

# **GUIDELINES FOR IMPLEMENTATION OF NATIONAL PROJECTS**

Government of India has approved a scheme of National Projects to be implemented during XI Plan with a view to expedite completion of identified National Projects for the benefit of the people. Such projects will be provided financial assistance by the Government of India in the form of Central grant which will be 90% of the estimated cost of such projects for their completion in a time bound manner. Based on the criteria mentioned in Para-I below, the Government of India has already identified 14 projects as given in Annex-I as National Projects.

## **I CRITERIA FOR SELECTION OF NATIONAL PROJECTS**

The criteria for selection of National Project will be as under:

- (a) International projects where usage of water in India is required by a treaty or where planning and early completion of the project is necessary in the interest of the country.
- (b) Inter-State projects which are dragging on due to non-resolution of Inter-State issues relating to sharing of costs, rehabilitation, aspects of power production etc., including river interlinking projects.
- (c) Intra-State projects with additional potential of more than 2,00,000 hectare (ha) and with no dispute regarding sharing of water and where hydrology is established

## **II PROCEDURE FOR INCLUSION AS NATIONAL PROJECT**

- (a) New projects could be considered for inclusion as National Projects on receipt of proposals from the State Governments in the prescribed format (as per Annexure-II), clearance from Expenditure Finance Committee/Project Investment Board and on the recommendation thereupon of a high powered Steering Committee constituted for the purpose of overseeing the entire process of selection and implementation of National Projects and the approval by the Union Cabinet.
- (b) State Governments may submit proposals in Form-1 given in Annex-II for inclusion of project as a National Projects. The proposals should be submitted through the Regional Office of Central Water Commission (CWC) with a copy each of the proposal to the CWC (HQ) and the Ministry of Water Resources.
- (c) The projects proposed for inclusion as National Projects should fulfill all the eligibility criteria required for funding under Accelerated Irrigation Benefit Programme (AIBP), including the investment clearance of the Planning Commission.
- (d) Only major irrigation/multi-purpose projects shall be eligible for inclusion as National Projects.
- (e) On receipt of a proposal from the State Government for inclusion of a project as National Project, the Ministry of Water Resources may send a team of officers to the project site with a view to make assessment of the present status of the project and to firm up the plans for its completion in a specified time-frame.

### **III FUNDING OF THE NATIONAL PROJECTS**

- (a) The Project authority should conduct an internal audit and submit the actual expenditure incurred and the balance requirement of funds duly certified by the State Government. So far as the Central Government is concerned, the commitment to fund these National Projects would be from the date of its inclusion as National Project.
- (b) The National Projects will receive central assistance in accordance with the approved guidelines for AIBP except for specific provision as mentioned in para III (c) and III (d).
- (c) The National Projects shall be eligible for 90% grant of the balance project cost (cost of work) of irrigation and drinking water components of the project. For the purpose of Central funding, the cost for drinking water component shall not include the works related to transmission and distribution network required exclusively for drinking water component.
- (d) The central assistance under the programme will be provided in two installments of 90% and 10% respectively of the annual grant requirement. The 2<sup>nd</sup> installment during the year will be released on production of utilization certificate of 80% grant released in the first installment along with State share. For the subsequent years, the first installment of grant will be released on utilization of 80% grant released till previous year along with the State share and submission of a report of physical achievements and the benefits from the project as stipulated in the MOU in proforma given in Annex-III.

- (e) All establishment and administrative costs on a National Project shall be entirely borne by the State Government.
- (f) The revised estimates for the projects funded as National Projects should be got approved from the Planning Commission at an interval of three years else, Ministry of Water Resources could stop funding to the project.
- (g) The central grant released to the State Government will be transferred by the State Government to the project authorities within 15 days of its receipt from the Central Government.
- (h) The State Government will submit audited statement of expenditure incurred on National Project within 18 months of release of Central Grant.

