food Security Enhancement Support: Rainfed Agriculture and Agribusiness System Improvement and support to PGs and 2.3 Value addition and marketing support – Support to VGs for FSIPs** shall be in the form of inputs like seeds, fertilisers and technology.
3. **Livelihood Up-scaling Support: Promotion of IGA support to VPGs-** The funds will be disbursed at the WWMC level and for the support to LCs for up-scaling of the IGA activities- The funds for this shall be disbursed at the DPD level to various collectives for their activities.
4. **Institutional Strengthening: Capacity building of GPs, IEC and Project Management, Coordination, Monitoring and Evaluation-** The funds will be disbursed by the Project team at PMU, regional PD and DPD levels.

I. Monitoring and Evaluation

WMD staff, implementation partners and WWMC will be responsible for monitoring and reporting on progress of activities and outputs, environmental impacts, and on the processes that are involved in project implementation. This process monitoring may include:

- **Monitoring of Participation:** The annual work program will include a plan for implementing a process evaluation to assess how the participatory indicators are performing during the implementation phase (examples include: process of implementing cost sharing norms, frequency and level of participation in WWMC and GP meetings, participation of PGs and VPGs etc.)
- **Participatory Monitoring:** Some of the data collection process required for impact and evaluation studies can be sourced from registers and books maintained at the village level. For such data and other information from the village, a participatory approach will be adopted. Village level functionaries and Gram Sabha will be involved in the process, making them equally interested in the outcome. Participatory monitoring will be linked to the capacity building of WWMCs to monitor the entire process during both implementation and post implementation with reference to the procedures and indicators provided in the ESMF.
- **Knowledge Attitude Practice** surveys will assess the effectiveness of training and other technology transfer activities of the project.
- **Environmental and Social Safeguard Monitoring (ESMF):** This will be integrated with the development and implementation of the village plans guided by the ESMF. Indicators such as water quantity and quality, soil quality, employment generated, improved income, fuel wood reduction and labour reduction would not only add strength to the evaluation of watershed interventions but also promote community participation in monitoring for sustainability and equity.

The central project M&E unit will carry out annual outcome surveys, gathering data on the immediate results of the project, such as adoption of improved methods, increase in employment, development of enterprise, and increase in agricultural production. The M&E unit will also support component staff

in process monitoring. An external agency will be contracted to carry out impact evaluation involving a baseline survey, mid term assessment and final evaluation.

Specific indicators for the watershed component are in Annex-1.8.6 and also in 2.1.7.

Annex-2.1.1: Field NGO for WMD: Terms of Reference

I. INTRODUCTION

Background: the Integrated Livelihood Support Project (ILSP) will follow on from the Uttarakhand Livelihood Improvement Project in the Himalayas (ULIPH) which will be completed at the end of 2012. ULIPH has been implemented by Uttarakhand Gramya Vikas Samiti (UGVS), a society within the Rural Development Department, and Uttarakhand Parvthiya Ajeevika Samvardhan Company (UPASAC), a social venture capital company. ILSP will be implemented by these two agencies, along with the Watershed Management Directorate.

Rationale: the justification for ILSP is the need to stop the deterioration of the productive infrastructure, make farm labour more productive and farming more remunerative, and hence provide incentives for people to invest their time and resources in agriculture. Despite the disadvantages that agriculture faces in the hill areas, Uttarakhand does have the advantage of cooler temperatures at higher altitudes, allowing production of out of season vegetables and temperate fruits. The horticultural sector is less developed than in the other hill states, so there is considerable potential for growth, as there is in other niche products such as spices, medicinal and aromatic plants, and nuts.

Another area with growth potential is tourism. However more needs to be done to ensure that local people fully participate in, and benefit from, this sector. The population is well educated, but the level of youth unemployment is relatively high. Better vocational training could help such people find good quality employment in the growth sectors of the country.

The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of “enable rural households to take up sustainable livelihood opportunities integrated with the wider economy”.

The strategy behind ILSP will be to adopt a two pronged approach to building livelihoods in hill districts. The first of these is to support and develop the food production systems which remain the main means of support for most households. The second main thrust of the project is to generate cash incomes via the introduction and expansion of cash crops. These would be grown on a significant scale for markets outside of the state. ILSP will also support non-farm livelihoods, especially community involvement in rural tourism, and vocational training.

Component 1: Food security and livelihood enhancement implemented by UGVS, will support crop and livestock production for food security, and develop higher value cash crops and other products (such as rural tourism) to provide cash incomes. Crop and livestock production will be developed via support to Producer Groups (PG) and higher level organisations (Livelihood Collectives - LC) formed by a number of PGs. To up-scale enterprises generating cash incomes, and to introduce new income sources. ILSP will also improve access to markets through a value chain approach and the provision of physical infrastructure for market access. The value chain approach involves market/sub-sector studies, introduction of new technologies, market linkage, skill development, product development and promotion, physical infrastructure for market access. These activities will cover 93,000 households in 17 blocks in five districts. The project will also improve access to employment in the non-farm sector by supporting vocational training linked to job placement.

Component 2: Participatory Watershed Development implemented by the Watershed Management Directorate (WMD), will use processes that have been established through a series of watershed development projects in the state, but with an increased focus on food security, livelihoods and market linkages. It will protect and improve the productive potential of the natural resources in selected watersheds along with increasing household income through inclusive and sustainable approaches. The component would cover a total of 41 micro-watershed (MWS) covering an area of about 64,744 ha in six clusters in six districts, with a population of about 39,000 households. It will complement the ongoing watershed development programme funded by the World Bank and GoI, and takes into account availability of required WMD institutional capacity in the selected project districts.

Component 3: Livelihood financing implemented by UPASAC. Despite making significant strides in financial viability, banks have not been able to provide significant numbers of poor households with basic financial services. The activities under this component include:

- Banking support – capacity building, expansion of branches of SKGFS,
- Risk management – piloting and scaling up of insurance services,
- Financial inclusion initiatives – training to LC to be bank agents, product literacy training,
- Provision of development finance via UPASAC including loan and quasi equity funding
- Establishment cost support to UPASAC.

Component 4: Project coordination and monitoring: Each executing agency, UGVS, WMD and UPASAC, will have their own project management units headed by a Project Director or Chief Executive. To provide overall coordination, the state nodal agency, RDD, will set up a Central Project Coordination Unit (CPCU) within the RDD, headed by a part time Chief Project Director (CPD). The CPCU will have two Units: (i) Finance Unit; and (ii) Planning and M&E Unit. The Finance Unit will be located within RDD whereas the M&E Unit will be housed within UGVS.

Coordination: The Rural Development Department (RDD) will be the nodal agency at the state level. A Central Project Coordination Unit (CPCU) within the RDD. A state level Project Steering Committee (PSC) would be chaired by the Forest and Rural Development Commissioner (FRDC). The PSC will establish a Project Management Committee (PMC) chaired by the Secretary of RDD.

Convergence: the National Rural Livelihoods Mission (NRLM) will start operations in 2012 and will be responsible for forming and supporting SHGs. ILSP will provide complementary support for livelihoods for SHG members, many of whom will also join PGs. Producers supported by ILSP will be expected to receive support from other government programmes and from formal financial institutions. ILSP will also implement livelihood enhancement activities in blocks selected for watershed development by the Integrated Watershed Management Programme (IWMP), a centrally sponsored scheme.

II. ROLE AND QUALIFICATIONS OF FNGO

Project period: the project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year
-

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Need for FNGO

The project objective envisages improvement of productive potential of natural resources and enhancement of rural incomes through **socially inclusive** and institutionally and environmentally sustainable approaches. Drawing from past experience in watershed projects, Field NGOs have played an important role in successful implementation of project.

The need for FNGO arises from the lack of adequate staff required for community participatory approach. The FNGO would fill this gap by providing support of qualified professional staff to cover the social aspects of the project.

The ability to mobilize local community, especially women folk, understanding the diverse issues related with communities and effecting their participation in a project are the strengths of FNGO. They have talent and skills for promoting social mobilization, awareness generation, group formation and so on.

Services of Uttarakhand based NGOs are required for the project areas of Kumaon and Garhwal region. FNGO would be required to give coverage from the Project Director Level to the village level. A team of social staff led by the convener of FNGO at the Project Director Level with the help of

Coordinator at Division and Facilitator at Unit Level will mobilize the villagers. The FNGO will not work in isolation but it would be an integral part of the Multidisciplinary Team (MDT) both at the unit level (cluster of GPs/villages) as well as at the Divisional level. The MDT would comprise of FNGO and the Agri/ Horti/ Forestry, Livestock and Civil engineering experts from WMD. The entire team has to work in close cooperation with each other as a unit.

The MDT (FNGO & WMD technical staff) will be collectively responsible for a cluster of GPs /villages in every respect. The MDT will be directly responsible for overall results and report to the WMD DPDs. The FNGO along with other members of the MDT will disseminate the key information regarding ILSP amongst the villagers, facilitate and encourage the participation of local communities in the planning process of Gram Panchayat Watershed Development Plan (GPWDP), assist Revenue Village Committee (RVC) in preparing proposals for GPWDP as well as in the identification of vulnerable groups and initiation of IGAs for them. Further they will also raise awareness of the need for soil conservation, water resource management, ESMF and other NRM interventions. They will organize vulnerable groups into SHGs and also assist in the formation of User's groups and also help build the capacities of these institutions in the project period. The social aspects of the project will be strengthened by way of recruiting FNGO's social staff to facilitate the villagers specially women and involve them fully with the project process.

Expertise and experience of the FNGO: The FNGO should have the expertise in the following spheres:

- Integrated Watershed Development
- PRA tools, awareness building and community mobilization
- Local institution building
- Capacity building of local institution
- Communication skills
- Gender Issues
- Sustainability of Institutions
- Micro Credit, Micro Enterprises development
- Networking and Market Linkages
- Process documentation and report writing

The FNGO should have the following experience: Minimum 3 years work experience in hilly areas and minimum 5 years experience in execution of participatory Watershed Management Project / Rural Development/ Externally Aided Multi Disciplinary Projects.

Statement of objectives and deliverables

Objectives: The overall objective of this assignment is to hire the services of FNGO on fixed budget consultancy for fulfilling the following objectives:

- To Provide Social Intermediation Services
- As part of MDT, the FNGO would give inputs in the planning process viz. Preparation of RVC proposals, IGA sub-plan, GPWDP
- Capacity building and networking of local institutions as well as developing an institutional mechanism to ensure sustainability of institutions formed.
- Process Documentation and Reports Generation

III. SCOPE OF SERVICES

1. Social Intermediation Services

- Help in social mobilization, rapport building, awareness generations, collection of base line data and gender analysis.
- Identification of Vulnerable groups in the villages. Facilitate the organization of vulnerable groups in to VPG. Plan in such a way so that maximum coverage is given to the vulnerable groups and the poorest of the poor.
- Ensure participation of women in programmes and management of project activities.
- Facilitate the local level institutions in developing and adoption of byelaws, initiating programmes and interventions

- Facilitate the VPGs in developing and adoption of byelaws, initiating livelihood programmes.
- Provide necessary inputs in design and estimates required for developing the watershed plan and other components of GPWDP
- Awareness generation regarding ESMF and Facilitate the communities in the integration of ESMF in all project interventions.
- Help in mobilizing vulnerable groups to take up entrepreneurship activities viz. IGA activities for alternative livelihood opportunities
- Prepare and implement a capacity building action plan to enable the PGs, UGs and other CBOs to function effectively.
- Ensure regular monitoring of the activities of VPGs, PGs, UGs, LCs etc formed under the project.
- The FNGO will take up for discussions with the community and local institutions, formed in the project villages, important social and environmental issues relevant in the area e.g. sustainability of NRM, soil and water conservation, stall feeding of animals, health, education, harmful effects of pesticides, alcoholism, sanitation, IGAs, equity, social cohesion, gender issues, social auditing, social fencing, forest fires etc.
- To supervise record keeping, book-keeping, management of group fund, collection of contributions, compliance to the byelaws and GPWDP
- The FNGO will play an important role in the conduction of participatory M&E (PME). As part of PME the FNGO will be responsible for following deliverables
 - Development of Hand Book and action plan on the PME process which will include details on stakeholders, indicators, methods, tools and training plan.
 - An annual report summarizing the findings from PME, subsequent decisions and actions taken and general lessons learned. The report should also track the progress with respect to achievement of indicators over the given years.
- Ensure conduction of periodic self assessment by local institutions
- Assessment of the WWC and GPs functioning as regards transparency viz. in work, fund allocation, selection of beneficiaries
- Assist in organizing field visits, field tours, on the job training for village level functionary e.g. accounts and exposure as and when required. Ensure sharing of training/ learning/ exposure visit out comes with the community.
- Facilitate CBOs in developing byelaws, guidelines and ensure that the VPGs, PGs, UGs and other CBOs maintain the prescribed books which are accurate and updated.

2. Consolidation and sustainability

- The FNGO will assist in the consolidation of the village level VPGs, PGs, UGs and other CBOs into cluster federations (LCs) within their program areas.
- Explore and implement (where feasible) VPGs and PGs to cover the uncovered groups.
- Develop and implement mechanisms to strengthen the local institutions formed under the project. This will include the following:
 - Facilitate the Preparation/strengthening of by-laws by CBOs detailing aspects related to membership, power and functions
 - Assist the VPGs and PGs in conducting self-assessment and drawing- up of forward action plans.
 - Assist in establishing linkages with external agencies departments and private sector entities.
 - Ensure linkages to enable input supplies and output marketing for IGA products.

3. Inputs as resource persons

- As part of MDT, the FNGO will assist the community/GP in conducting PRA, survey and collection of baseline information.
- The FNGO as part of MDT will act as resource persons and assist in the preparation of RVC proposals, IGA proposals, GPWDP planning process and integration of ESMF into project interventions, Farming system improvements and Transhumant population
- Act as resource persons in their respective area of specialization.

4. Reporting and outputs

- Carry out comprehensive process documentation of the social mobilization process in the project area.

- The FNGO will have to generate specified reports and follow the reporting mechanism as laid down by WMD.

The scope of services could be modified based on mutual agreement between the client and the FNGO with a view to better achieve the overall objectives. Keeping in view the overall objective and scope of works, the FNGO would outline the specific steps which would be carried out and their approach, in their Inception Report- to be provided within 30 days after commencement of their assignment.

Information to be included in reports to be submitted by the FNGO:

The FNGO would have to submit the following information in reports regarding the various activities to be carried out during the contract period.

- As part of MDT, base line information of each village reviewed and shared with unit level/DPD/PD/ CPD
- Various vulnerable groups identified and promoted as VPGs (numbers)
- RVC proposals, IGA sub plans GPWDP, action plans prepared. (Numbers, quality, endorsed by the SHGs)
- In consultation with MDT capacity building action plan for VPGs, PGs / villagers/ groups, implemented (numbers, days)
- Entrepreneurial activities undertaken for vulnerable groups etc. (numbers, activities)
- Success stories, case studies.
- Social and environmental issues taken up with groups/federations/ RVC (numbers, activities)
- Feedback of monitoring and evaluation of the activities at the field developed and reported.
- Backward and forward linkages facilitated (numbers, institutions)
- Report of the Grading/SWOT analysis of PGs/ LCs and the forward action plans for further strengthening thereof.
- Number of federation formed through the project in the project area and their sustenance.
- Capacity building activities for VPGs, PGs and LCs including all backward and forward linkages – number of groups linked with the Banks and other financial institutions.
- Generate specific policy level issues related to CBNRM in general and program design and operations in particular.
- An annual report summarizing the findings from PME, subsequent decisions and actions taken and general lessons learned. The report should also track the progress with respect to achievement of indicators over the given years.

5. Reporting requirements

The FNGO shall submit to the WMD report and documents as specified below in the form, numbers and within the periods set forth. The reports have to be submitted in Hard and Soft copy (numbers to be specified)

1. Monthly Progress Reports: Following reports will be submitted to concerning DPDs by the second day of the following month and after the approval of DPD a copy has to be forwarded to the WMD by the seventh day of the following month as per prescribed format

- Monthly Progress Report (MPR) of PGs, VPGs, UGs, LCs and other CBOs.
- Report regarding contribution (Anshdan) and beneficiary's cost sharing in project activities.
- MPR of training conducted at Unit & division level with the feed back of participants.

2. Consolidated reports enumerating the qualitative review of the project: Following consolidated report will be generated by the FNGO as and when required within a given time period. Consolidated report of the activities undertaken as per part-1 of scope of services of FNGO in the TOR including:

- Quarterly assessment of VPGs, PGs, UGs, LCs etc with their follow up action plan (Six monthly)
- Impact of training/ adoptions of practices (Six monthly)
- EDP follow up reports with regards to adoption of IGA and socio-economic enhancement of the weaker section of the society.(Annual)
- Case studies of project villages as regards to various intervention of project especially the capacity building and participatory (Six monthly)
- Documentation of the process adopted for social mobilization and to increase women's and vulnerable group participation in project activities. (Six monthly)

- Consolidated reports enumerating the qualitative review of the project.

Such other reports, as may be required from time to time will also be generated by the FNGO with in a stipulated time.

3. Annual Reports: Annual and consolidated report on the contribution of the organization in implementation of ILSP and issues related to the project annual assessment by first week of April. The annual report should also summarize the findings from PME, subsequent decisions and actions taken and general lessons learned. The report should also track the progress with respect to achievement of indicators over the given years.

The FNGO will be responsible for the timely submission of all the reports.

6. Key personnel

- Deployment of Personnel should be at the following levels:
 1. A Facilitator at Unit level (at cluster of approximately 15 GPs each) for all the project units
 2. A Coordinator at Division level for each division
 3. A Convener at Project Director level
- All the field level staff working as Coordinator at division level and as Facilitators should be female staff. The Convener at PD level should preferably be a female staff.
- WMD technical staff and the FNGO personnel will constitute the MDT and are expected to work in close coordination as a unit.
- The proposed key personnel should have the minimum experience prescribed in the qualifications for key personnel.

IV. JOB DESCRIPTIONS OF KEY PERSONNEL

1. Convener at Project Director Level

There shall be one convener with the overall coordinating responsibility for the FNGO personnel in all the project divisions within the jurisdiction of a project director. The convener at Project Director Level would be required to deliver the following services. He /She should preferably be the chief functionary of the FNGO who would liaison with the Project Director for the smooth functioning of the project.

- Consolidation of information Generated at the division levels.
- Monitoring, Supervision and Guidance to coordinator at division level and facilitator at unit level through regular field visit and through monthly meetings.
- Assist division level coordinator/ Facilitators in planning, implementation, capacity building of community/ village motivators
- Consolidation of community groups at regional level viz. organization of PGs into LCs
- Linking of PGs/VPGs to lending institutions to access credit for different IGAs
- Develop and implement a mechanism to ensure regular monitoring of the activities outputs and outcomes
- Information dissemination to the lower levels as regards new project development/ change of policy/ compliance to specific orders.
- Environmental and Social Compliance in project interventions
- Organize follow up programmes and activities in discussion with Project Director and Dy. Project Directors.
- Undertake field visit in the project area and plan activities for social mobilization and capacity building with divisional level coordinator
- Prepare community mobilization action plan with the assistance of project staff and concerning divisional coordinator.

- The FNGO personnel at PD level would have to work in close cooperation with the WMD Project Director.

Qualifications: the preferable qualification of the Coordinator at Project Director Level will be: PG in Social Science/ MSW/ Arts/ Economics/ PG Diploma in Rural Development / Bio- Science/ Agriculture; Minimum five years work experience in rural development particularly in integrated watershed development project; Experience should be in rural development/ social mobilization/micro credit and micro enterprises development/ watershed approach. Good documentation and report writing skills, communication skills. Should be a computer literate.

2. Coordinator at Division Level

There shall be one coordinator with the overall coordinating responsibility for the FNGO in each Project Division. The Coordinator at division level would be required to deliver the following services.

- Consolidation of information generated at the village level in the Division. Document and submit monthly report. Help in updating of training reports and inventorying of training and extension material
- Assist in organizing training, review workshops, field visits and exposure/ study/field tours as and when required at sub-watershed level & micro-watershed level with the assistance of facilitator and MDT members and documentation of events / preparation of reports.
- Facilitate planning process at field level and assist in organizing PRA exercise. Assist MDT in developing IGA sub plan for vulnerable groups.
- Assist in Participatory Monitoring and Evaluation.
- Participate in awareness building programme at GP level and village level. Prepare follow-up action plan as regards Divisional Community Mobilization Action Plan.
- Assist Facilitators in planning, implementation and capacity building of community/ local institutions/ village motivators through village level training and review workshop. Participate in the sharing of training experience and insights.
- To visit the project villages at least 15 days in a month to ascertain performance of grass root level workers viz. Facilitators and Motivators. Provide the facilitators and village motivators necessary help and guidance in carrying out their task efficiently.
- Consolidation of community groups at division level viz. organizing PGs into LCs/ clusters.
- Document the effect of project interventions in their area and to suggest any improvement in the activity/programmes being conducted.
- To ascertain the field training need of the community through the Facilitators and Motivators and convey the above to the DPDs.
- To attend the meetings of RVC, WWC, UGs, VPGs and PGs and help their office bearers in proper upkeep of records.
- Link PGs for credit mobilization
- Information dissemination to the lower levels as regards new development
- Environmental and Social Compliance in project interventions
- Conduct village level trainings and workshops for the dissemination of ESMF.

Qualification:

- PG in Social Science/ MSW/Arts /Economics/Agriculture/ Bio-Science/ PG Diploma in Rural Development.
- Minimum three years working experience in rural areas particularly in watershed concept.
- Knowledge and Experience should be in Rural Development/ Social Mobilization/Micro Credit Linkages, IGA activities/ micro enterprises development.
- Good Documentation and Report Writing Skills, communication skills.
- Computer literate.

3. Facilitators at Unit Level

A Facilitator would be placed at cluster of 15-20 villages (Unit). The facilitator would report to the coordinator at the DPD level. The facilitators would be integral part of the MDT. Therefore they would

be required to work in close cooperation with the MDT members and the respective unit level project staff. They would be required to perform the following tasks:

- Facilitators would play an important role in the selection of village motivator by the Gram Panchayat by ensuring that the GP follows the guidelines as laid down for the selection of village motivator. After the selection of village motivators, the facilitators would provide proper and effective guidance and has to work in close cooperation with the motivators.
- Promote and encourage community for effective participation in project activities. Ensure the maximum participation of women in the meetings/activities of RVC/ PGs/ VPGs /UGs. The facilitator along with the motivator will apprise the rural women about government sponsored education, health and family welfare programmes. They will have to participate in awareness building programme at GP level and village level. Mobilize community and disseminate information regulating participatory approach, objectives, implementation mechanism and ESMF
- To remain well versed with the works being carried out under the project.
- Introduce the concept of groups' activity, mobilize the vulnerable section of the society to form SHGs, assist them in saving and credit related activities and developing/ adoption of bye laws. The facilitator along with the village motivator will participate in the meetings of PGs, VPGs/ UGs, verify the amount deposited in their account and revolving fund. Facilitate in obtaining regular contribution to the above accounts. Mobilize the VPG for income generating activities and assist in developing IGA sub plan for vulnerable groups.
- Collect base line data in all concerning village and assist in PRA including gender analysis with the active participation of GP, RVC and other community member for the preparation of GPWDP.
- Help, instruct and guide the RVC, SHGs. UGs and other CBOs in keeping their book and record up to date.
- To participate, evaluate and obtain feed back of the training programme and IGAs organized for the vulnerable groups.
- To keep updated information regarding meetings of GPs, RVC, VPGs, PGs, UGs, and devise ways and means for their regularity.
- To assess the impact of project activities in their concerning village and keep updated records of the result due to project interventions. Facilitator has to compile the report at unit level. In case of any doubts has to clarify and verify it at village level with the help of village In charge.
- To make aware the community especially vulnerable groups as regards government/ NGOs sponsored Welfare and Development programme. Encourage village motivators for a establishing linkages of rural women with such activity/ programme
- Follow-up on village plans and identify methods to strengthen communities capability for sustainable resource management.
- Conduct SWOT/ Grading, Assessment of PGs and LCs

Qualification:

- Graduate Social Science/ Arts/ Economics/ Science/ Agriculture/ Bio- Science/ Diploma in Rural Development
- Minimum Three years of working experience in community mobilization in rural areas, linkage with Banks etc.
- In case of experience of more than five years in participatory watershed projects, academic qualification may be relaxed.
- Good communication skills, skill in participatory methodology
- Good Documentation and Report Writing Skills

4. Field visits and capacity building of FNGO personnel

- The FNGO personnel would have to undertake prescribed field visits in the following manner:
 - At Village level minimum 20 days field work per month and as per necessity
 - Divisional level minimum 15 days field work per month and as per necessity
 - PD Level minimum 15 days field work per month and as per necessity

- Monthly assessment of the performance of the FNGO personnel would have to done by the FNGO.
- It is expected that the capacity building/ improvement/ skill up gradation of NGO personnel would be under taken by the FNGO from time to time. The FNGO would be required to submit a capacity building strategy, along with its resource persons for its personnel for the period of assignment.
- The services of the field level FNGO personnel should be supported by inputs from appropriate senior level staff of the FNGO (Head/Director/Consultant) as and when considered necessary.
- Head of the FNGO should take up periodic field visit (minimum 10 days in a month covering all project division) for supervision, monitoring, and performance evaluation of the FNGO personnel.

V. REVIEW OF PERFORMANCE AND TERMS OF CONTRACT

1. Review of performance

- FNGO and the project staff has to work in close cooperation with each other. The work carried out by the NGO in the field shall be monitored by the respective DPDs / PD.
- A committee appointed by WMD shall review NGO performance half yearly and annually. The committee for one project region viz. Garhwal/Kumaon would comprise of all the DPDs, concerning PD, and DPD (Trg.) and Senior Social Coordinator at the WMD level and FNGO representative. At CPD level the review committee will be as given below:-

• Chief Project Director	-	Chair Person
• Additional Director	-	Member
• Additional Director (M&E)	-	Member
• Project Director (Garhwal and Kumaon)	-	Member
• DPD (Planning/M&E)	-	Member
• DPD (ESA & Training)	-	Member
• Finance Officer	-	Member

2. Period of the assignment

Period of the assignment would be for five years. Annual extension will be on the basis of the satisfactory performance to be recommended by the Review Committee.

3. Terms of payment

The terms of payment as finalized during negotiations by both parties will be applicable.

4. Accounting and auditing

The agency will open a separate bank account for receipt and expenditure of funds for the contract. The agency will also maintain separately records, accounting and auditing of the funds allocated for the assignment and will submit the copy of the expense statement on a half yearly basis and audit report on an annual basis.

5. Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

6. General

The FNGO would be given access to all documents, correspondence, and any other information relating to the Project and deemed necessary by the FNGO. The FNGO would be provided copies of the Project Implementation Plan; Project Design Document (PDD) of the IFAD; and agreements with the IFAD, guidelines, policies and procedures issued by Project management and implementing agencies and relevant IFAD policies and guidelines (such as IFAD guidelines on Social mobilization, Vulnerable Group Fund, IGA strategy and ESMF and other such guidelines or policy documents).

Annex-2.1.2: Divisional Support Agency for WMD: Terms of Reference

I. INTRODUCTION

12. Background: the Integrated Livelihood Support Project (ILSP) will follow on from the Uttarakhand Livelihood Improvement Project in the Himalayas (ULIPH) which will be completed at the end of 2012. ULIPH has been implemented by Uttarakhand Gramya Vikas Samiti (UGVS), a society within the Rural Development Department, and Uttarakhand Parvthiya Ajeevika Samvardhan Company (UPASAC), a social venture capital company. ILSP will be implemented by these two agencies, along with the Watershed Management Directorate.

13. Rationale: the justification for ILSP is the need to stop the deterioration of the productive infrastructure, make farm labour more productive and farming more remunerative, and hence provide incentives for people to invest their time and resources in agriculture. Despite the disadvantages that agriculture faces in the hill areas, Uttarakhand does have the advantage of cooler temperatures at higher altitudes, allowing production of out of season vegetables and temperate fruits. The horticultural sector is less developed than in the other hill states, so there is considerable potential for growth, as there is in other niche products such as spices, medicinal and aromatic plants, and nuts.

14. Another area with growth potential is tourism. However more needs to be done to ensure that local people fully participate in, and benefit from, this sector. The population is well educated, but the level of youth unemployment is relatively high. Better vocational training could help such people find good quality employment in the growth sectors of the country.

15. The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of “enable rural households to take up sustainable livelihood opportunities integrated with the wider economy”.

16. The strategy behind ILSP will be to adopt a two pronged approach to building livelihoods in hill districts. The first of these is to support and develop the food production systems which remain the main means of support for most households. The second main thrust of the project is to generate cash incomes via the introduction and expansion of cash crops. These would be grown on a significant scale for markets outside of the state. ILSP will also support non-farm livelihoods, especially community involvement in rural tourism, and vocational training.

17. Component 1: Food security and livelihood enhancement implemented by UGVS, will support crop and livestock production for food security, and develop higher value cash crops and other products (such as rural tourism) to provide cash incomes. Crop and livestock production will be developed via support to Producer Groups (PG) and higher level organisations (Livelihood Collectives - LC) formed by a number of PGs. To up-scale enterprises generating cash incomes, and to introduce new income sources. ILSP will also improve access to markets through a value chain approach and the provision of physical infrastructure for market access. The value chain approach involves market/sub-sector studies, introduction of new technologies, market linkage, skill development, product development and promotion, physical infrastructure for market access. These activities will cover 93,000 households in 17 blocks in five districts. The project will also improve access to employment in the non-farm sector by supporting vocational training linked to job placement.

18. Component 2: Participatory Watershed Development implemented by the Watershed Management Directorate (WMD), will use processes that have been established through a series of watershed development projects in the state, but with an increased focus on food security, livelihoods and market linkages. It will protect and improve the productive potential of the natural resources in selected watersheds along with increasing household income through inclusive and sustainable approaches. The component would cover a total of 41 micro-watershed (MWS) covering an area of about 64,744 ha in six clusters in six districts, with a population of about 39,000 households. It will

complement the ongoing watershed development programme funded by the World Bank and GoI, and takes into account availability of required WMD institutional capacity in the selected project districts.

19. Component 3: Livelihood financing implemented by UPASAC. Despite making significant strides in financial viability, banks have not been able to provide significant numbers of poor households with basic financial services. The activities under this component include:

- Banking support – capacity building, expansion of branches of SKGFS,
- Risk management – piloting and scaling up of insurance services,
- Financial inclusion initiatives – training to LC to be bank agents, product literacy training,
- Provision of development finance via UPASAC including loan and quasi equity funding
- Establishment cost support to UPASAC.

20. Component 4: Project coordination and monitoring: Each executing agency, UGVS, WMD and UPASAC, will have their own project management units headed by a Project Director or Chief Executive. To provide overall coordination, the state nodal agency, RDD, will set up a Central Project Coordination Unit (CPCU) within the RDD, headed by a part time Chief Project Director (CPD). The CPCU will have two Units: (i) Finance Unit; and (ii) Planning and M&E Unit. The Finance Unit will be located within RDD whereas the M&E Unit will be housed within UGVS.

21. Coordination: The Rural Development Department (RDD) will be the nodal agency at the state level. A Central Project Coordination Unit (CPCU) within the RDD. A state level Project Steering Committee (PSC) would be chaired by the Forest and Rural Development Commissioner (FRDC). The PSC will establish a Project Management Committee (PMC) chaired by the Secretary of RDD.

22. Convergence: the National Rural Livelihoods Mission (NRLM) will start operations in 2012 and will be responsible for forming and supporting SHGs. ILSP will provide complementary support for livelihoods for SHG members, many of whom will also join PGs. Producers supported by ILSP will be expected to receive support from other government programmes and from formal financial institutions. ILSP will also implement livelihood enhancement activities in blocks selected for watershed development by the Integrated Watershed Management Programme (IWMP), a centrally sponsored scheme.

II. ROLE AND QUALIFICATIONS OF THE DSA

Project period: the project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost : The proposed IFAD funding for this component is about US\$ 54 million.

Need for Divisional Support Agency (DSA)

The objective of the proposed consultancy assignment is to facilitate, support and implement sub components 2 and 3) of the Project Component - Participatory Watershed Development under Integrated Livelihoods Support Project, (ILSP). The sub components are Food Security Enhancement Support and Livelihood Up-scaling Support.

The Results to be achieved by the end of the consultancy period are:

- m) New high value crop, horticulture and livestock technologies are adopted by Producer Groups (PGs).
- n) Appropriate practices for grading, storage & processing and market linkages have been adopted by farmers to increase the value realized of their produce to enhance their household income levels.
- o) Value-chains in selected sub-sectors have been developed to sustainably increase incomes in project areas.

- p) Linkage of livelihood collectives (LCs) to the market.

III. SCOPE OF WORK

Tasks

The Consultancy Agency will undertake the following tasks for the fulfilment of the objectives set above:

Development of Division level action plan

The contracted agency will develop the action plan for the Division, based on an analysis of farming systems and livelihoods among community, the current activity linked to agribusiness in the Division, and analysis of sub-sectors selected as having most income potential for project communities. The contracted agency will undertake a Farming Systems Livelihood Assessment, and study the Divisional Economy Context in accordance with the Food Security Enhancement and Livelihood Support strategy of the project and the Terms of Reference and Formats developed by Project Directorate. Sub-sector value-chain analyses of relevant sub-sectors are to be conducted by contract agency in co-ordination with state level analyses being undertaken by the Project Directorate.

Producer Group (PGs) formation and promotion of Livelihood Collective (LCs) Associations

Farmers residing in the pre-specified Project villages have limited access to the larger market network for their products. To address the existing constraints and to leverage their access to production and marketing services, the contracted agency will support farmers to organise into farmers' groups at different levels, according to interest of farmers and needs of the sub-sector. The contracted agency will facilitate the formation of such groups and help group members to plan their production and marketing of crops. The contracted agency will also provide technical assistance and managerial support to such Livelihood Collective Groups and associations formed in legal registration under Self Reliant Cooperative Act, 2003, building their institutional capacity, record keeping and business planning.

Dissemination of Improved Agricultural Practices and Extension services

The contracted agency will identify and extend to the farmers and other beneficiaries of the project, new and commercially viable technologies; through a planned extension system and an integrated package of services for the specific sector of intervention. This will include introduction and dissemination of improved technology and practices for Agriculture, Horticulture and/or Silvi- pastoral treatments. Introduction of off- season vegetables and high value crops would be emphasized. New varieties of off-season vegetables, fruit crops, medicinal and aromatic plants will be introduced based on agro-climatic factors, demand and assured market. Related training in application of new technologies and improving productivity of crops by compact area demonstration of new crops will also form part of the tasks to be performed.

Specific resource consultants and sub partnerships with technical institutions will be within the mandate of the contracted agency, (Jointly decided between the contracted agency and the Project Directorate).

The contracted agency will also facilitate technical training and innovative practices to the vulnerable groups and individuals for livelihood enhancement.

Improving post harvest handling, providing supply chain management, logistical support and establishing market linkages

The contracted agency will work closely with farmers and associations in developing the sub-sector value chains to enhance incomes. The contracted agency will be providing technical post harvest handling support, help arrange logistical support for farm produce marketing and identify the needs and type of collection and marketing infrastructure. It will help establish partnerships with input suppliers, market operators and agro-processing companies. It will help establish norms and systems

for quality control, market information systems and opportunities for new products, packaging, and market related requirements. Identification of potential niche market opportunities for products developed as a result of project interventions and exploration and establishment of linkages with private sector entrepreneurs who could help in exploiting the market potential will also form an integral part of the tasks to be performed.

The objective of the project is to transfer to farmers the capacities of linking to markets to sustainably increase incomes. Thus the agency will not only undertake the activities above, but also focus on developing individual and group capacities to undertake them independently after the project.

Project interventions may be with farmers or further up the value-chain, as necessary. Partnerships or collaboration with public or private agencies can be developed as necessary.

Overall technical support, training and capacity building

The contracted agency will provide overall technical support to the farmers in the pre-specified project villages and the project as a whole on agribusiness related issues and will work in close cooperation with the project management unit (WMD) and the state level organizations/ concerned Deputy Project Director.

Coverage

The coverage would be limited to the concerned division. The number of villages and other details will be given accordingly.

IV. TERMS OF CONTRACT

1. Budgets Allocation and Resources to be provided by WMD

The consultancy contract is essentially for a facilitation role and hence the budget for the consultancy will be restricted to the direct costs to be borne by the consultant. The budget for the contracted agency will therefore include direct running and human resource costs, specific technology introduction and demonstration costs, market promotion expenses, and human resources deployed. It will have to establish its own office with infrastructure, transport facility, communication system, training of its staff, etc. Office automation and accommodation facilities will not be provided by the project and the agency will have to hire its own staff and establish its own accommodation at divisional and unit levels.

All other costs that arise out of promotion of agribusiness such as input supply will be directly provided by the project to the Producer Groups: cost of building of collection centres and market infrastructure will be directly borne and implemented by the project; and cost of working capital and related costs directly paid to farmers' groups and associations. These costs will be mutually agreed upon through an annual agribusiness plan prepared and submitted in advance by the consultant.

2. Accounting and Auditing

The contracted agency will open a separate bank account for receipt and expenditure of funds for the contract. The agency will also maintain separately records, accounting and auditing of the funds allocated and used for the assignment. The agency will submit the copy of the bank statement and expense statement on a quarterly basis and audit report on an annual basis. Agency would be subjected to audits by WMD staff/ WMD appointed auditors for the project funds.

3. Period of the assignment

Period of the assignment would be for five years. Annual extension will be on the basis of the satisfactory performance to be recommended by the Review Committee.

4. Performance Review

The following performance review process will be applicable to the contract:

- On the award of the contract, the agency will prepare a detailed Annual Action Plan, within two months of the award of the contract. The Annual action plan will specify clear performance benchmarks to be achieved after 6 months and after one year.
- On the basis of the mutually agreed benchmarks the WMD will review the performance of the agency on a six monthly basis.
- At the end of one year of completion of the contract, a wider review committee as specified below will review the performance of the agency against mutually agreed target. On unsatisfactory completion of Annual Action plan and/or for any other reason deemed appropriate the contract may be made null and void.
- The performance review committee will comprise of the following members

Chief Project Director	-	Chair Person
Additional Director	-	Member
Additional Director (M&E)	-	Member
Project Director (Garhwal and Kumaon)	-	Member(s)
JD (Agri., Hort., Livestock)	-	Member (s)
DPD (Planning/M&E)	-	Member
Finance Officer	-	Member

5. Reporting and Outputs

- a) Quarterly Progress Reports regarding achievement as specified in the format prescribed on award of contract against achievements specified in the Annual Action Plan.
- b) Consolidated Six Monthly Reports enumerating the qualitative review of the project

6. Relationship with Project Directorate

The contracted agency will work in close association and in coordination with the project management structure of the WMD at the unit, district and state level. While it will be directly responsible for facilitating and managing the process of agribusiness development from the farm level to the final market, it will work primarily in the project villages already identified by the project and the communities within these villages. It may draw upon the resources generated by the main project such as GP level plans being implemented and other community groups being mobilized by the project and FNGO. Its Annual work plan should be prepared through a consultative process with divisional team of the WMD to ensure coordination during implementation. The required sanctions, financial disbursements, reporting and performance review will be done by the relevant authorities at the state level of WMD.

7. Accounting and auditing

The agency will open a separate bank account for receipt and expenditure of funds for the contract. The agency will also maintain separately records, accounting and auditing of the funds allocated for the assignment and will submit the copy of the expense statement on a half yearly basis and audit report on an annual basis.

8. Terms of payment

The terms of payment as finalized during negotiations by both parties will be applicable.

9. Support to the contracted agency by WMD, GoUK

WMD will provide key background documentation to the team (Project Approval Document, Project Agribusiness Strategy, Supervision Mission Report, Progress Reports, special studies conducted by the Project and background information on the Project Area.

10. Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

Annex-2.1.3: Terms of Reference for Staff Consultants

A. ENVIRONMENTAL SPECIALIST CONSULTANT

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

A total of 41 micro-watershed (MWS) covering an area of about 125,088 ha in six clusters in the districts of Tehri, Pithoragarh, Pauri, Champawat, Nainital and Rudrapur will be developed. These MWS will include about 700 Revenue Villages spread over 13 Development Blocks (partially covered), with a population of 39,610 households (based on census 2001). These watersheds have been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

It is a community-owned and demand driven project. The project is managed, planned and implemented by the community and the GPs. Its success depends on the levels of interest and participation and commitment of all stakeholders. Being a process driven and people-led project, it becomes imperative to communicate complete information and appropriate messages in a holistic manner to every village community member and project partners to enable them to take informed, technically sound and collective decisions. The project has to be understood by all in its right perspective so that they may fulfill their respective roles and responsibilities to the fullest extent possible.

The Environment specialist will monitor and evaluate the functioning and performance of field functionaries as per the ESMF of the project at the Chief Project Director level.

Scope of work

- Awareness generation about environment, environmental issues and Himalayan eco-system.
- Dissemination of information on impacts of environmental issues, major threats and causes of degradation among the project staff, stake holders, village communities.
- Review environment implications of sub-project activities per the ESMF and help developing local environment solutions.
- Training on Environmental and Social Assessment, ESMF, and implementation of Environmental and Social Management Frame Work in GPWDP to Project staff, various village level institutions and village community.
- Guidance to the MDT/Communities/ESA Cell for applying environmental and social management framework, preparations of Gram Panchayat plans and assists the project staff in applying ESMF in various project activities.
- Supervision, Monitoring & Evaluation of the environmental safeguards adopted in the IFAD funded ILSP.
- Liason and develop synergy with state implemented watershed programmes such as Hariyali and others.
- To undertake documentation of ESMF implementation in the project areas.
- To prepare (monthly) regular monitoring report of the ESMF implementation
- Preparing, designing of workshops/seminars for project staff and other stakeholders to enhance the participation, commitment and perception of the various aspect of the project.
- Liaison with local institutions, NGOs, PRIs and other stakeholders for improving implementation efficiency of the ESMF. This includes consultations with line agencies as relevant and communities.

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives. Keeping in view the overall objective and scope of works, the consultant would outline the specific steps which would be carried out and their approach, in its Inception Report to be provided within 30 days of commencement of their assignment.

Professional profile

- Master's degree in Forestry/ Environment Science/ Environmental Engineering.
- At least 8 years of professional experience of working in related field of rural development programme/Watershed Development projects/Community based projects of Govt. or Non-government organization.
- Maximum age limit is 50 years.
- Experience in Natural Resource Management, with good understanding and application of Environmental impact assessment and water related issues/ watershed activities.
- Fluency in Hindi and English and workable knowledge of local dialects of Uttarakhand.
- Experience of working in rural hill areas and willingness to travel in remote villages in the state of UK.
- Working knowledge of computer.

Desirable

- M. Phil/ Ph. D. in Forestry/ Environment Science/ Environmental Engineering.

Deliverables

The following outputs would be submitted to WMD

- Regular meeting with Project Staff, village motivators and village people.
- Training and Capacity Building of Project Staff, village motivators and village people.
- Monitoring and evaluation methodology which is locally applicable.
- Documentation process and success stories.
- Monitoring of ESMF requirements in planning/implementation process.

Reporting

The consultant shall submit to WMD reports and documents as specified below in the form, numbers and within the periods set forth. The reports have to be submitted in hard and soft copy (numbers to be specified)

Reporting would be done on monthly, quarterly and annual basis as given below:

- Capacity building programs organized for Project Staff, local level institutions and community members with their feedback.
- Success stories and case studies of project villages as regards to various intervention of project especially the capacity building and participatory approach.
- ESMF appraisal of selected GPWDP.
- Reporting on any other deliverables as and when required pertaining to scope of work as mentioned in TOR.
- Any other reports as may be required on issues evolving from time to time.

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Ownership

Watershed Management Directorate of Uttaranchal will have ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of WMD.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- A. Chief Project Director, Watershed Management Directorate Dehradun
- B. Additional Director, WMD Dehradun
- C. Additional Director (M&E), WMD Dehradun
- D. Project Director (Admn.)
- E. Senior Finance Officer
- F. Deputy Director(ESA & M&E)

Period of assignment

Annual extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

B. AGRIBUSINESS SPECIALIST CONSULTANT

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

A total of 41 micro-watershed (MWS) covering an area of about 125,088 ha in six clusters in the districts of Tehri, Pithoragarh, Pauri, Champawat, Nainital and Rudraprayag will be developed. These MWS will include about 700 Revenue Villages spread over 13 Development Blocks (partially covered), with a population of 39,610 households (based on census 2001). These watersheds have been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

In Uttaranchal Agriculture potential has been recognized as potential driver of economic growth. About 70% population in the project areas engaged in agriculture, however the income from agriculture is low. The agribusiness strategy is designed to achieve the objective of project sub components- Food Security Enhancement Support and Livelihood Up-scaling Support to help participation in the market and with private sector & improved value addition with consideration to intervention of environmental sustainability.

There is a need to develop & implement appropriate agribusiness strategy & tools for the project for which services of experienced expert are sought.

Scope of work

- (i) Improved production techniques & farm input need assessment with the assistance of MDT to identify gap.
- (ii) Marketing infrastructure development & market need assessment

- (iii) Develop, review, update, and oversee the implementation of agribusiness strategy and collaborate with other staff, unit officers, Divisional Support Agencies, CBOs, government and private agencies.
- (iv) Demonstration of appropriate technology in selected areas.
- (v) Analyze the different options of federating the Producer Groups (PGs) and Livelihood Collectives (LCs) in to company, Cooperative under Self Reliant Cooperative Act, 2003 etc.
- (vi) Develop training program module and exposure to staff and Community Based Organizations based on expressed need.
- (vii) Develop TOR for appropriate service agencies, / consultants & facilitate their functioning to achieve expected result.
- (viii) Develop manual & documents for training programs, exposure tours, case studies & lesson learned.
- (ix) Facilitate linkages of PGs to public & private organization including financial institution.
- (x) Content & design of technical brochures, handouts, pamphlets & other printing materials in collaboration of IEC team.
- (xi) Supply the PGs and LCs with the training and management tools they need to provide high quality and competitive services to their members.

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives. Keeping in view the overall objective and scope of works, the consultant would outline the specific steps which would be carried out and their approach, in its Inception Report to be provided within 30 days of commencement of their assignment.

Professional profile

The candidate should have: an appropriate university education (MBA/M.Sc. degree) in business, agriculture or related fields. He/She should have extensive experience (over 8 years) on agribusiness/agriculture market-related activities. Experience working with NGOs/Cooperative/Farmer Associations handling livelihood or agribusiness is a must. Experience working in or with the private sector, and strong skills in market analysis and management as well as agribusiness development.

- Fluency in Hindi and English and workable knowledge of local dialects of Uttarakhand.
- Experience of working in rural hill areas and willingness to travel in remote villages in the state of UK.
- Working knowledge of computer.

Deliverables

The following outputs would be submitted to WMD

- Submission of monthly progress report based on Agribusiness strategy.
- Field/Exposure visits report.
- Training and capacity building plan/module for implementation of Agribusiness strategy.
- Technical leaf lets, pamphlets, Bulletin in collaboration with IEC team.
- TOR for hiring services of agencies/consultant for capacity building of MDT.
- Facilitating documentation of success stories in the field of agribusiness in the projects.

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Ownership

Watershed Management Directorate of Uttaranchal will have ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of WMD.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- a. Chief Project Director, Watershed Management Directorate Dehradun
- b. Additional Director, WMD Dehradun
- c. Additional Director (M&E), WMD Dehradun
- d. Project Director (Admn.)
- e. Joint Director (Agri & Hort.)
- f. Senior Finance Officer

Period of assignment

Annual extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

C. SOCIAL DEVELOPMENT SPECIALIST CONSULTANT

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

A total of 41 micro-watershed (MWS) covering an area of about 125,088 ha in six clusters in the districts of Tehri, Pithoragarh, Pauri, Champawat, Nainital and Rudraprayag will be developed. These MWS will include about 700 Revenue Villages spread over 13 Development Blocks (partially covered), with a population of 39,610 households (based on census 2001). These watersheds have been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost : The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

This is a community-owned and demand driven project. The project is managed, planned and implemented by the community and the GPs. Its success depends on the levels of interest and participation and commitment of all stakeholders. Being a process driven and people-led project, it becomes imperative to communicate complete information and appropriate messages in a holistic manner to every village community member and project partners to enable them to take informed technically sound and collective decisions. The project has to be understood by all in its right perspective so that they may fulfil their respective roles and responsibilities to the fullest extent possible.

There is a lack of adequate staff for community mobilization participatory approach work. The process of placing FNGO persons has already completed. The FNGO is providing support of qualified professional staff to cover the social aspect of the project. The FNGO is promoting social mobilization, awareness generation, group formation especially women folk, understanding the diverse issues related with communities and effecting their participation in the project.

The FNGO is working in 8 divisions under the two regional PDs level. In two divisions one at each PD level, the PNGO is also working of social/community mobilization.

The Social Development Specialist will be primarily responsible for developing vision and strategy to ensure that the project is achieving social development (SD) objective i.e. equity, inclusiveness, transparency, institutionalizing participatory process and accountable institutions. The consultant will guide, mentor, monitor and evaluate the functioning and performance of social mobilization work, establishing systems to achieve the SD objectives of FNGO work closely with training and monitoring and evaluation coordinators at HQ level to mainstream SD issues and also the evaluation of field level operations as per the ESMF of the project at the Chief Project Director level.

