

Proceedings of the Karnataka Government

Subject:- To accord approval for implementation of In-Village distribution works consisting of metered Functional Household Tap Connection (FHTC) to Rural households across the State by Rural Drinking Water & Sanitation Department, Karnataka through Jal Jeevan Mission Funds and loan financing from the **World Bank**.

Read:- Chief Engineer, RDWSD e-office file No. RDWSD-TECHDCN/28/2021

Preamble:

Jal Jeevan Mission (JJM) launched by GoI on 15th August 2019, has the objective of providing Functional House Tap Connections (FHTC) to all the Rural households by 2024. The scheme is implemented in the State of Karnataka by the name "Mane Manege Gange".


Rural Drinking Water & Sanitation Department (RDWSD) being the Nodal Department for implementation of rural drinking water supply projects across the State, moved proposals seeking budgetary assistance for implementation of the In-Village distribution works in multiple districts of the State.

The State of Karnataka being the second most arid State in the Country, has about 91.19 Lakh rural households. Out of which, about 28.15 Lakh FHTCs have been provided till the end of March 2021. The State has a large target of balance to provide about 63 lakhs FHTCs by 2024.

Government of Karnataka (GoK) proposes to provide 100% metered Functional Household Tap Connections (FHTCs) to all rural households in Karnataka by 2024 by pooling funds from Jal Jeevan Mission, funds of GoK, contribution from Gram Panchayats and rural households. The total coverage as on 01.04.2021 is 28.15 (31%) lakh households.

RDWSD has effectively tied up funds for Multi-Village Schemes from Jal Jeevan Mission and NABARD. In order to execute and support the implementation of In-village distribution works, RDW&SD has planned to seek loan assistance from the World Bank through "**Program for Results**" (P for R) financing instrument.

In P for R instrument, disbursement of funds from the World Bank Loan is directly linked to specific achievement of program results. These results are compared against the achievement under Disbursement Linked Indicators (DLI) and it can be in the form of outputs (House Tap Connection) or outcomes (Functional House Tap Connection with defined service level-quantity and quality). World Bank through P for R instrument, focuses and pays for achieving good results.



The JJM programme focuses on supply of water on regular basis to rural households with minimum service level of 55 LPCD and prescribed quality as per BIS:10500 Standards. This necessitates the use of modern technology in planning and implementation of water supply schemes, development of water sources, treatment and supply of water, empowerment of Gram Panchayat/ local community, focus on service delivery, partnership with other stakeholders, convergence with other programmes, systematic monitoring of the programme and to capture service delivery data automatically for ensuring the quality of services.

This proposal is to seek approval for increasing the access of rural communities to improved and sustainable Drinking Water Supply services by (a) providing metered and functional household tap connections (FHTCs) in rural areas with 55 LPCD of treated water and (b) strengthening the institutional and service delivery systems for rural drinking water supply and build capacity of sectoral stakeholders to operate, maintain and sustain rural water supply service delivery in Karnataka.

Loan assistance from the World Bank will expand the fiscal space, which is very much needed now in the State for implementing JJM. Since substantial investment is lined up in implementation of various Multi-Village Schemes and Single Village Schemes, RDWSD has ample fund absorption capacity. Over and above all, the loan assistance from the World Bank is offered at a competitive and cost effective rate.

In order to achieve JJM target of covering all households with FHTCs by 2024, a total amount of about Rs.9,152Crores is required for carrying out the in-village works. The in-village works will be implemented through GoI funds, State Government funds, Gram Panchayat funds like Fifteenth Finance Commission Grants and Community Contribution. Out of the total funds required for implementing in-village works, RDWSD has planned to seek financial assistance from World Bank in the form of a loan for Rs.2723.00Crores. RDWSD has proposed to seek the loan assistance under the lending instrument, 'Program-for-Results' (P for R) of the World Bank. Thus, this will enable and help the State to implement and complete In-Village distribution works, from which Functional House Tap Connections can be provided on a saturation mode to rural households in the State.

In view of the above background and as per the transparency Act, Administrative Approval has to be accorded in order to implement the projects for providing FHTCs pertaining to implementation of JJM, hence this order.

Government Order NO:RDWSD 25 RWS(4) 2022 Bangalore, Dated:17.01.2022

As explained in the preamble, the Government is pleased to accord Administrative Approval for implementation of In-village distribution works consisting of metered Functional Household Tap Connection (FHTC) for "**Karnataka Rural Drinking Water Supply Project**" through Jal Jeevan Mission Funds and loan financing from the **World Bank** with the following points:-




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- • Implementation of In-Village distribution works covering various districts across the State for a total cost of **Rs.9,152crores.**
- Raising loan from the World Bank under 'P for R' instrument for an amount of **Rs.2,723Crores** for implementation of this project.
- Dovetailing of the project with Jal Jeevan Mission and utilization of grants from **Government of India** for implementation of the project that accounts to **Rs.3,890Crores.**
- State sector funding of **Rs.1,167Crores** through budgetary allocation for implementation of In-Village distribution works covering various districts across the state.
- Gram Panchayat cost sharing (including Community Contribution and Fifteen Finance Commission) of Rs.1372.00Crore.
- To request the Department of Economic Affairs, Ministry of Finance, GoI, to obtain a loan of **Rs.2,723Crores** from **World Bank under P for R Instrument.**

2. This Order has been published as per the concurrence of the Finance Department vide Note No. **FD/398/EXP-6/2021 dt. 18.11.2021.**

**By Order and in the name of the
Governor of Karnataka**


**Ex-officio Deputy Secretary to Government(Dvpt.)
Rural Drinking Water and Sanitation Department.**

Copies:

1. Accountant General, (Accounts-AG/A&E) Karnataka, Bangalore.
2. Accountant General (AU-I-G&SSA-AUDIT) Karnataka, Bangalore.
3. Additional Chief Secretary to Government and Personal Secretary to Development Commissioner, Vidhana Soudha, Bangalore.
4. Additional Chief Secretary to Government, Finance Department, Vidhana Soudha, Bangalore.
5. Under Secretary to Government, Expenditure-6 (Zill Panchayath), Finance Department, Vidhana Soudha, Bangalore.
6. Chief Engineer, RDWS&SD, Bangalore.
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10. Director, Sri Abdul Nazeer Sab, Rural Development State Institution, Lalith Road, Mysore.
11. Personal Secretary to Principal Secretary, RDPR. Bangalore.
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