#### **IV WORK PLAN AND TIME SCHEDULE FOR COMPLETION OF NATIONAL PROJECTS.**

- (a) The State Government will provide along with the proposal for inclusion of a project as National Project, detailed year wise physical and financial programme for completion of various activities along with PERT/CPM Chart for the timely completion of various activities. It will also indicate year wise target of the benefits from the project. A Memorandum of Understanding (MoU) in proforma given at Annex-IV will be signed by State Government with the Ministry of Water Resources.
- (b) While submitting a proposal for techno-economical appraisal of the project to the Central Water Commission (CWC), the State Government will also indicate the programme for completion of the project in a time bound manner. The CWC will examine techno-economic viability of the project keeping in view the

time period proposed by the State Government for completion of the project and the same time frame will be adhered to in completion of the project.

- (c) The State Government will ensure timely completion of the project and will adopt appropriate measures such as Turn-Key or fixed time and fixed price contracts for this purpose. The works should be awarded by the State Government in distinct packages so that works of any package are not affected by the progress of works of other packages.
- (d) The State Government should consider incorporating provision of strong incentives/disincentives for the contracts for execution of the National Project to facilitate timely completion of the project.
- (e) The Command Area Development Programme should get implemented *pari passu* with project implementation.
- (f) Land records in the command of the proposed national projects should be updated, livelihood survey should be conducted and advance planning should be done along with dovetailing the various RD Programmes so that the agricultural produce could be marketed through communication networks in mandis and nearby markets.
- (g) The job of soil testing and issue of soil health cards to the farmers of national projects command should be completed before the irrigation benefits starts.

## **V. MONITORING OF NATIONAL PROJECTS**

- (a) The progress of work in respect of National Projects shall be closely monitored by the Central Water Commission/Ministry of Water Resources. The monitoring of National Projects will be field based with GIS based project implementation units linked with management information systems.
- (b) The State Government will keep close coordination with agricultural departments for the advanced crop planning and extension inputs to farmers of the command.
- (c) Achievement of targets of the potential creation from the project may also be got assessed by the Ministry of Water Resources through independent agencies and other means such as remote sensing technique.
- (d) The State Government shall send quarterly physical and financial progress reports in the proforma given in the Annex-V to the CWC/Ministry of Water Resources.
- (e) The State Government shall establish independent quality control organization and adequate number of quality control laboratories in the project areas to maintain quality of works. The sampling and testing will be required to be carried out in accordance with relevant BIS Codes.

## **VI. REVIEW BY STEERING COMMITTEE**

The implementation of National Projects will be reviewed from time to time by the High Powered Steering Committee constituted under chairpersonship of the Secretary (Water Resources). The

composition of the Steering Committee and its terms of references may be seen at Annexure-VI.

## **VI. EVALUATION AND IMPACT ASSESSMENT**

A concurrent evaluation of the Project and impact assessment of the project on its completion will be conducted by the State Government through a reputed independent organization to find out whether the envisaged objectives, outcomes and targets of the project have been achieved. The Ministry of Water Resources may also get the evaluation and impact assessment done separately. Funding for the evaluation and impact assessment will be provided by the Ministry of Water Resources through its ongoing Plan scheme "Research & Development Programme for Water Sector".

## List of projects declared as National Projects:

Sl. No.	Name of the Project	1) Irrigation (ha.) 2) Power (MW) 3) Storage (MAF)	State
1	Teesta Barrage	1) 9.23 lakh 2) 1000 MW 3) Barrage	West Bengal
2	Shahpur Kandi	1) 3.80 lakh 2) 300 MW 3) 0.016 MAF	Punjab
3	Bursar	1) 1 lakh (indirect) 2) 1230 MW 3) 1 MAF	J&K
4	2 <sup>nd</sup> Ravi Vyas Link	Harness water flowing across border of about 3 MAF	Punjab
5.	Ujh multipurpose project	1) 0.32 lakh ha 2) 280 MW 3) 0.66 MAF	J&K
6.	Gyspa project	1) 0.50 lakh ha 2) 240 MW 3) 0.6 MAF	HP
7.	Lakhvar Vyasi	1) 0.49 lakh 2) 420 MW 3) 0.325 MAF	Uttranchal
8.	Kishau	1) 0.97 Lakh 2) 600 MW 3) 1.04 MAF	HP/Uttranchal
9.	Renuka	1) Drinking water 2) 40 MW 3) 0.44 MAF	HP
10.	Noa-Dehang Dam Project	1) 8000 ha. 2) 75 MW 3) 0.26 MAF	Arunachal Pradesh
11.	Kulsi Dam Project	1) 23,900 ha. 2) 29 MW 3) 0.28 MAF	Assam
12.	Upper Siang	1) Indirect 2) 9500 MW 3) 17.50 MAF 4) Flood moderation	Arunachal Pradesh
13	Gosikhurd	1) 2.50 lakh 2) 3 MW 3) 0.93 MAF	Maharashtra
14	Ken Betwa	1) 6.46 lakh 2) 72 MW 3) 2.25 MAF	Madhya Pradesh