Scope of work

- Establish regular field contact and rapport building with the community, FNGO and Village motivators.
- Guide the FNGO and village motivators to collate the social, cultural and economic information of the micro plans developed by the Gram Panchayats on the basis of micro watershed.
- Help in development of participatory mechanisms and framework for establishing and strengthening village level institutions.

- Developing special plans for gender sensitization and action plan to include women and vulnerable groups.
- Guiding and coordinating the responsibilities of FNGO and village motivators for better implementation of the participatory aspects of the project.
- Identify training needs and develop plans for FNGO and village motivators, field staff, Community, Villagers and work with Training coordinator to address training needs on social issues.
- Collate and document the participatory processes as process documentation for lessons learnt.
- Liaison with institutions, government agencies and NGOs for partnership development.
- Develop participatory monitoring and evaluation parameters for measuring process and progress. Work with NGOs and M&E coordinator to establish participatory and monitoring and learning systems
- Collate the internal monitoring reports for input M&E program of the project.
- Develop annual plans and budgets for the participatory component.
- Finalise the Draft Memorandum of Understanding with the FNGO and village motivators, which is based on the inputs from the people.
- Organise regular meetings with the FNGO and village motivators and the village people for feedback on the approaches and processes followed for deepening the participatory issues.
- Prepare, design and running of workshop/seminar for the project staff and other stakeholders to enhance the participation, commitment and perception of the various aspect of the project.
- Prepare and publish quarterly newsletters for disseminating information and sharing of experiences of the Gram Panchayats, FNGO and village motivators.

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives. Keeping in view the overall objective and scope of works, the consultant would outline the specific steps which would be carried out and their approach, in its Inception Report to be provided within 30 days of commencement of their assignment.

Professional profile

- Master's in Sociology/Anthropology/ Social work.
- At least 8 years of professional experience of working in related field of rural development programme/Watershed Development projects/community based projects of Govt. or Non-government organization.
- Fluency in Hindi and English and workable knowledge of local dialects of Uttarakhand.
- Experience of working in rural hill areas and willingness to travel in remote villages in the State.
- Working knowledge of computer.

Desirable

- PG Diploma in Rural Development/Human Resource Development/Community Development.

Deliverables

The following outputs would be submitted to WMD

- Regular meeting with the FNGO and village motivators and village people.
- Training and Capacity Building and Participatory plan/manuals for social mobilization, gender sensitization for different stages of interventions for each component of the project.
- Monitoring and evaluation methodology.
- Documentation process and success stories.
- Monitoring of ESMF requirements in implementation process.

Reporting

The consultant shall submit to WMD reports and documents as specified below in the form, numbers and within the periods set forth. The reports have to be submitted in hard and soft copy (numbers to be specified)

Reporting would be done on monthly, quarterly and annual basis as given below:

- Progress of Institutions viz. SHG, VG, PGs and LCs etc. formed under the project with their funds, bank accounts, linkage, etc.
- Capacity building programs organized for local level institutions and community members with their feedback.
- Success stories and case studies of project villages as regards to various intervention of project especially the capacity building and participatory approach.
- Any other reports as may be required on issues evolving from time to time.

The consultant will provide a quarterly report which include

- Documentation of the process adopted for social mobilization and to increase women's and vulnerable group participation in project activities.
- Entrepreneurial activities undertaken by vulnerable group.
- Backward and forward linkages facilitated (number/institutions/agencies).
- Impact of capacity building programs and adoption of practices.
- Consolidated reports of social mobilization activities enumerating the qualitative review of the project.
- Highlight aspects that might have a significant impact on the implementation of the project.
- Any other matters that the consultant considers pertinent.
- The quarterly report should be submitted within 15 days of the end of each quarter to the Chief Project Director. Four such quarterly reports would be submitted each year. The copies of the quarterly reports would be made available to the World Bank supervision mission.

The consultant would provide annual consolidated report highlighting the services rendered by the consultant in implementation of ILSP and issues related to the project annual assessment with special emphasis with regards to adoption of IGA and Socio-economic enhancement of the weaker section of the society, yearly assessment reports of SHG and other institutions with their follow up capacity building action plan and comprehensive process documentation of the social mobilization process in the project area. The report should be submitted by second week of April.

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Ownership

Watershed Management Directorate of Uttaranchal will have ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of WMD.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- A. Chief Project Director, Watershed Management Directorate Dehradun
- B. Additional Director, WMD Dehradun
- C. Additional Director (M&E), WMD Dehradun
- D. Project Director (Admn.)
- E. Senior Finance Officer WMD Dehradun
- F. Deputy Director(ESA & M&E)

Period of assignment

Annual extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

D. GEOGRAPHICAL INFORMATION SYSTEMS EXPERT

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

A total of 41 micro-watershed (MWS) covering an area of about 125,088 ha in six clusters in the districts of Tehri, Pithoragarh, Pauri, Champawat, Nainital and Rudraprayag will be developed. These MWS will include about 700 Revenue Villages spread over 13 Development Blocks (partially covered), with a population of 39,610 households (based on census 2001). These watersheds have been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

WMD had established a GIS Laboratory having all important data as spatial and non spatial data: - i.e. all watershed boundaries, MWS, SWS, WS and Catchments. WMD has also procured satellite data from NRSA covering whole of Uttarakhand and digital data of Uttarakhand at 1:50,000 scale. Advanced GIS software and hardware are available at the WMD office.

This office requires to develop, enhance, extent and use different GIS and remote sensing based information from the available resources on day to day basis for end-user i.e. project implementing officials and stake holders.

The GIS & remote sensing tools are also applicable for monitoring of project activities. For this purpose, the project requires the services of experienced GIS experts to be hired through service provider.

Scope of work

- Demarcate position of MWS, Villages, GPs covered by centrally sponsored IWMP schemes and other watershed based programmes.
- Prepare Unit & MWS wise map of each division of ILSP project as and when required.
- Link village information with maps and perform analysis on them as required by project.
- Prepare thematic maps based on remote sensing satellite data by image processing techniques.
- Georeferencing & Fusion of LISS-III - PAN Data received from NRSA; Prepare Landuse, Landcover maps of IFAD funded ILSP & other area.
- Carryout change detection in ILSP area using RS data.
- Development of thematic maps, linkages of GPS data with GIS maps.

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives.

Professional profile

The candidate should have appropriate experience in data capturing, analyzing, developing GIS based maps. He/ she should have extensive experience of over 10 years in GIS and remote sensing techniques.

Deliverables

The following outputs would be submitted to WMD

Data in form of coverage, shape files, geo-database of all of the ILSP area and of the whole of Uttarakhand have to be generated / edited and updated at the client's premises. Hard copies and soft copies of maps and attribute tables will be given to field staff or any other person with the client's permission. The consultant will be responsible to maintain, update and backup the software and GIS information.

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Ownership

Watershed Management Directorate of Uttaranchal will have ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of WMD.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- a. Chief Project Director, WMD, Dehradun
- b. Additional Director, WMD, Dehradun
- c. Project Director (Administration), WMD, Dehradun
- d. Additional Director (M&E), WMD, Dehradun
- e. Deputy Director, Monitoring & Evaluation, WMD, Dehradun

Period of assignment

Annual extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

E. MANAGEMENT INFORMATION SYSTEM MANAGER

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

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Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

The Watershed Management Directorate has an IT infrastructure of two main servers running Windows 2003 Advance Server and Windows 2008 Server, which acts as a file and print server, and also to authenticate the user rights. WMD has one internet server running on Fedora Core5 (LINUX) and 34 desktop computers, 5 Laptops with 26 laser printers, and two colour laser printers. These are in a network environment with three network switches of 24 ports and one switch of 8 ports. All the computers were used by WMD officials, and to facilitate these, WMD has a server room equipped with latest software and hardware. To ensure smooth functioning following services of a System Manager are required (to be hired through a Service Provider).

The following are some of the important work to be carried out:-

- Maintenance of IT infrastructure established at WMD offices.
- Local Area Network (LAN) Maintenance.
- Hardware and Software Maintenance.
- Provide technical opinions to concerned officers as regards procurement of software, hardware and maintenance.
- Website development and up-date.
- Support to MIS cell at WMD.

Scope of work and deliverables

- Local Area Network (LAN) to be maintained so that every user in the WMD can share network resources and use it without any difficulty (internet, printer sharing of files etc.).
- Computer maintenance including hardware problems, if they arise, Provide the best solution – either repair or replacement.
- Provide technical advice as regards procurement of hardware, software, network related products and maintenance as per WMD requirement
- Website creation, hosting and Development so that it can be updated on regular basis to facilitate our Division, IFAD, other major Departments of Uttarakhand Government, or central Government by providing our latest updates. Apply appropriate technologies in our website and promote it in the internet by means of Search Engines and any other major development..
- Monitor MIS software. Check the data coming from the PD offices or divisions is complete in every manner. If there is some problem with the software then, contact to software firm for smooth running of MIS software.
- Training and support of hardware and software as and when required at WMD.

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives.

Professional profile

MIS Specialist / System Manager should have Bachelor Degree in Computer Science / Application MCA/ B.Tech or equivalent qualification with five years experience in relevant field. Also should have experience in developing MIS Software/ Websites etc for similar Project/ organization.

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- Chief Project Director, WMD, Dehradun
- Additional Director, WMD, Dehradun
- Project Director (Administration), WMD, Dehradun
- Additional Director (M&E), WMD, Dehradun
- Deputy Director, Monitoring & Evaluation, WMD, Dehradun

Period of assignment

Annual extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

F. INFORMATION, EDUCATION AND COMMUNICATION CONSULTANT

Background

The Watershed Management Directorate (WMD) through Govt. of Uttarakhand has received a credit from IFAD (International Fund for Agriculture Development) for implementation of Integrated Livelihoods Support Project, (ILSP). The WMD is PIA for Project Component: Participatory Watershed Development. The project development objective (PDO) is: *The overall objective (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of "enable rural households to take up sustainable livelihood opportunities integrated with the wider economy".*

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been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development.

Project period

The project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from 1st April, 2012.

Project Cost: The proposed IFAD funding for this component is about US\$ 54 million.

Implementation agency

The Gram Panchayat (GP) will be the primary implementation agency of activities undertaken for Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Operational Manual.

Need for consultancy support

This is a community-owned and demand driven project. The project is managed, planned and implemented by the community and the GPs. Its success depends on the levels of interest and participation and commitment of all stakeholders. Being a process driven and people-led project, it becomes imperative to communicate complete information and appropriate messages in a holistic manner to every village community member and project partners to enable them to take informed, technically sound and collective decisions. The project has to be understood by all in its right perspective so that they may fulfill their respective roles and responsibilities to the fullest extent possible. Information, Education and Communication strategy is intended to deliver appropriate programme communication messages through participatory tools and techniques so that concepts are internalized by the people.

There is a need to develop an IEC strategy and tools for the project for which services of highly experienced and dedicated experts are sought.

Scope of work

- Participatory communication needs assessment (PCNA) with the assistance of MDT to identify communication gaps
- Development of IEC Strategy for the project.
- Demonstration of communication strategies and tools in selected areas.
- Documentation of projects process, impact learning, etc.
- The consultant shall interact with the range of stakeholders before designing the communication tools/material. This includes working closely with other components of ILSP, and with IFAD's overall programme for India.
- Imparting detailed information on watershed management, methodology of the project concept of community-driven and process-led development, concept of ownership, and details of its contribution to the project among the stakeholders.
- Development of key messages on the following issues to be used in phased manner as time lined in project's operational manual.
 - ESMF – awareness about importance of IPM, its uses, ESMF guidelines, how to use ESMF in ILSP preparation
 - Ownership of project by communities and GPs, govt and NGOs as facilitators

- Awareness about Natural Resources Management.
- Transparency in planning and decision making.
- Providing information regarding income generation programmes.
- Popularizing participatory monitoring and evaluation
- Creating a sense of ownership among the community, especially the women folk.
- Sensitizing the stakeholders regarding the post project sustainability.
- Empowering and promoting the community in maintenance of assets.
- Development of specific and need based IEC material packages for the target audience by using effective communication tools. The consultant is expected to produce the following
- Production of audio visual and audio programmes, slide presentation, documentary and other print material that may be required
- Folk performances
- Communication of success stories/experiences from earlier projects in the state and elsewhere specially those from community driven and watershed management projects.
- Content and design of posters, brochures, pamphlets and other print material
- The campaigns and messages are to be developed as phased out in the operational manual. Awareness campaigns in following fields :
 - ILSP orientation on the vision, processes, roles and responsibilities of each entity, Environmental and social management framework, rules etc.
 - Sensitizing for preparing and impending effective Gram Panchayat watershed development plan (GPWDP)
 - Environmental and social safeguards and natural resource management issues.
 - As regards effective implementation project
- Guidance and assistance to staff as regards conduction of developed communication packages / awareness campaigns etc in the selected GPs in various divisions.
- Develop specific communication tools that ensure upward communication from the village level to the project management and facilitate cross learning among various village communities and GPs

The scope of work may be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives.

Professional profile

- Degree and/or professional experience in either of the following: rural development, communications, journalism, sociology, language
- At least 8 years of professional experience in the area of communication, preferably rural and development communication
- Excellent analytical and writing skills
- Excellent inter-personal skills
- Fluent in Hindi and local dialects of Uttaranchal; working knowledge of English
- Ability and willingness to travel to remote villages in the state
- Takes initiatives and shares strong belief in community-driven development
- Working knowledge of computer.

Deliverables

The following outputs would be submitted to WMD

- An overall Communication Strategy, tools-technique including a creative theme
- Communication material/tools for mass media, advocacy, training and grassroots level communication (including cost estimate for reproduction of communication material).
- Training & capacity building plan, and its implementation for IEC/ communication strategy
- Orientation & sensitization of district and state level policy and decision makers
- Monitoring and evaluation methodology and tools and assessing the efficacy and impact of various communication tools and technologies
- Bilingual Media Kits for ready dissemination of information to key stakeholders.
- Documenting process, best practices and success stories

Work Station

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project area positively as per project requirement.

Ownership

Watershed Management Directorate of Uttaranchal will have ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of WMD.

Review committee

A review committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the review committee are as under:

- A. Chief Project Director, Watershed Management Directorate Dehradun
- B. Additional Director, WMD Dehradun
- C. Additional Director (M&E), WMD Dehradun
- D. Project Director (Admn.)
- E. Senior Finance Officer
- F. Deputy Director(ESA & M&E)

Period of assignment

Annual, extension will be given on satisfactory review of performance by the committee.

Terms of payment

Monthly, based on the satisfactory report from concern authority.

Inputs to be provided by WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

Arbitration

In the event of any dispute between the contracted agency and the district level functionaries of WMD, the Govt. of Uttarakhand will be the arbitrator.

G. Watershed Expert/ Consultant

INTRODUCTION

1. Background: The Integrated Livelihood Support Project (ILSP) will follow on from, and up-scale, the Uttarakhand Livelihood Improvement Project in the Himalayas (ULIPH) which will be completed at the end of 2012. ULIPH has been implemented by Uttarakhand Gramya Vikas Samiti (UGVS), a society within the Rural Development Department, and Uttarakhand Parvathiya Ajeevika Samvardhan Company (UPASAC), a social venture capital company. However, for ILSP, the approach will be significantly changed – rather than forming Self-Help Groups (SHG) and provision of micro-finance services, ILSP will focus on supporting producer organizations with technology and access to markets to improve food security and livelihoods.

2. Location: Uttarakhand is a hill state in the north-west of India, covering 54,483 km² with a population of about 8.5 million (2001 census). Nine of its 13 districts are classed as hill districts, covering 77% of the area of the state, but with only 44% of the population. Livelihoods are still predominantly rural, but most economic and population growth has also been in the plains, which are becoming industrialised.

3. **Rationale:** the justification for ILSP is the need to stop the deterioration of the productive infrastructure, make farm labour more productive and farming more remunerative, and hence provide incentives for people to invest their time and resources in agriculture. Despite the disadvantages that agriculture faces in the hill areas, Uttarakhand does have the advantage of cooler temperatures at higher altitudes, allowing production of out of season vegetables and temperate fruits. The horticultural sector is less developed than in the other hill states, so there is considerable potential for growth, as there is in other niche products such as spices, medicinal and aromatic plants, and nuts.

4. Another area with growth potential is tourism. However more needs to be done to ensure that local people fully participate in, and benefit from, this sector. The population is well educated, but the level of youth unemployment is relatively high. Better vocational training could help such people find good quality employment in the growth sectors of the country.

5. The **overall objective** (goal) of ILSP will be to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective of “enabling rural households to take up sustainable livelihood opportunities integrated with the wider economy”.

6. The **strategy behind ILSP** will be to adopt a two pronged approach to building livelihoods in hill districts. The first of these is to support and develop the food production systems which remain the main means of support for most households. This involves improving technologies for production of traditional food crops and livestock, and developing supporting services for input supply and marketing of any surpluses. To make food production more secure the project will also contribute to watershed development to conserve water and soil resources. ILSP will also support the production of fodder and other non-timber forest products in community forest areas (Van Panchayats).

The second main thrust of the project is to generate cash incomes via the introduction and expansion of cash crops. These would be grown on a significant scale for markets outside of the state. There is already significant production of off-season vegetables, such as potatoes, tomatoes and peas, and some fruit. This can be expanded through improved technologies and the development of new production areas, with returns to farmers improved via better marketing and by value addition. It should also be possible to develop the production new crops and products (such as nuts and aromatic plants) for growing external markets. ILSP will also support non-farm livelihoods, especially community involvement in rural tourism. Many people migrate to jobs outside of the hill areas, and ILSP will support vocational training to help people obtain more remunerative employment.

7. **Component 1: Food security and livelihood enhancement** to be implemented by UGVS, will support crop and livestock production for food security, and develop higher value cash crops and other products (such as rural tourism) to provide cash incomes. Crop and livestock production will be developed via support to Producer Groups (PG) and higher level organisations (Livelihood Collectives - LC) formed by a number of PGs. To up-scale enterprises generating cash incomes, and to introduce new income sources. ILSP will also improve access to markets through a value chain approach and the provision of physical infrastructure for market access. The value chain approach involves market/sub-sector studies, introduction of new technologies, market linkage, skill development, product development and promotion, physical infrastructure for market access. These activities will cover 93,800 households in 17 blocks in five districts. The project will also improve access to employment in the non-farm sector by supporting vocational training linked to job placement – with a target of 10,000 training places to be offered.

8. **Component 2: Participatory Watershed Development** to be implemented by the Watershed Management Directorate (WMD), will use processes that have been established through a series of watershed development projects in the state, but with an increased focus on food security, livelihoods and market linkages. It will protect and improve the productive potential of the natural resources in selected watersheds, alongside the promotion of sustainable agriculture with formation of PGs and LCs, and with improved access to markets. The component would cover a total of 41 micro-watershed (MWS) covering an area of about 125,000 ha in six clusters in six districts, with a population of 39,600 households. It will complement the ongoing watershed development programme funded by the World Bank and GOI, and takes into account availability of required WMD institutional capacity in the selected project districts.

Gender and social sensitivity will be ensured by having at least 50% of livelihood groups as women's groups and 20% as vulnerable producer groups and ensuring that women and Scheduled Castes participate in decision making processes and are represented in the institutional arrangements.

Sub-components and activities to be implemented under Component-2 are as follows:

(a) Participatory Watershed Management:

(i) Social mobilization and participatory planning :

The involvement of stakeholders at grass root level is a vital element of watershed management. It is of utmost importance to involve them in such a manner that they feel ownership of project at every step. Village level local government, the Gram Panchayat, along with its Water and Watershed Management Committee (WWMC), and Van Panchayats, Producer Groups, Vulnerable Producer Groups and Women's' Forums, will be the vehicles for planning and implementation at the village level.

(ii) Village and watershed development:

Soil and Moisture Conservation Measures: different soil and moisture conservation treatment methods are used in arable and non arable areas. In arable lands vegetative and engineering soil and moisture conservation measures will be used. Systems of water harvesting will be built where needed. Trees will be planted for fuel, fodder, fibre, fruits and timber. Trees are also important for the environment and conservation of soil and water. Pasture and grassland management to produce forage for livestock on non-arable land requires range improvement measures, especially reseeding and planting, and maintenance of optimum productivity through a proper grazing system. Poor common property lands can be planted with high yielding perennial grass species by reseeding and/or planting of root slips.

Alternative Energy Sources: in Uttarakhand the main source of energy is firewood. Collection results in degradation of forests and drudgery for women. To reduce this pressure, energy saving devices and alternative sources of energy can include solar cooker, bio-gas plant, smokeless stoves, and pine needle briquetting.

Watershed Development activities will be implemented on the basis of a budget allocation provided at the GP level calculated based on watershed area and total population. Within this allocation the communities will have to prioritize, implement, operate and maintain watershed and other priority investments of the village.

(b) Food security enhancement support:

(i) Rainfed agriculture and agribusiness systems improvement:

Producer Groups (PG) would be formed to introduce, promote and disseminate improved technologies and farming practices. A total of 3,900 PGs will be formed, with an average of 6 members each (at least 50% being women). Training and demonstrations on new technologies may also be provided. Linkages may be made to research agencies and other technology providers.

(ii) Value addition and marketing support:

Under this sub-component, the project will: (i) identify the market potential for the agricultural produce; (ii) develop collection centres and good storage facilities; (iii) create centres for value addition of the raw produce; and (iv) identify market linkages, develop market information and logistic services. The private sector (NGOs and private firms) will be encouraged to play a major role in supporting agribusiness development.

To up-scale production, develop markets for high value crops, and to leverage producers' access to production and marketing services, the project would support farmers to organise their PG and VPG into Livelihood Collectives(LCs). The project would provide input support to LCs. For financial support, PG/LC would be linked with banks and other financial institutions.

(c) Livelihood up-scaling support:

(i) Promotion of income generation activities (IGAs) and support to VPGs :

Vulnerable Producer Groups (VPG) will be formed comprising of scheduled castes, landless and very poor households. A total of 1,464 VPGs will be formed, each with an average of four members. VPGs will be self managed institutions of the poor, and will be federated at the village and block level. These VPGs will be given sustained capacity building, orientation and training to encourage their entrepreneurial development. Each VPG will draw up a livelihood improvement plan which, after approval by the Gram Panchayat, will be implemented with funding from the project.

(ii) Support to livelihood collectives for up-scaling IGA activities:

LCs are a group of PGs and VPGs (between 60 and 90 PGs) which come together with a common enterprise and to facilitate backward and forward linkages for input supply and output marketing, and for access to information, credit, technology, markets etc. LCs will engage in co-production (particularly value-addition activities) and delivery of livelihood services to their group members. A total of 70 LCs will be formed with project support. Individual and collective enterprises may be supported by bank loans and investment funds from the Livelihood Finance component.

(d) Institutional Strengthening:

(i) Capacity Building of Watershed Committee: Gram Panchayats / WWMCs will have pivotal role to play in planning and implementing the sub-project, and their capacity will be strengthened through capacity building programmes.

(ii) Capacity Building of CBOs: such as Revenue Village Committees (RVC), PGs, VPGs, Users Groups (such as for irrigation works), Van Panchayats, Mahila and Yuvak Mangal Dals and their Apex bodies, villager leaders and vulnerable sections.

(iii) Capacity building of WWMCs, local community institutions and PRIs: training of members of WWMCs and other people involved in implementation in core project processes.

(iv) Information, Education and Communication: targeted messages to increase general awareness about the project, terms of participation and transparency.

9. Component 3: Livelihood financing to be implemented by UPASAC. Despite making significant strides in financial viability, banks have not been able to provide significant numbers of poor households with basic financial services. The activities under this component include:

- a) Banking support – capacity building, expansion of branches of SKGFS (a rural finance institution),
- b) Risk management – piloting and scaling up of insurance services,
- c) Financial inclusion initiatives – training to LC to be bank agents, product literacy training,
- d) Provision of development finance via UPASAC including loan and quasi equity funding
- e) Establishment cost support to UPASAC.

10. Component 4: Project coordination and monitoring: Each executing agency, UGVS, WMD and UPASAC, will have their own project management units headed by a Project Director. To provide overall coordination, the state nodal agency, RDD, will set up a Central Project Coordination Unit (CPCU) within the RDD, headed by a part time Project Coordinator(PC)/Chief Project Director (CPD). The CPCU will have two Units: (i) Finance Unit; and (ii) Planning and M&E Unit. The Finance Unit will be located within RDD whereas the M&E Unit will be housed within UGVS.

11. Targeting: By covering complete blocks or MWS on a saturation basis any household in these project areas may participate in ILSP activities. Data from the population census show that, of the total population in project districts, 18.6% are Scheduled Caste (SC) and 0.9% are Scheduled Tribe (ST). The SC population is disadvantaged, with a relatively high proportion being below the poverty line. In line with the GoUK policy that at least 20% of project resources go to SC households, implementing agencies would ensure that this disadvantaged group participate and benefit from project activities by establishing special groups for vulnerable households. These would amount to at least 20% of all producer groups and would receive additional support.

12. Gender: The flow of benefits directly to women would be ensured by at least 50% of all producer groups being female. The project would also ensure that women participate in higher level Livelihood Collectives, Water and Watershed Management Committees and other institutions involved in project

management. The project would promote livelihood activities that specifically address the needs of women – such as by improving access to fodder and fuel, and easing the manual work involved in crop production.

13. Implementation approach: The investment in ILSP is more than a five-fold increase over the ongoing ULIPH. Given limitations on the capacity of UGVS/UPASAC to up-scale to this extent, funds for ILSP will be divided between UGVS/UPASAC and WMD. WMD would establish a society (PSWMD) to implement the project. WMD has an established track record in implementing participatory watershed management projects, and their inclusion will allow the project to be up-scaled, while avoiding the risks involved in relying entirely on UGVS/UPASAC. The dual implementation structure will also generate new lessons in livelihood development using two different approaches to livelihood development.

14. Coordination: The Rural Development Department (RDD) will be the nodal agency at the state level. A Central Project Coordination Unit (CPCU) within the RDD is responsible for the inter-agency coordination. A state level Project Steering Committee (PSC) would be chaired by the Chief Secretary, GOUK. The PSC will establish a Project Management Committee (PMC) chaired by the Secretary of RDD and co-chaired by the Secretary of Watershed Management.

15. Convergence: the National Rural Livelihoods Mission (NRLM) will start operations in 2012 and will be responsible for forming and supporting SHGs. ILSP will provide complementary support for livelihoods for SHG members, many of whom will also join PGs. Producers supported by ILSP will be expected to receive support from other government programmes and from formal financial institutions. ILSP may also implement livelihood enhancement activities in blocks selected for watershed development by the Integrated Watershed Management Programme (IWMP), a centrally sponsored scheme.

16. M&E system will generate management information and provide the government and IFAD with evidence of results and impact against logframe indicators (and also for IFAD's RIMS system). This will involve activity/output, process, outcome and impact monitoring.

17. Financial management will be on the lines of current IFAD funded projects in India. Tally Accounting software will be used to maintain accounting records and generate financial statements in IFAD formats. Periodic inputs from an IFAD Financial Management and Procurement Specialist will provide training and support for project financial staff.

18. Overall Project cost is estimated to be USD 259 million. The Project will be financed by an IFAD loan of USD 90 million, a contribution of USD 48 million from the Government, USD 110 million as credit funds from banks, and USD 11 million from beneficiaries. Significant additional funds will flow to members of project groups through convergence with other government programmes.

19. Benefits: The project investment has an overall Economic Internal Rate of Return of 23% and remains viable if costs increase and/or benefits decrease by 20%. Farm model analysis shows average annual net income of participating households increasing from INR 19,000 to INR 33,000. A total of 143,400 households would directly benefit from the project.

20. Sustainability of benefits is based on the following assumptions:

(a) The adoption of improved livelihoods will be sustained providing they continue to be profitable for households, and linkages for inputs and outputs are maintained. These linkages should be sustainable providing they are, in themselves, also financially viable for private sector actors and/or Livelihood Collectives.

(b) Physical works such as watershed treatment, irrigation and market infrastructure will need to be maintained by user groups for irrigation, market infrastructure etc. The participation of local government in watershed development will help ensure the sustainability of these works.

(c) Capacity building will result in sustained benefits providing this training is relevant and effective.

(d) Improved access to financial services will be provided by banks, insurance companies and other agencies. Providing these services are profitable, they will be sustained.

21. Project period: the project duration is 7 years and the project cycle in each GP will be of 5 years in following three phases.

- The preparatory phase: - First year
- The Implementation Phase: - Three years.
- The Withdrawal Phase: - Fifth year

The Project is likely to commence from Financial Year 2012-13.

IMPLEMENTATION AGENCY

The Gram Panchayat (GP) will be the primary implementation agency for the activities relating to Watershed Treatment. The GPs will be intimated the complete Budget outlay for the project period for the GP. This budget outlay for a given GP will be called the 'Budget Envelop' for the GP. The GP will prepare its Work Plan for three years within the Budget Envelop. The capacity building of relevant members of GP and the general body and various sub committees of the GP will be undertaken by the Project before the GP starts the actual preparation of the Gram Panchayat Watershed Development Plan (GPWDP). All implementation and procurement within the GPWDP will be done by the GP itself or by various village level institutions within the GP. The details are provided in the Project Operational Manual.

NEED FOR CONSULTANCY SUPPORT

It is a community-owned and demand driven project. The project is managed, planned and implemented by the community and the GPs. Its success depends on the levels of interest and participation and commitment of all stakeholders. Being a process driven and people-led project, it becomes imperative to communicate complete information and appropriate messages in a holistic manner to every village community member and project partners to enable them to take informed technically sound and collective decisions. The project has to be understood by all in its right perspective so that they may fulfil their respective roles and responsibilities to the fullest extent possible.

The watershed Expert will plan, monitor and evaluate the functioning and performance of field functionaries as per the project implementation strategy at the Directorate level.

SCOPE OF WORK

- Develop annual plans and budgets for the participatory component.
- Collate and document the participatory processes as process documentation for lessons learnt.
- Liaison with institutions, government agencies and NGOs for partnership development.
- Develop participatory monitoring and evaluation parameters for measuring process and progress.
- Prepare, design and running of workshop/seminar for the project staff and other stakeholders to enhance the participation, commitment and perception of the various aspects of the project.
- Liaison and develop synergy with state implemented watershed programmes such as IWMP and others.

The scope of works could be modified based on mutual agreement between the client and the consultant with a view to better achieve the overall objectives. Keeping in view the overall objective and scope of works, the consultant would outline the specific steps which would be carried out and their approach, in its Inception Report to be provided within 30 days of commencement of their assignment.

PROFESSIONAL PROFILE

- Experience of working in externally aided watershed development project formulation, planning, monitoring and evaluation.
- At least 10 years of experience of working in similar kind of externally aided Watershed Development projects / Community based projects of Govt. or Non-government organization.
- Experience in watershed development and management project planning and monitoring, with good understanding and application of water related issues and Watershed Development activities.
- Fluency in Hindi and English and workable knowledge of local dialects of Uttarakhand.
- Experience of working in rural hill areas and willingness to travel in remote villages in the state of Uttarakhand.
- Working knowledge of computer and understanding of application of Geographical Information System (GIS) for project planning and monitoring.

DELIVERABLES

The following outputs would be submitted to PSWMD

- Regular meeting with Project Staff at WMD level and field functionaries.
- Annual Plans and Status Reports of the Project.
- Documentation of Project implementation processes.

REPORTING REQUIREMENTS

- The consultant shall submit to the WMD report and documents as desired by the Chief Project Director and Additional Director (Planning)/PD, ILSP.
- Any other reports as may be required on issues evolving from time to time.

WORK STATION

The consultants would be based in the Watershed Management Directorate, Dehradun and would make field visits to all project areas positively as per project requirements.

OWNERSHIP

Watershed Management Directorate of Uttaranchal will have the ownership of all the documents and material developed. The consultants will have no right of claim to the products developed and shall not replicate them without prior consent of the WMD.

REVIEW COMMITTEE

A Review Committee constituted by members selected by WMD would monitor and review the performance, quality and impact of the activities undertaken by the Consultant. The members of the Review Committee are as under:

- Chief Project Director, Watershed Management Directorate, Dehradun
- Additional Director, WMD/PD, ILSP, Dehradun
- Additional Director (M&E), WMD Dehradun

- Project Director (Admn.)
- DPD, ILSP (Planning/M&E) - Member
- Chief Finance Officer - Member

PERIOD OF THE ASSIGNMENT

Whole Project Period but Annual extension will be given on satisfactory review of performance by the committee.

TERMS OF PAYMENT

Monthly payment, based on the satisfactory report from concerned authority.

INPUTS TO BE PROVIDED BY THE WMD

The consultant would be provided all the necessary and relevant documents, manuals, route approach to the Project area.

ARBITRATION

In the event of any dispute between the contracted agency/ consultant and the WMD, the Govt. of Uttarakhand will be the arbitrator.

Annex-2.1.4: Planning Community Mobilisation

1. INITIAL PREPARATION BY WMD

Who: WMD staff and NGOs

When: Before village entry

- Preparation of communication and information packages for GPs and village communities
- Training/Orientation of project functionaries (WMD, MDTs, FNGOs) on the vision of the project, the processes, roles and responsibilities of each entity, and rules
- Training of project functionaries on how to work with GPs and village communities in preparing a GPWDP (focus on process, roles and responsibilities, rules, from where to seek what information), on Financial Manual, Environment and Social Management Framework (ESMF) and Procurement Guidelines.
- Development of training module for Accounts Assistants
- WMD may seek external assistance to carry out training and communication activities.

Some notable sources of the state government are Uttaranchal Academy of Administration, Nainital; Forest and Van Panchayat Training Institute, Haldwani; State Institute of Rural Development, Rudrapur; CSWRTI, Dehradun; Garhwal University; Kumaon University; and GBP University of Agriculture and Technology, Pantnagar.

2. ORIENTING COMMUNITIES AND GPs TO THE PROJECT CONTEXT

Who: Project field staff supported by communication activities

When: Soon after village entry

- Entry of MDT/NGO into village to give basic information on the project
- Consensus among communities and GP to participate in the project
- Signing of MOU between the GP and WMD on GP's intent to participate in the project as per the project rules and guidelines for participation and implementation.
- Social mobilization, including PRA, at village and GP levels; facilitation by MDT and NGO
- Use of communication tools such as print material, audio-visuals, folk performances to enhance awareness among the community
- Helped by MDT and NGO, community carry out participatory communication needs assessment (PCNA) to identify communication gaps and develop measure and process to address them
- Community receives detailed information on watershed management, concept of community-driven and process-led development, concept of ownership, and details of its contribution to the project
- Information on the project such as vision and objectives, rules, roles and responsibilities of each entity, process of participation and implementation
- Information sources such as posters and brochures

- Community receives copies of Environment and Social Management Framework (ESMF), the GP Financial Manual, the Community Procurement Manual, and the Project Operational Manual from the NGO or MDT and these are explained to it in detail
- Community receives complete information on financial allocation for its GP and details of the allocation formula
- Detailed information on how community will prepare the Watershed Development Proposal and then the GPWDP; complete information on processes, rules and guidelines

3. SELECTION AND TRAINING OF ACCOUNTS ASSISTANT FOR THE GPs

Who: Joint selection by GP & WMD; training by WMD

When: After sharing complete project-related information with GP and community

- Accounts Assistant needed to help WWMC and individuals maintain proper accounts and records, and facilitate smooth transfer of funds.
- GP will be part of process to select AA.
- Basic criteria and qualifications for AA fixed by WMD.
- The GP develops a set of roles and responsibilities for the AA in consultation with the MDT and FNGO; this is in addition to the minimum set of roles and responsibilities assigned by the WMD.
- The MDT will develop a list of three qualified persons from the GP who are interested in working as the AA.
- The Gram Pradhan will finalize the candidate from this list to work as the AA.
- The WMD shall be responsible for providing adequate training to the selected candidate within four months.
- The AA will receive his/her honorarium directly from the GP.
- The Gram Panchayat may terminate the services of a particular AA if Gram Sabha passes a resolution to this effect. The WMD shall then make search for another AA at the earliest in consultation with the Gram Panchayat.

4. FORMATION OF VAN PANCHAYATS

Who: Village Community

When: Before formation of RVC Proposal

- If the Revenue Village (GP) does not have a Van Panchayat (VP), then it may form its own VP to facilitate its undertaking of forestry activities under the project
- Assistance provided by FNGO and MDT in this regard to inform the community of the procedure for formation of a VP, election of office bearers, and registration of the VP with the appropriate authorities
- A minimum number of required resident adults from the Revenue Village have to file an application with the concerned Sub Divisional Magistrate (SDM) for delineation of VP boundaries.
- After delineation of VP boundaries, elections for the nine VP Members will be held in an open meeting. There should be at least four women members, one of whom should belong to an SC/ST. There should be an additional male SC/ST Member.
- The nine elected Members will elect a Van Sarpanch from one among themselves.

- The duly formed VP and the names of office holders will be notified by the concerned Sub Divisional Magistrate. For further details, see Uttaranchal Van Panchayat Rules 2001
- If a Van Panchayat exists, then it shall be the sole body responsible for implementing all plantation activities in the VP area under the project.

5. SELECTION AND TRAINING OF VILLAGE MOTIVATORS

Who: WWMC

When: After village entry by project staff

- A woman shall be selected by the community as its Village Motivator (VM) for each Revenue Village in an open meeting
- She shall fulfil some basic criteria: good communication and interpersonal skills, ability and willingness to undergo training and exposure visits provided by WMD, able to read and write, and can fill in monitoring formats. She should also display sensitivity towards and have full acceptance of disadvantaged groups such as women, SC/ST, poor, and transhumant.
- The community shall attempt to finalize the VM selection on a consensual basis
- The VM shall work as part of the WWMC to help inform and mobilize women members of the community.

6. CAPACITY BUILDING ACTIVITIES

- Sensitization and training of project staff (WMD and NGOs) and GPs to facilitate the implementation of a community driven watershed project
- Comprehensive information, training and capacity building of individuals and CBOs in the village communities to participate effectively in the project
- Training of project staff, GPs and WWMCs on the rules and regulations of the project including ESMF and Financial and Procurement Guidelines
- Training of AA to provide services to the GP
- Training of VM to motivate and mobilize village communities

Annex-2.1.5: Cost Norms for Watershed Treatment Activities

Activity	Unit	Unit Cost in INR
Soil and Moisture Conservation Measures		
Construction of vegetative check dam	No.	1630
Construction of dry stone check dam	cumt.	285
Construction of cratewire check dam	cumt.	907
1:6CS Mortar Stone masonry work	cumt.	1356
1:6CS Mortar bounded Stone masonry work (60% dry and 40% mortar) road side erosion control	cumt.	1133
Construction of cross barrier	cumt.	910
Construction of spur (river training work)	cumt.	932
Water Harvesting Techniques		
Irrigation Channel with PCC lining	Km.	630000
Irrigation Tank with delivery pipeline (14-21cumt.)	No.	67250
Village pond with lining upto 200cumt.	No.	187800
Village pond without lining upto 180cumt. or small size upto 100cumt.	No.	96950
Roof Water Harvesting Tank	No.	15400
Percolation well construction	No.	46650
* Pump set with diesel engine (min. 5HP) including cost of boring etc.	No.	48000
* Potable water supply- Hand Pump	No.	70000
* Potable water supply – Pipeline	Km.	300000
Tal Rejuvenation	No.	14056
Naula/Khala Rejuvenation	No.	3430
Chal Rejuvenation	No.	970
Afforestation		
Fodder Plantation	Ha.	35390
Afforestation	Ha.	40490
Fuelwood Plantation	Ha.	47880
Bamboo Plantation	Ha.	35410
Pasture or Grassland Management		
Napier/ fodder grass Plantation	Ha.	9920
Alternative Energy Sources		
Bio gas plant (3cum size)	No.	27800
* Solar Panel	No.	17500

Note:

- The cost norms and the detailed measurements of the above activities are given in the Attachments
- The cost norms include the labour costs both skilled and unskilled. The cost of unskilled labour can be constituted as beneficiary share in the form of labour from the villagers.
- The Afforestation works include the watch and ward of plantation which can be constituted as beneficiary share in the form of labour from the villagers.
- The cost norms of most of the activities are as per Watershed Management Directorate, Dehradun
- The cost norms of soil and moisture conservation measures and water harvesting techniques are on the 2008-2009 rates.
- The schedule of Rates for the above works are as applicable in their respective line departments

Annex-2.1.6: Cost Break up for support to a PG

To Support PGs for their Food Security Improvement Plans a Model Support Plan is being proposed. On the basis of production costs of major crops and also on the basis of per house hold land holdings, PGs will be formed with an average size of 10 house hold. Each PG will be supported for their traditional crops as well as for introduction of new vegetables and high value crops and also for their orchards and milk production. The following is the Model Plan:-

Average size of a PG 10 members
Average landholding per member 0.3 ha
Total Area 3 ha

S.N.	Item	Season	Name of Crop	Area/ Quantity	Estimated Cost	Project Share		Beneficiary Share		
						%	amount INR	%	amount INR	
1	Orchard Development	Kharif	Mango,Citrus,Litchi, Guava etc.	0.2Ha	6000	80	4800	20	1200	
		Rabi	Apple, Plum Akhrot Khumani Aadoo etc	0.2Ha	6000	80	4800	20	1200	
2	Traditional Crops	Kharif	Paddy Maize,Pulses, Soyabean, Millets	1Ha	9000	80	7200	20	2800	
		Rabi	Wheat, Pulses, Mustard , orad massoor	1Ha	9000	80	7200	20	2800	
3	Vegetables/ Off- season Vegetables	Kharif	Tomato, Capsicum, Cabbage, Cauliflower,	0.5Ha	20000	80	16000	20	4000	
		Rabi	Tomato, Capsicum, Cabbage, French bean	0.5Ha	20000	80	16000	20	4000	
4	Introduction of High value crops	Kharif / Rabi	Medicinal /aromatic/Flower/Spices	0.2Ha	25000	80	20000	20	5000	
5	Fodder Grass Plantation	Kharif	Napier Grass	1000 R.Mt.	10000	80	8000	20	2000	
6	Concentrated Feed for Milking Cow/Bufalo (L/HH)			10 Qt.	15000	80	12000	20	3000	
G. Total						120000	80	96000	20	24000

Cost per ha of some major crop demonstrations are attached. As per above plan, average support to PG is 1, 20,000.00 INR which is 20 % less than the provision in costs tables of the project. The savings will be used for value addition technologies and for protected agriculture as per requirement at LC level.

Annex-2.1.7: Arrangements for Results Monitoring

Target Values: Participatory Watershed Development								
Outcome Indicators	Baseline YR1	Target Values				Data Collection and Reporting		
		YR2	YR3	YR4	YR5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Component-2 :								
<ul style="list-style-type: none"> 10% increase availability of water over baseline for domestic and/or agriculture use. 	Baseline collected using PRA methods and field survey	Data will be collected	5% increase expected	Data will be collected	Data will be collected	Assessments at baseline, midterm and end of project. Data collected annually in lean period May-June	Field monitoring devices and by PRA techniques	PIA under supervision of DMU and PMU
<ul style="list-style-type: none"> 15% improvement in administrative capacity of WC 	Baseline will be collected during first year.	Not measured	5% increase expected at Mid term	Not measured	Not measured	Baseline, midterm and end of project	Format developed by contracted consultants using WC performance indicators from Deptt. of Panchayati Raj	Technical expert under the supervision of DMU and PMU.
<ul style="list-style-type: none"> 10% increase fuelwood and fodder availability. 	Baseline collected by field transects	Increase not measurable	4% increase expected at MTR	Increase will not be measured	Increase will not be measured	Baseline, Midterm and end of project	Field survey by Scientific institutions	Technical expert under the supervision of DMU and PMU.
Intermediate Results								
<ul style="list-style-type: none"> 80% of households are included in preparation of Plan 	No baseline because planning process in WC will commence	Average of 80% of target households involved in preparation of Plan	Average of 80% of target households involved in preparation of Plan	Not measured because all Plan will have been prepared	Not measured because all Plan will have been prepared	Annually during period ending March	Proceedings Register of Gram Panchayat meeting	Technical expert and external M&E consultants during Mid Term and end of Project
<ul style="list-style-type: none"> More than 50% of GPs have treated > 80% of area proposed for treatment in the approved Plan 	No baseline because planning process will have just started	25% of area proposed undertaken for treatment in target villages	50% of proposed area undertaken for treatment in target villages	65% of proposed area undertaken for treatment in target villages	>80% of proposed area undertaken for treatment in target villages	Annually during period ending March	PIA will review by field observations	PIAs in each village

Target Values: Participatory Watershed Development								
		Target Values				Data Collection and Reporting		
Outcome Indicators	Baseline YR1	YR2	YR3	YR4	YR5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
• Component Two:								
• At least 50% attendance in statutory GS meeting	Baseline information collected	15% attendance	25%	40%	50%	Annual Monitoring reports	GP proceedings register	PIAs and GP in each village
• 50% increase over baseline in proportion of villagers aware of annual budget and expenditure earmarked for the sub-project	Baseline information collected	Not measured	25% increase	Not measured	Not measured	Baseline MTR and Final Evaluation	Formats developed by technical consultants	Technical Consultants
• 80% of GPs targeted under project having satisfactory annual audit report	Baseline information collected	15%	30%	60%	70%	Annual Reports	Panchayati Raj Deptt. records/Project Monitoring Reports	DMU and PMU
• 50% of target households aware of project objectives, activities and methodologies	No baseline as project would have just begun	Baseline collected	30%	Not measured	Not measured	Baseline in Yr 3, Midterm, Final evaluation	Formats developed by technical consultants	Technical Consultants
• 90% of monitoring reports submitted and action taken on 80%	Not measured	50% compliance on each	100% compliance on each	100% compliance on each	100% compliance on each	Annual & Half yearly reports	Status reports and Annual Work Plans	GPs and PIAs

PART-THREE: GUIDES & GUIDELINES

3.1 FINANCE & ADMINISTRATION MANUAL

3.2 PROJECT OPERATIONAL MANUAL

3.3 COMMUNITY PROCUREMENT MANUAL



**Chapter-3.1: FINANCE & ADMINISTRATION
MANUAL OF WMD**

Integrated Livelihood Support Project

Financial Systems Manual For Gram Panchayats

September '2012

Watershed Management Directorate, Uttarakhand, Dehradun

EXECUTIVE SUMMARY

This manual for GRAM PANCHAYATS has been developed on the following vital premises:

- System of Accounting shall continue to be on accruing cash basis.
- **Books of Accounts shall continue to be maintained in a manual mode but shall have potential for computerization at a later stage.**
- The structure of the prescribed books as per the Panchayati Raj Act shall not be disturbed. In addition subsidiary records have been designed for accounting project related transactions.
- Care has been taken that the existing administration status in Gram Panchayat as per the Act is not disturbed. As such to provide support in the accounting of project related financial matters an Accounts Assistant has been positioned in all Gram Panchayats.
- The Fund flow mechanism has been designed in a manner that provides smooth and timely availability of funds to Gram Panchayat by the DPDs, so that the timely execution of work does not suffer. At the same time recording of expenditure and works has been regimented through mandatory use of measurement Books and 'ok cards'.
- Adequate emphasis has been made to control expenditure through the mechanism of pre sanctions and comparison with actual expenditure at a later stage. For this purpose an Integrated Activity Register has been designed to record expenditure of each Sub-Project against the sanctioned provided by the competent Authority.
- The Manual Systems provide for a well-defined reporting system at the level of Gram Panchayat. The system also ensures reporting of vital financial data by the Gram Panchayat to DPDs on monthly and annual basis. In this way a

close coordination shall be established between the Gram Panchayat and the Project functionaries in proper implementation of works.

- Further purpose of transparency and accountability, effective audit systems has been recommended in the Manual. This includes Quarterly concurrent audit of systems and accounts to be conducted by a suitable firm of Chartered Accountants. Also the Books of Accounts and records will be subjected to audit by the statutory Auditors as per requirement of the PRI Act and the State Accountant General. Specific terms of reference for audit have been recommended in the Manual.

List of Acronyms

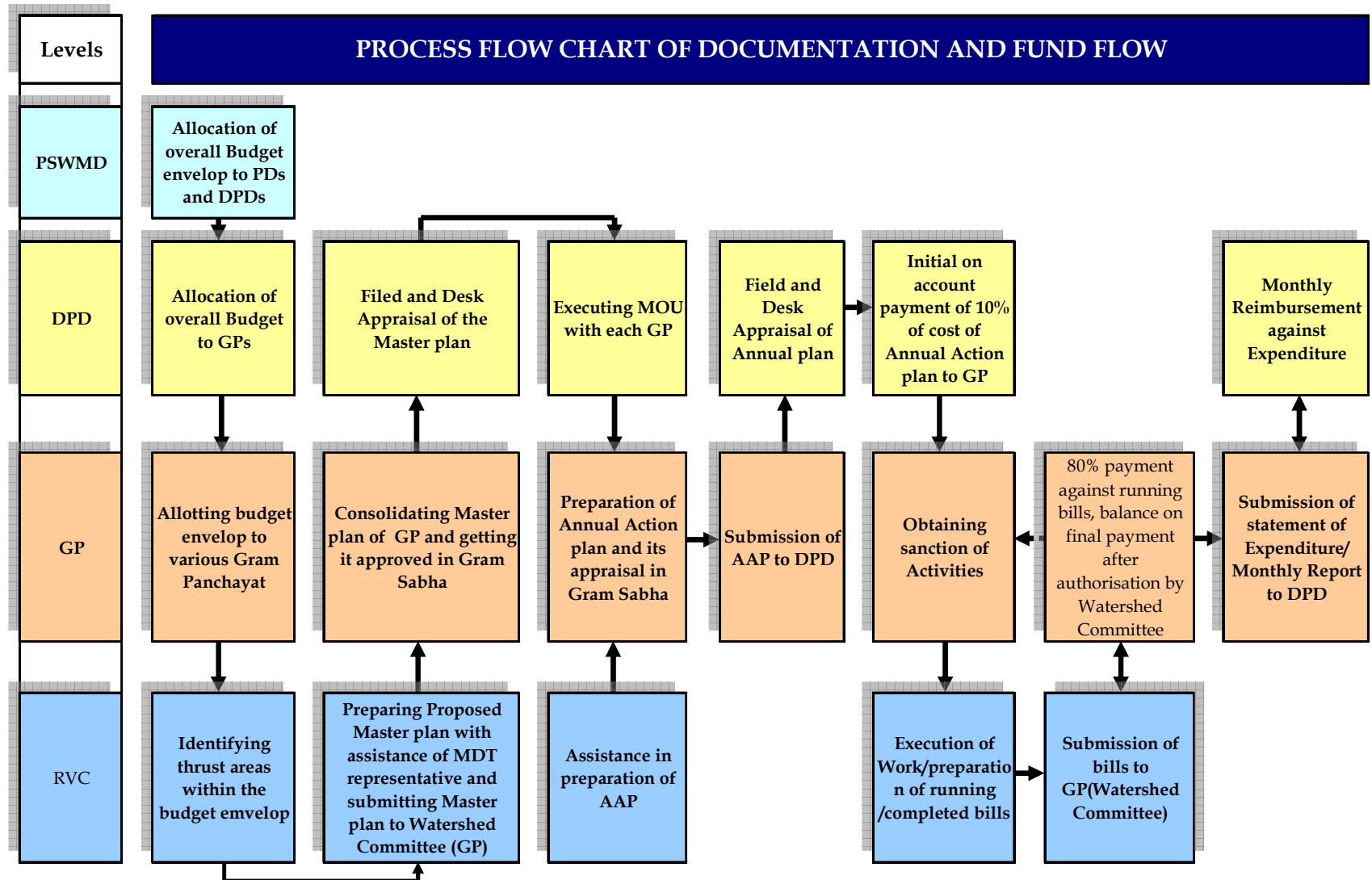
AAP	Annual Action Plan
AG	Accountant General
BC	Backward Class
CAAA	Controller of Aid Accounts and Audit
C & AG	Comptroller and Auditor General of India
CPD	Chief Project Director
DCA	Development Credit Agreement
DDO	Drawing Disbursement Officer
DEA	Department of Economic Affairs
DPD	Deputy Project Director
FNGO	Field Non Government Organisation
FMR	Financial Management Report
FMS	Financial Management System
FRC	Financial Review Consultants
GoUK	Government of Uttarakhand
GP	Gram Panchayat
GPWDP	Gram Panchayat Watershed Development Project
IFAD	International Fund for Agriculture Development
ILSP	Integrated Livelihood Support Project
IWDP	Integrated Watershed Development Project
NGO	Non-Government Organisations
PA	Project Agreement
PD	Project Director
PC	Procurement Sub-Committee
PMU	Project Monitoring Unit
PO	Procurement Order
PRI	Panchayat Raj Institutions
PSWMD	Project Society Watershed Management Directorate
PUO	Project Unit Office
RVC	Revenue Village Committee
SG	State Government
SHG	Self Help Groups
ST	Scheduled Tribe
TOR	Terms Of Reference
WWC	Water & Watershed Committee

Chapter 1: INTRODUCTION

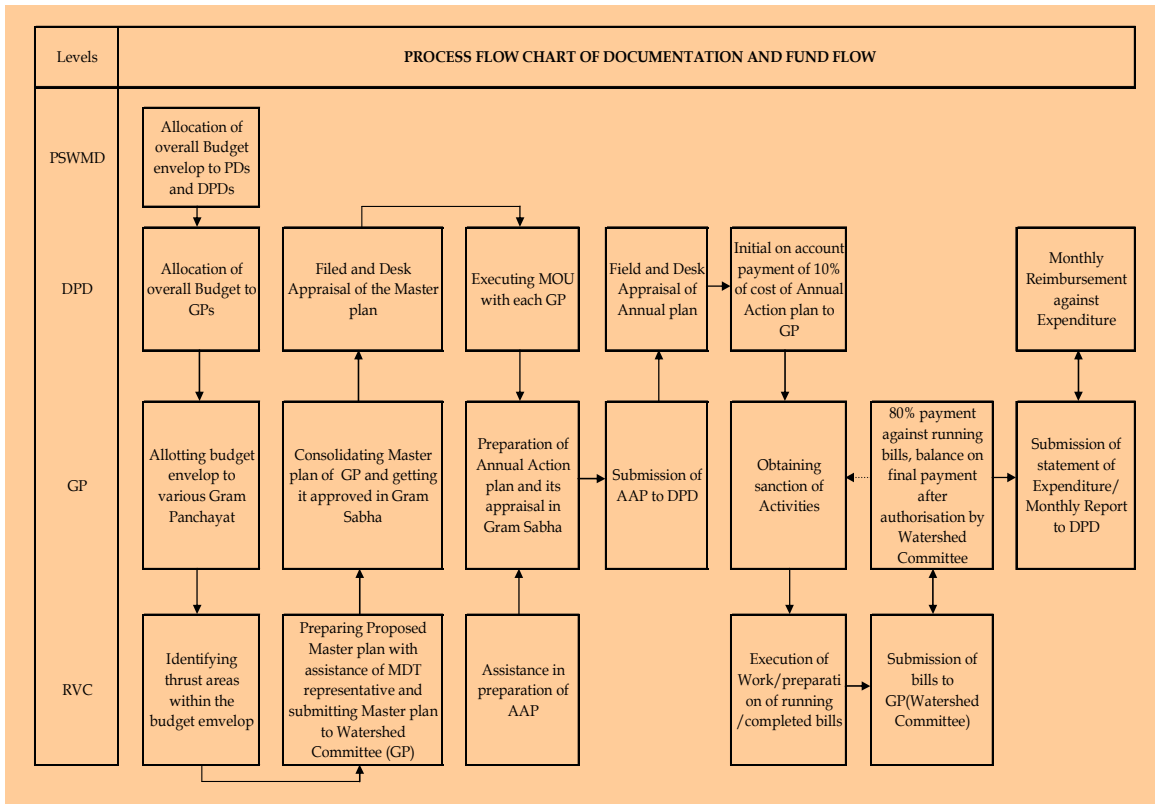
FINANCIAL SYSTEMS MANUAL FOR GRAM PANCHAYATS

This Manual deals with the financial functioning at the Gram Panchayat level. The Manual covers the following aspects in respect of the financial and accounting areas of the Project:

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Chapter 2: Organizational Structure	...4
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ORGANISATIONAL STRUCTURE



CHAPTER 3 - PREPARATION OF PLAN

3.01 Initial MoU

After having consensus with the village GP to participate in the Project an initial MoU between the WMD and the Gram Panchayat shall be executed on intent to participate in the Project as per the Project rule and guidelines for participation and implementation.

3.02 Budget envelop to GP by DPD

As per the criteria decided, the Project shall work out the total Budget envelop for each GP for a period of five years. After working out the Budget envelop, the amount allocated shall be communicated to respective GPs.

3.03 Gram Panchayat Watershed Development Plan (GDWDP)

Within the Budget Envelop provided, a five -year GDWDP will be prepared (*as per the implementation manual*) by GP with the assistance of MDT representative and the Revenue Village Committee proposals. The plan so prepared will be sent to the Water and Watershed Committee where it will be appraised and consolidated and approved in the Gram Sabha and then submitted to the DPD for review and appraisal.

3.04 Appraisal: Field Appraisal by DPD on technical, social and environment aspects will be done to ensure that the activities proposed have been screened and mitigatory measures have been included where needed. Any alterations suggested thereon will be appraised and got approved again in the meeting of Gram Sabha & the Plan amended finally.

3.05 Preparation of the Detailed Annual Works Plan

Annual Works Plan: After approval of GDWDP, a detailed Annual Works Plan (*broken into quarterly basis*) will be prepared as per the Implementation Manual by each GP. The Plan shall be submitted to Water and Watershed Committee for its consolidation at GP level and got approved in the meeting of Gram Sabha (*with a minimum quorum of 66%*) and then submitted to DPD, along with:

- Annual Works Plan in Format as indicated in the Implementation Manual.
- A resolution of Gram Sabha indicating activities proposed to be taken up, priority wise, under the Project by the villages. The resolution shall quantify the target for physical activities to be carried out by it in the villages under it .It should also Identify the location (common land /individual land etc.) where the activity shall be carried out.

- Proposals of the Revenue Village Committee.
- Quantum of Beneficiary Contribution involved along with responsibility fixed for its collection and utilization pattern for each activity.
- Implementation schedule enabling breakdown of budgets into quarters.
- Post Project Management plan.

In preparation of the Annual Works Plan following aspects shall be taken care of:

- Translation of physical targets for each component/activity into financial terms shall be carried out on the basis of approximate unit cost as suggested by the representative of MDT.
- Financial estimation of the component/activity in cases where no physical targets are assigned to the component/activity (for example the incremental staff cost)

3.06 Signing of MoU

After the preparation of GDWDP and AWP, a one time legal MoU will be executed between GP and DPD. The MoU, as per format enclosed **vide Appendix II**, would cover the following aspects:

- Scope of activities covered, including time frame;
- Approved detailed estimates of unit cost of works
- Contributions of the community (Beneficiary Contribution);
- Roles and responsibilities of parties to the agreement, including supervision and monitoring, through implementation and including the operation and maintenance of the asset created.
- Reporting requirements (financial and physical progress);
- Terms and conditions of payments to the contractor / villagers ;
- Timing of payments to community groups;
- Financial management requirements
- Requirements of the Procurement Manual;
- Roles and responsibilities of all parties, including supervision and monitoring, through implementation and including the operation and maintenance of the investment after completion of the subproject;
- Conflict resolution/termination procedures; in case of conflict between DPD and GP, arbitrator will be PD, who will be final authority and whose decision will be final in all matters
- Remedial actions, sanctions, etc.; and
- Simple procedures for amending the agreement.

Suggestive Time Bound Benchmarks for the processes discussed in the Chapter are as follows:

S.No	Activity	No. of days
1	Preparation and submission of GDWDP by GP from the date of receipt of Budget Envelop and major component of activities from DPD	4 weeks
2	Appraisal of GDWDP by DPD from the date of its submission to the DPD.	2 weeks
3	Preparation and submission of Annual Works Plan (AWP) by G.P from date of appraisal of GPWDP.	4 weeks
4	Appraisal of AWP by DPD from date of its submission to DPD.	2 weeks
5	Signing of MoU between G.P and DPD from date of Appraisal of GDWDP	1 week

Chapter 4 - Fund Flows from DPD to GP

This chapter lays down systems involved in the flow of funds right from the Project Society Watershed Management Directorate to the Gram Panchayat.

4.01 Introduction

'Fund' is the collective name used for money the Gram Panchayats receive and ultimately utilized for execution of assets. The flow of funds to the GPs is discussed under the following broad heads;

- i) Funding by the State Government through Project Society Water-Shed Management Directorate and
- ii) Beneficiaries contribution

The GPs will source funds for Project implementation from the Watershed Management Directorate through their DPDs and will also have to collect the beneficiary contributions as per the cost-sharing matrix prescribed in the Implementation Manual. The Funds made available to GPs by the Watershed Management Directorate will be of two kinds.

- Project Implementation Fund
- Vulnerable Group Fund.

4.02 Project Implementation Fund

Project Implementation Fund will be the grant transferred to the Gram Panchayat for the implementation of Project activities. As such, major amounts received by the GP will be under this head. This fund will be used only for the activities proposed in the Project.

The amount will be received in a separate Bank Account i.e. '**Watershed Development Project Account**' which will be operated by Gram Pradhan and one Female Ward Member jointly in case the Gram Pradhan is woman then the other ward member, for the purpose ,will be selected by Gram Sabha .

General rules for operation of Bank Account

Rules for operation of Bank Account are given below to serve as guidance

1. Open bank account, preferably a current account, only after passing resolution to the affect by Gram Sabha. Follow the same principle in case it is desired to close the bank account.
2. Use bank account called the 'Watershed Project Bank Account', for all transactions relevant to the project, including funds for vulnerable group.
3. All cheques whether for withdrawal of funds or payments to third parties shall be signed jointly by the Pradhan and one Female Ward Member jointly in case the Gram Pradhan is woman then the other ward member, for the purpose ,will be selected by Gram Sabha .

4. Make 'Crossed A/c payee cheques to the extent possible. Encourage this system of payment by cheque.
5. Make all payments beyond Rs. 2000 and under exceptional circumstances beyond Rs. 5000 by cheque.
6. Restrict cash withdrawals from bank and in any case must be nominal, explainable and need based.
7. Get bank pass book updated at the end of each month and prepare bank reconciliation statement to trace stale cheques and bank charges/interest.

4.03 Vulnerable Group Fund

This fund relates to the amounts sent to the Gram Panchayat for the purpose providing **Assistance** to villagers through **Vulnerable Group**. The amounts will be received in the Watershed Development Project Account and will be simultaneously disbursed to various pre-identified **vulnerable** groups.

4.04 Flow of Funds from DPD to GP for Project implementation:

Initial On-Account Payment: **On-Account payment to the extent of 10% of the Annual Work Plan shall be disbursed by DPD at the beginning of the Project to the G.P. It will be however adjusted on completion of the GP cycle.**

Reimbursement of Cost of Works:

At the month end, monthly reimbursements shall be made by the DPD on the basis of Expenses (Net of Beneficiary Contribution) incurred by the Gram Panchayats provided the Gram Panchayat prepare monthly reports discussed in para 8.13 of this manual (*R-1 and R-2*) and enclose the Perforated copy of Project Cash Book for the month, for submission to the Unit Officer.

However, in case where the GPs have utilised there initial advance during the month, reimbursement shall be made by DPD during the month provided the Gram Panchayat submits the perforated copy of the Project cash Book along with summary of receipt and payments till the date of submission as per the following Performa:

Particulars	Amount	Particulars	Amount
Opening Balance			
Receipts from PSWMD		Payments made	
Beneficiary Contribution – Cash		Closing Balance	

In case if reimbursement is made by DPD during the month, then at the end of the month the Gram Panchayat shall submit along with reports R-1 and R-2 the Perforated copy of Project Cash Book for the remaining days of the month, to the Unit Officer.

Financial Systems Manual for Gram Panchayats

The reports R-1 and R-2 shall reflect the on account payment received by the Gram Panchayat from DPD during the month against the statement of account submitted earlier.

Summary of documents to be submitted to the DPD by GP while claiming reimbursement:

S.No	Time of Claiming Reimbursement	Documents to be submitted
1.	At the end of Month	1.Report R-1 and R-2 2. Perforated copy of the Project Cash Book.
2.	During the Month	1. Copy of Perforated copy of the Project Cash Book from the date of last reimbursement till the date of reimbursement.

Suggestive Time Bound Benchmarks for the processes discussed in the Chapter are as follows:

S.No	Activity	No. of Days
1	Release of On-Account Payment to G.P by DPD from date of approval of AWP by DPD.	1 week
2	Reimbursement of expenditure from the date of submission of the Statement of Expenditure / Monthly reports.	1 week

CHAPTER 5 - EXECUTION OF WORKS

This chapter lays down the procedures and systems to be followed concerning actual execution of the work.

5.01 Estimates and Technical sanction

- After preparation of Detailed Annual Works Plan and receipt of the initial On Account payment from the DPD the estimate for each activity to be initiated will be prepared by the Water and Watershed Committee with the help of Technical Representative of the MDT in the format given vide Annexure – 5.01, along with the survey design.
- The Technical Representative of MDT, along with a GP member shall take up survey of a particular work for preparing the estimates. For Departmental works, Respective Unit officer shall give technical approval. The design and the estimates need be discussed with the concerned members and finalized.
- Technical member of the MDT will carry out the following functions in preparation of detailed cost estimate of activities earmarked to be undertaken in a village:

S.No	Particulars	Suggestive Days	
		For works less than 50,000	For works more than 50,000
i.	Site visit and recording of measurements of the demarcated area	1 day	2 days
ii.	Preparation of detailed structural Drawings / Plans	2 days	7 days
iii.	Calculation of labour involvement and time frame to assess labour cost	1 day	3 days
iv.	Working out material requirement to assess the material cost.	1 day	3 days
	Total	5 days	15 days

- Sanction of the Activity: **A technical sanction will have to be obtained for each estimate prepared by the GP before initiating any activity. The format of Technical Sanction is given vide Annexure 5.02.**
- **The competent authority to accord technical sanction for works are simplified as detailed in the table given below.**

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Sanctioning Limit	Sanctioning Authority
Upto Rs 10,000	Should be passed in the meeting of Water and Water and Watershed Committee. No sanction from WMD is required. Copy of each sanction will be sent to DPD for information.
Above Rs. 10,000	Sanction from WMD is required and that will be as per the existing WMD norms. The estimates prepared will be submitted to the Unit Officer by GP for according sanction from the WMD.

- **Once sanction is granted, a 'technical sanction no.' shall be allotted for each activity.**
- **An Integrated Activity register, Form F-3 (attached alongwith Chapter- 8 on Accounting Systems including Internal Controls), shall be maintained by the accounts Assistant at each GP. The format of the register is adequately explained in the Chapter of 'Accounting system including Internal Control'.**

5.02 Suggestive time Schedule for Sanction of Estimates

This suggestive time schedule details days required for the receipt of the sanction by the Gram Panchayat from the date of submission of the estimate to the Unit Officer.

S. No.	Particulars	No. of Days
1	For according Sanction from the PD	15 Days
2	For according sanction from the DPD	7 Days

5.03 Implementation Agency of Work

- The Gram Panchayat (GP) will have the right to appoint anyone of the following Implementers for the implementation of the work.
 - The **Gram Panchayats** itself
 - The **Individual Farmer** (Beneficiary) for the work to be executed on his individual land. **Individual** will work as a contractor, in the case.
 - **Revenue Village Committee/User Group/PG** may be engaged for the activities to be implemented on common/ community/ village assets or on individual land or asset, should the beneficiary have no objection to this arrangement.
 - The First Right of implementation of each work under the project rests with village-level entities such as the, RVC, User Group, PG or the Van Panchayat, individual farmer. If these options are not available then the GP itself may decide to execute the works. If all the above options do not work out only then the works

will be awarded to independent contractors, However the WWC will have to obtain in writing their inability to undertake the project activities before awarding the contract for the said work to an independent contractor.

- In case of special technical requirements for which the above mentioned village level institutions do not possess adequate capacities, then the WWC may outsource a contractor having past experience in specialized technical works. Such a Contractor will be appointed only after the Beneficiaries have deposited the full amount of their share of the cost of the said activity in advance with the Gram Panchayat.
- However if circumstances so require, the Gram Panchayat may outsource a **contractor** having past experience in specialized construction work. Such a Contractor will be appointed only if Beneficiary share is received in advance.
- Preference should be given to appoint Implementers of their own village.

5.04 Sub-project agreement (SPA) between GP and Implementer

If GP does not undertake to execute the work on its own, then for each activity a SPA shall be signed between GP and the Implementer through Water and Watershed Committee. The design and cost estimates prepared with the assistance of MDT Representative shall form part of the SPA. A Draft sample of the SPA is enclosed vide **Appendix III**. The major areas covered in the SPA are as follows:

- Objectives
- Sub Contracting
- Execution of Works
- Procurement of Material
- Responsibility of Damages
- Time Limit
- Schedule of Payment
- Duties and Responsibilities of the Water and Water and Watershed Committee
- Duties and responsibilities of the Implementer
- Settlement of Disputes
- Ownership and responsibility of maintenance post completion of works.

5.05 Implementing the Work

- Technical representative of the MDT will provide guidance to the Implementer and will monitor the work to ensure that the work is completed in time and as per the estimates and the designs prepared.
- Work must be completed in the sequenced manner as approved by the Gram Sabha.

Financial Systems Manual for Gram Panchayats

- Technical Representative of the MDT team shall verify the progress of works at different stages and record in a Measurement Book (MB) after verification. The MBs however shall be kept in safe custody of the Accounts Assistant at each GP. The format of the MB, as prescribed by the State Financial Rules vide form nos. 16 and 17, should be followed.

Time Bound Suggestive Benchmarks:

S. No	Activity	No. of days
1	Preparation of estimates of activities by G.P from release of On-Account Payment by DPD.	15 days
2	Sanction of the estimate by DPD from date of its submission to DPD.	15 days
.3	Start of work by Implementer from date of sanction of estimate.	1 week

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INTEGRATED LIVELIHOOD SUPPORT PROJECT

Annexure 5.02

Gram Panchayat _____

Technical Sanction

Activity Name: _____

Sanction No. _____

Units/Physical Measurement _____

Total Cost as per estimate: _____

Place of Work: _____

Beneficiary Share: _____

Date of Start: _____

Project Share: _____

Date of Completion: _____

Summary of Estimated Expenditure, Sub-activity wise

S.No	Sub Activity Name	Unit of Measurement	Units	Rate per Unit	Total Cost
Total					

Less: Beneficiary contribution: _____

Project Share: _____

Sanctioning Authority

Name:

Signature:

Date:

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Annexure - 5.01

Gram Panchayat _____
ESTIMATES FOR ACTIVITIES

Activity Name: _____
Place of Activity: _____
Units / Physical Measurement: _____

				Material Costs				Labour							
S.No	Sub Activity Name	Units of Measure ment	Units	Type of Material	Quantity required (Units)	Unit cost (Rs.)	Total Material cost (Rs.)	Type of Labour work	Estimsted man days for stipulated work		Wage rate as per Govt. norms		Total LabourCost (Rs.)	Total Cost	Unit Cost
									Skilled labour (No.)	Unskilled/ semi skilled labour(No.)	Skilled (Rs.)	Unskilled/ semi skilled (Rs.)			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15=8+14	16=15/4
													Total:		

Less: Beneficiary Share
Project Share:
Prepared By:

CHAPTER 6 - PAYMENT MECHANISM

This chapter deals with the process to be followed in implementation of works by GP and payments made to implementing agencies.

6.01 Basis of Payment / Reimbursement:

- If the GP undertakes to execute the work on its own then the GP cannot spend more than the amount sanctioned, net of beneficiary contribution.
- In case the work is executed by an Implementer other than Gram Panchayat, the total payment made shall not exceed the estimated unit cost (net of Beneficiary Contribution) as approved and adjusted proportionately for actual measurements.
- If there is any change in design with respect to original estimation, revised sanction should be sought in this regard.
- The above amounts will also be eligible for reimbursement to G.P by DPD.

6.02 Authorization

- The bill received will have to be routed through the Accounts Assistant who, before making any payments, shall cross check with the Integrated Activity Register to verify the quantum of earlier payments made before getting it approved by the Water and Watershed Committee.
- All payments shall be authorized by the Water and Watershed Committee (WWC) of the GP, which shall meet for the purpose at least once a week.

6.03 Stage of payment

- Bills for the work executed by GP itself will be paid as soon as it is authorized by the WWC.
- The payment to the Implementer (Individual / RVC) will be on the basis of running bills and subsequently on final bill supported by the Completion Certificate.

(A) In the case of running bills:

Documents to be submitted:

If the amount claimed is against the activity not yet completed the Implementer will submit the 'Running Bill cum work done certificate' after getting it attested by:

1. The Representative of RVC,
2. Technical Representative of MDT

The format of 'Running Bill cum Work Done certificate' is attached vide Annexure 6.01.

Quantum of Payment:

The total payment made should not exceed 80% of the total amount of the work done as detailed in the 'Running bill cum Work done Certificate'.

(B) In case of bill for completed activity:

Documents to be submitted:

If the amount claimed is against activity completed, the Implementer will submit the 'Final bill cum Completion Certificate'.

The 'Final bill cum Completion Certificate' shall be prepared by the Implementer i.e. concerned beneficiary, in case of the work done on private land or one of beneficiaries in case of work done on common land and shall be attested by:

1. The Representative of RVC
2. Technical Representative of MDT

The Format of 'Final bill cum Completion Certificate' is attached vide **Annexure 6.02.**

Quantum of Payment:

On completion of an activity the total payment made to the Implementer shall be equal to the estimates of work prepared adjusted proportionately for actual measurement as per Measurement Book, net of Beneficiary contribution.

If there is any change in the design with respect to the original estimation, revised sanction should be sought in this regard.

However, an 'OK card' will be used for activities where Measurement Book is not prepared.

6.04 Preparation of Bill

Bills shall be prepared by an Implementer on basis of actual progress and as per the specified sanctions. In case of an individual farmer member/ RVC/ SHG, Accounts Assistant shall assist in preparation of the bill.

6.05 Number of copies of bills:

'Running bills cum Certificate of Work' as well as other bills shall be prepared in Duplicate. One copy of the bill shall be submitted to GP and Implementer for his record shall retain other.

Similarly three copies of the 'Final Bill cum Completion Certificate' should be prepared. One copy shall be retained by GP and the other copy forwarded to the Unit officer for his record, along with Perforated copy of the Project Cash Book. The Implementer for his record shall keep the last copy.

6.06 Payment by Crossed Cheques:

All payments shall be made to the Implementer preferably by the crossed / bearer cheques. However, no payment exceeding Rs. 2000 shall be made in cash. In exceptional cases, payments upto Rs. 5000 can be made in cash provided the norms incorporated in the Accounting policies have been adhered.

6.07 Advances

No advance payments shall be made to the Implementers. Following Table summarizes the fund flow from GP to Implementer.

6.08 Various Implementers and their payment modes at a glance

Particulars		Types of Implementers		
		Individual Farmer	RVC/ User Group/ Outside contractor	Gram Panchayat
Basis of Work		On contract Basis	On contract Basis	On actual basis
Payment Timing		On the Basis Of running bill and / or Completion Bill	On the Basis Of running bill and / or Completion Bill	On presentation of bills for Material/ Labour etc
Basis of Reimbursement from DPD to GP		On the basis of Estimated Unit Cost. (Net of beneficiary)	On the basis of Estimated Unit Cost. (Net of beneficiary)	On actual cost to the extent of amount sanctioned, net of Beneficiary Contribution.
Certification of Running Bill / Completion Bill		To be prepared by Implementer and certified by Representative of RVC and MDT,	To be prepared by Implementer and certified by Representative of RVC and MDT,	N.A.
Flow of Funds	Advance	Nil	Nil	Nil
	Against Running Bill cum Work done Certificate	80% of the amount certified as per the bill	80% of the amount certified as per the bill	On actual basis, upto the amount sanctioned, net of Beneficiary Contribution
	Against Final Bill cum Completion Certificate	Full payment as sanctioned, net of Beneficiary Contribution	Full payment as sanctioned, net of Beneficiary Contribution	

Suggestive Time Bound Benchmarks for the processes discussed in the Chapter are as follows:

S. No	Activity	No. of Days
1	Verification of Bills by the Accounts Assistant	2 Days
2	Authorization of the payment by Water and Watershed Committee after verification by the Accounts Assistant	1 week
3	Payment to the Implementer by the Accounts Assistant after authorization by the Water and Watershed Committee	2 days

Financial Systems Manual for Gram Panchayats

RUNNING BILL CUM CERTIFICATE OF WORK DONE

Annexure 6.01

GRAM PANCHAYAT _____

Proforma of Running Bill

Activity: _____
 Place of Work: _____
 Name of Work : _____
 Executor : _____
 Sanction No. _____

Date of start : _____
 Date of completion (as sanctioned) : _____
 Date of bill : _____
 Bill prepared by : _____

S.No.	Sub-Activity	Description of item	Unit of measurement	Quantity as per Estimate	Quantity measured	Unit Cost as per Estimate (In Rs.)	Amount (Rs.)
1	2	3	4	5	6	7	8=6*7
TOTAL							

Total Amount to be paid: (80% of above) Rs.: _____
Less: Amount already paid(as per previous bill): Rs.: _____
To be paid Rs.: _____

CERTIFICATE OF WORK DONE

Certified that the quantum of work done has been verified with on-site inspection and the bill prepared is as per the work done. The (Executor) _____ has executed the work in accordance with the approved plans and the technical specification of the work and items purchased are

Technical Representative of MDT

Representative of RVC

Dated:

Financial Systems Manual for Gram Panchayats

FINAL BILL CUM COMPLETION OF WORK CERTIFICATE

Annexure 6.02

GRAM PANCHAYAT _____

Proforma of Final Bill

Activity:	_____	Sanction No.	_____
Place of Work:	_____	Sanctioned Project Share	_____
Name of Work :	_____	Sanctioned Beneficiary Contribution	_____
Nature of Work:	_____	Sanctioned Units / Physical Measurement	_____
Executor :	_____		
Date of start :	_____		
Date of completion :	_____		
Date of bill :	_____		

S.No.	Sub Activity	Unit of Measurement	Physical Units as per Estimate	Physical Measurement as per MB	Unit rate as per estimate (In Rs.)	Amount (Rs.)
1	2	3	4	5	7	8
				TOTAL		

Total Amount of work:	Rs.: _____
Less: Beneficiary Contribution(____%)	Rs.: _____
Less: Amount already paid(as per previous bill):	Rs.: _____
To be paid	Rs.: _____

COMPLETION OF WORK CERTIFICATE

Certified that:

- (i) The works(specify the type or work)_____under UDWDWP at _____site under _____G.P have been executed in accordance with approved plans.
- (ii) There are no defects in the work done by the Executor.
- (iii) Technical specifications of work done and items purchased is as per requirements of the Project.

Sign of Technical Representative of MDT

Name:
Date:

(Seal)

Sign of Representative of RVC

Name:
Date:

(Seal)

CHAPTER 7 - ACCOUNTING POLICIES

7.01 Method of Accounting: As currently being followed by the Gram Panchayat, accounting will be done on cash basis i.e. expenditure will be booked as soon as the payment is made.

7.02 Mode of payment: All payments of Rs. 2000 or more will be made by crossed or bearer cheques. Exceptionally, cash payment upto Rs. 5000 can be made provided the same is made in the presence of two members of the village and with the approval of WWC.

Such payments should also be brought to the notice of Gram Sabha.

7.03 Basis of Payment: The payment will be made on the basis of running bills and on completion of the activity. No advance will be paid to any Implementer.

7.04 Quantum of Payment:

For Implementers other than Gram Panchayat

- **Against Running Bills:**

The amount to be paid against running bills should not exceed 80% of the work done as certified by 'Running bill cum work done certificate'.

- **Against Completed Activities:**

The total payment to be made to the Implementer shall not exceed the estimates of work prepared adjusted proportionately for actual measurements in Measurement Book, net of the Beneficiary contribution.

If there is any major change in the design with respect to the original estimation, revised sanction should be sought in this regard.

However, an 'OK card' will be used for the activities where Measurement Book is not prepared.

If Gram Panchayat acts as Implementer

The actual amount will be paid to the Labour/ Material provider against the material / services provided.

Irrespective of the Implementer, the amount to be reimbursed to the Gram Panchayat from DPD shall be on the basis of the actual amount spent by it.

7.05 Charging to Expense: All payments made from Implementation fund are social fund shall be booked as expenses under the G.L. head '*Watershed Development Expenditure*'.

7.06 Fixed Assets and Depreciation

- i. Assets created on the common land shall be the property of the Gram Panchayat while those created at the land owned by the individual will be his property.

- ii. Assets created/constructed as part of the Project activity should be valued at the direct cost incurred in creating /constructing the asset.
- iii. Assets acquired under the Project would be valued at cost including all direct costs (i.e. purchase price, transportation expenses, installation charges and other expenses incurred for bringing the fixed asset in working condition), incurred prior to its first use.
- iv. Assets, both acquired and constructed, should be valued at its full cost inclusive of the beneficiary's contribution.
- v. No depreciation should be charged on fixed assets in the Project financial statements.

7.07 Valuation of Stocks

The material purchased for the Project shall be charged to expenditure as and when it is purchased.

7.08 Beneficiary Contribution

- (i) Beneficiary contribution in cash should be accounted as cash received from beneficiaries. All cash collected from the beneficiaries under the Project should be accounted for, and receipt issued.
- (ii) Beneficiary contribution in kind is in the form of:
 - (a) Labour
 - (b) Materialand should be valued on the following basis :
 - (a) Beneficiary contribution in the form of labour should be valued as per the State Government wage rates applicable for contractual labour at the time when payment is otherwise made.
 - (b) Beneficiary contribution in the form of material should be valued as per the rate at which the Project would have otherwise purchased those materials. If such a rate is not readily available then the valuation should be made at the prevailing market rate. Beneficiary contribution in the form of material should be accounted for at the time of receipt of the material.
 - (i) Receipt shall be issued for all kinds of Beneficiary Contribution. For easy distinction, separate coloured Receipt Books for cash, labour & material contributions shall be used.
 - (ii) The contribution so received shall be entered activity wise in the Beneficiary Contribution Register as and when receipt is made out. Only Cash Contribution shall be recorded in cash book as 'Beneficiary Contribution received in cash'.

- (iii) The contribution need also be recorded in the Integrated Activity Register, on completion of an activity.

7.09 Accounting Policy for Vulnerable Group Fund

Amount disbursed to VGs from the fund shall be charged to expenditure as and when disbursements are made.

CHAPTER 8 - ACCOUNTING SYSTEM AND REPORTING

This chapter deals with the records to be maintained at each Gram Panchayat and reports to be sent from GP to the DPD under PSWMD. The Financial Accounting System designed for Gram Panchayat is tailor made and includes coding of activities undertaken and heads of accounts. This system facilitates consolidation of data periodically and computerization at a later stage.

8.01 Books of accounts

Presently, Panchayati Raj has directed 16 Forms for Reporting and Accounting to Gram Panchayats. Out of these following books / statements shall be prepared by the Project:

- | | |
|------------------------------------|-------------------------------------|
| a. Monthly reconciliation | Form No.7 (of Existing PRI Books) |
| b. Register for Immovable property | Form No. 9 (of Existing PRI Books) |
| c. Register for Movable Assets | Form No.11 (of Existing PRI Books) |
| d. Stock Register | Form No. 13 (of Existing PRI Books) |
| e. Register for roads | Form No. 15 (of Existing PRI Books) |
| f. Register for Land Owned | Form No. 16 (of Existing PRI Books) |

Besides these following additional Books of Accounts shall be prepared:

- | | |
|--------------------------------------|----------|
| a. Project Cash Book | Form F-1 |
| b. Sanction Register | Form F-2 |
| c. Integrated Activity Register | Form F-4 |
| d. Beneficiary Contribution Register | Form F-5 |

The details regarding books being maintained presently by the Panchayats are given vide **Appendix IV**.

8.02 Cost of Statutory books

The Department of Watershed Development will provide all Additional books as mentioned in the Manual. The cost of any other books / records to be maintained would have to be borne by the GPs.

8.03 Preparation of Books of Accounts

The secretary of the Gram Panchayat, as per the existing practice, will prepare the existing books of accounts. The Accounts Assistant will however maintain all additional Books of accounts relating to the Project in close coordination with the Panchayat Secretary.

8.04 Preparation of Project Cash Book (Perforated)

- All amounts received either from the Project (Except Incentive Fund) or in the form of Cash Contribution from beneficiaries should be recorded in the Project Cash Book.
- All transactions regarding Implementation Fund A/c and Social Fund A/c shall be entered in Project Cash Book. Transactions relating to Incentive Fund A/c shall be entered in Main Cash Book of GP and not the Project Cash Book.

- c) The Project Cash Book will be prepared by the Accounts Assistant. He will prepare vouchers of transactions and submit bills for approval of the Water and Water and Watershed Committee. After due approval, he will prepare the cheque and submit to the Pradhan Gram Panchayat for obtaining signatures.
- d) After signatures, payment will be made and simultaneously entry will be posted in the Project Cash Book.
- e) All cash and Bank transactions will be recorded separately in respective columns provided in the Project Cash Book.
- f) At the end of the month, an abstract of Receipts and Payments will be prepared by the Accounts Assistant in the Project Cash Book itself. The Abstract should be used for consolidation of the transactions of the project in the Main Cash Book of the Gram Panchayat. The format of monthly abstract has been attached vide **Annexure Form F-1**.
- g) The Format of the Project Cash Book is enclosed vide **Annexure Form F - 1**.
- h) The Perforated Copy of the Cash Book is meant for submission to the Unit Officer at the end of each month.

8.05 Preparation of Sanction Register

A sanction register will be prepared at Gram Panchayat to record all sanctions given by the Water and Watershed Committee of Gram Panchayat. This register will be handy for Gram Panchayat to record sanction given for works valuing upto Rs. 10,000 per work.

The Sanction register shall be prepared as follows:

- a. The sanctions will be recorded in a chronological order.
- b. The sanction no. will have the prefix GP. The suffix will be Serial No. as per the Sanction Register.
- c. The format of the Sanction Register is given vide **Form F-2**.

8.06 Preparation of Integrated Activity Register

Integrated Activity Register records activity wise sanction and payments made against each such sanction.

As soon as a sanction is given for execution of work, the same shall be recorded in the Integrated Activity register, Activity wise. The Integrated Activity register shall contain the following information in a folio dedicated to each activity:

- 1. Sanction Number and Date
- 2. Brief Description of the Activity
- 3. Total Estimated Cost
- 4. Share of Beneficiary contribution
- 5. Project share of expenditure
- 6. Number and Date of MoU
- 7. Date & Amounts of payments made
- 8. Date of Commencement and Completion of Work
- 9. Fixed asset number / Fixed asset register folio No.

10. Actual Payments Made

Every payment recorded in the Project Cash Book shall be recorded in this register against its sanction. There will be a separate sanction for each activity. As such, at a glance, an easy comparison of actual cost of works with the sanctioned amount is possible in this Register. In fact before any payment is made, the Accounts Assistant shall refer to the Integrated Activity Register to verify the amount of advances made earlier. The format of the Register is enclosed vide **Form F-3**.

Administrative expenses viz, Salary of Accounts assistant etc., for which no sanction is required, shall be treated as a separate activity for the purpose of recording in the Integrated Activity Register. It shall be recorded under respective activity folio and sanction details are not required in this case.

8.07 Preparation of Beneficiary Contribution Register

Beneficiary contribution register shall be prepared in the format enclosed **vide Form F-4**. All entries regarding the Beneficiary contribution shall be entered in this register.

Receipts

As indicated earlier, Beneficiary contribution can be of three kinds i.e Cash, Labour and Material. For every Beneficiary Contribution made, irrespective of its nature, a receipt shall be issued to the member contributor to capture details in this respect and create a reliable source. In any case, three separate coloured receipt books, serially numbered, will be utilized to account for cash, labour and material contribution.

Cash Receipt

When members remit cash, cash receipt needs to be prepared in duplicate and the original be given to the member. The Cash Receipt book needs to be serially pre-numbered. The receipt book should be say pink coloured. The format for the cash receipt is enclosed **vide Form F-5**. All cash receipts need to be issued & entered in the Project cash book maintained by the Accounts Assistant.

Labour Contribution Receipt

When a member offers labour towards contribution, labour contribution receipt needs to be prepared in duplicate. A separate receipt book of a different colour, say, yellow, needs to be used for the purpose. A member may also opt to contribute towards labour, partly for payment. In such a case, the balance amount is adjusted towards capital contribution. Sometimes, a member may offer the entire value of the labour amount towards his contribution. Hence, the format for such receipts need more details of activity wise contribution made towards labour. The format of labour contribution receipt is enclosed **vide Form F-6**.

Material Contribution Receipt:

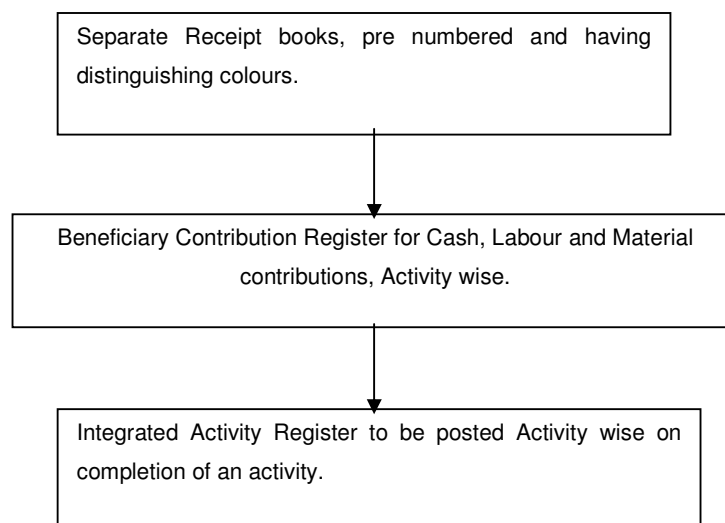
In case materials are contributed, the entire value will be reckoned towards contribution from the member concerned. A separate receipt book of a different color, say, white, will be put to use for the purpose. The format of Material Beneficiary Contribution is enclosed **vide Form F-7**.

Points to be noted while preparing receipts:

- All receipts have to be prepared in Duplicate and the original given to the member.
- All receipts must have the serial number and book number should be pre printed.
- All receipts must be signed by the Accounts Assistant.
- All receipts must be dated and sealed with the stamp of the Gram Panchayat.

Recording of Beneficiary contribution

- All cash beneficiary contribution receipts will be recorded in the Project Cash book and Beneficiary Contribution Register.
- All material and labour beneficiary contribution receipts will be recorded only in the Beneficiary Contribution Register.
- Support of each Beneficiary Contribution receipt is required. Procedure to record Beneficiary Contribution by G.P at a glance is given below:



Note:

In case the work is executed by the Implementer other than GP:

Labour Beneficiary Contribution Receipt shall be made after the work is completed as per the amount specified in the estimates. If the measurement of the work is different than the estimates, it shall be adjusted appropriately. On completion of an activity, the Accounts Assistant shall ensure proper recording of the contributions made by the beneficiaries in the Integrated Activity Register.

8.09 Accounting for payments made Receipts:

In addition to the existing GL account head following additional accounts shall be used for the Project:

A. Receipts

1. Grants for Project Implementation.
2. Grants for Vulnerable Group fund.
3. Beneficiary contribution - Cash
4. Interest received
5. Miscellaneous receipts

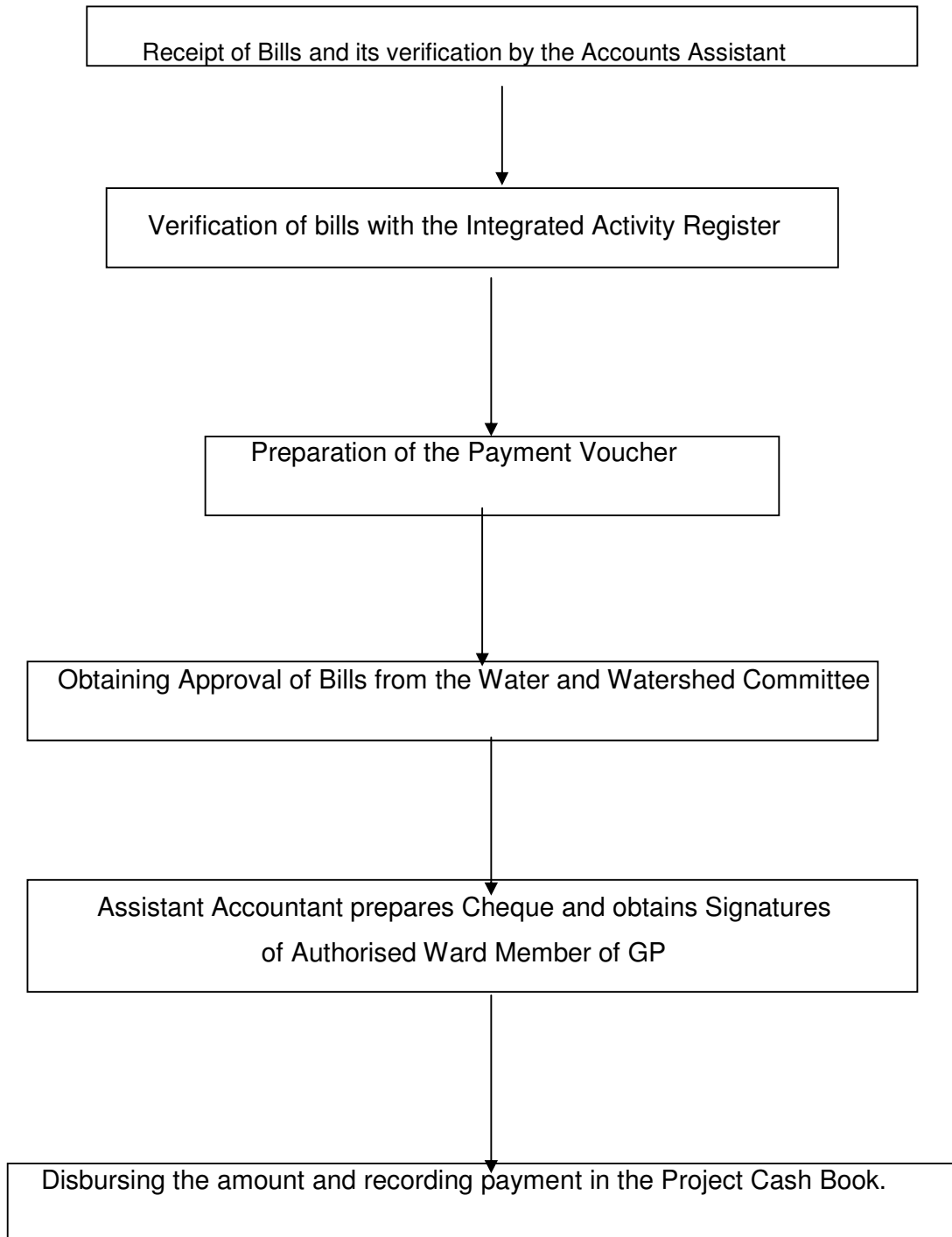
B. Payments

1. Watershed Development Expenditure

Payments

- At the time of making payment, a payment voucher will be prepared in the format enclosed **vide Form F-8**.
- The recipient of payment shall sign the payment voucher, wherever feasible.
- Bills, receipts etc. showing full details of goods and services or materials supplied, quantity, unit rate, date of supply, amount etc. shall be attached with the Payment voucher. In Case payment is made to the Implementer 'Running bill cum work status certificate' or the 'Final bill cum completion certificate ' as the case may be, need be attached to the voucher.
- Payment voucher should provide details regarding:
 - To whom the payment was made.
 - The reason for making the payment
 - The mode of payment i.e. cash or cheque
 - Particulars of the bills/receipts
- Also when payments are made in the form of cheque, the invoice against which the payment is made shall be attached to the voucher and formal receipts should be obtained and later attached to the Payment Voucher
- While preparing payment voucher for labour charges a single consolidated voucher may be prepared indicating the total amount of labour charges paid. A detailed Muster Roll/Attendance Register must be prepared and attached with the labour payment voucher in the format **vide Form F-9**.

System of Recording Payments at a glance:



8.10 Accounting for Stocks

- In case work is being executed by any Implementer other than Gram Panchayat, no record is required to be maintained for the stocks purchased and consumed by the Implementer.
- While if the work is executed by the Gram Panchayat itself, its accounting will be done as follows:

Purchase and recording: On the basis of the estimates, material will be purchased and will be recorded in the Project Cash Book, activity wise. Therefore, if material is purchased for three different activities, the details will be recorded in the inner column and simultaneously these will be carried to the Integrated Activity register as well as the Stock register.

8.11 Accounting for Fixed Assets:

The construction as well as acquisition of the Fixed Assets will be carried out as per the Accounting Policies in the Formats (No. 9, 11, 15, 16) prescribed by the PRI act. They will be recorded in already existing formats & no additional format is prescribed.

The fixed assets acquired/constructed by the Project shall be allotted a fixed asset no. which will include name of G.P, year of acquisition/construction and the serial no. of the asset in the Fixed Asset Register-in the following order:

<G.P name> <Year of acquisition/construction> < Asset Serial no.>

8.12 Accounting for Vulnerable Group Fund

- The amount disbursed to various VGs will be booked as expense 'Watershed Development Expenditure'.
- Expense will be recorded in the separate column of the project Cash Book.