**Proforma for submission of proposal by State Government for inclusion as National Project**

- 1. NAME OF THE STATE :**
- 2. NAME OF THE PROJECT :**
- 3. BRIEF DESCRIPTION OF THE PROJECT :**

The project situated in ..... district of ..... state envisages construction of Head Works (give details) and Canal System (give details) to cover CCA of ..... ha. The project will provide irrigation benefits to ..... Ha Irrigable Command Area, the taluka and district wise break up of which is given in Annex. The ultimate irrigation potential of the project is ..... ha. The project has installed power generation capacity of .....MW of hydropower. The project is to provide drinking water benefits to the villages and towns as per details annexed herewith. The project was given investment clearance by Planning Commission in the year ..... for Rs..... crore. The latest estimated cost of the project is Rs..... crore at ..... price level (give status of approval of latest estimated cost) and expenditure incurred till (ending previous March) is Rs..... crore. The project was started during the year ..... and is proposed to be completed by .....

The physical progress (in percentage) of main components of the project as on (ending previous March) is as below:

S. No.	Component	% Progress
i)	Dam (H/Works)	%
ii)	Main & Branch Canals	%
iii)	Distributary system upto chuk outlets	%
iv)	Water Courses	%

The direct benefits achieved from project so far are.....

(Whether the project is receiving any external /domestic assistance? Only those components of the project which are not receiving any financial assistance from any other internal or external sources are to be considered for assistance as National Project. However, the State Government may raise State share from other sources.)

**4. COMPONENTS PROPOSED FOR FUNDING OF A NATIONAL PROJECT**

(a) Brief description of the components of the project proposed for Central grant:

Name of the component	Its present status	Target date of completion
1.		
2.		
3.		

Likely addition in irrigation potential/likely installed power generation capacity/likely drinking water benefits on completion of above mentioned components is .....

(b) Year-wise requirement of funds for works and likely direct benefits:

Year	Grant proposed	State Govt. share	Total	Likely direct benefits (Irrigation potential, installed power generation capacity etc.)
<b>Total</b>				

Provision made in the State Budget for the project : Rs. .... crore.

Break-up : For Works Rs. .... crores

For Establishment Rs.....crores.

(c) Programme of works for items to be covered :

Sl. No	Description of components	Unit	Total estimated Quantity	Quantity executed upto (March)	Quantity proposed for next year
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>I</b>	<b>Unit-I/Head Works</b>				

<b>1</b>		Dam/Barrage				
	i)	Land acquisition	Ha.			
	ii)	Earth work				
		a) Excavation	Th.cum			
		b) Embankment	Th.cum			
	iii)	Masonry work	Th.cum			
	iv)	Concrete work	Th.cum			
	v)	Gates	Nos.			
	vi)	Misc (pl. specify)				
<b>II</b>		<b>Unit-II</b>				
<b>1</b>		Main Canal, Branch Canal	Km			
	i)	Land acquisition	Ha.			
	ii)	Earth work	Th.cum			
	iii)	Lining	Th.sqm			
	iv)	Structures	Nos.			
	v)	Misc.(pl.specify)				
<b>2</b>		Distributaries & Minors				
	i)	Land acquisition				
	ii)	Earth work				
	iii)	Lining				
	iv)	Structures				
	v)	Misc.(pl.specify)				
<b>3</b>		Water Courses				
	i)	Land acquisition				
	ii)	Earth work				
	iii)	Lining				
	iv)	Misc.(Pl specify)				

(Salient Features of the project and Index Map showing National Project components to be appended).

Prevailing constraints/bottlenecks, if any, and remedial measures being taken to implement the project may please be mentioned.