8.13 Monthly Reporting

At the end of every month the Accounts Assistant shall prepare and submit the following reports to the unit officer

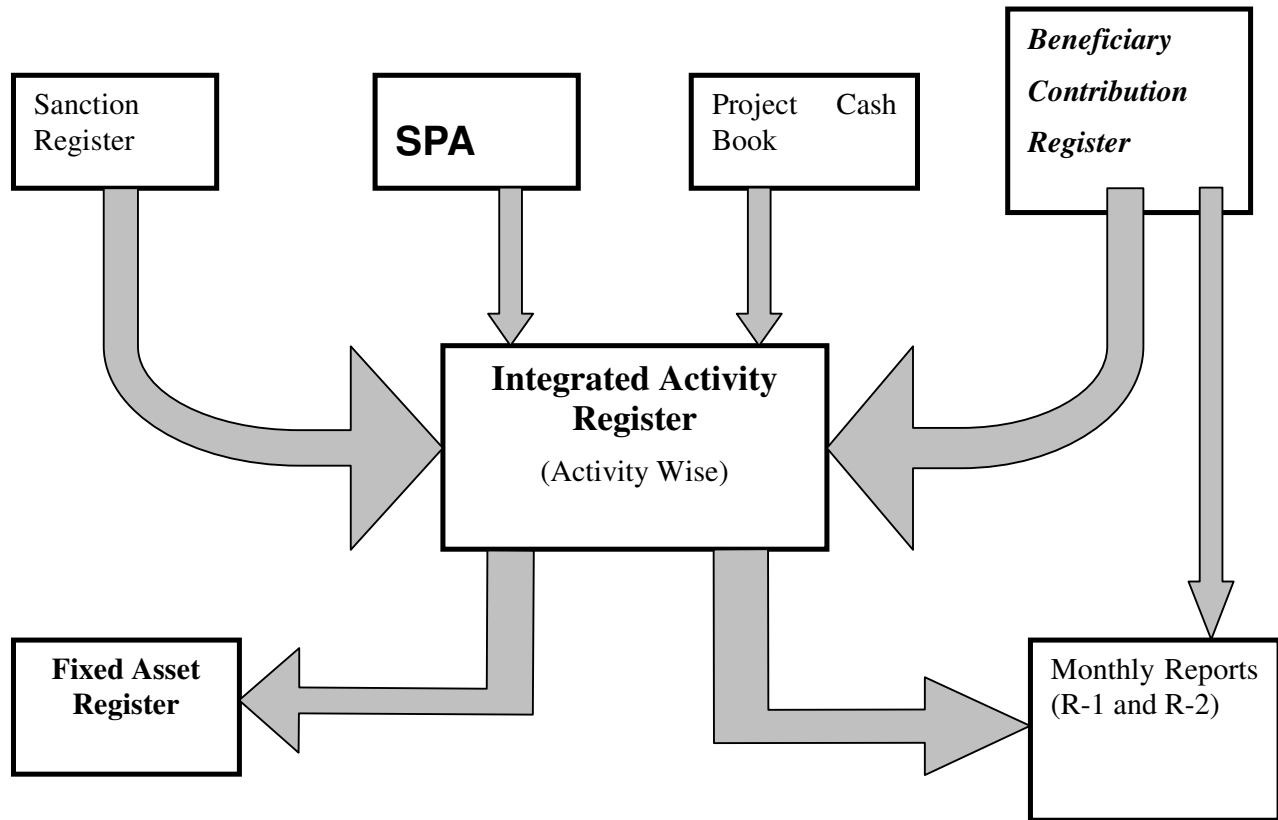
1. Activity wise monthly abstract of the expenditure and Beneficiary Contribution (from Integrated Register and Beneficiary Contribution Register) vide **Report R-1**.
2. Cumulative Activity wise Monthly progress Reporting (From Sanction Register as well as Integrated Activity Register) vide **Report R-2**.

Following documents should be attached along with the Monthly Reports:

- 1 Implementation and Social Fund Bank Statements
- 2 Bank Reconciliation Statement (Format of existing Book in Appendix III)
- 3 Perforated Copy of the Project Cash Book.
- 4 Completion Certificates.

8.14 Process of Accounting Flow at a Glance:

The system of recording data, its source and compilation, including monthly reporting process is given below for necessary comprehension.



8.15 Record Keeping

With the objective to ensure easy access and safe keeping of vital records and documents, following box files with separator shall be maintained by each G.P. as per design given below:

BOX FILE

GRAM PANCHAYAT _____

FINANCIAL YEAR _____

Document	File No
Gram Panchayat Watershed Development Plan and Annual Works Plan	1
Estimate of Works and Technical Sanctions	2
Financial Agreement with DPD	3
Sub-Project Agreements	4
Internal Reports	5
Audi Reports	6
General Correspondence regarding Financial Matters	7

8.16 List of activities to be undertaken by GP is annexed vide **Appendix V**.

Formats and Reports

Accounting Formats

Form No.	Description	To be prepared by	Verified by
F-1	Project Cash Book	Accounts Assistant	Panchayat Secretary
F-2	Sanction Register	Accounts Assistant	Panchayat Secretary
F-3	Integrated Activity Register	Accounts Assistant	Panchayat Secretary
F-4	Beneficiary Contribution Register	Accounts Assistant	Panchayat Secretary
F-5	Cash Contribution Receipt	Accounts Assistant	Panchayat Secretary
F-6	Labour Contribution Receipt	Accounts Assistant	Panchayat Secretary
F-7	Material Contribution Receipt	Accounts Assistant	Panchayat Secretary
F-8	Payment Voucher	Accounts Assistant	Panchayat Secretary
9*	Register for Immovable Property	Panchayat Secretary	Gram Pradhan
11*	Register for Movable Assets	Panchayat Secretary	Gram Pradhan
13*	Stock Register	Panchayat Secretary	Gram Pradhan
15*	Register for Roads	Panchayat Secretary	Gram Pradhan
16*	Register for Land Owned	Panchayat Secretary	Gram Pradhan

Financial Reports

No.	Description	Prepared by	Verified by	Submitted to	Frequency	By when
R-1	Monthly Status Report	Accounts Assistant	Panchayat Seretary	Unit Officer	Monthly	7 th of following month
R-2	Cumulative Activity wise Report	Accounts Assistant	Panchayat Seretary	Unit Officer	Monthly	7 th of following month
7*	Monthly Reconciliation Report	Accounts Assistant	Panchayat Seretary	Unit Officer	Monthly	7 th of following month

Note: * These Formats and reports are prescribed by the Directorate of Panchayati Raj.

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Monthly Reconciliation Details

Month..... Year.....

FORM 7(Existing PRI books)

		In Bank(Rs.)	In Treasury(Rs.)
	Balance intimated by Treasury as on		
ADD	Cheques etc.received but not yet deposited in Bank/Treasury		
	Cheques etc. not yet received/credited in Bank/ Treasury		
LESS	Cheques etc. directly deposited but not yet appearing in the Cash Book.		
	Balance as per adjustments in Cash Book		
	Actual Balance in Cash Book		
	Difference in Amount		
	Details of Difference:		

The reasons for difference between Actual & Adjusted Balances of the Cash Book have been personally looked into to obtain satisfaction or a imitating actions has been taken and all the concerned officials have been duly informed.

Cashier

Officer-in-Charge

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Form F-2

Sanction Register

S.No	Sanction No. & Date	Activity	Executor	Integrated Activity Register Folio No.	Amount Sanctioned	
					Project Share	Beneficiary Contribution
	GP \					
	GP \					
	GP \					
	GP \					
	GP \					
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	GP \					
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Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

GRAM PANCHAYAT

Form F-4

PERFORMA OF BENEFICIARY CONTRIBUTION REGISTER

Folio :

Location :

Activity :

S. No.	Name of Contributory	Date/Recei pt No.	Sanction No.	Contribution			Total (Rs)	Remarks
				Cash (Rs)	Labour Charges Rs.	Materials (Rs)		
Monthly Total]								
Cumulative Total								

Date

Pradhan

Secretary

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Gram Panchayat _____

Form F-5

Book No.: _____

Date: _____

CASH CONTRIBUTION RECEIPT

Received from Mr./Mrs./Miss _____ a sum of Rs._____
(in Figures) _____ (in words) as detailed below

S.No	Particular/Activity	Amount(Rs.)
1		
2		
3		
	TOTAL	

Secretary

Accounts Assistant

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Gram Panchayat _____

Form F-6

Book No.: _____

Date: _____

Labour Contribution Receipt

Received from Mr./Mrs./Miss _____ a sum of Rs. _____
(in Figures) _____ (in words) as detailed below

S.No	Particular/Activity	Amount(Rs.)
1	Total amount of wages earned for _____ (Activity)	
2	Amount of wages disbursed out of above	
3	Amount of wages accounted as contribution (1-2)	
	TOTAL	

Secretary

Accounts Assistant

Sign of member

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Gram Panchayat

Form F-7

Book No.: _____

Date: _____

Material Contribution Receipt

Received from Mr./Mrs./Miss _____ a sum of Rs. _____
(in Figures) _____ (in words) as detailed below

S.No	Particulars	Quantity	Stock Register Folio No.	Rate/Univ.	Amount(Rs.)
1					
2					
3					
	TOTAL				

Secretary

Accounts Assistant

Sign of member

GRAM PANCHAYAT _____		
		Form F-8
INTEGRATED LIVELIHOOD SUPPORT PROJECT		
PAYMENT VOUCHER		
Date: _____	Location: _____	No.: _____
Payment made to M/s _____ for Rs. _____		
Vide Cheque No. _____ dated _____ or cash, on account		
of Activity _____ against sanction no. _____		
as _____		
Signature of Recipient:	Prepared by Accounts Assistant	Approved By Member Watershed Committee

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

FORM 9(Exissting PRI Books)

Register of Immovable Property

Zila Panchayat _____
 Regional Panchayat _____
 Gram Panchayat _____

Date	Date of acquisition, construction, transfer	Details of orders under which property was acquired, Purchased, Constructed, or Transferred	Present Situation & details of property	Purpose for which the property was used.	Value in the beginning of year.....	Date & value of the asset after Revaluation(if any)	Depreciation in the beginning of the year	Depreciation during the year	Value at the end of the year (after depreciation)	Return/Bad debt/Transfer	Whether returned	Amount received after return	Signature	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Register of Movable Assets

Form 11(Existing PRI Books)

Zila Panchayat/Regional Panchayat Committee/Gram Panchayat

****	Date of Purchase & details of requisite authority	Nos./Quantity	Cost/Expense	Bill No. & date	Details of usage of the assets & other particulars as necessary	Date of return of Asset	Mode of Return	Quantity Returned	Order no. & date	Amount received on sale(if sold)	Date of deposit in the Bank	Balance after every transaction/year		Remarks
												Quantity	Cost	
1	2	3	4	5	6	7	8	9	10	11	12	13		14

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Form 13(Existing PRI Books)

STOCK REGISTER

.....Zila Panchayat/Regional Panchayat/Gram Panchayat Stock Register

Details of Goods

Date	Balance		Voucher No. and Date	Received from whom	Receipt		Total		Transferred To Whom and for what pupose	Issued or Sold			Balance		Sign. Of Issuing Authority	Sign. Of Receiving Authority
	Quantity	Value			Quantity	Value	Quantity	Value		Date	Quantity	Value	Quantity	Value		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Transferred in Form No. 25 (Modified)

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INTEGRATED LIVELIHOOD SUPPORT PROJECT

Register of Roads

Form 15(Existing PRI Books)

Panchayat.....

S.No:	Name & Situation of Road	From..... ...Village/ Point	To..... ...Village/ Point	Length (In Kms.)	Width (In Kms.)	Classification of Roads	Commencement and completion date of work	Total Value and Average Value per Km.	Remarks regarding Details of Value and Repair
1	2	3	4	5	6	7	8	9	10

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Register of Land Owned by Zila Panchayat/Regional Panchayat/Gram Panchayat.....

Form 16(Existing PRI Books)

S.No.	Date of Transfer/ Acquisition	Acquired from whom	Purpose	Reference of Deed/Decision	Area of Land	Map No.along with Boundaries	Assessment/Valuation	Boundaries/Drawings of Land	Anything acquired along with Land		Use of Building/Land	Amount Paid in Rs.	Date and Voucher No.	Remarks
									Details of structure	Covered Area				
1	2	3	4	5	6	7	8	9	10		11	12	13	14

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

GRAM PANCHAYAT _____

Report R-1

Activity wise Monthly Abstract of Expenditure and Beneficiary Contribution

Report for the Month of _____

(Amount in Rupees)

S.No.	Activity	Activity Code	Expenditure as per Integrated Activity Register			Beneficiary Contribution				
			Opening	For the Month	Cumulative	Opening Bal	Cash	Labour	Material	Closing Bal
1	2	3	4	5	6=4+5	7	8	9	10	11=7+8+9+10

				Implementation Fund	Vulnerable Group Fund
a	Opening Implementation bank Balance				
b	Amounts received as reimbursement during the month from Project				
c	Additional advance received during month				
d	Beneficiary Contribution received in Cash during Month(Col 7)				
e	Expenditure during the month (as per column 5)				
f	Closing Balance (a+b+c+d-e)				
g	Amount for reimbursement (e-d-c)				

Panchayat Secretary

Accounts Assistant

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

GRAM PANCHAYAT _____

Report R-2

Cumulative Activity wise Monthly Progress Reporting

Report for the Month ended _____

(Amount in rupees)

S.No.	Activity	Code	Total Sanctioned Amount (Project wise)		Completed Works as per Integrated Activity Reg.(IAR)		Total Expenditure as per IAR	Cumulative Ben Contribution - Cash	Project Share	Cumulative Beneficiary Contribution from Beneficiary Contribution Register		Work-in-Progress	
			Physical units	Amount	Physical units	Amount				Labour	Material	Balance Works	Amount
1	2	3	4	5	6	7	8	9	10=8-9	10	11	12=4-6	13=8+9+10+11-7

Panchayat Secretary

Accounts Assistant

Note: Column no. 6 of this format should tally with column no. 5 of Report R1.

Financial Systems Manual for Gram Panchayats

INTEGRATED LIVELIHOOD SUPPORT PROJECT

Monthly Reconciliation Details

Month..... Year.....

FORM 7(Existing PRI books)

		In Bank(Rs.)	In Treasury(Rs.)
	Balance intimated by Treasury as on		
ADD	Cheques etc.received but not yet deposited in Bank/Treasury		
	Cheques etc. not yet received/credited in Bank/ Treasury		
LESS	Cheques etc. directly deposited but not yet appearing in the Cash Book.		
	Balance as per adjustments in Cash Book		
	Actual Balance in Cash Book		
	Difference in Amount		
	Details of Difference:		

The reasons for difference between Actual & Adjusted Balances of the Cash Book have been personally looked into to obtain satisfaction or a imitating actions has been taken and all the concerned officials have been duly informed.

Cashier

Officer-in-Charge

CHAPTER 9 - EXTERNAL AND SYSTEMS AUDIT

Audit in any organization establishes verification of transactions made during a financial year. While external audit is conducted as a statute requirement at the end of each financial year, internal audit is conducted periodically during the year.

9.01 External Audit: This audit will be conducted annually for each Gram Panchayat, as per requirements of the PRI Act. The primary object of this audit is verification of transactions on test basis and certification of annual financial statements of each GP. Primarily the Government auditors (CAO, Co-operatives and Panchayats) will conduct the external audit. The certified Annual Accounts along with the auditors report shall be put up to the Gram Sabha of each Panchayat for adoption and comments and a copy should be sent to DPD within nine months of the end of the Financial Year. The State Accountant General may also conduct a Propriety Audit of selected GPs.

9.02 Internal Audit: An Internal Audit system provides a crucial tool of control in the hands of management of the Project.

A firm of Chartered Accountants, duly approved by the Project shall conduct internal Audit on quarterly basis. The auditors shall the report to DPD, only after obtaining comments of the Water and Watershed Committee. To resolve any serious observations a joint meeting, in a form of an audit committee may be convened by the DPD.

9.03 Social Audit: This kind of audit is necessary to ensure establishment of transparency in the activities undertaken by a Gram Panchayat. The Water and Watershed Committee under the Gram Panchayat will facilitate this audit.

- a. The Annual Action plan passed by a Gram Sabha should be pasted on the Notice Board or at any such place, which is easily accessible, by the members of a village.
- b. The Expenditure incurred during a month along with physical progress achieved, activity wise, should also be pasted on the notice board.
- c. At the end of each half year, financial and physical progress should be consolidated by each GP and put up for consideration of the Gram Sabha.
- d. Half yearly report need also be displayed to highlight benefits achieved by community in category of 'below the poverty line', marginal and landless villagers.

Financial Systems Manual for Gram Panchayats

DISPLAY BOARD

FOR THE MONTH _____

GRAM PANCHAYAT _____

OPENING BALANCE

CASH _____

BANK _____

Paint				Fill up in Chalk						
Sr. No.	Activity	ANNUAL WORKS PLAN		ACTUALS						
		Physical Units	Amount (Rs.)	Current Year					Cum till Date	
				Physical For the month (Units)	Physical cumulative Units	Amount for the month (Rs.)	Amount Cumulative (Rs.)	Beneficiary Contribution (Rs.)	Physical units	Amount

Contracts executed during the month	Sub project	Implementor	Sanctioned Amount	Date of Completion

CHAPTER 10 - AMENDMENTS TO THE MANUAL

It shall be an endeavour of all functionaries of the Project and Gram Panchayats to implement the Financial Management Systems prescribed in the Manual in letter and spirit. However any alterations should be warranted in its smooth implementation, sanction need be obtained from a competent authority. For this purpose a committee comprising of equal representatives of the project and Gram Panchayat and Chaired by PD of the project, will be the deciding authority. In such an eventuality all amendments desired in the Manual shall be reported by the PD of the Project to the IFAD for its concurrence.

MEETING OF WATER AND WATERSHED COMMITTEE

The main function of Water and Watershed Committee besides monitoring of the project is to provide sanction for execution of works and to authorize all payment made by GP. For this purpose the Water and Watershed Committee shall meet at least weekly. The procedure for convening and conducting the meeting of Water and Watershed Committee is enumerated below:

1. The Secretary of WWC shall call the meeting by serving two days short notice to every member of the committee.
2. The Notice shall specify the Agenda, time and place of the meeting.
3. The committee may unanimously decide a fixed day, time and place for holding meetings in which case a formal notice may not be necessary to be served to members for each meeting, e.g. Meeting may be held on each Friday at 11.00 AM at Govt. School.
4. The quorum (i.e. minimum number of members present at the meeting) shall constitute at least 3 members.
5. In case the quorum is not present, the meeting shall automatically get adjourned to next week at the same time and place.
6. In case the quorum is not complete even at the adjourned meeting, then any two members of the committee inclusive of Gram Pradhan shall form the quorum.
7. All the authorizations/decisions shall be taken by show of hands by simple majority.
8. The secretary shall maintain a minute book and record all the matters discussed and decisions taken at each meeting on Agenda items. Every member present at the meeting shall sign the minute book.

As such the Minute Book will have record of all sanction of payments payable at G.P. level. A copy of these sanctions will be attached to relevant payment vouchers by the Accounts Assistant of Gram Panchayat.

**AGREEMENT FOR WORKS TO BE EXECUTED THROUGH GRAM PANCHAYATS
UNDER INTEGRATED LIVELIHOOD SUPPORT PROJECT (ILSP)**

This deed of agreement made in the form of agreement on (date) between ILSP Team Leader...PSWMD, Utrakhnad or his authorized representative (hereinafter referred to as the First Party) and the Gram Panchayat (G.P) of Village ... micro-watershed Block..... District (hereinafter referred to as the Second Party) to execute the works under the Project (hereinafter referred to as works), on the following terms and conditions, and shall be valid for the Project period or otherwise revoked on mutual basis.

It is now here forth agreed:

1. Gram Panchayat Watershed Development Plan:

The works will be executed by the GP in terms of the Gram Panchayat Watershed Development Plan as approved by the Gram Sabha, which is phased over a period of three years and is enclosed vide **Annexure 1**.

2. Cost of Contract:

The cost of the works, as per approved Gram Panchayat Watershed Development Plan, is to be met from the Project funds for works and shall be executed by the Second Party for Rs. only. The year wise break up is given in the Gram Panchayat Watershed Development Plan annexed vide **Annexure 1**.

3. Annual works Plan (AWP):

Before undertaking any works the Second Party shall prepare a detailed Annual works Plan as per the Implimentation Manual in the format attached vide **Annexure - 2**. The Annual works Plan shall be prepared on the basis of Gram Panchayat Watershed Development Plan. While preparing the Plan, interventions suggested will be screened at various levels for any negative impact on physical and social environment and got approved in the meeting of Gram Sabha (*with a minimum quorum of 66%*) and then submitted to the First Party, along with:

- A resolution of Gram Sabha indicating activities proposed to be taken up, priority wise, under the Project by the villages. The resolution shall quantify the target for physical activities to be carried out by it in the villages under it .It should also Identify the location (common land /individual land etc.) where the activity shall be carried out.
- Recommendations of the Revenue Village Committee.
- Quantum of Beneficiary Contribution involved alongwith responsibility fixed for its collection and utilization pattern for each activity.
- Implementation schedule enabling breakdown of budgets into quarters.
- Post Project Management plan.

4. Appraisal:

Field and desk appraisal by Second Party on technical, social and environment aspects will be done to ensure that the activities proposed have been screened and mitigatory measures have been included where needed. Any alterations suggested by the Second Party will be approved again in the meeting of Gram Sabha & the Plan amended accordingly.

5. Disbursement of Funds by the First Party:

- i. The Second Party shall maintain a separate bank account called Watershed Development Project bank a/c for the Project for execution of field works in its name, to be operated jointly by Pradhan and one ward member (one should be woman), with the branch of a nationalized/ scheduled/ Cooperative Bank on execution of this Agreement. The Second Party shall provide the details of Bank account to the First Party.
- ii. The Second Party shall notify the First Party in writing the names and addresses of those who will jointly operate the Bank account mentioned in Clauses above. Such signatories shall not be changed without the prior consent of the First Party.
- iii. Payment to the Second Party for works under the Project will be released by the First Party in advance for the works to be carried out by the Second Party.
- iv. With a view to accelerate execution of works, the First Party will transfer funds to the Second Party in the following stages

Initial On-Account Payment: On-Account payment to the extent of 10% of the Annual Action Plan shall be disbursed by DPD at the beginning of the Project to the G.P. It will be however adjusted on completion of the Project.

Reimbursement of Cost of Works:

At the month end, monthly reimbursements shall be made by the DPD on the basis of Expenses (Net of Beneficiary Contribution) incurred by the Gram Panchayats provided the Gram Panchayat prepare monthly reports discussed in para 8.13 of this manual (*R-1 and R-2*) and enclose the Perforated copy of Project Cash Book for the month, for submission to the Unit Officer.

However, in case where the GPs have utilised there initial advance during the month, reimbursement shall be made by DPD during the month provided the Gram Panchayat submits the perforated copy of the Project cash Book along with summary of receipt and payments till the date of submission as per the following Performa:

Particulars	Amount	Particulars	Amount
Opening Balance			
Receipts from PSWMD		Payments made	
Beneficiary Contribution – Cash		Closing Balance	

In case if reimbursement is made by DPD during the month, then at the end of the month the Gram Panchayat shall submit alongwith reports R-1 and R-2 the Perforated copy of Project Cash Book for the remaining days of the month, to the Unit Officer.

The reports R-1 and R-2 shall reflect the on account payment received by the Gram Panchayat from DPD during the month against the statement of account submitted earlier.

6. Execution Agency of Work:

The Second Party will have the right to appoint anyone of the following as Implementers for the execution of the works:

- The Gram Panchayat (GP) will have the right to appoint anyone of the following Implementers for the implementation of the work.
 - The **Gram Panchayats** itself
 - The **Individual Farmer** (Beneficiary) for the work to be executed on his individual land. **Individual** will work as a contractor, in the case.
 - **Revenue Village Committee/User Groups** may be engaged for the activities to be implemented on common/ community/ village assets or on individual land or asset, should the beneficiary have no objection to this arrangement.
- The First Right of implementation of each work under the project rests with village-level entities such as the RVC, User Group or the Van Panchayat, individual farmer. If these options are not available then the GP itself may decide to execute the works. If all the above options do not work out only then the works will be awarded to independent contractors, However the WWC will have to obtain in writing their inability to undertake the project activities before awarding the contract for the said work to an independent contractor.
- In case of special technical requirements for which the above mentioned village level institutions do not posses adequate capacities, then the WWC may outsource a contractor having past experience in specialized technical works. Such a Contractor will be appointed only after the Beneficiaries have deposited the full amount of their share of the cost of the said activity in advance with the Gram Panchayat.

7. Estimates and Technical Sanction:

- Sanction of the Activity: **After preparation of Detailed Annual works Plan and receipt of the initial payment from the First Party, a technical sanction will be obtained by the Second Party before initiating any activity.**
- **Unlike the current system of getting sanctions from various development officers (ADO/BDO), the competent authority to accord technical sanction for watershed works are detailed in the table given below.**

Sanctioning Limit	Sanctioning Authority
Upto Rs 10,000	Should be passed in the meeting of Watershed Committee. No sanction from first Party is required.
Above Rs. 10,000	Sanction from first party is required and that will be as per the existing norms of the first party

8.Sub-Project Agreement (SPA) between Second Party and Implementer:

Where the Second Party does not undertake to execute the work on its own, then for each activity a SPA shall be signed directly between Second Party and the Implementer. The design and cost estimates prepared with the assistance of MDT Representative shall form part of the SPA.

8.1 Disbursement of Funds to Implementer by the Second Party:

Implementer will work as a contractor and will be paid by the Second Party on the basis of the contracted Estimated Unit Cost as approved, on completion of Activity/running bills.

8.11 Stage of payment by the First party to the Implementer.

- Bills for the work executed by GP itself will be paid as soon as it is authorized by the WWC.
- The payment to the Implementer (Individual / Revenue Village Committee) will be on the basis of running bills and subsequently on final bill supported by the Completion Certificate.

(A) In the case of running bills:

Documents to be submitted:

If the amount claimed is against the activity not yet completed the Implementer will submit the 'Running Bill cum work done certificate' after getting it attested by: (a) The Representative of Revenue Village Committee, and (b) Technical Representative of MDT

Quantum of Payment:

The total payment made should not exceed 80% of the total amount of the work done as detailed in the 'Running bill cum Work done'

(B) In case of bill for completed activity:

Documents to be submitted:

If the amount claimed is against activity completed, the Implementer will submit the 'Final bill cum Completion Certificate'.

The Final bill cum Completion Certificate shall be prepared by the Implementer i.e. concerned beneficiary, in case of the work done on private land or one of beneficiaries in case of work done on common land and shall be attested by: (a) The Representative of Revenue Village Committee; and (b) Technical Representative of MDT

Quantum of Payment:

On completion of an activity the total payment made to the Implementer shall be equal to the estimates of work prepared adjusted proportionately as per the actual measurement of Measurement Book, net of the Beneficiary contribution.

If there is any change in the design with respect to the original estimation, revised sanction should be sought in this regard.

However, an 'OK card' will be used for the activities where Measurement Book is not prepared.

8.3 Crossed Cheques:

All payments of Rs. 2000 or more will be made by crossed or bearer cheques. Exceptionally, cash payment upto Rs. 5000 can be made provided the same is made in the presence of two members of the village and with the approval of WWC.

Such payments should also be brought to the notice of Gram Sabha.

8.4 Advances

No advance payments shall be made to the Implementers.

9. Authorization of bills of G.P:

- All bills for works will be routed through the Accounts Assistant at GP who, after satisfying himself, shall then get it sanctioned by the Project Staff as per Clause 10 before getting it ultimately approved by the Watershed Committee under the G.P.
- All payments made shall be authorized by the Watershed Committee (WWC) of the Second Party which shall meet for the purpose from time to time.

10 Obligations of the Second Party towards the First Party:

10.1 Inspection of records and Fund utilization by G.P:

The Second Party shall maintain proper accounts for all the expenditures incurred out of the payments made by the First Party for execution of the work. Such accounts shall be available for inspection of the First Party or any other technical team deputed for the purpose.

- In the event of any misuse of funds, the First Party shall have the right to freeze the Project Bank account of the Second Party after such inquiry as may be deemed necessary.
- The Second Party will fully cooperate if any such inquiry is necessary & furnish facts & records to the First Party on demand.

10.2 Recording of Project transactions by G.P:

The secretary of the Gram Panchayat as per the existing practice will prepare the existing books of accounts. The Accounts Assistant will however maintain all other additional Books of accounts under the supervision of the Panchayat Secretary.

10.3 Books of accounts for Project to be maintained by G.P:

The books of Accounts required to be maintained for the project are:

a.	Project Cash Book	Form F-1
b.	Sanction Register	Form F-2
c.	Integrated Activity Register	Form F-3
d.	Beneficiary Contribution Register	Form F-4
e.	Monthly reconciliation	Form No.7 (of Existing PRI Books)
f.	Register for Immovable property	Form No. 9 (of Existing PRI Books)
g.	Register for Movable Assets	Form No.11 (of Existing PRI Books)
h.	Stock Register	Form No. 13 (of Existing PRI Books)
i.	Register for roads	Form No. 15 (of Existing PRI Books)
j.	Register for Land Owned	Form No. 16 (of Existing PRI Books)

10.4 Accounting for Stocks by G.P:

- In case any Implementer other than Gram Panchayat is executing work, no record is required to be maintained for the stocks purchased and consumed by the Implementer.
- While if the work is executed by the Second Party itself, its accounting will be done as per the 'Financial Manual of the Gram Panchayats'

10.5 Accounting for Assets created by the G.P:

The construction as well as acquisition of the Fixed Assets under the Project schemes will be recorded in the existing Formats prescribed in the PRI Act. The fixed assets acquired/constructed by the Second Party under the Project shall be allotted a fixed asset code no. which will include name of G.P, year of acquisition/construction and the serial no. of the asset in the Fixed Asset Register-in the following order:

<G.P name> <Year of acquisition/construction> < Asset Serial no.> <Location>

10.6 Adherence to time schedule for completion of Works by G.P:

The works should be completed within time as stipulated in Detailed Annual works Plan. In exceptional circumstances, the time period stated in this clause may be extended in writing and by mutual consent of both the parties. The First Party will release further funds only once the Second Party completes the works timely and qualitatively.

11 Duties and responsibilities of the First Party

The First Party -

- Shall be responsible for providing regular, frequent & timely *supervision and guidance* to the Second Party for carrying out the works as per agreed specifications. This will include written guidelines and *regular site visits* of the authorized personnel of the First Party for checking quality of material and execution to ensure that it is as per the agreed standard/norms.

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- Shall supply one set of *drawing specifications*, guidelines resource maps etc. to the Second Party for the proposed works, wherever applicable.
- Will also actively consider all possibilities for *training/ capacity building* of the Second Party representatives and the Second Party's nominees will be obliged to actively participate in such trainings.
- The Team Leader or such other Project persons as may be authorized by him shall hold meeting at least once in a month at micro watershed/ village level where the representatives of the committees, Draftsman/JE/RO/ or other authorized officials in charge of the site will submit the latest information including progress report duly counter-signed by the Sarpanch. The whole team may jointly inspect any site on a particular day to take stock of activities.
- Shall have the right to instruct to stop or suspend the work at any stage if there is any unacceptable deviation from the specification or violation of any of the terms of this Agreement and demand reimbursement of its payments.
- Shall prepare estimates and give sanction within time specified.
- May also translate this agreement form in the local language. However, in the matter of interpretation the English version will be the authentic version.

12 Duties and responsibilities of the Second Party

The Second Party shall:

- Take up the works and arrange for its completion within the time period stipulated.
- Employ appropriate persons to carry out the works
- Make labour payment as per schedule of labour payment for different items of work.
- Assist the Implementers in execution of the works.
- Ensure that purchases, if any, are made as per procurement manual of PRI.
- Regularly and intensively supervise and monitor the day to day progress of work and promptly inform Project authorities incase a specific problem/ bottleneck is faced by them and abide by the technical suggestions/direction of the Project supervisory personnel.
- Be responsible for bringing any discrepancy to the notice of the representative of the First Party including Team Leaders/ Project Director.
- Ensure that the work is carried out in accordance with specifications/ drawings and also within the total sanctioned amount.
- Keep the executive body and the Gram Sabha well informed about the progress of work.
- Keep proper accounts as mentioned in this agreement and 'Financial Manual of Gram Panchyats '
- Ensure that there is no mis-utilisation of funds or materials during execution of works and also give advance thought for preparing plans to maintain the assets created under the Project.

- Maintain necessary insurance against loss of materials/ cash/ workmen's compensation etc.
- Pay all duties, taxes and other levies payable as per law under the contract where necessary. Where necessary, there will be no objection to deductions in bills regarding taxes, as may be imposed and are deductible under the law.
- Take the responsibility of constructively mobilizing & involving the villagers in planning/ execution/ maintenance. It shall also take appropriate steps for conflict resolution and for enhancing equity and social cohesion through execution of the works. In case the execution of works leads to factionalism & narrow conflicts, the First Party can reconsider the decision for execution of remaining works through the Second Party.
- Take steps to enhance its saving for sustainability of the works/ assets created under the Project after the Project withdraws. It shall try to maximize efficiency in view of its local advantage and also consider feasibility of organizing 'shramdan' etc. to optimize local savings through execution of the Project works.
- Display boards etc. at strategic places to inform about the works to be/ being undertaken, physical provisions & financial resources received from the Project.
- Inspire & mobilize local community to protect natural resource base of the micro - watershed, and
- In special circumstances, the Second Party may, after prior approval of the First Party, entrust execution of the works on a piece work basis or otherwise to any appropriate non-governmental organization (NGO), contractor or a recognized agency with a good track record of undertaking such works. The non-governmental organization or the other agencies, shall however assume full liability towards any insurance for loss of material/ cash or workman disability compensation claims of the personnel deployed on the works as well as third party claims and no part of the liability on this account shall devolve on the First Party.

13 Audit of G.P:

Besides the statutory Audit as per requirements of the PRI Act, the Second Party shall facilitate Internal Audit by a firm of Chartered Accountants, duly appointed by the First Party at least on half yearly basis. A suggested Audit Program has been indicated **vide Appendix I** enclosed. The auditors will put up their six monthly reports for consideration of the Gram Sabha and the First Party.

14. **Reporting on Financial & Physical Progress by G.P:**

- **Monthly Reporting:**

At the end of every month the Accounts Assistant shall prepare and submit the following reports to the unit officer

Activity wise monthly abstract of the expenditure (from Integrated Register) vide **Report R-1**.
Monthly Beneficiary contributions Statement (From Beneficiary Contribution Register) vide **Report R-2**.

Following documents should be attached along with the Monthly Reports:

- Implementation and Social Fund Bank Statements
- Bank Reconciliation Statement (Format of existing Book in Appendix III)
- Perforated Copy of the Project Cash Book
- Completion Certificates

15. Procurement Plan:

All procurement by the Second Party shall be made as per procurement Manual.

16. Contribution of the community:

The Second Party as per the Implimentation Manual shall prepare records of the Beneficiary Contribution. For all works executed by the Second Party itself, all such receipts shall be properly supported.

17. Monthly Reimbursement by the First Party:

- If the Second Party itself executes the works, the reimbursement to the Second Party shall be based on actual expenses incurred by the Second Party.
- If the Implementer other than the second party executes the works, the Second Party shall be reimbursed on basis of the contracted Estimated Unit Cost, net of Beneficiary Contribution, adjusted proportionately as per the actual measurements.
- Before making the reimbursement, the Second Party shall see that all the covenants in this Agreement and the Financial Manual are complied with. For satisfying itself, the First Party shall conduct such checks, as he may deem necessary.

18 Modifications

Modification of the terms and conditions of this contract including any modification of works or the contract price may be made by written agreements between the parties.

19 Dispute Settlement

If any dispute arises between the two parties, relating to any aspects of this Agreement, including Works, the parties shall first attempt to settle the dispute through mutual and amicable consultation. If the dispute is not settled through such consultation, the matter may be referred for arbitration to the concerned Regional Project Director, Watershed Management Directorate, Uttarakhand, whose decision shall be final and binding on both parties.

Signed and delivered by Mr./Ms...
Gram Panchayat

President/ Secretary
on behalf of the GP.

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In the presence of :

i)

ii)

Signed and delivered by Mr/Ms... Team Leader of
PSWMD, Uttarakhand, in the presence of:

i)

ii)

SUB-PROJECT AGREEMENT WITH THE IMPLEMENTING AGENCY

PANCHAYAT.....

We, the undersigned members of the Water and Watershed Committee under the Gram Panchayat of village..... micro-watershed..... Block District in its meeting of the Gram Sabha dated have been entrusted with the responsibilities to plan and operate activities relating to the under mentioned Sub-Project/work included in the Panchayat Annual Plan for Development. Accordingly, this Memorandum is executed on..... between Mr..... Chairman of the Water and Watershed Committee, on the one part, and Mr..... on behalf of the Implementing Agency..... hereinafter referred to as the Implementer on the second part.

Name of the
Sub-Project/work.....

Members of the
Water and Watershed Committee

<u>S.No.</u>	<u>Name</u>	<u>Designation</u>	<u>Signatures</u>
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Now, therefore, it has been agreed as follows:

1. **OBJECTIVES:**

The Details of work/sub-project to be undertaken as given below:

- 1.1 Sanctioned Cost of Work/Activity
- 1.2 Nature of Work/Activity
- 1.3 Sanction No.
- 1.4 Village & Location
- 1.5 The technical details, description and design along with quantities allied to the work/activity are enclosed vide Annexure I.
- 1.6 Beneficiary Contribution and Project Share.

2. **SUB CONTRACTING:**

The Implementer may Sub-contract one or several parts of the work assigned to him only after taking prior approval of the Water and Watershed Committee and in any case will be under his entire responsibility.

In any case no execution agency of work shall be a relative of any of the members of the Gram Panchayat.

3. EXECUTION OF WORKS:

The execution of this work will be the entire responsibility of the Implementer while the Water and Watershed Committee will ensure the qualitative execution of the work. However, the Deputy Project Director of The Integrated Livelihood Support Project, being the major funding authority, may send his Technical Team to inspect the ongoing work or on its completion. The work, if poorly executed, will be repaired or improved by the Implementer at his own cost.

4. PROCUREMENT OF MATERIAL

The procurement of the material for the work will be carried as per the Procurement Manual

5. RESPONSIBILITY FOR DAMAGES:

The Implementer will be responsible for all damages and accidents of any kind occurred during the execution of the work. This includes damages caused to a third party by the personnel and equipment of the Implementer.

6. TIME LIMIT

The work shall be completed in all respects by _____, 20---. The work will be deemed to be completed on the date of the completion certificate, so issued by a Technical Member of the Water and Watershed Committee.

7. OPERATION AND MAINTENANCE OF ASSETS

Assets created and acquired shall be maintained and effectively operated by the Gram Panchayat. It shall take steps to mobilize and involve villagers in proper upkeep of the assets.

8. SCHEDULE OF PAYMENTS

8.1 No advance shall be made available to the Implementer.

8.2 The total payment made shall not exceed the amount sanctioned for the activity, proportionately adjusted on the basis recordings made in the Measurement Book.

8.3 The payment to the Implementer will be either on basis of running bills or on completion of an activity.

8.4.1 In the case of running bills documents to be submitted are:

The 'Running Bill cum Certificate of work done', which shall be attested by

- (a) The Representative of Revenue Village Committee, and
- (b) Technical Representative of MDT

- **Quantum of Payment**

The total payment made should not exceed 80% of the total amount of the work done as detailed in the 'Running Bill cum Certificate of the Work done' and is duly attested.

8.3.2 In case of bill for completed activity, the documents to be submitted

If the amount claimed is against activity completed, following documents will be attached to the bill:

- The details of the advances received against the activity.
- The 'Final Bill cum Completion Certificate' which shall be prepared by the Implementer i.e concerned beneficiary, in case of the work done on private land or one of beneficiaries in case of work done on common land and shall be attested by:
 - (a) The Representative of Revenue Village Committee and
 - (b) Technical Representative of MDT

▪ Quantum of Payment

On completion of an activity the total payment made to the Implementer shall be equal to the estimates of work prepared net of the Beneficiary contribution.

8.4 The measurement of work will be made at least once every month and abstract of cost recorded in the Measurement Book to facilitate running payments to the Implementer. The bill raised by the Implementer will be paid after its verification by the Accounts Assistant of the Water and Watershed Committee with the entries in the Measurement Book.

8.5 No payment will be made on account of the cost over runs.

9. DUTIES AND RESPONSIBILITIES OF WATER AND WATERSHED COMMITTEE

The Water and Watershed Committee shall

- Take the prior sanctioning of the activity from the competent authority.
- Provide the necessary technical details and technical assistance to the Implementer.
- Provide timely funds to the Implementer.
- Collect Beneficiary Contribution.
- Ensure the compliance to various norms specified in the Gram Panchayat Manual before making payment to the Implementer.
- Ensure qualitative execution of work/sub project.
- Ensure rectification during defect liability period.

10. DUTIES AND RESPONSIBILITIES OF THE IMPLEMENTER

The Implementer shall:

- Ensure proper execution of works as per the plan approved.
- To complete the work within the specified time frame.
- Ensure that purchases are made as per requirements in the procurement manual.

11. SETTLEMENT OF DISPUTES

In the eventuality of any dispute between the two parties over the work or any aspect of this memorandum, the parties shall first attempt to settle this dispute through mutual and amicable consultations. However, if the dispute remains unsettled amicably, the matter may be referred for arbitration to the concerned Deputy Project Director of the Integrated Livelihood Support Project whose verdict will be final and as such binding on both parties.

Signed & delivered by Mr. _____, the Chairman of the Water and Watershed Committee under the Gram Panchayat in the presence of:

Witness:

(i)

(ii)

PLACE:

DATE:

Signed and delivered by Mr. _____ on behalf of the Implementer in the presence of:

Witness:

(i)

(ii)

PLACE:

DATE:

EXISTING BOOKS BEING MAINTAINED BY THE GRAM PANCHAYAT

The CAG has fixed 16 formats for the GPs' for account keeping and financial transactions. These books along with their purpose are tabled below for ready reference along with our other suggestions:

Form No.	Name	Purpose
1	Annual Receipts & Payments Account	Details of Receipts & Payments during the year
2	Annual Receipts & Payments Account-Capital nature	Details of budgeted, Non-Budgeted, State & Central Govt. sponsored Capital expense under various heads
3	Annual Receipts & Payments A/c-Revenue	Details of Tax/Non-Tax receivables & amounts payable under various heads.
4	Annual Receipts & Payments A/c-Loans & Advances	Details (opening/closing balances, receipts, payments) of Deposits/Advances & Loans received.
5	Annual Receipts & Payments A/c-P.F & other funds	Details (opening/closing balances, receipts, disbursements) of P.Fs, Insurance & other Funds.
6	Monthly Receipts & Payments A/c-Consolidated	Details of receipts & payments under all the heads during each month & cumulative till date.
7	Monthly Reconciliation Details	Reconciling Balances of Bank, Treasury & Cash Book & detailing reasons for difference
8	Cash Book	Detailing cash received & paid through cash, cheque & PLA.
9	Immovable Assets Register	Detailing purchase, amount, depreciation & other transaction of immovable assets of Z.P / G.P / R.P (similar to Depreciation Schedule of Companies Act)
10	Register of Demand, Compilation & Outstanding	Details of tax due, received & deposited during the year.(Month-wise)
11	Movable Assets Register	Detailing sale & purchase movable assets of Z.P/G.P/ R.P.
12	Compilation Document	Activity wise bifurcation of expenditure.
13	Stores Ledger	Detailing issue & receipts of stores.
14	Consolidated Summary	Account head wise details of Monthly as well as Cumulative expenses.
15	Register of Roads	Detailing work done & expenses incurred on various Roads.(sort of Road Asset Register)
16	Register of Ownership of land	Detailing land owned by G.P/R.P/Z.P & the uses to which it is put.

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Our recommendations on these formats are as under:

Form No.	Name	Recommendation
1	Annual Receipts & Payments Account	There is no need for this form, since Form no.6 already gives cumulative position of same data.
2	Annual Receipts & Payments Account-Capital nature	Capital expenses on Watershed Development Project should also be included.
8	Cash Book	The word 'Classification' should be replaced by 'Code' as codes are the basis for classification in the Project. Moreover a separate column for each Bank Account operated by G.P should be inserted to record its transactions separately.
9	Immovable Assets Register	Column No.4 i.e 'Present situation & Details' should be replaced by 'Original Cost'. A column for location of the assets should be added.
11	Movable Assets Register	A column for location of assets should be added.
12	Compilation Document	There is no need for this form since an Integrated Activity Register is being recommended to record required details of Project expenditure.
14	Consolidated Summary	There is no need for this form as the necessary details are already provided in Form 6.

Chapter-3.2: PROJECT OPERATIONAL MANUAL

ABOUT THE PROJECT OPERATION MANUAL

This manual, known as 'The Project Implementation Manual (PIM) has been prepared by the project management to facilitate the fullest participation of the village community in the Integrated Livelihood Support Project

The PIM describes the project objectives and the project components and the arrangements proposed to attain the project objectives. The PIM describes the various partners in the project and the role and responsibility of each of the project partners. The arrangements made for the various institutions at village, district and state level who will be involved in the implementation of activities in the project are also described. The arrangements made for sustainability of village level institutions and for the long term operation and maintenance of assets developed in rural areas by facilitation of the project are also described. The salient features of formulation of the Gram Panchayat Watershed Development Plan, the mechanism of fund flow to and by Gram Panchayats, the provisions for procurement by Gram Panchayat are described. The Monitoring and evaluation arrangements for the key indicators of Project development Objectives are also described.

The PIM is a living document and may be changed as and when required as learning accumulates within the project. All participants in the ILSP are encouraged to share their learning from their experience of the project implementation so as to improve the arrangements made for implementation of ILSP to attain the project objectives.

INTRODUCTION

Participatory Watershed Development Component of Integrated Livelihood Support Project will aim to protect and improve the productive potential of the natural resources in selected watersheds along with increasing household income through inclusive and sustainable approaches. This component, to be implemented by Watershed Management Directorate, Uttarakhand following processes that have been established through a series of watershed development projects in the state, but with an increased focus on food security, livelihoods and market linkages.

1.1 What is watershed management?

In watershed management the decision making regarding uses and modification of all categories of lands and water within the watershed are made in an iterative process with participation of all stakeholders in the Gram Panchayats in the watershed. The repeated coming together and discussion provides opportunity to all stakeholders to balance diverse objectives for enhancement of productivity not only of individually owned resources but also of common property resources, and to consider how their cumulative actions may ensure long term sustainable use of all the natural resources. The guiding principle of iterative participative process is equal opportunity in participation, focus on local situation analysis, use of appropriate technology and equitable sharing of benefit. Watershed management takes into consideration the ecosystem in the entire watershed from the headwaters in proximity of ridge, to valley, and water channel flowing out of watershed. That the effect of various actions being considered for implementation in the watershed do not negatively interfere with the structure and functioning of the ecosystem in the watershed system are taken into consideration. Watershed management requires not only use of social and ecological sciences but also economic sciences. The decision process in the Gram Panchayat also must weigh the economic benefits and cost of alternative actions, in keeping with the current market dynamics. The treatment and use of all resources in a watershed should be managed in an integrated, holistic and sustainable manner.

1.2 Overall objectives and scope

This component, to be implemented by WMD, will aim to protect and improve the productive potential of the natural resources in selected watersheds along with increasing household income through inclusive and sustainable approaches.

Gender and social sensitivity will be ensured by having at least 50% of livelihood groups as women's groups and 20% as vulnerable producer groups and ensuring that women and Scheduled Castes participate in decision making processes and are represented in the institutional arrangements.

1.3 Why is the project community driven?

The involvement of stakeholders at grass root level is a vital element of watershed management. It is of utmost importance to involve them in such a manner that they feel ownership of project at every step. The stakeholders so motivated, will provide relevant information about the natural resource prevailing within the watershed, their traditional

practices in harnessing them as well as specific local wisdom and practice with in the community. They will also spell out their needs for improvement of their economic status by sustainable use of natural resources.

Past experience from earlier government projects such as Doon Valley Project and I.W.D.P. (Hills-II) in Shiwalik area has shown that the project objectives are best achieved when the community takes most decisions and is the primary driver in the project. UDWDP (Gramya) is also implemented with the same approach, although with a little difference. Here, the Gram Panchayat (GP), as the local Panchayat Raj Institution, assumes a very important role in planning and implementation of the project. Participatory Watershed Development Component of Integrated Livelihoods Support Project will be implemented in the line of UDWDP. Further, the GP will lay a special emphasis on inclusion of the voice and choice of disadvantaged groups such as women, Scheduled Castes and Tribes, landless, marginal farmers, and transhumant populations. Only when the community and GP jointly assume full responsibility for the project will it ensure the best use of project funds and create the maximum impact to improve their lives.

1.4 Components of the project

The project funds will be used in four main areas:- **(a) Participatory Watershed Management:** (i) Social mobilization and participatory planning (ii) Village and watershed development **(b) Food security enhancement support:** (i) Rainfed agriculture and agribusiness systems improvement (ii) Value addition and marketing support **(c) Livelihood up-scaling support:** (i) Promotion of income generation activities (IGAs) and support to VPGs (ii) Support to livelihood collectives for up-scaling IGA activities **(d) Institutional Strengthening of Gram Panchayat / WWMCs, Revenue village committees, PGs, VPGs, User Groups, Van Panchayats, Mahila and Yuvak Mangal Dals and their Apex bodies village leaders and vulnerable sections.**

1.5 Project area

Under Component 2 (Participatory Watershed Development) of the Project a total of 41 micro-watershed (MWS) covering an area of about 125,088 ha in six clusters in the six hill districts of Rudraprayag, Tehri, Pithoragarh, Pauri, Nainital and Champawat will be treated under this project. These MWS will include 693 Revenue Villages, involving around 275 Gram Panchayats, spread over 15 blocks, with a population of 39,610 households. These watersheds have been shortlisted as they have been identified as priority MWS in the State Perspective and Strategic Plan for Watershed Development. They up-scale the ongoing watershed development programme funded by the World Bank, GoUK and GoI, and take account of the availability of required WMD institutional capacity in the selected project districts.

1.6 Allocation of Funds to GP

Allocation of funds for watershed treatment to each GP has been decided upon select objective criteria. These are the area under GP's jurisdiction and population of the GP. This allocation will be given to the GP to carry out watershed management activities as per the Gram Panchayat Watershed Development Plan (GPWDP) as developed in consultation with the community. This plan will cover treatment of areas within and outside GP that are relevant for integrated watershed management. Of the total amount allocated under the project for watershed treatment, two criteria were used for allocation of specific amount to

each GP. A weightage of 65% was given to the total geographical area falling under the particular GP and 35% weightage was awarded to the population of the GP.

To carry out watershed treatment in areas that are outside the boundary of the Gram Panchayat but fall within the concerned micro-watershed system (MWS) & also for site specific activities within the GP which require more funds, additional funds are available with the DPDs. This money will be used by GPs and / or VPs for undertaking activities in inter-GP spaces within the MWS & site specific activities within the GP to ensure treatment of the complete watershed in a manner that complements the GPWDPs. The GPs and Van Panchayats will develop a plan in consultation with concerned MDT to utilize this money, and submit the plan to DPD for approval. The implementation of the project activities in inter-GP areas will be done by respective GPs and/or VPs. If the GPs or VPs refuse for any reason to implement treatment of land in inter- GP spaces, then the GPWDP will not be financed under the Project until an agreement is reached with the concerned GPs.

A provision, named Vulnerable Groups Fund, has been made to fund activities that assist women, SC/ST, the poor populations. These could be income-generating micro-enterprises, capacity enhancement programs, and marketing support programs and infrastructure. The purpose of the Vulnerable Groups Fund is to enhance social equity in villages through the project and further assist those who either get left out or receive very little benefits from the watershed management activities.

Formula for Allocation of Funds to GPs

$$R_m = \{0.65(0.6R)A_m/A + 0.35(0.6R)P_m/P\} + R_{mnm} + R_{adm}$$

Where R_m is the total Fund allocation to a particular GP in Rupees
 R is the total Fund for allocation to all GPs under the MWS
 A_m is the geographical area of a GP in Hectare
 A is the total geographical area of all the GPs under the MWS
 P_m is population of a GP
 P is the total population of all GPs under the MWS
 R_{mnm} is the amount for treatment of inter-GP spaces and/or site specific requirement of GP to be allocated to a GP
 R_{adm} is a fixed amount for administrative expenses to a GP

Note :1 There will be a minimum and maximum ceiling for R_m .

Note :2 The amount indicated within { } shall be indicated to GP in form of 'Budget Envelop' and the remaining Two amounts will be passed on separately.

Note :3 In addition to the above amount a "Vulnerable Group Fund' will be passed on separately to the GP.

Source of data: Area of GP (Revenue Department)
Population of GP (District Collector)

1.7 Project Activities

Since the primary purpose of the project is to enhance the productivity of natural resources and improve the income levels and quality of life of the village communities, every attempt should be made to spend project funds on such activities. The project activities under the GP fund may include soil conservation, afforestation, water harvesting, agriculture terrace repair, livestock management and breeding activities, fodder production, repair of roads and culverts, non-conventional energy programs etc. The village community will be at liberty to choose any activity which is an important felt need and which is conducive for treatment of the watershed and broadly in keeping with the project objectives. The above mentioned list is only an illustrative list there may be many other activities which may be relevant and need based. Activities like agriculture, horticulture, high value crops, value addition of farm produce, income-generating enterprises etc will be implemented from the funds allocated for the sub components Food Security Enhancement and Livelihood up scaling, and these activities will not be taken up from GP funds. However certain activities which are outside the purview of the broad Project objectives shall not be taken up under the GPWDP. The indicative list of such activities is in Attachment ES-4

1.8 Cost Sharing

To ensure sustainability of activities that enhance productivity and incomes of the rural population, the project lays emphasis on sharing of costs by the individual beneficiaries. For field- demonstration of improved farming practices, introduction of off-season vegetables and new high value crops the project will provide training and support inputs such as seed/seedlings, bio-agents and bio-fertilizers whereas land, labor, irrigation and farmyard manure will be provided by the farmer.

For all the components the cost sharing norms will be similar to the prevailing cost sharing norms in the Line Departments / Boards

For the poorer members of village, the cost sharing norms as provided for Income Generating Activities for the vulnerable groups (in Chapter 6) will be adopted.

2. WHY PARTICIPATE IN Watershed Development Project

It is a community-owned and driven project: managed, planned and implemented by the community and the GPs. Its success depends on the levels of interest and involvement, and commitment of all stakeholders to improve the lives and ensure equitable benefits to the rural community. By participating in the project, when the community jointly and scientifically manages its natural resources, a host of benefits accrue to them.

2.1 Benefits

Capacity development: The project will enhance the knowledge about watershed management among the community and the means required to ensure long-term health and productivity of their lands, forests and water resources. It will also enable them to employ ways and means to constantly improve their income levels by availing skills-based training opportunities and technical assistance from experts.

Enhancing equity for the disadvantaged groups: Traditionally, the landed farmers tend to benefit more from watershed activities. However, this project takes into account the concerns of all members of the village community. It lays special emphasis on inclusion of women in the entire decision-making and implementation process. Landless workers, marginal farmers and women group members can undergo technical training provided by the project to improve their skills. Funds are available to undertake income-generating activities, including marketing linkages and value addition to farm produce.

Sustainable solutions: As the community itself will make the entire plan and implement, it is ensured that the solutions brought about through this project are sustainable and best meet their real needs. This will be made certain by judiciously following the measures outlined in the project's Environment and Social Management Framework.

Financial control: The community will have complete financial control over the portion of money allocated to its GP. The community members will learn better financial management of their resources and be able to use this money in the most effective and efficient manner.

Self-managed development: This project enables the community to plan its own development. Further, it will give them confidence in planning and implementing all future development activities. It will also demonstrate that village communities are capable of taking their own decisions and charting their own path of development.

Other specific benefits are:

Increased output from farmlands: The project will result in better management of water resources, increased water availability, decreased soil erosion, and adoption of better farming practices and techniques. This will mean increased productivity of the farmlands and higher quantities of agricultural produce.

Healthier and more productive livestock: Better management of forests and farmlands will also mean more fodder and water for the animals. Selection of superior breed of livestock and veterinary services will also be arranged for by the project. This will translate into more milk, meat and wool per livestock and reduced incidences of diseases.

Increased quantities of water for domestic and farm uses: Watershed management will mean sufficient water to meet the household and irrigation needs. Not only will the quantity of water increase the communities will also learn to use this precious resource more efficiently and productively.

Opportunity to shift to high value crops: The project gives financial and technical assistance to shift to cash and high value crops. Field demonstrations will give the farmers an opportunity to learn firsthand the methodology of planting new and better varieties of cereals, vegetables, fruits, medicinal plants and fodder crops. This will ensure higher cash incomes for them.

Increased quantity of fodder and fuel wood over long-term: In the villages, the burden of collecting fodder and fuel wood falls upon the women. Often, it means a daily walk of several kilometers just to get a single head-load. Healthier forests in the village's vicinity will reduce the drudgery of women and provide adequate quantities of fodder and fuel wood to meet every household's need in the village.

Improved rural infrastructure: The community can select the option of improving the quality of village's existing bridle paths and culverts or constructing new ones. This may mean several benefits—easier access to schools for children, reducing travel time, safer routes, and improved access to facilities such as hospitals, markets and government offices.

Higher income levels: All the above-mentioned benefits will result in higher cash incomes for each participating villager.

Undertake income generating activities: Poor villagers and those from disadvantaged groups, women and men, may form producer groups (PGs) to undertake income generating activities. The project will partly finance such initiatives by PGs/VPGs as well as work towards ensuring skills-based training, adoption of superior production technologies, loans from banks and improved market access. It is important to note that all such activities will be decided by the GP based on the needs of these individuals. Attempts will also be made to form federations (Livelihood Collectives) of like-minded PGs/VPGs or those with similar activities. These federations will provide a sustainable platform to the PGs/VPGs to further their cause such as more bargaining power, access to bigger markets and greater access to bank finance. For further details, see Chapter 6.

Alternate energy sources: The project will encourage and partly finance the adoption of environment-friendly energy sources such as biogas plants and solar power. Such alternate energy sources mean less exploitation of the forest resources and reduced drudgery for women.

2.2 *Fundamentals of participation*

Ownership: The village communities are the true owners of the project and the government and NGOs are facilitators. All need and demand for better information, planning and implementation will come from the communities. It is best for each member of the village community to participate fully and effectively in the project. The community displays its strong sense of ownership by agreeing to share project costs by contributing time and money for project activities.

Accountability: All individuals, committees, user groups, PGs/VPGs, and the Water and Watershed Committee (WWC) of the GP will report to and implement decisions taken by the Gram Sabha. It must be understood that the GP and WWC have been formed to represent the community, not replace them. Therefore, they must honor the priorities of the community and work towards meeting its needs. Further, it shall be the responsibility of the GP to keep everyone well informed of all developments and decisions and consult the community regularly on all issues. Only then can each member of the community be held responsible for each decision. Success achieved belongs to all of them.

Transparency: All proceeding and records of the project will be accessible to all. This shall be joint responsibility of the Gram Pradhan, WWC, village level Project Staff and the Accounts Assistant. All transactions should be recorded immediately. Both these requirements will ensure a high level of trust among the community members for each other. Some specific provisions to ensure complete transparency are:

- Writing of the physical and financial aspects of the annual GPWDP in paint on a publicly accessible wall and monthly progress displayed on a board maintained by the WWC.
- The GP shall present the accounts of the project to the Gram Sabha at least on a quarterly basis.

Cost-effectiveness: The project money belongs to the community and everyone has to treat it that way. Best quality has to be achieved through least expenditure. Savings may be achieved in purchase of goods, in negotiating with a contractor, or through better management of implementation plans. However, at no point, should quality be compromised. Any savings that come from project funds remain with the community members to be used for their benefit.

Participation of disadvantaged groups: Care must be taken that the disadvantaged groups profit equally from this project. While a special Social Fund has been set aside for this purpose, the GPWDP will also incorporate provisions to benefit women, the poor, landless laborers, marginal farmers, members of the Scheduled Castes and Tribes. Social equity is a cornerstone of this project and a must for overall development of the village.

3. INSTITUTIONS AND TIMELINE

The Project is based on joint relationship among three entities: (i) village communities and GPs; (ii) PSWMD; and (iii) NGOs and other service providers. All these three stakeholders will fulfill their respective roles and responsibilities for the project to be successful. Specifically:

Village community and GP: Will plan and implement the project

WMD: Provide overall coordination and assist the village communities and GPs

NGOs: Carry out social mobilization, may provide technical assistance and undertake other activities as agreed to with GPs and PSWMD

3.1 Roles and Responsibilities

A. Panchayat-level Institutions

S. No.	Institution	Composition	Role	Accountable to
1.	Gram Sabha	All adult voters of the Gram Panchayat	<ul style="list-style-type: none"> • To discuss & approve all major decisions related to GPWDP • Ensure inclusion of disadvantaged groups such as women, poor, SC/ST, transhumant • Monitor the working of GP 	Village community
2.	Gram Panchayat	Gram Pradhan & Ward Members	<ul style="list-style-type: none"> • Sign all appropriate agreements with WMD for participation in the project • Assist NGOs in mobilization of village communities • Open project bank account & judiciously manage project funds • Manage project expenditure as per AWP of GPWDP 	Gram Sabha and WMDs

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S. No.	Institution	Composition	Role	Accountable to
			<ul style="list-style-type: none"> • Convene Gram Sabhas • Ensure complete transparency & accountability by all GP-level institutions & individuals involved in the project • Collection of Contribution by Beneficiary 	
3.	Water & Watershed Committee	Committee of the GP under the chairmanship of Gram Pradhan	<ul style="list-style-type: none"> • Lead the process of planning & implementing GPWDP • Manage the Vulnerable Groups Fund • Assist NGOs in mobilization of village communities • Submit timely monthly and annual financial reports to WMD • Ensure that the GP annual accounts are audited on a timely basis and submitted to the WMD 	Gram Panchayat
4.	Women Aam Sabha	All adult woman voters of the Gram Panchayat	<ul style="list-style-type: none"> • Proposals of Women would be incorporated in GPWDP through Women Aam Sabha prior to the finalization in Gram Sabha. 	
5.	RVC	A committee of village community of a revenue village / hamlet: Constituted by the WWC under the chairmanship of Gram Pradhan / Ward Member	<ul style="list-style-type: none"> • Lead the process of preparing RVC Proposals • If contracted so by the GP, implement GPWDP at the village level • Ensure equity for all, especially the disadvantaged groups • Collection of beneficiary contribution 	Gram Panchayat
6.	Van Panchayat	VP Sarpanch, VP Members	<ul style="list-style-type: none"> • Implement all plantation related activities under the project • Coordinate with concerned Forest Department office for technical and management issues. 	Gram Panchayat
7.	Women Motivator	Designated woman at the village level	<ul style="list-style-type: none"> • Mobilize women of the village to ensure their voice & choice is included in the project • Formation of PGs/VPGs & other CBO and extending all possible support to them 	MDT
8.	Village level Project Staff	Nominated by the Project	<ul style="list-style-type: none"> • Convening of all Mandatory and all required GP , Gram Sabha and WWC meetings and upkeep of minutes of the meeting • Assist in the procurement process by being designated as Secretary of the Procurement Committee • Maintain and safe custody of all records Accounts and cash • Timely submission of all returns , reports and utilization certificates • Timely and satisfactory Audit of GP accounts 	GP; for Project reporting system to WMD.
9.	Accounts	Designated	<ul style="list-style-type: none"> • Maintain all accounts books related to the 	GP; for Project

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S. No.	Institution	Composition	Role	Accountable to
	Assistant	expert at the GP level. Recruited by GP and trained by project	project <ul style="list-style-type: none"> • Make all vouchers & prepare cheques • Collect dues from beneficiaries & issue receipts • Ensure that records are maintained for all labor contributions from beneficiaries; • Prepare all financial documentation & reports as required b the project 	reporting system to WMD.

B. Field level institutions

S. No.	Institution	Composition	Role	Accountable to
1.	MDT	4-5 experts	<ul style="list-style-type: none"> • Provide technical guidance to GP & village communities • Sign running bills & completion reports of activities after due verification .Coordinate development of watershed treatment plans for inter-GP spaces 	WMD & GP
2.	FNGO	Hired by PSWMD	<ul style="list-style-type: none"> • Mobilize village communities & provide complete information on the project • Facilitate PRAs at the Revenue Village and GP levels; focus on gender sensitization & social equity as per the ESG • Assist GP to plan and implement the project 	PSWMD
3	Unit Incharge	Appointed by WMD	<ul style="list-style-type: none"> • Coordinate the MDTs , FNGOs and their interaction with GPs • Facilitate technical guidance to GP & village communities • Supervise that the bills and reports of activities are duly verified and signed by concerned persons • Coordinate development of watershed treatment plans for inter-GP spaces • Field appraisal of GPWDPs during preparation stage and compliance of approved GPWDP 	
4.	DSA	Hired by PSWMD	<ul style="list-style-type: none"> • Development of Division level action plan of farming systems and livelihoods. • Formation and promotion of Producer Group (PGs) and Livelihood Collective (LCs) • To help group members to plan their production and marketing of crops, and also provide technical assistance and managerial support to LCs, building their capacity for record keeping and business planning. • Dissemination of improved agricultural practices and extension services • To facilitate technical training and innovative practices for vulnerable groups and individuals. • Development of sub-sector value chains through improved post-harvest handling and logistics. 	PSWMD

5.	DPD	Appointed by WMD	<ul style="list-style-type: none"> • Review GPWDPs • Ensure compliance of ESMF • Sign project agreements with GPs • Transfer monies to GPs • Conflict resolution among GPs, MDTs and FNGOs 	WMD
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C. State level institutions

S. No.	Institution	Composition	Role	Accountable to
1.	PD	Appointed by State/WMD	<ul style="list-style-type: none"> • Supervision, direction & coordination at the State level 	WMD
2.	PSWMD	A part of WMD, a registered society under Societies Registration Act ,1860	<ul style="list-style-type: none"> • Provide overall planning, direction, support and coordination to the project • Ensure capacity building of project staff, GPs, RVCs, UGs and individuals to facilitate effective implementation of the project as per its objectives • Coordinate with external stakeholders such as the CPCU, UGVS, UPASAC, State Government and IFAD • Resolve all disputes placed before it 	WMD/State Government
3.	WMD	Headed by Director	<ul style="list-style-type: none"> • Administrative control over the project staff. • Work as office of PSWMD 	State Government

3.2 Conflict resolution

Every attempt should be made to resolve all conflicts within the Gram Sabha. The NGOs and MDT will facilitate the villagers in this regard.

In case of conflict among GP, MDT and NGOs, the DPD will act the conflict resolution officer. If Gram Sabha so feels that it requires formal arbitration, a three-member committee will be set up for the purpose of arbitration. It shall comprise the DPD, a nominee of the Gram Sabha and a nominee of the FNGO.

In case of conflict over an inter-GP issue a committee will be set up with the Deputy Project Director as the chairman. The FNGO of the concerned area and one nominee each from the concerning GPs will be the other members of the conflict resolution committee.

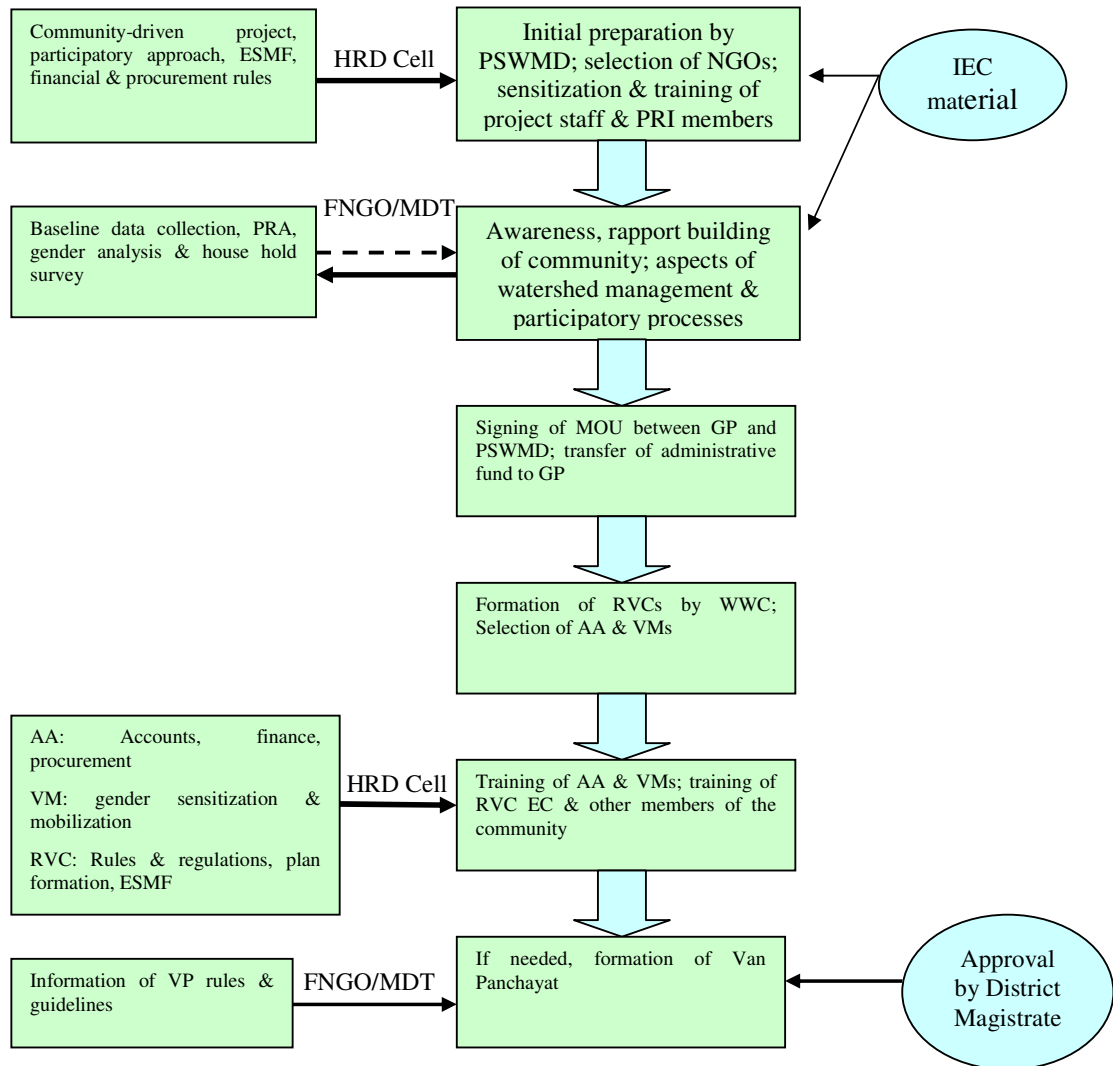
In both the above cases if either party is unsatisfied with decision of the Deputy Project Director then they can appeal to Appeal to Project Director of the region. The decision of the committee at Project Director Level shall be final and binding on all parties.

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3.3 Project Timeline

Activities	Months of the First Year												Year				Responsible	
	1	2	3	4	5	6	7	8	9	10	11	12	2nd	3rd	4th	5th		
Training of project staff, including NGOs on project details, ESMF, Transhumant Strategy	■	■	■															WMD
Signing of MOU between GP & WMD		■																GP & WMD
Rapport building & awareness building; Selection of VM & AA		■	■	■														FNGO, MDT
Information dissemination, baseline data collection, PRA exercise, conducting ESA & secondary data collection		■	■	■	■	■	■											WWC, FNGO, MDT, VM
Formation of RVC						■	■											WWC
Preparation of RVC Proposal & application of ESMF						■	■	■	■									RVC
Formation of PGs & VPGs					■	■	■	■	■									FNGO, VM, MDT
Formation of GPWDP & its submission to DPD									■	■								WWC
Field and desk appraisal of GPWDP										■	■							DPD
Approval of GPWDP											■							Gram Sabha
Preparation of detailed AAP & submission to DPD; signing of 2 nd MOU between GP and WMD											■	■						WWC
Transfer of 10% of AAP estimate to GP's Implementation Account												■						DPD/PSWMD
Implementation by the WWC													■	■	■			WWC
Withdrawal phase																■		WWC, WMD

4. PREPARATION & PARTICIPATION PROCESS



4.1 Initial preparation by PSWMD

Who: PSWMD staff and NGOs

When: Before village entry

- Preparation of communication and information packages for GPs and village communities
- Training/Orientation of project functionaries (PSWMD, MDTs, FNGOs) on the vision of the project, the processes, roles and responsibilities of each entity, and rules
- Training of project functionaries on how to work with GPs and village communities in preparing a GPWDP (focus on process, roles and responsibilities,

- rules, from where to seek what information), on Financial Manual, Environment and Social Management Framework (ESMF) and Procurement Guidelines.
- Development of training module for Accounts Assistants
 - PSWMD may seek external assistance to carry out training and communication activities. Some notable sources of the state government are Uttaranchal Academy of Administration, Nainital; Forest and Van Panchayat Training Institute, Haldwani; State Institute of Rural Development, Rudrapur; CSWRTI, Dehradun; Garhwal University; Kumaon University; and GBP University of Agriculture and Technology, Pantnagar.

4.2 *Orienting communities and GPs to the project*

Who: Project field staff supported by communication activities

When: Soon after village entry

- Entry of MDT/NGO into village to give basic information on the project
- Consensus among communities and GP to participate in the project
- Signing of MOU between the GP and WMD on GP's intent to participate in the project as per the project rules and guidelines for participation and implementation (See Attachment F-1 for format).
- Social mobilization, including PRA, at village and GP levels; facilitation by MDT and NGO
- Use of communication tools such as print material, audio-visuals, folk performances to enhance awareness among the community
- Helped by MDT and NGO, community carry out participatory communication needs assessment (PCNA) to identify communication gaps and develop measure and process to address them
- Community receives detailed information on watershed management, concept of community-driven and process-led development, concept of ownership, and details of its contribution to the project
- Information on the project such as vision and objectives, rules, roles and responsibilities of each entity, process of participation and implementation
- Information sources such as posters and brochures
- Community receives copies of Environment and Social Management Framework (ESMF), the GP Financial Manual, the Community Procurement Manual, and the Project Implementation Manual from the NGO or MDT and these are explained to it in detail
- Community receives complete information on financial allocation for its GP and details of the allocation formula
- Detailed information on how community will prepare the Proposal and then the GPWDP; complete information on processes, rules and guidelines

4.3 *Selection and training of Accounts Assistant (AA) for the GP*

Who: Joint selection by GP & WMD; training by WMD

When: After sharing complete project-related information with GP and community

- Accounts Assistant needed to help WWC and individuals maintain proper accounts and records, and facilitate smooth transfer of funds.
- GP will be part of process to select AA.

- Basic criteria and qualifications for AA fixed by PSWMD.
- The GP develops a set of roles and responsibilities for the AA in consultation with the MDT and FNGO; this is in addition to the minimum set of roles and responsibilities assigned by the PSWMD.
- The MDT will develop a list of three qualified persons from the GP who are interested in working as the AA.
- The Gram Pradhan will finalize the candidate from this list to work as the AA.
- The PSWMD shall be responsible for providing adequate training to the selected candidate within four months.
- The AA will receive his/her honorarium directly from the GP.
- The Gram Panchayat may terminate the services of a particular AA if Gram Sabha passes a resolution to this effect. The PSWMD shall then make search for another AA at the earliest in consultation with the Gram Panchayat.

4.4 Formation of Van Panchayat

Who: Village Community
When: Before formation of RVC Proposal

- If the Revenue Village does not have a Van Panchayat (VP), then it may form its own VP to facilitate its undertaking of forestry activities under the project
- Assistance provided by FNGO and MDT in this regard to inform the community of the procedure for formation of a VP, election of office bearers, and registration of the VP with the appropriate authorities
- A minimum number of required resident adults from the Revenue Village have to file an application with the concerned Sub Divisional Magistrate (SDM) for delineation of VP boundaries.
- After delineation of VP boundaries, elections for the nine VP Members will be held in an open meeting. There should be at least four women members, one of whom should belong to an SC/ST. There should be an additional male SC/ST Member.
- The nine elected Members will elect a Van Sarpanch from one among themselves.
- The duly formed VP and the names of office holders will be notified by the concerned Sub Divisional Magistrate.
- For further details, see Uttaranchal Van Panchayat Rules 2001
- If a Van Panchayat exists, then it shall be the sole body responsible for implementing all plantation activities in the VP area under the project.

4.5 Formation of RVC

Who: WWC
When: After signing MOU with PSWMD

- The WWC along with the MDT will form a Revenue Village Committee (RVC) at revenue village level. RVC should have at least 7-11 members.
- The Ward member/ Pradhan of the concerned Revenue Village should be the Chairperson of the RVC. If there is more than one ward members in a Revenue Village the villagers on the basis of consensus in a general meeting shall nominate the Chairperson of the Revenue Village Committee. The other ward members would be the members of the committee.

- The rest of the members of the committee would be nominated in the general meeting of the Revenue Village.
- The committee should have at least 50% women membership. If there are more than one woman member then one woman member should be of Schedule Caste/ Schedule Tribe.
- At least one male member of the committee should be of Schedule Caste/ Schedule Tribe.
- In future if User Groups are constituted in the Revenue Village then a nominee of these groups should be a member of the Revenue Village Committee.
- There shall be a post of the Secretary in the Revenue Village Committee which would be reserved for a women member. The Secretary shall be selected by the members of the Revenue Village Committee or in the general meeting of the Revenue Village. If the Chairperson of the Revenue Village Committee is a woman then a male member can be nominated as the Secretary of the Revenue Village Committee. The bank account of the Revenue Village Committee shall be operated by the joint signatures of the Chairperson and Secretary.
- RVC will primarily be a consultative committee and which may also be used for implementation.
- The EC shall be the day-to-day operating and decision-making body of the RVC
- RVC will help in facilitating community's participation, identifying the priorities, planning and implementation in the project
- With the help of MDT and FNGO, community develops an understanding of its role and responsibility of the RVC vis-à-vis that of its GP and its Water & Watershed Committee (WWC)
- RVC, UGs and individuals will themselves, or by appointing a book keeper, and with the help of the AA, maintain their books of accounts and records for all monies received and expenditures they incur under the project.
- All implementers will also present the financial and physical progress to RVC members – their books of accounts and all records will be open for inspection at all times to the RVC members and the AA/MDT etc.

4.6 Selection and training of the Village Motivator

Who: Revenue Village community

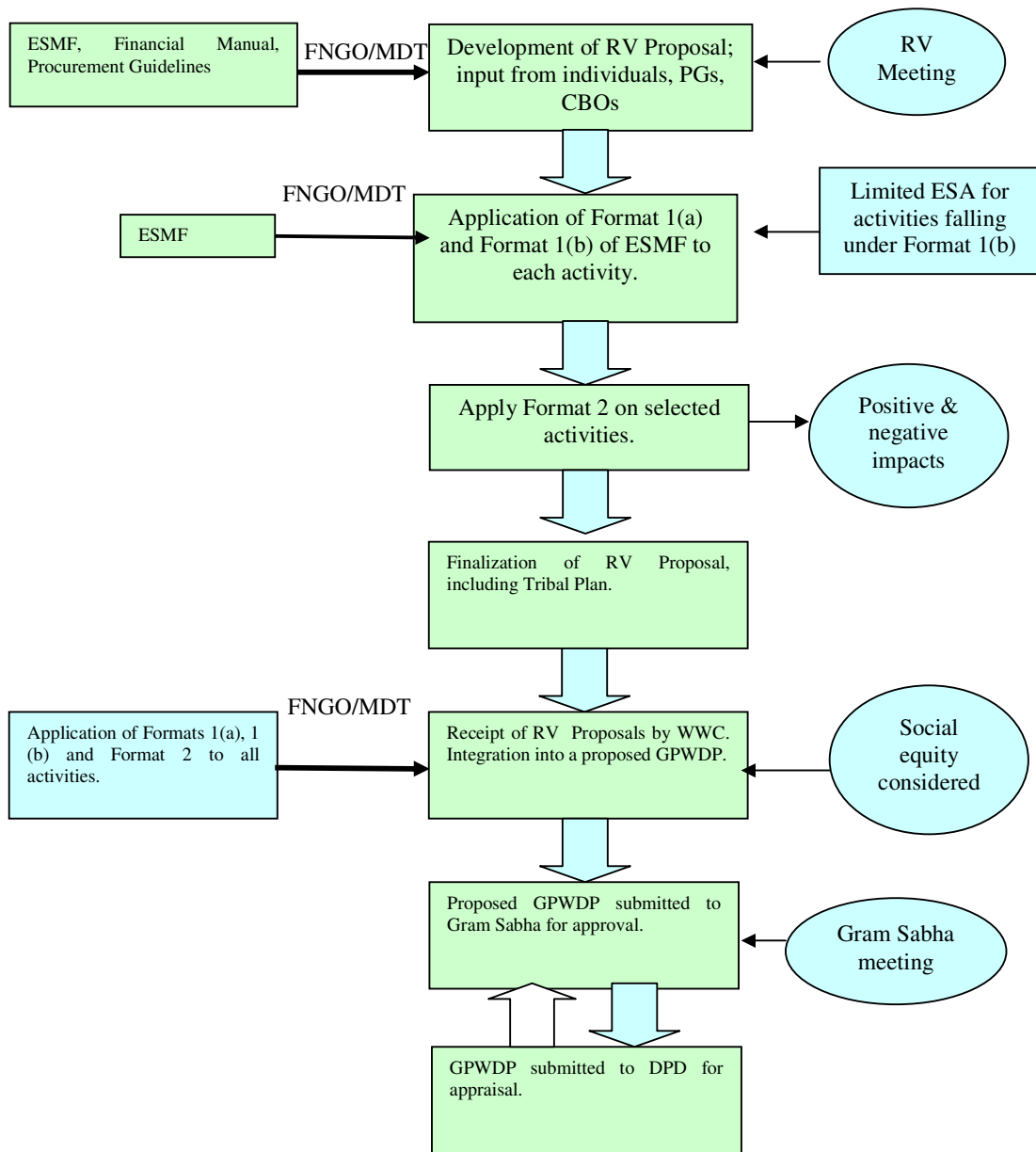
When: After village entry by project staff

- A woman shall be selected by the community as its Village Motivator (VM) for each Revenue Village in an open meeting
- Minimum qualification for VM is Intermediate. VM should have good communication and interpersonal skills, ability and willingness to undergo training and exposure visits provided by PSWMD, able to read and write, and can fill in monitoring formats. She should also display sensitivity towards and have full acceptance of disadvantaged groups such as women, SC/ST, poor, and transhumant.
- The community shall attempt to finalize the VM selection on a consensual basis
- The VM shall work to help inform and mobilize women members of the community.

Capacity Building Activities

- Sensitization and training of project staff (PSWMD) and GPs to facilitate the implementation of a community driven watershed project
- Comprehensive information, training and capacity building of individuals and CBOs in the village communities to participate effectively in the project
- Training of project staff, GPs on the rules and regulations of the project including ESMF and Financial and Procurement Guidelines
- Training of AA to provide services to the GP
- Training of VM to motivate and mobilize village communities

5. PLANNING FOR WATERSHED MANAGEMENT



5.1 Development of RVC Proposal

Who: EC of RVC

When: After receiving complete information and initial training on the project

- The RVC of the Revenue Village is responsible for developing its proposal under the project known as the RVC Proposal.
- Each villager of the Revenue Village shall get the opportunity to present his/her views on what activities should be included in the Proposal
- The RVC must be sure that it has received copies of and completely understood the Environment and Social Management Framework (ESMF), the GP Financial Manual, the Project Procurement Manual, and the Project Implementation Manual
- The Project Implementation Manual contains most information needed by RVC to plan and implement the project; however it may refer to other Manuals for detailed information
- The RVC must thoroughly understand the rules and processes of the project.

5.2 Application of ESMF to RVC Proposal

Who: EC of RVC

When: Upon selection of activities

- Format 1(a) of ESMF is applied to ensure that no activity on the negative list of the project is selected.
- Activities which clear Format 1(a) are subjected to Format 1(b). Those falling under Format 1(b) will need a limited ESA conducted by an outside agency. Only, then can they be selected for inclusion in the RVC Proposal.
- A set of activities, after application of Formats 1(a) & 1(b) is finalized which will comprise the RVC Proposal.
- The RVC receives a firm commitment from the beneficiaries to contribute in terms of time, material and/or money as per the project guidelines.
- The RVC asks the following questions with regard to its Proposal:
 - Does the Proposal meet the vision and objectives of the project?
 - Does it bring about social equity with regard to benefits being obtained by the village community?
 - Was it finalized on the basis of the voice and preferences of women, poor, SC/ST and tribal population?
 - Have the RVC planned for reducing negative impacts and incorporated mitigating measures to protect the environment?
- Attachment ES-1 (Format 2 of ESMF) is used and filled up to ensure compliance with ESMF of the project. Completed copy of Format 2 shall form part of the RVC Plan. Attachment ES-2 (Table 3 of ESMF) may be used for identifying mitigating measure for negative social and environmental impacts of an activity.
- Attention will also be paid to minimizing use of pesticides and use of pesticides only as per the Integrated Pest Management (IPM) Strategy for the project (*See Attachment IP-1*)
- RVC Proposal is finalized by combining all selected activities and submitted to the WWC.

**FORMAT 1 (a) – Criteria for exclusion of sub-projects/activity
Screening Guidelines on Environment and Social safeguards**

S. No.	Criteria
I	Forests / biodiversity
1	Activities likely to cause damage to wildlife, or likely to cause damage to a sanctuary by setting fire, injuring wildlife, or involving indiscriminate felling of trees or indiscriminate removal of plant, animal or mineral produce from a sanctuary
II	Dams
2	Activity that involves a dam (existing or new) of 10 meters high or more
III	Farming System
3	Agricultural activities that intend to use banned pesticides, agrochemicals in WHO classes IA, IB and II (refer Tables 5 & 6 for list of pesticides of ESMF)
4	Activities that involve manufacture or sale, stocking or exhibiting for sale or distribution of any insecticide, pesticide, medicine without a license
5	Activities that totally eliminate indigenous races of food crop
6	Activities that spread of Vector of diseases of livestock
IV	Land
7	Activities that can cause risk of floods and damage to downstream resources
8	No constructions related to common activities to be taken up on land owned by vulnerable groups.
9	Activity that have any adverse impact on the indigenous people/ vulnerable families in terms of displacement or their livelihoods being affected
10	Activity that introduce/promote child labour?
11	Activity that exclude the vulnerable from the benefits?
12	Activity that involve production, storage and consumption of tobacco, drugs, alcohol, etc.
13	Activity that cause damage to places of religious importance and historical monuments and cultural property.

FORMAT 1 (b) – Criteria for limited ESA of sub-projects/activity

S. No.	Criteria
1	Construction of water impounding structures/ earth work with a height of more than 5 metre and less than 10 metre.
2	Construction of roads, bridge, civil works etc. that may cause destabilization of lands.
3	Activity that limit the traditional/legal rights of indigenous people on common property resources.
4	Activity that involve on private land causes loss of livelihood.

5.3 Development of GPWDP

Who: WWC

When: After receipt of RVC Proposals

- The WWC receives RVC Proposals from all its Revenue Villages.
- The WWC shall integrate all the RVC Proposals and form a combined plan known as Gram Panchayat Watershed Development Plan (GPWDP). The MDT will facilitate in the structured presentation of the GPWDP so that it makes easy consolidation of data regarding the contents of the GPWDP at the level of DPD to ensure provision of budget as well as monitor the progress of the activities towards project objectives. an indicative list is given in Attachment F-10.s
- The GPWDP shall include an implementation plan over three years and withdrawal strategy during the fourth year.
- The WWC shall make sure that the GPWDP conforms to ESMF of the project and shall apply above-given Format 1(a), Format 1(b) & Attachment ES-1 (Format 2 of ESMF) to ensure the same. Completed copy of Format 2 shall form part of the GPWDP. The WWC may make any appropriate changes to ensure compliance with ESMF (Consult Attachment ES-2 for identification of mitigating measures for negative social and environmental impacts of an activity).
- Attention will also be paid to minimizing use of pesticides and use of pesticides only as per the Integrated Pest Management (IPM) Strategy for the project (*See Attachment IP-1*)
- Simultaneously, the WWC shall also make changes in the GPWDP to ensure that the proposed expenditure in its GPWDP does not exceed the financial ceiling set for the GP
- The GP will do year-wise phasing of the amount of Budget Envelop in its GPWDP to help the WMD to plan for provision of Funds in future years. These AWP's will be revisited in the last quarter of each financial year.
- The WWC shall submit the GPWDP to the Women Aam Sabha to incorporate proposals of women.
- The WWC shall submit the GPWDP to the Gram Sabha for discussion and approval.
- The WWC will submit the approved GPWDP to the concerned DPD for review and appraisal.
- **The DPD office will appraise the GPWDPs using the guidelines for appraisal** provided in the Project Operation Manual. After appraisal, the DPD will convey proposed modifications and options to the GP. The GP will be bound to accept the suggestions in respect with the negative list of subprojects in the Implementation Manual and / or compliance with the Environmental and Social guidelines in the ESMF made by DPD. Project will not finance any activity in negative lists in the Project.

POST-PROJECT MANAGEMENT

We must exercise caution to ensure that no activity is selected for which an effective post-project operations and maintenance plan has not been developed. We should be able to answer the following questions:

- Who will maintain the asset created and why?
- How will the maintenance costs be paid for? Has any mechanism for regular collection of funds been developed?
- Will we be able to continue selling my produce at good prices once the project comes to an end? If required, which institutions/organizations will support us then?
- Where do we go when we need further technical assistance and/or funds?

Capacity Building Activities

- Training on development of viable proposals and application of ESMF to suggested activities

6. Food Security Enhancement Support & Livelihood up-scaling support

The project will engage NGOs as: Divisional Support Agency (DSA), one for each district or cluster of MWS. The DSA will facilitate and implement sub components B (Food Security Enhancement Support) and C (Livelihood Up-scaling Support). Specific tasks include formation and support of PG, VPG and LC, dissemination of improved agricultural technologies, development of sub-sector value chains and overall technical support.

6.1 Food Security Enhancement Support

(i) Rainfed Agriculture & Agribusiness Systems Improvement

Producer Groups (PG) would be formed to introduce, promote and disseminate improved technologies and farming practices. Each PG will draw up a Food Security Improvement Plans (FSIP) and will receive project support in form of inputs like seeds, fertilizer, insecticides, seedlings, poly houses etc of value Rs 96,000 for its implementation, each PG contribute for FISP minimum Rs24, 000 in form of farmyard manure, irrigation, labour etc. PGs will be formed, with an average of 10 members each (at least 50% being women). Training and demonstrations on new technologies may also be provided. Linkages may be made to research agencies and other technology providers.

(ii) Value addition and marketing support

Under this sub-component, the project will: (i) identify the market potential for the agricultural produce; (ii) develop collection centres and good storage facilities; (iii) create centres for value addition of the raw produce; and (iv) identify market linkages, develop market information and logistic services. The private sector (NGOs and private firms) will be encouraged to play a major role in supporting agribusiness development.

To up-scale production, develop markets for high value crops, and to leverage producers' access to production and marketing services, the project would support farmers to organise their PG and VPG into Livelihood Collectives. The project would appoint specialised NGOs as Divisional Support Agencies (DSA) to provide technical and agribusiness support. The project would provide input support. For financial support, PG/LC would be linked with banks and other financial institutions.

6.2 Livelihood up-scaling support

(i) Promotion of income generation activities (IGAs) and support to VPGs

Vulnerable Producer Groups (VPG) will be formed comprising of scheduled castes, landless and very poor households. VPGs will be formed, each with an average of four members. VPGs will be self managed institutions of the poor, and will be federated at the village and block level. These VPGs will be given sustained capacity building, orientation and training to encourage their entrepreneurial development. Each VPG will draw up a Livelihood Improvement Plan (LIP) which, after approval by the Gram Panchayat, will be implemented with funding, through GP, from the project. Support for each VPG be up to Rs80, 000 of which 10% would come from VPG members.

(ii) Support to livelihood collectives for up-scaling IGA activities

LCs are a group of PGs and VPGs (between 60 and 90 PGs) which come together with a common enterprise and to facilitate backward and forward linkages for input supply and output marketing, and for access to information, credit, technology, markets etc. LCs will engage in co-production (particularly value-addition activities) and delivery of livelihood services to their group members. A total of 70 LCs will be formed with project support to each LC being an average of Rs400,000, with another Rs100,000 being contributed from the LCs own resources. Individual and collective enterprises may be supported by bank loans and investment funds from the Livelihood Finance component.

6.3 IMPLEMENTATION ARRANGEMENTS

- 1. Community Mobilization:** The MDT of the Project will be responsible for PG/VPG mobilization at the village level. It is expected that a MDT will be responsible for about 25-30 PGs.
- 2. Initial survey:** The first step in project mobilization will be for the MDT to carry out a survey of their working areas. This survey, using informal and participatory methods, would identify local land use, cropping systems, sources of livelihood and natural resources. For each village, a participatory wealth ranking would be carried out. This would identify wealth/poverty groups, and members of SC and ST in each group.
- 3. Group formation:** The MDT will form PGs comprising about on an average 10 Household with similar interest to undertake a particular livelihood activity or activities at the village level. Most of these groups are expected to be affinity groups comprising those living within the same habitation. It is expected that most of the PGs will comprise members having cultivable land as most of the activities in the hills of Uttarakhand remain land based. This apart, unless special efforts are made to involve the women, it is likely that the men take charge of the project activities. In order to ensure women participation in the project activities, the project will stipulate that a minimum

of 50% members of the PGs will be women. In order to proactively involve poorest households, the project will also mobilize VPGs comprising poorest households with households with limited or no access to cultivable land. Most households belonging to SC, ST and Backward Classes fall within this category.

4. To assist with the process of group formation, it may be helpful for MDT staff to carry out a series of awareness raising and information workshops for communities, at which the objectives and scope of the project are explained and possible options for livelihood development are explained. The processes involved in group formation and support would be described, as would the interface between these groups and micro-finance based SHGs.
5. The PGs/VPGs will be federated at the cluster level to form Livelihood Collectives (LCs). LCs will be formed at the cluster level taking into account ease of access and possibility of up scaling agricultural activities to achieve required economies of scale for establishing market linkages. Members of PGs/VPGs will be the members of LCs. The project will support the setting up an office for each LC and provide trained staff.
6. The project will aim to build capacity of the PGs/VPGs to make an informed choice of livelihood activities with potential for scaling up, prepare plans and implement schemes with support from formal financial institutions, government programmes and contribution from the members. The main thrust of the project is to move away from prescriptive activity led implementation approach to a decentralized planning approach at the PG/VPG level. The MDT will facilitate each PG to prepare a Food Security Improvement Plan. In addition, each Livelihood Collective will be facilitated to prepare an Agribusiness Up scaling Plan. Normally the government schemes and projects tend to work in isolation without taking into account the resources available from other sources such as the government line departments, financial institutions and beneficiaries their own sources. In addition, resources are generally used for the benefit of a few members of the community without emphasis on cost recovery and recycling the resources to all the members of the groups. These weaknesses in community plan preparation will be addressed.
7. **PG/VPG Structure and Functions:** The PGs/VPGs will elect a Chairperson and a Secretary cum Treasurer. These persons will be responsible for: (i) identifying beneficiaries to get support from Food Security Improvement Plan in consultation with the group; (ii) establishment of cost recovery norms; (iii) interacting with the MDT and other agencies to mobilize support for preparation and implementation of Food Security Improvement Plan; (iv) procuring and supplying inputs required for implementation of Food Security Improvement Plan; (v) keeping an account of support provided under Food Security Improvement Plan (FSIP) to each household; and (vi) recovering support provided to households and developing plans for reuse of the same. In order to ensure continuity, the Chairperson will retire every year and the Secretary will take over as the Chairperson for the next year. A new Secretary cum Treasurer will be elected every year. PG/VPG members will undertake

individual/household level activities and group/joint activity will not be promoted. However, working in group will offer enormous potential to jointly share the responsibilities such as watch and ward of the farm, land aggregation to make best use of the available irrigation potential, aggregation of inputs required by the group to reduce transaction costs and also bulk buying discounts, production aggregation to have a market lot of interest to marketing intermediaries, etc.

8. The MDT may continue to work with existing, if any, SHGs as PGs/VPGs. However if members of one SHG wish to take up different livelihood opportunities it will be better to form them into new Producer Groups each focusing on a different livelihood.

- 9. LC Structure and Functions:** The General Assembly of the LC will comprise of all the members of the PGs/VPGs. LCs will be able to register under the Self Reliant Cooperative Legal Framework. This legal framework does not allow the PGs/VPGs to be the members. It requires individual members of PGs/VPGs to be the members of LCs. However, the PGs/VPGs in each of the Gram Panchayat will elect two members (one female and one male member) to Governing Council of the LC. The Governing Council will thereafter elect a Chairperson, a Secretary, a Treasurer and a management committee comprising three members. Of these, the positions of Secretary, Treasurer and two members of the management committee will be reserved for women.
- 10. The functions of LCs include:** (i) identifying activities with potential for expansion, analyze the constraints for input supply, production technology service and marketing and make a sub-plan for implementing activities for expansion with support from Project/DSA; (ii) identifying infrastructure needs of the community from low cost water harvesting and soil conservation perspective and prepare cost estimates and a sub-plan for implementation; (iii) combine these two sub-plans and prepare an Agribusiness Up-scaling Plan for the LC; (iv) seeking support from government agencies and banks to obtain resources (financial and in-kind) for implementing these plans; (v) procuring and supplying inputs and technology packages and establishing market linkages for implementation of the production sub-plan; (vi) procuring and supplying inputs for implementing infrastructure sub-plan; (vii) monitoring and quality control during implementation of Agribusiness Up-scaling Plan (AUP); (viii) Managing the book keeping and accounting related functions of LCs; and (ix) introducing cost recovery system such as recovering resources provided to households and introducing user charges.
- 11.** Activities of LCs will be mostly confined to facilitation for input, production and output marketing functions in the form of aggregation, reducing transaction costs and reducing layers of market intermediaries to get better farm gate prices. Production or enterprise related activities will not be promoted under collective ownership modality. Most of these activities will have to be in private domain. In case collectively owned enterprise will have to be promoted, the management of the enterprise will have to be handed over to a person or a small group of persons. In such cases, the Collective will have to charge a fee equivalent to expected return on investment to be collected at agreed intervals.

6.4 Food Security Improvement Plan (FSIP)

FSIP focus will be on food security enhancement related activities. They include: (i) supply and production of quality seeds (cereals, vegetables and pulses); (ii) soil fertility improvement; (iii) other on-farm activities such as vegetable cultivation; (iv) off-farm sectors such as poultry and goat rearing. The plans of VPGs will include mostly non-farm activities (small ruminant and poultry and drudgery reduction activities). The menu of options for implementing FSIP is provided in working paper 6 .