**ADDITIONAL INFORMATION TO BE PROVIDED:**

1. Year wise physical and financial programme till completion of project in the following proforma:

**PHYSICAL PROGRAMME & PROGRESS**

- Item of work (only important items of works to be given)
- Total estimated quantity
- Quantity executed so far
- Balance quantity
- Year wise break up for execution of balance quantity till completion of project
- Year wise break up of the direct benefits from project

### **FINANCIAL PROGRAMME & PROGRESS**

- Item of work (only important items of works to be given)
- Total estimated cost
- Expenditure incurred so far
- Balance cost
- Year wise break up for execution of balance cost till completion of project

2. District and Taluka wise break up of Irrigable Command area along with district and taluka wise area covered so far may be given.
3. Other direct benefits from the project stipulated and achieved so far.
4. Status of all mandatory clearances along with copies of the clearances may be given.
5. Total land required to be acquired for the project with break up of Revenue, forest and private land and land acquired so far. Land required for reservoir and canal system may be given separately.
6. Status of Resettlement & Rehabilitation of project affected persons may be given covering number of villages likely to be affected with village wise numbers of project affected families (PAF), village wise number of families rehabilitated so far.
7. Details of ongoing contracts stating works covered, year of contract, year of completion of contract as per agreement, present status may be given along with reasons for delay in completion of contracted works.
8. Number of packages proposed for balance work with details of works to be covered, likely contract cost and time period of each package.

**PHYSICAL ACHIEVEMENT CERTIFICATE**

Certified that as per MOU signed by the State Government of..... with the Government of India for funding of ..... project as a National Project, the following were physical target/achievements of quantity and indirect and direct benefits of the project for the period ending .....

Sl. No.	Name of the component of work	Total quantity of work of the component		Target period ending.....	Actual achievement for period ending.....
	1. Headworks 2. Main and Branch Canal 3. Distribution System 4. Irrigation Potential				

The physical achievements for the corresponding period are shown against targets which have actually been achieved.

Sd-  
Principal Secretary/Secretary  
Water Resources/Irrigation Department

Dated:

**ANNEXURE-IV**

**Memorandum of Understanding between the Ministry of Water Resources, Government of India and Government of .....  
..... on completion of National Project.**

1. This memorandum of understanding is signed between the Ministry of Water Resources, Government of India and the Government of ..... for the completion of the ..... project in.....years under the central assistance programme for National Projects of the Government of India.
2. The ..... project was approved by the Planning Commission in..... for Rs. .... crore to irrigate ..... ha., to generate hydropower of .....units and to provide .....MCM of drinking water annually. Other benefits proposed from the project are.....
3. According to the State Government, the latest estimated cost of the project is Rs..... crore (.....price level), and the expenditure incurred till ..... is Rs..... crore. The benefits realized from project so far are.....
4. The balance cost for completion of the project is thus Rs..... crore with balance benefits to be realized as..... The physical and financial details of the components to be covered under this programme are annexed along with annual physical and financial programme till completion of project with annual targets of the benefits to be realized from the project which will be part of this Memorandum of Understanding.

5. The Ministry of Water Resources, Government of India agrees to extend Central Assistance to cover the 90% balance cost of irrigation and drinking water components of the project of Rs..... crore for the completion of the project in.....years subject to the following conditions:

- i) The project will be completed by the Government of ..... by ..... . Its completion will be informed immediately thereafter to the CWC, Ministry of Water Resources and the Planning Commission for deleting the project from the list of on-going projects.
- ii) The Central Assistance will be provided on year to year basis. The assistance for a year will be provided in two installments of 90% and 10% respectively.
- iii) The 2<sup>nd</sup> installment during 1<sup>st</sup> year will be released on production of utilization certificate of 80% grant released in the 1<sup>st</sup> installment along with State share signed by the Secretary (WR/Irrigation of the State Government).
- iv) The 1<sup>st</sup> installment of Central Assistance during 2<sup>nd</sup> and subsequent years will be released on production of utilization certificate of 80% grant released till previous year with State share duly signed by the Secretary (WR/Irrigation) of the State with a certificate incorporating physical achievements and the benefits from the project as stipulated in the MOU.
- v) If the State Government fails to achieve physical targets in stipulated time limit, the central government may consider converting grant

released to the project into loan which will be required to be repaid by the State Government along with applicable rate of interest.