FSIP Preparation: Each PG/VPG will be facilitated by the Project to prepare FSIP. Situational analysis will be the first step in FSIP preparation. This will be to ascertain the current status of livelihood activities being undertaken by the PG/VPG members. This situational analysis is expected to lead to interventions required for enhancing food security and to assess the investment required to implement these activities. Envisioning the expected results as a goal for achievement will be part of FSIP preparation. This will be to compare the expected results with that of achievement. Subsequently, the Project will have to facilitate a meeting of the representatives of PGs/VPGs with the government departments and banks to ascertain participation of these organizations both in terms of financing as well as supply of inputs and services to implement FSIP. Based on the commitments from various interested organizations, the PGs/VPGs will have to prioritize their plans and adjust activities proposed to suit available funding. The participating PGs are required to leverage funding available from the project. This can be achieved through mobilization of own resources, bank finance or through support from government departments. The leveraging requirements for the PGs will be a minimum of 20% of the project funding. However, there will not be any leveraging requirements for the VPGs. **(Format for FSIP given in Attachment F-11)**

FSIP Implementation and Backstopping: Implementation of FSIP will be the responsibility of the PGs/VPGs. This will include all aspects related to fund management, input purchase, documentation of expenditure and activity implementation. In remote areas it may be difficult for PGs to procure seeds, pesticides etc. In that case the project may supply inputs to the PGs & VPGs. The Partner DSAs will provide required backstopping for implementation including provision of required training and technology packages. DSAs will also monitor the proper utilization of inputs and project funds provided to the PGs/VPGs.

Achievement Review and Next Plan Preparation: The PG and VPG members will have to internalize the process of achievement review against the original goal in order to enable the members to understand deviations from the original goal and reasons thereof. This will provide valuable inputs into preparation of the next FSIP.

FSIP for the Next Season and Reuse of Funds: PGs/VPGs are required to recover the project inputs from the benefiting members of the households and use them for preparation of a plan benefiting remaining members of the groups. FSIP preparation for the next season will follow the same process.

6.5 Agribusiness Up-scaling Plan (AUP)

The responsibility of preparing AUP rests with the LCs. The first step in AUP preparation will be facilitation of LCs to identify the activities both off-farm and on-farm that hold potential for up scaling by Partner NGOs. This will be based on a value chain analysis of the selected commodity/crop to assess the input supply, production services and output marketing related constraints and opportunities. Off-season vegetables, potato, vegetable seeds, potato seeds are some of the agriculture sub-sectors that offer potential for up scaling in the hills of Uttarakhand. In addition, spices and fruit/nut trees also offer potential for up scaling.

The most important constraints are inadequate volume of production and resultant inability to establish market linkages with wholesalers. This can only be addressed first by establishing contacts with the wholesalers to identify crops and volumes required for making a market lot and finalising an arrangement with the wholesalers for purchase of produce. Potential options for AUP are given in detail in working paper 6.

6.6 Guidelines for Utilization of Vulnerable Group Fund

ILSP project places special emphasis on the socio-economic upliftment of the poorest, marginalized and vulnerable sections (viz. vulnerable groups) of the community and equity in benefit distribution in the project area. A Vulnerable Group Fund (VGF) under the sub –component Income Generating Activities for Vulnerable Group has been provided for the vulnerable groups. In the project, the ‘C’ - category households as identified by wealth ranking exercise carried out as part of participatory planning for preparation of Gram Panchayat Watershed Development Plans are identified as members of vulnerable group. These ‘C’ category / vulnerable group households are generally characterized by following features:

- Landless
- Kuchha House
- Reduced Livelihood opportunities
- Less Number / absence of livestock
- Living under debt
- Socially Vulnerable

Objective of Vulnerable Group Fund:

The objective of vulnerable group fund is to enhance social equity in villages through the project and further assist those who either get left out or receive very little benefit from watershed development activities. Through the VG fund, funding support/ working capital assistance is provided to vulnerable group members for taking up income generation activities for their income enhancement.

Guidelines to be followed for funding IGA from VG fund:

- Only 'C' category household as identified through PRA are targeted as vulnerable group for the purpose of funding support from vulnerable group fund.

- ‘C’ category household are organized into groups (VPG Groups) for the purpose of joint income generation activity.
- If the identified vulnerable group members cannot be organized in to VPG group either due to terrain or social constraints, then individual VPG members are considered for financial assistance from VG Fund.
- Technical facilitation in the identification and preparation of IGA proposals is provided by the MDT.
- Capacity building for the development of income generation skills is being carried out.
- The IGA proposals are screened through ESMF and subsequently submitted to the Gram Panchayat for approval.
- Once the IGA plan is approved is financed by the project on a one time grant basis.

Fund Flow arrangements:

Following fund flow arrangement proposed:-

- The vulnerable group fund is placed with the Gram Panchayat.
- Funding/ working capital assistance is provided on a one time grant basis for financing the IGA of Vulnerable Producer Groups (VPG) to promote the project’s objective of equity.
- Level of grant support for working capital assistance is provided by project in the following manner:

S. No	Type of IGA	Level of grant provided by project
1.	Individual IGA	Up to Rs.18,000.00 (90% of the total costs)
2.	Joint IGA	Up to Rs.72,000.00 (90% of the total costs)

- Funding /provision of working capital assistance for IGA from VG fund is given only after application of ESMF and subsequent approval of IGA plans.

- For approved IGA plans, the funds are transferred from Deputy Project Director (DPDs) to the Gram Panchayat account as grant.
- Subsequently funds from GP account are transferred to the VPG for individual/ joint IGA as a onetime grant.

The following directions need to be followed for the Utilization of Vulnerable Group Fund:

1. For the Joint Income Generating Activity a Group should have at least 4 members.
2. It is expected that taking in view various technical considerations regarding various activities at Individuals and Group level a model may be prepared at the division level. At the Project Director Level it is expected that the utility of the various models proposed may be verified. Thereafter, the Project Director may forward the suitable model to the Directorate so that the Directorate can issue site specific directions keeping in view the social & geographical aspects.

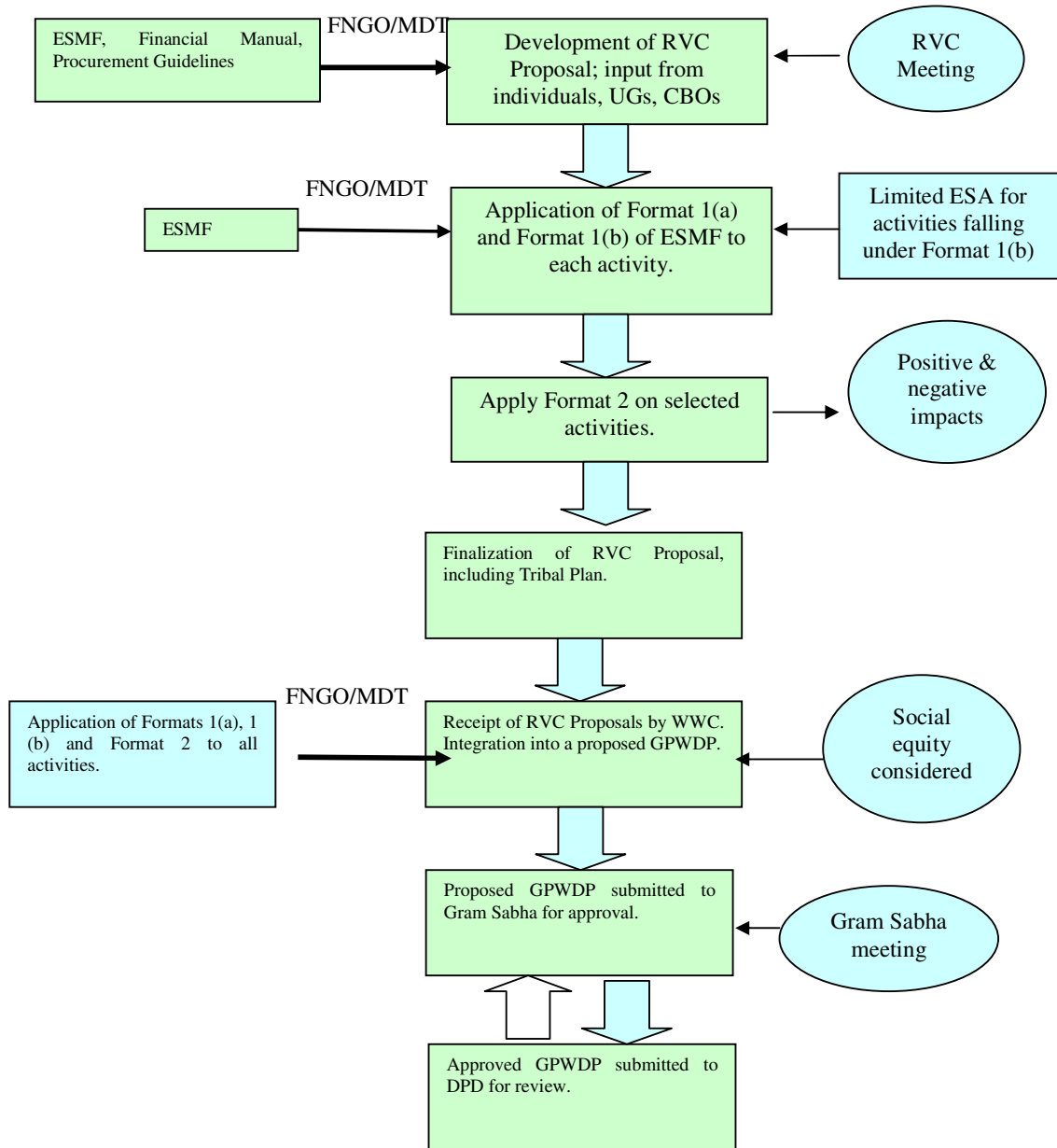
An indicative list of possible Activities which can be taken up as individual/ joint IGA is given in Annexure-

INDICATIVE LIST OF IGA

1. Vegetable Production
2. Fruit Preservation
3. Herbs Production
4. Fibre Handicraft
5. Floriculture
6. Livestock Production (backyard poultry, goat/sheep units)
7. Mushroom Cultivation
8. Forest/ Horticulture Nurseries
9. Farming of Medicinal Plants
10. Tools for Artisan activities
11. Seri cultural
12. Vermi cultural
13. Stitching
14. Vegetable production with a joint water tank
15. Dairy unit (jointly owned/individually operated processing plant)
16. Tailoring with shared/ individual sewing machine
17. Individually/jointly owned shop or stall
18. Marriage Band
19. Food processing plant
20. Fisheries
21. Stove/ Catering unit
22. Pickle making
23. Plate/rope making (jointly owned plant)

24. Tent House
25. Carpet making
26. Bakery
27. Soya been
28. Bee keeping

7. REVIEW AND APPRAISAL OF GP-WDP



7.1 Review and appraisal of GPWDP

Who: DPD

When: After receiving proposed GPWDP from WWC

- Receipt of the proposed GPWDP by DPD
- Appraisal of the GPWDP by DPD as per Table 4 of ESMF (See Attachment ES-3)

- If any shortcoming is found or if the GPWDP proposes to spend beyond the financial ceiling set for the GP, then DPD will send it back to the WWC with written observations and recommendations.
- The WWC shall consider these observations and recommendations and may make appropriate changes in its GPWDP and if need be may again go to Gram Sabha for approval
- The final GPWDP shall be resubmitted to DPD for further implementation..

7.2 Payment to GP

Who: DPD

When: After approval of final GPWDP by Gram Panchayat & submission of AWP

- After approval of GPWDP by the Gram Sabha, the WWC shall prepare a detailed Annual Work Plan (AWP) for the first year. (See Attachment F-2 for format) This will contain details of activities to be funded and implemented, who shall implement them and when, who shall benefit from them, details of beneficiary contribution, and the cost to be incurred for each activity.
- Signing of 2nd MOU between GP and WMD on implementing the AWP (See Attachment F-3 for format)
- ‘On-account payment’ amounting to 10% of the approved AWP amount will be transferred to GP’s account by the DPD. Subsequent payments will be made as per the provisions outlined in Chapter 8 (Implementation and Financial Management)
- The GP will need to maintain and submit books of accounts and other documents while claiming reimbursement. (See Sections 8.2, 8.3 & 8.6 of Chapter 8: *Implementation and Financial Management*). For details, refer to the GP Financial Manual.

7.3 Process of 2nd and 3rd year AWP

Who: WWC

When: After successfully implementing 1st year’s AWP

- The WWC shall make a detailed AWP for the second year upon near completion of activities listed out in the first year’s AWP.
- This AWP will be submitted to the DPD for information, MOU signed for its implementation, and transfer of due funds to the GP Account.
- Same process will be followed for AWP for the third year.

8. IMPLEMENTATION & FINANCIAL MANAGEMENT

8.1 GP Fund

The Funds made available to GPs by the Watershed Management Directorate will be of two kinds.

- Project Implementation Fund
- Vulnerable Group Fund.

Project Implementation Fund:

The GPs will get funds, for implementation, from the project through their DPDs and will also have to collect the beneficiary contributions as agreed to with WMD.

GP Fund will be the grant transferred to the GP for the implementation of Project activities. As such major amounts received by the GP will be under this head. This fund will be used only for the activities proposed in the Project. The amount will be received in a separate Bank Account i.e. '*Watershed Development Project Account*' which will be operated by Gram Pradhan and one Female Ward Member jointly in case the Gram Pradhan is woman then the other ward member, for the purpose, will be selected by Gram Sabha. The fund also contains an amount of Rs. 50000, received annually by each GP, towards administrative overheads and payment of honorarium to its AA.

Nearly 40% of the watershed treatment fund has been set aside with the concerned DPD for treatment of inter-GP spaces within the MWS that get left out of the GPWDPs and for site specific sub plans within GPs which need more funds. The purpose of this fund is primarily to ensure that holistic treatment of the complete MWS takes place in a manner that complements the efforts of the GPWDPs. However, this does not mean that the GPs will use the earlier fund to treat inter-GP spaces; in fact, they will be encourage to do so keeping in mind that only complete treatment of an MWS will give long-lasting benefits to the community. The MDT will develop a plan in consultation with the concerned GPs and Van Panchayats to utilize this fund. The plan will be submitted to DPD for approval. The implementation of the project in inter-GP areas will be done by respective GPs and/or VPs. If the GPs or VPs refuse to implement for any reason, such activities will not be carried out until an agreement is reached with the concerned GPs.

Vulnerable Group Fund

This fund relates to the amounts sent to the Gram Panchayat for the purpose providing Assistance to villagers through Vulnerable Group. The amounts will be received in the Watershed Development Project Account and will be simultaneously disbursed to various pre-identified vulnerable groups.

8.2 *Flow of Funds to the GP*

Initial On-Account Payment: On-Account payment to the extent of 10% of the Annual Work Plan shall be given at the beginning of the Project to the GP. It will be however adjusted on the completion of the GPWDP cycle.

Reimbursement of Cost of Works: During Implementation of the Project, reimbursement of expenditure on works shall be made on submission of monthly financial statements. All expenditures made as per the agreed work plan and GWDP, incurred during the month will be reimbursed by the DPD. In the event that the money is completely spent before the end of the month, the GP can submit the financial statements before the end of the month and receive the reimbursement.

Summary of documents to be submitted to DPD by GP while claiming reimbursement

S.No	Time of Claiming Reimbursement	Documents to be submitted
1.	At the end of Month	1. Report R-1 and R-2 2. Perforated copy of the Project Cash Book.
2.	During the Month	1. Photocopy of Perforated copy of the Project Cash Book from the date of last reimbursement till the date of reimbursement.

8.3 Estimates and Technical Sanction

Who: WWC and WMD

When: Before initiating any activity

- After preparation of detailed AWP and receipt of the initial On Account payment from the DPD the estimate for each activity to be initiated will be prepared by the WWC with the help of the Technical Representative of the MDT in the format given vide Attachment F-4 (Annexure 5.01 of the GP Financial Manual).
- Technical member of the MDT will carry out the following functions in preparation of detailed cost estimate of activities earmarked to be undertaken in a village:
 - The Technical Representative of MDT, along with a WWC member shall take up survey of a particular work for preparing the estimates. For Departmental works, Respective Unit officer shall give technical approval. The design and the estimates need be discussed with the concerned members and finalized.
- Technical member of the MDT will carry out the following functions in preparation of detailed cost estimate of activities earmarked to be undertaken in a village:
 - Sanction of the Activity: A technical sanction will have to be obtained for each estimate prepared by the GP before initiating any activity. The format of Technical Sanction is given vide Attachment F-5 (Annexure 5.02 of the GP Financial Manual).
 - The competent authority to accord technical sanction for watershed works are simplified as detailed in the table given below.

Sanctioning Limit	Sanctioning Authority
Upto Rs 10,000	Should be passed in the meeting of WWC. No sanction from WMD is required. Copy of each sanction will be sent to DPD for information.
Above Rs. 10,000	Sanction from WMD is required and that will be as per the existing WMD norms. The estimates prepared will be submitted to the MDT by WWC for according sanction from the WMD.

- **Once sanction is granted, a ‘technical sanction number.’ shall be allotted for each activity.**
- **An Integrated Activity register (Form F-3 of the GP Financial Manual) shall be maintained by the accounts Assistant at each GP. The format of the**

register is explained in the Chapter of ‘Accounting system including Internal Control’ in the GP Financial Manual.

- **There will be no splitting of work/activity for the purpose of bypassing sanctioning requirement from PSWMD for activities above Rs. 10000.**

8.4 *Implementation Agency for Work*

- The WWC will have the right to appoint anyone of the following Implementers for the implementation of the work:
 - The **Gram Panchayat**
 - The **Individual Farmer** (Beneficiary) for the work to be executed on his individual land. (**Individual** will work as a contractor, in the case.)
 - **RVC/VP /PGs/VPGs/User Group** may be engaged for the activities to be implemented on common/ community/ village assets or on individual land or asset, should the beneficiary have no objection to this arrangement.
 - The First Right of implementation of each work under the project rests with village-level entities such as the User Group, PGs/VPGs or the Van Panchayat, individual farmer or RVC. If these options are not available then the GP itself may decide to execute the works. If all the above options do not work out only then the works will be awarded to independent contractors, However the WWC will have to obtain in writing their inability to undertake the project activities before awarding the contract for the said work to an independent contractor.
 - In case of special technical requirements for which the above mentioned village level institutions do not possess adequate capacities, then the WWC may outsource a **contractor** having past experience in specialized technical works. Such a Contractor will be appointed only after the Beneficiaries have deposited the full amount of their share of the cost of the said activity in advance with the Gram Panchayat.

8.5 *Sub-Project Agreement between GP and Implementer*

If the GP does not undertake to execute the work on its own, then for each activity a Sub-Project Agreement (SPA) shall be signed between the GP and the Implementer through WWC. The design and cost estimates prepared with the assistance of MDT Representative shall form part of the SPA. A Draft sample of the SPA is enclosed vide Attachment F-5. The major areas covered in the SPA will be as follows:

- Objectives
- Sub Contracting
- Implementation of Works
- Procurement of Material
- Responsibility of Damages
- Time Limit
- Schedule of Payment
- Duties and Responsibilities of the WWC

- Duties and responsibilities of the Implementer
- Settlement of Disputes
- Ownership and responsibility of maintenance post completion of works.

8.6 *Implementing the Work*

- Technical representative of the MDT will provide guidance to the Implementer and will monitor the work to ensure that the work is completed in time and as per the estimates and the designs prepared.
- Work must be completed in the sequenced manner as approved by the Gram Sabha.
- Technical Representative of the MDT team shall verify the progress of works at different stages and record in a Measurement Book (MB) after verification. The MBs however shall be kept in safe custody of the Accounts Assistant at each GP. The format of the MB, as prescribed by the State Financial Rules vide form nos. 16 and 17, should be followed.

8.7 *Basis of Payment / Reimbursement*

- If the GP undertakes to implement the work on its own then the GP cannot spend more than the amount sanctioned, net of beneficiary contribution.
- In case the work is implemented by an Implementer other than GP, the total payment made shall not exceed the estimated unit cost (net of Beneficiary Contribution) as approved and adjusted proportionately for actual measurements.
- If there is any change in design with respect to original estimation, revised sanction should be sought in this regard.
- The above amounts will also be eligible for reimbursement to GP by DPD.

8.8 *Authorization*

- The bill received will have to be routed through the Accounts Assistant who, before making any payments, shall cross check with the Integrated Activity Register to verify the quantum of earlier payments made before getting it approved by the WWC.
- All payments shall be authorized by the WWC, which shall meet for the purpose at least once a week.

8.9 *Stages of payment*

- Bills for the work implemented by GP itself will be paid as soon as it is authorized by the WWC.
- The payment to the Implementer (Individual/VP/UG/PG/VPG/RVC) will be on the basis of running bills and subsequently on final bill supported by the Completion Certificate.

(A) In the case of running bills

Documents to be submitted:

If the amount claimed is against the activity not yet completed the Implementer will submit the 'Running Bill cum work done certificate' after getting it attested by:

3. The Member of EC of RVC,
4. Technical Representative of MDT

The format of 'Running Bill cum Work Done Certificate' is given in Attachment F-6.

Quantum of Payment:

The total payment made should not exceed 80% of the total amount of the work done as detailed in the 'Running bill cum Work done Certificate'.

(B) In case of bill for completed activity

Documents to be submitted:

If the amount claimed is against activity completed, the Implementer will submit the 'Final bill cum Completion Certificate'.

The 'Final bill cum Completion Certificate' shall be prepared by the Implementer i.e. concerned beneficiary, in case of the work done on private land or one of beneficiaries in case of work done on common land and shall be attested by:

3. The Member of EC of RVC
4. Technical Representative of MDT

The Format of 'Final bill cum Completion Certificate' is given in Attachment F-7.

Quantum of Payment:

On completion of an activity the total payment made to the Implementer shall be equal to the estimates of work prepared adjusted proportionately for actual measurement as per Measurement Book, net of Beneficiary contribution. If there is any change in the design with respect to the original estimation, revised sanction should be sought in this regard.

Note: *However, an 'OK card' will be used for activities where Measurement Book is not prepared.*

8.10 Preparation of Bill

Bills shall be prepared by an Implementer on basis of actual progress and as per the specified sanctions. In case of an individual farmer, VP, UG and PG/VPGs, the Accounts Assistant shall assist in preparation of the bill.

Number of copies of bills:

'Running bills cum Certificate of Work' as well as other bills shall be prepared in Duplicate. One copy of the bill shall be submitted to GP and Implementer for his record shall retain other.

Similarly three copies of the 'Final Bill cum Completion Certificate' should be prepared. One copy shall be retained by GP and the other copy forwarded to the Unit officer for his record, along with Perforated copy of the Project Cash Book. The Implementer for his record shall keep the last copy.

8.11 Payment by Crossed Cheques

All payments shall be made to the Implementer preferably by the crossed / bearer cheques. However, no payment exceeding Rs. 2000 shall be made in cash. In exceptional cases, this limit can be exceeded upto Rs. 5000, where public witness will be required before making payment.

8.12 Advances

No advance payments shall be made to the Implementers. Following Table summarizes the fund flow from GP to Implementer.

Particulars		Types of Implementers		
		Individual Farmer	VP/PG/ UG/ VPGs Outside contractor	Gram Panchayat
Basis of Work		On contract Basis	On contract Basis	On actual basis
Payment Timing		On the Basis Of running bill and / or Completion Bill	On the Basis Of running bill and / or Completion Bill	On presentation of bills for Material/ Labour etc
Basis of Reimbursement from DPD to GP		On the basis of Estimated Unit Cost. (Net of beneficiary)	On the basis of Estimated Unit Cost. (Net of beneficiary)	On actual cost to the extent of amount sanctioned, net of Beneficiary Contribution.
Certification of Running Bill / Completion Bill		To be prepared by Implementer and certified by Representative of RVC and MDT,		
Flow of Funds	Advance	Nil	Nil	Nil
	Against Running Bill cum Work done Certificate	80% of the amount certified as per the bill	80% of the amount certified as per the bill	On actual basis, upto the amount sanctioned, net of Beneficiary Contribution
	Against Final Bill cum Completion Certificate	Full payment as sanctioned, net of Beneficiary Contribution	Full payment as sanctioned, net of Beneficiary Contribution	

Capacity Building Activities

- Comprehensive training of AAs and Panchayat Secretaries on Financial Guidelines and reporting mechanisms in the project
- Guidance and training to WWC, RVCs and individuals on aspects such as bill making, reporting mechanisms, realization of payments, etc.

9. PROCUREMENT GUIDELINES

9.1 Constitution of the Procurement Sub-Committee

For the supervision and execution of the procurement process and to assist the WC, each GP shall constitute a Procurement Sub-Committee (PC). The PC would function under the instructions of the WWC. The membership of the PC would be as under:

- **Members from GP**

The Gram Pradhan and one ward member of the GP, being a member of the WWC, selected from amongst themselves in a meeting; and

- **Members from Community**

One member from each Revenue Village selected by the Gram Sabha in its meeting, with minimum three members having at least one women representative and one SC/ST/BC representative.

- The Gram Pradhan shall be the Chairperson of the PC.

<p>Attachment P-1: Model Resolution for selection of PC members by the GP Attachment P-2: Model Resolution for selection of PC members by the Gram Sabha</p>
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The membership would be on a rotational basis and would be reconstituted every year as per the procedure above. The quorum of the PC would be minimum three members with at least one member each of the GP and the community. All decisions would be by simple majority of the members present and voting.

The Village Level Project Staff would be the Secretary of the PC. Some of the functions of the Secretary vis-à-vis procurement would be:

- Issue of receipts for sale of tender documents
- Receiving of tenders
- Providing information to the prospective bidders
- Maintaining records regarding the activities of the PC

Delegation of Powers for Procurement

The power for approving the procurement of goods, works & services are vested in the following authorities:

- Single procurement up to Rs. 5,000 should be made with the approval of the WWC
- Single procurement above Rs. 5,000 would require the approval of the GP, subject to the recommendation of the WWC

9.2 Priority for Implementation of Works

The First Right of implementation of each work under the project rests with village-level entities such as the individual farmer, **PGs**, **VPGs**, User Group, **RVC** or the Van Panchayat. If

they do not agree to implement any work, the WWC will have to obtain their refusal in writing before awarding the contract for the said work to an independent contractor.

9.3 Procurement Plans

(i) Each GP would prepare a Master Procurement Plan, within the overall Master Plan, which would form part of the Memorandum of Understanding/AWP. A detailed Annual Procurement Plan shall also be prepared, sub-divided into quarterly plans, corresponding with the AWP. The Procurement Plans so prepared would be approved along with the AWP.

(ii) The PC, in consultation with the WWC, shall draft the Procurements Plans. The Master Procurement Plan shall summarize the procurements emanating from the activities defined in the Master Plan. The Annual Procurement Plans shall detail the goods, works or services to be procured, the quarterly procurement schedule and proposed procurement methods for each of the activity defined in the Annual Work Plan.

(iii) The goods, works or services, which could not be procured in the planned quarter, should be included in the procurement plan of the succeeding quarter stating therein the reasons thereof. In the eventuality, the procurement gets postponed to the next year; the same shall be included in the Annual Procurement Plan for that year and approval obtained along with the AWP.

Attachment P-3: Model format for Master Procurement Plan for Goods
Attachment P-4: Model format for Master Procurement Plan for Works & Services
Attachment P-5: Model format for Annual Procurement Plan for Goods
Attachment P-6: Model format for Annual Procurement Plan for Works & Services

Linkages with Project Authorities

- Master Procurement Plan, as approved by the Gram Sabha, shall be submitted to the DPD for its approval.
- Annual Procurement Plan, as approved by the Gram Sabha, shall be submitted to the DPD for its approval.
- Technical sanction to be obtained before initiation of any activity. In case of variation i.e. the actual price exceeds the technical sanction limit; approval would be obtained as per existing WMD norms.
- The DPD would prepare a Yellow Page Directory containing the database of suppliers and the items dealt with by them. It is expected that the GPs would make use of this Directory during procurements.
- In case of tendering, the tender documents should be approved (prior to review) by the DPD.
- The Tender Evaluation Report shall be submitted to the Unit Officer/DPD, before awarding the contract, for its approval (post review).
- Periodic Procurement Management Reports shall be submitted to the DPD.

9.4 Methods of Procurement

For procurement of goods, works and services in an economic, efficient and transparent manner, the four procurement methods are prescribed. The selection of the method depends upon the nature and value of the procurement.

The WWC has to ensure that the beneficiary contribution stipulated to be received as per the technical sanction of the activity shall be collected at the appropriate time to ensure timely and regular payments against all procurements.

1. Off-the-shelf Procurement

- (d) Each procurement of goods up to Rs. 15,000.00 (Rupees Fifteen Thousand Only);
- (e) Each procurement of works up to Rs. 15,000.00 (Rupees Fifteen Thousand Only);
- (f) Each procurement of consultancy services of PGs or other User Groups, individuals for training, demonstration etc.

The WWC shall authorize any of its members or any other person to make such procurements. Such person shall procure the items as per specifications at the lowest possible rates.

2. Procurement through Quotations

- (c) Each procurement of goods exceeding Rs. 15,000.00 and up to Rs. 3,00,000.00 (Rupees Three Lacs only) ; and
- (d) Each procurement of works exceeding Rs. 15,000.00 and up to Rs. 3,00,000.00 (Rupees Three Lacs only) .

Quotations/rates can be obtained through market survey and/or by issuing Requests for Quotations (RFQ) to the parties listed in the Yellow Page Directory. A minimum of three quotations should be obtained.

The following activities are involved in this method of procurement.

- a. The WWC shall authorize the PC to conduct a market survey for obtaining quotations/rates and for issue of Request for Quotations (RFQ). The Chairperson of the WWC shall sign the RFQ. The RFQ includes the description of the requirements, the last date for submission and the validity period.

Attachment P-7: Specimen of authority for conducting Market Survey Attachment P-8: Specimen of the Request for Quotation

- b. The sealed quotations received shall be opened by the PC and shall be initialed by all the members of the PC present in the meeting. The Secretary shall then prepare its Evaluation Report based on the market survey and the quotations received. The quotations shall be evaluated for all the items together or separately for each item

as per the decision of the WWC. The Evaluation Report contains the recommendations of the PC.

- c. The Evaluation Report shall be submitted to the WWC for their approval and recommendations and thereafter placed before the WWC at their meeting for final approval. The WWC will then issue its decision for procurement. In case the lowest bidder has not been selected, reasons should be recorded and order placed on the next lowest bidder.
- d. The WWC shall then proceed to issue the Procurement Order signed by the Gram Pradhan ..

Attachment P-9: Specimen of the Evaluation Report
Attachment P-10: Model Resolution for decision for procurement by the GP
Attachment P-11: Specimen of Procurement Order

2. Procurement through Limited Tender Enquiry

- (a) Each procurement of goods exceeding Rs. 3,00,000.00 and up to Rs. 25,00,000.00 (Rupees Twenty Five Lacs only) ; and
- (b) Each procurement of works exceeding Rs. 3,00,000.00 and up to Rs. 25,00,000.00 (Rupees Twenty Five Lacs only) .

The following activities are involved in this method of procurement.

- a. Copy of the bidding document should be sent directly by speed post/registered post/courier/e-mail to more than three firms which are born on the list of registered suppliers/contractors for the goods/works in question, so as to ensure that minimum three bids are received. Further, web based publicity should be given for a

The details of tendering procedure are available in the Community Procurement Manual as Annexure 12-17.

limited tender.

- b. It should be ensured that maximum possible approved suppliers/contractors are identified to obtain more responsive bids on competitive basis. To identify such suppliers/contractors, the mechanism of advertisement, publications in high circulation national newspaper and different web sites of concerned suppliers/contractors may be used.
- c. The sealed tenders received shall be opened by the PC and shall be initialed by all the members of the PC present in the meeting. The Secretary shall then prepare its Evaluation Report based on the market survey and the quotations received. The

tenders shall be evaluated for all the items together or separately for each item as per the decision of the WWC. The Evaluation Report contains the recommendations of the PC.

- d. The Evaluation Report shall be submitted to the WWC for their approval and recommendations and thereafter placed before the WWC at their meeting for final approval. The WWC will then issue its decision for procurement. In case the lowest bidder has not been selected, reasons should be recorded and order placed on the next lowest bidder.
- e. The WWC shall then proceed to issue the Procurement Order signed by the Gram Pradhan ..

Attachment P-9: Specimen of the Evaluation Report
Attachment P-10: Model Resolution for decision for procurement by the GP
Attachment P-11: Specimen of Procurement Order

3. Direct Contracting

In case of procurement of certain items, the procedures detailed above, if applied, may not give the desired results. In such cases, it is advisable to enter into Direct Contracting for procurement. This section explains the situation in which this method should be applied. However, it should be clearly understood that this method should not be applied extensively, but only in the situation and in the manner prescribed.

- (vi) Goods of highly technical nature – Certain goods would be required by the WWC would be of a highly technical nature requiring quality assurance. Such items valued upto Rs. 4,50,000.00 (Rupees Four Lacs and Fifty thousand only) can be procured from established suppliers as per the technical specifications provided by the Project. Such items include the following –

<i>Description</i>	<i>Source of Procurement</i>
Plant saplings and Seeds	Certified Nurseries / Certified shops
Bio- Agents , Bio-Fertilisers , Medicines and Vaccines	Certified agency
Bulls and Semen , Liquid Nitrogen	Uttaranchal Livestock Development Board

- (vii) Extension of Contract- The existing contract for the procurement of goods, works or services, awarded in accordance with any of the aforesaid procedures, may need to be extended, say due to additional requirements. The contract may be recommended for extension by the WWC if it is satisfied that no advantage can be obtained by further competition that the prices on the extended procurement are reasonable and the party has satisfactorily executed the existing contract.

(viii) Spare Parts/Accessories - Spare parts or other accessories, compatible with the existing equipment/goods, may be procured from the original supplier.

(ix) Proprietary Items - The required goods, services and works are proprietary and available from only one source.

(x) Panchayat Udyog – Two or more GPs can join together to set up a tiny manufacturing unit – Panchayat Udyog - as a society. The Government has mandated (GO 5038 – Ga/33-37/74 dated 11.07.1976) that, to the maximum extent possible, the GPs should procure items from the Panchayat Udyog manufactured by them.

(xi) Rate Contract by Director of Industries (DI) & Directorate General of Supplies & Disposal (DGS&D) – The DI and DGS&D enter into Rate Contract Agreement with various parties. It is prescribed that, to the maximum extent possible, the GPs should procure items manufactured by the registered firms and no tendering is required. The GPs may enter into direct contract with these firms considering the timely availability of the goods and transportation costs. Alternately, the rates of these firms can be considered as one of the quotations.

(xii) Contract with Van Panchayat/User Groups/PG/VPGs/RVC/Beneficiary in regards to works –The GP can enter into a contract for execution of works valued upto Rs.25,00,000.00 (Rupees Twenty Five Lacs only), with any of these entities by direct contracting as per guidelines given in the para 8.4 of this Project Implementation Manual. In such a case, these entities shall execute the work in accordance with Memorandum of Understanding signed with the Gram Panchayats. The work shall be supervised and monitored for quality assurance as per the procedures given in the Financial Manual of the GPs and Project Implementation Manual.

4. **Advertised Tendering**

This method shall be applied to -

- (e) Each procurement of **Goods** exceeding Rs. 25,00,000.00 (Rupees Twenty Five Lacs only) ; and
- (f) Each procurement of **Works** exceeding Rs. 25,00,000.00 (Rupees Twenty Five Lacs only) .

The details of tendering procedure are available in the Community Procurement Manual as Annexure 12-17.

Capacity Building Activities

- Comprehensive training of AAs and Panchayat Secretaries on Procurement Guidelines and reporting mechanisms in the project
- Guidance and training to WWC, RVCs and individuals on aspects such as inviting quotations, direct contracting, and tendering, etc.

10. CAPACITY BUILDING STRATEGY

Capacity building has multiple roles to play in the project. It will enhance the skills and competence and bring about necessary orientation in the project staff to work in partnership with GPs and rural communities. Further, capacity building of Panchyati Raj Institutions (PRIs) and village communities will enable them to participate effectively in the project and take informed decisions. The capacity building activities shall be coordinated by the Human Resources Development Cell at PSWMD.

10.1 Objectives

1. Develop conceptual understanding about integrated participatory watershed management including equity, and environmental and social sustainability among all the implementing agencies including PRIs as well as local communities.
2. Build necessary skills and competence among the project officials, PRIs, village communities, Community Based Organizations (CBOs) about planning, implementation and management of various project activities, including income generation.
3. Develop understanding about the Environmental and Social issues, including the project's Environmental and Social Management Framework.
4. Build and enhance the capability of all stakeholders for the sustainability of programs initiated by the project.
5. Strengthen community participation and ensure their positive involvement in sustainably managing their common property resources.

10.2 Target Groups

An initial training needs assessment will be carried out to determine the training needs of various stakeholders in the project. The capacity building strategy will target:

1. Policy makers and executives of PRIs
2. Project staff/ field functionaries
3. Field NGOs/ Social mobilizers
4. WWC & RVC,PGs/VPGs
5. CBOs and other community members
6. Panchayat Secretaries
7. Assistant Accountants to be appointed under the project
8. Community-based resource persons (Para professionals)
9. Transhumant communities

10.3 Training Modules

Each target group will be trained on multiple issues related to the project. Some of the key issues covered will be:

Target Group	Capacity building issues
Policymakers, Project Staff	<ul style="list-style-type: none">• Orientation & sensitization to community-driven projects• Concept of integrated watershed development• Project rules & regulations• Community mobilization• Application of ESMF to planning & implementation

process

- Tribal & transhumant strategy

GPs including WWCs, Village Communities, VPs, AAs, RVCs, CBOs

- Concept of integrated watershed development
- Project rules & regulations
- Application of ESMF to planning & implementation process
- Tribal & transhumant strategy
- Financial management, procurement guidelines & maintenance of records
- Technical skills in the areas of livestock, agriculture, horticulture, value addition to produce, water harvesting, livelihood improvement
- Formation of associations & federations

10.4 Capacity Building Tools

A variety of tools will be utilized to best achieve the objectives of capacity building in an efficient and effective manner. These will mainly be identified during the training needs assessment. Some of the key tools may be seminars, conferences, workshops, exposure visits, and on-site demonstrations. In addition, a number of communication tools such as print publications, audio-visuals, folk performances, mass media coverage, and games will also be employed.

Maximum number of trainings will be imparted through participatory field exercises, since this is a much more effective method of learning. All the training activities will be reviewed and evaluated intensively, so that the approach, design, methodology and organizational set up may be redesigned according to the training needs.

11. OPERATIONS, MAINTENANCE & POST-PROJECT MANAGEMENT

This section of the Implementation Manual deals with the post-implementation period of ILSP, i.e. after an activity has been completed in the village. The project staff will also begin gradual withdrawal from the village at the end of three years of implementation. The following questions need to be answered during the planning and post-implementation phases:

1. How shall the assets created under ILSP be maintained such that they continue giving benefits year after year?
2. How shall the IGAs undertaken under ILSP be enhanced such that the PGs and individuals keep increasing their income levels?
3. Do the implementers have a strategy in place to address the two questions asked above?
4. Are the WWC and the community confident and capable of implementing such a strategy on their own without further financial assistance from ILSP?

11.1 Strategy

With the assistance of MDT and FNGO, the WWC and community have to complete the following tasks as part of the operations, maintenance and post-project management strategy:

- i. Ensure that each implementer (including the GP, VP, User groups, PGs/VPGs, individual beneficiaries) is aware of the operations and maintenance (O&M) responsibilities. Preparation for them has to start from the very beginning during the planning phase.
- ii. The RVC and VP will carry out a Vision Building exercise to develop long-term sustainable O & M plans for their village and surrounding areas
- iii. A clear set of plans and agreements is developed by WWC that outlines the responsibility in terms of time and money of each member of the community towards O&M activities, particularly for common properties and assets.
- iv. WWC will develop and maintain links with and concerned District Line Departments whose assistance it may require in the management of assets and common properties. The assistance of project staff may be taken in this regard.
- v. Ensure that any savings achieved from project activities are used for O&M activities or improvements in existing assets and activities.
- vi. Both RVC and VP shall attempt to make an O&M fund. Some suggestions in this regard are given below:
 - a. Collection of monthly contributions and/or periodic donations of small amounts from members and other users
 - b. Collection of fines from members for breach of rules (e.g. non-attendance at meetings, grazing their animals in protected areas, willful delays in making contributions)
 - c. Collection of fees in exchange for certain usufruct rights
 - d. Raising money from group income generation programs such as fishing and sheep rearing
 - e. Raising money through auctioning of certain rights, e.g. collection of grass from common lands and fishing
- vii. Develop clear rules and guidelines regarding management and usage of O&M funds; open separate bank accounts, rotation of signatories to the account, keeping books and records, making annual plans and budgets, etc. This may be approved by the WWC.

11.2 Role of project management

The FNGO and MDT shall develop a detailed timetable of activities they will undertake as part of their exit strategy in consultation with WWC and the community. This shall include the following:

- Training in maintenance of books and records
- Planning for group income generating programs

- Awareness on the process of conducting auctions
- Identification and training of para-professionals to undertake repairs of assets
- Establish a reporting format to collect periodic information on the status of assets created and income-generating activities undertaken under the project

Capacity Building Activities

- Guidance and training of WWC, RVCs, PGs, UGs, and individuals on post-project management aspects of assets created and IGAs

12. MONITORING & LEARNING

12.1 What is monitoring and learning?

The project has specific objectives and some broad goals. Are the GP and communities working towards achieving them? Monitoring helps them and project staff understand the relationship between the efforts/activities and the project's objectives and goals. Further, it tells us where they have reached in the process of achieving these objectives and goals.

Learning involves identification of barriers and bottlenecks that prevent them from reaching their objectives and goals. How do they surmount these barriers and remove the bottlenecks? What corrective measures could they undertake to increase the effectiveness and efficiency of their efforts? Application of answers to these questions constitutes learning in the project.

12.2 Impact indicators for the project

Certain parameters have been selected by the PSWMD as indicators to determine the level of success in the project. The key indicators are:

- Increase in household incomes
- Increase of vegetation in treated watersheds
- Increase in availability of water
- Improvement in administrative and financial management capacity of GP
- Improvement in participation of number of households in planning, decision making and implementation of activities in Gram Sabha.
- The nature and extent of activities under taken by Gram Panchayat to address the problem related to Soil Conservation Water Resource Management, Fuelwood and fodder requirements from natural resources.
- Increase in area under improve varieties, high value crops and fruit trees
- Increase in fodder availability from agriculture land.
- Increase in improved breed of livestock
- Increase in the capability and entrepreneurship of PGs
- Strengthening of village level institutions like Van Panchayats and GPs

12.3 Participatory monitoring and learning

Further, a set of participatory monitoring and learning indicators shall be developed by the WWC and community in consultation with the project staff. These shall be used to not only gauge the performance of the project but, more importantly, to make timely improvements in the working of all stakeholders. Once these indicators are developed along with the process for measuring them, they shall become a part of the Project Implementation Manual.

Capacity Building Activities

- Training and sensitization of project staff, GPs, RVC, UGs, PGs, and individuals on the need for monitoring in the project and chosen monitoring indicators
- Training of project staff to develop participatory monitoring jointly with GPs and communities

Chapter-3.3: COMMUNITY PROCUREMENT MANUAL

**Watershed Management Directorate
Uttarakhand
Dehradun**

September, 2012

List of Acronyms

AAA	Accounting and Accountability Arrangements
AWP	Annual Work Plan
BC	Backward Class
CPD	Chief Project Director
DPD	District Project Director
GoUA	Government of Uttaranchal
GP	Gram Panchayat
GPWDP	Gram Panchayat Watershed Development Plan
ILSP	Integrated Livelihood Support Project
IWDP	Integrated Watershed Development Project
NIT	Notice Inviting Tender
PC	Procurement Sub-Committee
PMR	Project Management Report
PO	Procurement Order
PRI	Panchayat Raj Institutions
PUO	Project Unit Office
RFQ	Request for Quotation
RVC	Revenue Village Committee
SC	Scheduled Caste
SHG	Self Help Group
SG	State Government
ST	Scheduled Tribe
UDWDP	Uttaranchal Decentralised Watershed Development Project
WWC	Water and Watershed Committee
WMD	Watershed Management Directorate

PART A

Introduction to the Community Procurement Manual

1. Objectives of the Project

The Community Procurement Manual was prepared for World Bank funded Uttaranchal Decentralized Watershed Development Project (UDWDP). Watershed Development activities in UDWDP were implemented through the Panchayat Raj Institutions (PRIs). The study on Accounting and Accountability Arrangements (AAA) in PRIs in Uttarakhand revealed that the GPs are beset with the problem of unpredictable and inadequate release of funds coupled with the fact that the community is even unaware of the availability- quantum and source of funds. This has largely created a disincentive to effective procurement planning, limited exposure and awareness to procurement norms, lack of experience to know and understand the market and application of uncompetitive procedures resulting in procurements in small lots, difficulties in transportation specially in far flung areas, loss of economy and inefficiency in procurement. In Integrated Livelihood Support Project also, for the Participatory Watershed Development part of the Project, the Gram Panchayats (GPs) shall be the primary project implementation agencies in the field. For the Panchayat Raj Institutions (PRIs) to have a more meaningful role in planning, implementation and management of economic activities in the rural areas.

The overall objective of the ILSP is to reduce poverty in hill districts of Uttarakhand. This would be achieved by enabling rural households to take up sustainable livelihood opportunities integrated with the wider economy. The component to be implemented by WMD, will aim to protect & impose the productive potential of natural resources of natural resources in selected watersheds along with increasing household income through inclusive, institutionally and sustainable approaches. The objective shall be achieved through following activities:

- (i) Village and Watershed Development through social mobilization and participatory planning.**
- (ii) Food Security enhancement support through Rainfed agriculture and agribusiness system improvement, value addition & marketing support.**

(iii) Livelihood up scaling support through promotion of income generation activities & support to VPGs, LCs.

(iv) Institutional strengthening through capacity building & IEC.

2. Requirements of Community Procurement System

(i) Community procurement system can be said to be well functioning if it achieves the objectives of transparency, competition, economy and efficiency, fairness and accountability.

The following are among the key elements that can be used in determining to what extent a particular system meets these objectives.

- Clear, comprehensive and transparent legal frameworks characterised by the presence of legal rules, which are easily identifiable, promote all the objectives stated above and govern all aspects of the procurement process.

- Such rules should provide for --
 - ✓ wide advertising of bidding opportunities;
 - ✓ maintenance of records related to the procurement process;
 - ✓ pre disclosure of all criteria for contract award;
 - ✓ contract award based on objective criteria to the lowest evaluated bidder;
 - ✓ public bid opening;
 - ✓ access to a bidder complaint review mechanism; and
 - ✓ disclosure of the result of the procurement process.

- Clarity on functional responsibilities and accountabilities for the procurement functions as characterised by a definition of --
 - ✓ those who have responsibilities for implementing procurement including preparation of bid documents and the decision on contract award;
 - ✓ who in the buying entities bears primary accountability for proper application of the procurement rules; and
 - ✓ means of enforcing these responsibilities and accountabilities including the application of appropriate sanctions.

- Need for an institutional framework that differentiates between those who carry out the procurement functions and those who have oversight responsibilities.

- Robust mechanism for enforcement including clarity of rules and institutional arrangements and means to enforce the rules. The means of enforcement include the right to audits by the Government of the procurement process and a bidder complaints review mechanism in which bidder have confidence.

(ii) A well-trained procurement staff is central to ensuring proper application of the procurement system. This staff should be the one that possesses the technical proficiency to implement the functions. The existence of a continuous, focused and targeted training program is therefore mandatory.

3. Tenets of Good Community Procurement

Sound procurement policies and practices are among the essential elements of good governance. Good practices reduce costs and produce timely results whereas poor practices may lead to waste and delays and are often the cause for inefficiency. Community Procurement can be used as an effective tool of community empowerment if it is supplemented by timely availability and prior knowledge of the sources of funds during a defined period of time and ensuring adherence to the basic tenets of good procurement viz. appropriate quality, sufficient quantity, exact timing, reasonability of rates and proper authority for procurement of goods works and services.

Application of these tenets may be ensured through the following procedures:

(i) **Appropriate prescribed Quality:** The ISI marked goods/materials should be procured, preferably from the authorised dealers. Further services of experienced contractors and skilled labourers should be used. The Community should select the suppliers/ contractors/skilled labours on the basis of prescribed procedures using standard formats. The Community should decide the specifications and generic names of the goods and quality of services required in its prescribed forum before procurement for ensuring appropriate quality of the goods/materials and services based on the job specifications.

(ii) **Sufficient Quantity:** The appropriateness of quantity of the goods/ materials to be procured should be deliberated in the prescribed forum considering the requirements emanating from the work(s) to be undertaken individually or over a period of time-monthly/quarterly etc; availability of and security at storage facilities; economies of scale, if any, on purchases in bulk; availability and cost of transportation; location of the prospective sellers/suppliers and any other issue specific to such goods/materials. Similarly, the services to be hired are invariably assessed and discussed at prescribed forum to identify the nature of service, the minimum qualifications, duration for which required etc.

(iii) **Exact Timing:** The Community in its appropriate forum decides the timing for procurement of goods/materials and start date for activities. The decision regarding the date of commencement and completion takes into account the harvesting & monsoon seasons and social factors. The Community prepares, discusses and incorporates in its plans, the timing for procurement of goods based on the commencement of different activities. The timing for hiring of services of skilled personnel like plumbers, fitters, electricians, mechanics etc. are also discussed and finalised in advance.

(iv) Reasonability of Rates: To ensure the reasonability of rates, the annual plans and technical sanctions of each activity to be undertaken therein serve as the benchmarks. The Community should then make actual procurement through the methods prescribed selecting not necessarily the lowest, but the most reasonable offer based on the requirements defined in the technical sanction of estimates.

(v) Proper Authorisation: The authority to procure goods, works and services is delegated to the Community or its elected representatives. Appropriate delegation of authority for making procurements through the method prescribed and constitution of a Procurement Sub-Committee having representatives of the Community are some of the necessary steps taken to ensure that the community retains and exercises required authority for transparent procurement of goods and services.

4. Threats to Community Procurement:

(i) Extensive capacity building programs have to be undertaken for the Community and its functionaries to undertake complex responsibility of procurement. This process is cumbersome and there is a likelihood of losing the focus during the initiatives taken for capacity building.

(ii) There is a marked apprehension among the project authorities on the capacity of the Community to procure economically and efficiently. Conversely, the apprehension of the Community that the project authorities are not willing to delegate and believe them is also equally damaging.

(iii) The concept of Community Procurement is more successful in a non-complex environment e.g. village with a small and homogeneous population and is yet to be tested for a complex situation with multiple villages and heterogeneous population.

(iv) Community Procurement may be restricted for Procurement by influential members of the community and the presence of heterogeneous population may lead to creation of groups of diversified interest.

(v) Possibilities of inflating the rates of labour and material.

(vi) Disputes between the GPs and the village level committees may hamper the timely procurements leading to delays and cost overruns.

5. Need for Procurement Manual

(i) Procurement is an important aspect of the Projects being financed or funded by the International Fund for Agriculture Development (IFAD). It is a critical element in project implementation and unless carried out efficiently and promptly, the full benefits of the Project cannot be realized. Though good procurement practices alone cannot assure that the projects will achieve the development goals but they definitely enhance the development effectiveness. Poor procurement practices, however, on their part virtually guarantee that these goals will not be fully achieved as it leads to project delays, cost overruns, and complaints by bidders as also affect the creditability of the associated institutions. The role of procurement manual is, therefore, critical for --

- ✓ Achieving economy, efficiency and transparency in the procurement process;
- ✓ Uniformity in application across the targeted group.
- ✓ Ensuring speedy transfer of resources by way of disbursement;
- ✓ Ensuring satisfactory implementation; and

- ✓ Ensuring success of the project.

Issues in the Present System of Procurement in GPs

- There is no clarity on the procedure of procurement.
- The rules prescribed that all purchases over Rs. 50/- are to be procured through tenders. This rule is archaic.
- In actual practice all purchases are generally through obtaining three quotations.
- Different thresholds have been communicated - some GPs have adopted the State Government (SG) norms (direct contracting up to Rs. 2,500/-, obtaining quotations up to Rs. 15,000/- and tendering for higher value) while others have adopted the norms of direct contracting up to Rs. 7,500/- and obtaining quotations thereafter.
- There is, therefore, a need to devise procurement norms for GPs considering their special conditions. There is no justification in imposing norms, which cannot be followed.
- Procurement is made in small lots due to lack of space and difficulties in transportation in far-flung GPs.
- It cannot be ruled out that procurement is broken up into small lots within the threshold limit to avoid tendering. Considering the nature and size of procurement where, in most of the items, tendering may not be practically feasible, the SG may consider prescribing norms of procurement suitable to the GPs rather than enforcing the SG rules.
- Procurement and all its related activities are presently concentrated in the hand of the Pradhan and/or the Secretary. Members of the respective Committee are generally not involved at any stage of the process.

(Source: Study on AAA in PRIs in Uttarakhand)

(ii) Participatory programs are not new to Uttarakhand with The Doon Valley Project, IWDP (Hills-II) and UDWDP Project being examples where the implementation of the project was through the village level institutions. The involvement of PRIs - Gram Panchayats as the focal operating and executing agencies for the implementation of the Project. They will manage all the funds, implement plans using Community contracting practices and operate & maintain investments in partnership with their constituents.

(iii) The report of the preparatory mission for UDWDP project highlighted certain critical elements that need to be considered when seeking to achieve the desired level of participation of the stakeholders. One such element is the capacity of the GPs to take on the responsibilities of implementing the micro-watershed sub projects. Of particular concern are the fund management and procurement aspects of implementation.

(iv) The draft report of the study conducted by the WMD to understand the accounting and accountability arrangements in PRIs in Uttarakhand also highlighted the need to revamp the current procurement procedures being followed by the GPs.

(v) In view of the criticality of the procurement function in the satisfactory implementation of the project; the mandate of the State - Decentralization of development program and strengthening of PRIs; and the current practices of procurement being followed by the GPs, this Manual seeks to present a Community Procurement Manual which is in conformity with the procurement guidelines and documents of the IFAD, the guidelines for Community driven procurement and the rules & procedures laid down by the State Government for procurements by GPs.

6. Objectives of this Manual

- (i) The principal objective of this Manual is that all the concerned communities will elect to undertake their own procurement and not to defer some of it to the Project authorities thereby exercising substantial decision-making authority in the selection and implementation of participatory Watershed Management sub projects. The role of the Project authorities in context of Community Procurement under this Project --

- ✓ is not that of executor & decision-maker, but that of a provider, which enables the community to make appropriate decision.
- ✓ not to interfere in the actual process, even in the pretext of economy and quality control but to monitor the process of procurement

PART B: Community Procurement Manual

Introduction:

This Manual provides simple, step-by-step instructions to the GPs on how they will go about procuring the various goods, works & services required for the implementation of the project and which includes simple forms and formats to be used for the procedures applicable.

It is intended to promote a consistent and uniform approach for planning, execution, reporting and monitoring of Project related procurements through application of rules and procedures defined herein the Manual thereby enhancing the capacity of the GPs to undertake procurements to meet the Project needs.

Chapter – I: Glossary

DPD Office - The district level office of the WMD headed by a Deputy Project Director for the purpose of monitoring, co-ordination and implementation of the Project.

Revenue Village Committee - Being a Committee constituted by the WWC of the GP as defined in the Project Implementation Manual.

Gram Panchayat - means a body corporate constituted for every Panchayat Area under section 12 of the U.P. Panchayat Raj Act, 1947 as applicable to the State of Uttarakhand.

Gram Sabha - means a body established under section 3 of the U.P. Panchayat Raj Act, 1947, as applicable to the State of Uttarakhand, consisting of persons registered in the electoral rolls relating to a village comprised within the area of a Gram Panchayat. It is the general body of the Gram Panchayat.

Procurement Sub-Committee - means a sub-committee of the Water and Watershed Committee comprising of the representatives of the WWC and the community, which shall assist the WWC in the execution, administration and monitoring of the procurement functions.

Project - means the Integrated Livelihood Support Project to be financed by the IFAD and GoUK & to be implemented by GoUK through the WMD.

Project Unit Office - The sub-office of the DPD office functioning in the Project Area within the jurisdiction of the District responsible for the monitoring, co-ordination and implementation of the Project.

Panchayat Secretary - means the Secretary of the Gram Panchayat appointed as per the U.P. Panchayat Raj Act, 1947 as applicable to the State of Uttarakhand and rules and notifications issued thereunder. He/She shall perform such other duties as may be specified in the Financial Manual for GPs and the Community Procurement Manual.

Accounts Assistant - being a person appointed by the GP and placed locally who shall assist the Panchayat Secretary [*See Financial Manual for GPs*]. He/She shall guide and assist the GPs in the development of plans, preparation of related procurement documents, evaluation of Bids ,maintenance of procurement related books & records and procurement reporting.

Quorum - of the meeting of the Gram Sabha, WWC & GP means the quorum as defined in the Financial Manual for GPs.

Revenue Village - means any local area, recorded as village in the revenue records of the district in which it is situated and includes any area which the State Government may by a general or special order declare to be village under the U.P. Panchayat Raj Act, 1947 as applicable to the State of Uttarakhand.

Village Level Project Staff – Project Staff, a member of MDT, declared in charge, for the project in the GP, by the Unit Officer.

Water and Watershed Committee -Being a Committee of the GP as defined in the Project Implementation Manual, which shall be directly involved in the implementation of the Project and would execute, administer and monitor all procurements relating to the Project.

WMD - The Watershed Management Directorate in Uttarakhand, the nodal implementing agency identified by the Government of Uttarakhand for the implementation of the **Component 2 (Participatory Watershed Development)** of the Integrated Livelihood Support Project.

Chapter-II: Community Procurement under ILSP

2.01 Introduction

For achieving the overall objectives of the Project, the following activities under **Component 2 (Participatory Watershed Development)** of the Project have been envisaged:-

(a) Participatory Watershed Management

(i) Social mobilization and participatory planning: Village level local government, the Gram Panchayat, along with its Water and Watershed Management Committee (WWMC), and Van Panchayats, Producer Groups, Vulnerable Producer Groups and Women's Forums, will be the vehicles for planning and implementation at the village level. Key activities under this sub-component would include mobilisation of communities, dissemination of key information regarding the project, participatory watershed planning, at the village level with the involvement of all the stakeholders and using the budget envelope as the basis.

(ii) Village and watershed development: Under this sub-component, a budget envelope will be provided to each Gram Panchayat (and revenue village within that) based on the total potential treatable area within the GP. The Communities will, based on this budget envelope, prioritise, implement, operate and maintain village watershed plans. Communities will be required to contribute towards the cost of the sub projects. To reduce pressure on forests alternative sources of energy can include solar cooker, bio-gas plant, smokeless stoves, and pine needle briquetting

(b) Food security enhancement support

(i) Rainfed agriculture and agribusiness systems improvement: Producer Groups (PG) would be formed to introduce, promote and disseminate improved technologies and farming practices with each PG drawing up a Food Security Improvement Plans (FSIP). Linkages may be made to research agencies and other technology providers.

(ii) Value addition and marketing support : Under this sub-component, the project will: (i) identify the market potential for the agricultural produce; (ii) develop collection centres and

good storage facilities; (iii) create centres for value addition of the raw produce; and (iv) identify market linkages, develop market information and logistic services. The private sector (NGOs and private firms) will be encouraged to play a major role in supporting agribusiness development.

To up-scale production, develop markets for high value crops, and to leverage producers access to production and marketing services, the project would support farmers to organise their PG and VPG into Livelihood Collectives. The project would appoint specialised NGOs as Divisional Support Agencies (DSA) to provide technical and agribusiness support. The project would provide input support. For financial support, PG/LC would be linked with banks and other financial institutions.

(c) Livelihood up-scaling support

(i) Promotion of income generation activities (IGAs) and support to VPGs:

Vulnerable Producer Groups (VPG) will be formed comprising of scheduled castes, landless and very poor households each with an average of four members. VPGs will be self managed institutions of the poor, and will be federated at the village and block level. These VPGs will be given sustained capacity building, orientation and training to encourage their entrepreneurial development. Each VPG will draw up a livelihood improvement **plan** which, after approval by the Gram Panchayat, will be implemented with funding from the project.

(ii) Support to livelihood collectives for up-scaling IGA activities : LCs are a group of PGs and VPGs (between 60 and 90 PGs) which come together with a common enterprise and to facilitate backward and forward linkages for input supply and output marketing, and for access to information, credit, technology, markets etc. LCs will engage in co-production (particularly value-addition activities) and delivery of livelihood services to their group members. Individual and collective enterprises may be supported by bank loans and investment funds from the Livelihood Finance component.

(d) Institutional Strengthening

⌘ Capacity Building of Watershed Committee: Gram Panchayats / WWMCs will have pivotal role to play in planning and implementing the sub-project, and their capacity will be strengthened through capacity building programmes.

⌘ Capacity Building of CBOs: such as Revenue Village Committees (RVC), PGs, VPGs, Users Groups (such as for irrigation works), Van Panchayats, Mahila and Yuvak Mangal Dals and their Apex bodies, villager leaders and vulnerable sections.

⌘ Capacity building of WWMCs, local community institutions and PRIs: training of members of WWMCs and other people involved in implementation in core project processes.

⌘ Information, Education and Communication: targeted messages to increase general awareness about the project, terms of participation and transparency.

2.02 Procurement needs at GP level

The activities to be undertaken by the GPs include construction of small works such as soil erosion control bunds, vegetative barriers, water harvesting & minor irrigation structures, economic development activities such as agro-forestry, animal husbandry, activities that will create and enhance livelihood opportunities and activities. It is envisaged that the GPs will procure goods, works & services that can be broadly classified as under:

Sl. No	Category	Goods and Materials	Works & Services
1.	Forestry	Chaff Cutter, Barbed/GI wire, angle, iron, seeds, plants, boulder and other local material, Sheets, Polythene bags, Eucalyptus poles.	Capacity Building needs Skilled and un-skilled labour for execution of works and supervision
2.	Soil Conservation	Cement, Barbed wire, Boulder, local material, GI wire and sheets, sand, stones.	
3.	Minor Irrigation	Cement, sand, coarse sand	
4.	Energy Conservation	Bio-gas equipments	
5.	Livestock Development	Fodder grasses & seeds, Bulls and Semen, Vaccines, Medicines	

The above table specifies a preliminary list of goods, work and services to be procured at the GP level. However, the WMD may review and add or delete the items mentioned above as per the requirements during the implementation of the project.

2.03 Institutional Set-up for Community Procurement under the Project

The following entities are involved in the procurement of goods, works and services under the Project:

- (i) Gram Sabha

Gram Sabha means a body established under section 3 of the U.P. Panchayat Raj Act, 1947, as applicable to the State of Uttarakhand, consisting of persons registered in the electoral rolls relating to a village comprised within the area of a Gram Panchayat. It is the general body of the Gram Panchayat.

- (ii) Gram Panchayat

Gram Panchayat means a body corporate constituted for every Panchayat area under section 12 of the U.P. Panchayat Raj Act, 1947 as applicable to the State of Uttarakhand. The Pradhan and the Up-Pradhan of the Gram Panchayat are the Chairperson and the Vice-Chairperson thereof. All members of the GP are directly elected representatives of the Gram Sabha.

- (iii) Water and Watershed Committee (WWC)

Being a Sub-Committee of the GP as defined in the Project Implementation Manual, which shall be directly involved in the implementation of the Project and would execute, administer & monitor all procurements relating to the Project.

- (i) Procurement sub Committee (PC)

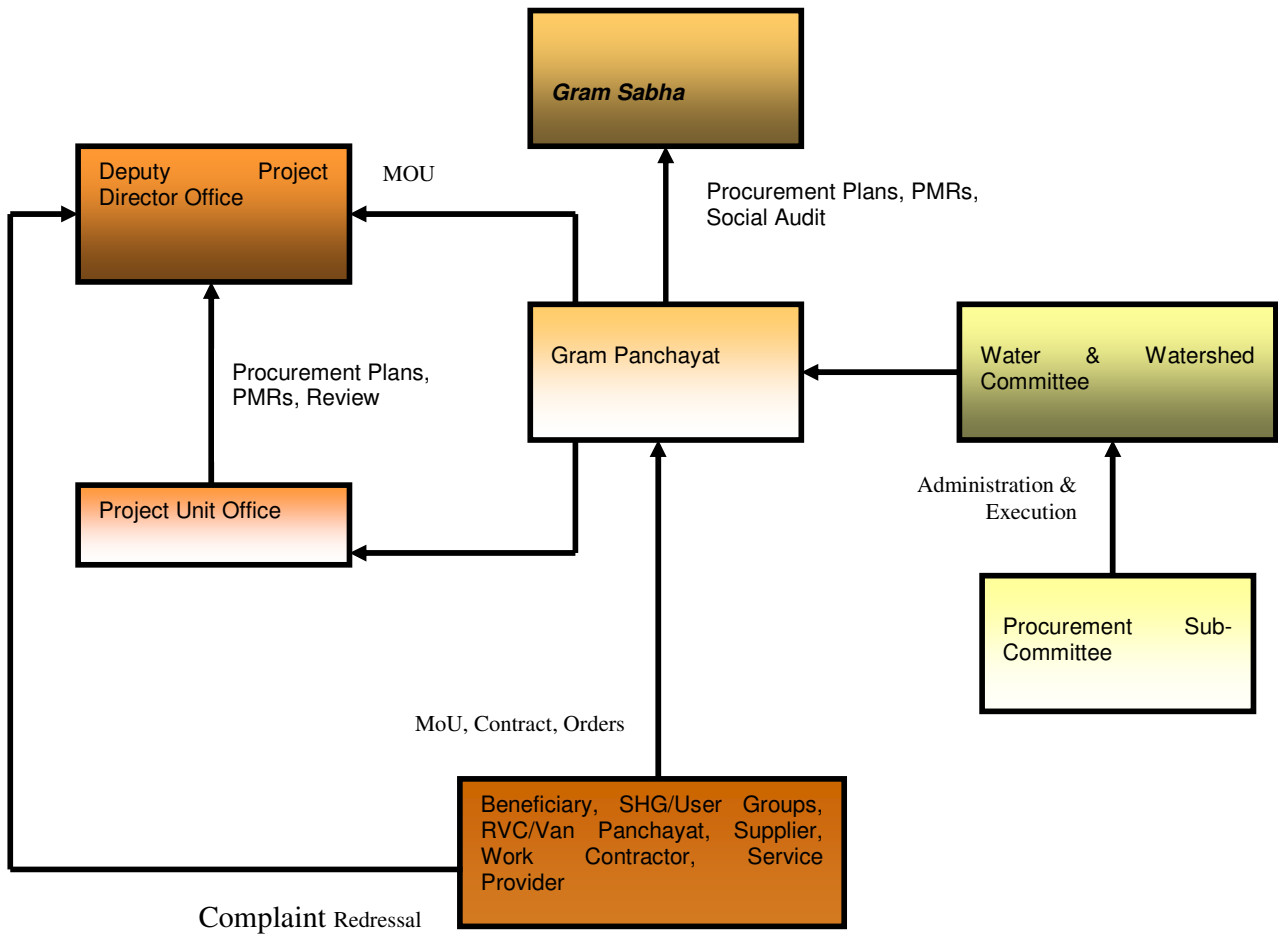
Being a sub committee of the WWC, which shall assist the WWC in the execution, administration and monitoring of the procurement functions.

- (ii) Deputy Project Director (DPD)/Unit offices.

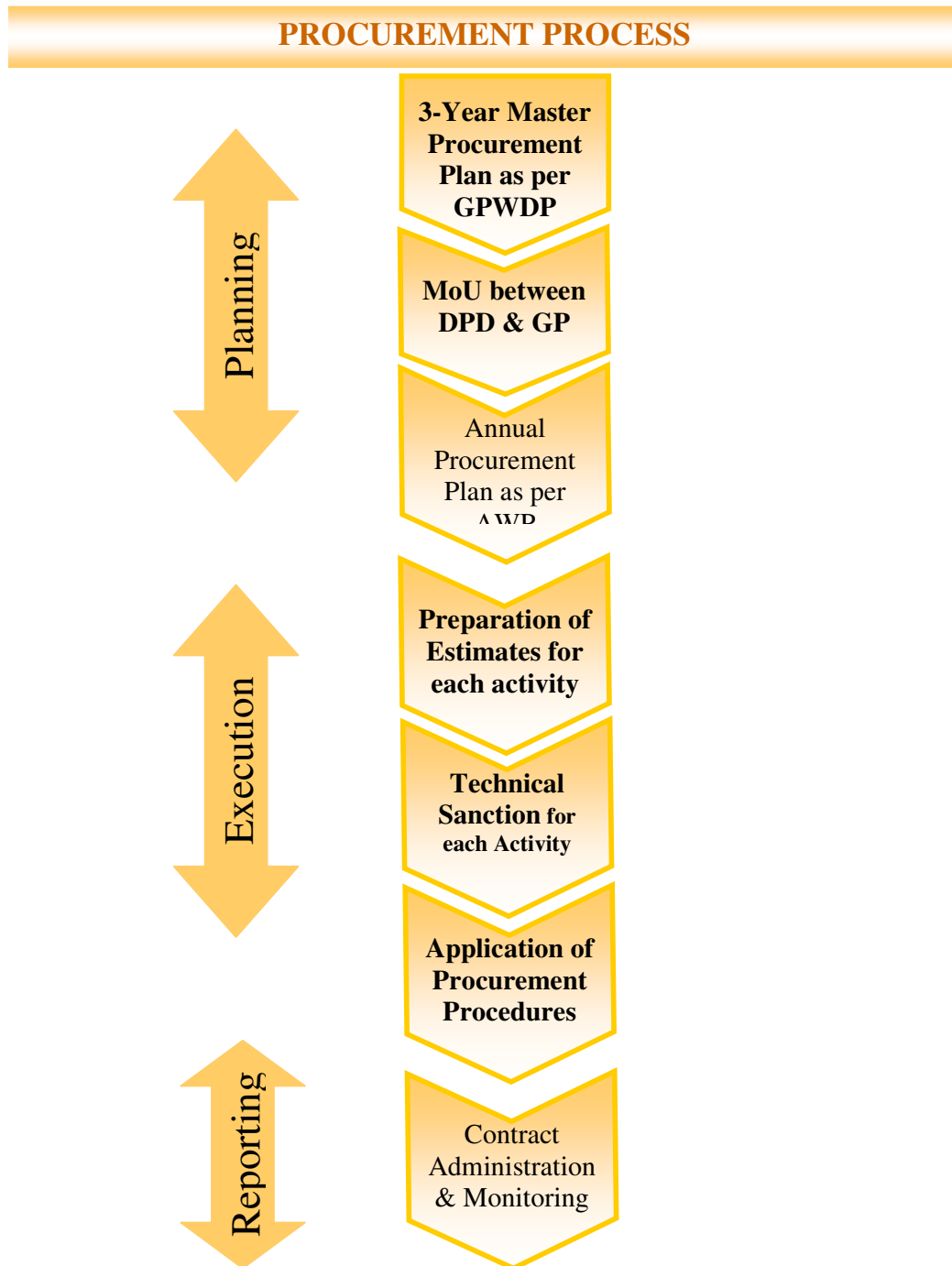
Being the subordinate offices of the WMD at and within the District, which are responsible for the monitoring co-ordination and implementation of the project?

The Institutional set up for Community Procurement under the Project is schematically represented below.

PROCUREMENT RELATIONSHIPS



2.04 The process of procurement under the project is schematically given below.



Chapter-III: Procedures of Community Procurement under the Project

3.01 Introduction

This chapter details the procedures to be followed for procurement of goods, works and services by the GP implementing the Project. The procedures are supplemented with formats of the documents to be used during procurement and also model agreements have been included. While the formats and models have been based on the World Bank norms, these have been suitably amended considering the nature and quantum of procurement to be undertaken by the GP and should be uniformly used by the GPs.

3.02 Authority for Procurement

The authority for procurement emanates from the approved GPWDP, AWP and its quarterly components, the Memorandum of Understanding entered into by the GP with the DPD that includes the Procurement Plans (*see Project Implementation Manual*). The goods, works and services to be procured under the Project should be only those that are included in the said documents and technical sanction whereof have been obtained as prescribed. In case of any digression, prior approval of the authority prescribed in the Financial Manual for GPs should be obtained.

3.03 Constitution of the Procurement sub - Committee

(i) For the administration and execution of the procurement process and to assist the WWC, each GP shall constitute a Procurement sub - Committee (PC). The PC would function under the instructions of the WWC. The membership of the PC would be as under –

- **Members from GP**

The Gram Pradhan and one ward member of the GP, being a member of the WWC, selected from amongst themselves in a meeting; and

- **Members from Community**

One member from each revenue village, selected by the Gram Sabha in its meeting, with minimum three members having at least one women representative and one SC/ST/BC representative.

- The Gram Pradhan shall be the Chairperson of the PC.

Form 1 – Model Resolution for selection of member by the Gram Panchayat
Form 2 - Model Resolution for selection of members by the Gram Sabha

The membership would be on a rotational basis and would be reconstituted every year as per the procedure above. The quorum of the PC would be minimum three members with at least one member each of the GP and the Community. All decisions would be by simple majority of the members present and voting.

(ii) Village Level Project Staff would be the Secretary of the PC. The functions of the Secretary vis-à-vis procurement would be *inter alia* -

- Issue of receipts for sale of tender documents;
- Receiving of tenders/quotations;
- Providing information to the prospective bidders;
- Maintaining records regarding the activities of the PC.

The Account Assistant shall assist the Secretary in performing the aforesaid functions.

3.04 Delegation of Powers for Procurement

The power for approving the procurement of goods, works & services are vested in the following authorities:

- Single procurement upto Rs. 5,000 should be made with the approval of the WWC.
- Single procurement above Rs. 5,000 would require the approval of the GP, subject to the recommendation of the WWC.

3.05 Procurement Plans

(i) Each GP would prepare a three year Master Procurement Plan, within the overall GPWDP, which would form part of the Memorandum of Understanding. A detailed Annual Procurement Plan shall also be prepared, sub – divided into quarterly plans, corresponding with the AWP. The Procurement Plans so prepared would be approved along with the GPWDP/AWP at the forums prescribed and within the time schedule stipulated in the Project Implementation Manual.

Form 3 – Model format for Master Procurement Plan for Goods
Form 4 - Model format for Master Procurement Plan for Works & Services
Form 5 – Model format for Annual Procurement Plan for Goods
Form 6 - Model format for Annual Procurement Plan for Works & Services

(ii) The PC, in consultation with the WWC, shall draft the Procurements Plans. The MDT representative of the Project will be the key facilitator. He/She would provide project related information to the GPs and RVCs, facilitate procurement planning and provide technical guidance and oversight during implementation. The Master Procurement Plan shall summarise the procurements emanating from the activities defined in the GPWDP. The Annual Procurement Plans shall detail *inter alia* the goods, works or services to be procured, the quarterly procurement schedule and proposed procurement methods for each of the activity defined in the AWP.

(iii) The goods, works or services, which could not be procured in the planned quarter, should be included in the procurement plan of the succeeding quarter stating therein the reasons thereof. In the eventuality, the procurement gets postponed to the next year, the same shall be included in the Annual Procurement Plan for that year and approval obtained along with the AWP.

3.06 Execution of Work

- (i) The WWC will have the right to appoint anyone of the following Implementers for the implementation of the work:
 - The **Gram Panchayat**
 - The **Individual Farmer** (Beneficiary) for the work to be executed on his individual land. (**Individual** will work as a contractor, in the case.)
 - **PGs/VPGs/ VP /User Group/SHG** may be engaged for the activities to be implemented on common/ community/ village assets or on individual land or asset, should the beneficiary have no objection to this arrangement.

For the implementation and execution of the activities envisaged under the Project the GPs shall adopt the under mentioned Order of preference before embarking on the application of the various methods of procurement stipulated in the Manual.

- The First Right of implementation of each work under the project rests with village-level entities such as the, PGs/VPGs, User Group, SHG or the Van Panchayat, individual farmer. If these options are not available then the GP itself may decide to execute the works. If all the above options do not work out only then the works will be awarded to independent contractors, However the WWC will have to obtain in writing their inability to undertake the project activities before awarding the contract for the said work to an independent contractor.
- In case of special technical requirements for which the above mentioned village level institutions do not possess adequate capacities, then the WWC may outsource a **contractor** having past experience in specialized technical works. Such a Contractor will be appointed only after the Beneficiaries have deposited the full amount of their share of the cost of the said activity in advance with the Gram Panchayat.

3.07 Linkages with Project Authorities

- Master Procurement Plan, as approved by the Gram Sabha, shall be submitted to the DPD for its approval along with the GPWDP.
- Annual Procurement Plan, as approved by the Gram Sabha, shall be submitted to the DPD for its approval along with Annual Work Plan.
- Technical sanction to be obtained before initiation of any activity. In case of variation i.e. the actual price exceeds the technical sanction limit; approval would be obtained as per existing WMD norms (*see Financial Manual for GPs*).
- The DPD would prepare a Yellow Page Directory containing the database of suppliers and the items dealt with by them. It is expected that the GPs would make use of this Directory during procurements.
- All contracts for procurement of goods, works or labour supply estimated to cost above Rs. 3,00,000 (Rupees Three lacs only) shall be subject to prior review by the concerned DPD Office or its authorised representative.
- All contracts for procurement of consultant services estimated to cost above Rs. 45,000 (Rupees Forty five thousand only) shall be subject to prior review by the concerned DPD Office or its authorised representative.

- Periodic Procurement Management Reports shall be submitted to the DPD/PUO.

3.08 Methods of Procurement

(i) The GP shall after the identification of the implementer as per para 3.06 proceed with the procurement of goods, works and services in an economic, efficient and transparent manner, through the following procurement methods prescribed. The selection of the method depends upon the entity implementing the work/activity, nature and value of the procurement, and the GPs would follow these procedures.

- Off - the - shelf Procurement (*para 3.09*)
- Procurement through quotations (*para 3.10*)
- Direct Contracting (*para 3.11*)
- Limited Tender Enquiry (*Para3.12*)
- Advertised Tendering (Para 3.13)

(ii) The GP should ensure that the beneficiary contribution stipulated to be received as per the technical sanction of the activity shall be collected as per the stipulations given in the Project Implementation Manual.

3.09 Off - the - shelf Procurement

- (iv) When to be applied - This method shall be applied to -
- (g) each procurement of goods up to Rs. 15,000 (Rupees Fifteen thousand only);
 - (h) each procurement of works up to Rs. 15,000 (Rupees Fifteen thousand only); and
 - (i) each procurement of consultancy services of SHGs or other User Groups, individuals for training, demonstration etc.
- (v) Activities involved - The WWC shall authorise any of its members or any other person to make such procurements. Such person shall procure the items as per specifications at the lowest possible rates.
- (vi) Prior Review by the Project - Each contract for consultancy service estimated to exceed Rs. 45000 (Rupees Forty five thousand only) should be reviewed and approved by the concerned DPD Office or its authorised representative before its award, not later than 15 days of receipt of the documents relating to the proposed procurement.

3.10 Procurement through Quotations

- (ii) When to be applied - This method shall be applied to --
- (e) each procurement of goods exceeding Rs. 15,000 and up to Rs. 3,00,000 (Rupees Three lacs only); and
 - (f) each procurement of works exceeding Rs. 15,000 and up to Rs. 3,00,000 (Rupees three lacs only).

(ii) Method for obtaining Quotations - Quotations/rates can be obtained through market survey and/or by issuing Requests for Quotations to the parties listed in the Yellow Page Directory. A minimum of three quotations should be obtained.

(iii) Activities involved - The following activities are involved in this method of procurement.

- a. The WWC shall authorise the PC to conduct a market survey and/or issue Request for Quotations (RFQ) for obtaining sealed quotations/rates within one week of the technical sanction. The Chairperson of the WWC shall sign the RFQ. The RFQ includes the description of the requirements, the last date and time for submission and the validity period. Quotations can be submitted either by post or in person on any day till the last date and time approved by WWC.

Form 7 – Specimen of authority for conducting Market Survey
Form 8 – Specimen of the Request for Quotation

- b. The sealed quotations received shall be opened by the PC and shall be initialled by all the members of the PC present in the meeting. The Secretary/Accounts Assistant shall then prepare the Evaluation Report based on the market survey and the quotations received, on the broad principles given under Tendering procedure in para 3.13 as per the criteria approved by the WWC and specified in the RFQ. The Evaluation Report contains the recommendations of the PC. In case the lowest bidder has not been recommended, reasons thereof should be recorded.

Form 9 – Specimen of the Evaluation Report

- c. The WWC shall ensure that the quotations/rates are obtained within 5 to 15 days from the date it authorises the PC to conduct market survey and/or issue RFQ depending on the value of the procurement, distance from the nearest market where the supplier/service provider may be located etc. The evaluation should be completed and submitted before the WWC for approval and recommendation within 3 days after the last date for conducting market survey and/or submission of RFQ.
- d. Thereafter, the Evaluation Report shall be placed before the GP at their meeting for final approval within one week of the approval of WWC. Approval of the DPD or its authorised representative shall be obtained for works defined in para 3.10(iii)(f). The GP will then issue its decision for procurement. In case the lowest bidder has not been selected, reasons should be recorded and order placed on the next lowest bidder.

**Form10 – Model Resolution for decision for procurement by the WWC
Form11 – Model Resolution for decision for procurement by the GP**

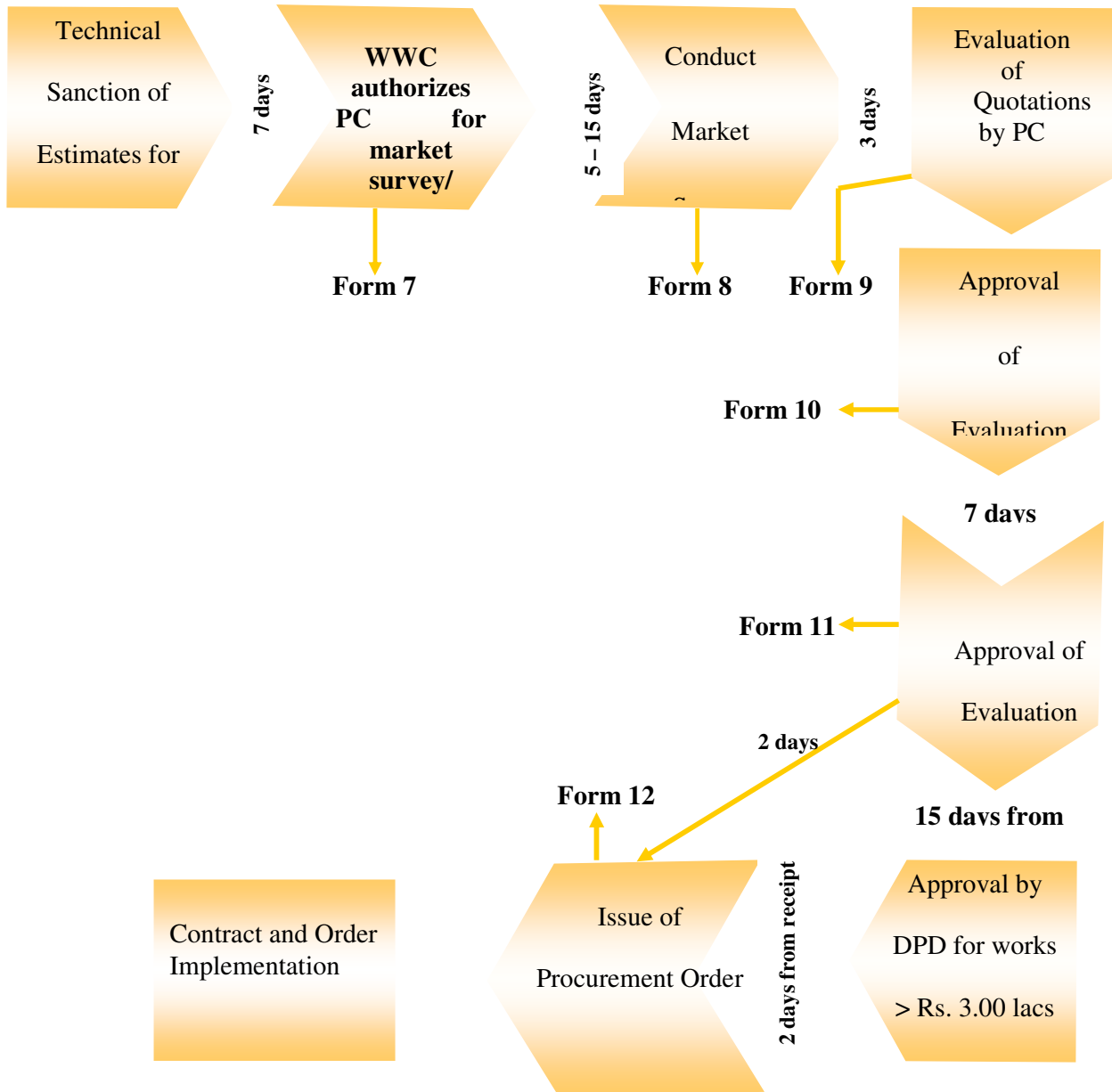
- e. The GP shall then proceed to issue the Procurement Order (PO) signed by the Pradhan within 2 days of its decision or the receipt of the approval from the Project.

Form12 – Specimen of Procurement Order

- f. Prior Review by Project - each procurement of works exceeding Rs. 3, 00,000 and up to Rs. 25,00,000 shall be reviewed and approved by the DPD Office or its authorised representative before its award, not later than 15 days of the receipt of the evaluation report duly approved by the GP.

This method of procurement is schematically represented in the diagram below:

PROCUREMENT CYCLE - PROCUREMENT THROUGH QUOTATIONS



3.11 Direct Contracting

In case of procurement of certain items, the procedures detailed above, if applied, may not give the desired results. In such cases, it is advisable to enter into Direct Contracting for procurement. This section explains the situation in which this method should be applied. However, it should be clearly understood that this method should not be applied extensively, but only in the situation and in the manner prescribed.

(xiii) Goods of highly technical nature – Certain goods required by the GP would be of a highly technical nature requiring quality assurance. Such items valued up to Rs. 4,50,000.00 (Rupees four lacs fifty thousand) only shall be procured from established suppliers as per the technical specifications provided by the Project. Such items include the following –

<i>Description</i>	<i>Source of Procurement</i>
Plant saplings and Seeds	Registered Nurseries / Registered shops
Bio- Agents , Bio-Fertilisers , Medicines and Vaccines	approved government agency
Bulls and Semen	Uttarakhand Livestock Development Board

(xiv) Extension of Contract- The existing contract for the procurement of goods, works or services, awarded in accordance with any of the prescribed procedures, may need to be extended, say due to additional requirements. The contract may be recommended for extension by the WWC if it is satisfied that no advantage can be obtained by further competition that the prices on the extended procurement are reasonable and the party has satisfactorily executed the existing contract.

(xv) Spare Parts/Accessories - Spare parts or other accessories, compatible with the existing equipment/goods, may be procured from the original supplier.

(xvi) Proprietary Items - The required goods, services and works are proprietary and available from only one source.

(xvii) Panchayat Udyog – Two or more GPs can join together to set up a tiny manufacturing unit – Panchayat Udyog - as a society. The Government has mandated (GO 5038 – Ga/33-37/74 dated 11.07.1976) that, to the maximum extent possible, the GPs should procure items from the Panchayat Udyog manufactured by them e.g. loose tools, boxes etc.

(xviii) Rate Contract by Director of Industries (DI) & Directorate General of Supplies & Disposal (DGS&D) – The DI and DGS&D enter into Rate Contract Agreement with various parties. It is prescribed that, to the maximum extent possible, the GPs should procure items manufactured by the registered firms and no tendering is required. The GPs may enter into direct contract with these firms considering the timely availability of the goods and

transportation costs. Alternately, the rates of these firms can be considered as one of the quotations.

(xix) Contract with RVC/Van Panchayat/User Groups/SHG/Beneficiary – The GP can enter into a contract for execution of works valued up to Rs. 25,00,000.00 (Rupees twenty five lacs only) with any of these entities by direct contracting as per guidelines given in the Project Implementation Manual. In such a case, these entities shall execute the work in accordance with the Memorandum of Understanding signed with the GPs. The work shall be supervised and monitored for quality assurance as per the procedures given in the Financial Manual for GPs.

3.12 Limited Tender Enquiry

(i). When to be applied - This method shall be applied to --

- (g) each procurement of goods exceeding Rs. 3,00,000 and up to Rs. 25,00,000 (Rupees Twenty Five lacs) only; and
- (h) each procurement of works exceeding Rs. 3,00,000 and up to Rs. 25,00,000 (Rupees Twenty Five lacs) only.

The following activities are involved in this method of procurement.

a. Copy of the bidding document should be sent directly by speed post/registered post/courier/e-mail to more than three firms which are born on the list of registered suppliers/contractors for the goods/works in question, so as to ensure that minimum three bids are received. Further, web based publicity should be given for a limited tender.

b. It should be ensured that maximum possible approved suppliers/contractors are identified to obtain more responsive bids on competitive basis. To identify such suppliers/contractors, the mechanism of advertisement, publications in high circulation national newspaper and different web sites of concerned suppliers/contractors may be used.

c. For rest of the process follow the method given in Para 3.13.

3.13 Advertised Tendering

(i). When to be applied - This method shall be applied to --

- (i) each procurement of goods exceeding Rs. 25,00,000 (Rupees Twenty Five lacs only); and
- (j) each procurement of works exceeding Rs. 25,00,000 (Rupees twenty five lacs only).

(ii) Activities involved in Tendering - The following activities are involved in this method of procurement.

- Preparation of Tender Documents
- Prior Review by Project
- Advertisement/Dispatch/Display of Notice Inviting Tender (NIT)
- Issue of Tender Documents
- Submission of Tenders
- Public opening of Tenders
- Evaluation of Tenders
- Post Review by Project
- Final Selection and Approval
- Award of Contract

a. *Preparation of Tender Documents* – The tender documents are the means of communication between the tenderer and the prospective suppliers/service providers and they should be properly drafted and be unambiguous. The tender documents shall furnish all the information necessary for the prospective bidder to prepare a tender for the goods, works & services intended to be procured. While the text of these documents may vary with the size and nature of the proposed tender package and contract, they generally include the following information.

- NIT
- Conditions of the contract - scope of work, goods to be supplied, rights and obligations of the GPs and the Supplier or contractor
- Description of goods/services or Bill of Quantities
- Specifications and drawings
- Delivery time or schedule of completion
- Schedule of payments
- Terms of transit insurance, if required
- Validity period of the Tender
- Minimum performance requirements, including performance security
- Location of the goods/work/services to be supplied/provided
- Evaluation and selection criteria
- Form of contract

The PC would prepare the tender documents in consultation with the WWC as per the approved estimates of the activity (*see Financial Manual for GPs*). The latter would then place the documents before the GP for its approval within one week of the technical sanction.

Form 13 – Model Tender Documents for procurement of Goods

b. *Prior Review by Project* – The GP would then immediately forward the tender documents to the concerned DPD Office or its authorised representative for its comments and approval. Modifications if any, conveyed shall be incorporated in the documents. The concerned DPD or its authorised representative should convey its approval/comments in writing to the GP not later than 15 days after the receipt of the documents.

- c. Advertisement/Dispatch/Display of NIT – The objective of the NIT is to procure at the best price for the desired quality and includes description of the requirements, relevant dates for purchase, submission and opening of tenders, cost of the documents etc. The bidding period, i. e. the time allowed for the preparation and submission of tenders should be 15 to 30 days from the date of commencement for sale of documents. The Chairperson of the WWC shall sign the NIT.

Form 15 – Specimen of Notice Inviting Tender

The NIT should be adequately publicised within one week of receipt of approval/comments from the Project authorities through the following medium.

- Advertisement in the local/regional newspapers;
 - Display on the notice boards of the Gram Panchayat, Kshetra Panchayat and the PUO;
 - Dispatch to the parties listed in the Yellow Page Directory.
- d. Issue of Tender Documents – The tender document shall be signed by the Chairperson of the WWC before its issue to the prospective bidder. The issue of tender documents should commence from the date mentioned in the NIT. If a fee is to be charged for the tender documents, it should not be so high as to discourage the prospective bidders. The issue should stop on the date and time mentioned in the NIT. The Secretary PC/Accounts Assistant would control the issue/sale of the documents including issue of receipts and recording of the sale of documents. At the close of the issue/sale, the Secretary PC/Accounts Assistant would inform the PC of the number of documents sold and the names of the parties. Cash/cheques received against the sale of tender documents should be deposited in the bank account of the Project on the same/next day.

Form 16 – Specimen of the Receipt Book

- e. Submission of tenders – All prospective bidders should be provided the same information and should get equal opportunity to obtain additional information, on a timely basis, so as to enable them to prepare appropriate tenders. The information shall be provided by any member of the PC or by the Secretary PC/Accounts Assistant. The request for additional information should be made in writing. The response to such requests should be discussed by the PC and communicated in writing to each recipient of the original tender document in sufficient time before the dead line for receipt of tenders. If necessary, the dead line shall be extended.

In exceptional circumstances, the deadline for submission of tender may be required to be extended. Such extension shall be authorised by the GP on the recommendation of the WWC. The extension of time shall be communicated in the manner given in para 3.12 (ii) (c).

The tenders shall be received at the address given in the NIT and shall be kept in the custody of the PC. The bidders can submit the tenders through registered post or in person. In the latter case, the Secretary PC/Accounts Assistant shall issue acknowledgement of receipt of the tenders.

Form 17 – Specimen of acknowledgement of receipt of quotation/tender

- f. Public opening of tenders - The PC shall open the tenders at the place and time specified in the NIT. The date for the opening of tenders should preferably be the same as for the deadline for receipt of tenders and the time of opening should be immediately thereafter.

The tenders shall be opened in the presence of the bidders or their representatives, who choose to be present. The name of the bidder and the total amount of each tender shall be read aloud. Tenders received after the time stipulated in the NIT would not be opened and read out and not considered.

All tenders received should be recorded in a register stating therein the name of the bidder, whether tender opened or not, total number of the bids opened and attendance of persons present. The bidders shall not be requested or permitted to correct/modify/revise the tenders once they have been opened. All members of the PC present shall initial all the pages of the tenders and the register. The documents would be kept under the custody of the Secretary PC.

- g. Confidentiality - After the public opening of the tenders information relating to the examination, clarification, evaluation of bids and recommendations concerning award of contract shall not be disclosed to the bidders or other persons not official concerned with the process until the successful bidder is notified of the award.
- h. Examination of Tenders - The PC would ascertain whether the tenders
- have been properly signed;
 - are accompanied by required security, if any;
 - are substantially responsive to the tender documents i.e. it does not contain material deviations or reservations to the terms, conditions and specifications;
 - are otherwise generally in order.

If a tender is not substantially responsive it shall not be considered any further for evaluation. The bidder shall not be permitted to correct or withdraw such material deviations or reservations once the tender has been opened.

- i. Evaluation of Tenders - The PC shall prepare a detailed report on the evaluation and comparison of tenders, ascertain the bidder with the Lowest Evaluated Cost and make out its recommendation, clearly specifying the reasons on which the recommendation is based. This report duly signed by all the members of PC present shall then be forwarded to the WWC for their recommendations within 3 days after the last date for submission of tenders. Thereafter, the report shall be placed before the GP at its meeting for consideration and approval within one week of approval by WWC.

Form 18 – Model Resolution for approval of the Tender Evaluation Report by the GP

To ensure uniform evaluation across the tenders, the following points should be considered during evaluation.

- The tender price read out at the public opening shall be adjusted to correct any arithmetical errors or make adjustments for any quantifiable non-material deviations or reservations.
- Clarifications or Alterations of Tenders – The bidders should not be requested or permitted to alter/revise their tenders after the deadline fixed for the receipt of tenders. The WWC may, if required, seek clarifications, in writing, from the bidders to facilitate evaluation of tenders, but shall not permit the bidders to change the substance or price of their tenders. The clarification from the bidders should be in writing.
- Pricing - The comparison of the tender amount should be based on all the components specified in the tender documents to ensure uniformity. For instance, if evaluation is based on ex-works/ex-factory cost, then this basis should be similar for all tenders. Or where transportation, installation or similar costs are part of the price, then it should be included in all prices being compared. If any component has not been included in the tender price and cost whereof cannot be reasonably arrived at, the tender should be declared “non – responsive”.
- Responsiveness – The tenders should be evaluated to ascertain that they substantially comply with terms and conditions specified in the tender documents. For instance, sufficient information is not available with respect to the experience of the bidder or, if financial details have been asked for, these have not been appropriately provided to facilitate evaluation. The PC shall also determine whether the bidders have the capability and resources to effectively execute the contract. In such circumstances, the PC shall declare the tender as “substantially non – responsive” and hence reject the tender.
- Rejection of all tenders – Circumstances may arise where all the tenders are liable for rejections due to lack of effective competition or all the tenders are not substantially responsive. Based on the recommendation of the PC, the WWC would obtain the permission of the GP for rejecting all the tenders. If the tenders are rejected due to the aforesaid reasons, the GP resort to re-tendering.