- vi) The project will be closely monitored by the Central Water Commission and the release of the CA will be based on the recommendation of the Central Water Commission.
- vii) The State Government shall establish independent quality control organization and adequate number of quality control laboratories in the project area to maintain quality of works. The sampling and testing will be carried out in accordance with relevant BIS Codes.
- viii) The State Government will provide Annual audited Statement of expenditure for the expenditure incurred on National Project corresponding to the Central Grant released under AIBP within 18 months of release of grant for the project.
- ix) The State Government shall transfer central grant released to the project to the project authorities within 15 days of its receipt from the Government of India

In case of violation of any of the conditions of guidelines of National Project and this MOU, the central Government may consider withdrawing the project from the list of National Project. In such cases, the entire grant released to the project will be treated as loan which will be required to be repaid by the State Government to the Central Government along with applicable interest thereupon as prescribed by the Ministry of Finance from time to time.

Signed on the day ..... 200

, at New Delhi.

For and on behalf of the Govt.

For and on behalf of

Of .....

Government of India

Secretary (WR/Irrigation)

Commissioner (PR)

Government of .....

Ministry of Water  
Resources

**No.27/1/2005-PR-PART-III**  
**Government of India**  
**Ministry of Water Resources**  
**(Project Section)**

**631-Shrmam Shakti Bhavan**  
**New Delhi 110001 Dated 9<sup>th</sup> April,2008**

Subject:- Constitution of Steering Committee for implementation of National Projects

The Union Cabinet in its meeting held on 7<sup>th</sup> February 2008 has approved the scheme for implementation of National projects proposed by the Ministry of Water Resources which inter-alia contains selection criteria for National Projects, implementation strategy, funding arrangement etc. The proposal also contains constitution of a high powered Committee for implementation of the proposals of National Projects. Accordingly, a high powered Steering Committee for the implementation of National Projects as given below is constituted:

1	Secretary (Water Resources)	Chairperson
2	Secretary (Expenditure), Ministry of Finance	Member
3	Secretary, Ministry of Environment & Forest	Member
4	Principal Advisor (Water Resources), Planning Commission	Member
5	Secretary, Ministry of Power	Member
6	Secretary, Ministry of Rural Development	Member
7	Chairman, Central Water Commission	Member

Chief Engineer, Project Preparation Organization, CWC will function as Secretary to the High Powered Steering Committee for implementation of the National Projects.

The meetings of the Committee will be convened as and when considered necessary but at-least once in three months to review the implementation of the National Projects. The terms of reference of the Committee are as under:

1. To recommend implementation strategies for National Projects.

2. To monitor implementation of National Projects.
3. To examine the proposal(if any) for inclusion of new projects as National Project and make appropriate recommendation to the Government.

A copy of Extract of Cabinet Note on National Projects and Scheme of National Projects is enclosed along with brief details of the 14 projects approved by the Central Government as National Projects.

Encl:- As above

(INDRA RAJ)  
Commissioner (PR)

Copy to:

1. Secretary(Expenditure), Ministry of Finance, North Block, New Delhi.
2. Secretary, Ministry of Environment & Forest, CGO Complex, Lodhi Road, New Delhi.
3. Principal Advisor(Water Resources), Planning Commission, Yojana Bhavan, New Delhi.
4. Secretary, Ministry of Power, Shram Shakti Bhavan, New Delhi.
5. Secretary, Ministry of Rural Development, New Delhi
6. Chairman, Central Water Commission, Sewa Bhavan, R.K. Puram, New Delhi.

Copy forwarded for information to:

PS to Secretary(WR), Shram Shakti Bhavan, New Delhi.

**Profroma for Quarterly Physical and Financial Progress**  
**(For period ending.....)**

- a) Name of the Project
- b) Name of the State
- c) Total grant released till date
- d) Corresponding State Share
- e) Corresponding expenditure actually incurred.

- f) Direct benefits proposed as per MOU
- g) Corresponding achievement
- h) Indirect benefits proposed as per MOU
- i) Corresponding achievement

Sr.No.	Item of Work	Total Quantity as per MOU	Quantity proposed up to the period.....	Quantity actually executed	Estimated cost as per MOU corresponding to (4)	Actual expenditure incurred for quantity executed	Reasons for shortfall for physical & financial achievements.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)