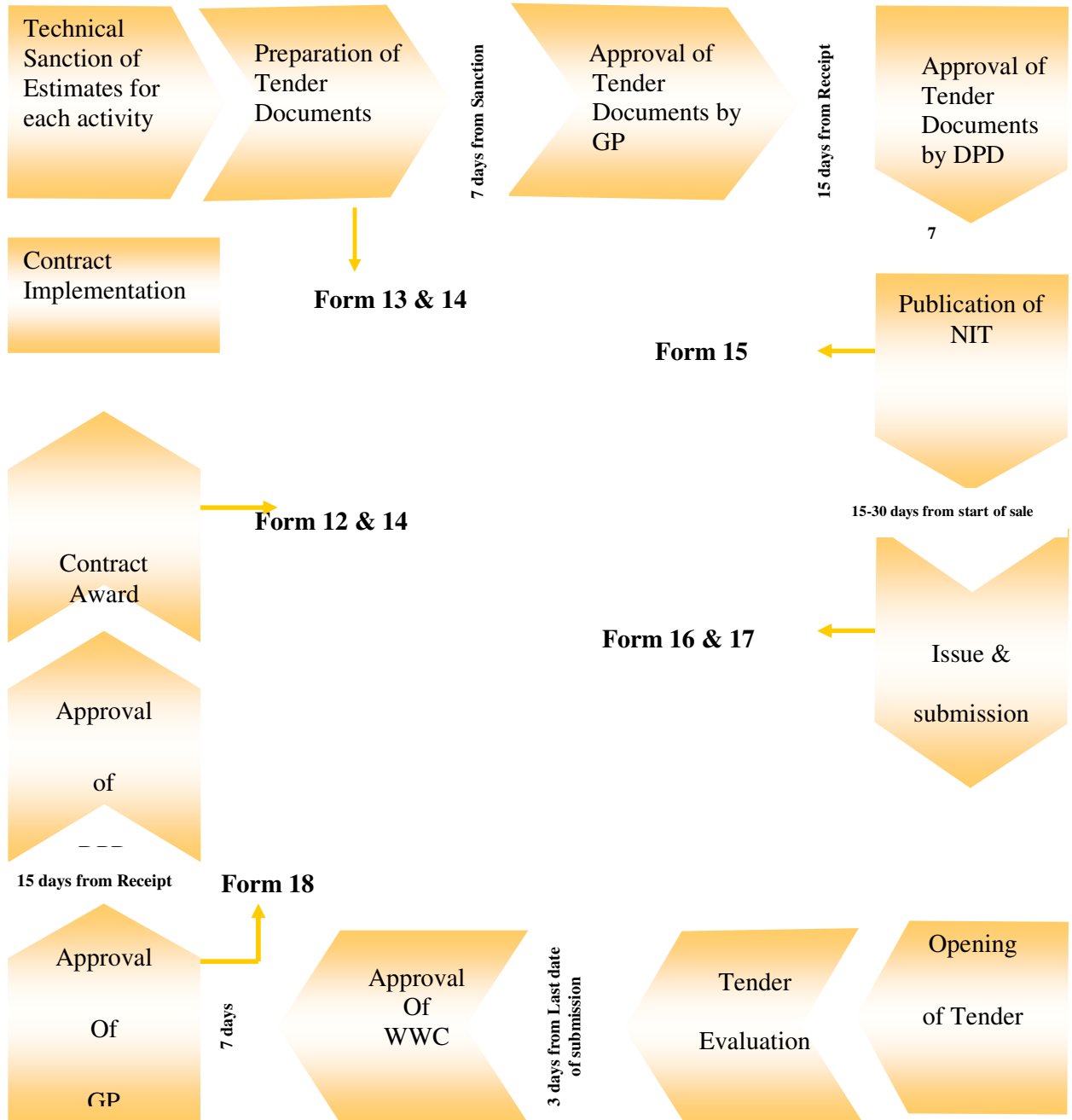
However, caution need be exercised to ensure that all tenders should not be rejected solely on the basis that they substantially exceed their estimates. Such action should be placed in the next Gram Sabha.

- j. Post Review by Project – The tender evaluation report shall after the approval by GP, be submitted to the concerned DPD Office or its authorised representative for obtaining its comments or no objection/approval. The Project authorities are expected to review the process to ensure that there are no material deviations from extant procurement guidelines, and due care has been made in the evaluation. The comments or no – objection/approval should be given by the Project authorities in writing not later than 15 days after the receipt of the Report.

- k. *Award of Contract* - After receiving the no objection/approval of the Project authorities, the GP shall then proceed to award the contract to the selected party. The GP shall issue a Letter of Acceptance of Tender for signing of the contract and to proceed with the work (*per Form 14*) or sign a contract for procurement of goods and issue the Procurement Order (*per Form 12*) within two days of receipt of approval from the Project authorities. The bidder shall not be required to undertake responsibilities for work which have not been stipulated in the tender documents or otherwise to modify the tender as originally submitted.

This method of procurement is schematically represented in the diagram below:

PROCUREMENT CYCLE - TENDERING



Chapter-IV: Administration and Monitoring System

4.01 Introduction

This Chapter outlines the Administration and Monitoring System for procurement under the Project. The GPs are expected to implement the system prescribed hereinafter for efficient administration and monitoring of contracts/procurement orders and to ensure that the procedures prescribed for procurement have been followed.

4.02 Recording

The GPs shall maintain the following three registers for recording at the pre-award and post-award stages.

- Tender and Procurement Registers – The objective of these Registers is to capture and monitor the activities involved in the procurement process. The Register shall have separate folio for each procurement through tender, quotations and shall contain the projected and actual date of performing the various stages of the process.

Form 19 - Format of Tender Register

Form 20 – Format of Register for Procurement through Quotations

- Contract Register – This Register would capture the performance of the contract or the Procurement Order. It would enable monitoring the status of each contract with respect to the contract value, amount of invoices and amount paid till the completion of the contract. The contract details shall be captured from the Tender and Procurement Registers and the actual payment details from the financial records.

Form 21 – Format of the Contract/Procurement Order Register

The Secretary PC/Accounts Assistant, or any member of the WWC/PC so authorised by the WWC, shall prepare these registers. The WWC and the GP shall periodically review the Registers as part of their monitoring and control function and, based on the review, shall issue instructions in case of any slippages. These Registers shall form the basis for preparation of the Procurement Management Reports (PMR).

4.03 Procurement Management Reports

- (i) The PMRs are a “walkthrough” of the process of procurement and would enable the Project Management to monitor the status of the major procurements and whether the provisions of this Manual are being complied with. The GPs shall prepare, in the manner prescribed, the PMRs as part of the Management Information System. The PMRs would be prepared on quarterly basis. The Secretary PC/Accounts Assistant shall prepare the PMR, reviewed by the PC/WWC and then placed before the GP at its meeting. The Gram Pradhan, the Chairperson of the WWC and the Secretary PC shall sign the PMR. Thereafter, the PMR shall be directed to the PUO by the 10th of the next month.
- (ii) The following three reports shall be prepared from the records and other documents

Form 22 - PMR I for procurement through Tenders

relating to procurement.

The PMRs shall be prepared in three copies – one copy each would be retained by the GP and the WWC and one copy would be directed to the PUO.

4.04 Internal Controls

The following internal controls are recommended in the procurement process.

- Any decision taken on procurement shall be taken in a meeting of the GP or the WWC. If due to emergent circumstances, the Gram Pradhan takes a decision, *post facto* approval shall be taken at the next meeting.
- The GP shall deal with matters relating to procurement only after the WWC has forwarded its recommendations thereon.
- Provision has been made, in the procurement process, for revision of dates (such as last date of sale or date of opening). It should be ensured that this provision is used sparingly, with adequate reasons, and not more than twice.
- The Receipt Book for sale of tender forms and the Procurement Order shall be serially numbered.
- The WWC shall ensure that the cash/cheques received on sale are deposited in the bank account of the Project on the same/next day.
- The GP and the WWC shall periodically conduct physical verification of material kept in central stores and reconcile these with the store records.

4.05 Audit

(i) The Financial Manual for GPs envisages External Audit by the Chief Audit Officer, Co – operatives and Panchayats (under the Panchayat Raj Act) and Internal Audit by firms of Chartered Accountants appointed by the Project. With respect to procurement, the Financial Manual provides the following under “Audit Program for Gram Panchayats” with respect to Internal Audit.

“Verification of documents relating to procurement of material and proper implementation of the Procurement Manual in this regard. Also verification of the records prescribed in the Procurement Manual, whether they are being maintained by the RVC or other Executor for control of material.”

(ii) It would be the responsibility of the GP and the WWC to facilitate the Audit and ensure that the books and records relating to procurement are produced before the Auditors. It would also be their duty to effect compliance to the audit findings timely and completely.

4.06 Transparency and Social Audit

(i) Social Audit is a participatory audit and accountability is directly to the citizens. It is the medium through which information is disseminated to the citizens and they get the opportunity of evaluating the works implemented and judge their procurement, quality, effectiveness and conformity to accepted norms.

(ii) To achieve the above objectives, each GP shall, with the assistance of the WWC, facilitate Social Audit in the following manner, relating to procurement, as a supplement to the process provided in the Financial Manual for GPs.

- The Procurement Plans shall be placed before the Gram Sabha for their consideration.
- Information with respect to intended procurement through quotations and tendering should be displayed by the GP on the notice boards at the Panchayat Bhawan, Community Halls and other public places.
- Any member of the Community can request the GP to examine the documents regarding procurement, including PMRs. In such a case, the Secretary PC/Accounts Assistant shall facilitate the inspection of the procurement documents. Copy of any document can also be requested by the member on payment of fees prescribed in the Panchayat Raj Rules or Right to Information Act -2005.
- At each meeting of the Gram Sabha, the Proceedings Book of the WWC and a copy of the PMRs shall be kept at the venue for inspection by the Community.
- Any complaint against the GP by the prospective bidders shall be submitted to the office of the DPD for redressal. The DPD shall take up the issue with the GP through the PUO.

4.07 Amendments in the Community Procurement Manual

During the course of the implementation of the Project, there may arise a situation requiring amendment to this Manual to ensure smooth procurement and to remove any hindrances. In such an eventuality, a Proposal for Amendment can be moved by the Project or by a GP/WWC, giving the nature and reasons thereof. The proposal shall be examined by the Project Director ILSP and if found reasonable, shall be placed before a Committee comprising of equal representatives of the project and the GPs and chaired by the CPD of WMD. The amendment shall be passed by a simple majority and forwarded to the IFAD for its approval. On approval by the IFAD, the amendment shall be incorporated in the Manual and disseminated to all the GPs who shall likewise include the amendment in their copy of the Manual.

4.08 Capacity Building Measures

For the effective implementation of the Community Procurement Manual at the GP level, the Project should initiate Capacity Building measures for imparting training to the GPs on procurement and in the use of this Manual.

- Training may be conducted initially by the WMD where the Project staff shall be acclimatised about the concept of Community Procurement, the methods of procurement, the Procurement Administration & Monitoring System and the procedures and responsibilities prescribed in this Manual so as to promote effective supervision and monitoring as also cater to the needs of the new decentralised implementation arrangements.
- WMD may hire the services of qualified and experienced individuals/NGOs/Consultants or other agencies to conduct a sustained Information, Education and Communication campaign to increase the general awareness in the communities about the Project, terms of participation and overall transparency. Services of such agencies may also be hired to provide technical assistance, training to the functionaries of the GP, WWC, PC & RVC build/strengthen their capacity in the use of the Community Procurement Manual including the formats.
- Extensive training should be given to Accounts Assistants on the procurement procedures stipulated in the Manual so that they can guide and assist the GPs in their implementation.
- Refresher training should be organised for the GPs periodically throughout the implementation of the Project.

Resolution for selection of a member of the Procurement sub-Committee by the GP

[Refer Para 3. 03 of the Community Procurement Manual]

Gram Panchayat _____ Block _____ District _____

Venue:

Date:

A meeting of the Gram Panchayat was convened to nominate one ward member, being a member of WWC, as a member of the PC to assist the WWC in the execution and administration of the procurement process in Integrated Livelihood Support Project. He/She shall be a member of the PC for the year _____. On the basis of discussions held, the following member has agreed and hence nominated as the member of the PC.

1) Shri.....s/o.....

Sl. No.	Members of the GP	
	Name	Signature
1.		
2.		
3.		
4.		

Signature of the Gram Pradhan

Form 2

**Resolution for selection of members of the Procurement sub Committee in the meeting
of the Gram Sabha**

[Refer Para 3.03 of the Community Procurement Manual]

Gram Panchayat _____ Block _____ District _____

Venue:

Date:

A meeting of the Gram Sabha (of which the quorum was complete) was convened to appoint members of the PC to assist the WWC of the GP in the execution and administration of the procurement process in Integrated Livelihood Support Project. They shall be the members of the PC for the year _____. On the basis of discussions held, the following persons have agreed and hence nominated as the members of the PC: --

- 1) Shri.....s/o.....village.....
- 2) Shri.....s/o.....village.....
- 3) ShriS/o. Village.....
- 4) Shri S/ovillage.....

Sl. No.	Members of the Community	
	Name and Father's/Husband's Name	Signature
1.		
2.		
3.		
4.		

Note: One member from each village has to be nominated with minimum three members having at least one women representative and one SC/ST/BC representative

Signature of the Gram Pradhan

Master Procurement Plan for Goods

[Refer Para 3.05 of the Community Procurement Manual]

Year _____ to Year _____

Gram Panchayat _____

Date _____

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
	Code	Description				IFAD/SG	Beneficiary contribution	
Tendering								
Year - 1								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Year - 2								
Year - 3								
Sub-Total								
Procurement through quotations								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Year - 1								
Year - 2								
Year - 3								
Sub-Total								
Direct Contracting								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Year - 1								
Year - 2								
Year - 3								
Sub-Total								
Off the shelf								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Year - 1								
Year - 2								
Year - 3								
Sub-Total								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
GRAND TOTAL								

Chairperson of WWC _____

Secretary _____

Gram Pradhan _____

Master Procurement Plan for Works and Services

[Refer Para 3.05 of the Community Procurement Manual]

Year _____ to Year _____

Gram Panchayat _____

Date _____

Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
	Code	Description			IFAD /SG	Beneficiary contribution	
Tendering							
Year - 1							

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Year - 2							
Year - 3							
Sub-Total							
Procurement through quotations							

*Integrated Livelihood Support Project
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Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources		Remarks
					(Rs.)		
Year - 1							
Year - 2							
Year - 3							
Sub-Total							

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Direct Contracting							
Year - 1							
Year - 2							
Year - 3							

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Sub-Total							
Off the shelf							
Year - 1							
Year - 2							
Year - 3							

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Nature of work/service as per Master Plan	Budgeted amount as per Master Plan (Rs.)	Budget Resources (Rs.)		Remarks
Sub-Total							
GRAND TOTAL							

Chairperson of WWC _____

Secretary _____

Gram Pradhan _____

Annual Procurement Plan for Goods

[Refer Para 3.05 of the Community Procurement Manual]

Year _____

Gram Panchayat _____

Date _____

Method of Procurement	Activity		Material description	Budget quantity as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
	Code	Description				IFAD/SG	Beneficiary contribution	
Tendering								
Quarter - 1								

*Integrated Livelihood Support Project
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Method of Procurement	Activity		Material description	Budget quantity as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								
Procurement through quotations								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget	Budgeted	Budget Resources		Remarks
				quantity as per Annual Action Plan	amount as per Annual Action Plan (Rs.)	(Rs.)		
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								
Direct Contracting								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget	Budgeted	Budget Resources		Remarks
				quantity as per Annual Action Plan	amount as per Annual Action Plan (Rs.)	(Rs.)		
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								

*Integrated Livelihood Support Project
Community Procurement Manual*

Method of Procurement	Activity		Material description	Budget quantity as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
Off the shelf								
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								

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Method of Procurement	Activity	Material description	Budget quantity as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
GRAND TOTAL							

Chairperson of WWC _____

Secretary _____

Gram Pradhan _____

Form 6

Annual Procurement Plan for Works and Services

[Refer Para 3.05 of the Community Procurement Manual]

Year _____

Gram Panchayat _____

Date _____

Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
	Code	Description				IFAD/SG	Beneficiary contribution	
Tendering								
Quarter - 1								

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Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								
Procurement through quotations								

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Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								
Direct Contracting								

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Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								
Off the shelf								

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Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources		Remarks
						(Rs.)		
Quarter - 1								
Quarter - 2								
Quarter - 3								
Quarter - 4								
Sub-Total								

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Method of Procurement	Activity		Nature of work/service	Tentative time frame as per Annual Action Plan	Budgeted amount as per Annual Action Plan (Rs.)	Budget Resources (Rs.)		Remarks
GRAND TOTAL								

Chairperson of WWC _____

Secretary _____

Gram Pradhan _____

Authority by the Watershed Committee for Conducting Market Survey

[Refer Para 3.10 of the Community Procurement Manual]

Name of Gram Panchayat: _____ Nominated members of the PC

Date

- 1.Shri _____
2.Shri _____
3.Shri _____

S.No	Description of Goods/Works/Services	Estimated Quantity of Goods/Works as per Technical sanction	Delivery Period/ Period of work completion	Place of delivery/work	Other Requirements	Technical Sanction No.
1.						
2.						
3.						

The aforesaid members of PC are hereby authorised to conduct a market survey in the following markets for the purpose of procuring

Goods/Works/Services on _____(date).

Name of Market _____ Location _____

Name of Market _____ Location _____

Name of Market _____ Location _____

Further the RFQ be issued to the under mentioned parties listed in the Yellow Page Directory

Name of the Party	Address
-------------------	---------

1.

2.

3.

(If they are aware of any authorised dealers of goods, they can mention the name also)

- 1- The PC will contact authorised dealers/contractors/service providers of the required goods/ works/ services and obtain Sealed Quotations/Proforma Invoices of the rates of the same from them. The brand names of the goods should be mentioned on these documents.
- 2- They should ensure that the quality of the goods and qualifications of the service providers/contractors should be as per requirements and the goods should have the ISI mark.
- 3- It is essential to ascertain these rates and brands from minimum three dealers.
- 4- In the Proforma Invoices, the following points should necessarily be recorded:
 - (i) The Proforma Invoice should be given on a paper, which should preferably have the printed or stamped name of the dealer/firm.
 - (ii) The firm should be registered with the Trade Tax Authority and should preferably have a PAN No. under the Income Tax Act, 1961.
 - (iii) The Proforma Invoice should have the name of the material, Brand, ISI mark, Quantity, Rate of Unit Cost, Total Cost etc.
 - (iv) If any concession/rebate is proposed to be given it should also be recorded in the Invoice.
5. The quotations shall be evaluated as per the following criteria _____
6. The Market Survey should definitely be completed and RFQ obtained by _____ (date & time).

7. The quotations/rates obtained through market survey and/or issue of RFQ shall remain valid for a period of ___ days after the last date of market survey/submission of RFQ.

Members of the WWC		
S.No	Name	Signature
1.		
2.		
3.		
4.		

Note: 1. Last date and time for conducting market survey and submission of RFQ should be the same.

2. The criteria for evaluation and award of contract shall be clearly spelt out viz. Cost, qualification/experience or both for all items together or separately for each item.

Request For Quotation

[Refer Para 3.10 of the Community Procurement Manual]

To,

Dear Sirs,

Sub: Request for Quotation for supply/work of

1. You are invited to submit your most competitive quotations for supply of _____

Brief Description of the goods/works/ services	Specifications	Quantity of Goods/ Works as per technical estimate	Delivery Period/ Period for completion of work	Place of Delivery/ Work	Other requirements

2. The GP _____ (name) of Block _____ & Zila _____ has received a credit (MoU No. _____ dated _____) from the Watershed Development Directorate _____ (Address) towards the cost of _____ (Project) and intends to apply part of the proceeds of this credit to eligible payments under the contract for which this request for quotation is issued.

3. The contract shall be for the full quantity/value as described above. All the duties, taxes and other levies payable by the supplier/seller shall be included in the total price. The rates quoted shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.
4. The last date and time for submission of the quotation is _____ and the quotation shall remain valid for a period of ____ days after the last date for submission.
5. The quotation should be submitted on printed letterheads of the dealer/firm bearing the Trade Tax Authority no. and preferably the PAN no. allotted under the Income Tax Act, 1961, in sealed envelopes.
1. The quotations shall be evaluated as per the following criteria:

2. We look forward to receiving your quotations and thank you for your interest in the Project.

Signature of the Chairperson of WWC _____

Address _____

Date _____

Evaluation Report for Procurement through Quotations

[Refer Para 3.10 of Community Procurement Manual]

Date _____

Name of Gram Panchayat: _____ Nominated members of the PC

1.Shri _____
2.Shri _____
3.Shri _____

Dates of Market Survey (i) _____

(ii) _____

(iii) _____

Last Date for Receipt of RFQ _____

As per the orders given by the WWC for the Market Survey (Form – 7 of Community Procurement Manual) on _____ date the following markets have been surveyed:

Name of Market _____ Location _____

Name of Market _____ Location _____

Name of Market _____ Location _____

(If the market survey has been conducted in markets other than those previously specified in Form – 7 mentioned above, the reasons for this change have to be identified and put on record. However, the market survey should not be conducted after the last date specified by the WWC. If there are any other

relevant points to be noted, they may also be put in writing. The PC shall also the open the quotations obtained against the request dispatched and prepare the comparative report given below based on their market survey and the quotations received against the request).

Comparative Report

S.No.	Goods/works/ser vices	Name of Authorised Dealer/Supplier/Contractor/Service Provider			Amount (Rs.)	Other Criteria if any	Remarks
		Messers: (Rate)	Messers: (Rate)	Messers (Rate)			
1.							
2.							
3.							

(Proof of the above-mentioned rates in the form of Quotations/Proforma Invoices has to be attached)

On the basis of the evaluation of the quotations, as per the criteria approved by the WWC and given in the Comparative Report above, it is hereby recommended that the Goods at S.Nos. from Messers.....and the works/services at S.Nos.....from Messers.....may be procured at the rates mentioned therein subject to the approval of the WWC and the GP.

Members of the PC		
S.No	Name	Signature
1.		
2.		
3.		

Signature of Secretary _____

Decision for Procurement by the Water and Watershed Committee
[Refer Para 3.10 of the Community Procurement Manual]

Date _____

Name of Gram Panchayat: _____

On _____ (Date), the PC presented the Evaluation Report for procurement against _____ activity (Technical sanction No. ____) before the WWC. The members discussed the Comparative report and other points mentioned, and subsequent to this discussion, they approved the procurement of following goods/works/services:

S.No	Goods/Works/ Services	Quantity as per technical estimate and specifications	Delivery period/ period for completion of work	Place of delivery/ work	Unit Price/Rate (Rs.)	Amount (Rs)	Payment Terms	Name and address of the approved supplier/contractor/ service provider
1.								
2.								
3.								

(If there are any decisions made at the meeting of the WWC, which are different to those recommended by the PC, the reasons for taking them must be duly recorded).

The Evaluation report alongwith the decision taken in this meeting be submitted before the GP for final approval.

Members of WWC		
S.No.	Name	Signature

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1.		
2.		
3.		
4.		

Decision for Procurement by the Gram Panchayat
[Refer Para 3.10 of the Community Procurement Manual]

Date _____

Name of Gram Panchayat: _____

On _____ (Date), the WWC presented the PC's Report before the GP. The members discussed the Comparative report and the recommendation and approval of the WWC, and other points mentioned, and subsequent to this discussion, they approved the procurement of following goods/works/services:

S.No	Goods/Works/ Services	Quantity as per technical estimate and specifications	Delivery period/ period for completion of work	Place of delivery/ work	Unit Price/Rate (Rs.)	Amount (Rs)	Payment Terms	Name and address of the approved supplier/contractor/ service provider
1.								
2.								
3.								

(If there are any decisions made at the meeting of the GP, which are different to those recommended by the WWC, the reasons for taking them must be duly recorded). According to the above-mentioned decisions of the GP, the Gram Pradhan/Up Pradhan is hereby authorised to issue the Procurement Order.

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Members of Gram Panchayat		
S.No.	Name	Signature
1.		
2.		
3.		
4.		

Note. If the value of the procurement exceeds the value specified in the technical estimate then approval should be obtained as per the existing norms.

Procurement Order

[Refer Para 3.10 of Community Procurement Manual]

No. _____

Date _____

To,

From: Name of GP _____

_____ (Supplier/Contractor/Service Provider's Name)

Block _____

_____ (Address)

Zila _____

1. Brief Particulars of the goods/works/services, which shall be supplied/provided, are:

Sl. No	Brief Description of Goods/Works/Services	Specifications	Quantity as per technical estimate	Unit Price/ Rate	Total Price including taxes, duties etc.

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2. Delivery Terms
3. Delivery Schedule
4. Payment Terms
5. Other conditions

Signature of Gram Pradhan /Up Pradhan _____

Note. The details in the Procurement Order should be in conformity with those given in the Procurement Decision by the Gram Panchayat (per Form 10)

FORM - 13

[Refer Para 3.12 of Community Procurement Manual]

TENDER DOCUMENTS FOR PROCUREMENT OF GOODS

By Gram Panchayat

(For contracts valued above Rs. 50,000 each)

1. Notice Inviting Tender (NIT)

Date _____

MoU No. & Date _____

NIT No. _____

(a) The Gram Panchayat _____ [name] of Block _____ [name] & Zila _____ [name] has received a credit (MoU No. _____ dated _____) from the Watershed Development Directorate, _____ (Address) towards the cost of _____ Project and it is intended that part of the proceeds of this credit will be applied to eligible payments under the contracts for which this Notice Inviting Tender is issued.

(b) The purchaser now invites sealed bids from eligible bidders for supply of _____ listed below:

_____ {Description & specification of goods and estimated quantity to be

_____ procured}

Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only.

- (c) Interested eligible bidders may obtain further information from the office of the Gram Panchayat _____ [name]
- (d) A complete set of tendering documents may be purchased/obtained by any interested eligible bidder upon payment/free of cost, non-refundable fees as indicated below.
- (e) The tendering document may be obtained from the office of the Gram Panchayat _____ from _____ hrs to _____ hrs either in person or by post.

(a)	Price of tendering document (non-refundable)	
(b)	Postal Charges	
(c)	Date of Commencement of sale of tendering document	
(d)	Last date for sale of tendering document	
(e)	Last date & time for receipt of tenders	
(f)	Time & Date of opening of tenders	
(g)	Place of opening of tenders	
(h)	Address for communication	

- (f) Earnest money of Rs. _____ shall be given by the bidders in form of cash/cheque/bank draft drawn in favour of _____ payable at _____ at the time of submission of the tender.
- (g) Tenders will be opened in the presence of Bidder's representatives who choose to attend on the specified date and time.

2. Tender Price and Delivery period

- a) The contract shall be for the full quantity as described above. Corrections, if any, shall be made by crossing out, initialling, dating and re writing.

Contd.

- b) All duties, taxes and other levies payable by the supplier under the contract shall be included in the total price.
- c) Cost of transportation if any, to be borne by the Supplier shall be separately disclosed.
- d) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.
- e) The goods should be delivered within _____ days from the date of issue of Procurement Order.

3. Each bidder shall submit only one tender.

4. **Validity of Tender**

Tender shall remain valid for a period not less than _____ days after the deadline date specified for submission.

5. The bidder shall seal the tender in an envelope addressed to the _____ (GP). The envelope will also bear the following identification: -

- Tender for _____ (Name of the Contract)
- Do not open before _____ (time and date of tender opening).

6. Tenders must be received in the office of the _____ (GP) not later than the time and date given in the Notice Inviting Tender. If the specified date is declared a holiday, tenders shall be received upto the appointed time on the next working day.

7. Any tender received by the _____, (GP) after the deadline for submission of tenders will be rejected and returned unopened to the bidder.

8. **Evaluation of Tenders**

The GP will evaluate and compare the Tenders determined to be substantially responsive i.e. which

- (a) Are properly signed; and
- (b) Conform to the terms and conditions, and specifications.
- (c) Are registered with the trade tax authorities and have been allotted a PAN no. under Income Tax Act, 1961
- (d) Other criteria

9. **Award of contract**

- 9.1 The GP will award the contract to the bidder whose tender has been determined to be substantially responsive and who has offered the lowest evaluated cost and sign a contract specifying the agreed terms & conditions.

- 9.2 Notwithstanding the above, the GP reserves the right to accept or reject any tender and to cancel the tendering process and reject all tenders at any time prior to the award of contract.

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- 9.3 The bidder whose tender is accepted will be notified of the award of contract by the GP prior to expiration of the tender validity period. The terms of the accepted offer shall be incorporated in the Procurement Order.
10. Payment shall be made as per the following schedule on:

11. Normal commercial warranty/ guarantee shall be applicable to the supplied goods.
12. Information relating to evaluation of tenders and recommendations for the award of contract shall not be disclosed to bidders or any other persons not officially concerned with the process until the award to the successful bidder is announced.
13. You are requested to provide your offer latest by _____ hour's on _____ (date).
14. We look forward to receiving your quotations and thank you for your interest in this Project.

Signature: _____
(Chairperson of WWC)
Address: _____

FORMAT OF TENDER

Sl. No.	Description Goods	Specifications	Qty.	Unit	Quoted Unit Rate in Rs.	Total Amount	
						In Figures	In Words

Gross Total Cost: Rs. _____

We agree to supply the above goods in accordance with the technical specifications for a total contract price of Rs. _____(amount in figures) (Rs. _____ amount in words) within the period specified in the Tender Document.

We also confirm that the normal commercial warrantee/guarantee of _____ months shall apply to the offered goods.

Signature of Supplier
Address
Sates Tax Regn. No.
PAN No.

FORM – 14

[Refer Para 3.12 of the Community Procurement Manual]

TENDER DOCUMENT FOR PROCUREMENT OF WORKS

By Gram Panchayat

(For contracts valued above Rs. 50,000 each)

**NOTICE INVITING TENDER FOR
WORKS UNDER TENDERING PROCEDURES**

To

Dear Sirs,

Sub: NOTICE INVITING TENDER FOR _____

1. You are invited to submit your most competitive tender for the following works: -

Brief Description of the Works	Approximate quantity of Works	Period of Completion
-----------------------------------	----------------------------------	-------------------------

2. The Gram Panchayat _____ [name] of Block _____ [name] & Zila _____ [name] has received a credit (MoU No. _____ dated _____) from the Watershed Development Directorate, _____ (Address) towards the cost of _____ Project and it is intended that part of the proceeds of this credit will be applied to eligible payments under the contracts for which this Notice Inviting Tender is issued.

3. Interested eligible bidders may obtain further information from the office of the Gram Panchayat _____ [name]

4. A complete set of tendering documents may be purchased/obtained by any interested eligible bidder upon payment/free of cost, non-refundable fees as indicated below.

5. The tendering document may be obtained from the office of the Gram Panchayat _____ from _____ hrs to _____ hrs either in person or by post.

(a)	Price of tendering document (non-refundable)	
-----	--	--

(b)	Postal Charges	
(c)	Date of Commencement of sale of tendering document	
(d)	Last date for sale of tendering document	
(e)	Last date & time for receipt of tenders	
(f)	Time & Date of opening of tenders	
(g)	Place of opening of tenders	
(h)	Address for communication	

6. Earnest money of Rs. _____ shall be given by the bidders in form of cash/cheque/bank draft drawn in favour of _____ payable at _____ at the time of submission of the tender.
7. Tenders will be opened in the presence of Bidders or their representatives who choose to attend on the specified date and time.
8. We look forward to receiving your tender and thank you for your interest in this Project.

Contd.

Instructions to Bidders

SECTION - A

1. Scope of Works

The _____ (GP) invites tenders for the _____ works as detailed in the table given below:

Brief Description of the Works	Approximate quantity of Works	Period of Completion
-----------------------------------	----------------------------------	----------------------

To assist you in the preparation of your tender, we are enclosing the following:

- i. Layout Drawings of the works;
- ii. Structural Details;
- iii. Technical Specifications;
- iv. Draft Contract Agreement format, which will be used for finalising the agreement for this Contract.

The successful bidder will be expected to complete the works by the intended completion date specified above.

2. Qualification of the bidder: The bidder shall provide qualification information along with documentary evidence, which shall include: -

(a) *Total monetary value of _____ works performed for each year of the last _ years:*

(b) Income tax clearance certificate from the concerned IT Circle;

(c) Report on his financial standing; and

(d) Details of any litigation, current or during the last _ years in which the bidder is involved, the parties' concerned and disputed amount in each case.

3. To qualify for award of the contract the bidder:

(a) Should have satisfactorily completed as a prime contractor at least __ (Nos) similar work of value not less than Rs. _____ in the last __ years; (enclose supporting documents)

(b) *Should possess valid licenses if any, for executing _____ works (in the event of the works being sub - contracted, the sub-contractor should have the necessary license);*

4. Bid Price

a) The contract shall be for the whole works as described in the drawings and technical specifications. Corrections, if any, shall be made by crossing out, initialling, dating and re-writing.

b) All duties, taxes and other levies payable by the contractor under the contract shall be included in the total price.

c) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.

(d) Payment shall be made as per the following schedule on:

5. Submission of Tender

5.1 The bidder is advised to visit the site of works at his own expense and obtain all information that may be necessary for preparing the tender.

5.2 Each bidder shall submit only one tender.

- 5.3 The tender submitted by the bidder shall comprise the following:
- (a) Tender in the format given in Section B.
 - (b) Signed Bill of Quantities; and
- 5.4 The bidder shall seal the tender in an envelope addressed to the _____ (GP). The envelope will also bear the following identification: -
- Tender for _____ (Name of the Contract)
 - Do not open before _____ (time and date of tender opening).
- 5.5 Tenders must be received in the office of the _____ (GP) not later than the time and date given in the Notice Inviting Tender. If the specified date is declared a holiday, tenders shall be received upto the appointed time on the next working day.
- 5.6 Any tender received by the _____, (GP) after the deadline for submission of tenders will be rejected and returned unopened to the bidder.
6. Validity of Tender
- Tender shall remain valid for a period not less than ____ days after the deadline date specified for submission.
7. Opening of Tenders
- Tenders will be opened in the presence of bidders or their representatives who choose to attend on the date and time and at the place specified in the letter of invitation.
8. Information relating to evaluation of tenders and recommendations for the award of contract shall not be disclosed to bidders or any other persons not officially concerned with the process until the award to the successful bidder is announced.
9. Evaluation of Tenders
- The GP will evaluate and compare the tenders determined to be substantially responsive i.e. which
- (a) Meet the qualification criteria specified in clause 3 above;
 - (b) Are properly signed; and
 - (c) Conform to the terms and conditions, specifications and drawings without material deviations.
10. Award of contract
- The GP will award the contract to the bidder whose tender has been determined to be substantially responsive and who has offered the lowest evaluated tender price and who meets the specified qualification criteria.
- 10.1 Notwithstanding the above, the GP reserves the right to accept or reject any tender and to cancel the bidding process and reject all tenders at any time prior to the award of contract.

- 10.2 The bidder whose tender is accepted will be notified of the award of contract by the GP prior to expiration of the tender validity period.
11. Performance Security (*Optional*)
- Within ____ days of receiving letter of acceptance, the successful bidder shall deliver to the _____ (GP) the performance security (either a bank guarantee or a bank draft in favour of the GP) for an amount equivalent of ____% of the contract price. The Performance Security shall be valid till the expiry of the period of maintenance of the work, specified in clause 12.
12. Period of Maintenance:
- The “Period of Maintenance” for the work is ____ months/days from the date of taking over possession. During the period of maintenance, the contractor will be responsible for rectifying any defects in the works free of cost to the GP.
13. Purchase of all materials as per the specifications (ISI certification marked goods wherever available) shall be the responsibility of the contractor.

SECTION - B

- 1. Format for Submission of Tender.**
- 2. Format of Letter of Acceptance.**

FORMAT OF TENDER

To:

Subject _____

Reference NIT No _____ dated _____ from _____

Sir,

We offer to execute the Works described in your NIT/Tender document referred to above for a total Contract Price of -

Rs. _____ [in figures]

Rs. _____ [In words].

This tender and your written acceptance of it shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any tender you receive.

We hereby confirm that this tender is valid for ____ days as required in Clause 6 of Section A - Instruction to Bidders.

Yours faithfully,

Authorized Signature:

Date: _____

Name & Title of Signatory: _____

Name of Bidder: _____

Address: _____

**LETTER OF ACCEPTANCE
CUM NOTICE TO PROCEED WITH THE WORK**

(LETTERHEAD OF THE GRAM PANCHAYAT)

Dated: _____

To: _____ [Name and address of the Contractor]

Dear Sirs,

This is to notify you that we hereby accept your tender dated _____ for execution of the _____ for the contract price of Rupees _____ [amount in words and figures].

You are hereby requested to furnish performance security for an amount of Rs. _____ (equivalent to ___ of the contract price) within ___ days of the receipt of the letter. The Performance Security in the form of Bank guarantee or a Bank draft in favour of _____ (GP) shall be valid till the expiry of the period of maintenance i.e. upto _____. Failure to furnish the Performance Security will entail cancellation of the award of contract.

You are also requested to sign the agreement form and proceed with the work not later than _____ under the instructions of the _____ and ensure its completion within the contract period.

With the issuance of this acceptance letter and your furnishing the Performance Security, contract for the above said work stands concluded.

Yours faithfully,

Signature of Gram Pradhan/Up Pradhan _____

Name & Address of GP _____

Draft Contract for Works through Tender

CONTRACT

This contract is made on _____ day _____ month _____ Year ____, between the _____ (Gram Panchayat) or its authorized representative (hereinafter referred to as the first party) and _____ (Name of the Contractor), S/O _____ resident of _____ (hereinafter referred to as the second party), to execute the work of _____ (hereinafter referred to as works) on the following terms and conditions.

2. Cost of the Contract

The total cost of the works (hereinafter referred to as the “total cost”) is Rs. ____ as reflected in Attachment - 1.

3.1 Payments under its contract:

The first party will release payments to the second party for the work in the following manner: -

(The above may be suitably drafted and should be in accordance with the tender document)

3.2 Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount;
- (b) on certification of the invoice by the _____ nominated by the first party with respect to quality of works in the format in Attachment - 2; and

4. Notice by Contractor

The second party, on the works reaching each stage as defined in clause 3.1, issue a notice to the first party or the _____ nominated by the first party, to visit the site for certification of stage completion. Within __ days of the receipt of such notice, the first party or the _____ nominated by it, will ensure issue of stage completion certificate after due verification.

5. Completion time

The works should be completed in _____ (months/weeks/days) from the date of this Contract. In exceptional circumstances, the time period stated in this clause may be extended in writing by mutual consent of both the parties.

Contd.

- 6. If any of the compensation events mentioned below would prevent the work being completed by the intended completion date, the first party will decide on the intended completion date being extended by a suitable period:

- a) The first party does not give access to the site or a part thereof by the agreed period.
 - b) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.
 - c) Ground conditions are substantially more adverse than could reasonably have been assumed before issue of letter of acceptance and from information provided to second party or from visual inspection of the site.
 - d) Payments due to the second party are delayed without reason.
 - e) Certification for stage completion of the work is delayed unreasonably.
7. Any wilful delay on the part of the second party in completing the work within the stipulated period will render him liable to pay damages @ Rs. _____ per ____, which will be deducted from payments due to him. The first party may cancel the contract and take recourse to such other action as deemed appropriate once the total amount of damages exceeds __ % of the contract amount.

(Note: The GP may suitably incorporate this clause as per requirements)

8. Duties and responsibilities of the first party

- 8.1 The first party shall be responsible for providing regular and frequent supervision and guidance to the second party for carrying out the works as per specifications. This will include written guidelines and regular site visit of the authorized personnel of the first party, for checking quality of material and construction to ensure that it is as per the norms.
- 8.2 The first party shall supply ____ sets of drawings, specifications and guidelines to the second party for the proposed works.
- 8.3 Possession of the site will be handed over to the second party within __ days of signing of the contract.
- 8.4 The person nominated by the first party shall record his observations/instructions at the time of his site visit in a site register maintained by the second party. The second party will carry out the instructions and promptly rectify any deviations pointed out by the nominated person. If the deviations are not rectified, the first party as well as the person nominated by it may instruct stoppage or suspension of the work and intimate the same to the first party. It shall thereupon be open to the first party to have the deviations rectified at the cost of the second party.

9. Duties and responsibilities of the second party

- 9.1 The second party shall:
- a) take up the works and arrange for its completion within the time period stipulated in clause 5;
 - b) employ suitable skilled persons to carry out the works;
 - c) regularly supervise and monitor the progress of work;
 - d) abide by the technical suggestions / direction of supervisory personnel of the first party;

- e) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification;
- f) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation;
- g) keep the first party informed about the progress of work;
- h) be responsible for all security and watch and ward arrangements at site till completion of the work; and
- f) Pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law).

10. Variations

The second party in accordance with the approved drawings and specifications shall carry out the works. However, if, on account of site conditions or any other factors, variations are considered necessary, the following procedure shall be followed: -

- a)
- b)
- c)

(Note: The GP may suitably incorporate this clause as per requirements)

11. Dispute settlement

If over the works, any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be referred for arbitration by a Sole Arbitrator to be appointed by the first party after obtaining confirmation of the name from the Project Unit Office. The Arbitration will be conducted in accordance with the Arbitration and Conciliation Act, 1996. The decision of the Arbitrator shall be final and binding on both the parties.

Signature of the GP
(Authorised Representative)

Signature of Contractor
(Authorised Representative)

Witnesses:
1.
2.

Witnesses:
1.
2.

Attachment-1 of Form -4

BILL OF QUANTITIES

Sl.No.	Description of Work	Qty.	Unit	Estimated Cost		Amount
				In figure (Rs.)	In Words	

Gross Total Cost: Rs. _____

We agree to execute the works in accordance with the approved drawing and technical Specification for a total contract price of Rs. _____ (amount in figures) (Rs. _____ amount in words).

Signature of the GP
(Authorised Representative)

Signature of Contractor
(Authorised Representative)

Witnesses:

- 1.
- 2.

Witnesses:

- 1.
- 2.

Attachment – 2 of Form 4

Format of certificate

Certified that the works up to _____ level in respect of _____ at _____ have been executed in accordance with the approved drawing and technical specifications.

Signature
Name & Designation
(Official address)

Place:
Date:

Office seal

Notice Inviting Tender (NIT)

[Refer Para 3.12 of the Community Procurement Manual]

Date _____

MoU No. & Date _____

NIT No. _____

1. The Gram Panchayat _____ [name] of Block _____ [name] & Zila _____ [name] has received a credit (MoU No. _____ dated _____) from the Watershed Development Directorate, _____ (Address) towards the cost of _____ Project and it is intended that part of the proceeds of this credit will be applied to eligible payments under the contracts for which this Invitation for Bids is issued.

2. The Gram Panchayat now invites sealed bids from eligible bidders for supply of _____ listed below:

Brief Description of goods/works	Approximate quantity of goods/works	Period of Completion/ Delivery
-------------------------------------	--	--------------------------------------

3. Interested eligible bidders may obtain further information from the office of the Gram Panchayat _____ [name]

4. A complete set of tendering documents may be purchased/obtained by any interested eligible bidder upon payment/free of cost, non-refundable fees as indicated below.

5. The tendering document may be obtained from the office of the Gram Panchayat _____ from _____ hrs to _____ hrs either in person or by post.

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(a)	Price of tendering document (non-refundable)	
(b)	Postal Charges	
(c)	Date of Commencement of sale of tendering document	
(d)	Last date for sale of tendering document	
(e)	Last date & time for receipt of tenders	
(f)	Time & Date of opening of tenders	
(g)	Place of opening of tenders	
(h)	Address for communication	

6. Earnest money of Rs. _____ shall be given by the bidders in form of cash/cheque/bank draft drawn in favour of _____ payable at _____ at the time of submission of the tender.
7. Tenders will be opened in the presence of Bidder's representatives who choose to attend on the specified date and time.
8. We look forward to receiving your tender and thank you for your interest in this Project.

Signature of Chairperson of WWC _____

Name & Address of GP _____

Receipt Book

[Refer Para 3.12 of the Community Procurement Manual]

Gram Panchayat _____ Block _____ District _____

Date: _____

Book No. _____

Receipt No. _____

Received with thanks from _____ a sum of Rs. _____ (Rupees
_____ in words) on account of Sale of Tender documents against NIT NO. _____ for
procurement of _____ in Cash/Cheque No. _____ dated _____ on
_____.

For Gram Panchayat _____

Signature _____

Secretary/Accounts Assistant

Note: Receipt to be prepared in duplicate wherein the Gram Panchayat shall keep the original copy.

Acknowledgement of Receipt of Quotation/Tender

[Refer Para 3.12 of the Community Procurement Manual]

Gram Panchayat _____ Block _____ District _____

Date: _____

Received from M/s _____, _____ (No. of sets) of tender documents
against NIT No. _____ dated _____ at _____ AM/PM.

Signature of Secretary/Accounts Assistant _____

Decision on the Tender Evaluation Report by Gram Panchayat

[Refer Para 3.12 of the Community Procurement Manual]

Gram Panchayat _____ Block _____ District _____

Venue: _____ Date: _____

A meeting of the GP was convened to discuss, deliberate and accord consent for the award of contract to the bidder with the lowest evaluated cost, as recommended by the WWC in the Tender Evaluation Report. On the basis of discussions held and subject to the observations mentioned hereunder the GP accord its consent to the award of the contract to M/s _____ for the procurement of _____ as per the terms, conditions, specifications mentioned in the Tender Documents. It is further recommended that the decisions taken here in the meeting be placed before the Project Unit Office for obtaining its comments/no objection/approval, on receipt of which the Gram Pradhan/ Up Pradhan should proceed with the issue of the Letter of Acceptance and the signing of the contract.

OR

On the basis of the discussions held, the review of the tender evaluation report and the recommendation of the WWC, it is observed that the tenders received are not substantially responsive for the reasons mentioned hereunder. The GP therefore accords its approval to reject all the tenders and instructs the WWC to proceed with the re-tendering for the procurement of _____

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Reasons:

- 1) _____
- 2) _____
- 3) _____
- 4) _____

Sl. No.	Members of the Gram Panchayat	
	Name	Signature
1.		
2.		
3.		
4.		

Tender Register

[Refer Para 4.02 of the Community Procurement Manual]

Technical Sanction No. & Date _____

Tender No. _____

NIT No. _____

Description of Goods, Works & Services _____

Estimated Cost of the Contract Rs. _____

PART-I

Sl. No.	Stages	Estimated Date	Revised Dates			Actual Date
			R-1	R-2	R-3	
1	Date of Approval of the Annual Procurement Plan by Gram Sabha					
2	Preparation of Tender Documents					

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3	Date of No Objection of NIT/Tender Documents by the Project authorities					
4	Date of Publication of NIT in Newspaper/Dispatch to firms, service providers mentioned in Yellow Page Directory					
5	Date of Commencement of Sale of Tender Documents					
6	Last date for Sale of Tender Documents					
7	Last date for receipt of Tender					
8	Date of Tender Opening					
9	Date of Approval of Tender Evaluation Report by GP					
10	Date of No Objection of Tender Evaluation Report by the Project					

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	authorities					
11	Date of Contract Signing					

Form 18 (contd.)

PART-II

Contract Details:		
1	Contract No.	
2	Name of the Supplier/Contractor	
3	Contract Amount (Rs.)	
4	Contract start date	
5	Contract end date	

Signature of the Secretary/Accounts Assistant

Register For Procurement through Quotations

[Refer Para 4.02 of the Community Procurement Manual]

Technical Sanction No. & Date _____

Request for Quotation No. _____

Description of Goods, Works & Services _____

Estimated Cost of the Order Rs. _____

S. No	Stages	Estimated Date	Actual Date
1	Date of Approval of the Annual Procurement Plan by Gram Sabha		
2	Date of issue of Request for Quotation (RFQ)		
3	Date of Market Survey by the PC		
4	Last Date for Receipt of RFQ/Market Survey		
5	Date of approval by WWC		

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6	Date of Approval of the GP for placing the Procurement Order		
7	Date of Procurement Order		
Procurement Details:			
1	Procurement Order (PO) No.		
2	Name of the Supplier/Contractor		
3	PO Amount (Rs.)		
4	PO start date		
5	PO end date		

Signature of the Secretary/Accounts Assistant

Contract/Procurement Order Register

[Refer Para 4.02 of the Community Procurement Manual]

Technical Sanction No. & Date _____

Contract/PO No. _____

Tender/RFQ No. _____

Contract/PO Amount Rs. _____

Name & Address of the Party _____

Description of goods/works/services _____

Voucher		Mode of Payment		Amount Paid (Rs.)	Total Amount Paid (cumulative) (Rs.)	Balance contract amount (Rs.)	Initials
No.	Date	Cheque/Bank Draft	Cash				
		Cheque/B.D. No.____ Date _____					

Signature of the Secretary/Accounts Assistant

PMR I - Procurement Management Report for Procurement through Tenders

[Refer Para 4.03 of the Community Procurement Manual]

Name of supplier	Tech. Sanction No./Tender No.	Tendering Process Dates (dd/mm/yy)													
		Tender Documents Ready		No objection from Project Unit Office		Last date for receipt of tender		Date of Tender opening		No objection of Tender Evaluation Report by Project Unit Office		Contract Signing		Contract end	
		Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual
Goods															

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Works															
Services															

(Signature of Secretary)

(Signature of Chairperson of WWC)

(Signature of Gram Pradhan)

Date:

Note: *The PMR shall be prepared in three copies - the GP and WWC would retain one copy each and one copy would be sent to the Project Unit Office.*

PMR II - Procurement Management Report for Procurement through Quotations

[Refer Para 4.03 of the Community Procurement Manual]

Name of supplier	PO No.	Procurement Process Dates (dd/mm/yy)													
		Date of Market Survey		Date of Issue of RFQ		Date of Approval Evaluation Report by Watershed Committee		Date of Approval by GP		Date of Procurement Order (PO)		Procurement Order Start Date		Procurement Order End Date	
		Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual
Goods															
Works															

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Services															

(Signature of Secretary)

(Signature of Chairperson of WWC)

(Signature of Gram Pradhan)

Date:

Note: *The PMR shall be prepared in three copies - the GP and WWC would retain one copy each and one copy would be sent to the Project Unit Office.*

PMR III - Procurement Management Report for Procurement through Direct Contracting

[Refer Para 4.03 of the Community Procurement Manual]

Sl. No.	Name of the Implementing Unit/Agency	Reference of Contract No./Procurement Order No.	Value of goods/works supplied/executed from the beginning of project up to the end of previous Quarter	Value of goods/works supplied/executed during the quarter under reporting	Total up to the end of quarter under reporting
1					
2					
3					
4					
5					
6					
7					

(Signature of Secretary)

(Signature of Chairperson of WWC)

(Signature of Gram Pradhan)

Date:

Note: *The PMR shall be prepared in three copies - the GP and WWC would retain one copy each and one copy would be sent to the Project Unit Office.*

"The cardinal principal of Procurement is that every public officer should exert the same vigilance in respect of public expenditure and custody and use of public property generally as a person of ordinary prudence would exercise in respect of the expenditure, custody and use of his own money and property".